VILLAGE OF KIRKLAND, ILLINOIS

ANNUAL FINANCIAL REPORT

Year Ended April 30, 2026

Village of Kirkland
April 30, 2026
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INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Village of Kirkland, Illinois 60146

Opinions
We have audited the accompanying financial statements of the governmental activities, business-type activities, and each major fund of the Village of Kirkland, Illinois, as of and for the year ended April 30, 2026, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Village of Kirkland, Illinois, as of April 30, 2026, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

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

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the retirement plan information in Schedule 1, the budgetary comparison information in Schedules 2 and 3, and Notes to Budgetary Comparison Schedules be presented to supplement the basic financial statements, as listed as *Required Supplementary Information* in the table of contents. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the Management Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Kirkland's basic financial statements. Schedules 4 and 5 detailed as *Supplementary Information* in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules identified above as *Supplementary Information* are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hopkins & Associates

Granville, Illinois
August 31, 2026

VILLAGE OF KIRKLAND
GOVERNMENT-WIDE STATEMENT OF NET POSITION
April 30, 2026

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash (Note 2)	$ 232,273	$ -	$ 232,273
Interfund Activity (Note 7)	479,124	(479,124)	-
Receivables (Net):			
Property Tax (Note 1C)	288,108	-	288,108
Accounts (Note 8)	-	71,919	71,919
Other Taxes (Note 8)	106,302	-	106,302
Net Pension Asset	268,786	81,372	350,158
Capital Assets (Note 3):			
Land	144,104	-	144,104
Construction in Progress	139,224	-	139,224
Buildings and Improvements	1,265,035	-	1,265,035
Water and Sewer Distribution System	-	3,245,165	3,245,165
Land Improvements and Infrastructure	5,661,794	-	5,661,794
Equipment and Vehicles	824,168	581,493	1,405,661
Accumulated Depreciation	(2,327,912)	(2,445,856)	(4,773,768)
Total Assets	$ 7,081,006	$ 1,054,969	$ 8,135,975
DEFERRED OUTFLOWS OF RESOURCES	$ 264,068	$ 79,944	$ 344,012
Total Assets and Deferred Outflows	$ 7,345,074	$ 1,134,913	$ 8,479,987
LIABILITIES			
Accounts Payable (Note 8)	$ 88,263	$ 1,863	$ 90,126
Accrued Wages & Payroll Tax Liability (Note 8)	5,279	3,103	8,382
Accrued Compensated Absences (Note 14)	11,751	5,359	17,110
Other Liabilities	8,838	-	8,838
Due to Developers	4,977	-	4,977
Long-Term Liabilities (Note 12):			
Due within One Year	191,994	-	191,994
Due in more than One Year	2,220,671	-	2,220,671
Total Liabilities	$ 2,531,773	$ 10,325	$ 2,542,098
DEFFERED INFLOWS OF RESOURCES			
Deferred Inflows - Property Taxes (Note 1C)	$ 288,108	$ -	$ 288,108
Deferred Inflows - Pension Related	628,469	190,262	818,731
Total Deferred Inflows	$ 916,577	$ 190,262	$ 1,106,839
NET POSITION			
Net Investment in Capital Assets	$ 3,293,748	$ 1,380,802	4,674,550
Restricted for:			
Street Maintenance (Note 4)	179,675	-	179,675
Unrestricted	423,301	(446,476)	(23,175)
Total Net Position	$ 3,896,724	$ 934,326	$ 4,831,050
Total Liabilities, Deferred Inflows, and Net Position	$ 7,345,074	$ 1,134,913	$ 8,479,987

See accompanying notes to basic financial statements.

VILLAGE OF KIRKLAND
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
Year Ended April 30, 2026

Functions/Programs	Expenses	Program Revenues: Fees/Fines Charges for Service	Program Revenues: Operating Grants and Refunds	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental Activities:							
General Administration	$ 263,844	$ 42,113	$ -	$ -	$ (221,731)		$ (221,731)
Public Safety	420,743	59,034	-	-	(361,709)		(361,709)
Highways and Streets	396,788	-	132,655	-	(264,133)		(264,133)
Interest on Long-Term Debt	142,307	-	-	-	(142,307)		(142,307)
Total Governmental Activities	$ 1,223,682	$ 101,147	$ 132,655	$ -	$ (989,880)		$ (989,880)
Business-Type Activities:							
Water and Sewer Service	$ 655,552	$ 412,945	$ -	$ -	$ -	$ (242,607)	$ (242,607)
Total Business-Type Activities	$ 655,552	$ 412,945	$ -	$ -		$ (242,607)	$ (242,607)
Total Primary Government	$ 1,879,234	$ 514,092	$ 132,655	$ -	$ (989,880)	$ (242,607)	$ (1,232,487)
General Revenues:							
Taxes:							
Property Taxes					$ 290,571		$ 290,571
Sales Tax					188,255		188,255
Utility Tax					93,032		93,032
State Income Tax					301,954		301,954
Other Taxes					63,480		63,480
Other Revenue					6,697		6,697
Interest Earned					14,744		14,744
Total General Revenues					$ 958,733	$ -	$ 958,733
Change in Net Position from Operations					$ (31,147)	$ (242,607)	$ (273,754)
Change in Net Pension Liability and Deferrals					(301,931)	-	(301,931)
Change in Accrued Vacation and Sick Pay Liability					(6,744)	-	(6,744)
Change in Net Position					$ (339,822)	$ (242,607)	$ (582,429)
Net Position - Beginning - Original					4,236,546	1,176,933	5,413,479
Net Position - Ending					$ 3,896,724	$ 934,326	$ 4,831,050

See accompanying notes to basic financial statements.

VILLAGE OF KIRKLAND
BALANCE SHEET
ALL GOVERNMENTAL FUNDS
April 30, 2026

	General Fund	Motor Fuel Tax Fund	TOTAL
ASSETS			
Cash (Note 2)	$ 11,116	$ 221,157	$ 232,273
Restricted Cash (Note 2)	-	-	-
Other Intergovernemntal Receivables	100,211	6,091	106,302
Property Tax Receivable (Note 1C)	288,108	-	288,108
Due from Other Funds (Note 7)	517,337	-	517,337
Total Assets	$ 916,772	$ 227,248	$ 1,144,020
LIABILITIES AND FUND BALANCE			
Liabilities: (Note 8)			
Accounts Payable	$ 78,903	$ 9,360	$ 88,263
Accrued Wages and Payroll Tax Liabilities	5,279	-	5,279
Other Payables	8,838	-	8,838
Due to Developers	4,977	-	4,977
Due to Other Funds (Note 7)	-	38,213	38,213
Total Liabilities	$ 97,997	$ 47,573	$ 145,570
Deffered Inflows:			
Defered Inflows of Resources	$ 288,108	$ -	$ 288,108
Total Deferred Inflows	$ 288,108	$ -	$ 288,108
Fund Balances (Note 1):			
Nonspendable	$ -	$ -	$ -
Restricted	-	179,675	179,675
Committed	-	-	-
Assigned	-	-	-
Unassigned	530,667	-	530,667
Total Fund Balances	$ 530,667	$ 179,675	$ 710,342
Total Liabilities and Fund Balances	$ 916,772	$ 227,248	$ 1,144,020

Reconciliation of the Balance Sheet of Governmental Funds to Statement of Net Position

Total Fund Balances - All Governmental Funds	$ 710,342
The amount of the book value of debt at April 30, 2026. (Governmental funds do not report debt on the balance sheet. In the government-wide statement of net position, debt is reported as a long-term liability.)	(2,412,665)
The amount of the book value of capital assets at April 30, 2026. (In governmental fund statements, all capital assets are expensed as purchased. Under GASB No. 34 in the government-wide statements of net position, capital assets are presented at book value.)	5,706,413
The amount of accrued compensated absences at April 30, 2026. (Governmental funds do not report long-term liabilities on the balance sheet. In the government-wide statement of net position, accrued compensated absences are reported as a long-term liability.)	(11,751)
The amount of Net Pension Benefit (Liability) at April 30, 2026. (In the government-wide statement of net position, net pension liability is reported as a long-term liability).	268,786
The amount of Deferred Outflows (Inflows) at April 30, 2026 related to IMRF Expenses.	(364,401)
Total Net Position of Governmental Activities	$ 3,896,724

See accompanying notes to basic financial statements.

