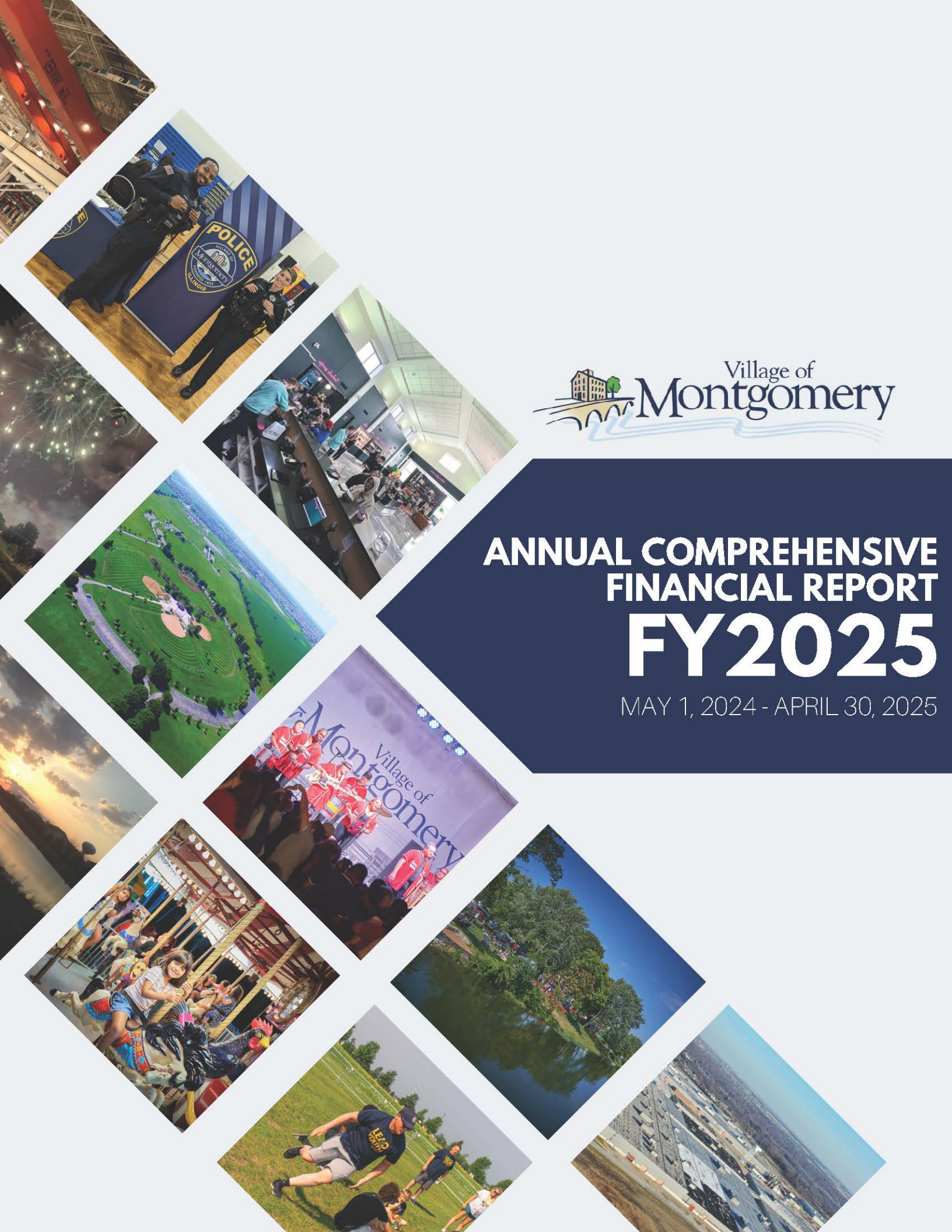




ANNUAL COMPREHENSIVE FINANCIAL REPORT FY2025

MAY 1, 2024 - APRIL 30, 2025



VILLAGE OF MONTGOMERY, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED APRIL 30, 2025

Prepared by:
Christopher Minick, Director of Finance

VILLAGE OF MONTGOMERY, ILLINOIS

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INTRODUCTORY SECTION

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

List of Principal Officials

Organizational Chart

Letter of Transmittal

Certificate of Achievement for Excellence in Financial Reporting



VILLAGE OF MONTGOMERY, ILLINOIS

OFFICERS AND OFFICIALS

APRIL 30, 2025

LEGISLATIVE

Village Board

Matt Brolley, Village President

Debbie Buchanan, Village Clerk

Matt Bauman, Trustee

Steve Jungermann, Trustee

Ben Brzoska, Trustee

Doug Marecek, Trustee

Dan Gier, Trustee

Theresa Sperling, Trustee

EXECUTIVE

Jeff Zoephel, Village Administrator

Meghan Ostreko, Assistant Village Administrator

FINANCE DEPARTMENT STAFF

Christopher Minick, Director of Finance

Lexi Hansen, CPA, Accounting Manager

Karin Johns, Accountant

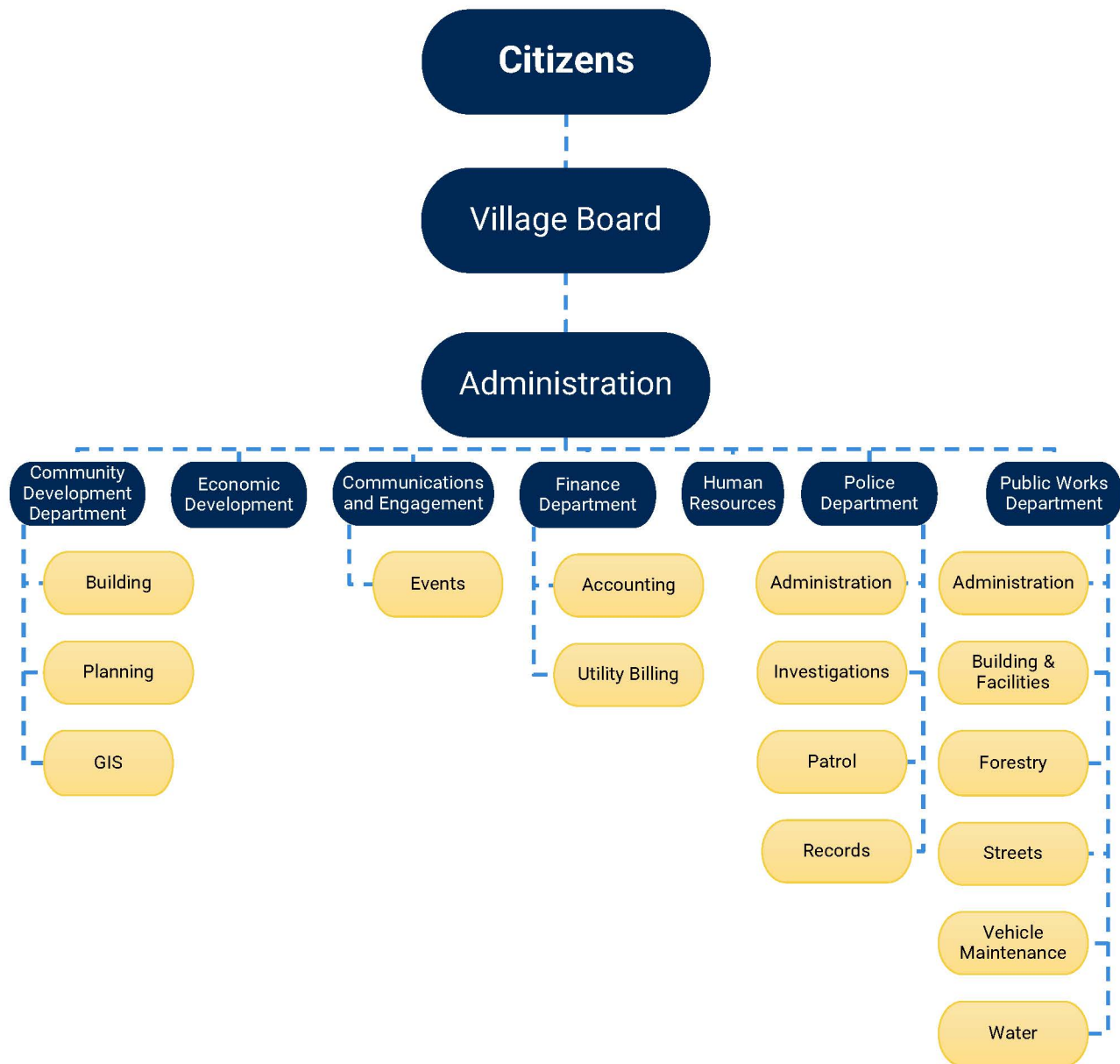
Ginger McKenna, Fiscal Assistant-Accounts Payable/Payroll

Linda Ebinger, Fiscal Assistant-Utility Billing

Clara Martinez, Customer Service Specialist

Chapter 1: Introduction

Organizational Chart



The above organizational chart shows the duties of each department within the Village of Montgomery. The Village contracts out engineering services to Engineering Enterprises, Inc. (EEI), legal services to Zukowski, Rogers, Flood, McArdle, LLC (ZRFM); and information technology services to Pridwen Solutions, LLC (PS).





October 14, 2025

The Honorable Village President
Members of the Board of Trustees
Village Administrator
Citizens of the Village of Montgomery

Village President
MATT BROLLEY

Village Clerk
DEBBIE BUCHANAN

Trustees
MATT BAUMAN
BEN BRZOSKA
DAN GIER
STEVE JUNGERMANN
DOUG MARECEK
THERESA SPERLING

Village Administrator
JEFF ZOEPHEL

Chief of Police
PHIL SMITH

**Director of Community
Development**
SONYA ABT

Director of Finance
CHRISTOPHER MINICK

Director of Public Works
MARK WOLF

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America (GAAS) by an independent firm of certified public accountants. Pursuant to that requirement, the Annual Comprehensive Financial Report (ACFR) of the Village of Montgomery, Illinois (Village) for the fiscal year ended April 30, 2025, is hereby submitted.

This report consists of management's representations concerning the finances of the Village. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed both to protect the Village's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the Village's financial statements in conformity with GAAP. Because the cost of the internal controls should not exceed anticipated benefits, the Village's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free of any material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Lauterbach & Amen, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Village for the year ended April 30, 2025, are free of material misstatement. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion and that the Village's financial statements for the fiscal year ended April 30, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

Profile of the Village of Montgomery

The Village of Montgomery is a growing community, covering a 10 square mile area, nestled along the banks of the Fox River in northern Illinois, located in both southern Kane and northern Kendall counties. Situated approximately 40 miles southwest of Chicago, the Village is bordered by Aurora to the north and east, Oswego and Boulder Hill to the south, Sugar Grove to the northwest, and Yorkville to the southwest.

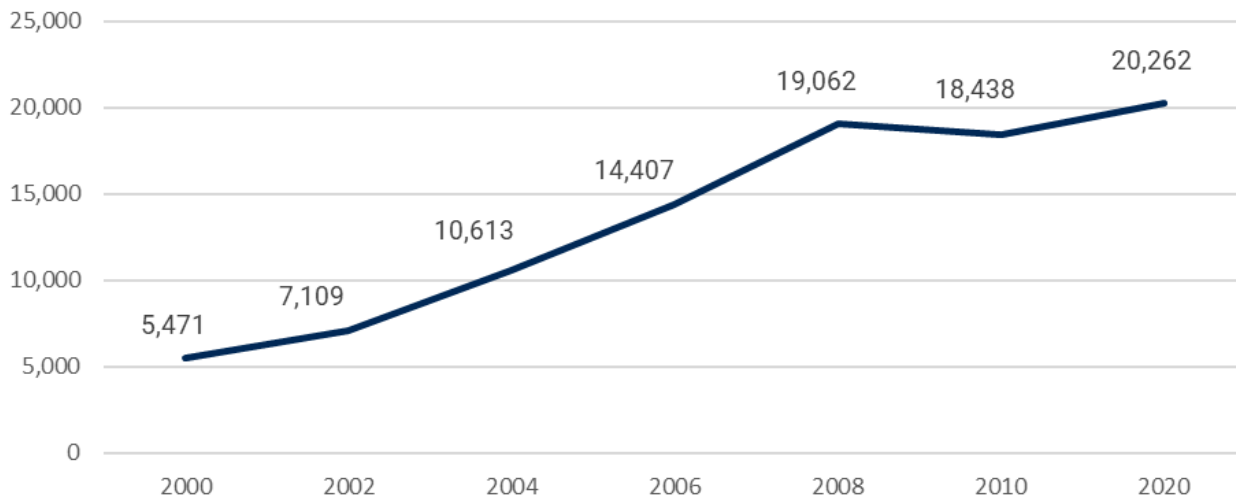
The Village sits at a strategic nexus of multiple regional transportation routes. One of its primary assets is its access to major transportation corridors, including U.S. Routes 30 and 34 (east-west roads) and Illinois Routes 25, 31, 47, and Orchard Road (north-south roads). The north-south corridors give access to Interstate 88, which runs east-west approximately five miles north of the Village. Interstate 88 provides connections to the Chicago Loop, O'Hare Airport and Midway Airport which are 55, 50 and 60 minutes away, respectively. Other public/private airports nearby include Aurora Municipal Airport in Sugar Grove and DuPage Airport in St. Charles. The Village is also served by the Burlington Northern/Santa Fe Railroads with commuter rail access being a short drive away in downtown Aurora. The Regional Transportation Authority is currently conducting a study to extend commuter rail access to the Village and communities to the west of the Village.

Montgomery was founded in 1835 by entrepreneur Daniel Gray, who purchased several land grants from the Federal government and pursued industrial development along the Fox River. The settlement was called "Graystown" for several years, but eventually he persuaded the other settlers to call the little village "Montgomery" after the county in New York that he and several other settlers had come from. Daniel Gray was a man of much energy and enterprise. No sooner had he settled in the place than he commenced improvements on a grand scale. A store, foundry, reaper and header manufacturing shop over 100 feet in length, a second foundry built of stone, and one of the best stone gristmills in the country, appeared in rapid succession. The stone grist mill, built by Gray in 1853, has been beautifully restored and is listed on the National Register of Historic Places. The Village of Montgomery was incorporated on February 17, 1858.

Montgomery's early growth continued to align with its industrial roots. After a brief setback in growth, due to the arrival of the McCormick Works at Chicago that out competed Montgomery's reaper plant, the construction of the Chicago, Burlington & Quincy (CB&Q) Railroad reinvigorated local industrial activity. The rail line shipped Montgomery's produce, spring water, and livestock to Chicago markets. In 1899, Riverview Park (later Fox River Park) opened as an amusement park, which drew crowds from as far as Morris and Chicago on express interurbans. The park was replaced in 1943 by United Wallpaper Company and then by AT&T. Lyon Metallic, Montgomery's first modern factory, moved to Montgomery from Chicago in 1906, drawing a reverse commute from Aurora and further stabilizing the economy. The opening of a Caterpillar, the world's leading manufacturer of construction and mining equipment, manufacturing facility in 1959 further cemented the Village's strong industrial core.

Montgomery maintained a stable population of around 5,000 residents, with 5,471 residents at the 2000 decennial census. However, a sharp increase in residential development after 2000 altered the industrial character and transformed Montgomery into a more suburban community of 18,438 residents by the 2010 decennial census. Despite an astounding population increase of 237% in just ten years, Montgomery has been successful in maintaining its warm, small-town atmosphere. The Village has continued to grow, albeit at a slower pace, to 20,262 residents by the 2020 decennial census. The graph below shows Montgomery's population growth throughout the years.

Montgomery's Population Growth



GOVERNANCE

Policy making and legislative authority are vested in the Village Board, which consists of the Village President and six Village Trustees. The President is elected at-large to a four-year term and the Trustees are elected at-large to staggered four-year terms. The Village Clerk is also elected to a four-year term. The Village Board is responsible for enacting legislation, establishing policies, adopting the budget, and providing guidance and direction for actions that impact the quality of life in the Village.

The Village of Montgomery is committed to providing its citizens with a full range of services including police protection; the construction and maintenance of highways, streets, and infrastructure; water treatment and distribution; planning and zoning; and general administrative services. These services are provided by 82 full-time employees and 28 part-time employees (including Board and Commission members) out of three separate buildings. Village services are divided among five departments and within each department there are specialized divisions, with further delineating responsibility centers.



The Village Hall houses the Administration, Community Development, and Finance Departments, as well as meeting rooms for the Village Board and community. The Village Administrator, appointed by the Village Board, oversees, coordinates, and provides leadership for the professional day-to-day administration of all Village departments. The Administration Department is charged with providing support to various boards, commissions, committees, and other departments; coordinating all general communication with Village residents; and responding to requests for information from the public. The Community Development Department aids with building, permitting, zoning, and code enforcement throughout the Village. The Finance Department oversees the daily finances, along with collecting water bills, accounts receivable, accounts payable, and information technology functions.



The Montgomery Police Department houses the Administration, Records, Patrol, and Investigations divisions; as well as a state-of-the-art indoor shooting range (used for training purposes); physical fitness center; evidence storage; housing for prisoners, and a community room available for use by staff and the community. The Police Department strives hard each day to provide exceptional public service, demonstrate community pride, and maintain public safety throughout our community by preventing crime and enforcing laws against those who fail to follow them.



The Village completed construction of a new Public Works Center in fiscal year 2025, providing much needed space for staff and the ability to store vehicles and equipment indoors. The Public Works Department is responsible for maintaining all infrastructure improvements within the Village, including streets, sidewalks, water distribution pipes, storm and sanitary sewer lines, drinking water wells and pumping equipment, Village-owned property and buildings, right-of-way, street lighting, traffic signals and signs, and water treatment facilities.

BUDGET PROCESS

The overall goal of the budget process is to present the Village Board with a financially sustainable budget that best addresses the needs and desires of the Village of Montgomery in the most efficient and effective way possible. The budget process is an opportunity for the Village to assess and evaluate how it commits its financial resources and makes decisions regarding their continued use. The process, if conducted effectively, will result in a clear plan for the future of this organization and a general collective understanding of how and where limited fiscal resources will be directed.

The budget serves as a policy document, financial plan, operations guide, and communications device. As a policy document, it contains a statement of entity-wide financial policies and non-financial goals and objectives of the Village. As a financial plan, it serves as the Village's primary instrument for promoting solvency, efficiency, and collective choices regarding the distribution and allocation of available resources. As an operations guide, it articulates the departmental action plans and how each of these plans will be accomplished. As a communications device, it contains information pertaining to key issues facing the Village, priorities for the coming year, accomplishments of prior years, and more.

The budget process for the Village of Montgomery involves the citizens, the Village President and Village Board, Village Administrator, Department Heads, supervisors, and others throughout the organization. Each person plays a critical role in the development of the budget for the upcoming year. Department Heads are responsible for evaluating the needs of their departments and divisions, soliciting input from supervisors and staff, and compiling those needs and priorities into a cohesive and straightforward budget request. The Village Board is critical in evaluating the budget, asking questions, and eventually approving the budget. Residents and their needs are, of course, the driving force behind the budget process. In addition, residents have opportunities to view the budget proposal and attend the Board meetings and public hearing when the budget is addressed.

The Village has adopted sections 5/8-2-9.1 through and including sections 5/8-2-9.10 of Chapter 65 of the Illinois Compiled Statutes (Municipal Code) providing for a municipality's financial operation under an annual budget in lieu of an appropriation ordinance. The budget process in the Village of Montgomery extends over seven months and culminates in April with the Village Board's adoption of the Village budget in advance of the beginning of the new fiscal year on May 1. The approved budget provides the authority to expend funds in the new fiscal year. Most of the time and effort in preparing the budget takes place during the months of October through March, however the development, implementation, monitoring and review of the Village's budget is part of a comprehensive process that occurs throughout the entire year.

Staff begins preparing the next year's budget nine (9) months prior to adoption of the budget. In August, the Finance Department begins the process of preparing the current year's budget sheets for data entry so Departments can update, as necessary. A budget form for each line item is required and additional details are added to the budget forms where possible. This process ends with the budget/CIP kickoff meeting in early October.

All Departments are required to attend the kickoff meeting and receive a Department Budget Preparation Manual (Manual). The Manual includes the purpose and legal basis for the budget, as well as the budget calendar and instructions to complete the budget form noted above. In addition, separate forms are provided for new personnel (PRF) and capital (CIR) requests. The Finance Department will hold an open Budget Workshop for supervisors and support staff in November to provide additional guidance on budget preparation. Each operating department is responsible for submitting its own budget requests following the detailed instructions in the Manual. The budget forms, vehicle requests, personnel requests, program requests, and capital requests are submitted to the Finance Department in mid-December.

The Director of Finance prepares revenue estimates in December based upon historical trends, economic forecasts of authoritative sources, and anticipated activities and events in the community which are expected to have a local economic impact. The Director of Finance consolidates all the information gathered from departments to analyze all budget requests in total. Additional information is collected, and any minor adjustments are made by the Director of Finance. The product is the budget as requested by all departments to the Village Administrator.

The Village Administrator and Director of Finance review each department's requests and make any necessary recommendations to achieve a balanced budget. The Village Administrator and Director of Finance then meet with the director of each department individually in late January or early February to discuss each respective budget request and any recommendations. The Village Administrator reviews the entire budget, ensures it is consistent with the priorities and guidance of the Village Board, and designs a feasible fiscal plan. The overall goal of the process is to have the Village Administrator recommend a balanced budget to the Village Board for review starting in February. A balanced budget is a budget in which revenues meet or exceed expenditures, and cash reserves or fund balance is not considered a revenue source. The Village may drawdown cash reserves or fund balance with a plan to return the reserves to a desired level.

The Village Board and staff conduct a series of meetings beginning in February and ending in March. The first meeting is held to review the General Fund budget as proposed, along with any new personnel or programs. The second meeting is held to review any governmental capital requests, while a third meeting is held to discuss the Water Fund, proprietary capital requests, and any other items not previously covered. A public hearing is held in March to allow for input on the process by residents of the community and to meet the Village's statutory obligations. Notices to participate in public meetings are provided in the local newspaper and on the Village's website. The Village Administrator, Director of Finance, and Department Heads are present at the hearings to address the issues and concerns of the Village President, Trustees, and public.

Based upon staff recommendations and its own findings, the Village Board may make direct additions, deletions, or revisions to the proposed budget. The Director of Finance revises the proposed budget as directed by the Village Board and the Director of Finance submits it to the Village Board for formal approval in late March. The final budget is adopted by ordinance. As noted previously, the budget ordinance must be adopted prior to the start of the fiscal year and filed with the county clerk within 30 days of adoption.

The Village's current budgetary control is at the department level and a budget is adopted for every fund. Total expenditures may not exceed the total amount approved for each fund unless a budget amendment is approved by the Village Board. If necessary, the annual budget may be amended by the Village Board during the year, increasing or decreasing total revenues or expenditures for an individual fund. These budget amendments are usually necessary if anticipated expenditures are expected to exceed the total amount budgeted at the fund level due to changing priorities or unexpected occurrences.

Local Economy

Municipal revenue streams traditionally have been reasonably constant and predictable. However, there are many factors that may affect the local economy including rates of employment, inflation, and health of local businesses, as well as residential, commercial, and industrial development. In addition, the local economy and the Village's financial position may be affected by state, national, and international decisions, and events.

The International Monetary Fund (IMF) Chief Economist, Pierre-Olivier Gourinchas, states that "global trade developments continue to shape the (economic) outlook," with unsettled trade policy prevalent among nations. The IMF projects the U.S. economy to grow by 3.0% in 2025. However, growth is anticipated to accelerate slightly to 3.1% in 2026, influenced by uncertain tariff policy moving forward. However, overall effective tariff rates appear to be lower than initially anticipated.

Nationally, in 2024, the Federal Reserve made a significant policy shift by initiating interest rate cuts for the first time since the aggressive hikes of the prior years. Rates remained steady from December of 2024 through September of 2025 when the Federal Open Market Committee resumed rate cutting by trimming 25 basis points from the target range bringing it to 4.00% - 4.25%. Current prevailing wisdom is that the target rate will be lowered at subsequent meetings and will be 3.50% - 3.75% by year end.

On April 30, 2025, the Village's unemployment rates dropped to 3.7% and 3.3% for Kane and Kendall Counties respectively according to the Illinois Department of Employment Security. The State of Illinois unemployment rate is 4.5%, which is higher than the national average of 4.2%. This reflects a slight increase from the previous year, impacted by various regional and sector-specific factors.

