




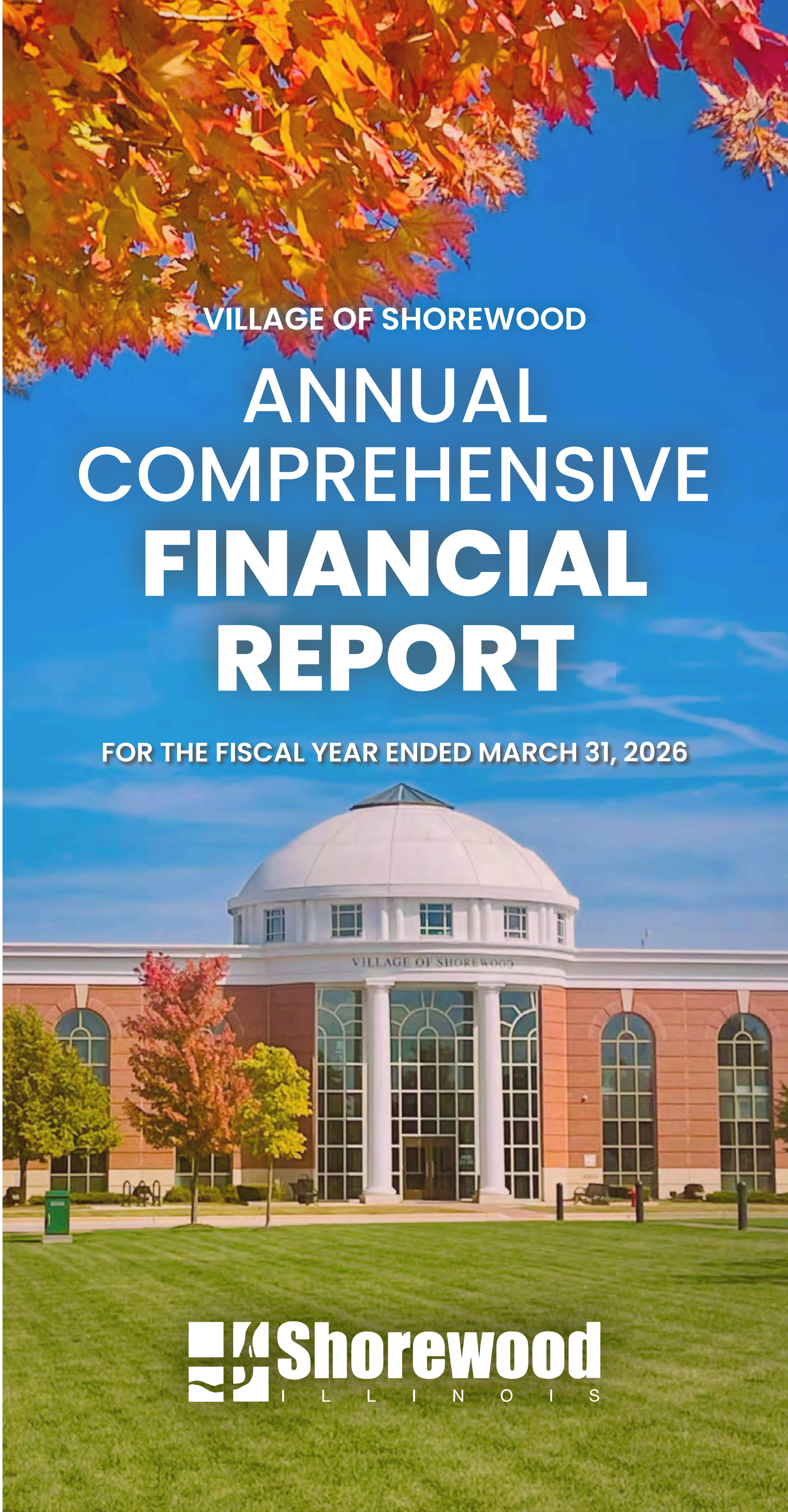

VILLAGE OF SHOREWOOD

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED MARCH 31, 2026

Shorewood
ILLINOIS

VILLAGE OF SHOREWOOD, ILLINOIS

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

For the Year Ended
March 31, 2026

Prepared by the Finance Department

Anne R. Burkholder
Village Treasurer and
Finance Director

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STATISTICAL SECTION (UNAUDITED) (Continued)

INTRODUCTORY SECTION

VILLAGE OF SHOREWOOD, ILLINOIS

PRINCIPAL OFFICIALS

March 31, 2026

LEGISLATIVE

VILLAGE BOARD OF TRUSTEES

Clarence C. DeBold, President

Thomas D. Amos	Richard E. Chapman
Molly M. Babyak	Anthony M. Luciano
Stevan A. Brockman	Scott R. Selfridge

Lona Jakaitis, Village Clerk

VILLAGE ADMINISTRATOR

Aaron Klima

FINANCE DIRECTOR

Anne R. Burkholder, Director and Treasurer

Village of Shorewood
Organizational Chart

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Shorewood
Illinois

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

March 31, 2025

Christopher P. Morrill

Executive Director/CEO

August 25, 2026

To the Honorable President,
Members of the Village Board
Citizens of the Village of Shorewood:

The Annual Comprehensive Financial Report for the Village of Shorewood, Illinois (Village) is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the Village. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and changes in financial position of the various funds of the Village and the Village as a whole at the entity-wide level. All disclosures necessary to enable the reader to gain an understanding of the Village's financial activities have been included.

We are pleased to report that the independent audit firm Sikich CPA LLC has issued an unmodified opinion on the Village's financial statements for the year ended March 31, 2026. The independent auditors' report is located at the front of the financial section of the Annual Comprehensive Financial Report.

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

Profile of the Village of Shorewood

The Village of Shorewood was incorporated in 1957 under the provisions of Chapter 24 of the Illinois Revised Statutes, as amended, and at the close of the fiscal year operated as a home rule until of government. The Village is located in Will County in the State of Illinois and is 40 miles southwest of Chicago. The Village of Shorewood is located adjacent to the intersection of Interstate 55 and Interstate 80 and further accessed by State Highway Routes 52 and 59. The Village of Shorewood currently occupies a land area of 7.0 square miles with a potential planning area of twenty square miles. The 2020 census listed a population of 18,186 residents, a 3.9% increase over the 2017 special census of 17,495 residents. Shorewood is empowered to levy a property tax on real property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

The Village operates under a council-manager form of government as defined by the Illinois Municipal Code. The Village President, Village Clerk, and six trustees are elected at large to serve four-year terms, with three trustees elected every second year. The Village Administrator is hired by the Village President and the Board of Trustees. All department managers are hired by the Village Administrator.

Management of the Village is responsible for establishing and maintaining internal controls designed to provide assurance that the assets of the Village are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

One Towne Center Blvd. ■ Shorewood, IL 60404 ■ 815-725-2150 ■ Fax 815-744-6766

The Village provides a full range of services. These services include police protection, water and sanitary sewer service, stormwater sewer service, park and recreation programs, construction and maintenance streets and other public infrastructure, refuse removal, planning and zoning, code enforcement, and financial and general administrative services. The Village of Shorewood is also served by two independent agencies: the Shorewood-Troy Public Library and the Troy Fire Protection District.

The Village adopts a final budget no later than the close of the fiscal year but continues to operate under the Appropriation Ordinance which is filed no later than June 30th of each year. The annual budget serves as the foundation for the Village of Shorewood's financial planning and control. The budget is prepared by fund, department, and program. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the budgeted amount) is established at the fund level. The Village operates several unbudgeted funds including Drug Prevention and Asset Forfeiture. Revenues and expenses in these funds are infrequent, immaterial, and nonrecurring. When transactions occur, they are subject to the Village's purchasing policy and Village Board approval.

Factors Affecting Financial Condition

Single family home construction began to rebound in the current year, with 29 permits issued in the 2025-26 fiscal year. The Village is nearing completion of construction of available lots in existing subdivisions. One national home builder is presently under construction on two separate sites:

- A 139-unit single family development in the Towne Center Subdivision
- A development on Seil Rd encompassing 110 townhomes and 214 Single Family homes

Additionally, a mixed-use development in the Towne Center area bringing rental, commercial, and multi-family units began construction in early 2026. A separate apartment project was approved in June, 2026 for construction to begin in 2027.
The Village is optimistic that this growth will continue; however, any revenues derived from growth are not calculated into future projections until they are recognized.

Commercial development continues within the Village. The focus of commercial development has shifted to encourage growth westward along Route 52. Two projects were recently completed westward on Route 52:

- The construction of a YMCA facility, financed in partnership with the Village of Shorewood
- A new veterinary facility in the Towne Center Development

Sales tax is the largest single source of revenue in the General Fund, and the current year resulted in a total of $6,922,002 of 1% Municipal Tax and $9,344,931 of 2% Home Rule Sales Tax. This represents the largest single-year total to date. The Village is committed to diversifying the sales tax base.

The Village's water supply is currently served by both shallow and deep wells with a water treatment facility to treat the water from the deep wells. Shorewood, with five other communities is a member of the newly created Grand Prairie Water Commission (GPWC). The GPWC will be responsible for the construction of a new water delivery system which will bring treated water from the City of Chicago to the Village and other members of the GPWC. Total construction costs are approximately $1.4 billion. The Village represents 8% of the Commission. Payment to the Commission will be made as a cost of purchased water through the Village's water system. A range of financing tools are being considered to fund this project, including grants, state and federal loans, and bonds. Additional information can be found on the commission's website at www.gpwc-il.org. The financial implications of this project are represented in this document via a sub-fund of the Water & Sewer Enterprise Fund. In the current year, the Village made a deposit of $20M accrued from this sub-fund toward these capital costs to the GPWC. Additionally, an investment in Joint Venture toward the GPWC is now recorded to establish the Village's investment in the Commission.

Long-Term Financial Planning

The Village of Shorewood has established a resolution establishing a fund balance policy for the General Fund (Resolution No. 11R-784) in compliance with GASB 54. The fund balance is the reserve of the general fund and as such, the Village Board recognizes that a sufficient level of unrestricted fund balance should be assigned for operating reserves for the continued and orderly operation of the Village of Shorewood, the provision of services to the residents, and the continued stability of the tax structure.

Furthermore, an assigned operating reserve should be maintained in the General Fund sufficient to handle emergency needs and be available to cover unfavorable variances in estimating the revenue and expenditure budget. The Village Board has established that the level of the assigned operating reserve in the fund balance for the General Fund sub-fund should be three months (25%) of the current fiscal year's operating expenditures. With yearly General Fund sub-fund expenditures for 2026 at $16,131,457 and a General Fund sub-fund unrestricted fund balance at March 31, 2026 of $6,010,478, the Village is compliant with this resolution.

Independent Audit

State statutes require an annual audit by independent certified public accountants. The accounting firm of Sikich CPA LLC was selected by the Village Board. The auditor's report on the basic financial statements and combining and individual fund financial statements and schedules is included in the financial section of this report.

Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Shorewood for its annual comprehensive financial report for the fiscal year ended March 31, 2025. This was the nineteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the finance and administration departments. We wish to express our appreciation to all members of these departments who assisted and contributed to the preparation of this report. Most importantly, we would like to thank the Village President and Board of Trustees for their leadership and support in planning and conducting the financial operations of the Village in a responsible and progressive manner.

Respectfully submitted,

Aaron Klima
Village Administrator

Anne R. Burkholder
Finance Director/Village Treasurer

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

SIKICH®

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Shorewood, Illinois (the Village) as of and for the year ended March 31, 2026 and the related notes to financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Shorewood, Illinois, as of March 31, 2026, and the respective change in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

We did not audit the financial statements of the Grand Prairie Water Commission, which represents 1.14%, 1.50%, and 6.08%, respectively, of the assets, net position, and revenues of the business-type activities as of March 31, 2026. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Village's investment in joint venture and intergovernmental receivable, is based solely on the report of the other auditors.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards,* we:

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

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

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

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

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

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

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinion on the Village's basic financial statements as a whole. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information 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 the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2026, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Sikich CPA LLC

Naperville, Illinois
July 28, 2026

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Village of Shorewood, Illinois (the Village) as of and for the year ended March 31, 2026, and the related notes to financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated July 28, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Sikich CPA LLC

Naperville, Illinois
July 28, 2026

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

VILLAGE OF SHOREWOOD, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

March 31, 2026

As the management of the Village of Shorewood (the "village"), we offer readers of the village's financial statements this narrative overview and analysis of the village's financial activities for the fiscal year ended March 31, 2026. This discussion and analysis is designed to:

- Assist the reader in focusing on significant financial issues
- Provide an overview of the village's financial activities
- Identify changes in the village's financial position (its ability to address the next and subsequent year challenges)
- Identify any material deviations from the financial plan (the approved budget),
- Identify individual fund issues or concerns.

We encourage readers to consider information presented here in conjunction with additional information presented in our letter of transmittal found on pages iv–vi and the village's financial statements which begin on page 7.

Financial Highlights

- The assets and deferred outflows of resources of the village exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by $202,332,555 which includes the net investment in capital assets of $123,819,855.

- As of the close of the current fiscal year, the village's governmental funds reported combined ending fund balances of $17,810,370, an increase of $1,383,437 in comparison with the prior year.

- Approximately 77% of this total fund balance amount or $13,831,759 is available for spending at the government's discretion as unrestricted fund balance.

- At the end of the fiscal year, assigned and unassigned fund balance for the General Fund sub-fund (pg. 79) was $6,267,767, which represents 39% of the total General Fund sub-fund expenditures for the fiscal year.

USING THE FINANCIAL SECTION OF THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT

The focus of the financial statements is on both the village as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government) and enhance the village's accountability.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the village's finances, in a manner similar to a private sector business.

The *Statement of Net Position* presents information on all of the village's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. This statement combines and consolidates governmental fund's current financial resources (short-term, spendable resources) with capital assets and long-term obligations using the accrual basis of accounting which maintains its measurement focus on economic resources rather than spendable financial resources. 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.

The *Statement of Activities* presents information on how the village's net position has 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 cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g. earned but unused employee leave time). The *Statement of Activities* also reports the extent to which various expenses for governmental or business-type functions are dependent upon user-charges, grant sources, or general tax and other revenues.

Both of the government-wide financial statements distinguish functions of the village which are principally supported by taxes and intergovernmental revenues (governmental activities) from those functions which are intended to recover all or a significant portion of their costs through user-fees and charges (business-type activities). The Governmental Activities reflect the village's basic services, including police, public works (including refuse hauling), parks, and administration. Shared state sales tax, utility taxes, real estate taxes, and shared state income taxes finance the majority of these services. The Business-type Activities reflect private sector type operations (Water and Sewer) where the charges for service typically cover all or most of the cost of operation, including depreciation.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The village uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the village's most significant funds rather than the village as a whole. Major Funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The funds encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term. The government-wide financial statements provide a long-term view. These two perspectives can provide insight into the long-term impact of short-term financing decisions. Both the governmental funds balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances are followed by statements reconciling the differences between these two perspectives.

The village adopts an annual budget for each of its governmental funds. A budgetary comparison statement has been provided in the required supplementary information section or the combining and individual fund financial statements and schedules section of this report to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 11-14 of this report.

Proprietary Funds: The village maintains one proprietary fund, also referred to as an enterprise fund, to account for its water and sewer activities. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements and use the economic resources measurement focus and accrual basis of accounting, similar to private-sector businesses.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Water and Sewer Fund data, including budget compliance information, is located in the combining and individual fund financial statements and schedules section of this report.

The basic proprietary fund financial statements can be found on pages 15-19 of this report.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The village maintains one fiduciary fund which accounts for the resources of the Shorewood Police Pension Fund.

The fiduciary fund financial statements can be found on pages 20-21 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22-65 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the village's progress in funding its obligation to employee retirement and other postemployment benefit plans. Required supplementary information can be found on pages 66-77 of this report.

Major funds are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report beginning on page 78. The last section of the report is the statistical section beginning on page 99 and includes information on government-wide revenue and expenses, property taxes, and miscellaneous statistics.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Statement of Net Position

The following table presents a condensed Statement of Net Position as of March 31, 2026 compared to the prior year ended March 31, 2025.

Condensed Statement of Net Position as of March 31, 2026 (in millions)

	Governmental Activities		Business-Type Activities		Total	
	2026	2025	2026	2025	2026	2025
Current and other assets	$ 23.96	$ 21.78	$ 68.46	$ 68.30	$ 92.42	$ 90.08
Capital Assets	110.38	110.95	54.23	39.88	164.61	150.83
Total Assets	**134.34**	**132.73**	**122.69**	**108.18**	**257.03**	**240.91**
Deferred Outflows of Resources	2.11	2.09	0.82	0.83	2.93	2.92
Total Assets and Deferred Outflows of Resources	**136.45**	**134.82**	**123.51**	**109.81**	**259.96**	**243.83**
Long-term Liabilities	18.38	20.63	26.78	17.22	45.16	37.86
Other Liabilities	2.07	2.17	3.13	2.21	5.20	4.38
Total Liabilities	**20.45**	**22.80**	**29.91**	**19.44**	**50.36**	**42.24**
Deferred Inflows of Resources	7.05	4.36	0.22	0.03	7.27	4.40
Total Liabilities and Deferred Inflows of Resources	**27.50**	**27.16**	**30.13**	**19.47**	**57.63**	**46.63**
Net position:						
Net investment in capital assets	96.79	97.38	27.03	27.74	123.82	125.12
Restricted	3.64	2.61	0.34	0.34	3.98	2.95
Unrestricted	8.52	7.67	66.01	61.46	74.53	69.12
Total Net Position	**$108.95**	**$107.66**	**$ 93.38**	**$ 89.54**	**$ 202.33**	**$ 197.19**

Net position may serve over time as one useful indicator of a government's financial condition. The assets and deferred outflows of resources of the Village of Shorewood exceeded the liabilities and deferred inflows of resources by $202,332,555 as of March 31, 2026. Total net position increased by $5.14M in 2026 compared to the prior year. Of this amount, Governmental activities accounted for an increase of $1.3M while Business-type activities increased by $3.84M.

The largest portion of net position (63%) reflects the village's net investment in capital assets (land, streets, water mains, sewers, building, bridges, machinery, and equipment) less any debt issued to acquire the capital assets. The village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

Restricted net position represents resources that are subject to external restrictions on how they may be used. Governmental restricted net position includes Motor Fuel Tax funds for the maintenance of roadways, building permit fees designated for park construction, real estate taxes dedicated for economic development uses in the TIF, as well as asset forfeiture funds. Restricted net position in the business-type activities is presented for future debt payments.

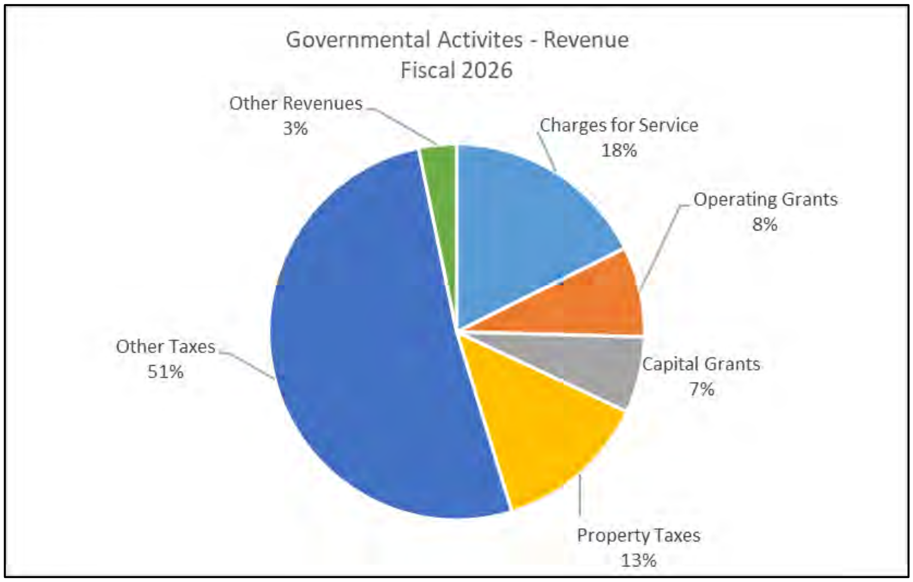
Changes in Net Position (from the Statement of Activities)

For the fiscal year ended March 31, 2026, revenue from all sources totaled $46.98M. Governmental revenue accounted for $23.89M of that total, while business-type activities accounted for $23.09M. Expenses for all functions totaled $41.84M with $31.09M for governmental activities and $10.75M for business-type activities.

Condensed Statement of Activities for the Year Ended March 31, 2026 (in millions)

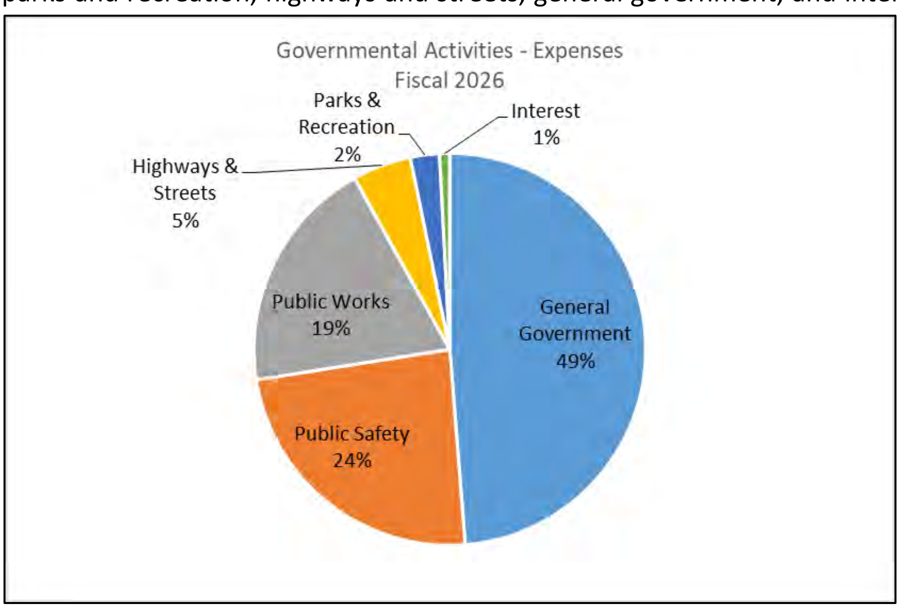
	Governmental Activities		**Business-Type Activities**		**Total**	
	2026	2025	2026	2025	2026	2025
Revenues:						
Program revenues:						
Charges for services	$ 4.22	$ 4.23	$ 11.23	$ 9.82	$15.45	$14.05
Operating grants and contributions	1.85	2.27			1.85	2.27
Capital grants and contributions	1.57	2.58		0.75	1.57	3.33
General revenues:						
Real estate taxes	3.17	2.86			3.17	2.86
Other taxes	12.30	11.56	8.98	7.85	21.28	19.41
Other	0.78	1.14	2.88	2.58	3.66	3.72
Total revenues	23.89	24.64	23.09	21.00	46.98	45.64
Expenses:						
General government	15.15	5.90	-	-	15.15	5.90
Public safety	7.39	7.05	-	-	7.39	7.05
Public works	6.03	6.06	-	-	6.03	6.06
Highways & Streets	1.51	0.94	-	-	1.51	0.94
Parks & Recreation	0.75	2.47	-	-	0.75	2.47
Interest	0.26	0.28	-	-	0.26	0.28
Water & Sewer	-	-	10.75	9.83	10.75	9.83
Total expenses	31.09	22.70	10.75	9.83	41.84	32.53
Excess (Def) before Transfers	(7.20)	1.94	12.34	11.17	5.14	13.11
Transfers	8.50	0.17	(8.50)	(0.17)	-	-
Change in Net Position	1.30	2.11	3.84	11.00	5.14	13.11
Net Position, 4/1, a Reported	107.65	105.77	89.54	78.59	197.19	184.36
Change in accounting principle	-	(0.23)	-	(0.05)	-	(0.28)
Net Position, 4/1, as Restated	107.65	105.54	89.54	78.54	197.19	184.08
Net position, March 31	**$ 108.95**	**$ 107.65**	**$ 93.38**	**$ 89.54**	**202.33**	**$ 197.19**

Governmental Activities



Revenues - For the fiscal year ended March 31, 2026, governmental revenues total $23.89M with 65% coming from taxes. Property taxes totaled $3,172,054 of governmental revenues; an increase of 10.83% from the prior year. The increase in property tax revenue is the result of additional pension requirements, EAV and additional increment received in the TIF. The Village's combined direct property tax rate remained constant year over year. Charges for service at $4,217,462 represent 18% of total governmental revenues. This is a decrease of $12,478 from the prior year. This revenue category includes fees, licenses, and refuse removal. Decreases in building permit revene, development fees, and court fines were partially offset by increases in refuse and recylcing fees, and contractor licenses leading to an overall 0.29% decrease in this category. Capital Grants, representing 6.56% of total revenues, is an additional revenue stream in the current fiscal year. The Village is always applying and competing for grants and capital contributions. With the aid of legislative officials, the Village was able to recognize several grants to assist in ongoing infrastructure projects in town. It is normal for this revene stream to fluctuate annually.

Expenses - Expenses for governmental activities totaled $31,087,035 including public safety, public works, parks and recreation, highways and streets, general government, and interest expense functions. Public safety expenses are mainly accounted for in the police department in the General Fund and totaled $7,390,736 or 24% of total expenses. This represents an increase of $343,417 or 5% over the prior year. The increase is attributed to normal wage and benefit increases. Public works made up 19% of all governmental expenses in 2026 with $6,032,344. Public works expenses are accounted for in the Public Works department of the



General Fund and in the Capital Projects Fund. The change from the prior year is a decrease of $28,037, or 0.46%. Normal wage and benefit increases were offset by temporary staff vacancies as well as several one-time savings on commodities purchases. General government expenses are also accounted for in the General Fund and include the Village Board and Administration, Professional Services, Liability Insurance, Finance, and Community Development Departments. Total general government expenses were $15,152,504 or 48% of all governmental expenses in 2026. This is an increase of $9,253,451 or 157% from the prior year. The Village made a total contribution of $10,000,000 for the construction of a new YMCA facility in town. It was split between Fiscal Years 2025 ($1,250,000) and 2026 ($8,750,000). This contribution accounts for the majority of fluctuation between years for general government expenses. Additional items contributing to this category include an increase in the cost of liability and worker's compensation insurance. The Village expects this expense category to return to an amount comparable to FY 2025 in FY 2027. Interest expense of $258,937 was recorded in the Debt Service Fund and is the interest paid on outstanding debt along with the costs of maintaining debt during the current year. This represents a decrease of $24,290 from the prior year in the typical fashion of a level debt service schedule.