VILLAGE OF KIRKLAND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
ALL GOVERNMENTAL FUNDS
Year Ended April 30, 2026

	General Fund	Motor Fuel Tax Fund	TOTAL
REVENUES			
Taxes	$ 571,858	$ -	$ 571,858
Licenses and Permits	42,113	-	42,113
Intergovernmental Revenue	365,434	132,655	498,089
Service Charges	31,684	-	31,684
Fines and Forfeits	27,350	-	27,350
Investment Income	2,649	12,095	14,744
Miscellaneous	6,697	-	6,697
Total Revenues	$ 1,047,785	$ 144,750	$ 1,192,535
EXPENDITURES			
Current:			
General Administrative	$ 242,100	$ -	$ 242,100
Public Safety	402,853	-	402,853
Highways and Streets	212,131	16,516	228,647
Sanitation	-	-	-
Debt Service:			
Loan Interest	142,307	-	142,307
Loan Principal	192,154	-	192,154
Capital Outlay	12,202	371,825	384,027
Total Expenditures	$ 1,203,747	$ 388,341	$ 1,592,088
Excess (Deficiency) of Revenues over Expenditures	$ (155,962)	$ (243,591)	$ (399,553)
Sale of Capital Assets	$ -	$ -	$ -
Loan Proceeds	-	-	-
Transfers In(Out) (Note 7)	-	-	-
Net Change in Fund Balances	$ (155,962)	$ (243,591)	$ (399,553)
Fund Balances - Beginning	686,629	423,266	1,109,895
Fund Balances - Ending	$ 530,667	$ 179,675	$ 710,342

See accompanying notes to basic financial statements.

VILLAGE OF KIRKLAND
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended April 30, 2026

Net Change in Fund Balances - Total Governmental Funds	$	(399,553)
The amount by which capital outlays ($384,027) exceeded depreciation ($207,775) in the current period. (Governmental Funds report capital outlays as expenditures and do not report depreciation. In the government-wide statement of activities the cost of the purchased capital assets is reported as depreciation expense over the estimated useful lives of the assets.)		176,252
The amount by which debt service exceeded interest paid. (Governmental Funds report debt service interest paid and debt service principal payments as expenditures. In the government-wide statement of activities the cost of the debt service interest paid is reported as Interest on Long-Term Debt as a functional expenditure. Principal paid reduces the long-term liability and, in turn, is not recorded as an expenditure.)		192,154
The amount of debt issued during the year (Governmental Funds report debt issued as revenue in the year of issuance. In the government-wide state of net position the issuance of debt is recorded as a long-term liability and is not recorded as revenue on the statement of activities)		-
Change in Accrued Vacation and Sick Pay. (This is a long-term liability and is only reported on the government-wide statements.)		(6,744)
The change in Net Pension Liability and related Deferred Inflows/Outflows. (Governmental Funds do not report expenditures that do not require current use of financial resources.)		(301,931)
Change in Net Position of Governmental Activities	$	(339,822)

See accompanying notes to basic financial statements.

VILLAGE OF KIRKLAND
STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
April 30, 2026

	Water & Sewer Operating Fund	Water Improvement Fund	Sewer Improvement Fund	Total Enterprise Funds
ASSETS				
Current Assets:				
Cash (Note 2)	$ -	$ -	$ -	$ -
Receivables:				
Accounts Receivable (Note 8)	71,919	-	-	71,919
Non-Current Assets:				
Capital Assets (Note 3):				
Equipment & Vehicles	581,493	-	-	581,493
Distribution System	3,245,165	-	-	3,245,165
Accumulated Depreciation	(2,445,856)	-	-	(2,445,856)
Net Pension Benefit	81,372	-	-	81,372
Total Assets	$ 1,534,093	$ -	$ -	$ 1,534,093
DEFERRED OUTFLOWS OF RESOURCES	$ 79,944	$ -	$ -	$ 79,944
Total Assets and Deferred Outflows	$ 1,614,037	$ -	$ -	$ 1,614,037
LIABILITIES				
Current Liabilities:				
Accounts Payable (Note 8)	$ 1,863	$ -	$ -	$ 1,863
Accrued Payroll and Payroll Tax Liabilities (Note 8)	3,103	-	-	3,103
Accrued Compensated Absences (Note 14)	5,359	-	-	5,359
Due to Other Funds (Note 7)	479,124	-	-	479,124
Non-Current Liabilities: (Note 12)				
Due within One Year	-	-	-	-
Due in more than One Year	-	-	-	-
Total Liabilities	$ 489,449	$ -	$ -	$ 489,449
DEFERRED INFLOWS OF RESOURCES	$ 190,262	$ -	$ -	$ 190,262
NET POSITION				
Net Investment in Capital Assets	$ 1,380,802	$ -	$ -	$ 1,380,802
Restricted for:				
Other Purposes	-	-	-	-
Unrestricted	(446,476)	-	-	(446,476)
Total Net Position	$ 934,326	$ -	$ -	$ 934,326
Total Liabilities, Deferred Inflows, and Net Position	$ 1,614,037	$ -	$ -	$ 1,614,037

See accompanying notes to basic financial statements.

VILLAGE OF KIRKLAND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
Year Ended April 30, 2026

	Water & Sewer Operating Fund	Water Improvement Fund	Sewer Improvement Fund	Total Enterprise Funds
OPERATING REVENUES				
Charges for Service:				
User Fees	$ 369,067	$ 11,743	$ 11,841	$ 392,651
Miscellaneous	20,294	-	-	20,294
Total Operating Revenues	$ 389,361	$ 11,743	$ 11,841	$ 412,945
OPERATING EXPENSES				
Salaries and Benefits	$ 416,417	$ -	$ -	$ 416,417
Contractual Services	99,076	32,561	-	131,637
Material and Supplies	30,783	-	-	30,783
Miscellaneous	3,264	-	-	3,264
Depreciation	73,451	-	-	73,451
Total Operating Expenses	$ 622,991	$ 32,561	$ -	$ 655,552
Net Operating Income (Loss)	$ (233,630)	$ (20,818)	$ 11,841	$ (242,607)
NON-OPERATING REVENUE (EXPENSES)				
Loss on Disposal of Fixed Assets	$ -	$ -	$ -	$ -
Total Non-Operating	$ -	$ -	$ -	$ -
Transfer In (Out) (Note 7)	$ (8,977)	$ 20,818	$ (11,841)	$ -
Change in Net Position	$ (242,607)	$ -	$ -	$ (242,607)
Total Net Position - Beginning	1,176,933	-	-	1,176,933
Total Net Position - Ending	$ 934,326	$ -	$ -	$ 934,326

See accompanying notes to basic financial statements.

VILLAGE OF KIRKLAND
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended April 30, 2026

	Water & Sewer Operating Fund	Water Improvement Fund	Sewer Improvement Fund	Total Enterprise Funds
Cash flows from operating activities:				
Cash Received from Customers	$ 369,067	$ 11,743	$ 11,841	$ 392,651
Payments to Employees	(269,625)	-	-	(269,625)
Payments to Suppliers	(133,123)	(32,561)	-	(165,684)
Other Operating Revenues (Expenses)	20,294	-	-	20,294
Net cash provided (used) by operating activities	$ (13,387)	$ (20,818)	$ 11,841	$ (22,364)
Cash flows from non-capital financing activities:				
Interfund Payables	$ 55,864	$ -	$ -	$ 55,864
Transfers In (Out)	(8,977)	20,818	(11,841)	-
Net cash provided by non-capital financing activities	$ 46,887	$ 20,818	$ (11,841)	$ 55,864
Cash flows from capital and related financing activities:				
Capital Improvements	$ (33,500)	$ -	$ -	$ (33,500)
Principal Payments on Loans	-	-	-	-
Net cash provided (used) in capital financing activities	$ (33,500)	$ -	$ -	$ (33,500)
Cash flows from investing activities:				
Interest Revenue	$ -	$ -	$ -	$ -
Net cash provided by investing activities	$ -	$ -	$ -	$ -
Net increase (decrease) in cash and cash equivalents	$ -	$ -	$ -	$ -
Cash and equivalents, April 30, 2025	-	-	-	-
Cash and equivalents, April 30, 2026	$ -	$ -	$ -	$ -
Reconciliation of operating income (loss) to net cash provided (used) by operating activites:				
Operating Income (Loss)	$ (233,630)	$ (20,818)	$ 11,841	$ (242,607)
Adjustments to reconcile net loss to net cash provided by operating activities:				
Depreciation	73,451	-	-	73,451
Changes in Assets and Liabilities				
(Increase) Decrease in Receivables	(1,501)	-	-	(1,501)
Increase (Decrease) in Payables	(25,275)	-	-	(25,275)
Change in Pension Liability and Deferrals	173,568	-	-	173,568
Total Adjustments	220,243	-	-	220,243
Net cash provided (used) by operating activites	$ (13,387)	$ (20,818)	$ 11,841	$ (22,364)

See accompanying notes to basic financial statements.