The Village recognized a 24.0% increase in residential equalized assessed value for levy year 2024 while seeing a decrease in the direct tax rate to .3589 per \$100 of equalized assessed valuation.

A previously idle residential subdivision was purchased by a new builder in 2024, igniting an increase in construction. The new builder anticipates completing build-out of unit one in 2025, beginning unit 2 in 2026, and completing all three units within five years.

Development continued throughout the last fiscal year. Montgomery's largest development project to date, Ravago Americas, continued to build Phase I, a 500,000 sf rail served distribution center at the Karis Park West Premier Industrial Park. The project retained 60 area jobs and created 30 more. The \$110 million project also will serve Ravago, a Belgium based plastic resin distributor, as its Midwest headquarters. In addition, a family-owned business, Norkol, that provides commercial paper and packaging, relocated from Northlake and began operations in June, 2024 in a 330,000-sf rail-served space at the CenterPoint Industrial Center. It chose Montgomery as it needed a larger, rail-served parcel to expand operations. Norkol has 70 – 80 employees.

Commercial development remained strong as well. Along with European Wax Center, Starbucks opened a drive thru only location at the Ogden Hill Shopping Center. Montgomery Plaza welcomed a bakery, a book shop, and a tobacco store. The Influence event venue also opened on Montgomery Road.

Commercial development has helped the Village's sales tax, which is its single largest regular revenue source. The Village receives a one percent state sales tax on retail sales of tangible personal property within the Village. The Village began collecting a one percent non-home rule sales tax on July 1, 2015, on items other than groceries prescription drugs, over-the counter medicine, and professional services. The Village also collects a 3% sales tax imposed on cannabis sales within the Village. Sales tax is collected by the State and remitted to the Village three months after the liability occurs.

Sales tax revenue has drastically increased in the last 10 years through the expansion of the commercial and retail sector in Montgomery. In fact, sales tax stayed consistent even through the Great Recession with the enacting the "Leveling the Playing Field" legislation requiring remote retailers to collect and remit the state and local retailer's occupation tax. With the passage of the State of Illinois FY25 budget, the state has eliminated the grocery sales tax. As part of its FY26 budget process, the Village adopted a local ordinance to keep this revenue stream intact. The Village portion of state sales tax has grown from \$2.7 million to \$6.5 million in the last 13 years, while non-home rules sales have grown from \$2.7 million to \$4.1 million in just the last nine years.

There were three new industrial buildings completed in 2017 including United Sugars Corporation \$21 million bulk sugar storage and transfer facility; the Nexeo Solutions \$12 million warehouse and distribution facility; and the Old Dominion Freight Line \$13 million freight depot. United Sugars and Nexeo are both located within the Aucutt Road TIF District (TIF #2) while Old Dominion is located outside of TIF #2. United Sugars Corporation completed construction on a second bulk storage dome (valued at \$20 million) in 2022. The United Sugars and Nexeo buildings alone contributed nearly \$1,135,015 of tax increment in fiscal year 2025. The increment noted above will be used to make needed improvements in the area. The Village's contracted Engineering firm has worked on a storm sewer overflow study and road improvement study; the studies will determine what regional improvements can be made to recapture buildable land within TIF 2 and which improvements should take place. Lastly, the new Karis Center for Commerce commercial and industrial development completed construction of its first industrial site for Ravago Americas. Ravago is the largest global distributor of plastic resin and chemicals.

Finances of the State of Illinois

Illinois' current financial picture is a mix of positive developments and ongoing challenges. The state has seen recent improvements in its fiscal health, with balanced budgets in recent years, growth in its rainy day fund, and nine credit rating upgrades. This progress has been attributed, in part, to increased revenues and federal pandemic aid. For Fiscal Year 2026, the state budget projects a slight surplus, despite increased spending compared to the previous year. However, some experts express concerns about the sustainability of this progress, citing reliance on temporary fixes and revenue projections that may not materialize. Significant long-term liabilities, particularly concerning underfunded pensions, continue to pose a fiscal challenge. The state's Unemployment Trust Fund is also facing challenges, requiring additional contributions to address debt. While the state has taken steps to address these issues, the path forward requires continued attention to structural reforms and sustainable fiscal planning.

Under current law, the State shares a portion of sales tax, income tax and motor fuel tax revenue with municipalities, including the Village. The State budget includes a service fee of 1.5% for collection and processing of locally imposed sales taxes. The fee is excluded from the collection of the grocery sales tax.

The Village can give no assurance additional changes in applicable law modifying the way local revenue sharing is allocated by the State, nor can the Village predict the effect the State's financial problems, including the various governmental or private actions in reaction thereto, may have on the Village's future finances.

The Village owns a water utility and charges residents a fee to use that water. The Village also charges residents a fee to maintain the sanitary sewer lines that feed to the Fox Metro Water Reclamation District. The revenue budget is based upon the immediate prior year's usage by existing residents along with the additional housing units brought online by new permits. The fiscal year 2026 budget includes an increase in the water usage rates of 8.6% as of May 1, 2025. The Village is currently working to transition the water source from deep and shallow wells to Lake Michigan. This includes partnering with two surrounding communities and the DuPage Water Commission in the construction of a transmission line and receiving stations, with costs estimated to be \$140 million for Montgomery's share. As such, the Village completed a water rate study during fiscal year 2025 to determine the proper rate structure for system sustainability and began implementing the new rate structure with the May 1, 2025 increase referenced above.

The Village, as a service driven organization, continues to expend the greatest percentage of its operating budget (second largest overall) on personal services (wages and benefits). For fiscal year 2026, personal services expenditures are expected to total \$12,152,160 or 12.0% of total budgeted expenditures. This is an increase of 3.8% over the fiscal year 2025 expenditures of \$11,706,018. The increase is attributed to the cost of living increases effective May 1, 2025. Cost of living increases range from 2.0% to 5.0% and pay for performance increases range between 2.5% and 6%. The Village's 5-year contract with the Metropolitan Alliance of Police Patrol union expired April 30, 2025 and a new agreement was ratified in July. The fiscal year 2026 budget includes no additional full-time equivalent employees (FTE). FTE equals the total hours of all employees divided by 2,080 working hours in a year.

Long-Term Financial Planning

Alan Lakein is a well-known author on personal time management who stated, "Planning is bringing the future into the present so that you can do something about it now." Proper plans, formulated ahead of time, help leaders and organizations to execute projects, reach their goals, and fulfill their vision. In planning ahead, the Village has been able to assess risks, transform risks to opportunities, become proactive in our response, and improve performance. The sections below illustrate long-term planning efforts and the impact each has on the budget.

The Operating Budget Forecast includes 5 years to facilitate long-term financial planning. Finance staff works together with each Department during all three stages of the budget process to determine key forecast assumptions to project major revenue sources and expenditures. This forecast impacts the budget by providing for stability, planning, and direction for future resource allocation and decision making. The long-term outlook allows the Village to see the impact of staffing on future budgets, need to examine fee structures on a regular basis, and adjust the number of capital projects based on available funding sources. This has been very insightful and extremely helpful in maintaining long-term sustainability.

The Village is required to maintain a 5-year Community Investment Plan (CIP) in accordance with its fiscal policies. The CIP may include land, land improvements, buildings, building improvements, machinery and equipment, vehicles, and infrastructure including, but not limited to roads, sanitary sewer system, waterworks system, and stormwater system. This program is used to identify and prioritize future capital needs and possible funding sources, impacting the budget by including all five years in the Operating Budget Forecast noted above.

The purpose of the Pavement Management Report is to create a tool to aid the Village in developing a 5-year plan to maintain or improve roadways in the community. An annual update is provided to the Village Board for approval. The report results in a systematic approach to roadway maintenance that will impact the budget by identifying the annual costs that should be expended to meet the desired goal. This report provides for infrastructure needs that integrate with the Community Investment Program noted above.

The Finance Department worked with our IT consultant to establish a Computer Equipment Replacement schedule. Computer equipment is often below the capitalization threshold, but usually includes information sensitive in nature. This 5-year plan established base level to be budgeted for annual replacement. Replacement decisions are determined based on software technology, economic issues, maintenance costs, and potential downtime.

Per Village policy, each department shall contribute for Vehicle and Equipment Replacement on an annual basis to maintain a “pay-as-you-go” basis. This 15-year plan impacts the budget by allowing funding of replacements annually at an established base level. The Public Works Department works together with other departments to determine the useful life and condition of certain vehicles and equipment. This ensures the condition of the fleet is at an optimum level, reducing fleet maintenance and service costs.

The Go Montgomery 2035 Comprehensive Plan is a 20-year plan meant to inform and share decisions about land use and development, transportation and mobility, parks and open space, community facilities and infrastructure, and hazard mitigation and sustainability. The plan recognizes changes in economic climate, represents the Village’s vision for the future, and serves as the official policy and guide for improvement and development throughout the community. The Community Development Department follows the goals and vision set forth to review development proposals to ensure they meet the guidelines set forth in the plan. It is used to identify development that works for specific areas through appropriate design, functionality, and uses, as well as to guide policy that leads to economic development opportunities.

The Comprehensive Plan identified a lack of community identity. Some think the Village’s ambiguous identity is linked to the Village’s multiple taxing districts, particularly its five school districts. Although invisible, these district boundaries inadvertently create separate communities. Others find the identity of Montgomery can be explained through the Village’s market makeup. Montgomery used to be acclaimed as “The Village of Industry,” but loss of industry along with residential and commercial development no longer make this an accurate definition of the Village. Residents noted that creating a stronger core and central gathering place could be the answer to strengthening the Village’s identity.

The Waterworks System Master Plan was undertaken by the Village of Montgomery to help identify a long-term sustainable water source for the community and was completed in fiscal year 2017. The Village Engineer worked with the Village and two other local communities (Oswego and Yorkville) to determine the best solution for future water needs of each community, as well as a sub-regional solution for all three together. The plan allows for each community to budget for current costs, starting in fiscal year 2018, needed to assess each source of water. This 30-year plan will factor into the budget discussion each year including, but not limited to, the governance of a sub-regional solution (if applicable), land purchase, and the design and construction of a new or expanded Waterworks System plant.

The Village recognizes the importance of developing and managing programs, services, and their related resources as efficiently and effectively as possible. The plan, developed over the course of a year-long process which included the Village Board, Department Heads, and various staff leaders throughout the Village. The mission statement, vision statements, values, and strategic plan were approved by the Village Board in fiscal year 2025.

Our Strategic Plan has six primary initiatives that reflect our Mission Statement, Vision Statement, and Values: Focus on Sustainability, Ensure Professional Governance, Invest in Internal and External Stakeholders, Promote Civic Engagement, Develop Infrastructure, Facilities, and Resources, and Enhance Economic Development. Each initiative is followed by a listing of goals and objectives. Understanding how goals and objectives are defined within the context of this plan is important. Goals are big steps towards accomplishing our mission. They are not easily reached, and they are aligned with our values. Goals are broad, value-based statements expressing our preferences for the term of this plan. They specifically address key issues, opportunities, and desires that affect the community. Objectives are smaller steps that are needed to meet these goals. They should be specific, measurable, attainable, timely, and related to the goal. For each strategic area, actions are also provided. These actions are specific steps refined by Village staff and elected officials for achieving objectives.

Periodic review and adjustment will be necessary over the planning period. We will track our progress through regular reporting on our objectives and actions and they will be incorporated over time into our other planning tools including the annual budget and community investment plan.

Cash Management Policies and Practices

The cash management system is designed to accurately monitor and forecast revenues and expenditures, thus enabling the Village to maximize investments. The essential purpose of Village investments is to maximize interest income while preserving principal and maintaining sufficient liquidity to meet expenditure obligations. The Village invests cash temporarily idle during the year in demand deposits, certificates of deposit, investment pools, and other investments allowed by state statute. The Village maintains a 5-year ladder portfolio to capture additional yield from longer maturities.

Awards and Acknowledgements

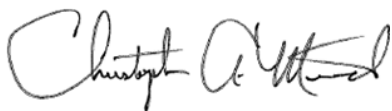
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Montgomery for its Annual Comprehensive Financial Report for the fiscal year ended April 30, 2024. This was the twenty-first consecutive year the Village has received this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement program's requirements, and we are submitting it to the GFOA to determine its eligibility for a twenty-second certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. I would like to express my sincere appreciation to Lexi Hansen, Clara Martinez, Linda Ebinger, Ginger McKenna, Karin Johns and all employees of the Village who assisted and contributed to the preparation of this report. In addition, I would like to thank the Village President, Board of Trustees and Village Administrator for their unfailing support for maintaining the highest standards of professionalism in the management of the Village's finances.

I would especially like to thank the Village's previous Finance Director, Jennifer Milewski, for her knowledge, expertise, and leadership of the Village's Finance Department and her assistance during the transition.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Christopher Minick". The signature is fluid and cursive, with the first name "Christopher" written in a larger, more prominent script than the last name "Minick".

Christopher Minick
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
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Reporting

Presented to

**Village of Montgomery
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2024

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

This section includes:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedules

INDEPENDENT AUDITOR’S REPORT

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



INDEPENDENT AUDITOR'S REPORT

October 14, 2025

The Honorable Village President
Members of the Board of Trustees
Village of Montgomery, Illinois

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Montgomery, Illinois (the Village), as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Montgomery, Illinois, as of April 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2025, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2025 (Unaudited)

As management of the Village of Montgomery, Illinois (the Village), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village for the fiscal year ended April 30, 2025. Management's Discussion and Analysis (MD&A) is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with our Letter of Transmittal, which can be found in the introductory section of this report, and the Village's basic financial statements, which can be found in the financial section of this report. All amounts in the MD&A, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets and the deferred outflow of resources of the Village exceeded its liability and deferred inflows of resources at the close of the most recent fiscal year by \$80,086. Of this amount, \$19,428 (unrestricted net position) may be used to meet the Village's ongoing obligations to citizens and creditors.
- The Village's total net position increased by \$410 and reflects approximately \$2,076 increase and \$1,665 decrease attributable to the governmental and business-type operations of the Village, respectively. The increase in governmental operations can be attributed to property taxes (increase of \$927), capital grants (increase of \$397), and other revenues (increase of \$516). The decrease in business-type operations is mainly due to a decrease in water sales (\$1,618) and net transfers in of \$938.
- As of April 30, 2025, the Village's governmental funds reported combined ending fund balances of \$39,219, an increase of \$11,426 from the prior year. Approximately 13.5% of this total amount, \$5,282, is available for spending at the Village's discretion (unassigned fund balance).
- In addition, the Village's proprietary funds reported combined ending net position of \$19,804, a decrease of \$1,665 from the prior year. Approximately 62.4% of this total amount, \$12,360, is available for spending at the Village's discretion (unrestricted net position) for proprietary purposes.

Overview of the Financial Statements

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

This discussion and analysis is intended to serve as an introduction to the Village's basic financial statements. The Village's basic financial statements comprise three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2025 (Unaudited)

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

The Statement of Net Position presents information on all the Village's assets and deferred outflows of resources, as well as liabilities and deferred inflows of resources, 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.

The Statement of Activities presents information showing how the Village'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.

Both 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 reflect the Village's basic services, including general government, public safety, and highways and streets. The Business-Type Activities include the waterworks and sewerage operations and sanitation.

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 state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All 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, unlike the government-wide financial statements, 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 a government'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 this comparison between governmental funds and governmental activities.

The Village maintains twenty-six 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, Tax Increment Financing District #2 Fund, Debt Service Fund, and Infrastructure Improvement Fund, all of which are major funds. Data from the remaining 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 budget for each of its governmental funds. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with these budgets.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2025 (Unaudited)

Proprietary Funds. The Village maintains two different types of proprietary funds. Enterprise funds are used to report the same functions as presented in the business-type activities in the government-wide financial statements. The Village uses two enterprise funds, one to account for the operation of the Village owned water utility and one to account for the Village's waste removal program. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions. The Village uses an internal service fund to account for providing insurance to Village employees. Because this service predominantly benefits governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements

Proprietary funds 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 utility and refuse program, which are major funds of the Village, as well as the employee insurance fund.

The Village adopts an annual budget for each of its proprietary funds. A budgetary comparison statement has been provided for each fund to demonstrate compliance with these budgets.

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 statement because the resources of those funds are not available to support the Village's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

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 budget to actual comparisons for the Village's progress in funding its obligation to provide pension and other post-employment benefits to its employees and the General Fund and major special revenue funds.

Individual fund schedules are presented immediately following the required supplementary information discussed above.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2025 (Unaudited)

Financial Analysis of the Village as a Whole

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Village, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$80,086 as of April 30, 2025.

Table 1

Condensed Statement of Net Position (in thousands)*

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Assets						
Current and Other Assets	\$ 50,722	38,182	41,954	6,493	92,676	44,675
Capital Assets	57,032	59,615	35,853	31,286	92,885	90,901
Total Assets	107,754	97,797	77,807	37,779	185,562	135,576
Deferred Outflows						
Unamortized Loss	—	3	—	—	—	3
Deferred Items	3,377	3,774	540	683	3,917	4,457
Total Deferred Items	3,377	3,777	540	683	3,917	4,459
Total Assets/Deferred Items	111,131	101,574	78,348	38,462	189,479	140,035
Liabilities						
Long-Term Liabilities	37,033	30,375	56,243	14,900	93,276	45,275
Other Liabilities	5,816	4,642	2,300	2,091	8,116	6,733
Total Liabilities	42,849	35,018	58,542	16,990	101,392	52,008
Deferred Inflows						
Deferred Taxes	6,062	5,750	—	—	6,062	5,750
Deferred Items	1,938	2,600	1	2	1,939	2,602
Total Deferred Inflows	8,000	8,350	1	2	8,001	8,352
Total Liabilities/Deferred Inflows	50,849	43,367	58,544	16,993	109,393	60,360
Net Position						
Net Investment in Capital Assets	38,071	41,448	7,444	16,919	45,516	58,367
Restricted	15,143	5,822	—	—	15,143	5,822
Unrestricted	7,068	10,936	12,360	4,550	19,428	15,486
Total Net Position	60,282	58,206	19,804	21,469	80,086	79,675

*Variation in values may occur due to rounding

The largest portion of the Village's net position (56.8%) reflects its net investment in capital assets (e.g. land, improvements, buildings, equipment, vehicles, 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 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.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2025 (Unaudited)

An additional portion of the Village's net position (18.9%) represents resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (24.3%) may be used to meet the government's ongoing obligations to citizens and creditors.

As of April 30, 2025, the Village was able to report positive balances in all three categories of net position, for the government as a whole. Governmental activities and business-type activities report positive balances in all three categories. As of April 30, 2024, the Village was able to report positive balances in all three categories of net position, for the government as a whole. Governmental activities and business-type activities report positive balance in all three categories.

The Village's total net position increased by \$410 from the prior year. The increase of \$410 reflects a \$2,076 increase and \$1,665 decrease attributable to the governmental and business-type operations of the Village, respectively. The increase in governmental operations can be attributed to property taxes (increase of \$927), capital grants (increase of \$397), and other revenues (increase of \$516). The decrease in business-type operations is mainly due to a decrease in water sales (\$1,618) and net transfers in of \$938.

The Village's unrestricted net position increased by \$3,942 during the current fiscal year. Most of the restricted net position is legally restricted to certain capital projects. The Village's net investment in capital assets decreased by \$12,851 during the current fiscal year. The Village added \$26,632 of new capital assets, had depreciation of \$6,305 during the year, and added long-term debt related to capital assets by \$47,821.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2025 (Unaudited)

Table 2

Condensed Statement of Activities (in thousands)*

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues						
Charges for Services	\$ 3,055	4,116	8,751	10,220	11,806	14,336
Operating Grants/Contributions	788	794	—	—	788	794
Capital Grants/Contributions	888	491	—	—	888	491
General Revenues						
Property Taxes	5,852	4,925	—	—	5,852	4,925
Other Taxes	1,654	1,830	—	—	1,654	1,830
Intergovernmental	16,605	16,866	—	—	16,605	16,866
Other	2,040	1,524	490	340	2,530	1,864
Total Revenues	30,883	30,546	9,241	10,560	40,124	41,106
Expenses						
General Government	13,248	7,017	—	—	13,248	7,017
Public Safety	8,901	8,336	—	—	8,901	8,336
Highways and Streets	5,790	8,345	—	—	5,790	8,345
Interest on Long-Term Debt	590	385	—	—	590	385
Water	—	—	9,597	7,862	9,597	7,862
Refuse	—	—	1,587	1,358	1,587	1,358
Total Expenses	28,530	24,083	11,184	9,219	39,714	33,302
Change in Net Position Before Transfers	2,353	6,463	(1,943)	1,341	410	7,804
Transfers	(278)	(1,216)	278	1,216	—	—
Change in Net Position	2,076	5,247	(1,665)	2,557	410	7,804
Net Position - Beginning	58,206	52,960	21,469	18,912	79,675	71,872
Net Position - Ending	60,282	58,206	19,804	21,469	80,086	79,675

*Variation in values may occur due to rounding

Governmental Activities. Governmental activities increased the Village's net position by \$2,076. Key elements of this increase are as follows:

Certain Governmental revenues increased over the prior year. Components of this increase are as follows:

- Capital Grants/Contributions increased by \$397 (80.8%) due increased state grants for infrastructure.
- Property taxes increased by \$927 (18.8%) due to increases in assessed values.
- Other revenue increased by \$517 (33.9%) due to interest income and America Rescue Plans related project reimbursements.

VILLAGE OF MONTGOMERY, ILLINOIS

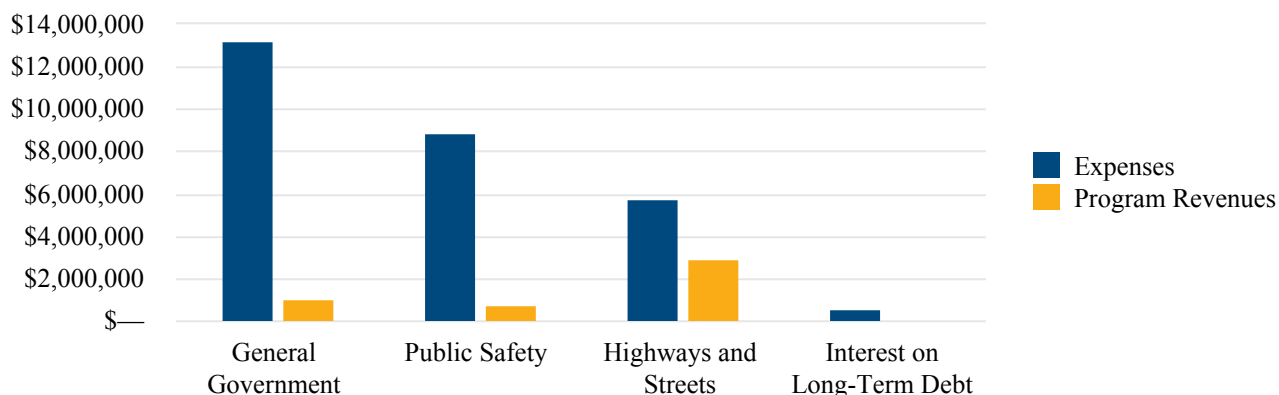
Management's Discussion and Analysis

April 30, 2025 (Unaudited)

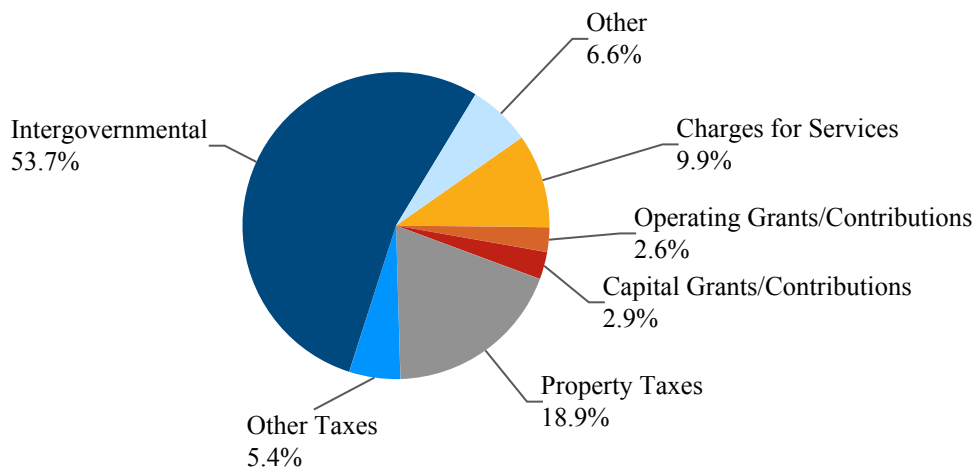
Certain Governmental expenses decreased during the year. Components of this decrease are as follows:

- Highways and streets expenses decreased by \$2,555 (30.6%) mainly due to the biennial road program project schedule. Reserves are built up in odd fiscal years to fund road projects on even fiscal years.
- Interest on Long-Term Debt increased by \$206 53.4% due to both the 2013 and 2014 General Obligation Alternative Revenue Source bonds being paid off in the current year.

