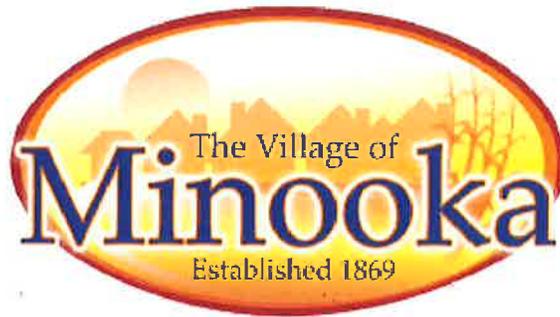


VILLAGE OF MINOOKA, ILLINOIS

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
APRIL 30, 2024

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VILLAGE OF MINOOKA, ILLINOIS

Management's Discussion and Analysis

April 30, 2024 (Unaudited)

Our discussion and analysis of the Village of Minooka (the Village), Illinois' financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2024. Please read it in conjunction the Village's financial statements, which can be found in the basic financial statements section of this report.

FINANCIAL HIGHLIGHTS

- The Village's net position increased as a result of this year's operations. Net position of the governmental activities increased by \$447,817, or 0.6 percent and net position of business-type activities increased by \$2,309,032, or 8.2 percent.
- During the year, government-wide revenues for the primary government totaled \$23,003,576, while expenses totaled \$20,246,727, resulting in an increase to net position of \$2,756,849.
- The Village's net position totaled \$107,893,475 on April 30, 2024, which includes \$83,484,499 net investment in capital assets, \$9,668,320 subject to external restrictions, and \$14,740,656 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported an increase this year of \$1,157,414 or 15.2 percent, resulting in ending fund balance of \$8,758,357.

USING THIS ANNUAL REPORT

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

Government-Wide Financial Statements

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

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

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

VILLAGE OF MINOOKA, ILLINOIS

Management's Discussion and Analysis

April 30, 2024 (Unaudited)

USING THIS ANNUAL REPORT - Continued

Government-Wide Financial Statements - Continued

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, highways and streets, and culture and recreation. The business-type activities of the Village include waterworks, sewerage, and garbage disposal.

Fund Financial Statements

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

Governmental Funds

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

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

The Village maintains twenty-four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the 2022 Bond Fund, which are considered major funds. Data from the other twenty-two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual appropriated budget for all of the governmental funds, except for the Developer Liability, and Special Assessment Funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

VILLAGE OF MINOOKA, ILLINOIS

Management's Discussion and Analysis April 30, 2024 (Unaudited)

USING THIS ANNUAL REPORT - Continued

Proprietary Funds

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village utilizes enterprise funds to account for its waterworks, sewerage, and garbage disposal activities.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund, which is considered to be a major fund of the Village.

Fiduciary Funds

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

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's I.M.R.F., police employee pension obligations, post-employment retirement benefit obligations and budgetary comparison schedules for the General Fund. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions.

VILLAGE OF MINOOKA, ILLINOIS

Management's Discussion and Analysis

April 30, 2024 (Unaudited)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village, assets/deferred outflows exceeded liabilities/deferred inflows by \$107,893,475.

	Net Position					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2024	2023	2024	2023	2024	2023
Current Assets	\$ 22,029,897	23,586,141	9,356,630	10,291,742	31,386,527	33,877,883
Capital Assets	64,238,770	63,410,525	24,092,289	20,964,965	88,331,059	84,375,490
Total Assets	86,268,667	86,996,666	33,448,919	31,256,707	119,717,586	118,253,373
Deferred Outflows	2,288,895	2,326,117	5,362,522	5,665,569	7,651,417	7,991,686
Total Assets/Deferred Outflows	88,557,562	89,322,783	38,811,441	36,922,276	127,369,003	126,245,059
Long-Term Liabilities	5,491,721	5,956,852	7,773,024	8,256,302	13,264,745	14,213,154
Other Liabilities	1,506,195	1,806,676	494,925	421,751	2,001,120	2,228,427
Total Liabilities	6,997,916	7,763,528	8,267,949	8,678,053	15,265,865	16,441,581
Deferred Inflows	4,194,080	4,641,506	15,583	25,346	4,209,663	4,666,852
Total Liabilities/Deferred Inflows	11,191,996	12,405,034	8,283,532	8,703,399	19,475,528	21,108,433
Net Position						
Net Investment in Capital Assets	61,490,201	60,021,543	21,994,298	18,545,529	83,484,499	78,567,072
Restricted	9,668,320	11,788,824	—	—	9,668,320	11,788,824
Unrestricted	6,207,045	5,107,382	8,533,611	9,673,348	14,740,656	14,780,730
Total Net Position	77,365,566	76,917,749	30,527,909	28,218,877	107,893,475	105,136,626