Note 1 - Summary of Significant Accounting Policies

A. General

The Village of Kirkland, Illinois (the Village), established in 1882, is a municipal corporation governed by an elected President and six-member Board of Trustees. The Village's major operations include public safety, street and sidewalk maintenance, public improvements, planning and zoning, water and sewer services and general administrative services.

For the year ended April 30, 2026, the financial statements are being presented in compliance with Governmental Accounting Standards Board (GASB) Statement No. 34 as described in more detail in Note 1C.

B. Reporting Entity

The Village of Kirkland, Illinois, includes all of the funds and account groups relevant to the operation of the Village in the financial statements reported herein.

The criteria of GASB pronouncements have been considered in determining the activities to be included in this report. The Village has determined that no other agency is a component of the Village and the Village is not a component of any other entity.

C. Basis of Accounting

The Village maintains its accounting records on the modified accrual/accrual basis of accounting. In the government-wide financial statements, the accrual basis is used, and revenues are recognized when earned and expenses are recognized when the related liability is incurred. In the fund financial statements, the modified accrual basis is used, except for the property tax receivable that is discussed below. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within 60 days. Expenditures are recognized when the related liability is incurred. All revenue and expense accounts are subject to accrual.

Property tax receivable and a balancing deferred inflows of resources are recorded in the government-wide statement of net position and in the fund financial statements. These amounts are measurable but not available.

Note 1 - Summary of Significant Accounting Policies (Continued)

D. Basic Financial Statements – Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are presented on a consolidated basis by column and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Village's net positions are reported in four parts: net investment in capital assets; restricted - nonspendable; restricted net position; and unrestricted net position. Fiduciary funds are not included in government-wide statements.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities. The functions are also supported by general government revenues. The Statement of Activities reduces gross expenses by related program revenues and operating and capital grants. Program revenues must be directly associated with the function or business-type activity. Operating grants include operating-specific and discretionary grants while the capital grants column reflects capital-specific grants.

The Village does not allocate indirect costs. The government-wide focus is more on the sustainability of the Village as an entity and the change in its net position resulting from the current year's activities.

As a general rule the effect of internal activity has been eliminated from the government-wide financial statements.

E. Basic Financial Statements—Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues, and expenditures or expenses. The various funds are reported by generic classifications within the financial statements. The Village has elected to treat all funds as major funds.

Note 1 - Summary of Significant Accounting Policies (Continued)

E. Basic Financial Statements—Fund Financial Statements (Continued)

1. Governmental Funds:

The focus of the governmental funds' measurement is upon determination of financial position and changes in financial position rather than upon net income. The following is a description of governmental fund types:

a. General Fund is the general operating fund. It is used to account for all financial resources except those required to be accounted for in another fund.
b. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village has one Special Revenue Fund: the Motor Fuel Tax Fund.
c. Debt Service Funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt for governmental funds. The Village has no Debt Service Funds.
d. Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Village has no Capital Projects Funds.

2. Proprietary Funds:

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed through user charges. The Village has three Enterprise Funds: the Water and Sewer Operating Fund, which accounts for water service and sewage treatment service; Water Improvement Fund, which accounts for improvements and repair to the water system; and the Sewer Improvement Fund, which accounts for improvements and repair to the sewer system.

3. Fiduciary Funds:

Fiduciary Funds are used to report assets held in a trustee or agency capavillage for others and therefore are not available to support Village programs. The reporting focus is on net position. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements. The Village has no fiduciary funds.

Note 1 - Summary of Significant Accounting Policies (Continued)

F. Budgets and Budgetary Accounting

All departments of the Village submit requests for budgets so that an appropriation ordinance may be prepared. The appropriation ordinance is prepared by fund and function, and includes approved appropriations for the next fiscal year.

The proposed appropriation ordinance is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations. All appropriations are adopted on a basis consistent with generally accepted accounting principles (GAAP). The appropriation ordinance may be amended by the governing body. Expenditures may not legally exceed appropriation allocations at the fund level. The appropriation lapses at the end of each fiscal year.

G. Capital Assets

Equipment and vehicles purchased or acquired with an original cost of $500 or more and infrastructure improvements of $5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance is expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs. Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated. Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements 10 - 50 Years
Water and Sewer Distribution System 20 - 50 Years
Vehicles and Equipment 5 - 30 Years

Note 1 - Summary of Significant Accounting Policies (Continued)

H. Revenue and Expenses

Program revenues in government-wide financial statements generally include fees, rentals, fines, and other specifically levied revenues. In proprietary funds, operating revenues and expenses are distinguished from non-operating items because they are clearly traceable to the functioning of the specific service provided to the customers.

I. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements. Estimates are also made regarding the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

J. Cash and Investments

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows", cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less. Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

K. Receivables

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

L. Restricted and Unrestricted Resources

When an expense is incurred in which both restricted and unrestricted net position/fund balances are available, it is the Village's policy to first apply the restricted resources.

Note 1 - Summary of Significant Accounting Policies (Continued)

M. Fund Balance Classification

In order to comply with GASB 54, the Village is adhering to the fund balance classification requirements. Fund balances in the fund financial statements will now be classified as follows:

a. Nonspendable – Fund balances should be considered to be nonspendable if funds are not in spendable form, or are legally or contractually required to be maintained intact. The Village does not have any nonspendable fund balances.
b. Restricted – Fund balances should be considered to be restricted when constraints placed on funds are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. The Village has $0 of restricted fund balances in the General Fund, see Note 4. All fund balances in the Motor Fuel Tax Fund are restricted.
c. Committed – Fund balances should be considered to be committed if funds can only be used for specific purposes as a result of constraints imposed by formal action of the Village's Board of Trustees. The Village does not have any committed fund balances.
d. Assigned – Fund balances should be considered to be assigned if amounts that are constrained by the Village's intent to be used for specific purposes, but are neither restricted nor committed. The Village does not have any assigned fund balances.
e. Unassigned – Fund balances should be considered to be unassigned if they are a portion of the General fund balances that have not been considered to be restricted, committed, or assigned to specific purposes.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

N. Compensated Absences

The Village recognizes a liability for compensated absences in accordance with GASB Statement No. 101, *Compensated Absences*. Employees are permitted to carry over unused vacation leave from one calendar year to the next. The liability for compensated absences includes the related gross pay and applicable payroll taxes and employer contributions.

Note 2 - Deposits and Investments

The Village maintains a cash and investment pool that is available for use by all funds except the Motor Fuel Tax Fund. Each fund type's portion of this pool is displayed on the financial statements as "cash and cash equivalents". In addition, investments may be held separately by each of the Village's funds.

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

Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Although not registered with the SEC, Illinois Funds does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Deposits in Illinois Funds are valued at the share price, the price for which the investment could be sold.

Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled $(7,691). Additionally, the Village had $239,964 deposited in the Illinois Funds.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Village officials recognize that safety of principle is the foremost objective of the Village's investment program. Officials additionally follow the principle that the investment portfolio will remain sufficiently liquid to enable the Village to meet all operating requirements which might be reasonably anticipated. Finally, the investment program has been designed with the objective of attaining a market rate of return throughout budgetary and economic cycles. All Village investment transactions must be specifically approved by the Finance Committee of the Village Board of Trustees. The Village's investment in the Illinois Funds has an average maturity of less than one year.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Accordingly, the Village's investment portfolio only includes securities authorized under State Statute. The Village's investment in the Illinois Funds were rated AAA by Standard & Poor's. Although not subject to regulatory oversight, the fund is administered in accordance with the provisions of the Illinois Public Funds Investment Act, 30 ILCS 235.