Business-Type Activities

Revenue - Charges for water and sewer service rose from the prior fiscal year with a plus variance of 14.32%. Sewer rates increased with an effective date of April 1, 2026, due to an increase in rates charged to the Village by the City of Joliet as well as the results of a comprehensive water and sewer rate study implemented by the Village. The following chart outlines the water rate changes, as well as the intended use for increased fees. The column for operations is the volumetric rate used to fund day to day operations of the Village's water utility. The column for Lake Water is used to fund the Village's connection to Lake Michigan Water and is recorded as revenue in the Sustainable Water Source sub-fund of the Water and Sewer Fund

Village of Shorewood
Water Rate Changes

Date	Operations*	Lake Water	Total Rate per 1,000 gal	% Change per 1,000 gal
Prior to 4/1/24	$ 4.48	$ 1.90	$ 6.38	
4/1/2024	4.61	3.40	8.01	25.54%
4/1/2025	4.75	4.90	9.65	20.47%
4/1/2026	4.89	6.40	11.29	16.99%

*Rates are per 1,000 gallons and do not include monthly flat fees based on residential or commercial status. For more information, visit https://shorewoodil.gov/departments/finance_department/utility_billing/index.php

The above rate changes are largely driven by the Village's future connection to Lake Michigan Water. The Village is one of six communities that together formed the Grand Prairie Water Commission (GPWC-il.org), which was officially created in June 2024. The Commission seeks to design and construct a new water system to deliver Lake Michigan water treated by the City of Chicago to meet the demands of the participating communities now and for future decades. The total capital cost of the project is $1.5B, of which the Village is responsible for approximately 8%. The rate increases will help fund the capital costs as well as the eventual cost of purchased water.

The Village's sanitary sewer charges were also considered in the rate study and resulting changes were implemented during the fiscal year. The sewer rate is comprised of two components:

- Charges for operations within the Village – found in the Water and Sewer Fund programs 450 and 460
- Charges for the processing of sanitary sewer waste – found in the Water and Sewer Fund program 470. The Village does not have a sanitary sewer treatment plant and relies on an intergovernmental agreement with the City of Joliet to process solid waste.

Sanitary sewer rates are as follows:

Village of Shorewood
Sanitary Sewer Rate Changes

Date	Operations*	Joliet	Total Rate per 1,000 gal	% Change per 1,000 gal
Prior to 4/1/24	$ 4.11	$ 4.76	$ 8.87	
4/1/2024	4.36	5.09	9.45	6.54%
4/1/2025	4.62	5.44	10.06	6.46%
4/1/2026	4.89	5.82	10.71	6.46%

*Rates are per 1,000 gallons of metered water consumption and do not include monthly flat fees based on residential or commercial status. For more information, visit https://shorewoodil.gov/departments/finance_department/utility_billing/index.php

The increase in revenue is both due to the additional rate as well as increased consumption. The tax revenue recognized in business-type activities is the collection of a Home Rule sales tax. A successful home rule referendum during 2015 allowed the village to implement a Home Rule sales tax at a rate of 1.75% beginning in January 2016. The Village further increased this rate to 2.00% in July, 2024. The Home Rule sales tax is designated for the purchase of additional sewer capacity from the City of Joliet, acquisition costs of Lake Michigan water, and additional capital needs. Collections are therefore recognized in the Capital Improvement Fund and the Lake Michigan Water Fund. The 2026 fiscal total of $8,983,551 represents a full fiscal year of the new 2.00% rate. The 0.25% rate increase is intended to pay the debt service on the 2024 GO Bonds, as well as to start setting funds aside for a future Police Facility (not included in the Enterprise Fund total).

The additional revenue recorded of $1.4M represents the Village's investment in the Grand Prairie Water Commission joint venture. More information about this is included in Note 14.

Expenses – The largest increase for water and sewer expenses is fees paid to the City of Joliet for sanitary sewer treatment, which increased by 15% from the prior year. Most other expense increases can be attributed to personnel and capital needs.

General Fund Functions and Fund Balance

Revenue - The General Fund is the village's primary operating fund and the largest source of day-to-day service delivery.

General Fund Revenues
For the Fiscal Year Ended March 31, 2026 (with comparative to 2025)

	2026	2025	Variance	% Inc (Dec)
Property Taxes	$ 2,514,786	$ 2,306,084	$ 211,702	9.18%
Other Taxes	8,536,914	8,110,773	426,141	5.25%
Licenses, Permits & Fines	674,466	711,317	(36,851)	(5.18)%
Franchise Fees	265,958	292,555	(26,597)	(9.09)%
Intergovernmental	3,721,785	4,050,909	(329,124)	(8.12)%
Charges for Service	3,277,038	3,173,829	103,209	3.25%
Investment Income	414,107	451,757	(37,650)	(8.33)%
Miscellaneous	207,834	244,898	(37,064)	(15.13)%
Total Revenue	**$ 19,615,888**	**$ 19,342,122**	**$ 273,766**	**1.42%**

Property Taxes – Shorewood's Equalized Assessed Valuation (EAV) increased for the twelfth consecutive year. The 2025 EAV (taxes payable in FY 2027) is $890,635,363, which represents an increase of 6.06% from the 2024 EAV of $839,709,497. The direct tax rate has decreased from 0.3363 in 2014 to 0.2582 in 2025 (inclusive of debt). The Village has kept the direct tax rate constant for three consecutive years (levy years 2023, 2024 and 2025) while being able to levy additional dollars due to an increasing EAV. Taxes levied are collected in the subsequent fiscal year. Additional revenue recorded is attributable to EAV increases and has been split between Village operations and the obligation to the Police Pension Fund.

Other Taxes – Sales tax revenue is the most significant revenue stream in the General Fund, making up 35% of fund revenues. The village continues to diversify its tax base. The top ten sales tax providers (see Statistical Section) contribute the majority of the total sales tax revenue emphasizing the continued need to diversify the tax base to insulate from a downturn in any one category. The village has made strides toward this goal, decreasing from 62% of total sales tax provided by the top ten sales tax providers in 2017 to 48% in the current year. Legislative updates in the current year addressed how certain online transactions are handled; shifting an obligation for online marketplace retailers to submit sales tax rather than Local Use Tax. This is a benefit to the Village as the sales tax transactions utilize all applicable rates (Municipal 1% and Home Rule Sales tax) rather than the village receiving a per capita disbursement for these transactions, which is the Local Use Tax disbursement method. Sales tax receipts increased from $6,341,678 in the prior year to $6,922,002, or 9.15% in the current year. This amount is only the 1% municipal tax and does not include the Village's Home Rule Sales Tax.

Licenses, Permits & Fines – Licenses, permits, and fines showed a decrease of 5.18% from the previous fiscal year. This category includes fees for building and development costs, as well as police fines and fees. Building permit revenue in the current year has decreased with residential construction slowing as the inventory of available lots has diminished. Three residential construction developments began earthwork in FY 2026 and are under construction in FY 2027, therefore this revenue is expected to increase in the following FY.

Intergovernmental – The revenue in this category is made up of the Village's share of State Income Tax, Personal Property Replacement Tax (PPRT), and grant income. State Income Tax is distributed on a per capita basis, so it does not represent the personal or corporate income tax paid by individuals or businesses in Shorewood. This category also includes grant income. In the current year, the Village was the recipient of grants in the general fund and the grants sub-fund totaling $346,339, a decrease from the prior year total of $853,860. Most of this grant revenue is dedicated to public safety wages, which allows the Village the opportunity to enhance police services within the community. It is normal for grant revenue to fluctuate on a yearly basis.

Charges for Service – The Village of Shorewood charges residents for refuse on their monthly utility bill. Revenue for this service is recorded in the General Fund as Charges for Service. The village then pays an independent waste hauler for this service. Refuse revenue increased by $95,318, or 4.17% during 2026. The increase can be attributed to an increase in housing counts as well as a 4% rate increase. The monthly fee changed from $29.00 per month in FY 2025 to $30.16 per month in FY 2026. There is a $3.00 per month discount for seniors and disabled veterans. Refuse service and the related penalties for late payments account for 74% of the revenue in this category. Other revenue streams in this category include charges for classes and activities provided by the Parks Department, Park Pavilion rentals, lease revenue and charges for police services provided to and paid for by outside organizations.

Investment Income – Investment income of $414,107 represents a slight decrease compared to the prior year amount of $451,757.

Miscellaneous Revenue – Miscellaneous revenue includes employee contributions for health insurance and other nonrecurring revenue streams. Several reimbursements for damage of Village parkway trees and light poles were recorded in this account. These instances are irregular and non-recurring. A decrease of $37,064 was recorded in this category from the prior year

Expenditures – The following is a summary of General Fund expenditures for Fiscal 2026.

General Fund Expenditures
For the Fiscal Year Ended March 31, 2026 (with comparative to 2025)

	2026	2025	Variance	% Inc (Dec)
General Government	$ 5,974,790	$ 5,400,374	$ 574,416	10.64%
Public Safety	7,158,315	7,055,474	102,841	1.46%
Public Works	2,788,270	2,409,676	378,594	15.71%
Parks & Recreation	391,773	978,748	(586,975)	(59.97)%
Capital Outlay	412,349	450,462	(38,113)	(8.46)%
Total Expenditures	**$ 16,725,497**	**$ 16,294,734**	**$ 430,763**	**2.64%**

General Government – Expenditures in general government increased over the prior year. Increases are attributed to the addition of one full-time employee in the Community Development Department, as well as normal wage and benefit increases. Contractual services also increased by 10% in general government department, largely driven by increases on the Village's liability insurance, and refuse collection. Refuse collection expenses are offset by revenue collected in Charges for Service, above. General Government capital outlay expenses are attributed computer hardware expenses.

Public Safety – The police department reported a 1.46% increase in expenses over the previous year. This is attributed to normal wage and benefit increases. Overtime expenses also increased, but were able to be partially offset by grant revenue received. Additionally, amounts contributed to the Police Pension Fund increased. These increases were offset by decreased spending in Police contractual services. The highest percentage of contractual services paid within the public safety category are for dispatching services paid to a third party. Police commodities expenses also increased, including the purchase of a trailer and related equipment, which was able to be offset by grant revenue.

Public Works – The public works department reported a increase in expenses of 15.71% from the prior year in 2026. Several categories displayed increases, including personnel services, which was the result of the reclassification of park maintenance staff being reported in the general ledger as Public Works expenses. This is a change in accounting presentation only and follows the Village's organizational chart, as these employees are members of the Public Works Department.

Parks and Recreation – The Parks and Recreation Department reported an decrease of 59.97% from the prior year. Expenses decreased following the reclassification of park maintenance expenses into the Public Works Department. This is a general ledger change only and does not represent a change in Village operations. These employees and responsibilities have historically (and will continue to be) within the Public Works Department on the Village's organizational chart. The remaining expenses in Parks & Recreation are attributed to employees and responsibilities related to the Recreation and Events program (General Fund, Program 810)

Schedule of Budget vs. Actual Performance – General Fund
For the Fiscal Year Ending March 31, 2026

	Original & Final Appropriation	Original & Final Operating Budget	Actual	Variance (Over)/Under Budget
Revenues				
Property Taxes	$ -	$ 2,490,556	$ 2,517,786	$ (22,230)
Other Taxes	-	8,003,000	8,536,914	(533,914)
Intergovernmental	-	3,244,325	3,721,785	(477,460)
Licenses, Permits & Fees	-	652,190	674,466	(22,276)
Franchise Fees	-	292,492	265,958	26,504
Charges for sales & service	-	3,283,596	3,277,038	6,558
Investment Income	-	320,000	414,107	(94,107)
Misc	-	210,000	207,834	(2,166)
Total Revenue	-	18,496,129	19,615,888	(1,119,759)
Expenditures				
Current				
General Govt	$ 7,458,669	5,750,113	5,974,790	(224,677)
Public Safety	8,851,584	7,081,267	7,158,315	(77,048)
Public Works	3,924,018	3,139,214	2,788,270	350,944
Parks & Rec	603,640	482,912	391,773	91,139
Capital Outlay	693,750	555,000	412,349	142,651
Total Expenditures	$ 21,531,661	17,008,506	16,725,497	283,009
Excess (Deficiency) of Revenues over Expenditures		1,487,623	2,890,391	(1,402,768)
Other Financing Sources (Uses)				
Transfers (out)	**$ (1,181,219)**	(944,975)	(1,514,195)	569,220
Sale of Assets		10,000	50,225	(40,225)
Total Other Financing Sources (uses)		(934,975)	(1,463,970)	528,995
Net Change In Fund Balance		**$ 552,648**	1,426,421	**$ (873,773)**
Fund Balance, April 1			11,188,888	
Fund Balance, March 31			**$ 12,615,309**	

General Fund Budgetary Highlights

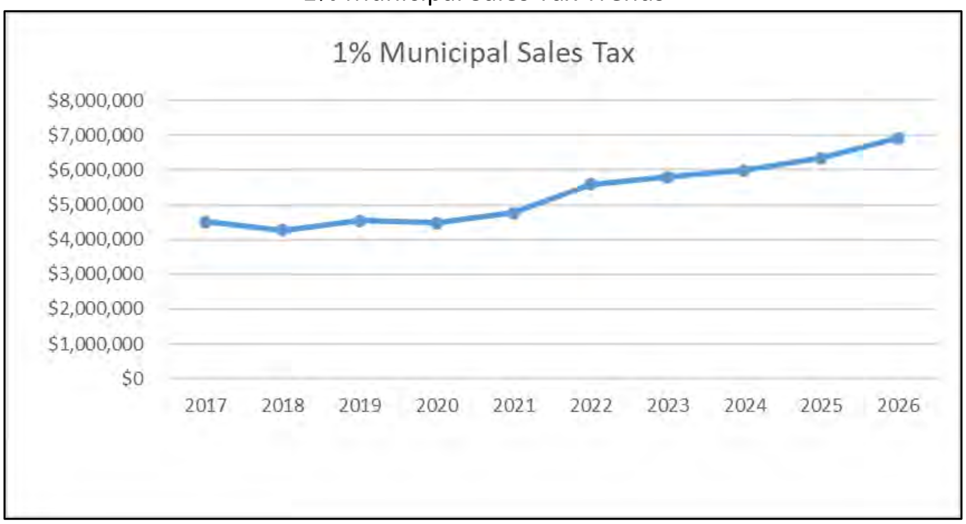
The Village General Fund in the Annual Comprehensive Financial Report is comprised of the General Operating Fund and several sub-funds including the Park Fund and the Major Equipment Replacement Fund. While the General Operating Fund has historically had a balanced budget, the Major Equipment Fund often presents an unbalanced budget, depending on the purchase plan for the year. In the 2025-26 budget, planned revenues were greater than planned expenditures. Additionally, supply chain delays in prevented the Village from making planned vehicle purchases, resulting additional spending reductions in the Major Equipment Replacement sub-fund in the current year.

The Village's positive budget performance during the 2026 fiscal year is the result of conservative budget practices, positive revenue returns, and watchful spending. The resulting surplus in the General Fund sub-fund of $1.14M was split between the Major Equipment Replacement sub-fund for future equipment needs and the Sustainable Water Source sub-fund for capital water connection costs.

The Village of Shorewood has chosen to operate with the appropriation ordinance as its legal spending document. The budget, which is adopted by resolution, serves as the village's operating plan and is used as the spending policy by all village programs. The utilization of the annual appropriation ordinance allows the village more flexibility in appropriating for unforeseen emergencies and contingencies. For this reason, the appropriated amounts are displayed in the above chart. Revenues are not appropriated.

Budgets are prepared on a conservative basis and sales tax, which represents over 30% of the General Fund revenue, exceeded of the budget figure by 15.85%. The following chart displays sales tax trends in the Village of Shorewood, exclusive of Non-Home Rule (fiscal years 2012-2015) and Home Rule (FY 2016-current) sales taxes.

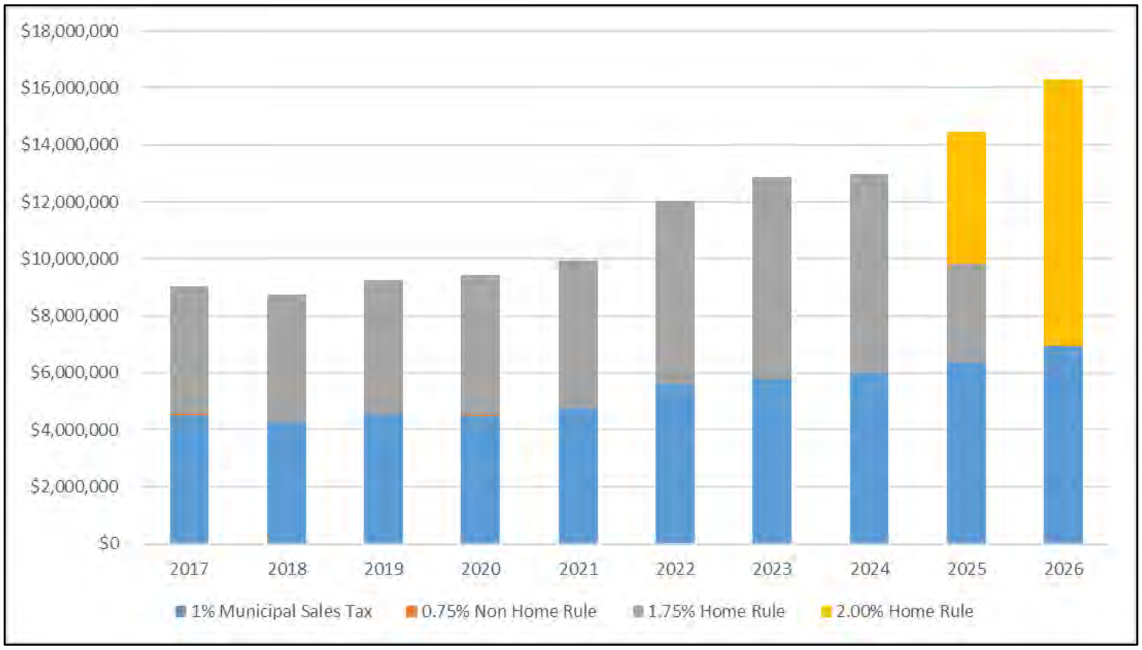
Village of Shorewood
1% Municipal Sales Tax Trends



The above chart displays the trend of sales tax revenue in the Village. The current year's figure of $6.9M is an increase of 9.15% from the prior year, and also represents the Village's highest single fiscal year returns. The dramatic increase in 2022 fiscal year represents the first year of sales following Illinois Public Acts 101-31 and 101-604, which amended the Retailers' Occupation Tax and enacted the Leveling the Playing Field for Illinois Retail Act to implement a series of structural changes to the Illinois sales tax laws to require "remote retailers" to remit State and local retailers' occupation taxes beginning January 1, 2021. Several changes to the Leveling the Playing Field Act, effective January 1, 2025 changed the classification of certain online marketplace transactions from Local Use Tax (distributed on a per capita basis) to Sales Tax (distributed at the point of transaction). This has resulted in an increase in sales tax to the Village that has outpaced the reduction in local use tax. This legislative change explains the sales tax growth in the current year.

Additionally, information is presented on the Village's Home Rule Sales Tax, which is presently collected at a rate of 2.00%. Detail on the uses of this tax are included in the Business-Type Activities section of this document. The following chart illustrates the totality of sales tax collected Village-wide.

Village of Shorewood
Combined 1% Municipal and Home Rule Sales Tax



Capital Projects Fund

The Capital Projects Fund is a major fund in the current year. Revenue sources in this fund include some intergovernmental grants, transfers from the Capital Improvement Fund, and a local Motor Fuel Tax in the amount of $.05/gallon on gasoline and $.08/gallon on diesel sold at fueling staitons within the Village. Expenses in the current year are related to ongoing non-water and sewer capital projects wthin the Village, including:

- Second of two contributions totaling $10,000,000 ($1,250,000 in FY 2025 and $8,750,000 in FY 2026) to the YMCA for the construction of a new recreation facility and regional headquarters located in Shorewood.
- Expense of $1M for the installation of a traffic signal at Wynstone Blvd and IL Route 52
- Engineering expense of $330,000 for the widening of Seil Rd and the related replacement of the Seil Rd Bridge over the DuPage River
- Transfer of $150,000 to Motor Fuel Tax Fund to supplement the Village's annual Road Rehabilitation Program

The Capital Projects Fund also facilitated the Village's commitment to outdoor spaces and recreation with an increase in park construction spending, including the following:

- Reconstruction of Fawn and Huntington Parks
- Expense of $1.3M invested in a new Community Park, River's Edge Park. These park expenses are offset by two back-to-back Open Space Lands Acquistion and Development (OSLAD) grants.

Business-type Activities

The Water/Sewer Fund revenue and expenses include the daily operation of the water and sewer systems and also the Capital Improvement sub-fund which is used to fund capital projects for the water and sewer system. Additionally, the Lake Michigan Water sub-fund is included in the business-type activities matrix. The following matrix details revenues and expenses for business-type activities with the Village of Shorewood for the current fiscal year and a comparison to the prior fiscal year.

Water & Sewer Fund - Revenues & Expenses
For the Fiscal Year Ending March 31, 2026 (with comparative to 2025)

	2026	2025	Variance	% Inc (Dec)
Operating Revenues				
Water Sales	$ 5,685,565	$ 4,853,239	$ 832,326	17.15%
Sewer Sales	5,313,069	4,970,433	342,635	6.89%
Misc. Income	16,625	32,035	(15,410)	(48.10)%
Total Operating Revenues	11,015,259	9,855,708	1,159,551	11.77%
Non-Operating Revenues				
Interest Income	1,460,563	2,543,753	(1,083,190)	(42.58)%
Connection & Cap Improvement Fees	223,456	138,930	84,526	60.84%
Investment in Joint Venture	1,403,861	-	1,403,861	--
Home Rule Sales Tax	8,983,551	7,854,267	1,129,284	14.38%
Total Non-Operating Revenues	12,071,431	10,536,950	1,534,481	14.56%
Capital Grants & Contributions	-	612,415	(20,377)	(100.00)%
Total Revenue	**23,086,690**	**21,005,073**	**2,081,617**	**9.91%**
Operating Expenses				
Water Department	3,770,534	3,270,597	499,937	15.29%
Sewer Department	4,850,898	4,636,859	214,039	4.62%
Depreciation/Amortization	1,647,390	1,647,390	-	0.00%
Total Operating Expenses	10,268,822	9,554,846	713,976	7.47%
Non-Operating Expenses				
Interest Expenses	481,239	279,608	201,631	72.11%
Total Non-Operating Expenses	481,239	279,608	201,631	72.11%
Total Expenses	**10,750,061**	**9,834,454**	**915,607**	**9.31%**
Transfers In	569,220	858,133	(288,913)	(33.67)%
Transfers Out	(9,067,163)	(1,030,196)	(8,036,967)	(708.14)%
Total Transfers	**(8,497,943)**	**(172,063)**	**(8,325,880)**	**(4838.86)%**
Change in Net Position	**3,838,686**	**10,998,556**	**(7,159,870)**	**(65.10)%**
NET POSITION, APRIL 1, AS REPORTED	**89,539,065**	**78,589,246**		
Change in Accounting Principle	-	(48,737)		
NET POSITION, APRIL 1, AS RESTATED	**89,539,065**	**78,540,509**		
NET POSITION, MARCH 31	**$ 93,377,751**	**$ 89,539,065**		

Revenue

Water and sewer revenue increased in 2026 over 2025. Water and sewer rates increased at April 1, 2025 as the result of a water and sewer rate study. Additional information about the rates is included in the Statement of Activities section of this document. The village has a Home Rule sales tax. The rate increased from 1.75% to 2.00% on July 1, 2024. Tax revenue increased as a result of the full year of the rate increase. The revenue generated from this tax is utilized in the following ways:

- Funding for additional sanitary sewer capacity, purchased from the City of Joliet
- Funding for the village's transition in water source from deep and shallow wells to Lake Michigan, requiring capital infrastructure additions
- The additional 0.25% resulting from the 2024 rate increase is used to support the 2024 GO Bonds.

Following the rate change from 1.75% to 2.00%, Home Rule Sales Tax is recognized in the following distribution across Village Funds:

- Capital Improvement Sub-Fund – 58.375%
- Lake Michigan Water Sub-Fund – 37.5%
- Building Sub-Fund (Police Facility, not included in the enterprise section) – 4.125%

Interest income decreased due to fewer available resources for placement.

Expenses

Operating expenses in the current year increased for both water and sewer.

- Water expense increases are attributed to increases in contractual services. The largest increases seen are for liability insurance, electricity needed for the water wells, and legal and engineering expenses needed for the Lake Michigan connection project.
- Sewer expenses increased which can be attributed to higher fees paid to the City of Joliet for sewer treatment.
- Interest expense increased over the prior year following the issuance of 2024 GO Bonds. Interest expense for the first payment was accrued at March 31st, following traditional level debt service schedules. Additional information on the Village's outstanding debt is available in the Long Term Debt section of this document.
- Depreciation and amortization expense was flat year over year; as asset changes in the current year are all still included in CIP and therefore not yet depreciating.

Non-operating expenses increased due to the transfer line. Transfers out are those made from the Capital Improvement sub-fund to the Capital Projects fund. The Capital Projects Fund finances non-water and sewer projects. The current year's transfer was $9,607,163, which is an increase from the prior year's amount of $1,030,196. This is consistent with the fluctuation and timing of one-time capital projects.

Capital Assets

The village's capital assets are summarized in the following table:

Village of Shorewood Capital Assets (in Millions)
For the Fiscal Year Ending March 31, 2026 (with comparative to 2025)

	Governmental Activities		Business-Type Activities		Total	
	2026	2025	2026	2025	2026	2025
Non-Depreciable Assets						
Land	$ 12.11	$ 12.03	1.24	$ 1.24	$ 13.35	$ 13.27
Land Right of Way	23.19	23.19	0.00	0.00	23.19	23.19
Construction in Progress	3.80	3.61	20.64	4.66	24.44	8.27
Capital Assets Being Depreciated						
Buildings & Improvements	36.57	34.67	0.00	0.00	36.57	34.67
Vehicles, Machinery & Equip	6.51	6.02	1.17	1.20	7.68	7.22
Sewage Treatment Rights	0.00	0.00	16.33	16.33	16.33	16.33
Infrastructure	118.67	118.08	50.76	50.76	169.43	168.84
Less Accumulated Depreciation	(90.48)	(86.65)	(35.90)	(34.29)	(126.38)	(120.94)
Net Capital Assets	**$110.38**	**$110.95**	**$ 54.23**	**$ 39.90**	**$ 164.61**	**$ 150.85**

The village's governmental capital assets decreased by $0.57M and business-type assets increased by $14.33M for a combined increase of $13.76M after depreciation during fiscal 2026. This is consistent with the Village's substantial investment in projects related to the Lake Michigan Water Connection, including water main replacements, a transmission main, and a water receiving station. As these projects are ongoing, the largest year over year increase occurs in the CIP line in Business-type activities. CIP in Governmental Activities is comprised of several ongoing park reconstruction projects, as well as the reconstruction of an intersection at Route 52 and Wynstone Blvd.