A large portion of the Village's net position, \$83,484,499 or 77.4 percent, reflects its investment in capital assets (for example, land, construction in progress, buildings and improvements, vehicles and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$9,668,320 or 9.0 percent, of the Village's net position represents resources that are subject to external restrictions on how they may be used. The remaining \$14,740,656 or 13.6 percent, represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors.

VILLAGE OF MINOOKA, ILLINOIS

Management's Discussion and Analysis

April 30, 2024 (Unaudited)

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Changes in Net Position					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues						
Charges for Services	\$ 842,232	1,383,413	6,990,643	6,258,807	7,832,875	7,642,220
Operating Grants/Contributions	624,923	1,403,672	—	—	624,923	1,403,672
Capital Grants/Contributions	1,373,536	119,989	—	—	1,373,536	119,989
General Revenues						
Property Tax	2,331,854	2,316,499	—	—	2,331,854	2,316,499
Utility Tax	1,002,294	1,103,172	—	—	1,002,294	1,103,172
Other Taxes	668,562	615,051	—	—	668,562	615,051
Sales Tax	4,312,122	4,547,019	—	—	4,312,122	4,547,019
Income Tax	2,088,671	2,061,418	—	—	2,088,671	2,061,418
Use Tax	507,126	545,608	—	—	507,126	545,608
Replacement Tax	22,272	30,801	—	—	22,272	30,801
Investment Income	949,260	320,457	322,533	137,695	1,271,793	458,152
Miscellaneous	829,855	1,413,657	137,693	308,295	967,548	1,721,952
Total Revenues	15,552,707	15,860,756	7,450,869	6,704,797	23,003,576	22,565,553
Expenses						
General Government	6,349,628	6,060,261	—	—	6,349,628	6,060,261
Public Safety	3,356,241	3,156,743	—	—	3,356,241	3,156,743
Highways and Streets	3,198,594	2,580,912	—	—	3,198,594	2,580,912
Culture and Recreation	940,180	610,158	—	—	940,180	610,158
Interest on Long-Term Debt	60,647	100,963	—	—	60,647	100,963
Waterworks and Sewerage	—	—	5,073,575	4,957,509	5,073,575	4,957,509
Garbage Disposal	—	—	1,267,862	1,213,026	1,267,862	1,213,026
Total Expenses	13,905,290	12,509,037	6,341,437	6,170,535	20,246,727	18,679,572
Change in Net Position						
Before Transfers	1,647,417	3,351,719	1,109,432	534,262	2,756,849	3,885,981
Transfers	(1,199,600)	(449,875)	1,199,600	449,875	—	—
Change in Net Position	447,817	2,901,844	2,309,032	984,137	2,756,849	3,885,981
Net Position - Beginning	76,917,749	74,015,905	28,218,877	27,234,740	105,136,626	101,250,645
Net Position - Ending	77,365,566	76,917,749	30,527,909	28,218,877	107,893,475	105,136,626