Note 2 - Deposits and Investments (Continued)

Interest Rate Risk, Credit Risk, Custodial Credit Risk and Concentration Risk

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. All funds on deposit in banks in excess of FDIC limits should be secured by some form of collateral. Furthermore, pledged collateral should be held by the Village or in safekeeping evidenced by a safekeeping agreement. For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The Village's investment policy requires collateral on all funds on deposit in banks in excess of the FDIC insurance. At year-end all deposits were covered by FDIC insurance or collateral held by the Village or in safekeeping in the Village's name.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy recommends diversification to minimize this risk. However, the Village does not require diversification for funds on deposit with a financial institution that are covered by FDIC insurance or collateral. At year-end, the Village maintained deposit accounts with three banks and the Illinois Funds: Resource Bank, Kirkland, Illinois; Illinois National Bank, Springfield, Illinois, First Mid Bank & Trust, Mattoon, IL, and Illinois Funds at US Bancorp, Milwaukee, Wisconsin.

Note 3 - Capital Assets

The Village's Fixed Assets, excluding land, are valued at historical cost or estimated historical cost, if actual cost is not known. A detailed listing is on file with the Village Clerk. Land was valued at estimated fair market value since no historical records were available.

Note 3 - Capital Assets (Continued)

COST BASIS

	Beginning of Year	Additions	Deletions	End of Year
General Government				
Non-Depreciable Assets				
Land	$ 144,104	$ -	$ -	$ 144,104
Construction in Progress	139,224	-	-	139,224
Depreciable Assets				
Building and Improvements	1,252,833	12,202	-	1,265,035
Equipment and Vehicles	824,168	-	-	824,168
Land Improvements and Infrastructure	5,289,969	371,825	-	5,661,794
Total General Village Capital Assets	$ 7,650,298	$ 384,027	$ -	$ 8,034,325
Business-Type Activities				
Depreciable Assets				
Water & Sewer Distribution System	$ 3,222,944	$ 22,222	$ -	$ 3,245,166
Equipment and Vehicles	570,214	11,279	-	581,493
Total Water and Sewer Capital Assets	$ 3,793,158	$ 33,501	$ -	$ 3,826,659
GrandTotal	$ 11,443,456	$ 417,528	$ -	$ 11,860,984

ACCUMULATED DEPRECIATION

	Beginning of Year	Additions	Deletions	End of Year
General Government				
Depreciable Assets				
Building and Improvements	$ 316,501	$ 25,695	$ -	$ 342,196
Equipment and Vehicles	644,677	45,933	-	690,610
Land Improvement and Infrastucture	1,158,959	136,147	-	1,295,106
Total General Government Assets	$2,120,137	$ 207,775	$ -	$ 2,327,912
Business-Type Activities				
Depreciable Assets				
Water & Sewer Distribution System	$2,024,606	$ 46,964	$ -	$ 2,071,570
Equipment and Vehicles	347,799	26,487	-	374,286
Total Water and Sewer Capital Assets	$2,372,405	$ 73,451	$ -	$ 2,445,856
GrandTotal	$4,492,542	$ 281,226	$ -	$ 4,773,768

Depreciation is allocated to the following functions: General Administration, $21,744; Public Safety, $17,890; Highways & Streets, $168,141; and Water & Sewer, $281,226.

Note 4 - Restricted Fund Balances and Net Position

Amounts in the Motor Fuel Tax Fund are classified as restricted in the fund financial statements and in the government-wide financial statements.

In the General Fund, special levies were made for road and bridge, police protection, audit, and liability insurance. All special levies in the General Fund were spent for the stated purposes. There were no restricted fund balance amounts in the General Fund as of April 30, 2026.

Note 5 - Property Tax

Property taxes attach as an enforceable lien on January 1 on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about June 1, and September 1. The County collects such taxes and remits them periodically. The 2024 Tax Levy Ordinance, adopted in December 2024, and collected in 2025, was used to finance the fiscal year ended April 30, 2026. The 2025 Tax Levy Ordinance, adopted in December 2025, is recorded as a receivable and unavailable revenue in the financial statements for the year ended April 30, 2026.

Note 6 - Prepaid Expenses

There are no prepaid expenses as of April 30, 2026.

Note 7 - Interfund Payables/Receivables and Transfers

Interfund Transfers of $8,977 and $11,841 were made from the Water and Sewer Operating Fund and the Sewer Improvement Fund, respectively, into the Water Improvement Fund during the year ended April 30, 2026. These transfers were made to close out the improvement funds and bring the fund balance in each to $0 at year-end.

At April 30, 2025, the Water & Sewer Fund owes the General Fund $479,124 as an interfund payable, and the Motor Fuel Tax Fund owes the General Fund $38,213 as an interfund payable. These interfund loans were made to help finance capital projects.

Note 8 - Other Receivables and Payables

At April 30, 2026, the following receivables are recorded:

- Accounts Receivable – Water and Sewer billings not yet collected at April 30 including the May 2026 billing. Other receivables identified by the Clerk, including motor fuel tax receivable and income tax receivable.

Note 8 - Other Receivables and Payables (Continued)

- Accrued Payroll Tax Liabilities – Unpaid wages and the related FICA and Medicare taxes for work performed in the current fiscal year.
- Accounts Payable – Unpaid bills for materials received or services provided at year-end.

Note 9 - Insurance Risk Management

The Village provides for risk management by securing comprehensive insurance through local insurance brokers. The Village reports no major changes in insurance coverage or risk during the current fiscal year. Insurance premiums are paid through the General Fund and the Water and Sewer Operating Fund.

Note 10 - Leases

The Village has no leases outstanding at April 30, 2026.

Note 11 - Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village's employees. These risks are provided for through a limited self-insurance program. The Village currently reports its risk management activities in the General Fund and the Water and Sewer Fund.

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

IMLRMA is governed by a board of directors made up of Illinois mayors and village presidents of municipalities who participate in the program. The Village does not exercise any control over the activities of IMLRMA beyond its representation on the board of directors. Annual contributions are determined each year by underwriters based on the individual member's exposure to loss and experience modification factors based on past member loss experience. There have been no significant reductions in insurance coverage from the prior year. Settlements have not exceeded insurance coverage in each of the last three fiscal years.

Note 12 - Long-Term Debt

The following is a summary of changes in long-term debt of the Village for the year ended April 30, 2026.

	Balances, May 1, 2025	Additions	Reductions	Balances, April 30, 2026	Current Portion
Installment Loans					
IEPA Loan to complete Bull Run Creek Construction Project due in 20 semi-annual installments with interest at 1.18% maturing 12/1/2039.	$ 364,628	$ -	$ 22,358	$ 342,270	$ 22,622
Installment note to fund street projects for $2,205,715 with annual payments due April 30, 2037 with interest at 3.17%.	$ 1,902,539	$ -	$ 142,030	$ 1,760,509	$ 141,020
Installment note to purchae Caterpiller Compact Track Loader due in 6 annual installments at 0% interest maturing on 10/31/2026.	$ 25,944	$ -	$ 12,972	$ 12,972	$ 12,972
Police Dept Loan to complete building improvements due in quarterly installments with interest 4.98% maturing 11/15/2039.	$ 311,708	$ -	$ 14,794	$ 296,914	$ 15,380
Total Government Type Activities	$ 2,604,819	$ -	$ 192,154	$ 2,412,665	$ 191,994

Note 12 - Long-Term Debt (Continued)

Debt Repayment Schedules:

	Fiscal Year April 30	Principal	Interest	Total Payments
IEPA Loan				
Bull Creek Construction	2027	22,622	3,972	26,594
	2028	22,890	3,705	26,595
	2029	23,161	3,434	26,595
	2030	23,435	3,159	26,594
	2031	23,712	2,882	26,594
	2032-2036	122,839	10,135	132,974
	2037-2040	103,611	2,770	106,381
		$ 342,270	$ 30,057	$ 372,327
Installment Loan -	2027	128,051	58,125	186,176
Street Projects	2028	132,110	54,066	186,176
	2029	136,298	49,878	186,176
	2030	140,619	45,557	186,176
	2031	145,077	41,100	186,177
	2032-2036	627,777	116,929	744,706
	2037	450,577	34,862	485,439
		$ 1,760,509	$ 400,517	$ 2,161,026
Installment Loan-	2027	12,972	-	12,972
Track Loader		$ 12,972	$ -	$ 12,972
Police Dept Loan				
Building Improvements	2027	15,380	14,696	30,076
	2028	16,172	13,905	30,077
	2029	16,966	13,111	30,077
	2030	17,877	12,200	30,077
	2031	18,797	11,280	30,077
	2032-2036	85,339	34,968	120,307
	2037-2040	126,383	16,540	142,923
		$ 296,914	$ 116,700	$ 413,614

Note 13 - Legal Debt Margin

The Village is subject to a debt limitation of 8.625% of its assessed valuation of $40,630,061. As of April 30, 2026, the Village had a debt limit of $3,504,343 but no general obligation outstanding debt.