Expenses and Program Revenues - Governmental Activities



Revenue by Source - Governmental Activities



VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2025 (Unaudited)

Business-Type Activities. Business-type activities decreased the Village's net position by \$1,665. Key elements of this decrease are as follows:

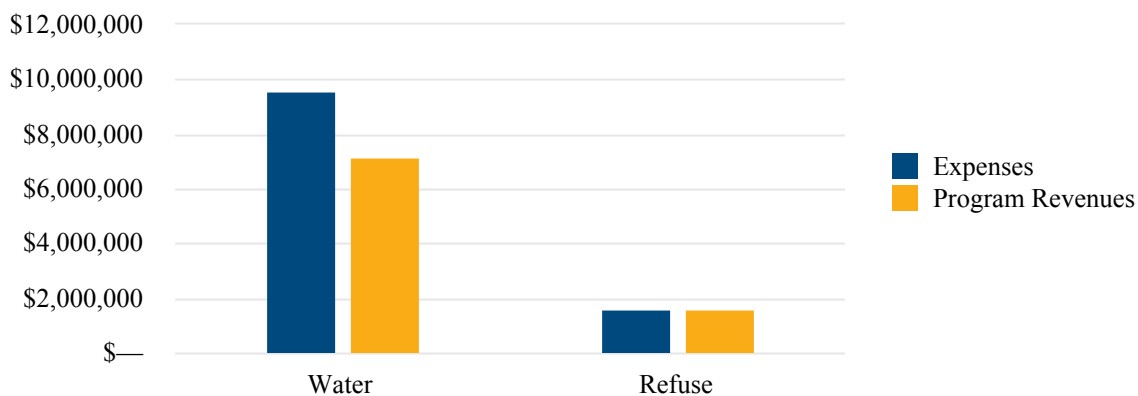
Business-type revenues decreased by \$1,319 (12.5%). Components of this decrease are as follows:

- Charges for services decreased by \$1,469 (14.4%) due to a decrease in gallons of water sold.

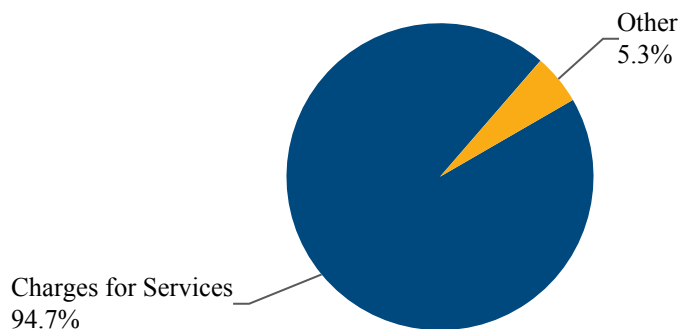
Business-type expenses increased by \$1,965 (21.3%). Components of this increase are as follows:

- Refuse increased by \$230 (16.9%) due to a correction in billing services.
- Water increased by \$1,735 (22.1%) due to increases in wages and the continued water meter replacement program that began in Fiscal Year 22.

Expenses and Program Revenues - Business-Type Activities



Revenue by Source - Business-Type Activities



VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2025 (Unaudited)

Financial Analysis of the Village'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. Such information is useful in assessing the Village's financing requirements. Unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of April 30, 2025, the Village's governmental funds reported combined ending fund balances of \$39,219, an increase of \$11,426 from the prior year. Approximately 13.5% of this total amount, \$5,282, is available for spending at the Village's discretion (unassigned fund balance). The remainder of fund balance is either nonspendable, restricted, or assigned to indicate that it is 1) not in spendable form (\$548), 2) restricted for particular purposes (\$15,183), or 3) assigned for particular purposes (\$18,206).

The General Fund is the chief operating fund of the Village. As of April 30, 2025, unassigned fund balance of the General Fund was \$5,368. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 35.9% (4.3 months) of the total General Fund expenditures, while total fund balance represents 39.5% (4.7 months) of total General Fund expenditures.

The fund balance of the General Fund increased by \$252 to a total of \$5,916 of fund balance at the end of the current fiscal year. Revenue increases were seen in all areas with the exception of other taxes, licenses, permits and fees, charges of services, and investment income.

The fund balance of the Tax Increment Financing District #2 increased by \$8,220 to a total of \$11,739 of balance at the end of the current fiscal year. The key factors are an increase in the property tax increment, investment income and a debt issuance in the amount of \$6,935.

The fund balance of the Debt Service Fund remained stable at \$40 of fund balance at the end of the current fiscal year. The receipt of transfers from the Capital Improvement Fund was slightly higher than the payment of debt principal and interest.

The fund balance of the Infrastructure Improvement Fund decreased by \$579 to a total of \$5,485 of fund balance at the end of the current fiscal year. The decrease in fund balance is due to a significant increase in capital outlay expenditures in the current year.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2025 (Unaudited)

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 Water Fund had a decrease in net position of \$1,691 to a total of \$19,656 of net position at the end of the current fiscal year. Approximately 62.1% of that total is unrestricted net position. Other factors concerning the finances of the Water Fund have already been addressed in the discussion of the Village's business-type activities.

The Refuse Fund had an increase in net position of \$26 to a total of \$148 of net position at the end of the current fiscal year.

The Employee Insurance Fund had an increase in net position of \$84 to a total of \$1,001 of net position at the end of the current fiscal year. The Village keeps a balance in this fund to offset any unexpected increases in health, dental, and life insurance for employees.

General Fund Budgetary Highlights

The General Fund revenues were more than the budget by \$1,024 or 6.6%. The most significant differences between budgeted and actual revenues included: 1) other taxes were \$140 higher than budget; 2) intergovernmental revenues were \$445 higher than budget; 3) miscellaneous income was \$204 higher than budget; 4) investment income was \$153 higher than budget; and 5) fines and forfeitures were \$117 higher than budget. All these increases can be attributed to economic stability and favorable market conditions in the current year.

The General Fund expenditures were less than the budget by \$575 or 3.7%. The most significant difference between budgeted and actual expenditures can be found in the general government expenditures.

Capital Assets. The Village's investment in capital assets for its governmental and business-type activities as of April 30, 2025, amounts to \$92,885 (net of accumulated depreciation). This investment in capital assets includes land (including rights-of-way), buildings, improvements other than buildings, vehicles and equipment, and infrastructure (including streets, storm sewers, water mains, water pumping and storage facilities, and sanitary sewers).

Major capital asset events during the current fiscal year included the following:

- The Village finished construction of its new Public Works Facility during fiscal year 2025. The building was capitalized at \$17,578,000 and moved the construction in progress to buildings.
- Montgomery Park improvements were completed during fiscal year 2025. The improvements were added to land improvements at \$1,070,000.
- The Police Department added new vest and squad cameras to equipment for \$426,000.
- A total of 5 Police squad vehicles were replaced during the year totaling \$293,000.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2025 (Unaudited)

The following schedule summarizes the Village's capital assets.

Table 3

Capital Assets (in thousands)*

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Land	\$ 18,809	18,604	17	17	18,825	18,620
Construction in Progress	836	19,018	9,352	7,867	10,188	26,885
Land Improvements	1,100	—	—	—	1,100	—
Buildings	39,947	22,311	—	—	39,947	22,311
Equipment	1,466	1,040	84	84	1,551	1,124
Vehicles	6,070	6,043	—	—	6,070	6,043
Infrastructure	34,634	34,634	60,961	55,637	95,595	90,271
Less: Accumulated Depreciation	(45,830)	(42,034)	(34,560)	(32,318)	(80,390)	(74,352)
Totals	57,032	59,615	35,853	31,286	92,885	90,901

*Variation in values may occur due to rounding

Additional information regarding the capital assets can be found in Note 3 of this report.

Long-Term Debt. At the end of the current fiscal year, the Village had total debt outstanding of \$80,358 (excluding compensated absences, net pension liabilities, other post-employment benefit liability, and asset retirement obligations). This amount is partially comprised of five general obligation alternate revenue bonds which pledge sales, use, and telecommunications taxes, as well as net revenues of the water system. The new 2024B general obligation bond refunded the previous 2013 general obligation bond. All bonds further pledge the full faith and credit of the Village should the alternate revenue source be insufficient. The Village abates the property taxes on the Series 2017, Series 2021, and Series 2023 bonds. The remaining amount of debt outstanding is comprised of two Illinois Environmental Protection Agency (IEPA) loans backed by the net revenues of the water system and two newly issued Debt Certificates in the amount of \$42,000. The Village's debt increased by \$47,821 (147%) during fiscal year 2025.

There have been no major long-term debt events during the current fiscal year, however as future plans for a change in water source from deep wells to Lake Michigan, additional debt will be issued in the form of General Obligations, IEPA loans, in coordination with Water Infrastructure Finance and Innovation Act program loans.

The following schedule summarizes the Village's indebtedness.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2025 (Unaudited)

Table 4

Long-Term Debt (in thousands)*

	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds	\$ 24,667	18,170	10,621	10,944	35,288	29,114
IEPA Loans Payable	—	—	3,070	3,423	3,070	3,423
Debt Certificates	—	—	42,000	—	42,000	—
Total	24,667	18,170	55,691	14,367	80,358	32,537

*Variation in values may occur due to rounding

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

Economic Factors and Next Year's Budgets and Rates

Municipal revenue streams traditionally have been reasonably constant and predictable. However, there are many factors that may affect the local economy including rates of employment, inflation, and health of local businesses, as well as residential, commercial, and industrial development. In addition, the local economy and the Village's financial position may be affected by state, national, and international decisions, and events.

The International Monetary Fund (IMF) Chief Economist, Pierre-Olivier Gourinchas, states that "global trade developments continue to shape the (economic) outlook," with unsettled trade policy prevalent among nations. The IMF projects the U.S. economy to grow by 3.0% in 2025. However, growth is anticipated to accelerate slightly to 3.1% in 2026, influenced by uncertain tariff policy moving forward. However, overall effective tariff rates appear to be lower than initially anticipated.

The labor market has experienced significant slowing of late with job growth seeing significant downward adjustments for June and July of 2025 as well as a weak job creation report for August of 2025. These trends suggest a shrinking job market as we move into the last months of 2025. Further, signs point to a continued stagnation of the labor market as layoffs, hiring, and resignations combine to minimize opportunities for job seekers. Immigration policies could further impact economic growth in the U.S. and other developed nations by intensifying labor shortages. Additionally, ongoing conflicts, including the war in Ukraine and instability in the Middle East, continue to contribute to global economic uncertainty.

Nationally, in 2024, the Federal Reserve made a significant policy shift by initiating interest rate cuts for the first time since the aggressive hikes of the prior years. Rates remained steady from December of 2024 through September of 2025 when the Federal Open Market Committee resumed rate cutting by trimming 25 basis points from the target range bringing it to 4.00% - 4.25%. Current prevailing wisdom is that the target rate will be lowered at subsequent meetings and will be 3.50% - 3.75% by year end.

On April 30, 2025, the Village's unemployment rates dropped to 3.7% and 3.3% for Kane and Kendall Counties respectively according to the Illinois Department of Employment Security. The State of Illinois unemployment rate is 4.5%, which is higher than the national average of 4.2%. This reflects a slight increase from the previous year, impacted by various regional and sector-specific factors.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2025 (Unaudited)

The Village recognized a 12.0% increase in residential equalized assessed value for levy year 2024 while seeing a decrease in the direct tax rate to .3589 per \$100 of equalized assessed valuation.

A previously idle residential subdivision was purchased by a new builder in 2024, igniting an increase in construction. The new builder anticipates completing build-out of unit one in 2025, beginning unit 2 in 2026, and completing all three units within five years.

Development continued throughout the last fiscal year. Montgomery's largest development project to date, Ravago Americas, continued to build Phase I, a 500,000 sf rail served distribution center at the Karis Park West Premier Industrial Park. The project retained 60 area jobs and created 30 more. The \$110 million project also will serve Ravago, a Belgium based plastic resin distributor, as its Midwest headquarters. In addition, a family-owned business, Norkol, that provides commercial paper and packaging, relocated from Northlake and began operations in June, 2024 in a 330,000-sf rail-served space at the CenterPoint Industrial Center. It chose Montgomery as it needed a larger, rail-served parcel to expand operations. Norkol has 70 – 80 employees.

Commercial development remained strong as well. Along with European Wax Center, Starbucks opened a drive thru only location at the Ogden Hill Shopping Center. Montgomery Plaza welcomed a bakery, a book shop, and a tobacco store. The Influence event venue also opened on Montgomery Road.

Commercial development has helped the Village's sales tax, which is its single largest regular revenue source. The Village receives a one percent state sales tax on retail sales of tangible personal property within the Village. The Village began collecting a one percent non-home rule sales tax on July 1, 2015, on items other than groceries prescription drugs, over-the counter medicine, and professional services. The Village also collects a 3% sales tax imposed on cannabis sales within the Village. Sales tax is collected by the State and remitted to the Village three months after the liability occurs.

Sales tax revenue has drastically increased in the last 10 years through the expansion of the commercial and retail sector in Montgomery. In fact, sales tax stayed consistent even through the Great Recession with the enacting the "Leveling the Playing Field" legislation requiring remote retailers to collect and remit the state and local retailer's occupation tax. With the passage of the State of Illinois FY25 budget, the state has eliminated the grocery sales tax. As part of its FY26 budget process, the Village adopted a local ordinance to keep this revenue stream intact. The Village portion of state sales tax has grown from \$2.7 million to \$6.5 million in the last 13 years, while non-home rules sales have grown from \$2.7 million to \$4.1 million in just the last nine years.

There were three new industrial buildings completed in 2017 including United Sugars Corporation \$21 million bulk sugar storage and transfer facility; the Nexeo Solutions \$12 million warehouse and distribution facility; and the Old Dominion Freight Line \$13 million freight depot. United Sugars and Nexeo are both located within the Aucutt Road TIF District (TIF #2) while Old Dominion is located outside of TIF #2. United Sugars Corporation completed construction on a second bulk storage dome (valued at \$20 million) in 2022. The United Sugars and Nexeo buildings alone contributed nearly \$1,135,015 of tax increment in fiscal year 2025. The increment noted above will be used to make needed improvements in the area. The Village's contracted Engineering firm has worked on a storm sewer overflow study and road improvement study; the studies will determine what regional improvements can be made to recapture buildable land within TIF 2 and which improvements should take place. Lastly, the new Karis Center for Commerce commercial and industrial development completed construction of its first industrial site for Ravago Americas. Ravago is the largest global distributor of plastic resin and chemicals.

VILLAGE OF MONTGOMERY, ILLINOIS

Management's Discussion and Analysis

April 30, 2025 (Unaudited)

Finances of the State of Illinois

Illinois' current financial picture is a mix of positive developments and ongoing challenges. The state has seen recent improvements in its fiscal health, with balanced budgets in recent years, growth in its rainy day fund, and nine credit rating upgrades. This progress has been attributed, in part, to increased revenues and federal pandemic aid. For Fiscal Year 2026, the state budget projects a slight surplus, despite increased spending compared to the previous year. However, some experts express concerns about the sustainability of this progress, citing reliance on temporary fixes and revenue projections that may not materialize. Significant long-term liabilities, particularly concerning underfunded pensions, continue to pose a fiscal challenge. The state's Unemployment Trust Fund is also facing challenges, requiring additional contributions to address debt. While the state has taken steps to address these issues, the path forward requires continued attention to structural reforms and sustainable fiscal planning.

Under current law, the State shares a portion of sales tax, income tax and motor fuel tax revenue with municipalities, including the Village. The State budget includes a service fee of 1.5% for collection and processing of locally imposed sales taxes. The fee is excluded from the collection of the grocery sales tax.

The Village can give no assurance additional changes in applicable law modifying the way local revenue sharing is allocated by the State, nor can the Village predict the effect the State's financial problems, including the various governmental or private actions in reaction thereto, may have on the Village's future finances.

The Village owns a water utility and charges residents a fee to use that water. The Village also charges residents a fee to maintain the sanitary sewer lines that feed to the Fox Metro Water Reclamation District. The revenue budget is based upon the immediate prior year's usage by existing residents along with the additional housing units brought online by new permits. The fiscal year 2026 budget includes an increase in the water usage rates of 8.6% as of May 1, 2025. The Village is currently working to transition the water source from deep and shallow wells to Lake Michigan. This includes partnering with two surrounding communities and the DuPage Water Commission in the construction of a transmission line and receiving stations, with costs currently estimated to be \$140 million for Montgomery's share. As such, the Village completed a water rate study during fiscal year 2025 to determine the proper rate structure for system sustainability and began implementing the new rate structure with the May 1, 2025 increase referenced above.

The Village, as a service driven organization, continues to expend the greatest percentage of its operating budget (second largest overall) on personal services (wages and benefits). For fiscal year 2026, personal services expenditures are expected to total \$12,152,160 or 12.0% of total budgeted expenditures. This is an increase of 3.8% over the fiscal year 2025 expenditures of \$11,706,018. The increase is attributed to the cost of living increases effective May 1, 2025. Cost of living increases range from 2.0% to 5.0% and pay for performance increases range between 2.5% and 6%. The Village's 5-year contract with the Metropolitan Alliance of Police Patrol union expired April 30, 2025 and a new agreement was ratified in July. The fiscal year 2026 budget includes no additional full-time equivalent employees (FTE). FTE equals the total hours of all employees divided by 2,080 working hours in a year.

Contacting the Village's Financial Management

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the Village's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mr. Christopher Minick, Director of Finance, Village of Montgomery, 200 North River Street, Montgomery, IL 60538.

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements

- Fund Financial Statements

 - Governmental Funds

 - Proprietary Funds

 - Fiduciary Funds

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

VILLAGE OF MONTGOMERY, ILLINOIS

Statement of Net Position

April 30, 2025

See Following Page

VILLAGE OF MONTGOMERY, ILLINOIS

Statement of Net Position

April 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Current Assets			
Cash and Investments	\$ 38,867,888	31,352,123	70,220,011
Receivables - Net of Allowances	7,474,422	1,746,484	9,220,906
Due from Other Governments	3,647,620	—	3,647,620
Prepays	547,565	8,855,885	9,403,450
Total Current Assets	50,537,495	41,954,492	92,491,987
Noncurrent Assets			
Capital Assets			
Nondepreciable	19,644,984	9,368,114	29,013,098
Depreciable	83,217,260	61,045,182	144,262,442
Accumulated Depreciation	(45,829,941)	(34,560,329)	(80,390,270)
Total Capital Assets	57,032,303	35,852,967	92,885,270
Other Assets			
Notes Receivable	184,331	—	184,331
Total Noncurrent Assets	57,216,634	35,852,967	93,069,601
Total Assets	107,754,129	77,807,459	185,561,588
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	770,599	192,170	962,769
Deferred Items - Police Pension	2,606,212	—	2,606,212
Deferred Items - ARO	—	348,001	348,001
Total Deferred Outflows of Resources	3,376,811	540,171	3,916,982
Total Assets and Deferred Outflows of Resources	111,130,940	78,347,630	189,478,570

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

	Primary Government		
	Governmental Activities	Business-Type Activities	Totals
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 2,681,532	483,809	3,165,341
Accrued Payroll	229,451	20,450	249,901
Deposits Payable	1,132,219	6,338	1,138,557
Accrued Interest Payable	340,526	968,973	1,309,499
Other Payables	—	101,849	101,849
Current Portion of Long-Term Liabilities	1,432,313	718,157	2,150,470
Total Current Liabilities	5,816,041	2,299,576	8,115,617
Noncurrent Liabilities			
Compensated Absences Payable	1,096,505	118,912	1,215,417
Net Pension Liability - IMRF	809,749	201,934	1,011,683
Net Pension Liability - Police Pension	8,448,201	—	8,448,201
Total OPEB Liability - RBP	3,170,468	382,799	3,553,267
General Obligation Bonds Payable - Net	23,508,155	10,291,743	33,799,898
IEPA Loans Payable	—	2,712,523	2,712,523
Debt Certificates Payable	—	42,000,000	42,000,000
Asset Retirement Obligation	—	535,000	535,000
Total Noncurrent Liabilities	37,033,078	56,242,911	93,275,989
Total Liabilities	42,849,119	58,542,487	101,391,606
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	6,062,307	—	6,062,307
Grants	1,141	—	1,141
Leases	394,751	—	394,751
Deferred Items - IMRF	4,529	1,129	5,658
Deferred Items - Police Pension	1,537,348	—	1,537,348
Total Deferred Inflows of Resources	8,000,076	1,129	8,001,205
Total Liabilities and Deferred Inflows of Resources	50,849,195	58,543,616	109,392,811
NET POSITION			
Net Investment in Capital Assets	38,071,471	7,444,218	45,515,689
Restricted - Public Safety	11,060	—	11,060
Restricted - Highways and Streets	1,966,800	—	1,966,800
Restricted - Subdivision Maintenance	1,007,613	—	1,007,613
Restricted - Subdivision Improvements	12,157,062	—	12,157,062
Unrestricted	7,067,739	12,359,796	19,427,535
Total Net Position	60,281,745	19,804,014	80,085,759

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

VILLAGE OF MONTGOMERY, ILLINOIS

Statement of Activities

For the Fiscal Year Ended April 30, 2025

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 13,247,918	1,025,194	7,314	10,000
Public Safety	8,901,362	401,001	21,316	330,000
Highways and Streets	5,789,969	1,629,011	759,347	548,006
Interest on Long-Term Debt	590,459	—	—	—
Total Governmental Activities	28,529,708	3,055,206	787,977	888,006
Business-Type Activities				
Water	9,596,938	7,139,517	—	—
Refuse	1,587,318	1,611,708	—	—
Total Business-Type Activities	11,184,256	8,751,225	—	—
Total Primary Government	39,713,964	11,806,431	787,977	888,006

General Revenues

Taxes

Property Taxes

Utility Taxes

Video Gaming Taxes

Cannabis Taxes

Intergovernmental - Unrestricted

Sales Taxes

Non-Home Rule Sales Taxes

Income Taxes

Replacement Taxes

Other Taxes

Local Use Taxes

TIF Surplus

American Rescue Plan

Investment Income

Miscellaneous

Transfers - Internal Activity

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Net (Expenses)/Revenues		
Governmental Activities	Business-Type Activities	Totals
(12,205,410)	—	(12,205,410)
(8,149,045)	—	(8,149,045)
(2,853,605)	—	(2,853,605)
(590,459)	—	(590,459)
(23,798,519)	—	(23,798,519)
—	(2,457,421)	(2,457,421)
—	24,390	24,390
—	(2,433,031)	(2,433,031)
(23,798,519)	(2,433,031)	(26,231,550)
5,852,127	—	5,852,127
1,242,159	—	1,242,159
380,627	—	380,627
31,425	—	31,425
7,412,921	—	7,412,921
4,600,260	—	4,600,260
3,613,447	—	3,613,447
93,760	—	93,760
33,332	—	33,332
529,528	—	529,528
24,370	—	24,370
297,714	—	297,714
1,477,071	363,317	1,840,388
563,059	126,777	689,836
(277,756)	277,756	—
25,874,044	767,850	26,641,894
2,075,525	(1,665,181)	410,344
58,206,220	21,469,195	79,675,415
60,281,745	19,804,014	80,085,759