VILLAGE OF MINOOKA, ILLINOIS

**Management's Discussion and Analysis
April 30, 2024 (Unaudited)**

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

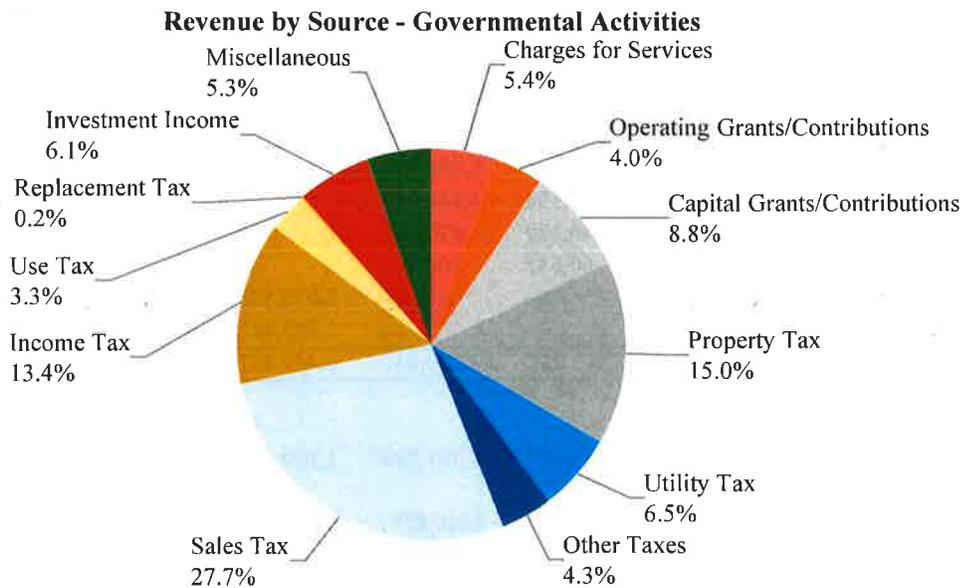
Net position of the Village's governmental activities increased by 0.6 percent (\$77,365,566 in 2024 compared to a restated \$76,917,749 in 2023). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$6,207,045 at April 30, 2024.

Net position of business-type activities increased by 8.2 percent (\$30,527,909 in 2024 compared to \$28,218,877 in 2023).

Governmental Activities

Revenues for governmental activities totaled \$15,552,707, while the cost of all governmental functions totaled \$13,905,290. This results in a surplus of \$1,647,417 prior to transfers out of \$1,199,600. In 2023, revenues of \$15,860,756 exceeded expenses of \$12,509,037, resulting in a surplus of \$3,351,719 prior to transfers out of \$449,875. The surplus in 2024 was due to an increase in investment income and an increase in income tax revenue.

The following table graphically depicts the major revenue sources of the Village. It depicts very clearly the reliance of sales and property taxes to fund governmental activities. It also clearly identifies the less significant percentage the Village receives from replacement taxes.



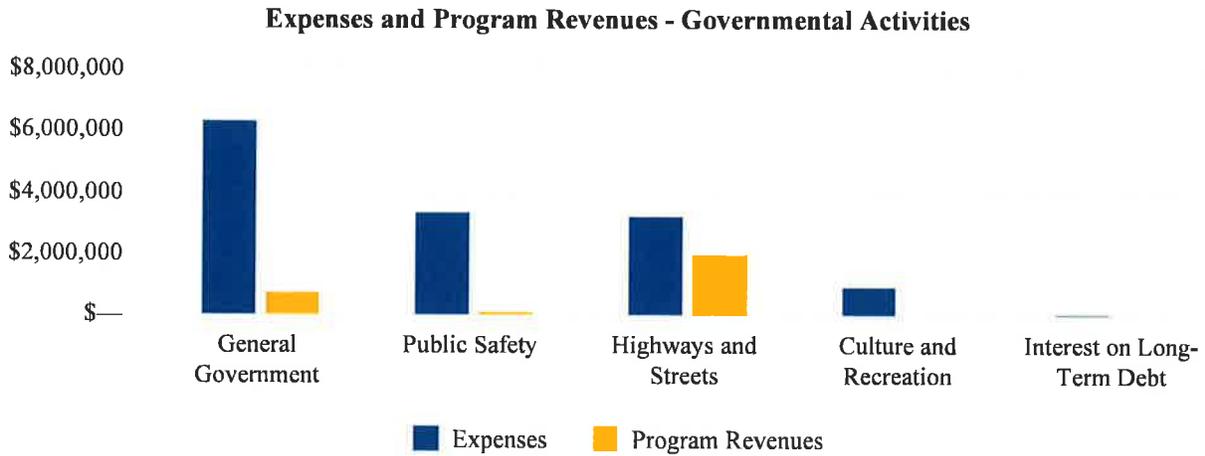
VILLAGE OF MINOOKA, ILLINOIS

Management's Discussion and Analysis
April 30, 2024 (Unaudited)