Decreases in capital assets are attributed to the depreciation expense as well as asset disposal. Additional detail regarding Capital Assets may be seen in the Notes to the Financial Statements-Note 5, pages 34-35.

Long Term Debt

At the end of the fiscal year, the village had total debt (excluding compensated absences, net pension liabilities, the net OPEB obligation, asset retirement obligations, and unamortized bond premiums) outstanding of $36.65M. This represents an increase from the prior year of $28.72M, due to the issuance of new debt. None of the village's current debt is funded directly from property taxes. Funding for outstanding debt is from utility tax revenue, home rule sales tax revenue, and water/sewer tap-on fees.

As a home rule government, under Illinois law, the village does not have any established debt limits.

The following tables summarize the village's debt structure (additional detail regarding long-term debt may be seen in the Notes to the Financial Statements-Note 7, pages 36-40.

Long Term Debt – Governmental Funds
For the Fiscal Year Ending March 31, 2026 (with comparative to 2025)

Type of Bond	2021 GO Bonds
O/S Principal, 3/31/2025	$ 12,600,000
Interest Rate	2%-4%
Principal Payments	12/15/2025
Interest Payments	6/15/2025 12/15/2025
Maturity Date	12/15/2040
O/S Principal, 3/31/2026	$ 11,975,000
Pledged Revenue	Utility Taxes
Proceeds Purpose	Construction of a unified Public Works facility

Long Term Debt – Proprietary Fund
For the Fiscal Year Ending 3/31/2026

Type of Bond	2024 GO Bonds	IEPA Loan – Water Tower	IEPA Loan – Receiving Stn*	IEPA Loan – Trans Main*	City of Joliet Agreement
O/S Principal, 3/31/2025	$ 8,220,000	$ 2,795,629	$ 5,310	$ 10,426	$ 5,134,249
Interest Rate	3.73%	1.995%	1.87%	1.87%	1.25%
Principal Payments	12/15/2025	12/17/2025	-	-	4/1/2025 10/1/2025
Interest Payments	6/15/2025 12/15/2025	6/17/2025 12/17/2025	- -	- -	4/1/2025 10/1/2025
Maturity Date	12/15/2043	12/17/2035	8/9/2057	12/30/2055	10/1/2032
O/S Principal, 3/31/2026	8,020,000	2,565,948	6,492,428	3,098,606	4,520,467
Pledged Revenue	Home Rule Sales Tax	Water & Sewer Tap on Fees	Utility user revenue	Utility user revenue	Home Rule Sales Tax
Proceeds Purpose	Various Utility System Improvements	1.5M gallon aerial water tower	Lake water receiving station	Lake water transmission main	Additional sanitary sewer capacity

*****During the prior year, the Village was the recipient of two Illinois EPA loans. The loans have 30-year maturities that begin at the conclusion of construction. Principal amounts are distributed on an ongoing basis during construction of the project. The total loan amounts are not to exceed $18,908,532 for the receiving station and $4,965,010 for the transmission main. The outstanding principal amounts on this chart represent the amounts of construction costs incurred at March 31, 2026. They are expected to increase in the subsequent fiscal year. Payment schedules and maturity dates are subject to change based on project timelines.

Economic Factors

The Village of Shorewood is located in Troy Township in Will County, 40 miles southwest of downtown Chicago. Shorewood continues to diversify its sales tax base by bringing major commercial development to the municipality. The intersection of Interstate 55 and Interstate 80 is approximately one mile south of Shorewood and two other highways, U.S. 52 and Illinois State Route 59, intersect in the village. Although Shorewood continues to be a primarily residential community, commercial growth has occurred predominately on State Route 59.

Contacting the Village's Financial Management

This financial report is designed to provide a general overview of the village's finances, comply with finance-related laws and regulations and demonstrate the village's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the village's Finance Director, One Towne Center Blvd., Shorewood, IL 60404 or access the village website at http://shorewoodil.gov

BASIC FINANCIAL STATEMENTS

VILLAGE OF SHOREWOOD, ILLINOIS

STATEMENT OF NET POSITION

March 31, 2026

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	$ 5,860,728	$ 11,290,349	$ 17,151,077
Investments	9,500,285	29,950,573	39,450,858
Restricted assets			
Cash with paying agent	-	338,453	338,453
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	3,327,151	-	3,327,151
Water customers	-	1,289,633	1,289,633
Leases	955,036	-	955,036
Intergovernmental	-	19,980,370	19,980,370
Interest	52,985	200,983	253,968
Other	2,262,652	1,951,917	4,214,569
Deposits	105,648	-	105,648
Prepaid expenses	234,160	79,838	313,998
Due from other governments	1,664,962	1,969,910	3,634,872
Investment in joint venture	-	1,403,861	1,403,861
Capital assets not being depreciated	39,103,373	21,878,205	60,981,578
Capital assets (net of accumulated depreciation)	71,278,523	32,351,882	103,630,405
Total assets	134,345,503	122,685,974	257,031,477
DEFERRED OUTFLOWS OF RESOURCES			
Asset retirement obligation	-	576,200	576,200
Pension items	2,112,410	247,589	2,359,999
Total deferred outflows of resources	2,112,410	823,789	2,936,199
Total assets and deferred outflows of resources	136,457,913	123,509,763	259,967,676
LIABILITIES			
Accounts payable	1,534,772	2,992,171	4,526,943
Accrued payroll	196,751	49,207	245,958
Deposits payable	-	11,970	11,970
Other payables	185,916	-	185,916
Interest payable	85,292	144,440	229,732
Unearned revenue	66,551	1,125	67,676
Noncurrent liabilities			
Due within one year	802,082	1,229,246	2,031,328
Due in more than one year	17,578,761	25,483,206	43,061,967
Total liabilities	20,450,125	29,911,365	50,361,490
DEFERRED INFLOWS OF RESOURCES			
Pension items	2,883,737	220,647	3,104,384
Deferred revenue - property taxes	3,327,151	-	3,327,151
Deferred inflows - leases	842,096	-	842,096
Total deferred inflows of resources	7,052,984	220,647	7,273,631
Total liabilities and deferred inflows of resources	27,503,109	30,132,012	57,635,121

(This statement is continued on the following page.)

	Primary Government		
	Governmental Activities	**Business-Type Activities**	**Total**
NET POSITION			
Net investment in capital assets	$ 96,791,377	$ 27,028,478	$ 123,819,855
Restricted for			
Parks	690,574	-	690,574
Public safety	133,823	-	133,823
Economic development	2,184,007	-	2,184,007
Capital projects	630,399	-	630,399
Debt service	-	338,453	338,453
Unrestricted	8,524,624	66,010,820	74,535,444
TOTAL NET POSITION	$ 108,954,804	$ 93,377,751	$ 202,332,555

VILLAGE OF SHOREWOOD, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended March 31, 2026

		Program Revenues		
FUNCTIONS/PROGRAMS	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
PRIMARY GOVERNMENT				
Governmental Activities				
General government	$ 15,152,504	$ 3,915,365	$ -	$ -
Public safety	7,390,736	231,274	346,338	-
Public works	6,032,344	-	-	-
Highways and streets	1,507,019	-	1,509,339	-
Parks and recreation	745,495	70,823	-	1,568,068
Interest and fiscal charges	258,937	-	-	-
Total governmental activities	31,087,035	4,217,462	1,855,677	1,568,068
Business-Type Activities				
Water and sewer	10,750,061	11,222,090	-	-
Total business-type activities	10,750,061	11,222,090	-	-
TOTAL PRIMARY GOVERNMENT	$ 41,837,096	$ 15,439,552	$ 1,855,677	$ 1,568,068

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	$ (11,237,139)	$ -	$ (11,237,139)
	(6,813,124)	-	(6,813,124)
	(6,032,344)	-	(6,032,344)
	2,320	-	2,320
	893,396	-	893,396
	(258,937)	-	(258,937)
	(23,445,828)	-	(23,445,828)
	-	472,029	472,029
	-	472,029	472,029
	(23,445,828)	472,029	(22,973,799)
General revenues			
Taxes			
Property	3,172,054	-	3,172,054
Sales	7,307,321	8,983,551	16,290,872
Simplified telecommunications	105,644	-	105,644
Utility	949,282	-	949,282
Other	559,986	-	559,986
Intergovernmental			
State shared income taxes	3,309,882	-	3,309,882
Replacement taxes	65,565	-	65,565
GPWC - joint venture	-	1,403,861	1,403,861
Investment income	524,082	1,460,563	1,984,645
Miscellaneous	207,834	16,625	224,459
Gain on sale of capital assets	50,225	-	50,225
Transfers in (out)	8,497,943	(8,497,943)	-
Total	24,749,818	3,366,657	28,116,475
CHANGE IN NET POSITION	1,303,990	3,838,686	5,142,676
NET POSITION, APRIL 1	107,650,814	89,539,065	197,189,879
NET POSITION, MARCH 31	$ 108,954,804	$ 93,377,751	$ 202,332,555

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

March 31, 2026

	General	Capital Projects	Nonmajor Governmental	Total
ASSETS				
Cash and cash equivalents	$ 4,441,856	$ 530,716	$ 888,156	$ 5,860,728
Investments	6,665,780	-	2,834,505	9,500,285
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	2,635,488	-	691,663	3,327,151
Leases	955,036	-	-	955,036
Interest	42,940	-	10,045	52,985
Other	580,098	1,597,799	84,755	2,262,652
Due from other governments	1,605,408	-	59,554	1,664,962
Deposits	105,648	-	-	105,648
Prepaid items	234,160	-	-	234,160
TOTAL ASSETS	$ 17,266,414	$ 2,128,515	$ 4,568,678	$ 23,963,607
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 724,303	$ 808,569	$ 1,900	$ 1,534,772
Accrued payroll	196,751	-	-	196,751
Other payables	185,916	-	-	185,916
Unearned revenue	66,551	-	-	66,551
Total liabilities	1,173,521	808,569	1,900	1,983,990
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	2,635,488	-	691,663	3,327,151
Deferred inflows - leases	842,096	-	-	842,096
Total deferred inflows of resources	3,477,584	-	691,663	4,169,247
Total liabilities and deferred inflows of resources	4,651,105	808,569	693,563	6,153,237
FUND BALANCES				
Nonspendable for				
Deposits	105,648	-	-	105,648
Prepaid items	234,160	-	-	234,160
Restricted for				
Parks	690,574	-	-	690,574
Public safety	-	-	133,823	133,823
Economic development	-	-	2,184,007	2,184,007
Capital projects	-	-	630,399	630,399
Assigned for				
Maintenance of roadways	-	-	926,886	926,886
Operating reserves	4,181,374	-	-	4,181,374
Capital projects	5,336,184	1,319,946	-	6,656,130
Unassigned	2,067,369	-	-	2,067,369
Total fund balances	12,615,309	1,319,946	3,875,115	17,810,370
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 17,266,414	$ 2,128,515	$ 4,568,678	$ 23,963,607

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD, ILLINOIS

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

March 31, 2026

FUND BALANCES OF GOVERNMENTAL FUNDS	$ 17,810,370
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	110,381,896
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	64,429
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund - SLEP are recognized as deferred outflows and inflows of resources on the statement of net position	14,517
Differences between expected and actual experiences, assumption changes and net difference between projected and actual earnings for the Police Pension Fund are recognized as deferred outflows and inflows of resources on the statement of net position	(850,273)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
Bonds payable	(11,975,000)
Net pension liability - IMRF	(1,646,175)
Net pension liability - IMRF SLEP	(34,406)
Net pension liability - Police Pension	(2,769,268)
Compensated absences payable	(729,439)
Premium on bonds payable	(806,952)
Accrued interest on long-term liabilities is shown as a liability on the statement of net position	(85,292)
The other postemployment benefit liability is included in the governmental activities in the statement of net position	(419,603)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 108,954,804

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD, ILLINOIS

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

For the Year Ended March 31, 2026

	General	Capital Projects	Nonmajor Governmental	Total
REVENUES				
Property taxes	$ 2,517,786	$ -	$ 654,268	$ 3,172,054
Other taxes	8,536,914	-	385,319	8,922,233
Intergovernmental	3,721,785	2,048,005	1,029,402	6,799,192
Licenses, permits and fines	674,466	-	-	674,466
Franchise fees	265,958	-	-	265,958
Charges for services	3,277,038	-	-	3,277,038
Investment income	414,107	-	109,975	524,082
Miscellaneous	207,834	-	-	207,834
Total revenues	19,615,888	2,048,005	2,178,964	23,842,857
EXPENDITURES				
Current				
General government	5,974,790	8,763,764	119,849	14,858,403
Public safety	7,158,315	-	-	7,158,315
Public works	2,788,270	-	-	2,788,270
Highways and streets	-	-	1,507,019	1,507,019
Parks and recreation	391,773	-	-	391,773
Capital outlay	412,349	2,946,484	-	3,358,833
Debt service				
Principal	-	-	625,000	625,000
Interest and fiscal charges	-	-	319,975	319,975
Total expenditures	16,725,497	11,710,248	2,571,843	31,007,588
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,890,391	(9,662,243)	(392,879)	(7,164,731)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	9,067,163	1,094,192	10,161,355
Transfers (out)	(1,514,195)	(149,217)	-	(1,663,412)
Sale of assets	50,225	-	-	50,225
Total other financing sources (uses)	(1,463,970)	8,917,946	1,094,192	8,548,168
NET CHANGE IN FUND BALANCES	1,426,421	(744,297)	701,313	1,383,437
FUND BALANCES, APRIL 1	11,188,888	2,064,243	3,173,802	16,426,933
FUND BALANCES, MARCH 31	$ 12,615,309	$ 1,319,946	$ 3,875,115	$ 17,810,370

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD, ILLINOIS

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

For the Year Ended March 31, 2026

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$ 1,383,437
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	3,336,813
Depreciation expense does not require the use of current financial resources and, therefore, is not reported as an expenditure in governmental funds	(3,905,979)
The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	625,000
Amortization of premium on bonds is reported as interest expense on the statement of activities	53,797
The decrease in interest payable is reported as a reduction of expense on the statement of activities	7,241
The change in compensated absences is reported as an expense on the statement of activities	(25,170)
The change in the Police Pension Fund net pension liability and deferred outflows/inflows of resources is not a source or use of current financial resources	(54,156)
The change in the Illinois Municipal Retirement Fund net pension liability and deferred outflows/inflows of resources is not a source or use of current financial resources	11,892
The change in the Illinois Municipal Retirement Fund - SLEP net pension liability and deferred outflows/inflows of resources is not a source or use of current financial resources	(10,911)
The change in the other postemployment benefit liability is reported as an expense on the statement of activities	(117,974)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$ 1,303,990

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUND

March 31, 2026

	Business-Type Activities Water and Sewer Fund
CURRENT ASSETS	
Cash and cash equivalents	$ 11,290,349
Investments	29,950,573
Restricted assets	
Cash with paying agent	338,453
Receivables (net, where applicable, of allowances for uncollectibles)	
Water customers	1,289,633
Interest	200,983
Other	1,951,917
Prepaid expenses	79,838
Due from other governments	1,969,910
Total current assets	47,071,656
NONCURRENT ASSETS	
Intergovernmental receivable	19,980,370
Investment in joint venture	1,403,861
Capital assets	
Nondepreciable	21,878,205
Depreciable	68,256,360
Accumulated depreciation	(35,904,478)
Net capital assets	54,230,087
Total noncurrent assets	75,614,318
Total assets	122,685,974
DEFERRED OUTFLOWS OF RESOURCES	
Asset retirement obligation	576,200
Pension items - IMRF	247,589
Total deferred outflows of resources	823,789
Total assets and deferred outflows of resources	123,509,763

(This statement is continued on the following page.)

VILLAGE OF SHOREWOOD, ILLINOIS

STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUND

March 31, 2026

	Business-Type Activities
	Water and Sewer Fund
CURRENT LIABILITIES	
Accounts payable	$ 2,992,171
Accrued payroll	49,207
Deposits payable	11,970
Interest payable	144,440
Unearned revenue	1,125
Current portion of compensated absences payable	76,001
Current portion of total OPEB liability	2,375
Current portion of IEPA loan payable	234,286
Current portion of general obligation bonds payable	295,000
Current portion of Joliet Wastewater debt payable	621,584
Total current liabilities	4,428,159
LONG-TERM LIABILITIES	
Compensated absences payable	76,000
Total OPEB Liability	67,323
IEPA loan payable	11,922,696
General obligation bonds payable	8,161,155
Joliet Wastewater debt payable	3,898,883
Net pension liability - IMRF	687,149
Asset retirement obligation	670,000
Total long-term liabilities	25,483,206
Total liabilities	29,911,365
DEFERRED INFLOWS OF RESOURCES	
Pension items - IMRF	220,647
Total deferred inflows of resources	220,647
Total liabilities and deferred inflows of resources	30,132,012
NET POSITION	
Net investment in capital assets	27,028,478
Restricted for debt service	338,453
Unrestricted	66,010,820
TOTAL NET POSITION	$ 93,377,751

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD, ILLINOIS

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

For the Year Ended March 31, 2026

	Business-Type Activities Water and Sewer Fund
OPERATING REVENUES	
Water and sewer service	$ 10,998,634
Miscellaneous income	16,625
Total operating revenues	11,015,259
OPERATING EXPENSES	
Water department	3,770,534
Sewer department	4,850,898
Depreciation and amortization	1,647,390
Total operating expenses	10,268,822
OPERATING INCOME (LOSS)	746,437
NON-OPERATING REVENUES (EXPENSES)	
Sales taxes	8,983,551
Connection and capital improvement fees	223,456
Investment income	1,460,563
Increase in joint venture	1,403,861
Interest expense	(481,239)
Total non-operating revenues (expenses)	11,590,192
INCOME (LOSS) BEFORE TRANSFERS	12,336,629
TRANSFERS	
Transfers in	569,220
Transfers (out)	(9,067,163)
Total transfers	(8,497,943)
CHANGE IN NET POSITION	3,838,686
NET POSITION, APRIL 1	89,539,065
NET POSITION, MARCH 31	$ 93,377,751

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUND

For the Year Ended March 31, 2026

	Business-Type Activities Water and Sewer Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	$ 10,902,781
Payments to suppliers	(6,062,172)
Payments to employees	(2,293,132)
Net cash from operating activities	2,547,477
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Sales taxes	8,824,607
Transfers	(8,497,943)
Net cash from noncapital financing activities	326,664
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital assets purchased	(14,055,256)
Connection and capital improvement fees	223,456
General obligation bond payments	(200,000)
IEPA loan proceeds	7,639,543
IEPA loan payments	(229,681)
GPWC contribution	(19,980,370)
Joliet Agreement principal payments	(613,782)
Interest payments	(550,990)
Net cash from capital and related financing activities	(27,767,080)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of investments	(23,429,918)
Sale and maturities of investments	39,378,181
Investment income	1,652,309
Net cash from investing activities	17,600,572
NET INCREASE IN CASH AND CASH EQUIVALENTS	(7,292,367)
CASH AND CASH EQUIVALENTS, APRIL 1	18,921,169
CASH AND CASH EQUIVALENTS, MARCH 31	$ 11,628,802

(This statement is continued on the following page.)

VILLAGE OF SHOREWOOD, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUND

For the Year Ended March 31, 2026

	Business-Type Activities
	Water and Sewer Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES	
Operating income (loss)	$ 746,437
Adjustments to reconcile operating income (loss) to net cash from operating activities	
Depreciation and amortization	1,647,390
Effects of changes in operating assets and liabilities	
Water customer receivables	(149,876)
Other receivables	36,273
Prepaid expenses	(7,117)
Accounts payable	203,285
Deposits payable	1,284
Accrued payroll	15,234
Unearned revenue	1,125
Pension items - IMRF	(4,977)
Compensated absences	33,394
OPEB liability	25,025
NET CASH FROM OPERATING ACTIVITIES	$ 2,547,477
NONCASH TRANSACTIONS	
Capital assets acquired through accounts payable and retainage	$ 2,342,292
Increase in joint venture - GPWC	1,403,861
IEPA loan receivable	1,951,492
IEPA loan payable	(1,951,492)
TOTAL NONCASH TRANSACTIONS	$ 3,746,153

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND

March 31, 2026

	Police Pension
ASSETS	
Cash and cash equivalents	$ 179,636
Investments held in the Illinois Police Officers' Pension Investment Fund	29,742,101
Prepaid expenses	2,577
Total assets	29,924,314
LIABILITIES	
None	-
Total liabilities	-
NET POSITION	
Restricted for pensions	29,924,314
TOTAL NET POSITION	$ 29,924,314

See accompanying notes to financial statements.

VILLAGE OF SHOREWOOD, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND

For the Year Ended March 31, 2026

	Police Pension
ADDITIONS	
Contributions - employer	$ 923,594
Contributions - plan members	323,626
Total contributions	1,247,220
Investment income	
Net appreciation in fair value of investments	4,456,810
Interest	151,038
Less investment expenses	(26,070)
Net investment income	4,581,778
Total additions	5,828,998
DEDUCTIONS	
Benefits and refunds	1,112,091
Administrative	18,161
Total deductions	1,130,252
NET INCREASE	4,698,746
NET POSITION	
April 1	25,225,568
March 31	$ 29,924,314

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Reporting Entity

The Village, for financial statement reporting purposes, includes all of the funds relevant to the operations of the Village. The financial statements presented herein do not include agencies which have been formed under applicable state laws as separate and distinct units of government, apart from the Village.

The Village is a municipal corporation governed by an elected board. As required by GAAP, these financial statements present the Village (the primary 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.

Police Pension Employees Retirement System

The Village's police employees participate in Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's Mayor, one elected by pension beneficiaries and two elected police employees constitute the pension board. The Village is obligated to fund all PPERS costs not funded by PPERS participants based upon actuarial valuations, which creates a financial burden on the Village. 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, which results in the PPERS being fiscally dependent upon the Village. PPERS is reported as a pension trust fund. PPERS does not issue a stand-alone financial report.

b. Fund Accounting

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting (Continued)

A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into the following categories: governmental, proprietary and fiduciary.

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

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

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. The Village utilizes a pension trust fund which is generally used to account for assets that the Village holds in a fiduciary capacity.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements except that interfund services provided/used, if any, are not eliminated as part of the consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The Village reports the following major governmental funds:

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

The Capital Projects Fund is used to account for all activities related to capital improvement expenses for the Village.

The Village reports the following major proprietary fund:

The Water and Sewer Fund is used to account for all activity necessary to provide water and sewer service to the residents of the Village including administration, operation, maintenance, financing and related debt service.

The Village reports a pension trust fund as a fiduciary component unit to account for the Police Pension Fund.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as non-operating.

Governmental fund financial statements are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

enough thereafter to be used to pay liabilities of the current period, generally within 60 days after year end. The Village recognizes property taxes when they become both measurable and available in the period intended to finance. A 90-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred.

Those revenues susceptible to accrual are property taxes, franchise taxes, interest revenue and charges for services. Sales taxes collected and held by the state at year end on behalf of the Village are also recognized as revenue. Fines, permits and license revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The Village reports deferred/unavailable revenue and unearned revenue on its financial statements. Deferred/unavailable revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period, under the modified accrual basis of accounting. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Deferred/unavailable revenues also arise when property taxes do not meet the period intended to finance criteria under the accrual basis of accounting.

Unearned revenues also arise when resources are received by the Village before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the liability and deferred inflows of resource for unearned and unavailable/deferred revenue are removed from the financial statements and revenue is recognized.

e. Cash in Commingled Account

The Village uses a single money market account to process most of its operating transactions. This account is commingled in that several funds share this account and have rights to the extent of their respective equity in the aggregate balance. Accounting records are maintained to recognize each fund’s share of the aggregate account balance. The General Fund, Debt Service Fund, Capital Projects Fund, Water and Sewer Fund and Asset Forfeiture Fund participate in the commingled account.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village's proprietary fund considers all highly liquid investments, with a maturity of three months or less when purchased to be cash equivalents.

g. Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust fund are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

h. Restricted Assets

Certain cash and other assets in the Water and Sewer Fund are restricted for payment of debt service. These assets are reflected as restricted cash and other assets and restrictions of net position.

i. Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds/advances to other funds" or "due to other funds/advances from other funds" on the financial statements.

j. Inventories

Inventories, if any, are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures and/or expenses when consumed rather than when purchased.

k. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses. Prepaid items/expenses are reported using the consumption method.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Capital Assets

Capital assets, which include property, plant, equipment, water and sewer system and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation of buildings, equipment, water and sewer systems and vehicles is computed using the straight-line method over the following useful lives:

	Threshold	Years
Land	$50,000	N/A
Buildings and building improvements	$100,000	10-50
Water and sewer system	$50,000-$100,000	10-40
Vehicles, machinery and equipment	$20,000-$50,000	5-10
Infrastructure	$50,000-$100,000	10-40
Intangible assets	$100,000	40

Construction and acquisition fees represent payments to the City of Joliet for rights to utilize their sewerage treatment plant and the costs associated with the connection.

m. Compensated Absences

In accordance with GASB Statement 101, *Compensated Absences*, vested or accumulated vacation and sick leave that is due to employees who have retired or terminated by the end of the year is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation and sick leave of proprietary funds and governmental activities is recorded as an expense and liability of those funds as the benefits accrue to employees. The entire balance of vacation leave is recognized as a liability at year end. A liability is recognized for the portion of accumulating sick leave benefits that is estimated to be more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. A liability is also recognized for sick leave in certain scenarios where employees have surpassed a vesting period and are entitled to a payout upon end of employment.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Long-Term Obligations

In the government-wide financial statements and proprietary funds 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 financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

Bonds payable are reported net of the applicable bond premium or discount. The unamortized loss on refunding is reported as a deferred outflow of resources. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

In the fund financial statements, governmental funds 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 expenditures.

o. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or are legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the Village. Committed fund balance is constrained by formal actions of the Village's Board of Trustees, which is considered the Village's highest level of decision-making authority.

Formal actions include ordinances approved by the Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Village Administrator and/or Finance Director as specified by the Village's fund balance reserve policy. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Fund Balances/Net Position (Continued)

The Village has established a fund balance reserve policy for its General Fund. The policy requires the Village to maintain an assigned fund balance in the General Fund equivalent to three months of operating expenditures.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned funds and then unassigned funds.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt to acquire or construct the capital assets as well as any other non-debt capital related liabilities.

Net position of the Village has not been restricted by enabling legislation.

p. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

q. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources 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.

2. DEPOSITS AND INVESTMENTS

The Village and pension fund categorize fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs.