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

VILLAGE OF MONTGOMERY, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2025

	General	Special Revenue Tax Increment Financing District #2	Debt Service
ASSETS			
Cash and Investments	\$ 5,096,364	11,955,003	40,429
Receivables - Net of Allowances			
Property Taxes	2,614,410	2,192,172	—
Other Taxes	137,950	—	—
Accounts	293,811	—	—
Other	—	—	—
Grants	—	—	—
Leases	—	—	—
Accrued Interest	23,833	—	—
Notes	—	—	—
Due from Other Governments	2,464,950	—	—
Due from Other Funds	77,615	—	—
Prepays	547,565	—	—
Total Assets	11,256,498	14,147,175	40,429
LIABILITIES			
Accounts Payable	756,696	216,283	—
Accrued Payroll	229,451	—	—
Deposits Payable	317,677	—	—
Due to Other Funds	1,421,256	—	—
Total Liabilities	2,725,080	216,283	—
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	2,614,409	2,192,172	—
Grants	1,141	—	—
Leases	—	—	—
Total Deferred Inflows of Resources	2,615,550	2,192,172	—
Total Liabilities and Deferred Inflows of Resources	5,340,630	2,408,455	—
FUND BALANCES			
Nonspendable	547,565	—	—
Restricted	—	11,738,720	40,429
Assigned	—	—	—
Unassigned	5,368,303	—	—
Total Fund Balances	5,915,868	11,738,720	40,429
Total Liabilities, Deferred Inflows of Resources and Fund Balances	11,256,498	14,147,175	40,429

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

Capital Projects				
Capital Improvements (Formerly Major)	Infrastructure Improvement	Vehicle and Equipment Replacement (Formerly Major)	Nonmajor	Totals
—	6,672,166	—	14,105,515	37,869,477
—	—	—	1,255,726	6,062,308
—	894	—	123,700	262,544
—	—	—	14,824	308,635
—	—	—	10,033	10,033
—	33,332	—	350,000	383,332
—	—	—	399,288	399,288
—	13,240	—	8,561	45,634
—	—	—	184,331	184,331
—	1,109,436	—	73,234	3,647,620
—	—	—	1,350,000	1,427,615
—	—	—	—	547,565
—	7,829,068	—	17,875,212	51,148,382
—	1,544,673	—	92,624	2,610,276
—	—	—	—	229,451
—	799,629	—	14,913	1,132,219
—	—	—	77,615	1,498,871
—	2,344,302	—	185,152	5,470,817
—	—	—	1,255,726	6,062,307
—	—	—	—	1,141
—	—	—	394,751	394,751
—	—	—	1,650,477	6,458,199
—	2,344,302	—	1,835,629	11,929,016
—	—	—	—	547,565
—	—	—	3,403,815	15,182,964
—	5,484,766	—	12,721,719	18,206,485
—	—	—	(85,951)	5,282,352
—	5,484,766	—	16,039,583	39,219,366
—	7,829,068	—	17,875,212	51,148,382

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

VILLAGE OF MONTGOMERY, ILLINOIS

Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

April 30, 2025

Total Governmental Fund Balances	\$ 39,219,366
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	57,032,303
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	766,070
Deferred Items - Police Pension	1,068,864
Internal service funds are used by the Village to charge the costs of issuance to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.	1,001,059
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(1,218,339)
Net Pension Liability - IMRF	(809,749)
Net Pension Liability - Police Pension	(8,448,201)
Total OPEB Liability - RBP	(3,321,764)
General Obligation Bonds Payable	(23,175,000)
Unamortized Bond Premium	(1,492,338)
Accrued Interest Payable	(340,526)
Net Position of Governmental Activities	60,281,745

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

VILLAGE OF MONTGOMERY, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2025**

See Following Page

VILLAGE OF MONTGOMERY, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended April 30, 2025

	General	Special Revenue Tax Increment Financing District #2	Debt Service
Revenues			
Property Taxes	\$ 2,594,441	1,984,661	—
Other Taxes	441,642	—	—
Intergovernmental	11,702,656	—	—
Licenses, Permits and Fees	426,986	—	—
Fines and Forfeitures	298,301	—	—
Charges for Services	439,555	—	—
Investment Income	273,315	412,848	2,966
Miscellaneous	395,457	—	—
Total Revenues	16,572,353	2,397,509	2,966
Expenditures			
General Government	4,182,528	1,431,985	—
Public Safety	8,022,655	—	—
Highways and Streets	2,765,509	—	—
Capital Outlay	—	—	—
Debt Service			
Principal Retirement	—	—	710,000
Interest and Fiscal Charges	—	99,249	504,775
Total Expenditures	14,970,692	1,531,234	1,214,775
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,601,661	866,275	(1,211,809)
Other Financing Sources (Uses)			
Debt Issuance	—	6,935,000	—
Premium on Debt Issuance	—	419,016	—
Disposal of Capital Assets	—	—	—
Transfers In	—	—	1,215,250
Transfers Out	(1,350,000)	—	—
	(1,350,000)	7,354,016	1,215,250
Net Change in Fund Balances	251,661	8,220,291	3,441
Fund Balances - Beginning	5,664,207	3,518,429	36,988
Adjustment - Major to Nonmajor	—	—	—
Fund Balances - as Adjusted	5,664,207	3,518,429	36,988
Fund Balances - Ending	5,915,868	11,738,720	40,429

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

Capital Projects				
Capital Improvements (Formerly Major)	Infrastructure Improvement	Vehicle and Equipment Replacement (Formerly Major)	Nonmajor	Totals
—	—	—	1,273,025	5,852,127
—	—	—	1,212,569	1,654,211
—	4,633,592	—	1,945,067	18,281,315
—	—	—	4,937	431,923
—	—	—	26,483	324,784
—	431,716	—	1,376,890	2,248,161
—	262,578	—	491,876	1,443,583
—	—	—	167,602	563,059
—	5,327,886	—	6,498,449	30,799,163
—	145,696	—	1,111,371	6,871,580
—	—	—	233	8,022,888
—	—	—	437,913	3,203,422
—	5,760,828	—	1,303,547	7,064,375
—	—	—	—	710,000
—	—	—	—	604,024
—	5,906,524	—	2,853,064	26,476,289
—	(578,638)	—	3,645,385	4,322,874
—	—	—	—	6,935,000
—	—	—	—	419,016
—	—	—	26,660	26,660
—	—	—	1,350,000	2,565,250
—	—	—	(1,493,006)	(2,843,006)
—	—	—	(116,346)	7,102,920
—	(578,638)	—	3,529,039	11,425,794
4,271,573	6,063,404	3,991,888	4,247,083	27,793,572
(4,271,573)	—	(3,991,888)	8,263,461	—
—	6,063,404	—	12,510,544	27,793,572
—	5,484,766	—	16,039,583	39,219,366

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

VILLAGE OF MONTGOMERY, ILLINOIS

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

Net Change in Fund Balances - Total Governmental Funds	\$ 11,425,794
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Outlays	1,479,293
Depreciation Expense	(4,062,353)
Disposals - Cost	(266,772)
Disposals - Accumulated Depreciation	266,772

The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.

Change in Deferred Items - IMRF	(269,744)
Change in Deferred Items - Police Pension	241,158

Internal service funds are used by the Village to charge the costs of issuance to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.

83,826

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	(208,547)
Change in Net Pension Liability - IMRF	(195,039)
Change in Net Pension Liability - Police Pension	(351,415)
Change in Total OPEB Liability - RBP	563,003
Issuance of Debt	(6,935,000)
Issuance of Bond Premiums	(419,016)
Retirement of Debt	710,000
Amortization of Bond Premium	146,612
Amortization of Loss on Refunding	(2,646)

Changes to accrued interest on long-term debt in the Statement of Activities does not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

(130,401)

Changes in Net Position of Governmental Activities

2,075,525

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

VILLAGE OF MONTGOMERY, ILLINOIS

Statement of Net Position - Proprietary Funds

April 30, 2025

See Following Page

VILLAGE OF MONTGOMERY, ILLINOIS

Statement of Net Position - Proprietary Funds April 30, 2025

	Business-Type Activities			Governmental Activities
	Water	Refuse	Totals	Internal Service
				Employee Insurance
ASSETS				
Current Assets				
Cash and Investments	\$ 31,344,094	8,029	31,352,123	998,411
Receivables - Net of Allowances				
Accounts	1,232,064	275,343	1,507,407	—
Accrued Interest	239,077	—	239,077	2,648
Prepays	8,855,885	—	8,855,885	—
Total Current Assets	41,671,120	283,372	41,954,492	1,001,059
Noncurrent Assets				
Capital Assets				
Nondepreciable	9,368,114	—	9,368,114	—
Depreciable	61,045,182	—	61,045,182	—
Accumulated Depreciation	(34,560,329)	—	(34,560,329)	—
Total Noncurrent Assets	35,852,967	—	35,852,967	—
Total Assets	77,524,087	283,372	77,807,459	1,001,059
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Items - IMRF	192,170	—	192,170	—
Deferred Items - ARO	348,001	—	348,001	—
Total Deferred Outflows of Resources	540,171	—	540,171	—
Total Assets and Deferred				
Outflows of Resources	78,064,258	283,372	78,347,630	1,001,059

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

	Business-Type Activities			Governmental Activities
	Water	Refuse	Totals	Internal Service Employee Insurance
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 348,352	135,457	483,809	—
Accrued Payroll	20,450	—	20,450	—
Deposits Payable	6,338	—	6,338	—
Accrued Interest Payable	968,973	—	968,973	—
Other Payables	101,849	—	101,849	—
Current Portion of Long-Term Debt	718,157	—	718,157	—
Total Current Liabilities	2,164,119	135,457	2,299,576	—
Long-Term Liabilities				
Compensated Absences Payable	118,912	—	118,912	—
Net Pension Liability - IMRF	201,934	—	201,934	—
Total OPEB Liability - RBP	382,799	—	382,799	—
General Obligation Bonds Payable - Net	10,291,743	—	10,291,743	—
IEPA Loans Payable	2,712,523	—	2,712,523	—
Debt Certificates Payable	42,000,000	—	42,000,000	—
Asset Retirement Obligation	535,000	—	535,000	—
Total Long-Term Liabilities	56,242,911	—	56,242,911	—
Total Liabilities	58,407,030	135,457	58,542,487	—
DEFERRED INFLOWS OF RESOURCES				
Deferred Items - IMRF	1,129	—	1,129	—
Total Liabilities and Deferred Inflows of Resources	58,408,159	135,457	58,543,616	—
NET POSITION				
Net Investment in Capital Assets	7,444,218	—	7,444,218	—
Unrestricted	12,211,881	147,915	12,359,796	1,001,059
Total Net Position	19,656,099	147,915	19,804,014	1,001,059

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

VILLAGE OF MONTGOMERY, ILLINOIS

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

	Business-Type Activities			Governmental Activities
	Water	Refuse	Totals	Internal Service Employee Insurance
Operating Revenues				
Charges for Services	\$ 7,139,517	1,611,708	8,751,225	—
Interfund Services	—	—	—	1,461,407
Total Operating Revenues	7,139,517	1,611,708	8,751,225	1,461,407
Operating Expenses				
Operations	5,763,602	1,587,318	7,350,920	1,411,069
Depreciation and Amortization	2,246,621	—	2,246,621	—
Total Operating Expenses	8,010,223	1,587,318	9,597,541	1,411,069
Operating Income (Loss)	(870,706)	24,390	(846,316)	50,338
Nonoperating Revenues (Expenses)				
Investment Income	362,058	1,259	363,317	33,488
Refunds and Reimbursements from Others	126,777	—	126,777	—
Interest Expense	(1,586,715)	—	(1,586,715)	—
	(1,097,880)	1,259	(1,096,621)	33,488
Income (Loss) Before Transfers	(1,968,586)	25,649	(1,942,937)	83,826
Transfers In	277,756	—	277,756	—
Change in Net Position	(1,690,830)	25,649	(1,665,181)	83,826
Net Position - Beginning	21,346,929	122,266	21,469,195	917,233
Net Position - Ending	19,656,099	147,915	19,804,014	1,001,059

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

VILLAGE OF MONTGOMERY, ILLINOIS

Statement of Cash Flows - Proprietary Funds For the Fiscal Year Ended April 30, 2025

	Business-Type Activities			Governmental Activities
	Water	Refuse	Totals	Internal Service
Cash Flows from Operating Activities				Employee Insurance
Receipts from Customers and Users	\$ (6,504,857)	1,581,147	(4,923,710)	—
Interfund Services	—	—	—	1,460,590
Payments to Employees	(1,128,515)	(1,587,318)	(2,715,833)	(1,411,069)
Payments to Suppliers	291,147	12,941	304,088	—
	(7,342,225)	6,770	(7,335,455)	49,521
Cash Flows from Noncapital Financing Activities				
Transfers In	277,756	—	277,756	—
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(6,809,304)	—	(6,809,304)	—
Issuance of Debt	44,785,000	—	44,785,000	—
Issuance of Premium on Debt	350,934	—	350,934	—
Principal Paid on Debt	(3,811,961)	—	(3,811,961)	—
Interest Paid on Debt	(1,586,715)	—	(1,586,715)	—
	32,927,954	—	32,927,954	—
Cash Flows from Investing Activities				
Investment Income	362,058	1,259	363,317	33,488
Net Change in Cash and Cash Equivalents	26,225,543	8,029	26,233,572	83,009
Cash and Cash Equivalents - Beginning	5,118,551	—	5,118,551	915,402
Cash and Cash Equivalents - Ending	31,344,094	8,029	31,352,123	998,411
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	(870,706)	24,390	(846,316)	50,338
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in)				
Operating Activities				
Depreciation and Amortization	2,246,621	—	2,246,621	—
Other Income	126,777	—	126,777	—
(Increase) Decrease in Current Assets	(13,771,151)	(30,561)	(13,801,712)	(817)
Increase (Decrease) in Current Liabilities	4,926,234	12,941	4,939,175	—
Net Cash Provided by Operating Activities	(7,342,225)	6,770	(7,335,455)	49,521

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

VILLAGE OF MONTGOMERY, ILLINOIS

Statement of Fiduciary Net Position

April 30, 2025

	Pension Trust	
	Police Pension	Custodial
ASSETS		
Cash and Cash Equivalents	\$ 281,325	997,081
Investments		
Illinois Police Pension Investment Fund	16,167,844	—
Receivables		
Property Taxes	—	3,934
Due from Municipality	71,256	—
Total Assets	16,520,425	1,001,015
LIABILITIES		
Accounts Payable	—	—
NET POSITION		
Restricted for Pensions	16,520,425	—
Restricted for Individuals, Organizations, and Other Governments	—	1,001,015
Total Net Position	16,520,425	1,001,015

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

VILLAGE OF MONTGOMERY, ILLINOIS

Statement of Changes in Fiduciary Net Position For the Fiscal Year Ended April 30, 2025

	Pension Trust	
	Police Pension	Custodial
Additions		
Contributions - Employer	\$ 1,153,763	—
Contributions - Plan Members	373,438	—
Contributions - Other	521	—
Total Contributions	1,527,722	—
Investment Earnings		
Interest Earned	91,808	52,662
Net Change in Fair Value	1,271,952	—
	1,363,760	52,662
Less Investment Expenses	(9,929)	—
Net Investment Income	1,353,831	52,662
Property Taxes	—	3,934
Charges for Services	—	805,342
Total Additions	2,881,553	861,938
Deductions		
Administration	22,136	—
Benefits and Refunds	807,795	—
Contractual Services	—	54,292
Principal Retirement	—	866,386
Interest and Fiscal Charges	—	114,944
Total Deductions	829,931	1,035,622
Change in Fiduciary Net Position	2,051,622	(173,684)
Restricted for Individuals, Organizations, and Other Governments		
Beginning	14,468,803	1,174,699
Ending	16,520,425	1,001,015

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Montgomery, Illinois (Village) is a municipal corporation established under Illinois Compiled Statutes (ILCS) governed by an elected President and Board of Trustees.

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

REPORTING ENTITY

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

Police Pension Employees Retirement System

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

BASIS OF PRESENTATION

Government-Wide Statements

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

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

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

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, sales and use taxes, certain intergovernmental revenues, investment earnings, etc.).

The Village allocates indirect costs to other funds for personnel who perform administrative services for those funds, along with other indirect costs deemed necessary for their operations but are paid for through the General Fund.

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

Fund Financial Statements

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

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements.

A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

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

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

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

Governmental Funds

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

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

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains 20 special revenue funds. The Tax Increment Financing (TIF) District #2 Fund, a major fund, is used to account for the property taxes, collected on the incremental increase in the equalized assessed value, and restricted for expenditures incurred related to the Village's Aucutt Road TIF District.

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The Debt Service Fund is treated as a major fund and is used to accumulate monies for the Village's general obligation alternate revenue source bonds (Series 2014) for payment of the principal and interest on governmental debt (non-proprietary). Utility tax revenues are transferred from the Capital Improvement Fund to finance the annual payment requirements.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital assets (other than those financed by business-type/proprietary funds). The Village maintains four capital projects funds. The Infrastructure Improvement Fund, a major fund, is used to account for funds restricted, committed, or assigned to the acquisition, construction and improvement of governmental infrastructure capital assets (not being financed by proprietary funds) throughout the community. Activities are financed by the 1% non-home rule sales tax. The Village also maintains three nonmajor capital projects funds.

Proprietary Funds

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Proprietary Funds - Continued

Enterprise funds are required to account for operations for which a fee is charged to external users for goods or services and the activity is (a) financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges, or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains two major proprietary funds. The Water Fund is used to account for the revenues and expenses relative to the operation of the water utility. The Refuse Fund is used to account for refuse services contracted by the Village for the benefit of its citizens, but performed by a private entity. This fund is financed by fees charged to residents on their bi-monthly utility bill.

Internal service funds are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the Village on a cost-reimbursement basis. The Village maintains one internal service fund, the Employee Insurance and is used to account for the internal contributions (employer and employee) for providing group health, dental, and life insurance to Village employees.

Fiduciary Funds

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

Pension trust funds are used to account for assets held in a trustee capacity by the Village for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's police force. Financing is provided by the Village contributions, employee payroll withholdings, and investment earnings.

Custodial funds are used to account for assets held by the Village in a purely custodial capacity. The Village maintains two custodial funds. The Lakewood Creek Special Assessment Fund is used to account for the contributions from property owners and payments of principal and interest on the Special Assessment Bonds. The Cornell Special Service Area Fund is used to account for the tax collections to pay principal and interest on the Special Service Area #17 Bonds.

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

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Measurement Focus

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

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

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

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

Basis of Accounting

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

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

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

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting - Continued

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

Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Cash and Investments

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

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

Receivables

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

Interfund Receivables, Payables and Activity

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Prepays

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

Capital Assets

Capital assets are defined by the Village as assets with an initial, individual cost of more than \$10,000 for vehicles, \$25,000 for land improvements and machinery and equipment, \$50,000 for buildings and building improvements, and \$250,000 for infrastructure and an estimated useful life in excess of four years. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. Infrastructure such as streets, storm sewers and bridges 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 acquisition value on the date donated.

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

Land Improvements	10 - 20 Years
Buildings	10 - 45 Years
Equipment	4 - 30 Years
Vehicles	4 - 10 Years
Infrastructure	20 - 50 Years

Deferred Outflows/Inflows of Resources

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Compensated Absences

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

Full time employees accrue vacation between two to five weeks. Employees are eligible to accrue vacation based on their length of service with the Village. Full time employees earn 3.69 hours of sick time bi-weekly and may accrue up to 960 hours.

Upon separation of employment any unused and accrued vacation and/or sick time off is paid out to the employee.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. 's policy allows full time and part time employees to earn varying amounts of sick and vacation pay for each year employed.

Long-Term Obligations

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

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

Net Position

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

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

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

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Use of Estimates

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

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Annual budgets are adopted for all funds. Budgets are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year-end.

All departments of the Village submit budget requests to the Director of Finance so that a budget may be prepared. The budget is prepared by fund, department and division, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year and four projected years. The Village Administrator reviews the budget and recommends a budget to the Village Board.

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 budget may be amended by the governing body. Expenditures may not legally exceed budgeted appropriations at the fund level. During the current fiscal year, one budget amendment was adopted.

EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN INDIVIDUAL FUNDS

The following funds had an excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

Fund	Excess
Foxmoor Special Service Area	\$ 26,348
Tax Increment Financing District #3	682
Refuse	5,278

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

DEFICIT FUND BALANCES

The following funds had deficit fund balance as of the date of this report:

Fund	Deficit
Tax Increment Financing District #4	\$ 85,302
American Rescue Plan	649

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

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

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

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

The Illinois Trust was established for the purpose of allowing various public agencies including, but not limited to, counties, townships, cities, towns, villages, school districts, housing authorities and public water supply districts, to jointly invest funds in accordance with the Laws of the State of Illinois. Participation in the Illinois Trust is voluntary. The Illinois Trust is not registered with the SEC as an Investment Company. Investments in the Illinois Trust are valued at the share price, the price for which the investment could be sold.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Village

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$33,909,782 and the bank balances totaled \$35,154,597.

Investments. At year-end, the Village has the following investments:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasuries	\$ 22,379,972	22,379,972	—	—	—
U.S. Agency	353,174	—	353,174	—	—
Municipal Bonds	2,231,645	1,071,648	1,159,997	—	—
Corporate Bonds	239,222	239,222	—	—	—
IMET	9,926,742	9,926,742	—	—	—
IPRIME	1,115,953	1,115,953	—	—	—
Illinois Trust	63,521	63,521	—	—	—
Totals	36,310,229	34,797,058	1,513,171	—	—

The Village has the following recurring fair value measurements as of April 30, 2025:

	Total	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level				
Debt Securities				
U.S. Treasury Securities	\$ 22,379,972	—	22,379,972	—
U.S. Agency Securities	353,174	—	353,174	—
Municipal Bonds	2,231,645	—	2,231,645	—
Corporate Bonds	239,222	—	239,222	—
Total Investments Measured by Fair Value Level	25,204,013	—	25,204,013	—
Investments Measured at the Net Asset Value (NAV)				
IMET	9,926,742			
IPRIME	1,115,953			
Illinois Trust	63,521			
Total Investments at the (NAV)	11,106,216			
Total Investments Measured at Fair Value	36,310,229			

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Village - Continued

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

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a one-year period. The investment policy limits the maximum maturity length of investments to three years from the date of purchase, except if matched to anticipated cash flow requirement (e.g., bond proceeds), in which case the maximum maturity is five years.

Concentration Risk. This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy does not address concentration risk. At year-end, the Village does not have any investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village limits its exposure to credit risk by diversifying its portfolio and by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. The municipal bonds are rated AAA to BBB by Standard and Poor's, the corporate bonds are rated A+ to A- by Standard and Poor's, the U.S. Treasury Securities, U.S. Agency Securities, IMET, IPRIME and Illinois Trust are not rated.

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral with a fair value of 105% of all bank balances in excess of federal depository insurance with the collateral held by an independent third party or by the Federal Reserve and in the Village's name. At April 30, 2025, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance.

Custodial Credit Risk - Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Village's agency separate from where the investment was purchased. The Village's investments in IMET, IPRIME, and Illinois Trust are not subject to custodial credit risk.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Police Pension Fund

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

Deposits. The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$281,325 and the bank balances totaled \$281,325.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy states that all deposits in excess of FDIC insurable limits be secured by collateral in order to protect deposits from default. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

Investments. At year-end the Fund has \$16,167,844 invested in IPOPF. The pooled investments consist of the investments as noted in the target allocation table available at www.ipopif.org. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at year-end. The fund may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

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

Rate of Return

For the year ended April 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.68%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

PROPERTY TAXES

Property taxes for 2024 attach as an enforceable lien on January 1, 2020, 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 Kane and Kendall Counties and are payable in two installments, on or about June and September. Kane and Kendall Counties collect such taxes and remit them periodically.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LEASES RECEIVABLE

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

Leases	Start Date	End Date	Payments	Interest Rate
T-Mobile Central LLC	May 1, 2022	October 1, 2025	\$2,888 monthly	1.84%
T-Mobile Central LLC (Sprint)	March 1, 2025	February 1, 2030	\$4,180 monthly	3.59%
Verizon	January 1, 2023	December 1, 2027	\$3,594 monthly	1.84%
Oswegoland Park District	March 1, 2024	August 31, 2025	\$8,953 monthly	3.50%

During the fiscal year, the Village has recognized \$19,615 of lease revenue.