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

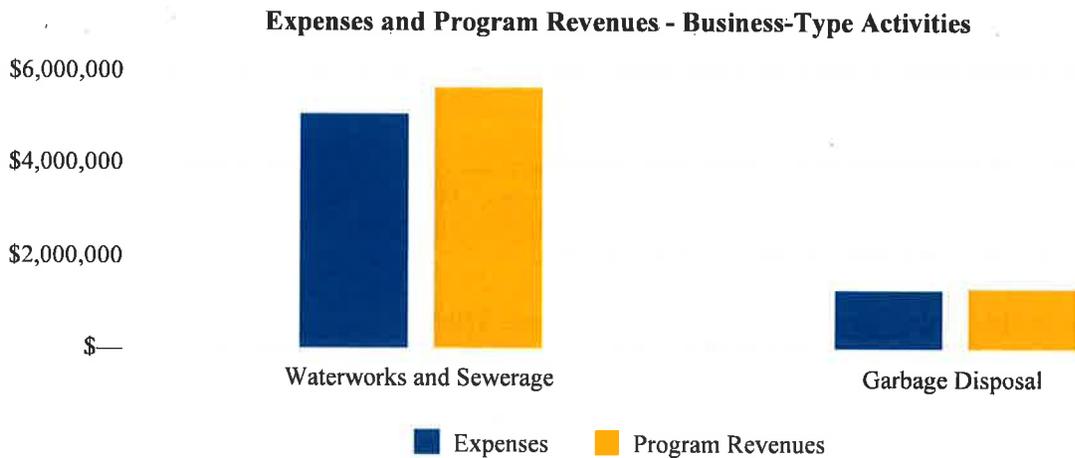
Governmental Activities - Continued

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



Business-Type Activities

Business-type activities posted total revenues of \$7,450,869, while the cost of all business-type activities totaled \$6,341,437. This results in a surplus of \$1,109,432 prior to transfers in of \$1,199,600. In 2023, revenues of \$6,704,797 exceeded expenses of \$6,170,535, resulting in a surplus of \$534,262 prior to transfers in of \$449,875. The surplus in the current year is due to the Village implementing a \$25 per utility bill infrastructure fee in January 2023, and after a water and sewer rate study the Village increased the water and sewer rates.



VILLAGE OF MINOOKA, ILLINOIS

Management's Discussion and Analysis

April 30, 2024 (Unaudited)

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

The Village's governmental funds reported combining ending fund balances of \$18,410,661, which is \$996,506, or 5.1 percent, lower than last year's total of \$19,407,167. Of the \$18,410,661 total, \$8,669,809, or approximately 47.1 percent, of the fund balance constitutes unassigned fund balance.

The General Fund is the chief operating fund of the Village. At April 30, 2024, unassigned fund balance in the General Fund was \$8,692,647, which represents 99.2 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 93.1 percent of total General Fund expenditures.

The fund balance in the General Fund at year-end was \$8,758,357, while the previous fiscal year reported a fund balance of \$7,600,943. This is an increase of \$1,157,414, or 15.2 percent. The increase is due to increases in property tax revenue and investment income.

The fund balance in the 2022 Bond Fund at year-end was \$46,032, while the previous fiscal year reported a fund balance of \$421,925. This is a decrease of \$375,893, or 89.1 percent. The decrease is due to scheduled capital projects, for example the two erosion control projects, Deerpath, and Rio POCO, as well as the water and sewer extension south of I-80 to ridge road.

Proprietary Funds

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

The Village reports the Water and Sewer Fund as a major proprietary funds. Water is sold to all municipal customers at a rate of \$7.00 per 1,000 gallons and a rate of \$6.24 per 1,000 per gallon for sewer, along with a \$25 per utility bill infrastructure fee. The Village intends to run the fund at a breakeven rate. Periodically, there will be an annual surplus or draw down due to timing of capital projects.

The net position in the Water and Sewer Fund at year-end was \$30,527,909, while the previous fiscal year reported a net position of \$28,218,877. This is an increase of \$2,309,032, or 8.2 percent. Unrestricted net position in the Water and Sewer Fund totaled \$8,533,611 at April 30, 2024. The increase is due to the Village implementing a \$25 per utility bill infrastructure fee in January 2023, and after a water and sewer rate study the Village increased the water and sewer rates.