Note 14 - Accrued Compensated Absences

The Village followed the requirements of GASB 101 to account for the accrued compensated absences liability presented in Statements 1 and 5. The Village policy allows employees to carry over vacation across calendar years. The Clerk maintains a detail of the amounts accumulated by each employee. The liability includes gross pay, the associated payroll taxes, and IMRF contributions for those employees enrolled in IMRF. The liability totaled $11,751 for governmental activities and $5,359 for the business-type activities.

Note 15 - Retirement Benefits

All employees are covered by Social Security and Medicare. The Village also has a pension plan covering eligible employees. A summary of the plan follows:

Illinois Municipal Retirement Fund

Plan Description – The employer's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The Employer's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the "Benefits Provided" section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided – IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date). All three IMRF benefit plans have two tiers. Employees hired ***before*** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable

Note 15 - Retirement Benefits (Continued)

monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 year to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement. Employees hired ***on or after*** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of: 3% of the original pension amount, or ½ of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms – As of December 31, 2025, the following employees were covered by the benefit terms:

	Membership
Number of	
- Retirees and Beneficiaries	9
- Inactive, Non-Retired Members	11
- Active Members	7
Total	27

Contributions – As set by statute, the Employer's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Employer's annual contribution rate for calendar years 2025 and 2026 were 4.42% and 3.35%, respectively. For the fiscal year ended April 30, 2026, the Employer contributed $20,353 to the plan. The Employer also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability – The Employer's net pension liability was measured as of December 31, 2025. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Note 15 - Retirement Benefits (Continued)

Actuarial Assumptions - The following are the methods and assumptions used to determine total pension liability at December 31, 2025. The **actuarial cost method** used was Entry Age Normal. The **asset valuation method** used was Market Value of Assets. The **inflation rate** was assumed to be 2.25%. **Salary increases** were expected to be 2.85-13.75%, including inflation. The **investment rate of return** was assumed to be 7.25%. **Projected retirement age** was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated of the 2023 valuation according to an experience study from years 2020-2022. For **mortality**, for **non-disabled retirees,** the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2021. For **disabled retirees,** the Pub-2010, Amount-Weighted, below-median income, General, and Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For **active members**, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. The **long-term expected rate of return** on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation.

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

Asset Class	Portfolio Target Allocation	Long-Term Expected Real Rate of Return
Equities	32.5%	7.35%
International Equities	18.0%	7.45%
Fixed Income	24.0%	4.75%
Real Estate	10.5%	6.25%
Alternatives	14.0%	1.4 - 8.50%
Cash Equivalents	1.0%	3.00%
Total	100.0%	

Single Discount Rate – A Single Discount Rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the

Note 15 - Retirement Benefits (Continued)

member rate. The Single Discount Rate reflects: 1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and 2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met). For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 3.77%, and the resulting single discount rate is 7.25%.

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2024	$ 2,987,368	$ 3,075,923	$ (88,555)
Changes for the year:			
Service Cost	45,485	-	45,485
Interest on the Total Pension Liability	215,952	-	215,952
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(845,651)	-	(845,651)
Changes of Assumptions	-	-	-
Contributions - Employer	-	23,016	(23,016)
Contributions - Employees	-	23,433	(23,433)
Net Investment Income	-	471,695	(471,695)
Benefit Payments, including Refunds of Employee Contributions	(62,922)	(62,922)	-
Other (Net Transfer)	-	(840,755)	840,755
Net Changes	(647,136)	(385,533)	(261,603)
Balances at December 31, 2025	$ 2,340,232	$ 2,690,390	$ (350,158)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.25% as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease 6.25%	Current Discount 7.25%	1% Increase 8.25%
Net Pension Liability / (Asset)	$ (96,817)	$ (350,158)	$ (551,374)

Note 15 - Retirement Benefits (Continued)

Pension Expense, Deferred Outlfows of Resources, and Deferred Inflows of Resources Related to Pensions – For the fiscal year ended April 30, 2026, the Employer recognized a pension expense of $301,931. At April 30, 2026, the Employer reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outlfows of Resources	Deferred Inflows of Resources
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	$ 269,915	$ 567,476
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	69,035	251,255
Total Deferred Amounts to be recognized in pension expense in future periods	338,950	818,731
Pension Contributions made subsequent to the Measurement Date	5,062	-
Total Deferred Amounts Related to Pensions	$ 344,012	$ 818,731

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

Year Ending December 31,	Net Deferred Outlfows (Inflows) of Resources
2026	$ (3,050)
2027	(347,063)
2028	(68,650)
2029	(55,956)
2030	-
Thereafter	-
Total	$ (474,719)

Note 16 - Post Employment Benefits

The Village has evaluated its potential other postemployment benefits liability. The Village provides continued health insurance coverage at the active employer rate to all eligible employees in accordance with Illinois statutes, which creates an implicit subsidy of retiree health insurance. Former employees who choose to retain their rights to health insurance through the Village are required to pay 100% of the current premium. However, no former employees have chosen to stay in the Village's health insurance plan. Therefore, there has been 0% utilization and, therefore, no implicit subsidy to calculate in accordance with GASB Statement No. 75, *Accounting and Financial Reporting By Employers for Postemployment Benefits Other Than Pensions*. Additionally, the Village has no former employees for which the Village was providing an explicit subsidy and no employees with agreements for future explicit subsidies upon retirement. Therefore, the Village has not recorded any postemployment benefit liability as of April 30, 2026.

Note 17 - Other Information

Tort Insurance Expenditures

The Village allocated the total amount of the tort insurance levy of $22,656 received in the year ended April 30, 2026 towards tort insurance expenditures for the year, resulting in no restricted balances for tort as of April 30, 2026.

Contingent Liabilities

Litigation - The Village is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the Village's attorney that the resolution of these matters will not have a material adverse effect on the financial condition of the Village.

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

Subsequent Events

Management has evaluated subsequent events through the date of this report. There is nothing significant to disclose.

Leases

There are no leases outstanding at April 30, 2026.

Note 18 - Village Board Members – As of April 30, 2026

President.....Ryan Block

Clerk.....Leslie Scidmore

Treasurer .....Bill Newkirk

Trustees:.....John Michener

.....Jessica Fruit

.....Sarah Ziegler

.....Dan Chambers

.....Erik Marshall

.....Brian Benes

VILLAGE OF KIRKLAND
ILLINOIS MUNICIPAL RETIREMENT FUND

Schedule of Changes in the Net Pension Liability and Related Ratios

Calendar Year Ending December 31,	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability										
Service Cost	$ 45,485	$ 41,670	$ 42,021	$ 43,270	$ 36,903	$ 34,664	$ 31,003	$ 27,710	$ 42,317	$ 46,558
Interest on the Total Pension Liability	215,952	134,086	125,404	120,031	111,179	101,417	92,588	87,755	92,035	93,590
Changes of Benefit Terms	-	-	34,871.00	-	-	-	-	-	-	-
Difference Between Expected and Actual Experience	(845,651)	1,025,663	(5,981)	(25,606)	24,586	58,818	45,486	10,476	(100,703)	(105,993)
Changes of Assumptions	-	-	-	-	-	(12,195)	-	32,737	(32,147)	(6,749)
Benefit Payments, including Refunds of Employee Contributions	(62,922)	(85,356)	(67,416)	(58,511)	(49,001)	(49,333)	(48,931)	(57,704)	(44,822)	(60,613)
Net Change in Total Pension Liability	$ (647,136)	$1,116,063	$ 128,899	$ 79,184	$ 123,667	$ 133,371	$ 120,146	$ 100,974	$ (43,320)	$ (33,207)
Total Pension Liability - Beginning	2,987,368	1,871,305	1,742,406	1,663,222	1,539,555	1,406,184	1,286,038	1,185,064	1,228,384	1,261,591
Total Pension Liability - Ending (a)	$2,340,232	$2,987,368	$ 1,871,305	$1,742,406	$ 1,663,222	$1,539,555	$ 1,406,184	$1,286,038	$1,185,064	$ 1,228,384
Plan Fiduciary Net Position										
Contributions - Employer	$ 23,016	$ 20,327	$ 23,481	$ 25,879	$ 30,695	$ 23,461	$ 17,633	$ 23,548	$ 31,178	$ 43,223
Contributions - Employee	23,433	21,573	18,835	17,253	19,536	16,678	14,804	11,696	13,064	16,074
Net Investment Income	471,695	181,975	180,737	(207,408)	266,429	201,753	225,955	(64,424)	192,534	71,743
Benefit Payments, including Refunds of Employee Contributions	(62,922)	(85,356)	(67,416)	(58,511)	(49,001)	(49,333)	(48,931)	(57,704)	(44,822)	(60,613)
Other (Net Transfer)	(840,755)	1,027,819	64,902	7,586	(2,913)	375	3,967	18,147	(9,498)	(327)
Net Change in Plan Fiduciary Net Position	(385,533)	1,166,338	220,539	(215,201)	264,746	192,934	213,428	(68,737)	182,456	70,100
Plan Fiduciary Net Position - Beginning	3,075,923	1,909,585	1,689,046	1,904,247	1,639,501	1,446,567	1,233,139	1,301,876	1,119,420	1,049,320
Plan Fiduciary Net Position - Ending (b)	2,690,390	3,075,923	1,909,585	1,689,046	1,904,247	1,639,501	1,446,567	1,233,139	1,301,876	1,119,420
Net Pension Liability / (Asset) - Ending (a)-(b)	(350,158)	(88,555)	(38,280)	53,360	(241,025)	(99,946)	(40,383)	52,899	(116,812)	108,964
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	114.96%	102.96%	102.05%	96.94%	114.49%	106.49%	102.87%	95.89%	109.86%	91.13%
Covered Valuation Payroll	$ 520,735	$ 479,405	$ 418,554	$ 383,394	$ 436,141	$ 370,626	$ 328,975	$ 259,912	$ 290,304	$ 357,208
Net Pension Liability as a Percentage of Covered Valuation Payroll	-67.24%	-18.47%	-9.15%	13.92%	-55.52%	-26.97%	-12.28%	20.35%	-40.24%	30.50%