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

Fiscal Year	Governmental Activities	
	Principal	Interest
2026	\$ 139,341	9,855
2027	89,065	6,971
2028	77,139	4,528
2029	50,368	2,540
2030	43,375	715
	<u>399,288</u>	<u>24,609</u>

INTERFUND TRANSFERS

Interfund transfers for the fiscal year consisted of the following:

Transfer In	Transfer Out	Amount
Debt Service	Nonmajor Governmental	\$ 1,215,250 (2)
Nonmajor Governmental	General	1,350,000 (1)
Water	Nonmajor Governmental	<u>277,756 (3)</u>
		<u>2,843,006</u>

Transfers are used to (1) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, and (3) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND BALANCES

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages or result from the time lag between when transactions are recorded in the accounting system and payments between funds are made. The composition of interfund balances as of the date of this report, is as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	\$ 77,615
Capital Improvement	General	1,350,000
Police Pension	General	71,256
		<u>1,498,871</u>

CAPITAL ASSETS

Governmental Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 10,547,141	205,178	—	10,752,319
Land Right of Way	8,056,400	—	—	8,056,400
Construction in Progress	19,018,044	162,122	18,343,901	836,265
	<u>37,621,585</u>	<u>367,300</u>	<u>18,343,901</u>	<u>19,644,984</u>
Depreciable Capital Assets				
Land Improvements	—	1,100,160	—	1,100,160
Buildings	22,310,653	17,636,297	—	39,946,950
Equipment	1,040,344	426,133	—	1,466,477
Vehicles	6,043,085	293,304	266,772	6,069,617
Infrastructure	34,634,056	—	—	34,634,056
	<u>64,028,138</u>	<u>19,455,894</u>	<u>266,772</u>	<u>83,217,260</u>
Less Accumulated Depreciation				
Land Improvements	—	55,508	—	55,508
Buildings	18,188,370	1,987,516	—	20,175,886
Equipment	664,986	86,219	—	751,205
Vehicles	3,020,482	559,417	266,772	3,313,127
Infrastructure	20,160,522	1,373,693	—	21,534,215
	<u>42,034,360</u>	<u>4,062,353</u>	<u>266,772</u>	<u>45,829,941</u>
Total Net Depreciable Capital Assets	<u>21,993,778</u>	<u>15,393,541</u>	<u>—</u>	<u>37,387,319</u>
Total Net Capital Assets	<u>59,615,363</u>	<u>15,760,841</u>	<u>18,343,901</u>	<u>57,032,303</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Governmental Activities - Continued

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 707,589
Public Safety	768,217
Highways and Streets	<u>2,586,547</u>
	<u>4,062,353</u>

Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 16,533	—	—	16,533
Construction in Progress	7,866,667	6,487,763	5,002,849	9,351,581
	<u>7,883,200</u>	<u>6,487,763</u>	<u>5,002,849</u>	<u>9,368,114</u>
Depreciable Capital Assets				
Equipment	84,062	—	—	84,062
Infrastructure	55,636,730	5,324,390	—	60,961,120
	<u>55,720,792</u>	<u>5,324,390</u>	<u>—</u>	<u>61,045,182</u>
Less Accumulated Depreciation				
Equipment	84,062	—	—	84,062
Infrastructure	32,233,857	2,242,410	—	34,476,267
	<u>32,317,919</u>	<u>2,242,410</u>	<u>—</u>	<u>34,560,329</u>
Total Net Depreciable Capital Assets	<u>23,402,873</u>	<u>3,081,980</u>	<u>—</u>	<u>26,484,853</u>
Total Net Capital Assets	<u>31,286,073</u>	<u>9,569,743</u>	<u>5,002,849</u>	<u>35,852,967</u>

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

Water	<u>\$ 2,242,410</u>
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VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$4,590,000 General Obligation Alternate Revenue Source Bonds of 2013, due in annual installments of \$120,000 to \$280,000 plus interest at 3.00% to 4.00% through December 1, 2038.	Water	\$ 3,220,000	—	3,060,000 * 160,000	—
\$3,335,000 Taxable General Obligation Alternate Revenue Source Refunding Bonds of 2014, due in annual installments of \$630,000 to \$710,000 plus interest at 3.00% to 3.50% through December 1, 2024.	Debt Service	710,000	—	710,000	—
\$3,370,000 General Obligation Alternate Revenue Source Bonds of 2017, due in annual installments of \$135,000 to \$235,000 plus interest at 3.00% to 4.00% through December 1, 2037.	Water	2,660,000	—	155,000	2,505,000
\$16,240,000 General Obligation Alternate Revenue Source Bonds of 2021, due in annual installments of \$760,000 to \$1,210,000 plus interest at 2.00% to 5.00% through December 1, 2040.	Debt Service	16,240,000	—	—	16,240,000
\$4,835,000 General Obligation Alternate Revenue Source Bonds of 2023, due in annual installments of \$340,000 to \$555,000 plus interest at 4.75% to 5.00% through December 30, 2048.	Water	4,835,000	—	—	4,835,000
\$6,935,000 General Obligation Alternate Revenue Source Bonds of 2024A, due in annual installments of \$320,000 to \$680,000 plus interest at 4.00% through December 30, 2037.	TIF #2	—	6,935,000	—	6,935,000
\$2,785,000 General Obligation Alternate Revenue Source Bonds of 2024B, due in annual installments of \$105,000 to \$275,000 plus interest at 5.00% through December 30, 2038.	Water	—	2,785,000	—	2,785,000
		27,665,000	9,720,000	4,085,000	33,300,000

*Refunded

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

IEPA Loans Payable

The Village has entered into an agreement with the IEPA to provide low interest financing for improvements to the sewer treatment plant, water treatment plant and the distribution system. IEPA revenue bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
IEPA Loan Payable of 2011, due in semi-annual installments of \$125,440 plus interest of 1.25% through April 19, 2032.	Water	\$ 1,904,297	—	227,786	1,676,511
IEPA Loan Payable of 2014 due in semi-annual installments of \$77,226 plus interest of 1.995% through December 1, 2034.	Water	1,518,700	—	124,772	1,393,928
		3,422,997	—	352,558	3,070,439

Debt Certificates

The Village issues debt certificates to provide funds for the acquisition and construction of major capital asset facilities. Debt certificates have been issued for business-type activities. Debt certificates issued for business-type activities are reported in the proprietary funds as they are expected to be repaid from proprietary revenues. Debt certificates currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$12,500,000 Debt Certificates, Series 2024, due in one plus interest at 4.87% through May 1, 2026.	Water	\$ —	12,500,000	—	12,500,000
\$29,500,000 Debt Certificates, Series 2025 due in annual installments of \$6,850,000 to \$7,900,000 plus interest at 4.48% through December 30, 2029	Water	—	29,500,000	—	29,500,000
		—	42,000,000	—	42,000,000

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Special Service Area Bonds

During fiscal year ended April 30, 2006, the Village issued \$275,000 Special Service Area No. 17 Bonds. The bonds are payable solely from the special service area taxes levied upon the properties located in the special service areas and do not constitute an indebtedness of the Village. The Village is acting solely as paying agent in collecting the taxes and remitting them to the bond holders. Accordingly, these bonds are not reported as a liability in the Village's financial statements. As of April 30, 2025, \$7,302 of the Special Service Area No. 17 bonds are outstanding.

Special Assessment Bonds

During fiscal year ended April 30, 2019, the Village refunded \$9,901,000 of special assessment bonds. These bonds are not an obligation of the Village and are secured by the levy of special assessments on the real property within the special assessment area. The Village is in no way liable for repayment, but is acting solely as agent for the property owners in levying and collecting the assessments and forwarding the collections to bondholders. As of April 30, 2025, \$2,788,142 of the special assessment bonds are outstanding.

Asset Retirement Obligation

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells and at the end of their estimated useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells range from 1 to 47 years.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liabilities Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 1,009,792	208,547	—	1,218,339	121,834
Net Pension Liability - IMRF	614,710	195,039	—	809,749	—
Net Pension Liability - Police Pension	8,096,786	351,415	—	8,448,201	—
Total OPEB Liability - RBP	3,884,767	—	563,003	3,321,764	151,296
General Obligation Bonds Payable	16,950,000	6,935,000	710,000	23,175,000	1,080,000
Plus: Unamortized Premium	1,219,934	419,016	146,612	1,492,338	79,183
	<u>31,775,989</u>	<u>8,109,017</u>	<u>1,419,615</u>	<u>38,465,391</u>	<u>1,432,313</u>
Business-Type Activities					
Compensated Absences	116,226	15,898	—	132,124	13,212
Net Pension Liability - IMRF	186,694	15,240	—	201,934	—
Total OPEB Liability - RBP	465,704	—	64,644	401,060	18,261
General Obligation Bonds Payable	10,715,000	2,785,000	3,375,000	10,125,000	265,000
Plus: Unamortized Premium	228,980	350,934	84,403	495,511	63,768
IEPA Loans Payable	3,422,997	—	352,558	3,070,439	357,916
Debt Certificates	—	42,000,000	—	42,000,000	—
Asset Retirement Obligation	535,000	—	—	535,000	—
	<u>15,670,601</u>	<u>45,167,072</u>	<u>3,876,605</u>	<u>56,961,068</u>	<u>718,157</u>

For governmental activities, the General Fund makes payments on the net pension liabilities and the total OPEB liability. The Debt Service Fund makes payments on the general obligation bonds payable.

For the business-type activities the net pension liability, the total OPEB liability, the general obligation bonds payable, the IEPA loans payable, the debt certificates payable, and the asset retirement obligation are being liquidated by the Water Fund.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

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

Fiscal Year	Governmental Activities		Business-Type Activities					
	General Obligation		General Obligation		IEPA		Debt Certificates	
	Bonds Payable		Bonds Payable		Loans Payable		Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 1,080,000	829,282	265,000	500,223	357,916	47,416	—	1,938,232
2027	1,235,000	706,050	315,000	453,813	363,360	41,972	19,350,000	1,625,975
2028	1,300,000	648,700	330,000	441,363	368,891	36,441	7,200,000	1,014,720
2029	1,350,000	588,300	345,000	428,263	374,511	30,821	7,550,000	692,160
2030	1,415,000	525,550	355,000	414,513	380,221	25,111	7,900,000	353,920
2031	1,480,000	459,750	370,000	400,363	386,024	19,308	—	—
2032	1,545,000	390,900	380,000	385,563	391,921	13,410	—	—
2033	1,585,000	349,300	395,000	370,363	146,248	8,204	—	—
2034	1,635,000	306,500	415,000	354,025	149,180	5,272	—	—
2035	1,680,000	262,200	435,000	336,775	152,167	2,286	—	—
2036	1,720,000	216,500	445,000	317,125	—	—	—	—
2037	1,770,000	169,600	470,000	297,025	—	—	—	—
2038	1,820,000	121,200	495,000	275,775	—	—	—	—
2039	1,165,000	71,200	615,000	253,375	—	—	—	—
2040	1,185,000	47,900	360,000	222,625	—	—	—	—
2041	1,210,000	24,200	375,000	204,625	—	—	—	—
2042	—	—	395,000	185,875	—	—	—	—
2043	—	—	415,000	166,125	—	—	—	—
2044	—	—	435,000	146,412	—	—	—	—
2045	—	—	455,000	125,750	—	—	—	—
2046	—	—	480,000	103,000	—	—	—	—
2047	—	—	500,000	79,000	—	—	—	—
2048	—	—	525,000	54,000	—	—	—	—
2049	—	—	555,000	27,750	—	—	—	—
Totals	23,175,000	5,717,132	10,125,000	6,543,726	3,070,439	230,241	42,000,000	5,625,007

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Pledged Revenues

The General Obligation Alternate Revenue Source Bonds of 2013, issued for various water system improvements, are payable from a pledge of the Village's water operations revenue and have no remaining pledge as these were refunded in the current year. During the current fiscal year, the pledge of water revenues of \$288,800 was approximately 4.06% of total water operating revenues.

The Taxable General Obligation Alternate Revenue Refunding Bonds of 2014, issued to refund a portion of the General Obligation Alternate Revenue Source Bonds of 2010, are payable from a pledge of sales tax, telecommunication and use tax, and have no remaining pledge as these were paid off in the current year. During the current fiscal year, the pledge of sales tax, use tax and telecommunication tax of \$734,850 was approximately 9.32% of total sales, telecommunication and use tax.

The General Obligation Alternate Revenue Source Bonds of 2017, issued for various water system improvements, are payable from a pledge of the Village's water operations revenue, with a remaining total pledge of \$3,175,004, with the bonds maturing December 1, 2037. During the current fiscal year, the pledge of water revenues of \$244,138 was approximately 3.43% of total water operating revenues.

The General Obligation Alternate Revenue Source Refunding Bonds of 2021, issued to refund the General Obligation Alternate Revenue Source Bonds of 2011, are payable from a pledge of sales tax, telecommunication and use tax, with a remaining total pledge of \$19,764,100 with the bonds maturing December 1, 2041. During the current fiscal year, the pledge of sales tax, use tax and telecommunication tax of \$479,450 was approximately 6.08% of total sales, telecommunication and use tax.

The General Obligation Alternate Revenue Source Bonds of 2023, issued for various water system improvements, are payable from a pledge of the Village's water operations revenue and income tax, with a remaining total pledge of \$9,504,912 with the bonds maturing December 30, 2048. During the current fiscal year, the pledge of water revenues and income tax of \$282,891 was approximately 2.64% of total water operations and income tax.

The General Obligation Alternate Revenue Source Bonds of 2024A, issued for various redevelopments projects, are payable from a pledge of the property taxes, with a remaining pledge of \$9,128,032, with the bonds maturing December 30, 2037. During the current fiscal year, the pledge of property taxes was not required.

The General Obligation Alternate Revenue Source Bonds of 2024B, issued to refund the General Obligation Alternate Revenue Source Bonds of 2013, are payable from a pledge of water operations revenue, with a remaining pledge of \$3,989,610, with the bonds maturing December 30, 2038. During the current fiscal year, the pledge of water operations revenue was not required.

Legal Debt Margin

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Legal Debt Margin - Continued

Assessed Valuation - 2023	\$ 771,229,310
Legal Debt Limit - 8.625% of Assessed Value	<u>66,518,528</u>
Amount of Debt Applicable to Limit	
General Obligation ARS Bonds of 2017	2,505,000
Taxable General Obligation ARS Refunding Bonds of 2021	16,240,000
Taxable General Obligation ARS Bonds of 2023	4,835,000
Taxable General Obligation ARS Bonds of 2024A	6,935,000
Taxable General Obligation ARS Refunding Bonds of 2024B	2,785,000
Less: Alternate Revenue Source Bonds	<u>(33,300,000)</u>
Total Applicable Debt	<u>—</u>
Legal Debt Margin	<u><u>66,518,528</u></u>

Defeased Debt

On September 26, 2024, the Village issued \$2,785,000 par value Alternative Revenue Refunding Bond, Series of 2024B to refund \$3,060,000 of the Alternate Revenue Bond Series of 2013. The Village defeased bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payment of the old bonds. Since the requirements that normally satisfy defeasance have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's basic financial statements. Through this refunding, the Village reduced its total debt service by \$120,740 and obtained an economic gain of \$63,956.

FUND BALANCE CLASSIFICATIONS

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

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

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

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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

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

Minimum Fund Balance Policy. The Village's will strive to maintain a minimum unrestricted fund balance in the General Fund to fund operations for a period of at least three months (Cash Flow Commitment). The Cash Flow Commitment in the General Fund is adjusted with the adoption of the annual budget and is calculated as three months (25%) of current year expenditures.

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

		<u>Special Revenue</u>		<u>Capital Projects</u>		
		Tax Increment				
	General	Financing District #2	Debt Service	Infrastructure Improvement	Nonmajor	Totals
Fund Balances						
Nonspendable						
Prepays	\$ 547,565	—	—	—	—	547,565
Restricted						
Public Safety	—	—	—	—	11,060	11,060
Highways and Streets	—	—	—	—	1,966,800	1,966,800
Subdivision Maintenance	—	—	—	—	1,007,613	1,007,613
Subdivision Improvements	—	11,738,720	—	—	418,342	12,157,062
Capital Projects	—	—	—	—	—	—
Debt Service	—	—	40,429	—	—	40,429
	—	11,738,720	40,429	—	3,403,815	15,182,964
Assigned						
Economic Development	—	—	—	—	1,770,768	1,770,768
Capital	—	—	—	5,484,766	10,950,951	16,435,717
	—	—	—	5,484,766	12,721,719	18,206,485
Unassigned	5,368,303	—	—	—	(85,951)	5,282,352
Total Fund Balances	5,915,868	11,738,720	40,429	5,484,766	16,039,583	39,219,366

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATIONS

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

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 57,032,303
Plus: Unspent Bond Proceeds	7,254,766
Less Capital Related Debt:	
General Obligation ARS Refunding Bonds of 2021	(16,240,000)
General Obligation ARS Bonds of 2024A	(6,935,000)
Unamortized Premium	(1,492,338)
Capital Related Accounts Payable	<u>(1,548,260)</u>
Net Investment in Capital Assets	<u>38,071,471</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	35,852,967
Plus: Unspent Bond Proceeds	27,282,201
Less Capital Related Debt:	
General Obligation ARS Bonds of 2017	(2,505,000)
General Obligation ARS Bonds of 2023	(4,835,000)
General Obligation ARS Refunding Bond of 2024B	(2,785,000)
IEPA Loan Payable of 2011	(1,676,511)
IEPA Loan Payable of 2014	(1,393,928)
2024 Debt Certificates	(12,500,000)
2025 Debt Certificates	(29,500,000)
Unamortized Premium	<u>(495,511)</u>
Net Investment in Capital Assets	<u>7,444,218</u>

NOTES RECEIVABLE

Montgomery Development

The Montgomery Development Fund (MDF) accounts for the Village's loan program established to provide financial support to new or expanding business in the Village; encourage economic development by supporting projects that create or retain jobs; encourage area financial institutions to work with the Village and to utilize MDF programs to better serve its customers; and support projects and investments that protect and expand the tax base. The MDF consists of three programs:

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NOTES RECEIVABLE - Continued

Montgomery Development - Continued

- The Forgivable Loan Program will be capitalized by approximately \$500,000 and is focused on retail and commercial businesses. Businesses will be required to continue operating in the Village for at least three (3) years from the date of project approval to receive forgiveness of the loan. The maximum forgivable loan is \$400,000. Activities that could be funded through this program include façade or streetscape improvements such as painting; window or door repairs or replacement; restoration of historic or architectural details; signage; and landscaping. No new forgivable loans were approved during fiscal year 2025. The outstanding balance of these loans as of April 30, 2025 was \$486,210 and the entire amount has been forgiven.
- The Low Interest Loan Program will be capitalized with approximately \$1,000,000 and can be used for retail, commercial, industrial, and manufacturing or distribution center projects. The interest rate will be fixed for the term of the loan and may vary as a function of the amount, equity, security and purpose of the loan. Activities that could be funded through this program include acquisition of land, buildings, machinery, or equipment; site preparation including clearance, demolition, removal of buildings and improvements; construction or rehabilitation of commercial or industrial buildings, as well as the necessary infrastructure improvements. The outstanding balance of this loan as of April 30, 2025 is \$36,906.

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses to employees; and natural disasters. To insure against the losses, the Village participates in the Municipal Insurance Cooperative Agency (MICA), a public entity risk pool with transfers of risk. The Village pays an annual premium to MICA for its coverage. The Village is not aware of any additional premiums owed to MICA as of April 30, 2025, for the current or prior claim years.

Intergovernmental Personnel Benefit Cooperative (IPBC)

Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years experience factor for premiums.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 4 - OTHER INFORMATION - Continued

CONTINGENT LIABILITIES

Litigation

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

Grants

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

COMMITMENTS

Economic Incentive

The Village has entered into economic development agreements with various companies in Montgomery to provide sales tax rebates. The agreements require the Village to rebate to the companies' different levels of additional sales tax generated by the facilities. The total expenditures paid during the year ended April 30, 2025 were \$1,308,804, and the total cumulative expenditures incurred to date in rebates of current development agreements was \$11,432,561.

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

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

The aggregate amounts recognized for the pension plans are:

	Pension Expense	Net Pension Liability	Deferred Outflows	Deferred Inflows
IMRF	\$ 811,967	1,011,683	962,769	5,658
Police Pension	1,264,541	8,448,201	2,606,212	1,537,348
	2,076,508	9,459,884	3,568,981	1,543,006

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

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

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

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

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

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

Inactive Plan Members Currently Receiving Benefits	54
Inactive Plan Members Entitled to but not yet Receiving Benefits	65
Active Plan Members	<u>47</u>
Total	<u><u>166</u></u>

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the fiscal year-ended April 30, 2025, the Village's contribution was 5.99% of covered payroll.

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

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

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

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

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

Discount Rate

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

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 3,249,433	1,011,683	(722,398)

VILLAGE OF MONTGOMERY, ILLINOIS**Notes to the Financial Statements****April 30, 2025****NOTE 4 - OTHER INFORMATION - Continued****EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued****Illinois Municipal Retirement Fund (IMRF) - Continued****Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2023	\$ 18,035,683	17,234,279	801,404
Changes for the Year:			
Service Cost	302,014	—	302,014
Interest on the Total Pension Liability	1,287,202	—	1,287,202
Difference Between Expected and Actual Experience of the Total Pension Liability	445,271	—	445,271
Changes of Assumptions	—	—	—
Contributions - Employer	—	217,520	(217,520)
Contributions - Employees	—	167,596	(167,596)
Net Investment Income	—	1,702,617	(1,702,617)
Benefit Payments, Including Refunds of Employee Contributions	(864,362)	(864,362)	—
Other (Net Transfer)	—	(263,525)	263,525
Net Changes	1,170,125	959,846	210,279
Balances at December 31, 2024	19,205,808	18,194,125	1,011,683

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the fiscal year ended April 30, 2025, the Village recognized pension expense of \$811,967. At April 30, 2025, the Village reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 489,824	—	489,824
Change in Assumptions	—	(5,658)	(5,658)
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	382,782	—	382,782
Total Pension Expense to be Recognized in Future Periods	872,606	(5,658)	866,948
Pension Contributions Made			
Subsequent to the Measurement Date	90,163	—	90,163
Total Deferred Amounts Related to IMRF	962,769	(5,658)	957,111

\$90,163 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2026. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2026	\$ 457,869
2027	688,285
2028	(183,193)
2029	(96,013)
2030	—
Thereafter	—
Totals	866,948

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan

Plan Descriptions

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

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

Inactive Plan Members Currently Receiving Benefits	11
Inactive Plan Members Entitled to but not yet Receiving Benefits	6
Active Plan Members	<u>33</u>
Total	<u><u>50</u></u>

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

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

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

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Plan Descriptions - Continued

Contributions. Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the fiscal year-ended April 30, 2025, the Village's contribution was 30.63% of covered payroll.

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

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2025, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.00%
Salary Increases	3.25%
Cost of Living Adjustments	2.25%
Inflation	2.50%

Mortality rates were based on Pub-2010 adjusted for plan status, demographics, and Illinois Public Pension Data, as Described.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%, same as in the prior year. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Discount Rate Sensitivity

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	\$ 12,272,311	8,448,201	5,345,459

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2024	\$ 22,565,589	14,468,803	8,096,786
Changes for the Year:			
Service Cost	843,820	—	843,820
Interest on the Total Pension Liability	1,551,318	—	1,551,318
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	94,480	—	94,480
Changes of Assumptions	721,214	—	721,214
Contributions - Employer	—	1,154,284	(1,154,284)
Contributions - Employees	—	373,438	(373,438)
Net Investment Income	—	1,353,831	(1,353,831)
Benefit Payments, Including Refunds of Employee Contributions	(807,795)	(807,795)	—
Other (Net Transfer)	—	(22,136)	22,136
Net Changes	2,403,037	2,051,622	351,415
Balances at April 30, 2025	24,968,626	16,520,425	8,448,201

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

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

For the fiscal year ended April 30, 2025, the Village recognized pension expense of \$1,264,541. At April 30, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 687,923	(1,475,932)	(788,009)
Change in Assumptions	1,667,782	(61,416)	1,606,366
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	250,507	—	250,507
Total Deferred Amounts Related to Police Pension	2,606,212	(1,537,348)	1,068,864

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2026	\$ 567,918
2027	97,463
2028	(45,313)
2029	37,037
2030	65,190
Thereafter	346,569
Total	1,068,864

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

Benefits Provided. RBP provides healthcare, dental and vision insurance benefits for retirees and their dependents. Retirees are responsible for the full cost of coverage, except qualified PEDA or PSEBA employees, in which the Village is 100% responsible. Coverage ends once the retiree becomes eligible for Medicare for healthcare and when the retiree stops paying for dental and vision.