Illinois Compiled Statutes (ILCS) and the Village's investment policy authorize the Village to make deposits/invest in insured commercial banks, insured savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, short-term commercial paper rated with the highest classification by at least one standard rating service, The Illinois Funds and the Illinois Metropolitan Investment Fund (IMET).

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

IMET is a local government investment pool. Created in 1996 as a not-for-profit trust formed under the Intergovernmental Cooperation Act and the Illinois Municipal Code. IMET was formed to provide Illinois government agencies with safe, liquid, attractive alternatives for investing and is managed by a Board of Trustees elected from the participating members. IMET offers participants two separate vehicles to meet their investment needs. The IMET Core Fund is designed for public funds that may be invested for longer than one year. The Core Fund carries the highest rating available (AAAf/bf) from Moody's for such funds. Member withdrawals can be made from the core fund with a five day notice. The IMET Convenience Fund (CVF) is designed to accommodate funds requiring high liquidity, including short term cash management programs and temporary investment of bond proceeds. It is comprised of collateralized and FHLB LoC backed bank deposits, FDIC insured certificates of deposit and U.S. Government securities. Member withdrawals are generally on the same day as requested. Investments in IMET are valued at IMET's share price, which is the price the investment could be sold.

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are safety (preservation of capital and protection of investment principal in the name of the Village), diversification, liquidity and yield.

2. DEPOSITS AND INVESTMENTS (Continued)

a. Village Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Village's deposits may not be returned to it. The Village's investment policy requires the pledging of collateral of 110% of all bank balances in excess of federal depository insurance with the collateral held by the Village, or in safekeeping (held by a third party or escrow agent of the pledging institution in the name of the Village) and evidenced by a safekeeping agreement.

b. Village Investments

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed to make current operating expenditures/expenses. The Village's investment policy does not specify maximum maturity lengths of investments.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in IMET, The Illinois Funds, money market mutual funds and U.S. agency securities even though the investment policies allow other investments. For the Village's investments, IMET and The Illinois Funds are rated AAA.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held in a custodial account with the trust department of an approved financial institution.

To limit its exposure, the Village invests in IMET and The Illinois Funds which are not subject to custodial credit risk.

Concentration of credit risk - The Village's investment policy requires diversification of the portfolio and specifies diversification targets or limits as follows:

- Monies deposited at a financial institution shall not exceed 75% of the capital stock and surplus of that institution.
- Commercial paper and bankers' acceptances shall not exceed 25% of the Village's investment portfolio.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Village Investments (Continued)

- Investment in the public treasurer's investment pool shall not exceed 75% of the Village's investment portfolio.
- Certificates of deposit with savings and loan associations shall not exceed 5% of the portfolio.
- The combination of certificates of deposit, bankers' acceptances and commercial paper shall not exceed 33% of the investment portfolio with any one financial institution.
- State and local government securities shall not exceed 25% of the investment portfolio.
- Commercial paper shall not exceed 10% of the investment portfolio with any one corporate entity.

The following table presents the investments and maturities of the Village's debt securities as of March 31, 2026:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less than 1	1-5	6-10	Greater than 10
IMET	$ 4,373,046	$ -	$ 4,373,046	$ -	$ -
TOTAL	$ 4,373,046	$ -	$ 4,373,046	$ -	$ -

3. PROPERTY TAXES

Property taxes for the 2024 levy year, intended to finance fiscal year 2026, attach as an enforceable lien on January 1, 2024, on property value assessed as of the same date. Taxes are levied by December 31 of the same year by passage of a Tax Levy Ordinance.

Tax bills are prepared by the County and issued on or about May 1, 2025 and August 1, 2025, and are payable in two installments, on or about June 1, 2025 and September 1, 2025. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience. Because the 2025 levy is intended to finance the fiscal year ended March 31, 2027, it has been offset by unavailable/deferred revenue at March 31, 2026. The 2026 tax levy, which attached as an enforceable lien on property as of January 1, 2026, has not been recorded as a receivable as of March 31, 2026 as the tax has not yet been levied by the Village and will not be levied until December 2026 and, therefore, the levy is not measurable at March 31, 2026.

4. RECEIVABLES

The following receivables are included in other receivables on the statement of net position:

GOVERNMENTAL ACTIVITIES	
Franchise tax	$ 63,720
Utility tax	111,321
Local motor fuel tax	37,654
Local sales tax	84,755
Other taxes	46,375
Utility services	35,899
Grants	1,720,367
Other	162,561
TOTAL	$ 2,262,652

BUSINESS-TYPE ACTIVITIES	
IEPA loans	$ 1,951,492
Other	425
TOTAL	$ 1,951,917

The following receivables are included in due from other governments on the statement of net position:

GOVERNMENTAL ACTIVITIES	
State sales tax	$ 1,545,276
State use tax	34,926
Motor fuel tax	59,554
Court fines	22,246
Grants	2,960
TOTAL	$ 1,664,962

BUSINESS-TYPE ACTIVITIES	
Municipal sales tax	$ 1,969,910
TOTAL	$ 1,969,910

5. CAPITAL ASSETS

Capital asset activity for the year ended March 31, 2026 was as follows:

	Balances April 1	Increases	Decreases	Balances March 31
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	$ 12,033,984	$ 76,184	$ -	$ 12,110,168
Land right of way	23,190,735	-	-	23,190,735
Construction in progress	3,607,532	2,531,019	2,336,081	3,802,470
Total capital assets not being depreciated	38,832,251	2,607,203	2,336,081	39,103,373
Capital assets being depreciated				
Buildings and improvements	34,669,256	1,901,369	-	36,570,625
Vehicles, machinery and equipment	6,021,053	567,109	74,520	6,513,642
Infrastructure	118,075,689	597,213	-	118,672,902
Total capital assets being depreciated	158,765,998	3,065,691	74,520	161,757,169
Less accumulated depreciation for				
Buildings and improvements	10,113,680	860,883	-	10,974,563
Vehicles, machinery and equipment	4,654,078	372,460	74,520	4,952,018
Infrastructure	71,879,429	2,672,636	-	74,552,065
Total accumulated depreciation	86,647,187	3,905,979	74,520	90,478,646
Total capital assets being depreciated, net	72,118,811	(840,288)	-	71,278,523
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 110,951,062	$ 1,766,915	$ 2,336,081	$ 110,381,896

Depreciation expense was charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES	
General government	$ 261,193
Public safety	105,882
Public works	3,208,971
Parks and recreation	329,933
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	$ 3,905,979

5. CAPITAL ASSETS (Continued)

	Balances April 1	Increases	Decreases	Balances March 31
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	$ 1,236,376	$ -	$ -	$ 1,236,376
Construction in progress	4,659,406	15,982,423	-	20,641,829
Total capital assets not being depreciated	5,895,782	15,982,423	-	21,878,205
Capital assets being depreciated				
Furniture and equipment	1,198,966	-	31,326	1,167,640
Sewerage treatment rights	16,331,124	-	-	16,331,124
Water/sewer distribution system	50,757,596	-	-	50,757,596
Total capital assets being depreciated	68,287,686	-	31,326	68,256,360
Less accumulated depreciation for				
Furniture and equipment	758,905	103,082	31,326	830,661
Sewerage treatment rights	6,305,487	407,351	-	6,712,838
Water/sewer distribution system	27,224,022	1,136,957	-	28,360,979
Total accumulated depreciation	34,288,414	1,647,390	31,326	35,904,478
Total capital assets being depreciated, net	33,999,272	(1,647,390)	-	32,351,882
BUSINESS-TYPE ACTIVITIES CAPITAL ASSETS, NET	$ 39,895,054	$ 14,335,033	$ -	$ 54,230,087

Depreciation expense was charged to functions/programs of the business-type activities as follows:

BUSINESS-TYPE ACTIVITIES	
Water and sewer	$ 1,647,390
TOTAL DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES	$ 1,647,390

6. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage and destruction of assets; errors and omissions; injuries to employees; and net income losses. To insure against the losses, the Village participates in the Southwest Agency for Risk Management (SWARM), a public entity risk pool with transfers of risk. The Village pays an annual premium to SWARM for property, public liability, automobile liability, crime and workers' compensation coverage. The Village purchases employee health insurance through Government Insurance Network (GIN). There has been no significant reduction in coverage the prior year. Settlement amounts have not exceeded insurance coverage for the current or three prior years.

7. LONG-TERM DEBT

a. Changes in Long-Term Liabilities

During the year ended March 31, 2026, the following changes occurred in long-term liabilities:

	Balances April 1	Additions	Reductions	Balances March 31	Current Portion
GOVERNMENTAL ACTIVITIES					
General obligation bonds	$ 12,600,000	$ -	$ 625,000	$ 11,975,000	$ 645,000
Unamortized premium on bonds	860,749	-	53,797	806,952	-
Compensated absences**	704,269	25,170	-	729,439	145,888
Net pension liability - IMRF*	2,081,809	-	435,634	1,646,175	-
Net pension liability - IMRF SLEP*	34,453	-	47	34,406	-
Net pension liability - Police*	4,826,052	-	2,056,784	2,769,268	-
Other postemployment benefit liability*	301,629	117,974	-	419,603	11,194
TOTAL GOVERNMENTAL ACTIVITIES	$ 21,408,961	$ 143,144	$ 3,171,262	$ 18,380,843	$ 802,082

*The net pension liabilities and the other postemployment benefit liability are typically paid by the General Fund.

**The amount displayed as additions or reductions represents the net change in the liability.

	Balances April 1	Additions	Reductions	Balances March 31	Current Portion
BUSINESS-TYPE ACTIVITIES					
General obligation bonds	$ 8,220,000	$ -	$ 200,000	$ 8,020,000	$ 295,000
Unamortized premium on bonds	460,386	-	24,231	436,155	-
IEPA loans	2,811,365	9,575,298	229,681	12,156,982	234,286
Joliet agreement	5,134,249	-	613,782	4,520,467	621,584
Compensated absences*	118,607	33,394	-	152,001	76,001
Net pension liability - IMRF	869,436	-	182,287	687,149	-
Other postemployment benefit liability	44,673	25,025	-	69,698	2,375
Asset retirement obligation	670,000	-	-	670,000	-
TOTAL BUSINESS-TYPE ACTIVITIES	$ 18,328,716	$ 9,633,717	$ 1,249,981	$ 26,712,452	$ 1,229,246

*The amount displayed as additions or reductions represents the net change in the liability.

7. LONG-TERM DEBT (Continued)

b. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for only governmental activities. These bonds, therefore, are reported in the proprietary funds if they are expected to be repaid from proprietary revenues. In addition, general obligation bonds have been issued to refund general obligation bonds.

The Village issued the Series 2021 General Obligation Bonds to finance various capital improvements throughout the Village and to pay the costs of issuing the bonds. Repayment of the debt is funded by taxes specifically designated in the Debt Service Fund.

The Village issued the Series 2024 General Obligation Bonds to finance various water and sewer capital improvements throughout the Village and to pay the costs of issuing the bonds. Repayment of the debt is funded by taxes specifically designated in the Water and Sewer Fund.

General obligation bonds are direct obligations and pledge the full faith and credit of the Village.

General obligation bonds currently outstanding are as follows:

	Fund Debt Retired By	Balances April 1	Additions	Reductions	Balances March 31	Current Portion
$14,200,000 General Obligation Bonds, Series 2021, dated August 11, 2021, due in annual installments plus interest at 2% to 4% through December 15, 2040	Debt Service	$ 12,600,000	$ -	$ 625,000	$ 11,975,000	$ 645,000
$8,220,000 General Obligation Bonds, Series 2024, dated September 17, 2024, due in annual installments plus interest at 4% to 5% through December 15, 2043	Water and Sewer	8,220,000	-	200,000	8,020,000	295,000
TOTAL		$ 20,820,000	$ -	$ 825,000	$ 19,995,000	$ 940,000

7. LONG-TERM DEBT (Continued)

c. IEPA Loans

The Village enters into Illinois Environmental Protection Agency (IEPA) loans to provide funds for the acquisition of water and sewer capital projects. IEPA loans payable have been issued for proprietary activities and, therefore, proprietary liabilities are reported in proprietary funds.

IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired by	Balances January 1	Issuances	Retirements	Balances December 31	Current Portion
$4,608,640 IEPA loan dated August 25, 2014, due in semiannual installments of $91,863 to $140,753 plus interest at 1.995% through December 17, 2035	Water and Sewer	$ 2,795,629	$	$ 229,681	$ 2,565,948	$ 234,286
$4,965,011 Illinois Environmental Protection Agency Loan, dated March 6, 2025*	Water and Sewer	10,426	3,088,180	-	3,098,606	-
$18,908,532 Illinois Environmental Protection Agency Loan, dated March 12, 2025*	Water and Sewer	5,310	6,487,118	-	6,492,428	-
TOTAL		$ 2,811,365	$ 9,575,298	$ 229,681	$ 12,156,982	$ 234,286

*These outstanding IEPA loans are still in the active disbursement period as of fiscal year end. As a result, the loan amortization schedules are not finalized and, therefore, are not included in the debt service to maturity schedules on the next page.

7. LONG-TERM DEBT (Continued)

d. Debt Service Requirements to Maturity

Debt service requirements to maturity for long-term debt is as follows:

Fiscal Year Ending March 31,	Governmental Activities – General Obligation Bonders Series 2021 Principal	Governmental Activities – General Obligation Bonders Series 2021 Interest	Business-Type Activities – General Obligation Bonds Series 2024 Principal	Business-Type Activities – General Obligation Bonds Series 2024 Interest
2027	$ 645,000	$ 294,500	$ 295,000	$ 348,900
2028	675,000	268,700	310,000	334,150
2029	700,000	241,700	325,000	318,650
2030	730,000	213,700	340,000	302,400
2031	755,000	184,500	355,000	285,400
2032-2036	4,025,000	689,000	2,070,000	1,145,100
2037-2041	4,445,000	270,200	2,545,000	669,400
2042-2044	-	-	1,780,000	144,200
TOTAL	$ 11,975,000	$ 2,162,300	$ 8,020,000	$ 3,548,200

Fiscal Year Ending March 31,	Business-Type Activities – Joliet/Shorewood Wastewater Agreement Principal	Business-Type Activities – Joliet/Shorewood Wastewater Agreement Interest	Business-Type Activities – IEPA Loans Principal	Business-Type Activities – IEPA Loans Interest
2027	$ 621,584	$ 55,322	$ 234,286	$ 50,028
2028	629,487	47,419	238,983	45,331
2029	637,377	39,529	243,775	40,539
2030	645,594	31,312	248,663	35,651
2031	653,802	23,104	253,648	30,666
2032-2036	1,332,623	21,189	1,346,593	74,977
TOTAL	$ 4,520,467	$ 217,875	$ 2,565,948	$ 277,192

e. Joliet/Shorewood Wastewater Agreement

The Village has recognized a liability for construction and acquisition fee payments to the City of Joliet for rights to utilize their sewerage treatment plant and the cost to connect to it.

7. LONG-TERM DEBT (Continued)

f. Asset Retirement Obligation

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells at the end of their estimated useful lives in accordance with federal, state and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated useful lives of the water wells is 50 years.

8. INDIVIDUAL FUND DISCLOSURES

a. Interfund Transfers

Individual fund transfers for the year ended March 31, 2026 are:

	Transfers In	Transfers Out
General Fund	$ -	$ 1,514,195
Capital Projects Fund	9,067,163	149,217
Nonmajor Governmental Funds		
Motor Fuel Tax Fund	149,217	-
Debt Service Fund	944,975	-
Water and Sewer Fund	569,220	9,067,163
TOTAL	$ 10,730,575	$ 10,730,575

The purpose of significant transfers is as follows:

- $9,067,163 transferred to the Capital Projects Fund from the Water and Sewer Fund for capital projects and improvements. This transfer will not be repaid.
- $149,217 transferred to the Motor Fuel Tax Fund (Nonmajor Governmental) from the Capital Projects Fund for budgetary purposes. This transfer will not be repaid.
- $944,975 transferred to the Debt Service Fund (Nonmajor Governmental) from the General Fund for debt payments. This transfer will not be repaid.
- $569,220 transferred to the Water and Sewer Fund from the General Fund for budgetary purposes. This transfer will not be repaid.

9. EMPLOYEE RETIREMENT SYSTEMS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system, the Sheriff's Law Enforcement Personnel Fund (SLEP), which is administered by IMRF and is also an agent multiple-employer public employee retirement system; and the Police Pension Plan, which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for both plans are governed by ILCS and can only be amended by the Illinois General Assembly. The Police Pension Plan does not issue a separate report. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

The table below is a summary for all pension plans as of and for the fiscal year ended March 31, 2026:

	IMRF	IMRF SLEP	Police Pension	Total
Net pension liability	$ 2,333,324	$ 34,406	$ 2,769,268	$ 5,136,998
Deferred outflows of resources	839,974	18,940	1,501,085	2,359,999
Deferred inflows of resources	748,603	4,423	2,351,358	3,104,384
Pension expense	472,823	23,808	977,750	1,474,381

a. Plan Descriptions

<u>Illinois Municipal Retirement Fund</u>

Plan Administration

All employees (other than those covered by IMRF-SLEP or the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2025 (the measurement date), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	30
Inactive employees entitled to but not yet receiving benefits	34
Active employees	51
TOTAL	115

Benefits Provided

All employees (other than those covered by the Police Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

IMRF also provides death and disability benefits. These benefit provisions and all are established by state statute

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The required employer contribution for the fiscal year ended March 31, 2026 was 11.66% of covered payroll.

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2025
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Asset valuation method	Fair value

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.

Discount Rate

The discount rate used to measure the total pension liability at December 31, 2025, was 7.25%. 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 the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Long-Term Expected Rate of Return

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

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	32.50%	7.35%
International equity	18.00%	7.45%
Fixed income	24.00%	4.75%
Real estate	10.50%	6.25%
Alternative investments	14.00%	3.90% to 8.50%
Cash equivalents	1.00%	3.00%
TOTAL	100.00%	

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2025	$ 17,067,374	$ 14,116,129	$ 2,951,245
Changes for the period			
Service cost	342,813	-	342,813
Interest	1,227,213	-	1,227,213
Difference between expected and actual experience	691,652	-	691,652
Changes in assumptions	-	-	-
Employer contributions	-	494,222	(494,222)
Employee contributions	-	189,881	(189,881)
Net investment income	-	2,079,875	(2,079,875)
Benefit payments and refunds	(623,405)	(623,405)	-
Other (net transfer)	-	115,621	(115,621)
Net changes	1,638,273	2,256,194	(617,921)
BALANCES AT DECEMBER 31, 2025	$ 18,705,647	$ 16,372,323	$ 2,333,324

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended March 31, 2026, the Village recognized pension expense of $472,823.

At March 31, 2026, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 722,596	$ 52,214
Changes in assumption	4,322	-
Net difference between projected and actual earnings on pension plan investments	-	696,389
Contributions subsequent to measurement date	113,056	-
TOTAL	$ 839,974	$ 748,603

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

$113,056 reported as deferred outflows of resources related to pensions resulting from village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending March 31, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

Year Ending March 31,	
2027	$ 426,748
2028	(186,319)
2029	(122,562)
2030	(139,552)
2031	-
TOTAL	$ (21,685)

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	$ 4,843,687	$ 2,333,324	$ 325,028

Sheriff's Law Enforcement Personnel

Benefits Provided

SLEP members having accumulated at least 20 years of SLEP service and terminating IMRF participation or after January 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. SLEP members meeting these two qualifications are entitled to an annual retirement benefit payable monthly for life, in an amount equal to 2 1/2% of their final rate of earnings for each year of credited service up to 20 years, 2% of their final earnings rate for the next ten years of credited service and 1% for each year thereafter. For SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies. SLEP also provides death and disability benefits. These benefit provisions and all other requirements are established by ILCS.

Contributions

Participating members are required to contribute 7.50% of their annual salary to SLEP. The Village is required to contribute the remaining amounts necessary to fund SLEP as specified by statute. The required employer contribution for the fiscal year ended March 31, 2026, was 10.45% of covered payroll.

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Sheriff's Law Enforcement Personnel (Continued)

Plan Membership

At December 31, 2025 (most recent information available), SLEP membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	-
Inactive employees entitled to but not yet receiving benefits	-
Active employees	1
TOTAL	1

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2025
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Asset valuation method	Fair value

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.

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Sheriff's Law Enforcement Personnel (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. 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 the Village's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, SLEP's fiduciary net position was projected to be available to make all projected 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.

Long-Term Expected Rate of Return

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:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	32.50%	7.35%
International equity	18.00%	7.45%
Fixed income	24.00%	4.75%
Real estate	10.50%	6.25%
Alternative investments	14.00%	3.90% to 8.50%
Cash equivalents	1.00%	3.00%
TOTAL	100.00%	

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Sheriff's Law Enforcement Personnel (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2025	$ 106,439	$ 71,986	$ 34,453
Changes for the period			
Service cost	19,775	-	19,775
Interest	8,434	-	8,434
Difference between expected and actual experience	2,088	-	2,088
Changes of assumptions	-	-	-
Employer contributions	-	12,748	(12,748)
Employee contributions	-	9,546	(9,546)
Net investment income	-	7,178	(7,178)
Benefit payments and refunds	-	-	-
Administrative expense	-	-	-
Other (net transfer)	-	872	(872)
Net changes	30,297	30,344	(47)
BALANCES AT DECEMBER 31, 2025	$ 136,736	$ 102,330	$ 34,406

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Sheriff's Law Enforcement Personnel (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended March 31, 2026, the Village recognized pension expense of $23,808.

At March 31, 2026, the Village reported deferred outflows of resources and deferred inflows of resources related to SLEP from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 14,809	$ 4,038
Changes in assumption	208	-
Net difference between projected and actual earnings on pension plan investments	-	385
Contributions subsequent to measurement date	3,923	-
TOTAL	$ 18,940	$ 4,423

$3,923 reported as deferred outflows of resources related to pensions resulting from village contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending March 31, 2027. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to SLEP will be recognized in pension expense as follows:

Year Ending March 31,	
2027	$ 11,398
2028	(965)
2029	384
2030	(223)
2031	-
Thereafter	-
TOTAL	$ 10,594

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Sheriff's Law Enforcement Personnel (Continued)

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 of 7.25% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability	$ 48,094	$ 34,406	$ 22,342

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and 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 plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active sworn police employees.

Plan Membership

At March 31, 2026, membership consisted of:

Inactive plan members currently receiving benefits	14
Inactive plan members entitled to but not yet receiving benefits	6
Active plan members	29
TOTAL	49

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half 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 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% 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 2.50% of salary for each year of service. The monthly benefit 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% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by devising the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% 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% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Contributions

Employees are required by ILCS 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. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. The Village has adopted a policy to fund 100% of the past service costs by 2040 using the entry-age normal actuarial cost method. For the year ended March 31, 2026, the Village's contribution was 28.28% of covered payroll.

Illinois Police Officers' Pension Investment 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 as defined in 40 ILCS 5/22B-105. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory.

Deposits with Financial Institutions

The plan retains all of its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the plan.

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the plan's deposits may not be returned to it. The plan's investment policy requires pledging of collateral for all bank balances held in the Plan's name in excess of federal depository insurance, at amounts ranging from 110% to 115% of the fair market value of the funds secured, with the collateral held by an independent third party or the Federal Reserve Bank.

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investments

Investments of the plan 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. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, Illinois 61602 or at www.ipopif.org.

Fair Value Measurement

The plan categorizes fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs. The Plan held no investments subject to fair value measurement at March 31, 2026.

Net Asset Value

The net asset value (NAV) of the plan's pooled investment in IPOPIF was $29,742,101 at March 31, 2026. 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 March 31, 2026. The plan may redeem shares with a seven-calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven-calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

Investment Rate of Return

For the year ended March 31, 2026, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 18.07%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. 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 the Village contributions will be made at rates equal to the difference between 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 projected future benefit payments of current plan members.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT APRIL 1, 2025	$ 30,051,620	$ 25,225,568	$ 4,826,052
Changes for the period			
Service cost	807,372	-	807,372
Interest	2,045,449	-	2,045,449
Difference between expected and actual experience	901,232	-	901,232
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Employer contributions	-	923,594	(923,594)
Employee contributions	-	323,626	(323,626)
Net investment income	-	4,581,778	(4,581,778)
Benefit payments and refunds	(1,112,091)	(1,112,091)	-
Administrative expense	-	(18,161)	18,161
Net changes	2,641,962	4,698,746	(2,056,784)
BALANCES AT MARCH 31, 2026	$ 32,693,582	$ 29,924,314	$ 2,769,268

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in the Net Pension Liability (Continued)

The funded status of the plan as of the most recent measurement date is 91.53%.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of March 31, 2026 using the following actuarial methods and assumptions.

Actuarial valuation date	March 31, 2026
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	Service-based
Interest rate	6.75%
Cost of living adjustments	3.00% (Tier 1) 1.25% (Tier 2)
Asset valuation method	Fair value

For active lives, mortality rates were based on PubS-2010 Employee mortality, projected five years past the valuation date with Scale MP-2021. 10% of active deaths are assumed to be in the line of duty. For inactive lives, rates were based on PubS-2010 Healthy Retiree mortality, projected five years past the valuation date with Scale MP-2021. For beneficiaries, rates were based on PubS-2010 Survivor mortality, projected five years past the valuation date with Scale MP-2021. For disabled lives, rates were based on PubS-2010 Disabled mortality, projected five years past the valuation date with Scale MP-2021.

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the Village calculated using the discount rate of 6.75% as well as what the Village's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability (asset)	$ 7,979,784	$ 2,769,268	$ (1,424,334)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended March 31, 2026, the Village recognized pension expense of $977,750. At March 31, 2026, the Village reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,266,961	$ 101,448
Changes in assumptions	234,124	35,668
Net difference between projected and actual earnings on pension plan investments	-	2,214,242
TOTAL	$ 1,501,085	$ 2,351,358

Changes in the net pension liability related to the difference in actual and expected experience, or changes in assumptions regarding future events, are recognized in pension expense over the expected remaining service life of all employees (active and retired) in the plan. Differences in projected and actual earnings over the measurement period are recognized over a five-year period.

9. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the police pension will be recognized in pension expense as follows:

Year Ending March 31,	
2027	$ (49,209)
2028	(512,555)
2029	(265,261)
2030	(349,516)
2031	173,050
Thereafter	153,218
TOTAL	$ (850,273)

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care and life insurance benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Benefits Provided

A retired employee and his or her spouse are eligible to continue health insurance identical to active employees if they meet the eligibility for retirements under the applicable plan. Retirees participating in the group insurance plans offered by the Village are required to contribute 100% of the active premium rate for them and their covered dependents. For certain disabled public safety employees who qualify under the Public Safety Employee Benefits Act (PSEBA), the Village is required to pay 100% of the cost of basic health insurance for retirees and their dependents for their lifetime. The Village negotiates the contribution percentages between the Village and employees through the union contracts and personnel policy.