Schedule of Employer Contributions - Most Recent Calendar Year

Calendar Year Ending December 31,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a % of Covered Valuation Payroll
2016	43,222	43,223	(1)	357,208	12.10%
2017	31,179	31,178	1	290,304	10.74%
2018	23,548	23,548	-	259,912	9.06%
2019	17,633	17,633	-	328,975	5.36%
2020	23,461	23,461	-	370,626	6.33%
2021	30,694	30,695	(1)	434,141	7.07%
2022	25,879	25,879	-	383,394	6.75%
2023	23,481	23,481	-	418,554	5.61%
2024	20,327	20,327	-	479,405	4.24%
2025	23,016	23,016	-	520,735	4.42%

*Estimated based on contribution rate of 4.24% and covered valuation payroll of $520,735.

Notes to Schedule of Contributions: Actuarially determined contribution rates are calculated as of December 31 each year, which is a 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions Used to Determine 2025 Contribution Rates: Actuarial Cost Method is Aggregate entry age normal. Amortization method is level percentage of payroll, closed. Remaining Amortization Period is 18 year closed period. Asset Valuation Method is 5-year smoothed market; 20% corridor. Wage growth is 2.75%. Price Inflation is 2.25% approximate; No explicit price inflation assumption is used in this valuation. Salary increases are 2.85% - 13.75%, including inflation. Investment Rate of Return is 7.25%. Retirement Age is Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2023 valuation pursuant to an experience study of the period 2020 to 2022. Mortality is based on specific mortality table was used with fully generational projection scale MP-2021 with specific rates developed for non-disabled retirees, disabled retirees, and active members. The IMRF specific rates were developed from the RP-2014 Blue Collar Annuitant Mortality Table (non-disabled retirees), RP-2014 Disabled Retirees Mortality Table, and RP-2014 Employee Mortality Table (active members). Other Information: There were no benefit changes during the year.

Notes to Schedule: These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10 year trend is compiled, information is presented for those years or which information is available.

VILLAGE OF KIRKLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended April 30, 2026

	2026			
REVENUES	**Original and Final Budget**	**Actual**	**Over/Under Budget**	**2025 Actual**
Taxes:				
Property	$ 275,000	$ 282,916	$ 7,916	$ 266,167
Road and Bridge	10,000	7,655	(2,345)	7,545
Utility/Telecommunications	100,000	93,032	(6,968)	85,605
Sales	150,000	188,255	38,255	178,047
Licenses and Permits:				
Liquor Licenses	6,500	16,150	9,650	6,400
Other Licenses	2,300	4,325	2,025	1,675
Building Permits	20,000	14,238	(5,762)	23,507
Golf Cart Permits	3,000	3,500	500	2,475
Cable TV Franchise	3,500	3,900	400	3,000
Intergovernmental Revenue:				
State Shared Taxes:				
State Income Tax	270,000	301,954	31,954	294,254
State Use Tax	60,000	15,494	(44,506)	46,898
Personal Property Replacement Tax	8,000	4,373	(3,627)	4,471
Video Gaming Tax	32,000	41,070	9,070	32,143
Cannabis Tax	3,000	2,543	(457)	2,559
Police Reimbursements	-	-	-	6,680
Service Charges:				
Utility Billing for Bull Run Creek IEPA Loan	31,645	31,684	39	31,526
Fines and Forfeits:				
Ordinance Fines	12,000	27,350	15,350	12,300
Investment Revenue	22,000	2,649	(19,351)	16,458
Miscellaneous:				
Miscellaneous Revenue	5,000	3,291	(1,709)	3,899
Registration Fees	-	-	-	50
Tower Rental	4,000	3,351	(649)	3,000
Insurance Claims	100	55	(45)	60
Other Donation/Grant Revenue	103,000	-	(103,000)	-
Total Revenues	$ 1,121,045	$ 1,047,785	$ (73,260)	$ 1,028,719
EXPENDITURES				
Administration and Finance:				
Salaries & Benefits:				
Salaries - Board Members	$ 13,800	$ 11,292	$ 2,508	$ 12,319
Liquor Commissioner Salary	500	500	-	-
Salaries - Village Finance	36,215	28,101	8,114	38,068
Holiday/Special Pay	-	-	-	2,557
Payroll Taxes	2,900	3,077	(177)	4,262
IMRF Pension	1,600	2,459	(859)	3,764
Life Insurance	500	61	439	534
Health Insurance	6,000	6,843	(843)	7,068
Employee Appreciation	50	50	-	50
Total Salaries and Benefits	$ 61,565	$ 52,383	$ 9,182	$ 68,622
Contractual Services:				
Repairs & Maint - Equipment	$ 3,100	$ 2,422	$ 678	$ 4,712
Maintenance/Cleaning	1,000	400	600	1,154
Legal Expense	12,000	128,538	(116,538)	82,281
Treasurer/Accounting Expense	9,000	9,002	(2)	9,037
Audit Expense	9,500	9,700	(200)	9,000
Permit Inspections - ICCI	17,000	10,935	6,065	15,380
Engineering Expense	2,000	2,273	(273)	24,488
Codification	2,000	1,769	231	1,980
IML/Training	250	-	250	-
Telephone	1,750	2,771	(1,021)	1,690
Telephone Notification System	1,400	1,350	50	1,350
Internet Service	-	-	-	168
E Worldlinx Web	1,200	730	470	1,120
IT Computer Service	-	120	(120)	-
Insurance & Bonds	11,000	5,801	5,199	10,897
Postage	500	533	(33)	490
Printing & Publishing	750	1,118	(368)	378
Materials & Supplies	-	50	(50)	-
Billing Software	1,500	4,725	(3,225)	1,156
Donations/Grant Expense	6,000	2,500	3,500	-
Dues & Subscriptions	5,000	3,400	1,600	6,303
Total Contractual Services	$ 84,950	$ 188,137	$ (103,187)	$ 171,584

VILLAGE OF KIRKLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended April 30, 2026