Plan Membership. As of May 1, 2024, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	11
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>77</u>
Total	<u>88</u>

Total OPEB Liability

The Village's total OPEB liability was measured as of April 30, 2025, and was determined by an actuarial valuation as of May 1, 2024.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the May 1, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.50%
Salary Increases	3.00%
Discount Rate	5.24%
Healthcare Cost Trend Rates	PPO 7.58% Decreasing to an Ultimate Rate of 5.00% for 2035 and Later Years; HMO 7.49% Decreasing to an Ultimate Rate of 5.00% for 2035 and Later Years
Retirees' Share of Benefit-Related Costs	100% of Projected Health Insurance Premiums for Retirees

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

Mortality rates were based on the PubG-2010(B) improved generationally using MP-2021 Improvement Rates; as well as the PUBS-2010(A) study improved to 2021 using MP-2021 Improvement rates.

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at April 30, 2024	<u>\$ 4,350,471</u>
Changes for the Year:	
Service Cost	172,168
Interest on the Total OPEB Liability	173,613
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	(467,782)
Changes of Assumptions or Other Inputs	(336,089)
Benefit Payments	<u>(169,557)</u>
Net Changes	<u>(627,647)</u>
Balance at April 30, 2025	<u><u>3,722,824</u></u>

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

The discount rate used to measure the total pension liability was 5.24%, while the prior valuation used 4.07%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (4.24%)	Current Discount Rate (5.24%)	1% Increase (6.24%)
Total OPEB Liability	\$ 4,215,643	3,722,824	3,314,866

VILLAGE OF MONTGOMERY, ILLINOIS

Notes to the Financial Statements

April 30, 2025

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

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

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

		Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
	1% Decrease (Varies)		
Total OPEB Liability	\$ 3,262,111	3,722,824	4,285,004

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

Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as expense, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB. For the fiscal year ended April 30, 2025, the Village recognized OPEB revenue of \$458,090.

SUBSEQUENT EVENTS

On July 25, 2025, the Village entered into a thirty-year loan agreement with the Illinois Environmental Protection Agency in the amount of \$20,315,182 at 1.40% interest. The first payment is due on December 26, 2026 with a maturity date of June 26, 2056.

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule Employer Contributions
Illinois Municipal Retirement Fund
Police Pension Fund - Last Ten Fiscal Years
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
Illinois Municipal Retirement Fund
Police Pension Fund - Last Ten Fiscal Years
- Schedule of Investment Returns
Police Pension Fund - Last Ten Fiscal Years
- Schedule of Changes in the Employer's Total OPEB Liability
Retiree Benefit Plan
- Budgetary Comparison Schedules
General Fund
Major Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information - Budgets are adopted on a basis consistent with generally accepted accounting principles.

VILLAGE OF MONTGOMERY, ILLINOIS

Illinois Municipal Retirement Fund Schedule of Employer Contributions April 30, 2025

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 298,271	\$ 298,271	\$ —	\$ 2,242,641	13.30%
2017	299,313	299,313	—	2,218,784	13.49%
2018	278,172	278,172	—	2,404,142	11.57%
2019	234,160	245,804	11,644	2,274,274	10.81%
2020	251,155	251,155	—	2,388,962	10.51%
2021	278,822	278,822	—	2,788,608	10.00%
2022	238,104	238,104	—	2,875,169	8.28%
2023	209,371	209,371	—	3,065,407	6.83%
2024	208,398	208,398	—	3,495,576	5.96%
2025	233,460	233,460	—	3,898,232	5.99%

Notes to the Required Supplementary Information:

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

VILLAGE OF MONTGOMERY, ILLINOIS

Police Pension Fund

Schedule of Employer Contributions - Last Ten Fiscal Years

April 30, 2025

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 436,387	\$ 452,282	\$ 15,895	\$ 1,951,463	23.18%
2017	520,987	520,987	—	2,070,191	25.17%
2018	530,247	580,602	50,355	2,226,229	26.08%
2019	594,049	557,590	(36,459)	2,376,298	23.46%
2020	661,733	636,733	(25,000)	2,680,466	23.75%
2021	850,278	850,278	—	2,889,254	29.43%
2022	856,162	856,162	—	3,046,217	28.11%
2023	891,330	891,330	—	3,152,916	28.27%
2024	926,720	926,720	—	3,413,186	27.15%
2025	1,154,284	1,154,284	—	3,768,295	30.63%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	16 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Salary Increases	3.25%
Investment Rate of Return	7.00%
Retirement Age	See the Notes to the Financial Statements
Mortality	PubS-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described.

VILLAGE OF MONTGOMERY, ILLINOIS

Illinois Municipal Retirement Fund

Schedule of Changes in the Employer's Net Pension Liability/(Asset)

April 30, 2025

See Following Page

VILLAGE OF MONTGOMERY, ILLINOIS

Illinois Municipal Retirement Fund

Schedule of Changes in the Employer's Net Pension Liability/(Asset)

April 30, 2025

	12/31/2016	12/31/2017	12/31/2018
Total Pension Liability			
Service Cost	\$ 242,720	232,978	229,595
Interest	917,636	949,180	960,197
Differences Between Expected and Actual Experience	(233,085)	(91,234)	132,196
Change of Assumptions	(33,076)	(390,097)	387,680
Benefit Payments, Including Refunds of Member Contributions	(493,110)	(509,785)	(594,711)
Net Change in Total Pension Liability	401,085	191,042	1,114,957
Total Pension Liability - Beginning	12,393,053	12,794,138	12,985,180
Total Pension Liability - Ending	12,794,138	12,985,180	14,100,137
Plan Fiduciary Net Position			
Contributions - Employer	\$ 299,313	271,330	260,328
Contributions - Members	99,846	103,737	104,971
Net Investment Income	718,169	1,936,009	(659,593)
Benefit Payments, Including Refunds of Member Contributions	(493,110)	(509,785)	(594,711)
Other (Net Transfer)	104,625	(158,186)	226,689
Net Change in Plan Fiduciary Net Position	728,843	1,643,105	(662,316)
Plan Net Position - Beginning	10,457,529	11,186,372	12,829,477
Plan Net Position - Ending	11,186,372	12,829,477	12,167,161
Employer's Net Pension Liability/(Asset)	\$ 1,607,766	155,703	1,932,976
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.43%	98.80%	86.29%
Covered Payroll	\$ 2,218,784	2,305,270	2,332,691
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	72.46%	6.75%	82.86%

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2016 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017 and 2023.

12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024
216,197	242,225	253,148	261,407	274,359	302,014
997,777	1,025,787	1,079,206	1,155,324	1,214,189	1,287,202
(32,006)	323,985	493,103	212,963	372,588	445,271
—	(119,988)	—	—	(13,410)	—
(891,581)	(725,693)	(755,591)	(803,848)	(844,595)	(864,362)
290,387	746,316	1,069,866	825,846	1,003,131	1,170,125
14,100,137	14,390,524	15,136,840	16,206,706	17,032,552	18,035,683
14,390,524	15,136,840	16,206,706	17,032,552	18,035,683	19,205,808
235,164	277,716	253,331	217,382	202,822	217,520
106,016	113,519	127,945	134,003	152,871	167,596
2,281,458	2,010,237	2,698,334	(2,275,017)	1,716,539	1,702,617
(891,581)	(725,693)	(755,591)	(803,848)	(844,595)	(864,362)
156,785	143,096	20,950	70,948	444,327	(263,525)
1,887,842	1,818,875	2,344,969	(2,656,532)	1,671,964	959,846
12,167,161	14,055,003	15,873,878	18,218,847	15,562,315	17,234,279
14,055,003	15,873,878	18,218,847	15,562,315	17,234,279	18,194,125
335,521	(737,038)	(2,012,141)	1,470,237	801,404	1,011,683
97.67%	104.87%	112.42%	91.37%	95.56%	94.73%
2,355,898	2,522,632	2,843,218	2,977,828	3,314,097	3,750,346
14.24%	(29.22%)	(70.77%)	49.37%	24.18%	26.98%

VILLAGE OF MONTGOMERY, ILLINOIS

Police Pension Fund

Schedule of Changes in the Employer's Net Pension Liability - Last Ten Fiscal Years

April 30, 2025

	4/30/2016	4/30/2017	4/30/2018
Total Pension Liability			
Service Cost	\$ 400,101	426,069	460,254
Interest	837,341	1,000,049	1,026,665
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	(589,343)	(874,635)	429,887
Change of Assumptions	2,189,746	370,109	—
Benefit Payments, Including Refunds of Member Contributions	(481,164)	(545,717)	(537,009)
Administrative Expense	—	—	—
Net Change in Total Pension Liability	2,356,681	375,875	1,379,797
Total Pension Liability - Beginning	12,202,590	14,559,271	14,935,146
Total Pension Liability - Ending	14,559,271	14,935,146	16,314,943
Plan Fiduciary Net Position			
Contributions - Employer	\$ 452,282	520,987	580,602
Contributions - Members	216,533	205,654	223,418
Net Investment Income	(25,628)	593,998	466,740
Benefit Payments, Including Refunds of Member Contributions	(481,164)	(545,717)	(537,009)
Administrative Expenses	(18,226)	(10,627)	(11,237)
Net Change in Plan Fiduciary Net Position	143,797	764,295	722,514
Plan Net Position - Beginning	8,206,596	8,350,393	9,114,688
Plan Net Position - Ending	8,350,393	9,114,688	9,837,202
Employer's Net Pension Liability	\$ 6,208,878	5,820,458	6,477,741
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	57.35%	61.03%	60.30%
Covered Payroll	\$ 1,951,463	2,070,191	2,226,229
Employer's Net Pension Liability as a Percentage of Covered Payroll	318.17%	281.16%	290.97%

4/30/2019	4/30/2020	4/30/2021	4/30/2022	4/30/2023	4/30/2024	4/30/2025
489,408	560,887	755,021	681,364	713,905	749,045	843,820
1,118,508	1,191,866	1,328,329	1,327,688	1,404,063	1,452,364	1,551,318
—	241,594	—	—	(17,654)	—	—
(986,862)	228,114	256,954	(1,314,368)	(78,471)	251,582	94,480
1,149,405	484,368	(112,691)	89,965	—	—	721,214
(672,519)	(772,450)	(719,601)	(856,203)	(1,407,468)	(1,270,595)	(807,795)
—	—	(14,902)	—	—	—	—
1,097,940	1,934,379	1,493,110	(71,554)	614,375	1,182,396	2,403,037
16,314,943	17,412,883	19,347,262	20,840,372	20,768,818	21,383,193	22,565,589
17,412,883	19,347,262	20,840,372	20,768,818	21,383,193	22,565,589	24,968,626
557,590	636,733	850,278	856,162	891,330	926,720	1,154,284
327,795	268,740	293,685	365,878	306,430	338,407	373,438
617,818	143,908	2,508,926	(805,491)	107,841	1,231,121	1,353,831
(672,519)	(772,450)	(719,601)	(856,203)	(1,407,468)	(1,270,595)	(807,795)
(8,143)	(6,775)	(14,902)	(17,439)	(25,843)	(20,332)	(22,136)
822,541	270,156	2,918,386	(457,093)	(127,710)	1,205,321	2,051,622
9,837,202	10,659,743	10,929,899	13,848,285	13,391,192	13,263,482	14,468,803
10,659,743	10,929,899	13,848,285	13,391,192	13,263,482	14,468,803	16,520,425
6,753,140	8,417,363	6,992,087	7,377,626	8,119,711	8,096,786	8,448,201
61.22%	56.49%	66.45%	64.48%	62.03%	64.12%	66.16%
2,376,298	2,680,466	2,889,254	3,046,217	3,152,916	3,413,186	3,768,295
284.19%	314.03%	242.00%	242.19%	257.53%	237.22%	224.19%

VILLAGE OF MONTGOMERY, ILLINOIS

Police Pension Fund

Schedule of Investment Returns - Last Ten Fiscal Years

April 30, 2025

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2016	0.29%
2017	6.61%
2018	4.98%
2019	6.15%
2020	(4.30%)
2021	1.98%
2022	2.26%
2023	0.86%
2024	9.54%
2025	9.68%

VILLAGE OF MONTGOMERY, ILLINOIS

Retiree Benefits Plan

Schedule of Changes in the Employer's Total OPEB Liability

April 30, 2025

See Following Page

VILLAGE OF MONTGOMERY, ILLINOIS

Retiree Benefits Plan

Schedule of Changes in the Employer's Total OPEB Liability

April 30, 2025

	<u>4/30/2019</u>
Total OPEB Liability	
Service Cost	\$ 102,680
Interest	197,188
Changes in Benefit Terms	103,474
Differences Between Expected and Actual Experience	—
Benefit Payments	<u>(279,432)</u>
Net Change in Total OPEB Liability	123,910
Total OPEB Liability - Beginning	<u>5,106,789</u>
Total OPEB Liability - Ending	<u><u>5,230,699</u></u>
Employee-Covered Payroll	4,556,870
Total OPEB Liability as a Percentage of Employee-Covered Payroll	114.79%

Notes:

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

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

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate from 2019 through 2025.

4/30/2020	4/30/2021	4/30/2022	4/30/2023	4/30/2024	4/30/2025
109,371	281,333	190,417	203,664	178,917	172,168
193,829	169,073	87,129	121,004	155,504	173,613
1,372,531	(2,015,612)	(706,970)	482,062	(309,489)	(336,089)
—	(783,416)	(150,844)	207,001	—	(467,782)
(231,540)	(140,976)	—	(133,831)	(159,385)	(169,557)
1,444,191	(2,489,598)	(580,268)	879,900	(134,453)	(627,647)
5,230,699	6,674,890	4,185,292	3,605,024	4,484,924	4,350,471
6,674,890	4,185,292	3,605,024	4,484,924	4,350,471	3,722,824
4,693,576	5,429,643	5,676,242	6,476,532	6,670,828	7,100,909
142.21%	77.08%	63.51%	69.25%	65.22%	52.43%

VILLAGE OF MONTGOMERY, ILLINOIS

General Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 2,587,920	2,587,920	2,594,441
Other Taxes	301,880	301,880	441,642
Intergovernmental	10,801,235	11,258,131	11,702,656
Licenses, Permits and Fees	485,550	485,550	426,986
Fines and Forfeitures	181,100	181,100	298,301
Charges for Services	421,875	421,875	439,555
Investment Income	120,000	120,000	273,315
Miscellaneous	191,480	191,480	395,457
Total Revenues	15,091,040	15,547,936	16,572,353
Expenditures			
General Government	4,204,690	4,460,226	4,182,528
Public Safety	8,040,590	8,241,950	8,022,655
Highways and Streets	2,843,427	2,843,427	2,765,509
Total Expenditures	15,088,707	15,545,603	14,970,692
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,333	2,333	1,601,661
Other Financing (Uses)			
Transfers Out	—	—	(1,350,000)
Net Change in Fund Balance	2,333	2,333	251,661
Fund Balance - Beginning			5,664,207
Fund Balance - Ending			5,915,868

VILLAGE OF MONTGOMERY, ILLINOIS**Tax Increment Financing District #2 - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended April 30, 2025**

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 1,902,740	1,902,740	1,984,661
Investment Income	60,000	60,000	412,848
Total Revenues	1,962,740	1,962,740	2,397,509
Expenditures			
General Government			
Contractual Services	2,011,845	2,011,845	590,123
Other	831,280	831,280	841,862
Debt Service			
Principal Retirement	500,000	500,000	—
Interest and Fiscal Charges	490,475	490,475	99,249
Total Expenditures	3,833,600	3,833,600	1,531,234
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,870,860)	(1,870,860)	866,275
Other Financing Sources			
Debt Issuance	8,000,000	8,000,000	6,935,000
Premium on Debt Issuance	268,700	268,700	419,016
	8,268,700	8,268,700	7,354,016
Net Change in Fund Balance	6,397,840	6,397,840	8,220,291
Fund Balance - Beginning			3,518,429
Fund Balance - Ending			11,738,720

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Major Enterprise Funds
- Budgetary Comparison Schedule - Nonmajor Enterprise Fund
- Combining Statements - Internal Service Funds
- Budgetary Comparison Schedules - Internal Service Funds
- Combining Statements - Pension Trust Funds
- Budgetary Comparison Schedules - Pension Trust Funds

INDIVIDUAL FUND SCHEDULES

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Tax Increment Financing District #2 Fund

The Tax Increment Financing (TIF) District #2 Fund is used to account for the property taxes, collected on the incremental increase in the equalized assessed value, and restricted for expenditures incurred related to the Village's Aucutt Road TIF District.

Montgomery Development Fund

The Montgomery Development Fund (MDF) accounts for the Village's loan program established to provide financial support to new or expanding business in the Village; encourage economic development by supporting projects that create or retain jobs; encourage area financial institutions to work with the Village and to utilize MDF programs to better serve its customers; and support projects and investments that protect and expand the tax base. The MDF consists of two programs: the Forgivable Loan Program and the Low Interest Loan Program.

Motor Fuel Tax Fund

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

Police Gift Fund

The Police Gift Fund is used to account for contributions from donors restricted for educational and equipment purchases for the police force.

Montgomery Crossing Special Service Area Fund

The Montgomery Crossing Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Montgomery Crossing development.

Blackberry Crossing Special Service Area Fund

The Blackberry Crossing Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Blackberry Crossing development.

INDIVIDUAL FUND SCHEDULES - Continued

SPECIAL REVENUE FUNDS - Continued

Ogden Hill Special Service Area Fund

The Ogden Hill Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Ogden Hill development.

Marquis Pointe Special Service Area Fund

The Marquis Pointe Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Marquis Pointe development.

Balmorea Special Service Area Fund

The Balmorea Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Balmorea development.

Arbor Ridge Special Service Area Fund

The Arbor Ridge Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Arbor Ridge development.

Fairfield Way Special Service Area Fund

The Fairfield Way Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Fairfield Way development.

Foxmoor Special Service Area Fund

The Foxmoor Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Foxmoor development.

Tax Increment Financing District #1 Fund

The Tax Increment Financing (TIF) District #1 Fund is used to account for the property taxes, collected on the incremental increase in the equalized assessed value, and restricted for expenditures incurred related to the Village's U.S. Route 30 and Fifth Street TIF District.

Tax Increment Financing District #3 Fund

The Tax Increment Financing (TIF) District #3 Fund is used to account for the property taxes, collected on the incremental increase in the equalized assessed value, and restricted for expenditures incurred related to the Village's Aucutt Road TIF District.

INDIVIDUAL FUND SCHEDULES - Continued

SPECIAL REVENUE FUNDS - Continued

Tax Increment Financing District #4 Fund

The Tax Increment Financing (TIF) District #4 Fund is used to account for the property taxes, collected on the incremental increase in the equalized assessed value, and restricted for expenditures incurred related to the Village's Aucutt Road TIF District.

American Rescue Plan Fund

The American Rescue Fund is used to account for the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program funding to local governments to support their response to and recovery from the COVID-19 public health emergency.

Saratoga Springs Special Service Area Fund

The Saratoga Springs Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Saratoga Springs development.

Orchard Prairie North Special Service Area Fund

The Orchard Prairie North Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Orchard Prairie North development.

Blackberry Crossing West Special Service Area Fund

The Blackberry Crossing West Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Blackberry Crossing West development.

Fieldstone Special Service Area Fund

The Fieldstone Special Service Area Fund is used to account for special service area tax that is restricted for the maintenance of common area in the Fieldstone development.

DEBT SERVICE FUND

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Service Fund

The Debt Service Fund is used to accumulate monies for the Village's general obligation alternate revenue source bonds (Series 2011 and Series 2014) for payment of the principal and interest on governmental debt (non-proprietary). Utility tax revenues are transferred from the Capital Improvement Fund to finance the annual payment requirements.

INDIVIDUAL FUND SCHEDULES - Continued

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources used for the acquisition or construction of major capital assets (other than those financed by business-type/proprietary funds).

Infrastructure Improvement Fund

The Infrastructure Improvement Fund is used to account for funds restricted, committed, or assigned to the acquisition, construction and improvement of governmental infrastructure capital assets (not being financed by proprietary funds) throughout the community. Activities are financed by the 1% non-home rule sales tax.

Capital Improvement Fund

The Capital Improvement Fund is used to account for funds restricted, committed, or assigned to the acquisition, construction and improvement of governmental general capital assets (not being financed by proprietary funds). Activities are financed by utility taxes, grants, rents on Village properties, and developer contributions.

Vehicle and Equipment Replacement Fund

The Vehicle and Equipment Replacement Fund is used to account for contributions from other departments assigned for the future replacement of vehicles and equipment.

Lakewood Creek Project Fund

The Lakewood Creek Project Fund is used to account for the revenue restricted to capital improvements in the Lakewood Creek neighborhood. The public improvements are complete and the fees paid for third-party management of the Lakewood Creek Special Assessment now flow through this fund.

ENTERPRISE 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 is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

Water Fund

The Water Fund is used to account for the revenues and expenses relative to the operation of the water utility.

Refuse Fund

The Refuse Fund is used to account for refuse services contracted by the Village for the benefit of its citizens, but performed by a private entity. This fund is financed by fees charged to residents on their bi-monthly utility bill.

INDIVIDUAL FUND SCHEDULES - Continued

INTERNAL SERVICE FUND

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies other governmental unit, or to other governmental units, on a cost-reimbursement basis.

Employee Insurance Fund

The Employee Insurance Fund is used to account for the internal contributions (employer and employee) for providing group health, dental, and life insurance to Village employees.

FIDUCIARY FUNDS

PENSION TRUST FUND

Police Pension Fund

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

CUSTODIAL FUNDS

Lakewood Creek Special Assessment Fund

The Lakewood Creek Special Assessment Fund is used to account for the contributions from property owners and payments of principal and interest on the Special Assessment Bonds.

Cornell Special Service Area Fund

The Cornell Special Service Area Fund is used to account for the tax collections to pay principal and interest on the Special Service Area #17 Bonds.