All health care benefits are provided through the Village's commercial health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the Village's plan becomes secondary.

c. Membership

At March 31, 2026, membership consisted of:

Retirees and beneficiaries currently receiving benefits	3
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	57
TOTAL	60
Participating employers	1

d. Total OPEB Liability

The Village's total OPEB liability of $489,301 was measured as of March 31, 2026 and was determined by an actuarial valuation as of the same date.

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Actuarial Assumptions and Other Inputs

The total OPEB liability at March 31, 2026, as determined by an actuarial valuation as of the same date, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Actuarial cost method	Entry-age normal
Actuarial value of assets	Not applicable
Inflation	2.50%
Salary increases	2.50%
Discount rate	4.56%
Healthcare cost trend rates	6.25% Initial 4.00% Ultimate

The discount rate was based on The Bond Buyer 20-Bond GO Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

f. Changes in the Total OPEB Liability

	Total OPEB Liability
BALANCES AT APRIL 1, 2025	$ 346,302
Changes for the period	
Service cost	11,018
Interest	15,953
Difference between expected and actual experience	122,816
Changes in assumptions	6,781
Benefit payments	(13,569)
Net changes	142,999
BALANCES AT MARCH 31, 2026	$ 489,301

Changes of assumptions reflect a change in the discount rate and healthcare cost trend rates.

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the Village calculated using the discount rate of 4.56% as well as what the Village total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.56%) or 1 percentage point higher (5.56%) than the current rate:

	1% Decrease (3.56%)	Current Discount Rate (4.56%)	1% Increase (5.56%)
Total OPEB liability	$ 545,605	$ 489,301	$ 441,500

The table below presents the total OPEB liability of the Village calculated using the healthcare rate of 4.00% to 6.25% as well as what the Village's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.00% to 5.25%) or 1 percentage point higher (5.00% to 7.25%) than the current rate:

	1% Decrease (varies)	Current Healthcare Rate (varies)	1% Increase (varies)
Total OPEB liability	$ 440,088	$ 489,301	$ 547,679

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

For the year ended March 31, 2026, the Village recognized OPEB expense of $159,968. Under GASB Statement No. 75, plans that qualify for the Alternative Measurement Method, changes to the OPEB liability are not permitted to be included in deferred outflows of resources or deferred inflows of resources related to OPEB. These changes will be immediately recognized through OPEB expense.

11. EMPLOYEE BENEFIT PLANS

The Village provides a 457 plan, a single employer defined contribution plan, to the Village Administrator, which is a single employer defined contribution plan. Due to his time as a Police Chief and participation in an Article III Pension Plan and subsequent re-employment with the Village, the Village Administrator is ineligible to participate in IMRF. Therefore, the Village will contribute an amount equal to that of the IMRF employer contribution percentage to a 457 plan. The Administrator may elect to contribute additional earnings to the plan, up to the IRS annual limit. During the fiscal year ended March 31, 2026, the contribution made by the Village was $23,167.

12. LESSOR DISCLOSURES

In accordance with GASB Statement No. 87, *Leases*, the Village's lessor activity is as follows:

The Village entered into two lease arrangements on October 25, 2005 and August 28, 2018, to lease cell tower property. For the first lease arrangement, payments ranging from $2,119 to $2,816 are due to the Village in monthly installments, through October 1, 2034. For the second lease arrangement, payments ranging from $2,459 to $5,302 are due to the Village in monthly installments, through February 1, 2049. Both lease arrangements are noncancelable. During the fiscal year, the Village collected $59,468 under both arrangements and recognized a $51,456 reduction in the related deferred inflow of resource. As of March 31, 2026, the remaining lease receivable and offsetting deferred inflow of resource for these arrangements is $943,339 and $830,981, respectively, and these amounts are recorded in the Village's General Fund.

The Village entered into a lease arrangement on May 26, 2022, to lease building space. Payments of $12,000 are due to the Village in annual installments, through May 26, 2026. The lease arrangement is noncancelable. During the fiscal year, the Village collected $12,000 and recognized a $11,115 reduction in the related deferred inflow of resource. As of March 31, 2026, the remaining lease receivable and offsetting deferred inflow of resource for this arrangement is $11,697 and $11,115, respectively, and these amounts are recorded in the Village's General Fund.

13. TAX ABATEMENT

The Village entered into an agreement with a developer to provide economic incentives. The Village will rebate a maximum total of $400,000 in the taxes paid to the tax increment financing district, however not exceeding total sales tax generated in the same time period. The tax rebate commenced in 2019 and terminates when the Village fulfills its rebate of $400,000. As of and for the year ended March 31, 2026, the Village paid $48,459 to the developer and, since inception, has paid the developer $281,949.

14. JOINT VENTURE

Grand Prairie Water Commission

The Grand Prairie Water Commission (the Commission), Illinois was established in 2024 and is governed by a Board of Commissioners, consisting of one member of the corporate authorities (or a designated alternate) from each member community, each serving as a Commissioner. Every Commissioner has one vote. Commissioners have been appointed from among the Mayor/President and the members of the City Council or Board of Trustees of each member community. The Cities of Crest Hill and Joliet, along with the Villages of Channahon, Minooka, Shorewood, and Romeoville, established the Commission pursuant to the requirements of the Regional Water Commissions Act, codified at 65 ILCS 5/11-135.5-1 et seq. The purpose of the Commission is to provide an adequate supply of water on an economical and cost-effective basis for their respective communities, including the development of a joint waterworks system and a common source of Lake Michigan water for use.

Under the agreement, the Village incurred advanced development and construction costs related to the Commission's capital program. The Commission is obligated to reimburse the Village through a credit applied to the Village's proportionate share of capital costs, debt service, and financing costs. The total reimbursement credit will be recognized over the life of the capital construction program and reflected as a reduction in Village's share of the Commission's debt service obligations. As of December 31, 2025, the Commission's most recent fiscal year end, the total credit incurred under this arrangement for the Village of Shorewood was $19,980,370 and is recorded on the Village's financial statements as an intergovernmental receivable.

Audited financial statements as of December 31, 2025 can be obtained by contacting the Commission directly via their website: https://www.gpwc-il.org/contact-us

Revenues of the Commission consist of (1) all receipts derived from the Water Supply Agreements or any other contract for the supply of water; (2) all income derived from the investment of monies; (3) capital contributions from member communities as outlined in the existing agreements; and (4) all income, fees, water service charges, and all grants, rents, and receipts derived by GPWC from the ownership and operation of the system and the sale of water. GPWC covenants to establish fees and charges sufficient to provide revenues to meet all its obligations.

The $20,000,000 obligation made by the Village of Shorewood during the fiscal year ended March 31, 2026, along with future obligations to make payments required by this agreement, is payable from the Village's Water and Sewer Fund.

14. JOINT VENTURE (Continued)

Grand Prairie Water Commission (Continued)

In accordance with the joint venture agreement, the Village remitted $20,536,815 to the Commission for the year ended March 31, 2026. The Village has an equity interest in the Commission in the amount of $1,403,861, recorded in the Water and Sewer Fund as an investment in joint venture.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended March 31, 2026

	Original and Final Appropriations	Original and Final Operating Budget	Actual	Variance (Over) Under Budget
REVENUES				
Property taxes		$ 2,490,556	$ 2,517,786	$ (27,230)
Other taxes		8,003,000	8,536,914	(533,914)
Intergovernmental		3,244,325	3,721,785	(477,460)
Licenses, permits and fines		652,190	674,466	(22,276)
Franchise fees		292,462	265,958	26,504
Charges for services		3,283,596	3,277,038	6,558
Investment income		320,000	414,107	(94,107)
Miscellaneous		210,000	207,834	2,166
Total revenues		18,496,129	19,615,888	(1,119,759)
EXPENDITURES				
Current				
General government	$ 7,458,669	5,750,113	5,974,790	(224,677)
Public safety	8,851,584	7,081,267	7,158,315	(77,048)
Public works	3,924,018	3,139,214	2,788,270	350,944
Parks and recreation	603,640	482,912	391,773	91,139
Capital outlay	693,750	555,000	412,349	142,651
Total expenditures	$ 21,531,661	17,008,506	16,725,497	283,009
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		1,487,623	2,890,391	(1,402,768)
OTHER FINANCING SOURCES (USES)				
Transfers (out)	$ (1,181,219)	(944,975)	(1,514,195)	569,220
Sale of assets		10,000	50,225	(40,225)
Total other financing sources (uses)		(934,975)	(1,463,970)	528,995
NET CHANGE IN FUND BALANCE		$ 552,648	1,426,421	$ (873,773)
FUND BALANCE, APRIL 1			11,188,888	
FUND BALANCE, MARCH 31			$ 12,615,309	

(See independent auditor's report.)

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED MARCH 31,	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
Actuarially determined contribution	$ 352,278	$ 357,313	$ 372,087	$ 354,744	$ 422,121	$ 417,306	$ 412,043	$ 441,993	$ 441,109	$ 486,396
Contributions in relation to the actuarially determined contribution	352,278	357,313	372,087	354,744	422,121	417,306	412,043	441,993	441,109	486,396
CONTRIBUTION DEFICIENCY (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 2,640,746	$ 2,745,140	$ 2,690,329	$ 3,008,044	$ 3,277,811	$ 3,209,708	$ 3,409,562	$ 3,603,296	$ 3,794,078	$ 4,172,074
Contributions as a percentage of covered payroll	13.34%	13.02%	13.83%	11.79%	12.88%	13.00%	12.08%	12.27%	11.63%	11.66%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 18 years; the asset valuation method was five-year smoothed fair value; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.85% to 13.75% compounded annually and postretirement benefit increases of 2.75% compounded annually.

(See independent auditor's report.)

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND - SLEP

Last Four Fiscal Years

FISCAL YEAR ENDED MARCH 31,	**2023**	**2024**	**2025**	**2026**
Actuarially determined contribution	$ 13,621	$ 14,109	$ 15,271	$ 12,897
Contributions in relation to the actuarially determined contribution	13,621	14,109	15,271	12,897
CONTRIBUTION DEFICIENCY (Excess)	$ -	$ -	$ -	$ -
Covered payroll	$ 143,756	$ 148,733	$ 131,538	$ 123,449
Contributions as a percentage of covered payroll	9.48%	9.49%	11.61%	10.45%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior calendar year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 18 years; the asset valuation method was five-year smoothed fair value; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.75% to 13.75% compounded annually and postretirement benefit increases of 2.75% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED MARCH 31,	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
Actuarially determined contribution	$ 524,952	$ 569,788	$ 614,642	$ 605,312	$ 726,368	$ 778,376	$ 772,061	$ 828,828	$ 900,463	$ 921,787
Contributions in relation to the actuarially determined contribution	602,072	674,384	675,136	675,167	725,894	778,452	777,559	826,417	898,845	923,594
CONTRIBUTION DEFICIENCY (Excess)	$ (77,120)	$ (104,596)	$ (60,494)	$ (69,855)	$ 474	$ (76)	$ (5,498)	$ 2,411	$ 1,618	$ (1,807)
Covered payroll	$ 2,211,988	$ 2,532,177	$ 2,658,077	$ 2,681,729	$ 2,788,676	$ 2,847,154	$ 3,069,980	$ 3,127,043	$ 3,336,821	$ 3,265,651
Contributions as a percentage of covered payroll	27.22%	26.63%	25.40%	25.18%	26.03%	27.34%	25.33%	26.43%	26.94%	28.28%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of April 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 15 years; the asset valuation method was five-year smoothed fair value; and the significant actuarial assumptions were an investment rate of return at 6.75%, projected salary increases assumption is on a graded schedule based on service (ranging from 3.50% to 11.00%) compounded annually and postretirement benefit increases of 3% compounded annually.

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Eight Fiscal Years

MEASUREMENT DATE MARCH 31,	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
TOTAL OPEB LIABILITY								
Service cost	$ 16,438	$ 17,235	$ 12,994	$ 16,458	$ 14,473	$ 13,332	$ 11,402	$ 11,018
Interest	10,058	10,950	12,154	8,777	14,897	16,597	14,880	15,953
Differences between expected and actual experience	-	165,527	-	-	-	(9,066)	-	122,816
Changes of assumptions	3,052	(59,267)	74,396	(82,757)	(31,939)	(61,746)	(13,944)	6,781
Benefit payments	-	-	(11,536)	(12,401)	(16,439)	(17,672)	(12,681)	(13,569)
Net change in total OPEB liability	29,548	134,445	88,008	(69,923)	(19,008)	(58,555)	(343)	142,999
Total OPEB liability - beginning	242,130	271,678	406,123	494,131	424,208	405,200	346,645	346,302
TOTAL OPEB LIABILITY - ENDING	$ 271,678	$ 406,123	$ 494,131	$ 424,208	$ 405,200	$ 346,645	$ 346,302	$ 489,301
Covered-employee payroll	$ 3,710,106	$ 4,113,678	$ 4,113,678	$ 4,988,834	$ 5,113,555	$ 5,516,813	$ 5,654,733	$ 5,847,830
Employer's total OPEB liability as a percentage of covered-employee payroll	7.32%	9.87%	12.01%	8.50%	7.92%	6.28%	6.12%	8.37%

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

2026: Changes of assumptions reflect a change in the discount rate to 4.56%. Also reflected as assumption changes are updated health care costs.
2025: Changes of assumptions reflect a change in the discount rate to 4.55%
2024: Changes of assumptions reflect a change in the discount rate to 4.23%. Also reflected as assumption changes are updated health care costs and premiums.
2023: Changes of assumptions reflect a change in the discount rate to 4.05%
2022: Changes of assumptions reflect a change in the discount rate to 3.46% and updates to mortality rates, health care costs and premiums and health care cost trend
2021: Changes of assumptions reflect a change in the discount rate to 1.74%.
2020: Changes of assumptions reflect a change in the discount rate to 2.94% and updates to health care premiums, claims and trend rates.
2019: Changes of assumptions reflect a change in the discount rate to 3.79%.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Ten Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
TOTAL PENSION LIABILITY										
Service cost	$ 268,759	$ 286,074	$ 262,038	$ 284,713	$ 327,405	$ 301,203	$ 296,825	$ 320,081	$ 331,108	$ 342,813
Interest	659,720	725,330	737,808	820,592	894,977	929,751	1,032,240	1,096,842	1,168,799	1,227,213
Differences between expected and actual experience	186,963	(236,842)	405,323	258,887	(72,437)	750,937	136,812	152,655	(91,046)	691,652
Changes of assumptions	(59,896)	(336,878)	386,851	-	(198,182)	-	-	9,767	-	-
Benefit payments, including refunds of member contributions	(248,815)	(224,337)	(294,240)	(350,340)	(368,727)	(549,310)	(582,808)	(590,099)	(594,592)	(623,405)
Net change in total pension liability	806,731	213,347	1,497,780	1,013,852	583,036	1,432,581	883,069	989,246	814,269	1,638,273
Total pension liability - beginning	8,833,463	9,640,194	9,853,541	11,351,321	12,365,173	12,948,209	14,380,790	15,263,859	16,253,105	17,067,374
TOTAL PENSION LIABILITY - ENDING	$ 9,640,194	$ 9,853,541	$ 11,351,321	$ 12,365,173	$ 12,948,209	$ 14,380,790	$ 15,263,859	$ 16,253,105	$ 17,067,374	$ 18,705,647
PLAN FIDUCIARY NET POSITION										
Contributions - employer	$ 350,200	$ 349,200	$ 383,511	$ 338,685	$ 392,702	$ 433,177	$ 394,408	$ 449,234	$ 435,445	$ 494,222
Contributions - member	117,956	119,954	121,704	136,671	139,586	145,037	148,896	170,380	168,342	189,881
Net investment income	436,710	1,159,784	(350,060)	1,490,710	1,345,350	1,821,769	(1,566,987)	1,265,111	1,274,723	2,079,875
Benefit payments, including refunds of member contributions	(248,815)	(224,337)	(294,240)	(350,340)	(368,727)	(549,310)	(582,808)	(590,099)	(594,592)	(623,405)
Other	70,210	(146,031)	175,708	(36,270)	59,843	22,367	(93,491)	302,231	(390,880)	115,621
Net change in plan fiduciary net position	726,261	1,258,570	36,623	1,579,456	1,568,754	1,873,040	(1,699,982)	1,596,857	893,038	2,256,194
Plan fiduciary net position - beginning	6,283,512	7,009,773	8,268,343	8,304,966	9,884,422	11,453,176	13,326,216	11,626,234	13,223,091	14,116,129
PLAN FIDUCIARY NET POSITION - ENDING	$ 7,009,773	$ 8,268,343	$ 8,304,966	$ 9,884,422	$ 11,453,176	$ 13,326,216	$ 11,626,234	$ 13,223,091	$ 14,116,129	$ 16,372,323
EMPLOYER'S NET PENSION LIABILITY	$ 2,630,421	$ 1,585,198	$ 3,046,355	$ 2,480,751	$ 1,495,033	$ 1,054,574	$ 3,637,625	$ 3,030,014	$ 2,951,245	$ 2,333,324

MEASUREMENT DATE DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Plan fiduciary net position as a percentage of the total pension liability	72.71%	83.91%	73.16%	79.94%	88.45%	92.67%	76.17%	81.36%	82.71%	87.53%
Covered payroll	$ 2,621,259	$ 2,665,646	$ 2,704,533	$ 2,942,534	$ 3,101,904	$ 3,223,036	$ 3,308,797	$ 3,593,866	$ 3,740,930	$ 4,219,571
Employer's net pension liability as a percentage of covered payroll	100.35%	59.47%	112.64%	84.31%	48.20%	32.72%	109.94%	84.31%	78.89%	55.30%

In 2015, there were changes in assumptions related to investment rate of return, retirement age and mortality were made since the prior measurement date. In 2016, there were changes in assumptions related to retirement age and mortality were made since the prior measurement date. In 2017, there were changes in assumptions related to inflation rates, salary rates and mortality were made since the prior measurement date. In 2018, there were changes in assumptions related to the discount rate were made since the prior measurement date. In 2020, there were changes in assumptions related to salary rates, price inflation, retirement age and mortality rates. In 2023, there were changes in assumptions related to mortality rates and other demographics.

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND - SLEP

Last Four Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2022	2023	2024	2025
TOTAL PENSION LIABILITY				
Service cost	$ -	$ 20,724	$ 17,310	$ 19,775
Interest	-	5,178	7,156	8,434
Differences between expected and actual experience	61,057	2,572	(8,078)	2,088
Changes of assumptions	-	520	-	-
Benefit payments, including refunds of member contributions	-	-	-	-
Net change in total pension liability	61,057	28,994	16,388	30,297
Total pension liability - beginning	-	61,057	90,051	106,439
TOTAL PENSION LIABILITY - ENDING	$ 61,057	$ 90,051	$ 106,439	$ 136,736
PLAN FIDUCIARY NET POSITION				
Contributions - employer	$ 13,080	$ 13,474	$ 16,224	$ 12,748
Contributions - member	8,992	9,262	9,433	9,546
Net investment income	-	2,085	3,699	7,178
Benefit payments, including refunds of member contributions	-	-	-	-
Other	(1,112)	(157)	(2,994)	872
Net change in plan fiduciary net position	20,960	24,664	26,362	30,344
Plan fiduciary net position - beginning	-	20,960	45,624	71,986
PLAN FIDUCIARY NET POSITION - ENDING	$ 20,960	$ 45,624	$ 71,986	$ 102,330
EMPLOYER'S NET PENSION LIABILITY	$ 40,097	$ 44,427	$ 34,453	$ 34,406
Plan fiduciary net position as a percentage of the total pension liability	34.33%	50.66%	67.63%	74.84%
Covered payroll	$ 119,892	$ 123,489	$ 133,972	$ 127,283
Employer's net pension liability as a percentage of covered payroll	33.44%	35.98%	25.72%	27.03%

2023: There were changes in assumptions related to mortality rates and other demographics.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

Last Ten Fiscal Years

MEASUREMENT DATE MARCH 31,	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
TOTAL PENSION LIABILITY										
Service cost	$ 563,802	$ 612,471	$ 611,379	$ 664,152	$ 698,069	$ 680,783	$ 716,386	$ 760,976	$ 761,281	$ 807,372
Interest	1,022,063	1,100,333	1,168,101	1,314,873	1,395,615	1,522,705	1,660,888	1,775,407	1,910,333	2,045,449
Changes in benefit terms**	-	-	-	102,532	-	-	-	-	-	-
Differences between expected and actual experience	(53,338)	70,923	149,933	(456,519)	338,589	221,738	45,714	118,024	195,767	901,232
Changes in assumptions*	-	(356,681)	614,283	-	-	250,352	-	-	-	-
Contributions - buy back	-	-	-	-	-	-	-	90,383	-	-
Benefit payments, including refunds of member contributions	(415,392)	(427,907)	(416,054)	(428,075)	(497,477)	(566,880)	(761,148)	(780,878)	(711,456)	(1,112,091)
Net change in total pension liability	1,117,135	999,139	2,127,642	1,196,963	1,934,796	2,108,698	1,661,840	1,963,912	2,155,925	2,641,962
Total pension liability - beginning	14,785,570	15,902,705	16,901,844	19,029,486	20,226,449	22,161,245	24,269,943	25,931,783	27,895,695	30,051,620
TOTAL PENSION LIABILITY - ENDING	$ 15,902,705	$ 16,901,844	$ 19,029,486	$ 20,226,449	$ 22,161,245	$ 24,269,943	$ 25,931,783	$ 27,895,695	$ 30,051,620	$ 32,693,582
PLAN FIDUCIARY NET POSITION										
Contributions - employer	$ 602,072	$ 674,384	$ 675,136	$ 675,167	$ 725,894	$ 778,452	$ 777,559	$ 826,417	$ 898,845	$ 923,594
Contributions - member	219,208	234,869	253,970	269,679	281,433	282,153	304,235	309,890	330,679	323,626
Contributions - buy back	-	-	-	-	-	-	-	90,383	-	-
Net investment income	767,196	905,315	613,975	(333,385)	4,133,626	410,843	(1,036,867)	2,742,339	1,360,760	4,581,778
Benefit payments, including refunds of member contributions	(415,392)	(427,907)	(416,054)	(428,075)	(497,477)	(566,880)	(761,148)	(780,878)	(711,456)	(1,112,091)
Administrative expense	(10,366)	(12,297)	(14,218)	(19,909)	(20,396)	(19,729)	(20,364)	(16,300)	(16,065)	(18,161)
Net change in plan fiduciary net position	1,162,718	1,374,364	1,112,809	163,477	4,623,080	884,839	(736,585)	3,171,851	1,862,763	4,698,746
Plan fiduciary net position - beginning	11,606,252	12,768,970	14,143,334	15,256,143	15,419,620	20,042,700	20,927,539	20,190,954	23,362,805	25,225,568
PLAN FIDUCIARY NET POSITION - ENDING	$ 12,768,970	$ 14,143,334	$ 15,256,143	$ 15,419,620	$ 20,042,700	$ 20,927,539	$ 20,190,954	$ 23,362,805	$ 25,225,568	$ 29,924,314
EMPLOYER'S NET PENSION LIABILITY	$ 3,133,735	$ 2,758,510	$ 3,773,343	$ 4,806,829	$ 2,118,545	$ 3,342,404	$ 5,740,829	$ 4,532,890	$ 4,826,052	$ 2,769,268

MEASUREMENT DATE MARCH 31,	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Plan fiduciary net position as a percentage of the total pension liability	80.29%	83.68%	80.17%	76.23%	90.44%	86.23%	77.86%	83.75%	83.94%	91.53%
Covered payroll	$ 2,211,988	$ 2,532,177	$ 2,658,077	$ 2,681,729	$ 2,788,676	$ 2,847,154	$ 3,069,980	$ 3,127,043	$ 3,336,821	$ 3,265,651
Employer's net pension liability as a percentage of covered payroll	141.67%	108.94%	141.96%	179.24%	75.97%	117.39%	187.00%	144.96%	144.63%	84.80%

*There was a change in 2022 with respect to actuarial assumptions from the prior years' related to mortality rates and salary increase rates.

*There was a change in 2019 with respect to actuarial assumptions from the prior years' related to mortality rates.

*There was a change in 2018 with respect to actuarial assumptions from the prior years' related to termination, retirement and disability rates. The percentage of active deaths and disablements were updated to 10% and 60%, respectively and the salary scale assumption was updated.

**Changes in benefit terms occurred since the previous valuation and there were changes to plan benefits required under PA-101-0610 (SB 1300).

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED MARCH 31,	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Annual money-weighted rate of return, net of investment expense	6.44%	6.89%	4.25%	(2.10%)	26.20%	2.64%	(4.86%)	13.38%	5.80%	18.07%

(See independent auditor's report.)

BUDGETS AND APPROPRIATIONS

The Village uses a budget for all funds, except for the fiduciary fund and the Asset Forfeiture Fund, which includes estimated revenues and expenditures by line item, as a management tool. An annual appropriation is adopted by the Village for all funds except for the fiduciary fund and Asset Forfeiture Fund, which constitutes the legal spending limit. Unused appropriations lapse at the end of the year. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. No supplemental appropriations were made during the year.

The amounts shown in the financial statements in the budget columns are the authorized amounts (as revised during the year as provided by statutes). The budgets are adopted on a basis consistent with generally accepted accounting principles.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF DETAILED EXPENDITURES -
BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended March 31, 2026

	Original and Final Operating Budget	Actual	Variance (Over) Under Budget
GENERAL GOVERNMENT			
Administration			
Personnel services	$ 916,983	$ 974,061	$ (57,078)
Contractual services	3,467,240	3,540,165	(72,925)
Commodities	29,200	39,196	(9,996)
Capital outlay	36,500	124,740	(88,240)
Total administration	4,449,923	4,678,162	(228,239)
Community development			
Personnel services	1,242,550	1,254,838	(12,288)
Contractual services	46,540	34,874	11,666
Commodities	11,100	6,916	4,184
Total community development	1,300,190	1,296,628	3,562
Total general government	5,750,113	5,974,790	(224,677)
PUBLIC SAFETY			
Police department			
Personnel services	6,452,364	6,478,381	(26,017)
Contractual services	442,628	444,993	(2,365)
Commodities	186,275	234,941	(48,666)
Total public safety	7,081,267	7,158,315	(77,048)
PUBLIC WORKS			
Personnel services	1,530,679	1,519,023	11,656
Contractual services	1,025,135	800,438	224,697
Commodities	583,400	468,809	114,591
Total public works	3,139,214	2,788,270	350,944
PARKS AND RECREATION			
Personnel services	263,302	241,350	21,952
Contractual services	217,710	149,802	67,908
Commodities	1,900	621	1,279
Total parks and recreation	482,912	391,773	91,139
CAPITAL OUTLAY	555,000	412,349	142,651
TOTAL EXPENDITURES	$ 17,008,506	$ 16,725,497	$ 283,009

(See independent auditor's report.)