	2026			
	Original and Final Budget	Actual	Over/Under Budget	2025 Actual
Administration and Finance (Continued)				
Materials & Supplies:				
Tools/Equipment	$ 2,500	$ 180	$ 2,320	$ 5,267
Office Supplies	1,500	957	543	1,730
Total Materials & Supplies	$ 4,000	$ 1,137	$ 2,863	$ 6,997
Miscellaneous:				
Donations/Grant Expense	$ -	$ -	$ -	$ 4,300
Contingency	1,000	443	557	655
Total Miscellaneous	$ 1,000	$ 443	$ 557	$ 4,955
Capital Outlay:				
Building	$ -	$ 4,041	$ (4,041)	$ -
Total Capital Outlay	$ -	$ 4,041	$ (4,041)	$ -
Total Administration and Finance	$ 151,515	$ 246,141	$ (94,626)	$ 252,158
Public Safety				
Police Department				
Salaries & Benefits:				
Police F/T Salaries	$ 224,000	$ 180,868	$ 43,132	$ 143,360
Police P/T Salaries	45,000	44,610	390	84,720
Police Overtime	9,000	10,599	(1,599)	16,185
Police Holiday/Special Activity Pay	-	21,661	(21,661)	16,812
Employee Appreciation	150	150	-	150
Payroll Taxes	22,000	19,877	2,123	20,909
IMRF Pension	9,800	9,183	617	8,893
Life Insurance	500	229	271	200
Health Insurance	12,000	11,515	485	7,628
Total Salaries and Benefits	$ 322,450	$ 298,692	$ 23,758	$ 298,857
Contractual Services:				
Repairs & Maint - Equipment	$ 9,000	$ 9,128	$ (128)	$ 7,372
Building Maintenance	5,500	7,711	(2,211)	6,365
Legal Expense	750	410	340	-
Adjudication	4,500	2,277	2,223	1,019
Dues & Training	10,000	2,351	7,649	8,419
Heating Gas Service	5,000	1,850	3,150	853
Telephone	4,600	5,368	(768)	5,732
Internet Service	-	-	-	228
IT Computer Service	-	368.00	(368)	-
Insurance	11,000	5,801	5,199	10,897
Postage	175	68	107	119
Printing & Publishing	175	-	175	144
Alerts/PSAN/IPIPS	8,500	6,999	1,501	8,114
911 Dispatch Fee	18,700	18,770	(70)	18,400
Total Contractual Services	$ 77,900	$ 61,101	$ 16,799	$ 67,662
Materials and Supplies:				
Billing Software	$ 500	$ 1,933	$ (1,433)	$ 531
Office Supplies	8,750	3,133	5,617	5,062
Police Tools and Equipment	11,000	16,182	(5,182)	4,434
Automotive Fuel	10,000	10,933	(933)	12,239
Uniforms	5,000	1,201	3,799	5,959
Total Materials and Supplies	$ 35,250	$ 33,382	$ 1,868	$ 28,225
Miscellaneous:				
Grant Projects - Public Safety	$ 30,100	$ -	$ 30,100	$ 40
Other Expenditures	1,850	9,678	(7,828)	3,333
Total Miscellaneous	$ 31,950	$ 9,678	$ 22,272	$ 3,373
Capital Outlay:				
Building	$ 11,000	$ 8,161	$ 2,839	$ 326,581
Total Capital Outlay	$ 11,000	$ 8,161	$ 2,839	$ 326,581
Total Public Safety	$ 478,550	$ 411,014	$ 67,536	$ 724,698

VILLAGE OF KIRKLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended April 30, 2026

	2026			2025
	Original and Final Budget	Actual	Over/Under Budget	Actual
Highways and Streets				
Street Department				
Salaries & Benefits:				
Streets F/T Salaries	$ 73,200	$ 59,222	$ 13,978	$ 74,599
Streets P/T Salaries	12,700	17,802	(5,102)	51,522
Streets Seasonal	-	3,298	(3,298)	3,348
Streets Overtime	8,600	15,250	(6,650)	15,750
Employee Appreciation	100	50	50	100
Payroll Taxes	7,600	7,371	229	11,934
IMRF Pension	3,600	3,343	257	7,629
Life Insurance	500	550	(50)	538
Health Insurance	14,000	22,451	(8,451)	23,601
Total Salaries and Benefits	$ 120,300	$ 129,337	$ (9,037)	$ 189,021
Contractual Services:				
Repairs & Maint - Equipment	$ 23,250	$ 10,018	$ 13,232	$ 17,289
Repairs & Maint - Streets	7,500	1,801	5,699	8,671
Engineering	500	20,154	(19,654)	269
Repairs - Street Lights	1,000	222	778	236
Forestry Maintenance	10,000	1,261	8,739	12,009
Building Maintenance	500	516	(16)	634
Dues & Training	2,050	1,041	1,009	961
Telephone	1,500	806	694	1,627
Internet	300	100	200	327
Insurance	11,000	5,801	5,199	10,897
Postage	200	-	200	119
Printing & Publishing	250	247	3	215
Sidewalk Construction	16,000	16,000	-	16,000
Donation/Grant Expense	100	-	100	-
Electric - Street Lights	9,750	10,525	(775)	10,273
Total Contractual Services	$ 83,900	$ 68,492	$ 15,408	$ 79,527
Materials and Supplies:				
Tools/Equipment	$ 3,250	$ 422	$ 2,828	$ 1,837
Software	400	697	(297)	869
IT Computer Service	-	369	(369)	-
Street Decorations	1,000	41	959	1,209
Office Supplies	300	10	290	134
Automotive Fuel	10,000	6,961	3,039	7,788
Uniforms	2,000	512	1,488	1,542
Mosquito Abatement	2,500	1,555	945	1,544
Total Materials and Supplies	$ 19,450	$ 10,567	$ 8,883	$ 14,923
Miscellaneous:				
Pioneer Park Improvements	$ 2,500	$ 3,063	$ (563)	$ 8,323
Equipment Leases	1,350	483	867	1,417
Contingency	250	189	61	34
Total Miscellaneous	$ 4,100	$ 3,735	$ 365	$ 9,774
Capital Outlay:				
Equipment	$ 12,500	$ -	$ 12,500	$ 11,091
Total Capital Outlay	$ 12,500	$ -	$ 12,500	$ 11,091
Total Highways and Streets	$ 240,250	$ 212,131	$ 28,119	$ 304,336

VILLAGE OF KIRKLAND
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
Year Ended April 30, 2026

	2026			2025
	Original and Final Budget	Actual	Over/Under Budget	Actual
Debt Service				
Bull Run Creek IEPA Loan Principal	$ 22,292	$ 22,358	$ (66)	$ 22,096
Bull Run Creek IEPA Loan Interest	4,304	4,237	67	4,498
Street Equipment Loan Principal	186,176	142,030	44,146	186,176
Street Equipment Loan Interest	-	122,787	(122,787)	-
Police Equipment Loan	-	12,972	(12,972)	12,972
Police Vehicle Loan Principal	-	14,794	(14,794)	3,292
Police Vehicle Loan Interest	-	15,283	(15,283)	4,227
Total Debt Services	$ 212,772	$ 334,461	$ (121,689)	$ 233,261
Total Expenditures	$ 1,083,087	$ 1,203,747	$ (120,660)	$ 1,514,453
Excess (Deficiency) Revenues over Expenditures	$ 37,958	$ (155,962)	$ (193,920)	$ (485,734)
Loan Proceeds	-	-	-	315,000
Change in Fund Balance	$ 37,958	$ (155,962)	$ (193,920)	$ (170,734)
Fund Balance, Beginning of Year		686,629		857,363
Fund Balance, End of Year		$ 530,667		$ 686,629

See accompanying note to budgetary comparison schedules.

VILLAGE OF KIRKLAND
BUDGETARY COMPARISON SCHEDULE
ALL SPECIAL REVENUE FUNDS
Year Ended April 30, 2026

MOTOR FUEL TAX FUND

	2026			2025
	Original and Final Budget	Actual	Over/Under Budget	Actual
REVENUES				
Motor Fuel Tax	$ 72,500	$ 75,684	$ 3,184	$ 74,578
Reimbursements	100	56,971	56,871	257,383
Interest	8,500	12,095	3,595	13,771
Total Revenues	$ 81,100	$ 144,750	$ 63,650	$ 345,732
EXPENDITURES				
Engineering	$ 1,500	$ -	$ 1,500	$ 4,275
Road Salt	12,000	7,136	4,864	5,913
Street Repair & Improvements	25,000	9,380	15,620	3,694
Capital Outlay	225,000	371,825	(146,825)	73,268
Total Expenditures	$ 263,500	$ 388,341	$ (124,841)	$ 87,150
Excess (Deficiency) Revenues over Expenditures	$ (182,400)	$ (243,591)	$ (61,191)	$ 258,582
Transfer In (Out)	-	-	-	-
Change in Fund Balance	$ (182,400)	$ (243,591)	$ (61,191)	$ 258,582
Fund Balance, Beginning of Year		423,266		164,684
Fund Balance, End of Year		$ 179,675		$ 423,266

See accompanying note to budgetary comparison schedules.