VILLAGE OF MONTGOMERY, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Property Taxes			
Corporate	\$ 647,515	647,515	650,973
Police Pension	938,095	938,095	938,572
Social Security	234,655	234,655	234,804
IMRF	191,995	191,995	192,092
Insurance	213,320	213,320	213,448
Police Protection	266,510	266,510	266,645
Road and Bridge	95,830	95,830	97,907
	<u>2,587,920</u>	<u>2,587,920</u>	<u>2,594,441</u>
Other Taxes			
Utility Taxes	31,200	31,200	29,590
Video Gaming Taxes	240,000	240,000	380,627
Cannabis Use Taxes	30,680	30,680	31,425
	<u>301,880</u>	<u>301,880</u>	<u>441,642</u>
Intergovernmental			
Sales Taxes	6,568,140	7,025,036	7,412,921
State Income Taxes	3,236,235	3,236,235	3,613,447
Corporate Replacement Taxes	125,490	125,490	81,805
Road and Bridge Replacement Taxes	15,680	15,680	11,955
Local Use Taxes	816,800	816,800	529,528
TIF Surplus	21,000	21,000	24,370
State Grant - ILCC Tobacco (Police)	3,765	3,765	713
Federal Grant - Body Armor (Police)	4,125	4,125	441
Federal Grant - Traffic Safety (Police)	10,000	10,000	20,162
Fema Covid-19 - Grant	—	—	2,314
Morton Arboretum Grant	—	—	5,000
	<u>10,801,235</u>	<u>11,258,131</u>	<u>11,702,656</u>
Licenses, Permits and Fees			
Licenses - Liquor	39,975	39,975	43,267
Licenses - Amusement Machine	150	150	150
Licenses - Tobacco	850	850	1,023
Licenses - Contractors	33,000	33,000	31,995
Licenses - Other	25,100	25,100	25,983
Permits - Building	203,275	203,275	162,140
Permits - Oversized Vehicle	7,300	7,300	7,975

VILLAGE OF MONTGOMERY, ILLINOIS**General Fund****Schedule of Revenues - Budget and Actual - Continued****For the Fiscal Year Ended April 30, 2025**

	Original Budget	Final Budget	Actual
Licenses, Permits and Fees - Continued			
Permits - Solicitor	\$ 1,500	1,500	1,320
Permits - Other	4,400	4,400	5,198
Fees - Cable Franchise	170,000	170,000	147,935
	485,550	485,550	426,986
Fines and Forfeitures			
Tow Impoundment Fee	50,000	50,000	95,500
Court Fines - Village	20,000	20,000	32,594
Court Fines - Kane County	90,000	90,000	133,426
Court Fines - Kendall County	15,000	15,000	23,276
Patrol Car Maintenance Fines - Kane County	100	100	40
Patrol Car Maintenance Fines - Kendall County	—	—	20
Code Enforcement Fines	6,000	6,000	985
Other - Federal/State Forfeiture	—	—	12,460
	181,100	181,100	298,301
Charges for Services			
Plumbing Inspections	19,800	19,800	3,330
Engineering Inspections	17,150	17,150	2,500
Reinspections	1,000	1,000	450
Elevator Inspections	3,960	3,960	2,820
Planning - Plan Commission Applications	8,000	8,000	28,903
Recycling Income	8,000	8,000	14,861
Professional Services Reimb. - Engineering Service	157,500	157,500	40,737
Professional Services Reimb. - Legal Service	28,875	28,875	9,445
Professional Services Reimb. - Planning Service	21,000	21,000	24,105
Professional Services Reimb. - Printing and Publishing	500	500	1,240
Police Reimbursements - Training	12,600	12,600	14,088
Police Reimbursements - Special Duty	9,600	9,600	24,371
Police Reimbursements - Other	3,700	3,700	63,773
Police Reimbursements - Firing Range	—	—	468
Other Reimbursements - Streets	21,990	21,990	49,869
Other Reimbursements - Credit Card Fees	90,000	90,000	103,007
Other Reimbursements - Miscellaneous	15,400	15,400	52,248
Rents and Royalties - Municipal Building Rental	2,800	2,800	3,340
	421,875	421,875	439,555

VILLAGE OF MONTGOMERY, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Investment Income	\$ 120,000	120,000	273,315
Miscellaneous			
Other Reimbursements - Insurance	30,000	30,000	59,040
Donations - Montgomery Fest	113,500	113,500	146,543
Donations - Beautification	2,500	2,500	7,795
Donations - River Run	20,100	20,100	19,623
Donations - Settler's Cottage	500	500	405
Donations - HPC Brick Paver Program	300	300	200
Donations - Community Programs	9,000	9,000	6,609
Donations - Parkway Tree Program	—	—	300
Donations - Car Show	1,875	1,875	3,064
Donations - Safety Event	4,000	4,000	5,650
Salable Items - History Books	105	105	70
Salable Items - Miscellaneous	100	100	958
Change in Terminal Reserve (IPBC)	—	—	134,279
Miscellaneous	9,500	9,500	10,921
	191,480	191,480	395,457
Total Revenues	15,091,040	15,547,936	16,572,353

VILLAGE OF MONTGOMERY, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
General Government			
Elected Officials			
Personal Services	\$ 68,190	68,190	69,613
Contractual Services	201,065	201,065	179,598
Commodities	9,845	9,845	5,196
	<u>279,100</u>	<u>279,100</u>	<u>254,407</u>
Administration			
Personal Services	599,130	599,130	562,449
Contractual Services	168,085	168,085	155,515
Commodities	33,250	33,250	25,837
	<u>800,465</u>	<u>800,465</u>	<u>743,801</u>
Finance			
Accounting			
Personal Services	587,520	587,520	585,126
Contractual Services	496,075	496,075	367,035
Commodities	15,675	15,675	13,361
	<u>1,099,270</u>	<u>1,099,270</u>	<u>965,522</u>
Utility Billing			
Personal Services	141,575	141,575	131,195
Contractual Services	122,340	122,340	109,553
Commodities	71,265	71,265	77,476
	<u>335,180</u>	<u>335,180</u>	<u>318,224</u>
Less: Finance Internal Charges	<u>(884,815)</u>	<u>(884,815)</u>	<u>(800,981)</u>
Total Finance	<u>549,635</u>	<u>549,635</u>	<u>482,765</u>
Legal			
Contractual Services	<u>239,200</u>	<u>239,200</u>	<u>224,404</u>
Engineering			
Contractual Services	<u>230,000</u>	<u>230,000</u>	<u>185,708</u>

VILLAGE OF MONTGOMERY, ILLINOIS**General Fund****Schedule of Expenditures - Budget and Actual - Continued****For the Fiscal Year Ended April 30, 2025**

	Original Budget	Final Budget	Actual
General Government - Continued			
Community Development			
Economic Development			
Personal Services	\$ 137,930	137,930	135,416
Contractual Services	19,235	19,235	9,431
Commodities	500	500	262
Other	1,083,700	1,339,236	1,308,804
	1,241,365	1,496,901	1,453,913
Planning and Zoning			
Personal Services	388,025	388,025	373,972
Contractual Services	37,745	37,745	27,541
Commodities	10,925	10,925	5,803
	436,695	436,695	407,316
Inspections			
Personal Services	345,570	345,570	346,680
Contractual Services	76,995	76,995	77,932
Commodities	5,665	5,665	5,602
	428,230	428,230	430,214
Total Community Development	2,106,290	2,361,826	2,291,443
Total General Government	4,204,690	4,460,226	4,182,528
Public Safety			
Police			
Administration			
Personal Services	1,010,505	1,010,505	1,010,638
Contractual Services	183,235	183,235	193,833
Commodities	24,295	24,295	13,377
	1,218,035	1,218,035	1,217,848
Records			
Personal Services	341,410	341,410	341,727
Contractual Services	335,955	335,955	328,144
Commodities	6,020	6,020	6,644
	683,385	683,385	676,515

VILLAGE OF MONTGOMERY, ILLINOIS**General Fund****Schedule of Expenditures - Budget and Actual - Continued****For the Fiscal Year Ended April 30, 2025**

	Original Budget	Final Budget	Actual
Public Safety - Continued			
Police - Continued			
Patrol			
Personal Services	\$ 4,704,945	4,906,305	4,724,516
Contractual Services	551,635	551,635	537,782
Commodities	99,100	99,100	64,146
	5,355,680	5,557,040	5,326,444
Investigations			
Personal Services	706,795	706,795	750,216
Contractual Services	24,190	24,190	16,809
Commodities	30,955	30,955	19,766
	761,940	761,940	786,791
Police Commission			
Contractual Services	13,840	13,840	8,387
Commodities	200	200	9
	14,040	14,040	8,396
ESDA			
Contractual Services	7,280	7,280	6,531
Commodities	230	230	130
	7,510	7,510	6,661
Total Public Safety	8,040,590	8,241,950	8,022,655
Highways and Streets			
Administration			
Personal Services	159,730	159,730	163,249
Contractual Services	53,700	53,700	42,797
Commodities	18,640	18,640	12,802
	232,070	232,070	218,848
Streets			
Personal Services	588,555	588,555	595,961
Contractual Services	691,815	691,815	662,022
Commodities	118,875	118,875	113,028
	1,399,245	1,399,245	1,371,011

VILLAGE OF MONTGOMERY, ILLINOIS**General Fund****Schedule of Expenditures - Budget and Actual - Continued****For the Fiscal Year Ended April 30, 2025**

	Original Budget	Final Budget	Actual
Highways and Streets - Continued			
Vehicle Maintenance			
Personal Services	\$ 230,315	230,315	224,615
Contractual Services	167,235	167,235	153,610
Commodities	232,350	232,350	285,835
	629,900	629,900	664,060
Buildings and Grounds			
Personal Services	206,950	206,950	214,478
Contractual Services	322,727	322,727	300,761
Commodities	35,220	35,220	31,982
	564,897	564,897	547,221
Stormwater Management			
Contractual Services	49,935	49,935	45,225
Forestry			
Personal Services	277,790	277,790	277,299
Contractual Services	251,255	251,255	206,638
Commodities	4,200	4,200	1,932
	533,245	533,245	485,869
Less: Highways and Streets Internal Charges	(565,865)	(565,865)	(566,725)
Total Highways and Streets	2,843,427	2,843,427	2,765,509
Total Expenditures	15,088,707	15,545,603	14,970,692

VILLAGE OF MONTGOMERY, ILLINOIS

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Investment Income	\$ 10	10	2,966
Expenditures			
Debt Service			
Principal Retirement	710,000	710,000	710,000
Interest and Fiscal Charges	505,250	505,250	504,775
Total Expenditures	1,215,250	1,215,250	1,214,775
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,215,240)	(1,215,240)	(1,211,809)
Other Financing Sources			
Transfers In	1,215,250	1,215,250	1,215,250
Net Change in Fund Balance	10	10	3,441
Fund Balance - Beginning			36,988
Fund Balance - Ending			40,429

VILLAGE OF MONTGOMERY, ILLINOIS

Infrastructure Improvement - Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Non-Home Rule Sales Tax	\$ 4,195,400	4,195,400	4,600,260
Other Taxes	427,775	427,775	33,332
Charges for Services	430,000	430,000	431,716
Investment Income	80,000	80,000	262,578
Miscellaneous	30,030	30,030	—
Total Revenues	5,163,205	5,163,205	5,327,886
Expenditures			
General Government			
Contractual Services	218,505	218,505	145,696
Capital Outlay	7,206,940	7,206,940	5,760,828
Total Expenditures	7,425,445	7,425,445	5,906,524
Net Change in Fund Balance	(2,262,240)	(2,262,240)	(578,638)
Fund Balance - Beginning			6,063,404
Fund Balance - Ending			5,484,766

VILLAGE OF MONTGOMERY, ILLINOIS**Nonmajor Governmental Funds****Combining Balance Sheet****April 30, 2025**

	Special Revenue	Capital Projects	Totals
ASSETS			
Cash and Investments	\$ 4,954,351	9,151,164	14,105,515
Receivables - Net of Allowances			
Property Taxes	1,255,726	—	1,255,726
Other Taxes	—	123,700	123,700
Accounts	—	14,824	14,824
Other	7,203	2,830	10,033
Grants	—	350,000	350,000
Leases	—	399,288	399,288
Accrued Interest	617	7,944	8,561
Notes	184,331	—	184,331
Due from Other Governments	73,234	—	73,234
Due from Other Funds	—	1,350,000	1,350,000
Total Assets	6,475,462	11,399,750	17,875,212
LIABILITIES			
Accounts Payable	89,037	3,587	92,624
Deposits Payable	—	14,913	14,913
Due to Other Funds	77,615	—	77,615
Total Liabilities	166,652	18,500	185,152
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	1,255,726	—	1,255,726
Leases	—	394,751	394,751
Total Deferred Inflows of Resources	1,255,726	394,751	1,650,477
Total Liabilities and Deferred Inflows of Resources	1,422,378	413,251	1,835,629
FUND BALANCES			
Restricted	3,368,267	35,548	3,403,815
Assigned	1,770,768	10,950,951	12,721,719
Unassigned	(85,951)	—	(85,951)
Total Fund Balances	5,053,084	10,986,499	16,039,583
Total Liabilities, Deferred Inflows of Resources and Fund Balances	6,475,462	11,399,750	17,875,212

VILLAGE OF MONTGOMERY, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended April 30, 2025

	Special Revenue	Capital Projects	Totals
Revenues			
Property Taxes	\$ 1,273,025	—	1,273,025
Other Taxes	—	1,212,569	1,212,569
Intergovernmental	1,300,530	644,537	1,945,067
Licenses, Permits and Fees	—	4,937	4,937
Fines and Forfeitures	—	26,483	26,483
Charges for Services	1,734	1,375,156	1,376,890
Investment Income	204,142	287,734	491,876
Miscellaneous	103,110	64,492	167,602
Total Revenues	2,882,541	3,615,908	6,498,449
Expenditures			
General Government	1,052,771	58,600	1,111,371
Public Safety	233	—	233
Highways and Streets	437,913	—	437,913
Capital Outlay	270,128	1,033,419	1,303,547
Total Expenditures	1,761,045	1,092,019	2,853,064
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,121,496	2,523,889	3,645,385
Other Financing Sources (Uses)			
Disposal of Capital Assets	—	26,660	26,660
Transfers In	—	1,350,000	1,350,000
Transfers Out	(277,756)	(1,215,250)	(1,493,006)
	(277,756)	161,410	(116,346)
Net Change in Fund Balances	843,740	2,685,299	3,529,039
Fund Balances - Beginning	4,209,344	37,739	4,247,083
Adjustment - Major to Nonmajor	—	8,263,461	8,263,461
Fund Balances - as Adjusted	4,209,344	8,301,200	12,510,544
Fund Balances - Ending	5,053,084	10,986,499	16,039,583

VILLAGE OF MONTGOMERY, ILLINOIS**Nonmajor Governmental - Special Revenue Funds****Combining Balance Sheet****April 30, 2025**

	Montgomery Development	Motor Fuel Tax	Police Gift
ASSETS			
Cash and Investments	\$ 1,579,234	1,893,566	11,060
Receivables - Net of Allowances			
Property Taxes	—	—	—
Other	7,203	—	—
Accrued Interest	—	—	—
Notes	184,331	—	—
Due from Other Governments	—	73,234	—
Total Assets	1,770,768	1,966,800	11,060
LIABILITIES			
Accounts Payable	—	—	—
Due to Other Funds	—	—	—
Total Liabilities	—	—	—
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	—	—	—
Total Liabilities and Deferred Inflows of Resources	—	—	—
FUND BALANCES			
Restricted	—	1,966,800	11,060
Assigned	1,770,768	—	—
Unassigned	—	—	—
Total Fund Balances	1,770,768	1,966,800	11,060
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	1,770,768	1,966,800	11,060

VILLAGE OF MONTGOMERY, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet - Continued

April 30, 2025

Montgomery Crossing Special Service Area	Blackberry Crossing Special Service Area	Ogden Hill Special Service Area	Marquis Pointe Special Service Area	Balmorea Special Service Area	Arbor Ridge Special Service Area	Fairfield Way Special Service Area
144,118	58,756	72,095	54,468	73,442	73,769	99,714
65,405	22,000	19,846	13,230	30,099	26,408	38,205
—	—	—	—	—	—	—
154	—	—	—	—	—	167
—	—	—	—	—	—	—
—	—	—	—	—	—	—
209,677	80,756	91,941	67,698	103,541	100,177	138,086
18,044	4,154	2,012	1,181	—	1,497	14,142
—	—	—	—	—	—	—
18,044	4,154	2,012	1,181	—	1,497	14,142
65,405	22,000	19,846	13,230	30,099	26,408	38,205
83,449	26,154	21,858	14,411	30,099	27,905	52,347
126,228	54,602	70,083	53,287	73,442	72,272	85,739
—	—	—	—	—	—	—
—	—	—	—	—	—	—
126,228	54,602	70,083	53,287	73,442	72,272	85,739
209,677	80,756	91,941	67,698	103,541	100,177	138,086

	Foxmoor Special Service Area	Tax Increment Financing District #1	Tax Increment Financing District #3
ASSETS			
Cash and Investments	\$ 92,364	273,883	109,829
Receivables - Net of Allowances			
Property Taxes	70,618	46,516	813,948
Other	—	—	—
Accrued Interest	85	—	—
Notes	—	—	—
Due from Other Governments	—	—	—
Total Assets	163,067	320,399	923,777
LIABILITIES			
Accounts Payable	24,511	918	—
Due to Other Funds	—	—	—
Total Liabilities	24,511	918	—
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	70,618	46,516	813,948
Total Liabilities and Deferred Inflows of Resources	95,129	47,434	813,948
FUND BALANCES			
Restricted	67,938	272,965	109,829
Assigned	—	—	—
Unassigned	—	—	—
Total Fund Balances	67,938	272,965	109,829
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	163,067	320,399	923,777

VILLAGE OF MONTGOMERY, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Balance Sheet - Continued

April 30, 2025

Tax Increment Financing District #4	American Rescue Plan	Saratoga Springs Special Service Area	Orchard Prairie North Special Service Area	Blackberry Crossing West Special Service Area	Fieldstone Special Service Area	Totals
—	—	65,456	91,902	240,962	19,733	4,954,351
1,619	—	23,154	38,204	43,004	3,470	1,255,726
—	—	—	—	—	—	7,203
—	—	—	—	211	—	617
—	—	—	—	—	—	184,331
—	—	—	—	—	—	73,234
1,619	—	88,610	130,106	284,177	23,203	6,475,462
8,336	—	2,806	7,396	2,679	1,361	89,037
76,966	649	—	—	—	—	77,615
85,302	649	2,806	7,396	2,679	1,361	166,652
1,619	—	23,154	38,204	43,004	3,470	1,255,726
86,921	649	25,960	45,600	45,683	4,831	1,422,378
—	—	62,650	84,506	238,494	18,372	3,368,267
—	—	—	—	—	—	1,770,768
(85,302)	(649)	—	—	—	—	(85,951)
(85,302)	(649)	62,650	84,506	238,494	18,372	5,053,084
1,619	—	88,610	130,106	284,177	23,203	6,475,462

VILLAGE OF MONTGOMERY, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended April 30, 2025

	Montgomery Development	Motor Fuel Tax	Police Gift
Revenues			
Property Taxes	\$ —	—	—
Intergovernmental	—	1,002,816	—
Charges for Services	250	—	—
Investment Income	90,623	62,455	103
Miscellaneous	—	—	1,030
Total Revenues	90,873	1,065,271	1,133
Expenditures			
General Government	3,296	—	—
Public Safety	—	—	233
Highways and Streets	—	60,396	—
Capital Outlay	270,128	—	—
Total Expenditures	273,424	60,396	233
Excess (Deficiency) of Revenues Over (Under) Expenditures	(182,551)	1,004,875	900
Other Financing (Uses) Transfers Out	—	—	—
Net Change in Fund Balances	(182,551)	1,004,875	900
Fund Balances - Beginning	1,953,319	961,925	10,160
Fund Balances - Ending	1,770,768	1,966,800	11,060

Montgomery Crossing Special Service Area	Blackberry Crossing Special Service Area	Ogden Hill Special Service Area	Marquis Pointe Special Service Area	Balmorea Special Service Area	Arbor Ridge Special Service Area	Fairfield Way Special Service Area
62,302	20,976	19,871	13,247	28,696	25,164	36,359
—	—	—	—	—	—	—
—	—	—	—	—	—	—
2,481	646	731	547	747	729	2,077
—	—	—	—	—	—	—
64,783	21,622	20,602	13,794	29,443	25,893	38,436
—	—	—	—	—	—	—
—	—	—	—	—	—	—
61,387	36,318	19,067	11,198	20,549	14,484	37,426
—	—	—	—	—	—	—
61,387	36,318	19,067	11,198	20,549	14,484	37,426
3,396	(14,696)	1,535	2,596	8,894	11,409	1,010
—	—	—	—	—	—	—
3,396	(14,696)	1,535	2,596	8,894	11,409	1,010
122,832	69,298	68,548	50,691	64,548	60,863	84,729
126,228	54,602	70,083	53,287	73,442	72,272	85,739

VILLAGE OF MONTGOMERY, ILLINOIS

Nonmajor Governmental - Special Revenue Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Continued

For the Fiscal Year Ended April 30, 2025

	Foxmoor Special Service Area	Tax Increment Financing District #1	Tax Increment Financing District #3
Revenues			
Property Taxes	\$ 67,084	46,838	848,985
Intergovernmental	—	—	—
Charges for Services	—	—	1,484
Investment Income	1,714	8,086	2,448
Miscellaneous	—	—	—
Total Revenues	68,798	54,924	852,917
Expenditures			
General Government	—	1,303	765,730
Public Safety	—	—	—
Highways and Streets	91,833	—	—
Capital Outlay	—	—	—
Total Expenditures	91,833	1,303	765,730
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,035)	53,621	87,187
Other Financing (Uses) Transfers Out	—	—	—
Net Change in Fund Balances	(23,035)	53,621	87,187
Fund Balances - Beginning	90,973	219,344	22,642
Fund Balances - Ending	67,938	272,965	109,829

Tax Increment Financing District #4	American Rescue Plan	Saratoga Springs Special Service Area	Orchard Prairie North Special Service Area	Blackberry Crossing West Special Service Area	Fieldstone Special Service Area	Totals
811	—	22,069	36,399	40,914	3,310	1,273,025
—	297,714	—	—	—	—	1,300,530
—	—	—	—	—	—	1,734
—	25,558	663	905	3,430	199	204,142
—	—	—	—	102,080	—	103,110
811	323,272	22,732	37,304	146,424	3,509	2,882,541
75,933	206,509	—	—	—	—	1,052,771
—	—	—	—	—	—	233
—	—	16,352	25,386	38,791	4,726	437,913
—	—	—	—	—	—	270,128
75,933	206,509	16,352	25,386	38,791	4,726	1,761,045
(75,122)	116,763	6,380	11,918	107,633	(1,217)	1,121,496
—	(277,756)	—	—	—	—	(277,756)
(75,122)	(160,993)	6,380	11,918	107,633	(1,217)	843,740
(10,180)	160,344	56,270	72,588	130,861	19,589	4,209,344
(85,302)	(649)	62,650	84,506	238,494	18,372	5,053,084

VILLAGE OF MONTGOMERY, ILLINOIS

Montgomery Development - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Charges for Services	\$ 500	500	250
Investment Income	21,500	21,500	90,623
Total Revenues	22,000	22,000	90,873
Expenditures			
General Government			
Contractual Services	4,000	4,000	3,296
Capital Outlay	565,000	565,000	270,128
Total Expenditures	569,000	569,000	273,424
Net Change in Fund Balance	(547,000)	(547,000)	(182,551)
Fund Balance - Beginning			1,953,319
Fund Balance - Ending			1,770,768

VILLAGE OF MONTGOMERY, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Motor Fuel Taxes	\$ 468,500	468,500	454,810
State Grants	477,300	477,300	548,006
Investment Income	4,000	4,000	62,455
Total Revenues	949,800	949,800	1,065,271
Expenditures			
Highways and Streets			
Commodities	104,000	104,000	60,396
Net Change in Fund Balance	845,800	845,800	1,004,875
Fund Balance - Beginning			961,925
Fund Balance - Ending			1,966,800

VILLAGE OF MONTGOMERY, ILLINOIS

Police Gift - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Investment Income	\$ —	—	103
Miscellaneous	250	250	1,030
Total Revenues	250	250	1,133
Expenditures			
Public Safety			
Commodities	1,000	1,000	233
Net Change in Fund Balance	(750)	(750)	900
Fund Balance - Beginning			10,160
Fund Balance - Ending			11,060

VILLAGE OF MONTGOMERY, ILLINOIS

Montgomery Crossing Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 62,250	62,250	62,302
Investment Income	250	250	2,481
Total Revenues	62,500	62,500	64,783
Expenditures			
Highways and Streets			
Contractual Services	66,010	66,010	61,387
Net Change in Fund Balance	(3,510)	(3,510)	3,396
Fund Balance - Beginning			122,832
Fund Balance - Ending			126,228

VILLAGE OF MONTGOMERY, ILLINOIS

Blackberry Crossing Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 20,950	20,950	20,976
Investment Income	—	—	646
Total Revenues	20,950	20,950	21,622
Expenditures			
Highways and Streets			
Contractual Services	57,925	57,925	36,318
Net Change in Fund Balance	(36,975)	(36,975)	(14,696)
Fund Balance - Beginning			69,298
Fund Balance - Ending			54,602

VILLAGE OF MONTGOMERY, ILLINOIS

Ogden Hill Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 19,845	19,845	19,871
Investment Income	—	—	731
Total Revenues	19,845	19,845	20,602
Expenditures			
Highways and Streets			
Contractual Services	19,070	19,070	19,067
Net Change in Fund Balance	775	775	1,535
Fund Balance - Beginning			68,548
Fund Balance - Ending			70,083

VILLAGE OF MONTGOMERY, ILLINOIS

Marquis Pointe Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 13,230	13,230	13,247
Investment Income	—	—	547
Total Revenues	13,230	13,230	13,794
Expenditures			
Highways and Streets			
Contractual Services	11,200	11,200	11,198
Net Change in Fund Balance	2,030	2,030	2,596
Fund Balance - Beginning			50,691
Fund Balance - Ending			53,287

VILLAGE OF MONTGOMERY, ILLINOIS

Baltimore Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 28,665	28,665	28,696
Investment Income	—	—	747
Total Revenues	28,665	28,665	29,443
Expenditures			
Highways and Streets			
Contractual Services	26,650	26,650	20,549
Net Change in Fund Balance	2,015	2,015	8,894
Fund Balance - Beginning			64,548
Fund Balance - Ending			73,442

VILLAGE OF MONTGOMERY, ILLINOIS

Arbor Ridge Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 25,150	25,150	25,164
Investment Income	—	—	729
Total Revenues	25,150	25,150	25,893
Expenditures			
Highways and Streets			
Contractual Services	26,630	26,630	14,484
Net Change in Fund Balance	(1,480)	(1,480)	11,409
Fund Balance - Beginning			60,863
Fund Balance - Ending			72,272