VILLAGE OF SHOREWOOD, ILLINOIS

COMBINING BALANCE SHEET - BY SUBFUND
GENERAL FUND

March 31, 2026

	General	Park	Major Equipment
ASSETS			
Cash and cash equivalents	$ 961,330	$ 304,368	$ 3,161,165
Investments	4,128,377	386,206	2,151,197
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	2,635,488	-	-
Leases	955,036	-	-
Interest	19,118	-	23,822
Other	580,098	-	-
Due from other governments	1,602,447	-	-
Deposits	105,648	-	-
Prepaid items	215,202	-	-
TOTAL ASSETS	$ 11,202,744	$ 690,574	$ 5,336,184
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 724,303	$ -	$ -
Accrued payroll	196,751	-	-
Other payables	185,916	-	-
Unearned revenue	29,573	-	-
Total liabilities	1,136,543	-	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	2,635,488	-	-
Deferred inflows - leases	842,096	-	-
Total deferred inflows of resources	3,477,584	-	-
Total liabilities and deferred inflows of resources	4,614,127	-	-
FUND BALANCES			
Nonspendable for			
Deposits	105,648	-	-
Prepaid items	215,202	-	-
Restricted for			
Parks	-	690,574	-
Assigned for			
Operating reserves	4,181,374	-	-
Capital projects	-	-	5,336,184
Unassigned (deficit)	2,086,393	-	-
Total fund balances (deficit)	6,588,617	690,574	5,336,184
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)	$ 11,202,744	$ 690,574	$ 5,336,184

DUI	Grant	Eliminations	Total
$ (66)	$ 15,059	$ -	$ 4,441,856
-	-	-	6,665,780
-	-	-	2,635,488
-	-	-	955,036
-	-	-	42,940
-	-	-	580,098
-	2,961	-	1,605,408
-	-	-	105,648
-	18,958	-	234,160
$ (66)	$ 36,978	$ -	$ 17,266,414
$ -	$ -	$ -	$ 724,303
-	-	-	196,751
-	-	-	185,916
-	36,978	-	66,551
-	36,978	-	1,173,521
-	-	-	2,635,488
-	-	-	842,096
-	-	-	3,477,584
-	36,978	-	4,651,105
-	-	-	105,648
-	18,958	-	234,160
-	-	-	690,574
-	-	-	4,181,374
-	-	-	5,336,184
(66)	(18,958)	-	2,067,369
(66)	-	-	12,615,309
$ (66)	$ 36,978	$ -	$ 17,266,414

(See independent auditor's report.)

VILLAGE OF SHOREWOOD, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BY SUBFUND
GENERAL FUND

For the Year Ended March 31, 2026

	General	Park	Major Equipment
REVENUES			
Property taxes	$ 2,517,786	$ -	$ -
Other taxes	8,536,914	-	-
Intergovernmental	3,544,221	-	-
Licenses, permits and fines	644,093	27,263	-
Franchise fees	265,958	-	-
Charges for services	3,099,238	-	177,800
Investment income	248,673	16,122	149,312
Miscellaneous	207,834	-	-
Total revenues	19,064,717	43,385	327,112
EXPENDITURES			
Current			
General government	5,974,790	-	-
Public safety	6,976,623	-	-
Public works	2,788,270	-	
Parks and recreation	391,773	-	-
Capital outlay	-	-	412,349
Total expenditures	16,131,456	-	412,349
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,933,261	43,385	(85,237)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	1,419,066
Transfers (out)	(2,933,261)	-	-
Sale of assets	-	-	50,225
Total other financing sources (uses)	(2,933,261)	-	1,469,291
NET CHANGE IN FUND BALANCES	-	43,385	1,384,054
FUND BALANCES (DEFICIT), APRIL 1	6,588,617	647,189	3,952,130
FUND BALANCES (DEFICIT), MARCH 31	$ 6,588,617	$ 690,574	$ 5,336,184

DUI	Grant	Eliminations	Total
$ -	$ -	$ -	$ 2,517,786
-	-	-	8,536,914
-	177,564	-	3,721,785
3,110	-	-	674,466
-	-	-	265,958
-	-	-	3,277,038
-	-	-	414,107
-	-	-	207,834
3,110	177,564	-	19,615,888
-	-	-	5,974,790
12,516	169,176	-	7,158,315
-	-	-	2,788,270
-	-	-	391,773
-	-	-	412,349
12,516	169,176	-	16,725,497
(9,406)	8,388	-	2,890,391
-	-	(1,419,066)	-
-	-	1,419,066	(1,514,195)
-	-	-	50,225
-	-	-	(1,463,970)
(9,406)	8,388	-	1,426,421
9,340	(8,388)	-	11,188,888
$ (66)	$ -	$ -	$ 12,615,309

(See independent auditor's report.)

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND

For the Year Ended March 31, 2026

	Original and Final Appropriations	Original and Final Operating Budget	Actual	Variance (Over) Under Budget
REVENUES				
Intergovernmental		$ 1,255,000	$ 2,048,005	$ (793,005)
Total revenues		1,255,000	2,048,005	(793,005)
EXPENDITURES				
General government				
Contractual services	$ 8,788,750	31,000	8,763,764	(8,732,764)
Capital outlay	8,033,878	6,427,102	2,946,484	3,480,618
Total expenditures	$ 16,822,628	6,458,102	11,710,248	(5,252,146)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(5,203,102)	(9,662,243)	4,459,141
OTHER FINANCING SOURCES (USES)				
Transfers in	$ -	5,352,319	9,067,163	(3,714,844)
Transfers (out)	(186,521)	(149,217)	(149,217)	-
Total other financing sources (uses)	$ (186,521)	5,203,102	8,917,946	(3,714,844)
NET CHANGE IN FUND BALANCE		$ -	(744,297)	$ 744,297
FUND BALANCE, APRIL 1			2,064,243	
FUND BALANCE, MARCH 31			$ 1,319,946	

(See independent auditor's report.)

MAJOR ENTERPRISE FUND

VILLAGE OF SHOREWOOD, ILLINOIS

COMBINING SCHEDULE OF NET POSITION
WATER AND SEWER FUND - BY SUBFUND

March 31, 2026

	Operating	Capital Improvement	Sustainable Water	Total
CURRENT ASSETS				
Cash and cash equivalents	$ 2,061,863	$ 6,414,821	$ 2,813,665	$ 11,290,349
Investments	4,007,182	13,976,334	11,967,057	29,950,573
Restricted assets				
Cash with paying agent	-	338,453	-	338,453
Receivables (net, where applicable, of allowances for uncollectibles)				
Water customers	963,860	8,725	317,048	1,289,633
Interest	20,039	90,555	90,389	200,983
Other	-	425	1,951,492	1,951,917
Prepaid expenses	79,838	-	-	79,838
Due from other governments	-	1,199,411	770,499	1,969,910
Total current assets	7,132,782	22,028,724	17,910,150	47,071,656
NONCURRENT ASSETS				
Intergovernmental receivable	-	-	19,980,370	19,980,370
Investment in joint venture	-	-	1,403,861	1,403,861
Capital assets				
Nondepreciable	21,878,205	-	-	21,878,205
Depreciable	68,256,360	-	-	68,256,360
Accumulated depreciation	(35,904,478)	-	-	(35,904,478)
Net capital assets	54,230,087	-	-	54,230,087
Total noncurrent assets	54,230,087	-	21,384,231	75,614,318
Total assets	61,362,869	22,028,724	39,294,381	122,685,974
DEFERRED OUTFLOWS OF RESOURCES				
Asset retirement obligation	576,200	-	-	576,200
Pension items - IMRF	247,589	-	-	247,589
Total deferred outflows of resources	823,789	-	-	823,789
Total assets and deferred outflows of resources	62,186,658	22,028,724	39,294,381	123,509,763

(This schedule is continued on the following page.)

VILLAGE OF SHOREWOOD, ILLINOIS

COMBINING SCHEDULE OF NET POSITION (Continued)
WATER AND SEWER FUND - BY SUBFUND

March 31, 2026

	Operating	Capital Improvement	Sustainable Water	Total
CURRENT LIABILITIES				
Accounts payable	$ 437,602	$ 488,493	$ 2,066,076	$ 2,992,171
Accrued payroll	49,207	-	-	49,207
Deposits payable	11,970	-	-	11,970
Interest payable	-	144,440	-	144,440
Unearned revenue	-	-	1,125	1,125
Current portion of compensated absences payable	76,001	-	-	76,001
Current portion of total OPEB liability	2,375	-	-	2,375
Current portion of IEPA loan payable	-	234,286	-	234,286
Current portion of general obligation bonds payable	-	295,000	-	295,000
Current portion of Joliet Wastewater debt payable	-	621,584	-	621,584
Total current liabilities	577,155	1,783,803	2,067,201	4,428,159
LONG-TERM LIABILITIES				
Compensated absences payable	76,000	-	-	76,000
Total OPEB liability	67,323	-	-	67,323
IEPA loan payable	-	2,331,662	9,591,034	11,922,696
General obligation bonds payable	-	8,161,155	-	8,161,155
Joliet Wastewater debt payable	-	3,898,883	-	3,898,883
Net pension liability - IMRF	687,149	-	-	687,149
Asset retirement obligation	670,000	-	-	670,000
Total long-term liabilities	1,500,472	14,391,700	9,591,034	25,483,206
DEFERRED INFLOWS OF RESOURCES				
Pension items - IMRF	220,647	-	-	220,647
Total deferred inflows of resources	220,647	-	-	220,647
Total liabilities and deferred inflows of resources	2,298,274	16,175,503	11,658,235	30,132,012
NET POSITION				
Net investment in capital assets	53,485,167	(15,756,776)	(10,699,913)	27,028,478
Restricted for debt service	-	338,453	-	338,453
Unrestricted	6,403,217	21,271,544	38,336,059	66,010,820
TOTAL NET POSITION	$ 59,888,384	$ 5,853,221	$ 27,636,146	$ 93,377,751

(See independent auditor's report.)

VILLAGE OF SHOREWOOD, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
WATER AND SEWER FUND - BY SUBFUND

For the Year Ended March 31, 2026

	Operating	Capital Improvement	Sustainable Water	Eliminations	Total
OPERATING REVENUES					
Water sales	$ 2,634,557	$ -	$ 2,159,762	$ -	$ 4,794,319
Sewer sales	5,313,069	-	-	-	5,313,069
Rehabilitation fees	-	891,246	-	-	891,246
Miscellaneous income	14,375	-	2,250	-	16,625
Total operating revenues	7,962,001	891,246	2,162,012	-	11,015,259
OPERATING EXPENSES EXCLUDING DEPRECIATION					
Water department	3,060,377	-	710,157	-	3,770,534
Sewer department	4,548,124	302,774	-	-	4,850,898
Total operating expenses excluding depreciation	7,608,501	302,774	710,157	-	8,621,432
OPERATING INCOME (LOSS) BEFORE DEPRECIATION AND AMORTIZATION	353,500	588,472	1,451,855	-	2,393,827
DEPRECIATION AND AMORTIZATION	1,647,390	-	-	-	1,647,390
OPERATING INCOME (LOSS)	(1,293,890)	588,472	1,451,855	-	746,437
NON-OPERATING REVENUES (EXPENSES)					
Sales taxes	-	5,479,202	3,504,349	-	8,983,551
Connection and capital improvement fees	-	223,456	-	-	223,456
Investment income	224,045	754,539	481,979	-	1,460,563
Increase in joint venture	-	-	1,403,861	-	1,403,861
Interest expense	-	(481,239)	-	-	(481,239)
Total non-operating revenues (expenses)	224,045	5,975,958	5,390,189	-	11,590,192
INCOME (LOSS) BEFORE TRANSFERS	(1,069,845)	6,564,430	6,842,044	-	12,336,629
TRANSFERS					
Transfers in	15,982,423	700,000	569,220	(16,682,423)	569,220
Transfers (out)	(700,000)	(11,697,270)	(13,352,316)	16,682,423	(9,067,163)
Total transfers	15,282,423	(10,997,270)	(12,783,096)	-	(8,497,943)
CHANGE IN NET POSITION	14,212,578	(4,432,840)	(5,941,052)	-	3,838,686
NET POSITION, APRIL 1	45,675,806	10,286,061	33,577,198	-	89,539,065
NET POSITION, MARCH 31	$ 59,888,384	$ 5,853,221	$ 27,636,146	$ -	$ 93,377,751

(See independent auditor's report.)

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF OPERATING EXPENSES -
BUDGET AND ACTUAL
WATER AND SEWER FUND

For the Year Ended March 31, 2026

	Original and Final Budget	Actual	Variance (Over) Under Budget
WATER DEPARTMENT			
Administration			
Personnel services	$ 1,569,894	$ 1,550,644	$ 19,250
Contractual services	828,655	878,801	(50,146)
Commodities	249,525	261,909	(12,384)
Other	401,044	369,023	32,021
TOTAL WATER DEPARTMENT	$ 3,049,118	$ 3,060,377	$ (11,259)
SEWER DEPARTMENT			
Administration			
Personnel services	$ 798,783	$ 811,164	$ (12,381)
Contractual services	3,312,178	3,418,050	(105,872)
Commodities	22,125	12,166	9,959
Other	306,744	306,744	-
TOTAL SEWER DEPARTMENT	$ 4,439,830	$ 4,548,124	$ (108,294)
CAPITAL IMPROVEMENT			
Commodities	$ 100,000	$ 202,488	$ (102,488)
Maintenance	7,652,000	100,286	7,551,714
TOTAL CAPITAL IMPROVEMENT	$ 7,752,000	$ 302,774	$ 7,449,226
LAKE MICHIGAN WATER			
Contractual services	$ 20,925,718	$ 710,157	$ 20,215,561
TOTAL LAKE MICHIGAN WATER	$ 20,925,718	$ 710,157	$ 20,215,561

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF DETAILED OPERATING EXPENSES -
BUDGET AND ACTUAL
WATER AND SEWER FUND - WATER DEPARTMENT

For the Year Ended March 31, 2026

	Original and Final Appropriations	Original and Final Operating Budget	Actual	Variance (Over) Under Budget
WATER DEPARTMENT				
Personnel services				
Wages and salaries - full-time	$ 1,146,019	$ 916,815	$ 858,683	$ 58,132
Wages - part-time	87,763	70,210	111,202	(40,992)
Wages - seasonal	19,800	15,840	14,613	1,227
Wages - overtime	114,375	91,500	99,021	(7,521)
FICA	104,599	83,679	81,729	1,950
OPEB	-	-	16,431	(16,431)
Employer 457 contribution	12,850	10,280	11,538	(1,258)
Pension/IMRF	136,938	109,550	96,283	13,267
Health and life insurance	340,025	272,020	261,144	10,876
Total personnel services	1,962,369	1,569,894	1,550,644	19,250
Contractual services				
Liability insurance	194,425	155,540	143,826	11,714
Vehicle maintenance	3,125	2,500	3,231	(731)
Building maintenance	2,500	2,000	-	2,000
Equipment maintenance agreement	83,969	67,175	74,466	(7,291)
Rental and lease expense	1,250	1,000	-	1,000
Postage	37,500	30,000	35,300	(5,300)
Telephone expense	17,525	14,020	13,049	971
Electricity	362,500	290,000	301,097	(11,097)
Gas utility	2,344	1,875	6,569	(4,694)
Travel and training expense	7,500	6,000	11,549	(5,549)
Meeting and travel expense	8,750	7,000	2,197	4,803
Dues	2,156	1,725	1,392	333
Engineering services	1,250	1,000	-	1,000
Legal services	1,250	1,000	-	1,000
Audit services	10,225	8,180	8,960	(780)
Other professional services	299,550	239,640	247,671	(8,031)
Bad debt expense	-	-	16,094	(16,094)
ARO Amortization	-	-	13,400	(13,400)
Total contractual services	1,035,819	828,655	878,801	(50,146)

(This schedule is continued on the following page.)

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF DETAILED OPERATING EXPENSES -
BUDGET AND ACTUAL (Continued)
WATER AND SEWER FUND - WATER DEPARTMENT

For the Year Ended March 31, 2026

	Original and Final Appropriations	Original and Final Operating Budget	Actual	Variance (Over) Under Budget
WATER DEPARTMENT (Continued)				
Commodities				
Maintenance supplies	$ 78,125	$ 62,500	$ 88,538	$ (26,038)
Equipment vehicle maintenance	3,125	2,500	7,140	(4,640)
Uniforms	5,000	4,000	1,695	2,305
Materials	9,375	7,500	11,130	(3,630)
Chemicals	105,000	84,000	79,817	4,183
Salt	75,000	60,000	52,034	7,966
Gas and oil	32,219	25,775	21,555	4,220
Computer hardware equipment	4,063	3,250	-	3,250
Total commodities	311,907	249,525	261,909	(12,384)
Other				
Equipment	70,625	56,500	24,646	31,854
Safety equipment	1,250	1,000	833	167
Major equipment/vehicle expense	429,430	343,544	343,544	-
Total other	501,305	401,044	369,023	32,021
TOTAL WATER DEPARTMENT	$ 3,811,400	$ 3,049,118	$ 3,060,377	$ (11,259)
CAPITAL IMPROVEMENT FUND				
Commodities	$ 125,000	$ 100,000	$ 202,488	$ (102,488)
Maintenance	9,565,000	7,652,000	100,286	7,551,714
TOTAL CAPITAL IMPROVEMENT	$ 9,690,000	$ 7,752,000	$ 302,774	$ 7,449,226
LAKE MICHIGAN WATER FUND				
Contractual services	$ 26,157,148	$ 20,925,718	$ 710,157	$ 20,215,561
TOTAL LAKE MICHIGAN WATER FUND	$ 26,157,148	$ 20,925,718	$ 710,157	$ 20,215,561

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF DETAILED OPERATING EXPENSES -
BUDGET AND ACTUAL
WATER AND SEWER FUND - SEWER DEPARTMENT

For the Year Ended March 31, 2026

	Original and Final Appropriations	Original and Final Operating Budget	Actual	Variance (Over) Under Budget
SEWER DEPARTMENT				
Personnel services				
Wages and salaries - full-time	$ 600,223	$ 480,178	$ 472,617	$ 7,561
Wages and salaries - part-time	31,981	25,585	25,143	442
Wages and salaries - seasonal	19,800	15,840	14,192	1,648
Wages - overtime	40,625	32,500	52,676	(20,176)
FICA	52,973	42,378	42,602	(224)
OPEB	-	-	8,594	(8,594)
Employer 457 contribution	3,213	2,570	2,884	(314)
Pension/IMRF	74,768	59,814	58,783	1,031
Health and life insurance	174,898	139,918	133,673	6,245
Total personnel services	998,481	798,783	811,164	(12,381)
Contractual services				
Liability insurance	194,425	155,540	143,826	11,714
Vehicle maintenance	3,125	2,500	7,934	(5,434)
Building maintenance	2,500	2,000	-	2,000
Equipment maintenance	65,219	52,175	17,043	35,132
Telephone expense	17,525	14,020	6,190	7,830
Electricity	56,250	45,000	42,966	2,034
Gas utility	7,344	5,875	4,831	1,044
Dues	5,938	4,750	4,111	639
Engineering services	1,250	1,000	-	1,000
Legal services	1,250	1,000	169	831
Audit services	10,225	8,180	8,960	(780)
Other professional services	113,250	90,600	67,879	22,721
Joliet interceptor fees	3,660,673	2,928,538	3,114,141	(185,603)
Rental expense	1,250	1,000	-	1,000
Total contractual services	4,140,224	3,312,178	3,418,050	(105,872)
Commodities				
Maintenance supplies	13,125	10,500	6,270	4,230
Equipment/vehicle maintenance	5,000	4,000	1,045	2,955
Gas and oil	5,469	4,375	4,851	(476)
Computer hardware equipment	4,063	3,250	-	3,250
Total commodities	27,657	22,125	12,166	9,959
Other				
Major equipment/vehicle expense	383,430	306,744	306,744	-
Total other	383,430	306,744	306,744	-
TOTAL SEWER DEPARTMENT	$ 5,549,792	$ 4,439,830	$ 4,548,124	$ (108,294)

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

VILLAGE OF SHOREWOOD, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

March 31, 2026

	Special Revenue		
	Asset Forfeiture	**Jefferson St./ Rte. 59 TIF**	**Motor Fuel Tax**
ASSETS			
Cash and cash equivalents	$ 133,823	$ 574,776	$ 148,374
Investments	-	1,601,301	718,743
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	-	691,663	-
Interest	-	7,930	2,115
Other	-	-	-
Due from other governments	-	-	59,554
TOTAL ASSETS	$ 133,823	$ 2,875,670	$ 928,786
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ -	$ -	$ 1,900
Total liabilities	-	-	1,900
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes	-	691,663	-
Total deferred inflows of resources	-	691,663	-
Total liabilities and deferred inflows of resources	-	691,663	1,900
FUND BALANCES			
Restricted for			
Public safety	133,823	-	-
Economic development	-	2,184,007	-
Capital projects	-	-	-
Assigned for			
Maintenance of roadways	-	-	926,886
Total fund balances	133,823	2,184,007	926,886
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 133,823	$ 2,875,670	$ 928,786

Building	Debt Service	Total
$ 31,183	$ -	$ 888,156
514,461	-	2,834,505
-	-	691,663
-	-	10,045
84,755	-	84,755
-	-	59,554
$ 630,399	$ -	$ 4,568,678
$ -	$ -	$ 1,900
-	-	1,900
-	-	691,663
-	-	691,663
-	-	693,563
-	-	133,823
-	-	2,184,007
630,399	-	630,399
-	-	926,886
630,399	-	3,875,115
$ 630,399	$ -	$ 4,568,678

VILLAGE OF SHOREWOOD, ILLINOIS

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

For the Year Ended March 31, 2026

	Special Revenue		
	Asset Forfeiture	**Jefferson St./ Rte. 59 TIF**	**Motor Fuel Tax**
REVENUES			
Property taxes	$ -	$ 654,268	$ -
Other taxes	-	-	-
Intergovernmental	-	-	1,029,402
Investment income	-	71,396	26,335
Total revenues	-	725,664	1,055,737
EXPENDITURES			
Current			
General government	-	94,899	-
Highways and streets	-	-	1,507,019
Debt service			
Principal	-	-	-
Interest and fiscal charges	-	-	-
Total expenditures	-	94,899	1,507,019
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	630,765	(451,282)
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	149,217
Total other financing sources (uses)	-	-	149,217
NET CHANGE IN FUND BALANCES	-	630,765	(302,065)
FUND BALANCES, APRIL 1	133,823	1,553,242	1,228,951
FUND BALANCES, MARCH 31	$ 133,823	$ 2,184,007	$ 926,886

Capital Projects		
Building	Debt Service	Total
$ -	$ -	$ 654,268
385,319	-	385,319
-	-	1,029,402
12,244	-	109,975
397,563	-	2,178,964
24,950	-	119,849
-	-	1,507,019
-	625,000	625,000
-	319,975	319,975
24,950	944,975	2,571,843
372,613	(944,975)	(392,879)
-	944,975	1,094,192
-	944,975	1,094,192
372,613	-	701,313
257,786	-	3,173,802
$ 630,399	$ -	$ 3,875,115

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
JEFFERSON STREET/RTE 59 TIF FUND

For the Year Ended March 31, 2026

	Original and Final Appropriation	Original and Final Operating Budget	Actual	Variance (Over) Under Budget
REVENUES				
Property taxes		$ 600,398	$ 654,268	$ (53,870)
Investment income		30,000	71,396	(41,396)
Total revenues		630,398	725,664	(95,266)
EXPENDITURES				
General government				
Contractual services	$ 121,613	97,290	94,899	2,391
Capital outlay	2,375,000	1,900,000	-	1,900,000
Total expenditures	$ 2,496,613	1,997,290	94,899	1,902,391
NET CHANGE IN FUND BALANCE		$ (1,366,892)	630,765	$ (1,997,657)
FUND BALANCE, APRIL 1			1,553,242	
FUND BALANCE, MARCH 31			$ 2,184,007	

(See independent auditor's report.)

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND

For the Year Ended March 31, 2026

	Original and Final Appropriations	Original and Final Operating Budget	Actual	Variance (Over) Under Budget
REVENUES				
Intergovernmental				
Allotments		$ 795,000	$ 1,029,402	$ (234,402)
Investment income		10,000	26,335	(16,335)
Total revenues		805,000	1,055,737	(250,737)
EXPENDITURES				
Current				
Highways and streets	$ 2,535,678	2,028,542	1,507,019	521,523
Total expenditures	$ 2,535,678	2,028,542	1,507,019	521,523
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(1,223,542)	(451,282)	(772,260)
OTHER FINANCING SOURCES (USES)				
Transfers in		149,217	149,217	-
Total other financing sources (uses)		149,217	149,217	-
NET CHANGE IN FUND BALANCE		$ (1,074,325)	(302,065)	$ (772,260)
FUND BALANCE, APRIL 1			1,228,951	
FUND BALANCE, MARCH 31			$ 926,886	

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
BUILDING FUND

For the Year Ended March 31, 2026

	Original and Final Appropriations	Original and Final Operating Budget	Actual	Variance (Over) Under Budget
REVENUES				
Other taxes				
Home rule sales tax		$ 339,966	$ 385,319	$ (45,353)
Investment income		-	12,244	(12,244)
Total revenues		339,966	397,563	(57,597)
EXPENDITURES				
General government				
Contractual services	$ 75,000	60,000	24,950	35,050
Total expenditures	$ 75,000	60,000	24,950	35,050
NET CHANGE IN FUND BALANCE		$ 279,966	372,613	$ (92,647)
FUND BALANCE, APRIL 1			257,786	
FUND BALANCE, MARCH 31			$ 630,399	

(See independent auditor's report.)

VILLAGE OF SHOREWOOD, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND

For the Year Ended March 31, 2026

	Original and Final Appropriations	Original and Final Operating Budget	Actual	Variance (Over) Under Budget
REVENUES				
None		$ -	$ -	$ -
Total revenues		-	-	-
EXPENDITURES				
Debt service				
Principal	$ 781,250	625,000	625,000	-
Interest and fiscal charges	399,969	319,975	319,975	-
Total expenditures	$ 1,181,219	944,975	944,975	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(944,975)	(944,975)	-
OTHER FINANCING SOURCES (USES)				
Transfers in		944,975	944,975	-
Total other financing sources (uses)		944,975	944,975	-
NET CHANGE IN FUND BALANCE		$ -	-	$ -
FUND BALANCE, APRIL 1			-	
FUND BALANCE, MARCH 31			$ -	

(See independent auditor's report.