VILLAGE OF KIRKLAND
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO BUDGETARY COMPARISON SCHEDULES
Year Ended April 30, 2026

Note A - Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles, except the proprietary funds which adopt a current financial resources measurement focus budget in that depreciation is not budgeted and capital outlay is budgeted. Annual appropriated budgets are adopted for the General, Special Revenue, and Enterprise Funds. All annual appropriations lapse at fiscal year end.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget.

The Treasurer is authorized to transfer amounts between departments within any fund; however, any revisions that alter total expenditures of any fund must be approved by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. The budget was not amended during the fiscal year, so the original budget is also the final budget.

VILLAGE OF KIRKLAND
BUDGETARY COMPARISON SCHEDULE
ALL PROPRIETARY FUNDS
Year Ended April 30, 2026

WATER AND SEWER OPERATING FUND

	2026			2025
	Original and Final Budget	Actual	Over/Under Budget	Actual
OPERATING REVENUES				
Water and Sewer Charges	$ 459,100	$ 369,067	$ (90,033)	$ 395,369
Miscellaneous Revenue	2,000	20,294	18,294	341
Total Revenues	$ 461,100	$ 389,361	$ (71,739)	$ 395,710
OPERATING EXPENSES				
Salaries & Benefits:				
Water & Sewer F/T Salaries	$ 129,800	$ 102,552	$ 27,248	$ 115,869
Water & Sewer P/T Maintenance	55,000	58,512	(3,512)	90,586
Water & Sewer Overtime	11,200	32,700	(21,500)	28,410
Payroll Taxes	15,000	14,530	470	18,893
Employee Appreication	200	100	100	175
IMRF Pension	6,400	178,036	(171,636)	(116,943)
Life Insurance	1,000	694	306	1,448
Health Insurance	28,000	29,293	(1,293)	30,301
Total Salaries & Benefits	$ 246,600	$ 416,417	$ (169,817)	$ 168,739
Contractual Services:				
Repairs & Maint - Equipment	$ 18,750	$ 586	$ 18,164	$ 3,224
Repairs & Maint - System	18,000	20,763	(2,763)	11,813
Meter Repair	-	-	-	654
Repairs & Maint - Treatment	15,750	3,553	12,197	8,539
Building Maintenance & Cleaning	10,500	936	9,564	4,046
Engineering	500	-	500	538
Dues & Training	8,700	6,983	1,717	3,343
Electric	42,000	30,806	11,194	43,350
Heat	1,800	2,872	(1,072)	3,679
Telephone	3,700	4,542	(842)	4,525
Internet Expense	1,650	125	1,525	1,383
IT Computer Service	-	749	(749)	-
Property/Liability Insurance	23,750	13,314	10,436	23,410
Postage	3,300	3,193	107	3,415
Printing & Publishing	1,000	1,692	(692)	758
Testing	10,200	8,576	1,624	9,469
Equipment Rental	1,000	-	1,000	-
JULIE	600	386	214	420
Total Contractual Services	$ 161,200	$ 99,076	$ 62,124	$ 122,566
Materials and Supplies:				
Materials & Supplies	$ 21,650	$ 13,422	$ 8,228	$ 13,750
Materials & Supplies - Treatment	-	6,271	(6,271)	452
Lab Supplies	2,650	1,192	1,458	1,766
Billing Software	800	1,394	(594)	2,948
Office Supplies	600	274	326	720
Tools/Equip	2,500	1,452	1,048	5,105
Tools/Equip - Treatment	1,500	-	1,500	6
Automotive Fuel	10,200	6,778	3,422	8,040
Uniforms	2,000	-	2,000	347
Total Materials and Supplies	$ 41,900	$ 30,783	$ 11,117	$ 33,134
Miscellaneous Expense:				
NPDES Permit	$ 2,500	$ 2,500	$ -	$ 2,500
Lease - Property	350	403	(53)	175
Capital Outlay	10,500	-		
Depreciation Expense	-	73,451	(73,451)	85,060
Other Expense	950	361	589	123
Total Miscelleneous Expense	$ 14,300	$ 76,715	$ (72,915)	$ 87,858
Total Operating Expenses	$ 464,000	$ 622,991	$ (169,491)	$ 412,297
Net Operating Income (Loss)	$ (2,900)	$ (233,630)	$ (241,230)	$ (16,587)
Other Sources (Uses)				
Transfer Out	$ (12,000)	$ (8,977)	$ 3,023	$ (70,568)
Total Other Sources (Uses)	$ (12,000)	$ (8,977)	$ 3,023	$ (70,568)
Change in Net Position	$ (14,900)	$ (242,607)	$ (238,207)	$ (87,155)
Net Position, Beginning of Year		1,176,933		1,264,088
Net Position, End of Year		$ 934,326		$ 1,176,933

VILLAGE OF KIRKLAND
BUDGETARY COMPARISON SCHEDULE
ALL PROPRIETARY FUNDS
Year Ended April 30, 2026

WATER IMPROVEMENT FUND

	2026			2025
	Original and Final Budget	Actual	Over/Under Budget	Actual
OPERATING REVENUES				
Water and Sewer Charges	$ 12,500	$ 11,743	$ (757)	$ -
Total Revenues	$ 12,500	$ 11,743	$ (757)	$ -
OPERATING EXPENSES				
Water Meter Replacement	$ 25,000	$ 1,360	$ 23,640	$ 1,480
Water Main Improvements	39,200	31,201	7,999	46,183
Engineering	1,000	-	1,000	-
Total Expenses	$ 65,200	$ 32,561	$ 32,639	$ 47,663
Net Operating Income (Loss)	$ (52,700)	$ (20,818)	$ 31,882	$ (47,663)
Other Sources (Uses)				
Transfer In (Out)	-	20,818	20,818	47,663
Total Other Sources (Uses)	$ -	$ 20,818	$ 20,818	$ 47,663
Change in Net Position	$ (52,700)	$ -	$ 52,700	$ -
Net Position, Beginning of Year		-		-
Net Position, End of Year		$ -		$ -

SEWER IMPROVEMENT FUND

	2026			2025
	Original and Final Budget	Actual	Over/Under Budget	Actual
OPERATING REVENUES				
Water and Sewer Charges	$ 500	$ 11,841	$ 11,341	$ -
Total Revenues	$ 500	$ 11,841	$ 11,341	$ -
OPERATING EXPENSES				
Sewer Improvements	$ 66,500	$ -	$ 66,500	$ 22,905
Engineering	1,000	-	-	-
Total Expenses	$ 67,500	$ -	$ 66,500	$ 22,905
Net Operating Income (Loss)	$ (67,000)	$ 11,841	$ 77,841	$ (22,905)
Other Sources (Uses)				
Transfer In (Out)	$ -	$ (11,841)	$ (11,841)	$ 22,905
Total Other Sources (Uses)	$ -	$ (11,841)	$ (11,841)	$ 22,905
Change in Net Position	$ (67,000)	$ -	$ 66,000	$ -
Net Position, Beginning of Year		-		-
Net Position, End of Year		$ -		$ -

Schedule 5

VILLAGE OF KIRKLAND
SCHEDULE OF ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
VILLAGE TAX RATES AND TAX LEVIES
Last 10 Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Rural and Railroad Property	Total Taxable Assessed Value	Estimated Actual Taxable Value	Total Village Tax Rate	Total Village Tax Levy
2025	34,399,287	5,278,898	617,914	333,962	40,630,061	121,890,183	0.70910	294,762
2024	31,546,565	5,037,260	571,612	309,428	37,464,865	112,394,595	0.75505	286,660
2023	28,873,178	4,506,939	526,491	252,163	34,158,771	102,476,313	0.78847	269,325
2022	27,414,118	4,477,896	512,699	240,351	32,645,064	97,935,192	0.78557	256,440
2021	24,760,023	4,210,871	494,311	281,030	29,746,235	89,238,705	0.82022	243,985
2019	23,468,978	4,010,307	469,254	269,225	28,217,764	84,653,292	0.84942	239,687
2018	20,375,140	1,844,855	432,242	171,625	22,823,862	68,471,586	0.91002	207,702
2017	19,879,757	1,830,419	422,036	162,899	22,295,111	66,885,333	0.91240	203,421
2016	19,275,058	1,808,482	413,142	152,349	21,649,031	64,947,093	0.91982	199,132
2015	18,181,526	1,819,366	389,370	137,336	20,527,598	61,582,794	0.96264	197,607

Note: Property in the Village is reassessed each year. Property is assessed at 33.333% of actual value.

Data Source: Office of the County Clerk