STATISTICAL SECTION (Unaudited)

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

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

VILLAGE OF SHOREWOOD, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2017	2018	2019	2020
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	$ 105,681,038	$ 104,353,909	$ 103,866,612	$ 101,927,787
Restricted	794,428	330,522	639,215	993,840
Unrestricted	1,992,564	2,480,312	2,746,116	2,666,088
TOTAL GOVERNMENTAL ACTIVITIES	$ 108,468,030	$ 107,164,743	$ 107,251,943	$ 105,587,715
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	$ 29,438,326	$ 29,913,463	$ 29,304,812	$ 28,786,170
Restricted	755,296	759,216	772,586	780,206
Unrestricted	10,090,243	14,158,699	16,135,877	17,836,290
TOTAL BUSINESS-TYPE ACTIVITIES	$ 40,283,865	$ 44,831,378	$ 46,213,275	$ 47,402,666
PRIMARY GOVERNMENT				
Net investment in capital assets	$ 135,119,364	$ 134,267,372	$ 133,171,424	$ 130,713,957
Restricted	1,549,724	1,089,738	1,411,801	1,774,046
Unrestricted	12,082,807	16,639,011	18,881,993	20,502,378
TOTAL PRIMARY GOVERNMENT	$ 148,751,895	$ 151,996,121	$ 153,465,218	$ 152,990,381

Data Source

Audited Financial Statements

2021	2022	2023	2024	2025	2026
$ 101,118,252	$ 102,884,785	$ 97,002,561	$ 97,221,276	$ 97,384,216	$ 96,791,377
2,149,326	2,608,698	2,900,510	1,762,897	2,601,380	3,638,803
3,533,997	2,501,252	7,009,106	6,781,701	7,665,218	8,524,624
$ 106,801,575	$ 107,994,735	$ 106,912,177	$ 105,765,874	$ 107,650,814	$ 108,954,804
$ 26,897,549	$ 27,030,847	$ 26,652,462	$ 27,110,914	$ 27,742,236	$ 27,028,478
792,131	338,453	338,453	338,453	338,453	338,453
23,015,582	33,166,388	42,510,906	51,139,879	61,458,376	66,010,820
$ 50,705,262	$ 60,535,688	$ 69,501,821	$ 78,589,246	$ 89,539,065	$ 93,377,751
$ 128,015,801	$ 129,915,632	$ 123,655,023	$ 124,332,190	$ 125,126,452	$ 123,819,855
2,941,457	2,947,151	3,238,963	2,101,350	2,939,833	3,977,256
26,549,579	35,667,640	49,520,012	57,921,580	69,123,594	74,535,444
$ 157,506,837	$ 168,530,423	$ 176,413,998	$ 184,355,120	$ 197,189,879	$ 202,332,555

VILLAGE OF SHOREWOOD, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2017	2018	2019	2020
EXPENSES				
Governmental activities				
General government	$ 4,592,784	$ 4,404,995	$ 5,083,681	$ 5,048,309
Public safety	5,429,962	5,491,217	5,004,990	6,014,264
Public works	5,716,892	6,077,956	5,585,287	5,734,035
Highways and streets	1,157,231	663,235	1,121,372	1,274,511
Parks and recreation	849,560	862,449	818,798	800,792
Interest and fiscal charges	138,711	119,982	103,540	86,552
Total governmental activities expenses	17,885,140	17,619,834	17,717,668	18,958,463
BUSINESS-TYPE ACTIVITIES				
Water and sewer	7,344,570	6,694,400	8,274,230	9,033,667
Total business-type activities expenses	7,344,570	6,694,400	8,274,230	9,033,667
TOTAL PRIMARY GOVERNMENT EXPENSES	$ 25,229,710	$ 24,314,234	$ 25,991,898	$ 27,992,130
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	$ 2,763,651	$ 2,806,799	$ 3,138,642	$ 2,851,981
Public safety	184,024	193,713	190,738	155,758
Other activities	42,053	49,096	62,694	51,694
Operating grants and contributions	462,114	523,428	566,213	731,013
Capital grants and contributions	73,068	1,493,031	116,303	15,000
Total governmental activities program revenues	3,524,910	5,066,067	4,074,590	3,805,446
Business-type activities				
Charges for services				
Water/sewer	5,176,757	5,701,868	6,200,239	6,713,562
Capital grants and contributions	1,100,560	1,640,785	1,483,770	601,355
Total business-type activities program revenues	6,277,317	7,342,653	7,684,009	7,314,917
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	$ 9,802,227	$ 12,408,720	$ 11,758,599	$ 11,120,363
NET (EXPENSE) REVENUE				
Governmental activities	$ (14,360,230)	$ (12,553,767)	$ (13,643,078)	$ (15,153,017)
Business-type activities	(1,067,253)	648,253	(590,221)	(1,718,750)
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	$ (15,427,483)	$ (11,905,514)	$ (14,233,299)	$ (16,871,767)

	2021	2022	2023	2024	2025	2026
	$ 5,180,532	$ 5,038,403	$ 6,145,458	$ 5,216,554	$ 5,899,053	$ 15,152,504
	5,244,463	5,337,784	6,520,727	6,606,130	7,047,319	7,390,736
	5,211,166	4,950,460	5,106,555	5,973,001	6,060,381	6,032,344
	946,906	1,028,550	1,876,454	2,889,849	939,591	1,507,019
	643,322	880,247	1,113,849	1,100,792	2,474,611	745,495
	149,978	530,990	380,835	306,517	283,227	258,937
	17,376,367	17,766,434	21,143,878	22,092,843	22,704,182	31,087,035
	9,744,955	6,867,820	8,514,853	8,602,767	9,834,454	10,750,061
	9,744,955	6,867,820	8,514,853	8,602,767	9,834,454	10,750,061
	$ 27,121,322	$ 24,634,254	$ 29,658,731	$ 30,695,610	$ 32,538,636	$ 41,837,096
	$ 2,851,631	$ 3,046,047	$ 3,515,981	$ 3,446,058	$ 3,843,533	$ 3,915,365
	96,216	139,606	163,100	226,858	308,691	231,274
	9,763	50,054	68,671	57,933	77,716	70,823
	1,601,237	860,252	859,990	1,231,961	2,274,754	1,855,677
	1,109,262	2,422,209	698,915	2,851	2,579,569	1,568,068
	5,668,109	6,518,168	5,306,657	4,965,661	9,084,263	7,641,207
	7,089,508	7,169,704	7,600,638	8,499,393	9,823,673	11,222,090
	1,514,575	679,058	655,482	771,722	751,345	-
	8,604,083	7,848,762	8,256,120	9,271,115	10,575,018	11,222,090
	$ 14,272,192	$ 14,366,930	$ 13,562,777	$ 14,236,776	$ 19,659,281	$ 18,863,297
	$ (11,708,258)	$ (11,248,266)	$ (15,837,221)	$ (17,127,182)	$ (13,619,919)	$ (23,445,828)
	(1,140,872)	980,942	(258,733)	668,348	740,564	472,029
	$ (12,849,130)	$ (10,267,324)	$ (16,095,954)	$ (16,458,834)	$ (12,879,355)	$ (22,973,799)

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2017	2018	2019	2020
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property	$ 1,800,627	$ 1,884,086	$ 1,998,593	$ 2,108,542
Sales	4,847,967	4,629,469	4,922,334	4,885,818
Utility	827,591	808,630	884,470	850,634
Other	2,502,543	2,621,094	2,810,604	3,133,229
Intergovernmental	-	-	-	-
Investment income	13,019	43,722	124,079	203,110
Miscellaneous	146,920	945,110	114,351	361,356
Gain on sale of capital assets	71,026	49,982	18,412	600
Transfers in (out)	2,350,503	268,387	2,614,301	1,945,500
Total governmental activities	12,560,196	11,250,480	13,487,144	13,488,789
Business-type activities				
Taxes				
Sales	4,197,439	4,114,391	4,313,064	4,534,094
GPWC - joint venture	-	-	-	-
Investment income	7,714	43,280	223,510	311,185
Miscellaneous	8,359	9,976	10,950	8,362
Gain on sale of capital assets	-	-	-	-
Transfers in (out)	(2,350,503)	(268,387)	(2,614,301)	(1,945,500)
Total business-type activities	1,863,009	3,899,260	1,933,223	2,908,141
TOTAL PRIMARY GOVERNMENT	$ 14,423,205	$ 15,149,740	$ 15,420,367	$ 16,396,930
CHANGE IN NET POSITION				
Governmental activities	$ (1,800,034)	$ (1,303,287)	$ (155,934)	$ (1,664,228)
Business-type activities	795,756	4,547,513	1,343,002	1,189,391
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	$ (1,004,278)	$ 3,244,226	$ 1,187,068	$ (474,837)

Data Source

Audited Financial Statements

2021	2022	2023	2024	2025	2026
$ 2,237,277	$ 2,400,011	$ 2,526,775	$ 2,690,279	$ 2,864,029	$ 3,172,054
4,989,170	5,914,034	5,789,562	5,994,727	6,598,759	7,307,321
866,503	1,014,696	1,104,404	931,112	799,904	949,282
3,911,336	2,051,895	2,103,897	1,932,857	969,191	665,630
-	3,790,547	4,430,574	3,076,393	3,197,048	3,375,447
91,503	(56,175)	185,961	520,039	540,667	524,082
243,434	158,338	175,780	235,472	245,493	207,834
-	-	-	-	349,638	50,225
582,895	(2,831,920)	(1,562,290)	600,000	172,063	8,497,943
12,922,118	12,441,426	14,754,663	15,980,879	15,736,792	24,749,818
4,951,659	6,127,499	7,075,142	7,075,794	7,854,267	8,983,551
-	-	-	-	-	1,403,861
51,507	(116,955)	576,617	1,933,270	2,543,753	1,460,563
13,550	7,020	10,817	10,013	32,035	16,625
9,647	-	-	-	-	-
(582,895)	2,831,920	1,562,290	(600,000)	(172,063)	(8,497,943)
4,443,468	8,849,484	9,224,866	8,419,077	10,257,992	3,366,657
$ 17,365,586	$ 21,290,910	$ 23,979,529	$ 24,399,956	$ 25,994,784	$ 28,116,475
$ 1,213,860	$ 1,193,160	$ (1,082,558)	$ (1,146,303)	$ 2,116,873	$ 1,303,990
3,302,596	9,830,426	8,966,133	9,087,425	10,998,556	3,838,686
$ 4,516,456	$ 11,023,586	$ 7,883,575	$ 7,941,122	$ 13,115,429	$ 5,142,676

VILLAGE OF SHOREWOOD, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2017	2018	2019	2020
GENERAL FUND				
Nonspendable for				
Advances to other funds	$ 34,232	$ 46,985	$ -	$ -
Deposits	288,202	-	105,303	105,303
Prepaid items	180,876	175,014	83,795	125,341
Restricted for				
Parks	553,486	122,375	243,941	285,080
Public safety	41,098	43,791	46,599	46,107
Assigned for				
Operating reserves	3,044,389	3,168,359	3,120,581	3,324,212
Capital improvements	1,315,999	1,698,470	1,818,496	1,932,214
Unassigned	1,903,971	2,726,598	2,785,311	3,165,491
TOTAL GENERAL FUND	$ 7,362,253	$ 7,981,592	$ 8,204,026	$ 8,983,748
ALL OTHER GOVERNMENTAL FUNDS				
Restricted for				
Public safety	$ 54,061	$ 66,785	$ 67,003	$ 73,518
Economic development	-	-	16,184	149,450
Maintenance of roadways	145,783	97,571	265,488	439,685
Capital projects	-	-	-	-
Assigned for				
Maintenance of roadways	-	-	-	-
Capital projects	152,266	23,062	-	19,224
Debt service	333,301	-	-	-
Unassigned (deficit)	(34,378)	(53,733)	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	$ 651,033	$ 133,685	$ 348,675	$ 681,877
TOTAL FUND BALANCES	$ 8,013,286	$ 8,115,277	$ 8,552,701	$ 9,665,625

Data Source

Audited Financial Statements

2021	2022	2023	2024	2025	2026
$ -	$ -	$ -	$ -	$ -	$ -
207,746	298,861	354,921	381,013	305,000	105,648
131,222	88,546	162,877	194,490	300,847	234,160
368,338	447,532	547,003	608,918	647,189	690,574
47,845	36,192	40,728	18,300	9,340	-
3,689,681	3,408,326	3,515,685	3,813,704	4,073,684	4,181,374
2,159,103	2,210,752	2,654,718	2,717,342	3,952,130	5,336,184
2,559,969	2,794,197	2,555,137	2,209,841	1,900,698	2,067,369
$ 9,163,904	$ 9,284,406	$ 9,831,069	$ 9,943,608	$ 11,188,888	$ 12,615,309
$ 74,915	$ 102,845	$ 97,572	$ 88,851	$ 133,823	$ 133,823
324,774	572,519	618,546	1,046,828	1,553,242	2,184,007
1,333,454	1,449,610	1,596,661	686,948	-	-
-	5,650,051	-	-	257,786	630,399
-	-	-	-	1,228,951	926,886
400,954	1,680,131	2,267,372	2,600,541	2,064,243	1,319,946
-	-	-	-	-	-
-	-	-	-	-	-
$ 2,134,097	$ 9,455,156	$ 4,580,151	$ 4,423,168	$ 5,238,045	$ 5,195,061
$ 11,298,001	$ 18,739,562	$ 14,411,220	$ 14,366,776	$ 16,426,933	$ 17,810,370

VILLAGE OF SHOREWOOD, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	**2017**	**2018**	**2019**	**2020**
REVENUES				
Property taxes	$ 1,800,628	$ 1,884,086	$ 1,998,593	$ 2,108,541
Other taxes	6,352,046	6,168,158	6,599,826	6,637,417
Intergovernmental	1,999,488	2,407,190	2,351,685	2,624,739
Licenses, permits and fines	1,062,885	984,682	1,236,227	873,986
Franchise fees	355,686	351,832	339,350	347,338
Charges for services	1,932,905	2,078,764	2,164,913	2,191,648
Investment income	13,019	43,722	124,079	203,110
Miscellaneous	146,920	945,110	114,348	361,356
Total revenues	13,663,577	14,863,544	14,929,021	15,348,135
EXPENDITURES				
General government	4,163,411	4,158,591	4,508,516	4,766,593
Public safety	4,291,806	4,619,684	4,895,922	5,208,510
Public works	2,187,816	2,083,350	2,101,842	2,088,962
Highways and streets	1,157,231	663,235	1,121,372	1,274,511
Parks and recreation	626,567	652,457	632,816	607,857
Capital outlay	2,376,273	2,059,241	3,172,980	2,208,218
Debt service				
Principal	898,666	739,000	600,000	385,000
Interest and fiscal charges	111,479	103,514	90,012	71,160
Other charges	11,851	850	850	-
Total expenditures	15,825,100	15,079,922	17,124,310	16,610,811
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,161,523)	(216,378)	(2,195,289)	(1,262,676)
OTHER FINANCING SOURCES (USES)				
Transfers in	3,708,629	841,802	4,930,163	3,631,160
Transfers (out)	(1,358,126)	(573,415)	(2,315,862)	(1,256,160)
Sale of assets	71,026	49,982	18,412	600
Bonds issued	329,000	-	-	-
Premium on bonds issued	-	-	-	-
Total other financing sources (uses)	2,750,529	318,369	2,632,713	2,375,600
NET CHANGE IN FUND BALANCES	$ 589,006	$ 101,991	$ 437,424	$ 1,112,924
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES*	7.24%	6.04%	4.71%	3.05%

*The 2011 General Obligation Alternate Revenue Bonds were called and paid off in fiscal year 2021.

Data Source

Audited Financial Statements

2021*	2022	2023	2024	2025	2026
$ 2,237,277	$ 2,400,011	$ 2,526,775	$ 2,690,279	$ 2,864,029	$ 3,172,054
6,904,857	8,090,133	8,199,244	8,139,506	8,367,854	8,922,233
5,095,508	7,076,111	6,432,824	4,696,130	6,184,331	6,799,192
737,396	873,286	824,518	724,404	711,317	674,466
338,983	364,440	355,274	327,621	292,555	265,958
2,220,214	2,390,370	2,923,234	3,013,089	3,226,068	3,277,038
91,503	(56,175)	185,961	520,039	540,667	524,082
243,434	158,338	175,780	235,472	245,493	207,834
17,869,172	21,296,514	21,623,610	20,346,540	22,432,314	23,842,857
5,010,962	4,929,450	4,825,787	5,003,573	5,496,864	14,858,403
5,245,239	5,559,068	5,982,764	6,294,150	7,063,336	7,158,315
2,009,873	2,013,323	2,140,605	2,353,714	2,860,138	2,788,270
946,906	1,028,550	1,876,454	2,889,849	939,591	1,507,019
468,903	718,040	876,412	901,836	978,748	391,773
1,013,785	11,653,334	7,746,571	2,605,887	3,336,233	3,358,833
2,085,000	-	425,000	575,000	600,000	625,000
76,128	343,408	516,069	366,975	343,975	319,975
-	-	-	-	-	-
16,856,796	26,245,173	24,389,662	20,990,984	21,618,885	31,007,588
1,012,376	(4,948,659)	(2,766,052)	(644,444)	813,429	(7,164,731)
1,616,054	1,050,000	4,065,057	4,677,077	2,040,499	10,161,355
(996,054)	(3,881,920)	(5,627,347)	(4,077,077)	(2,318,861)	(1,663,412)
-	-	-	-	1,525,090	50,225
-	14,200,000	-	-	-	-
-	1,022,140	-	-	-	-
620,000	12,390,220	(1,562,290)	600,000	1,246,728	8,548,168
$ 1,632,376	$ 7,441,561	$ (4,328,342)	$ (44,444)	$ 2,060,157	$ 1,383,437
13.35%	2.36%	5.48%	5.05%	4.91%	3.42%

VILLAGE OF SHOREWOOD, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Percentage of Total EAV	Commercial Property	Percentage of Total EAV	Industrial Property	Percentage of Total EAV	Farm Property	Percentage of Total EAV	Total Taxable Equalized Assessed Value
2016	$ 416,165,803	79.29%	$ 78,181,820	14.90%	$ 30,169,064	5.75%	$ 359,910	0.07%	$ 524,876,597
2017	445,050,554	80.23%	78,572,696	14.16%	30,704,628	5.54%	390,034	0.07%	554,717,912
2018	471,638,681	80.94%	78,823,589	13.53%	31,846,089	5.47%	411,865	0.07%	582,720,224
2019	500,076,707	80.86%	76,252,420	12.33%	41,663,707	6.74%	431,619	0.07%	618,424,453
2020	530,010,495	80.92%	76,744,863	11.72%	47,751,842	7.29%	439,401	0.07%	654,946,601
2021	549,319,816	81.54%	78,063,908	11.59%	45,938,140	6.82%	366,188	0.05%	673,688,052
2022	595,711,851	82.65%	78,424,595	10.88%	46,308,910	6.42%	341,602	0.05%	720,786,958
2023	635,415,950	83.12%	80,055,701	10.47%	48,585,173	6.36%	412,674	0.05%	764,469,498
2024	710,957,669	84.67%	79,709,252	9.49%	48,585,371	5.79%	457,205	0.05%	839,709,497
2025	762,450,640	85.61%	79,165,736	8.89%	48,515,499	5.45%	503,488	0.06%	890,635,363

Levy Year	Percentage of Total EAV	Direct Tax Rate	Actual Taxable Value	Actual Taxable Value	Gross Taxable Assessed Value	Less: Tax-Exempt Property	Total Taxable Equalized Assessed Value	Change in EAV	Percentage Increase/Decrease
2016	100.01%	0.3123	$ 1,574,629,791	33.30%	$ 571,896,500	$ (47,019,903)	$ 524,876,597	$ 42,955,855	8.91%
2017	100.00%	0.2957	1,664,153,736	33.30%	604,655,344	(49,937,432)	554,717,912	29,841,315	5.69%
2018	100.01%	0.2929	1,748,160,672	33.30%	636,843,547	(54,123,323)	582,720,224	28,002,312	5.05%
2019	100.00%	0.2843	1,855,273,359	33.30%	675,345,142	(56,920,689)	618,424,453	35,704,229	6.13%
2020	100.00%	0.2766	1,964,839,803	33.30%	715,636,606	(60,690,005)	654,946,601	36,522,148	5.91%
2021	100.00%	0.2745	2,021,064,156	33.30%	736,190,304	(62,502,252)	673,688,052	18,741,451	2.86%
2022	100.00%	0.2637	2,162,360,874	33.30%	786,045,520	(65,258,562)	720,786,958	47,098,906	6.99%
2023	100.00%	0.2582	2,293,408,494	33.30%	854,004,518	(89,535,020)	764,469,498	43,682,540	6.06%
2024	100.00%	0.2582	2,519,128,491	33.30%	936,413,346	(96,703,849)	839,709,497	75,239,999	9.84%
2025	100.01%	0.2582	2,671,906,089	33.30%	992,443,721	(101,808,358)	890,635,363	50,925,866	6.06%

Note: Property in the Village is reassessed each year. Property is assessed at 33.30% of estimated actual value.

Data Source

Office of the County Clerk-Will County, Illinois

VILLAGE OF SHOREWOOD, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING

Last Ten Levy Years

Levy Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
DIRECT TAX RATES										
General Fund	0.0509	0.1084	0.1144	0.1078	0.1018	0.1044	0.0976	0.0921	0.1039	0.1083
Police Protection	0.1287	0.1218	0.0064	0.0061	0.0058	0.0057	0.0054	0.0051	0.0047	0.0045
Liability Insurance	0.0060	0.0057	0.0055	0.0052	0.0050	0.0049	0.0046	0.0044	0.0041	0.0039
Police Pension Fund	0.0070	0.0067	0.1160	0.1175	0.1189	0.1156	0.1150	0.1178	0.1101	0.1081
Debt Service Fund	0.0636	0.0000	0.0506	0.0477	0.0451	0.0439	0.0411	0.0388	0.0354	0.0334
IMRF	0.0561	0.0531	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Total direct tax rates	0.3123	0.2957	0.2929	0.2843	0.2766	0.2745	0.2637	0.2582	0.2582	0.2582
OVERLAPPING TAX RATES										
Will County Including Forest Preserve District 3	0.8091	0.7881	0.7431	0.7304	0.7231	0.7100	0.6877	0.7021	0.6282	0.5961
Troy School District No. 30-C	4.2386	4.1225	4.0801	3.9397	3.9036	3.9003	3.9403	3.9182	3.7577	3.6468
Joliet Twp HS No. 204	2.8030	2.6513	2.6017	2.5396	2.4822	2.4848	2.5107	2.4226	2.3846	2.3221
Joliet Jr. College No. 525	0.3099	0.2994	0.2924	0.2938	0.2891	0.2848	0.2876	0.2818	0.2687	0.2627
Shorewood-Troy Public Library District	0.1669	0.1644	0.1617	0.1581	0.1567	0.1569	0.1563	0.1569	0.1490	0.1447
Troy Fire District	0.7728	0.7611	0.7488	0.7326	0.7258	0.7266	0.7230	0.7258	0.6881	0.6685
Township and all other	0.1746	0.1726	0.1693	0.1636	0.1619	0.1619	0.1621	0.1621	0.1544	0.1503
TOTAL TAX RATES	9.5872	9.2551	9.0900	8.8421	8.7190	8.6998	8.7314	8.6277	8.2889	8.0494

Property tax rates are per $100 of assessed valuation

Note: Overlapping rates are those of local and county governments that apply to property owners within the Village.

Data Source

Office of the County Clerk-Will County, Illinois

VILLAGE OF SHOREWOOD, ILLINOIS

PRINCIPAL PROPERTY TAX PAYERS

Current Year and Ten Years Ago

		2025 (most recent available)			2016 (most relevant available)		
Taxpayer	**Business/Properties**	**Taxable Equalized Assessed Value**	**Rank**	**Percentage of Total Village Taxable Assessed Valuation**	**Taxable Equalized Assessed Value**	**Rank**	**Percentage of Total Village Equalized Assessed Valuation**
LIT Industrial Ltd. Partnership	Distribution	$ 27,192,335	1	3.05%	$ 13,226,460	1	2.74%
Heartland D LLC	Real Property	10,252,224	2	1.15%			
Shorewood Station LLC	Commercial	6,653,705	3	0.75%			
Timbers of Shorewood	Retirement Facility	5,287,367	4	0.59%	5,873,314	2	1.22%
Alden Estates of Shoreood I LLC	Commercial	4,182,000	5	0.47%	3,666,667	3	0.76%
Target Corp	Retail	2,226,341	6	0.25%	3,092,450	4	0.64%
Prime Industries	Industrial	2,040,000	7	0.23%			
Integris Ventures-SC LLC	Real Property	1,886,610	8	0.21%			
YES Imperial LLC*	Mobile Home Park	1,841,736	9	0.21%	1,566,667	9	0.33%
Home Depot USA	Retail	1,744,738	10	0.20%			
Albertsons	Grocery				2,386,671	5	0.50%
Columbia Shorewood Crossing LLC	Retail				2,165,665	6	0.45%
Columbia Retail Shorewood Crossing	Retail				2,131,187	7	0.44%
Conrad Investments LLC	Commercial				1,665,000	8	0.33%
Tyson Motor Corp	Auto Dealership				1,538,440	10	0.32%
		$ 63,307,056		7.11%	$ 37,312,521		7.73%

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

Data Source

Office of the County Clerk-Will County, Illinois

VILLAGE OF SHOREWOOD, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied	Collections within First Year Amount	Collections within First Year Percentage of Levy	Supplemental Collections	Total Collections	Percentage of Levy
2016	$ 1,639,190	$ 1,636,759	99.85%	$ -	$ 1,636,759	99.85%
2017	1,640,301	1,639,062	99.92%	-	1,639,062	99.92%
2018	1,706,788	1,704,764	99.88%	-	1,704,764	99.88%
2019	1,758,181	1,756,354	99.90%	-	1,756,354	99.90%
2020	1,811,582	1,810,930	99.96%	-	1,810,930	99.96%
2021	1,849,274	1,846,367	99.84%	-	1,846,367	99.84%
2022	1,900,715	1,895,731	99.74%	-	1,895,731	99.74%
2023	1,973,860	1,970,970	99.85%	-	1,970,970	99.85%
2024	2,168,130	2,166,976	99.95%	-	2,166,976	99.95%
2025	2,299,620	N/A	N/A	N/A	N/A	N/A

N/A - Information not available

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value. Taxes levied are collected in the subsequent fiscal year; therefore, 2025 tax collections are not available until fiscal 2026-27. This schedule has been revised to show only the taxes levied by the Village. Troy Township also levies a tax for Road and Bridge; a portion of which they subsequently remit to the Village. Supplemental collections are collections for back taxes.

Data Source

Office of the County Clerk-Will County, Illinois

VILLAGE OF SHOREWOOD, ILLINOIS

SALES TAX BY CATEGORY

Last Ten Calendar Years

Calendar Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General merchandise	$ -	$ -	$ -	$ -	$ -	$ 444,147	$ 619,213	$ 689,210	$ 850,674	$ 729,197
Food	599,768	592,735	624,850	633,453	761,832	813,463	824,959	785,124	849,535	793,239
Drinking and eating places	546,434	543,623	546,904	587,373	567,863	624,610	677,051	677,993	742,292	762,635
Apparel	-	27,293	33,341	-	-	44,626	57,953	54,749	51,525	79,158
Furniture, H.H. and radio	268,495	262,855	278,683	281,769	278,250	352,777	366,408	391,655	423,995	463,128
Lumber, building hardware	329,734	353,084	369,056	409,780	495,661	529,459	518,446	498,596	489,015	645,952
Automobile and filling stations	1,560,340	1,502,231	1,548,719	1,346,495	1,201,479	1,343,406	1,305,768	1,283,660	1,114,635	847,486
Drugs and miscellaneous retail	523,801	509,680	495,405	517,925	580,833	991,798	962,116	1,118,659	1,320,076	1,803,303
Agriculture and all others	241,722	226,760	241,086	258,185	290,450	269,777	349,596	341,407	396,527	636,493
Manufacturers	50,044	-	-	23,863	31,781	41,976	44,486	46,150	36,961	76,740
Censored	375,820	288,700	408,571	421,148	424,033	-	-	-	-	-
TOTAL	$ 4,496,158	$ 4,306,961	$ 4,546,615	$ 4,479,991	$ 4,632,182	$ 5,456,039	$ 5,725,996	$ 5,887,203	$ 6,275,235	$ 6,837,331
VILLAGE DIRECT SALES TAX RATE	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
SALES TAX CHANGE		(4.21%)	5.56%	(1.47%)	3.40%	17.79%	4.95%	2.82%	6.59%	8.96%

Note: Blank categories have less than four taxpayers; therefore, no data is shown to protect the confidentiality of individual taxpayers. Total includes censored data. This schedule only reflects the 1% Municipal Sales Tax.

Data Source

Illinois Department of Revenue

VILLAGE OF SHOREWOOD, ILLINOIS

HOME RULE SALES TAX BY CATEGORY

Last Ten Calendar Years

Calendar Year	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
General merchandise	$ -	$ -	$ -	$ -	$ -	$ 657,316	$ 981,292	$ 1,083,259	$ 1,391,998	$ 1,307,973
Food	347,418	354,862	371,122	357,483	399,964	462,400	462,712	441,336	459,441	470,426
Drinking and eating places	950,367	950,298	953,567	1,022,130	991,440	1,089,253	1,177,773	1,175,403	1,381,229	1,513,659
Apparel	-	47,536	58,333	-	-	77,948	101,338	95,765	96,264	157,564
Furniture, H.H. and radio	439,820	454,233	481,510	487,671	482,044	610,644	635,526	677,403	777,580	911,181
Lumber, building hardware	577,017	617,896	645,848	693,984	866,053	928,143	907,034	872,250	912,288	1,232,195
Automobile and filling stations	729,669	843,915	935,109	927,828	770,504	954,019	1,086,098	939,747	962,049	953,269
Drugs and miscellaneous retail	438,844	417,688	414,691	412,243	486,736	984,739	1,012,558	1,134,199	1,226,058	1,582,212
Agriculture and all others	344,627	351,454	332,472	397,758	454,524	514,008	595,092	547,644	665,590	1,029,488
Manufacturers	28,758	-	-	31,170	47,828	60,688	69,522	75,332	62,882	119,743
Censored	639,638	521,090	566,511	592,822	620,484	-	-	-	-	-
TOTAL	$ 4,496,158	$ 4,558,972	$ 4,759,163	$ 4,923,089	$ 5,119,577	$ 6,339,158	$ 7,028,945	$ 7,042,338	$ 7,935,379	$ 9,277,710
VILLAGE HOME RULE SALES TAX RATE	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	2.00%	2.00%
SALES TAX GROWTH OVER PRIOR YEAR		1.40%	4.39%	3.44%	3.99%	23.82%	10.88%	0.19%	12.68%	16.92%

Note: Blank categories have less than four taxpayers; therefore, no data is shown to protect the confidentiality of individual taxpayers.

A 1.75% Home Rule Sales Tax was implemented on January 1, 2016.

Data Source

Illinois Department of Revenue

VILLAGE OF SHOREWOOD, ILLINOIS

LOCAL AND OTHER TAX DISTRICTS SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	Village Direct Rate	Village Home-Rule Rate*	Village Non-Home Rule Rate*	Will County Rate	RTA Rate	State Rate	Total Rate
2017	1.00%	1.75%	0.00%	0.25%	0.75%	5.00%	8.75%
2018	1.00%	1.75%	0.00%	0.25%	0.75%	5.00%	8.75%
2019	1.00%	1.75%	0.00%	0.25%	0.75%	5.00%	8.75%
2020	1.00%	1.75%	0.00%	0.25%	0.75%	5.00%	8.75%
2021	1.00%	1.75%	0.00%	0.25%	0.75%	5.00%	8.75%
2022	1.00%	1.75%	0.00%	0.25%	0.75%	5.00%	8.75%
2023	1.00%	1.75%	0.00%	0.25%	0.75%	5.00%	8.75%
2024	1.00%	1.75%	0.00%	0.25%	0.75%	5.00%	8.75%
2025	1.00%	2.00%	0.00%	0.25%	0.75%	5.00%	9.00%
2026	1.00%	2.00%	0.00%	0.25%	0.75%	5.00%	9.00%

*The Village became home rule during the fiscal year ended March 31, 2016.

Data Source

Village and County Records

VILLAGE OF SHOREWOOD, ILLINOIS

TOP TEN SALES TAX PROVIDERS AND PERCENTAGE OF TOTAL

Last Ten Fiscal Years

Fiscal Year	**2017**	**2018**	**2019**	**2020**	**2021**
	BraKur Custom Cabinetry	Home Depot	BraKur Custom Cabinetry	BraKur Custom Cabinetry	BraKur Custom Cabinetry
	Home Depot	Jewel Foods	Home Depot	Home Depot	Home Depot
	Jewel Foods	---	Jewel Foods	Jewel Foods	Jewel Foods
	Portillos Hot Dogs Inc.	Lenny's Gas N Wash	Portillos Hot Dogs Inc.	Portillos Hot Dogs Inc.	Portillos Hot Dogs Inc.
	Roundy's Illinois LLC	Portillos Hot Dogs Inc.	Roundys Illinois LLC	Roundys Illinois LLC	Roundys Illinois LLC
	Speedway LLC	Roundy's Illinois LLC	Speedway LLC	Speedway LLC	Speedway LLC
	Target	Target	Target	Target	Target
	Tirapelli Ford Inc.	Tirapelli Ford Inc.	Tirapelli Ford Inc.	Tirapelli Ford Inc.	Tirapelli Ford Inc.
	Tyson Motor Co.	Tyson Motor Co.	Tyson Motor Co.	Tyson Motor Co.	Tyson Motor Co.
	Walgreens	Walgreens	Walgreens	Walgreens	Walgreens
Top Ten Sales Revenue	$ 2,808,184	$ 2,729,335	$ 2,798,255	$ 2,267,585	$ 2,964,465
Total Sales Revenue	$ 4,510,047	$ 4,264,489	$ 4,521,619	$ 4,481,471	$ 4,760,453
% of Total Sales Revenue	62.27%	64.00%	61.89%	50.60%	62.27%

VILLAGE OF SHOREWOOD, ILLINOIS

TOP TEN SALES TAX PROVIDERS AND PERCENTAGE OF TOTAL (Continued)

Last Ten Fiscal Years

Fiscal Year	**2022**	**2023**	**2024**	**2025**	**2026**
	Amazon.Com Services LLC	Amazon.Com Services LLC	Amazon.Com Services LLC	Amazon.Com Services LLC	Amazon.Com Services LLC
	BraKur Custom Cabinetry	BraKur Custom Cabinetry	BraKur Custom Cabinetry	Aldi Inc 42	BraKur Custom Cabinetry
	CVS Pharmacy #0921	Home Depot	CVS Pharmacy #0921	BraKur Custom Cabinetry	CVS Pharmacy #0921
	Home Depot	Jewel Foods	Home Depot	CVS Pharmacy #0921	Home Depot
	Jewel Foods	Mariano's #8526	Jewel Foods	Home Depot	Jewel Foods
	Mariano's #8526	Speedway LLC	Mariano's #8526	Jewel Foods	Mariano's #8526
	Speedway LLC	Target	Target	Mariano's #8526	Target
	Target	Tirapelli Ford Inc	Tirapelli Ford Inc.	Target	Tirapelli Ford Inc
	Tirapelli Ford Inc.	Tyson Motor Co.	Tyson Motor Co.	Tirapelli Ford Inc.	Tyson Motor Co.
	Tyson Motor Co.	Walgreens	Walgreens	Tyson Motor Co.	Walgreens 10605
Top Ten Sales Revenue	$ 3,065,943	$ 2,929,645	$ 3,070,384	$ 3,352,811	$ 3,326,855
Total Sales Revenue	$ 5,587,511	$ 5,789,562	$ 5,994,727	$ 6,341,678	$ 6,922,022
% of Total Sales Revenue	54.87%	50.60%	51.22%	52.87%	48.06%

Note: Taxpayers are listed alphabetically and not in order of sales tax revenue.

Data Source

Illinois Department of Revenue adjusted to fiscal year March 31.

VILLAGE OF SHOREWOOD, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

	Governmental Activities					Business-Type Activities								
	Paid from Property Taxes			Self-Supporting		Self-Supporting								
Fiscal Year Ended	**Unamortized Premiums**	**GO Bonds Series 2016 $329,000**	**GO Bonds Series 2021 $14,200,000**	**GO Bonds Alt Rev Series 2011 $4,700,000**	**GO Bonds Alt Rev Series 2010 $620,000**	**GO Bonds Refunding Series 2009 $4,140,000**	**GO Bonds Series 2025 $8,220,000**	**Unamortized Premiums**	**IEPA Loan**	**Joliet Agreement**	**Total Primary Government**	**Percentage of Taxable Property**	**Per Capita**	**Percentage of Personal Income**
2017	$ 49,790	$ 329,000	$ -	$ 3,200,000	$ 280,000	$ 2,050,000	$ -	$ -	$ 4,477,796	$ 9,774,626	$ 20,161,212	3.84%	$ 1,291.14	3.26%
2018	40,855	-	-	2,840,000	230,000	1,670,000	-	-	4,281,841	9,219,841	18,282,537	3.30%	1,045.01	2.54%
2019	31,917	-	-	2,470,000	-	1,280,000	-	-	4,081,958	8,658,003	16,521,878	2.84%	944.38	2.22%
2020	26,597	-	-	2,085,000	-	870,000	-	-	3,878,067	8,089,022	14,948,686	2.42%	854.45	2.01%
2021	-	-	-	-	-	445,000	-	-	3,670,088	7,513,090	11,628,178	1.78%	664.66	1.55%
2022	1,022,140	-	14,200,000	-	-	-	-	-	3,457,939	6,929,552	25,609,631	3.91%	1,408.21	3.29%
2023	968,343	-	13,775,000	-	-	-	-	-	3,241,537	6,338,596	24,323,476	3.61%	1,337.48	2.80%
2024	914,546	-	13,200,000	-	-	-	-	-	3,020,796	5,740,126	22,875,468	2.99%	1,257.86	2.61%
2025	860,749	-	12,600,000	-	-	-	8,220,000	460,386	2,811,365	5,134,249	30,086,749	3.58%	1,654.39	3.30%
2026	806,952	-	11,975,000	-	-	-	8,020,000	436,155	12,156,982	4,520,467	37,915,556	4.26%	2,084.88	4.07%

Data Source

Audited financial reports

VILLAGE OF SHOREWOOD, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

	Governmental				
Fiscal Year	**General Obligation Bonds**	**Unamortized Premium**	**Total Governmental**	**Percentage of Actual Taxable Value of Property**	**Per Capita**
2017	$ 3,809,000	$ 42,557	$ 3,851,557	0.73%	$ 246.66
2018	3,070,000	37,237	3,107,237	0.56%	177.61
2019	2,470,000	31,917	2,501,917	0.43%	143.01
2020	2,085,000	26,597	2,111,597	0.34%	120.70
2021	-	-	-	0.00%	-
2022	14,200,000	1,022,140	15,222,140	2.26%	837.03
2023	13,775,000	968,343	14,743,343	2.05%	810.70
2024	13,200,000	914,546	14,114,546	1.85%	776.12
2025	12,600,000	860,749	13,460,749	1.60%	740.17
2026	11,975,000	806,952	12,781,952	1.44%	702.85

VILLAGE OF SHOREWOOD, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING (Continued)

Last Ten Fiscal Years

	Business-Type Activities				
Fiscal Year	General Obligation Bonds	Unamortized Premium	Total Business-Type	Percentage of Actual Taxable Value of Property	Per Capita
2017	$ 2,050,000	$ 7,233	$ 2,057,233	0.39%	$ 131.28
2018	1,670,000	3,618	1,673,618	0.30%	95.46
2019	1,280,000	-	1,280,000	0.22%	73.16
2020	870,000	-	870,000	0.14%	49.73
2021	445,000	-	445,000	0.07%	25.44
2022	-	-	-	0.00%	-
2023	-	-	-	0.00%	-
2024	-	-	-	0.00%	-
2025	8,220,000	460,386	8,680,386	0.98%	452.00
2026	8,020,000	436,155	8,456,155	0.90%	441.00

VILLAGE OF SHOREWOOD, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING (Continued)

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Unamortized Premium	Total Village	Total Percentage of Actual Taxable Value of Property	Total Per Capita
2017	$ 5,859,000	$ 49,790	$ 5,908,790	1.12%	$ 375.22
2018	4,740,000	40,855	4,780,855	0.85%	270.93
2019	3,750,000	31,917	3,781,917	0.64%	214.35
2020	2,955,000	26,597	2,981,597	0.48%	168.91
2021	445,000	-	445,000	0.07%	25.44
2022	14,200,000	1,022,140	15,222,140	2.11%	780.82
2023	13,775,000	968,343	14,743,343	1.91%	757.45
2024	13,200,000	914,546	14,114,546	1.91%	725.83
2025	20,820,000	1,321,135	22,141,135	2.48%	1,144.84
2026	19,995,000	1,243,107	21,238,107	2.25%	1,099.47

Note: Details of the Village's outstanding debt can be found in the notes to financial statements. Estimated actual value of taxable property is listed; Will County assesses tax on the equalized assessed value which is 33% of the estimated actual value of the property.

Data Source

Audited financial reports

VILLAGE OF SHOREWOOD, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

March 31, 2026

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village*	Village's Share of Debt
Village of Shorewood	$ 12,781,952	100.000%	$ 12,781,952
Will County, Including Forest Preserve District	376,805,000	2.700%	10,173,735
Schools			
Elementary			
District No. 30-C Troy Community Consolidated	11,415,000	27.750%	3,167,663
District No. 201-C Minooka School District	28,139,565	25.290%	7,116,496
High School			
District No. 204 Joliet Township H.S.	56,770,000	8.060%	4,575,662
District No. 111 Minooka Community H.S.	68,310,000	21.400%	14,618,340
Community Colleges			
District 525 Joliet Jr. College	80,305,000	2.780%	2,232,479
Total Overlapping Debt	621,744,565		41,884,375
	$ 634,526,517		$ 54,666,327

*The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the Village's taxable assessed value that is within the government's boundaries and dividing it by the Village's total taxable assessed value.

Data Source

Continuing disclosures

VILLAGE OF SHOREWOOD, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

March 31, 2026

The Village is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

> "The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 50,000 an aggregate of one per cent:...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

Note: The Village became home rule during the fiscal year ended March 31, 2016.

VILLAGE OF SHOREWOOD, ILLINOIS

PLEDGED-REVENUE COVERAGE
GENERAL OBLIGATION BONDS

Last Ten Fiscal Years

				Self-Supporting Debt - General Obligation Bonds										
Fiscal Year	Water Charges and Other	Less Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage	Utility Taxes and Limited Tax Bond Proceeds	Debt Service Principal	Debt Service Interest	Coverage	Capital Improvement Tap-On Fees	Debt Service Principal	Debt Service Interest	Coverage
2017	$ 5,176,757	$ 7,063,065	$ (1,886,308)	$ -	$ -	$ -	$ 1,380,274	$ 405,000	$ 108,213	$ 2.63	$ 652,792	$ 375,000	$ 79,310	$ 1.44
2018	5,701,868	6,413,435	(711,567)	-	-	-	1,347,871	410,000	99,213	2.09	597,683	380,000	67,605	1.34
2019	6,200,239	8,017,873	(1,817,634)	-	-	-	1,062,725	600,000	90,013	1.46	1,023,798	390,000	54,895	2.30
2020	6,713,562	8,815,933	(2,102,371)	-	-	-	1,008,937	385,000	70,660	2.20	601,355	410,000	40,885	1.33
2021	7,089,508	9,554,987	(2,465,479)	-	-	-	1,001,420	2,085,000	75,627	0.52	512,905	425,000	25,430	1.14
2022	7,169,704	6,707,199	462,505	-	-	-	1,124,536	-	-	-	507,058	445,000	8,678	1.12
2023	7,600,638	8,365,977	(765,339)	-	-	-	1,211,131	-	-	-	578,707	-	-	-
2024	8,499,393	8,465,615	33,778	-	-	-	1,035,998	-	-	-	234,247	-	-	-
2025	9,823,673	9,554,846	268,827	-	-	-	907,609	-	-	-	138,930	-	-	-
2026	10,998,634	10,268,822	729,812	-	-	-	1,054,927	-	-	-	233,456	-	-	-

Note: The GO Bond Series 2009 (which replaced the GO Bond Series 2001) was supported by Capital Improvement and Tap-On Fees.

VILLAGE OF SHOREWOOD, ILLINOIS

PLEDGED-REVENUE COVERAGE (Continued)
GENERAL OBLIGATION BONDS

Last Ten Fiscal Years

Presented is the detail regarding pledged revenue for the General Obligation Bonds.

	GO Bond Series 2011 $4,700,000 Debt Service		**GO Bond Series 2010 $620,000 Debt Service**		**GO Bond Series 2009 $4,140,000 Debt Service**		**GO Bond Series 2024 $8,220,000 Debt Service**		**Total Debt Service**	
	Principal	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**	**Principal**	**Interest**
Revenue Stream	**Utility Taxes**		**Utility Taxes**		**Capital Improvement/ Tap-On Fees**		**Home Rule Sales Tax**			
2017	$ 355,000	$ 94,210	$ 50,000	$ 14,003	$ 375,000	$ 79,310	$ -	$ -	$ 780,000	$ 187,523
2018	360,000	87,110	50,000	12,103	380,000	67,605	-	-	790,000	166,818
2019	370,000	79,910	230,000	10,103	390,000	54,895	-	-	990,000	144,908
2020	385,000	70,660	-	-	410,000	40,885	-	-	795,000	111,545
2021	2,085,000	75,128	-	-	425,000	25,430	-	-	2,510,000	100,558
2022	-	-	-	-	445,000	8,678	-	-	445,000	8,678
2023	-	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	200,000	63,124	200,000	63,124

Data Sources

Office of the County Clerk-Will County, Illinois and audited financial reports

VILLAGE OF SHOREWOOD, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2017	15,615	$ 617,823,090	$ 39,566	4.20%
2018	17,495	718,817,065	41,087	3.70%
2019	17,495	745,479,445	42,611	3.90%
2020	17,495	745,479,445	42,611	4.30%
2021	17,495	749,240,870	42,826	7.10%
2022	18,186	778,833,636	42,826	4.20%
2023	18,186	868,181,454	47,739	3.20%
2024	18,186	876,917,691	48,219	4.30%
2025	18,186	911,047,293	50,096	5.60%
2026	18,186	931,637,896	51,228	5.00%

Data Source

Unemployment Rate: Illinois Department of Employment Security-Will County Statistics

VILLAGE OF SHOREWOOD, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2026				2017			
Employer	**Rank**	**No. of Employees**	**Percent of Total Village Population**	**Employer**	**Rank**	**No. of Employees**	**Percent of Total Village Population**
Troy School District 30-C	1	725	3.99%	Troy School District 30-C	1	695	4.45%
Mariano's Fresh Market	2	275	1.51%	Jewel/Osco	2	200	1.28%
Jewel/Osco	3	225	1.24%	Target	3	160	1.02%
Alden Estates/Courts of Shorewood	4	205	1.13%	Home Depot	4	150	0.96%
Home Depot	5	180	0.99%	Mariano's Fresh Market	5	100	0.64%
Target	6	170	0.93%	Expert Optics	5	100	0.64%
Portillo's Hot Dogs	7	135	0.74%	Ron Tirapelli Ford	7	75	0.48%
Brakur Custom Cabinetry, Inc.	8	115	0.63%	VCNA Prairie	7	75	0.48%
Expert Optics	9	80	0.44%	Portillo's Hot Dogs	9	73	0.47%
Tyson Motor, LLC	10	75	0.41%	R.R. Brink Locking System, Inc.	10	70	0.45%

Data Sources

Source: 2020 Illinois Services Directory, 2020 Illinois Manufacturers Directory, and a selective telephone survey.

VILLAGE OF SHOREWOOD, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
GENERAL GOVERNMENT										
Management services	2	2	2	2	2	2	3	4	4	4
Finance	4	4	4	4	4	4	5	5	5	5
Building/code enforcement	4	4	4	7	7	7	6	6	6	7
Community development	2	2	2	2	2	2	3	3	3	4
Recreation and events	2	2	2	2	2	2	2	2	3	3
PUBLIC SAFETY										
Police										
Administrative services	4	4	4	4	4	4	5	5	5	5
Officers	27	28	29	30	30	32	33	33	33	33
PUBLIC WORKS										
Administration	2	2	2	2	3	3	3	3	3	3
Street maintenance	11	12	12	12	12	12	13	13	13	14
Parks	3	3	3	3	3	3	4	4	4	4
Water/sewer operators	4	4	4	4	4	4	2	2	3	4
TOTAL	65	67	68	72	73	75	79	80	82	86

<u>Data Source</u>

Village budget office

VILLAGE OF SHOREWOOD, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
PUBLIC SAFETY										
Police										
Physical arrests	591	532	468	352	490	570	621	499	420	*
Traffic violations	2,974	2,755	2,193	947	1,163	1,786	1,604	2,298	1,985	*
Complaints	9,203	9,267	9,382	8,930	8,797	8,867	9,624	9,581	8,298	*
BUILDING PERMITS ISSUED										
Duplexes	-	2	2	2	2	-	-	-	-	-
Townhouses	-	-	-	-	-	2	-	-	-	-
Single family	94	75	119	67	64	79	64	20	13	29
Commercial/industrial	2	1	4	1	1	1	1	1	4	-
	96	78	125	70	67	82	65	21	17	29
BUILDING PERMIT REVENUE	$ 540,465	$ 499,259	$ 709,497	$ 432,460	$ 430,451	$ 413,769	$ 354,592	$ 243,492	$ 174,406	$ 172,528
PUBLIC WORKS										
Street resurfacing (miles)	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Pothole repairs (square yards)	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
WATER										
Number of water/sewer customers	6,214	6,292	6,370	6,467	6,560	6,629	6,702	6,761	6,778	6,802
New connections	115	78	78	97	93	69	73	59	17	24
Average daily consumption	5	5	4	4	4	4	5	5	5	5

*Information only available through fiscal year 2025.

Data Source

Various Village departments

VILLAGE OF SHOREWOOD, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
PUBLIC WORKS										
Miles of streets	80	80	80	80	80	80	80	80	80	80
Traffic signals	18	18	18	18	18	21	21	21	24	26
WATER										
Water mains (miles)	99	99	99	99	99	99	99	99	99	99
Storage capacity (gallons)	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
WASTEWATER										
Sanitary sewers (miles)	87	87	87	87	87	87	87	87	87	87
Storm sewers (miles)	120	120	120	120	120	120	120	120	120	120
Treatment capacity (gallons)	4,160,000	4,160,000	4,160,000	4,160,000	4,160,000	4,160,000	4,160,000	4,160,000	4,160,000	4,160,000
RECREATIONAL FACILITIES										
Mini parks	5	5	5	5	5	5	5	5	5	5
Neighborhood parks	10	11	11	11	11	11	11	11	11	11
Community park	1	1	1	1	1	2	2	2	2	2
Total park acreage	136	140.5	140.5	140.5	140.5	173.1	173.1	173.1	173.1	173.1
Bike and trail systems (miles)	10.85	10.85	10.85	10.85	10.85	10.85	10.85	10.85	10.85	10.85

<u>Data Source</u>

Various Village departments

VILLAGE OF SHOREWOOD, ILLINOIS

MISCELLANEOUS STATISTICS

March 31, 2026

Date of Incorporation:	1957
Geographic Location:	Troy Towship in western Will County 40 miles southwest of downtown Chicago
Area:	7.00 Square miles
Type of local government:	Village President/Board of Trustees - Village Administrator
Website:	http://shorewoodil.gov
Bond Rating:	AA+ : Standard & Poors
Home Rule:	Yes
Utilities:	
Natural Gas	Supplied by NICOR Gas
Electricity	Supplied by Commonwealth Edison
Telephone	Supplied by Comcast and AT&T
Cable	Supplied by Comcast and AT&T
Waste Pickup	Supplied by Waste Management/billed through Village
Public Safety:	
Dispatching Center	WESCOM
Source of Village Water:	Wells
Sewage Treatment:	City of Joliet
Water Rates:	
Residential	$3.88 Service Fee; $9.65/1,000 Gallons
Commercial	
1"	$11.55 Service Fee; $9.65/1,000 Gallons
1 1/2" and greater	$19.08 Service Fee; $9.65/1,000 Gallons
Sewer Rates:	
Residential	$12.55 Service Fee; $10.06/1,000 Gallons
Commercial	$17.18 Service Fee; $10.06/1,000 Gallons
Refuse Disposal:	$30.16/Month $3.00 Discount/Month for Seniors
Water/Sewer Rehab Fee:	$10.00/Month

The Village of Shorewood is served by the following Schools:

Grade School
- Troy School District 30-C
  - Wiliam B Orenic (5-6)
  - Troy Shorewood (K-4)
  - Troy Middle School (6-8)
  - Troy Crossroads (K-4 and early care)
  - Troy Hofer (K-4)
- Minooka CCSD #201
  - Minooka Walnut Trails Grade School (K-4)
  - Minooka Intermediate School (5-6)
  - Minooka Junior High (7-8)

Grade School
- Private Schools
  - Trinity Christian School (pre-8)
  - Holy Family School (pre-8)

High School
- District 204
  - Joliet West High School
- District 111
  - Minooka Community High School