VILLAGE OF MONTGOMERY, ILLINOIS

Fairfield Way Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 36,385	36,385	36,359
Investment Income	250	250	2,077
Total Revenues	36,635	36,635	38,436
Expenditures			
Highways and Streets			
Contractual Services	45,515	45,515	37,426
Net Change in Fund Balance	(8,880)	(8,880)	1,010
Fund Balance - Beginning			84,729
Fund Balance - Ending			85,739

VILLAGE OF MONTGOMERY, ILLINOIS

Foxmoor Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 67,255	67,255	67,084
Investment Income	150	150	1,714
Total Revenues	67,405	67,405	68,798
Expenditures			
Highways and Streets			
Contractual Services	65,485	65,485	91,833
Net Change in Fund Balance	1,920	1,920	(23,035)
Fund Balance - Beginning			90,973
Fund Balance - Ending			67,938

VILLAGE OF MONTGOMERY, ILLINOIS

Tax Increment Financing District #1 - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 42,750	42,750	46,838
Investment Income	3,000	3,000	8,086
Total Revenues	45,750	45,750	54,924
Expenditures			
General Government			
Contractual Services	175,705	175,705	1,303
Net Change in Fund Balance	(129,955)	(129,955)	53,621
Fund Balance - Beginning			219,344
Fund Balance - Ending			272,965

VILLAGE OF MONTGOMERY, ILLINOIS

Tax Increment Financing District #3 - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 663,400	848,985	848,985
Charges for Services	—	—	1,484
Investment Income	—	—	2,448
Total Revenues	663,400	848,985	852,917
Expenditures			
General Government			
Contractual Services	598,965	765,048	765,730
Net Change in Fund Balance	64,435	83,937	87,187
Fund Balance - Beginning			22,642
Fund Balance - Ending			109,829

VILLAGE OF MONTGOMERY, ILLINOIS

Tax Increment Financing District #4 - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 5,000	5,000	811
Expenditures			
General Government			
Contractual Services	246,905	246,905	75,933
Net Change in Fund Balance	(241,905)	(241,905)	(75,122)
Fund Balance - Beginning			(10,180)
Fund Balance - Ending			(85,302)

VILLAGE OF MONTGOMERY, ILLINOIS

American Rescue Plan - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Intergovernmental			
Grants	\$ 230,395	230,395	297,714
Investment Income	500	500	25,558
	230,895	230,895	323,272
Expenditures			
General Government			
Contractual Services	220,170	220,170	206,509
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,725	10,725	116,763
Other Financing (Uses)			
Transfers Out	(80,591)	(80,591)	(277,756)
Net Change in Fund Balance	(69,866)	(69,866)	(160,993)
Fund Balance - Beginning			160,344
Fund Balance - Ending			(649)

VILLAGE OF MONTGOMERY, ILLINOIS

Saratoga Springs Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 22,050	22,050	22,069
Investment Income	—	—	663
Total Revenues	22,050	22,050	22,732
Expenditures			
Highways and Streets			
Contractual Services	20,005	20,005	16,352
Net Change in Fund Balance	2,045	2,045	6,380
Fund Balance - Beginning			56,270
Fund Balance - Ending			62,650

VILLAGE OF MONTGOMERY, ILLINOIS

Orchard Prairie North Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 36,385	36,385	36,399
Investment Income	—	—	905
Total Revenues	36,385	36,385	37,304
Expenditures			
Highways and Streets			
Contractual Services	32,875	32,875	25,386
Net Change in Fund Balance	3,510	3,510	11,918
Fund Balance - Beginning			72,588
Fund Balance - Ending			84,506

VILLAGE OF MONTGOMERY, ILLINOIS

Blackberry Crossing West Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 40,950	40,950	40,914
Investment Income	300	300	3,430
Miscellaneous	—	—	102,080
Total Revenues	41,250	41,250	146,424
Expenditures			
Highways and Streets			
Contractual Services	38,965	38,965	38,791
Net Change in Fund Balance	2,285	2,285	107,633
Fund Balance - Beginning			130,861
Fund Balance - Ending			238,494

VILLAGE OF MONTGOMERY, ILLINOIS

Fieldstone Special Service Area - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Property Taxes	\$ 3,305	3,305	3,310
Investment Income	—	—	199
Total Revenues	3,305	3,305	3,509
Expenditures			
Highways and Streets			
Contractual Services	5,295	5,295	4,726
Net Change in Fund Balance	(1,990)	(1,990)	(1,217)
Fund Balance - Beginning			19,589
Fund Balance - Ending			18,372

VILLAGE OF MONTGOMERY, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Balance Sheet

April 30, 2025

	Capital Improvement (Formerly Major)	Vehicle and Equipment Replacement (Formerly Major)	Lakewood Creek Project	Totals
ASSETS				
Cash and Investments	\$ 4,333,711	4,781,905	35,548	9,151,164
Receivables - Net of Allowances				
Other Taxes	123,700	—	—	123,700
Accounts	14,824	—	—	14,824
Other	—	2,830	—	2,830
Grants	100,000	250,000	—	350,000
Leases	399,288	—	—	399,288
Accrued Interest	5,296	2,648	—	7,944
Due from Other Funds	1,350,000	—	—	1,350,000
Total Assets	6,326,819	5,037,383	35,548	11,399,750
LIABILITIES				
Accounts Payable	3,587	—	—	3,587
Deposits Payable	14,913	—	—	14,913
Total Liabilities	18,500	—	—	18,500
DEFERRED INFLOWS OF RESOURCES				
Leases	394,751	—	—	394,751
Total Liabilities and Deferred Inflows of Resources	413,251	—	—	413,251
Restricted	—	—	35,548	35,548
Assigned	5,913,568	5,037,383	—	10,950,951
Total Fund Balances	5,913,568	5,037,383	35,548	10,986,499
Total Liabilities and Fund Balances	6,326,819	5,037,383	35,548	11,399,750

VILLAGE OF MONTGOMERY, ILLINOIS

Nonmajor Governmental - Capital Projects Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended April 30, 2025

	Capital Improvement (Formerly Major)	Vehicle and Equipment Replacement (Formerly Major)	Lakewood Creek Project	Totals
Revenues				
Other Taxes	\$ 1,212,569	—	—	1,212,569
Intergovernmental	314,537	330,000	—	644,537
Licenses, Permits and Fees	4,937	—	—	4,937
Fines and Forfeitures	—	26,483	—	26,483
Charges for Services	242,591	1,132,565	—	1,375,156
Investment Income	129,623	155,994	2,117	287,734
Miscellaneous	10,200	—	54,292	64,492
Total Revenues	1,914,457	1,645,042	56,409	3,615,908
Expenditures				
General Government	—	—	58,600	58,600
Capital Outlay	407,212	626,207	—	1,033,419
Total Expenditures	407,212	626,207	58,600	1,092,019
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,507,245	1,018,835	(2,191)	2,523,889
Other Financing Sources (Uses)				
Disposal of Capital Assets	—	26,660	—	26,660
Transfers In	1,350,000	—	—	1,350,000
Transfers Out	(1,215,250)	—	—	(1,215,250)
	134,750	26,660	—	161,410
Net Change in Fund Balances	1,641,995	1,045,495	(2,191)	2,685,299
Fund Balances - Beginning	—	—	37,739	37,739
Adjustment - Major to Nonmajor	4,271,573	3,991,888	—	8,263,461
Fund Balances - as Adjusted	4,271,573	3,991,888	37,739	8,301,200
Fund Balances - Ending	5,913,568	5,037,383	35,548	10,986,499

VILLAGE OF MONTGOMERY, ILLINOIS

Capital Improvement - Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Other Taxes			
Utility Taxes - Electric	\$ 722,800	722,800	720,199
Utility Taxes - Natural Gas	310,000	310,000	345,898
Utility Taxes - Telecommunications	155,000	155,000	146,472
Intergovernmental			
State Grants	—	—	304,537
Other	—	—	10,000
Licenses, Permits and Fees	5,070	5,070	4,937
Charges for Services	228,850	228,850	242,591
Investment Income	6,000	6,000	129,623
Miscellaneous	81,600	81,600	10,200
Total Revenues	1,509,320	1,509,320	1,914,457
Expenditures			
Capital Outlay	623,365	623,365	407,212
Excess (Deficiency) of Revenues Over (Under) Expenditures	885,955	885,955	1,507,245
Other Financing Sources (Uses)			
Transfers In	—	—	1,350,000
Transfers Out	(1,215,250)	(1,215,250)	(1,215,250)
	(1,215,250)	(1,215,250)	134,750
Net Change in Fund Balance	(329,295)	(329,295)	1,641,995
Fund Balance - Beginning			4,271,573
Fund Balance - Ending			5,913,568

VILLAGE OF MONTGOMERY, ILLINOIS**Vehicle and Equipment Replacement - Capital Projects Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended April 30, 2025**

	Original Budget	Final Budget	Actual
Revenues			
Fines and Forfeitures	\$ 25,850	25,850	26,483
Grants	50,000	50,000	330,000
Charges for Services	1,058,980	1,058,980	1,132,565
Investment Income	50,000	50,000	155,994
Total Revenues	1,184,830	1,184,830	1,645,042
Expenditures			
Capital Outlay	667,835	667,835	626,207
Excess (Deficiency) of Revenues Over (Under) Expenditures	516,995	516,995	1,018,835
Other Financing Sources			
Disposal of Capital Assets	6,000	6,000	26,660
Net Change in Fund Balance	522,995	522,995	1,045,495
Fund Balance - Beginning			3,991,888
Fund Balance - Ending			5,037,383

VILLAGE OF MONTGOMERY, ILLINOIS

Lakewood Creek Project - Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Revenues			
Investment Income	\$ 50	50	2,117
Miscellaneous	60,000	60,000	54,292
Total Revenues	60,050	60,050	56,409
Expenditures			
General Government			
Contractual Services	60,000	60,000	58,600
Net Change in Fund Balance	50	50	(2,191)
Fund Balance - Beginning			37,739
Fund Balance - Ending			35,548

VILLAGE OF MONTGOMERY, ILLINOIS

Water - Enterprise Fund - by Account Combining Schedule of Net Position April 30, 2025

	Water Account	Water Improvement Account	Eliminations	Totals
ASSETS				
Current Assets				
Cash and Investments	\$ 4,870,237	26,473,857	—	31,344,094
Receivables - Net of Allowances				
Accounts	1,232,064	—	—	1,232,064
Accrued Interest	16,505	222,572	—	239,077
Due from Other Funds	—	8,594,567	(8,594,567)	—
Prepays	8,855,885	—	—	8,855,885
Total Current Assets	14,974,691	35,290,996	(8,594,567)	41,671,120
Noncurrent Assets				
Capital Assets				
Nondepreciable	9,368,114	—	—	9,368,114
Depreciable	61,045,182	—	—	61,045,182
Accumulated Depreciation	(34,560,329)	—	—	(34,560,329)
Total Noncurrent Assets	35,852,967	—	—	35,852,967
Total Assets	50,827,658	35,290,996	(8,594,567)	77,524,087
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Items - IMRF	192,170	—	—	192,170
Deferred Items - ARO	348,001	—	—	348,001
Total Deferred Outflows of Resources	540,171	—	—	540,171
Total Assets and Deferred Outflows of Resources	51,367,829	35,290,996	(8,594,567)	78,064,258

	Water Account	Water Improvement Account	Eliminations	Totals
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 280,688	67,664	—	348,352
Accrued Payroll	20,450	—	—	20,450
Deposits Payable	6,338	—	—	6,338
Accrued Interest Payable	968,973	—	—	968,973
Due to Other Funds	8,594,567	—	(8,594,567)	—
Other Payables	63,000	38,849	—	101,849
Current Portion of Long-Term Debt	718,157	—	—	718,157
Total Current Liabilities	10,652,173	106,513	(8,594,567)	2,164,119
Noncurrent Liabilities				
Compensated Absences Payable	118,912	—	—	118,912
Net Pension Liability - IMRF	201,934	—	—	201,934
Total OPEB Liability - RBP	382,799	—	—	382,799
General Obligation Bonds Payable - Net	10,291,743	—	—	10,291,743
IEPA Loans Payable	2,712,523	—	—	2,712,523
Debt Certificates Payable	42,000,000	—	—	42,000,000
Asset Retirement Obligation	535,000	—	—	535,000
Total Noncurrent Liabilities	56,242,911	—	—	56,242,911
Total Liabilities	66,895,084	106,513	(8,594,567)	58,407,030
DEFERRED INFLOWS OF RESOURCES				
Deferred Items - IMRF	1,129	—	—	1,129
Total Liabilities and Deferred Inflows of Resources	66,896,213	106,513	(8,594,567)	58,408,159
NET POSITION				
Net Investment in Capital Assets	7,444,218	—	—	7,444,218
Unrestricted (Deficit)	(22,972,602)	35,184,483	—	12,211,881
Total Net Position	(15,528,384)	35,184,483	—	19,656,099

VILLAGE OF MONTGOMERY, ILLINOIS

Water - Enterprise Fund - by Account

Combining Schedule of Revenues, Expenses and Changes in Net Position

For the Fiscal Year Ended April 30, 2025

	Water Account	Water Improvement Account	Eliminations	Totals
Operating Revenues				
Charges for Services	\$ 7,139,517	—	—	7,139,517
Operating Expenses				
Operations	5,760,404	3,198	—	5,763,602
Depreciation and Amortization	2,246,621	—	—	2,246,621
Total Operating Expenses	8,007,025	3,198	—	8,010,223
Operating (Loss)	(867,508)	(3,198)	—	(870,706)
Nonoperating Revenues (Expenses)				
Investment Income	186,334	175,724	—	362,058
Other Income	110,360	16,417	—	126,777
Interest Expense	(1,400,442)	(186,273)	—	(1,586,715)
	(1,103,748)	5,868	—	(1,097,880)
Income (Loss) Before Before Transfers	(1,971,256)	2,670	—	(1,968,586)
Transfers In	—	26,612,568	(26,334,812)	277,756
Transfers Out	(26,334,812)	—	26,334,812	—
	(26,334,812)	26,612,568	—	277,756
Change in Net Position	(28,306,068)	26,615,238	—	(1,690,830)
Net Position - Beginning	12,777,684	8,569,245	—	21,346,929
Net Position - Ending	(15,528,384)	35,184,483	—	19,656,099

VILLAGE OF MONTGOMERY, ILLINOIS

Water - Enterprise Fund - by Account Combining Schedule of Cash Flows For the Fiscal Year Ended April 30, 2025

	Water Account	Water Improvement Account	Eliminations	Totals
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ (1,582,267)	(4,922,590)	—	(6,504,857)
Payments to Employees	(1,128,515)	—	—	(1,128,515)
Payments to Suppliers	615,270	(324,123)	—	291,147
	(2,095,512)	(5,246,713)	—	(7,342,225)
Cash Flows from Noncapital Financing Activities				
Transfers In	—	26,612,568	(26,334,812)	277,756
Transfers Out	(26,334,812)	—	26,334,812	—
	(26,334,812)	26,612,568	—	277,756
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	(6,809,304)	—	—	(6,809,304)
Issuance of Debt	44,785,000	—	—	44,785,000
Issuance of Premium on Debt	350,934	—	—	350,934
Principal Paid on Debt	(3,811,961)	—	—	(3,811,961)
Interest Paid on Debt	(1,400,442)	(186,273)	—	(1,586,715)
	33,114,227	(186,273)	—	32,927,954
Cash Flows from Investing Activities				
Investment Income	186,334	175,724	—	362,058
Net Change in Cash and Cash Equivalents	4,870,237	21,355,306	—	26,225,543
Cash and Cash Equivalents - Beginning	—	5,118,551	—	5,118,551
Cash and Cash Equivalents - Ending	4,870,237	26,473,857	—	31,344,094
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating (Loss)	(867,508)	(3,198)	—	(870,706)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities				
Depreciation	2,246,621	—	—	2,246,621
Other Income	110,360	16,417	—	126,777
(Increase) Decrease in Current Assets	(8,832,144)	(4,939,007)	—	(13,771,151)
Increase (Decrease) in Current Liabilities	5,247,159	(320,925)	—	4,926,234
Net Cash Provided by Operating Activities	(2,095,512)	(5,246,713)	—	(7,342,225)

VILLAGE OF MONTGOMERY, ILLINOIS

Water Account - Water - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
Water Sales	\$ 5,290,000	5,714,297	5,820,421
Late Charges	165,635	165,635	120,606
Water Service Charges	370,415	370,415	409,143
Delinquent Fees	70,000	70,000	74,950
Sewer Maintenance Charges	162,480	162,480	175,601
BH Infrastructure Fee	510,120	510,120	509,587
Fox Metro Reading Fee	28,880	28,880	29,209
Total Revenues	6,597,530	7,021,827	7,139,517
Operating Expenses			
Operations			
Water Administration	264,645	424,145	406,308
Water Plant Operations	5,493,145	5,586,935	5,354,096
Depreciation and Amortization	2,042,165	2,042,165	2,246,621
Total Operating Expenses	7,799,955	8,053,245	8,007,025
Operating (Loss)	(1,202,425)	(1,031,418)	(867,508)
Nonoperating Revenues (Expenses)			
Investment Income	55,000	85,000	186,334
Other Income/(Expense)	10,925	10,925	110,360
Principal Retirement	(667,560)	(667,560)	—
Interest Expense	(555,460)	(746,810)	(1,400,442)
	(1,157,095)	(1,318,445)	(1,103,748)
(Loss) Before Transfers	(2,359,520)	(2,349,863)	(1,971,256)
Transfers Out	—	—	(26,334,812)
Change in Net Position	(2,359,520)	(2,349,863)	(28,306,068)
Net Position - Beginning			12,777,684
Net Position - Ending			(15,528,384)

VILLAGE OF MONTGOMERY, ILLINOIS

Water Account - Water - Enterprise Fund Schedule of Operating Expenses - Budget and Actual For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Water Administration			
Personal Services	\$ 133,675	133,675	131,677
Contractual Services	129,470	288,970	274,016
Commodities	1,500	1,500	615
	<u>264,645</u>	<u>424,145</u>	<u>406,308</u>
Water Plant Operations			
Personal Services	981,730	981,730	996,838
Contractual Services	3,337,300	3,431,090	3,176,423
Commodities	1,174,115	1,174,115	1,180,835
	<u>5,493,145</u>	<u>5,586,935</u>	<u>5,354,096</u>
Depreciation and Amortization	<u>2,042,165</u>	<u>2,042,165</u>	<u>2,246,621</u>
Total Operating Expenses	<u>7,799,955</u>	<u>8,053,245</u>	<u>8,007,025</u>

VILLAGE OF MONTGOMERY, ILLINOIS**Water Improvement Account - Water - Enterprise Fund
Schedule of Operating Revenues - Budget and Actual
For the Fiscal Year Ended April 30, 2025**

	Original Budget	Final Budget	Actual
Operating Revenues			
Grants	\$ 300,000	300,000	—
Operating Expenses			
Operations	13,799,210	11,122,712	3,198
Operating (Loss)	(13,499,210)	(10,822,712)	(3,198)
Nonoperating Revenues (Expenses)			
Investment Income	2,000	2,000	175,724
Bond Proceeds	12,500,000	12,500,000	—
Other Income	42,930	42,930	16,417
Interest Expense	(170,000)	(170,000)	(186,273)
	12,374,930	12,374,930	5,868
Income (Loss) Before Transfers	(1,124,280)	1,552,218	2,670
Transfers In	80,591	80,591	26,612,568
Change in Net Position	(1,043,689)	1,632,809	26,615,238
Net Position - Beginning			8,569,245
Net Position - Ending			35,184,483

VILLAGE OF MONTGOMERY, ILLINOIS

Refuse - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Operating Revenues			
Charges for Services			
Recycling Fee	\$ 1,582,040	1,582,040	1,611,708
Operating Expenses			
Operations			
Solid Waste Disposal	1,582,040	1,582,040	1,587,318
Operating Income	—	—	24,390
Nonoperating Revenues			
Investment Income	—	—	1,259
Change in Net Position	—	—	25,649
Net Position - Beginning			122,266
Net Position - Ending			147,915

VILLAGE OF MONTGOMERY, ILLINOIS

Employee Insurance - Internal Service Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Operating Revenues			
Interfund Services	\$ 1,518,710	1,518,710	1,461,407
Operating Expenses			
Operations			
Insurance	1,526,520	1,526,520	1,411,069
Operating Income (Loss)	(7,810)	(7,810)	50,338
Nonoperating Revenues			
Investment Income	6,000	6,000	33,488
Change in Net Position	(1,810)	(1,810)	83,826
Net Position - Beginning			917,233
Net Position - Ending			1,001,059

VILLAGE OF MONTGOMERY, ILLINOIS

Police Pension - Pension Trust Fund

Schedule of Changes in the Fiduciary Net Position - Budget and Actual

For the Fiscal Year Ended April 30, 2025

	Original Budget	Final Budget	Actual
Additions			
Contributions - Employer	\$ 952,305	952,305	1,153,763
Contributions - Plan Members	400,375	400,375	373,438
Contributions - Other	—	—	521
Total Contributions	1,352,680	1,352,680	1,527,722
Investment Income			
Interest Earned	953,000	953,000	91,808
Net Change in Fair Value	—	—	1,271,952
	953,000	953,000	1,363,760
Less Investment Expenses	(8,500)	(8,500)	(9,929)
Net Investment Income	944,500	944,500	1,353,831
Total Additions	2,297,180	2,297,180	2,881,553
Deductions			
Administration	28,490	28,490	22,136
Benefits and Refunds	814,530	814,530	807,795
Total Deductions	843,020	843,020	829,931
Change in Fiduciary Net Position	1,454,160	1,454,160	2,051,622
Net Position Restricted for Pensions			
Beginning			14,468,803
Ending			16,520,425

VILLAGE OF MONTGOMERY, ILLINOIS

Custodial Funds

Combining Statement of Fiduciary Net Position

April 30, 2025

	Lakewood Creek Special Assessment	Cornell Special Service Area	Totals
ASSETS			
Cash and Cash Equivalents	\$ 997,066	15	997,081
Receivables			
Property Taxes	—	3,934	3,934
Total Assets	997,066	3,949	1,001,015
LIABILITIES			
Accounts Payable	—	—	—
NET POSITION			
Restricted for Individuals, Organizations, and Other Governments	997,066	3,949	1,001,015

VILLAGE OF MONTGOMERY, ILLINOIS

Custodial Funds

Combining Statement of Changes in Fiduciary Net Position

For the Fiscal Year Ended April 30, 2025

	Lakewood Creek Special Assessment	Cornell Special Service Area	Totals
Additions			
Property Taxes	\$ —	3,934	3,934
Charges for Services	805,342	—	805,342
Investment Income	52,655	7	52,662
Total Additions	857,997	3,941	861,938
Deductions			
Contractual Services	54,292	—	54,292
Debt Service			
Principal Retirement	863,000	3,386	866,386
Interest and Fiscal Charges	114,396	548	114,944
Total Deductions	1,031,688	3,934	1,035,622
Change in Fiduciary Net Position	(173,691)	7	(173,684)
Restricted for Individuals, Organizations, and Other Governments			
Beginning	1,170,757	3,942	1,174,699
Ending	997,066	3,949	1,001,015

SUPPLEMENTAL SCHEDULES

VILLAGE OF MONTGOMERY, ILLINOIS

Long-Term Debt Requirements

General Obligation Alternate Revenue Source Bonds of 2017

April 30, 2025

Date of Issue	July 18, 2017
Date of Maturity	December 1, 2037
Authorized Issue	\$3,370,000
Interest Rates	3.00% to 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	\$ 160,000	84,988	244,988
2027	165,000	80,188	245,188
2028	170,000	75,238	245,238
2029	175,000	70,138	245,138
2030	180,000	64,888	244,888
2031	185,000	59,488	244,488
2032	190,000	53,938	243,938
2033	195,000	48,238	243,238
2034	200,000	41,900	241,900
2035	210,000	35,400	245,400
2036	215,000	27,000	242,000
2037	225,000	18,400	243,400
2038	235,000	9,400	244,400
	2,505,000	669,204	3,174,204

VILLAGE OF MONTGOMERY, ILLINOIS

Long-Term Debt Requirements

General Obligation Alternate Revenue Source Bonds of 2021

April 30, 2025

Date of Issue	June 29, 2021
Date of Maturity	December 1, 2040
Authorized Issue	\$16,240,000
Interest Rates	2.00% to 5.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	\$ 760,000	479,450	1,239,450
2027	795,000	441,450	1,236,450
2028	840,000	401,700	1,241,700
2029	875,000	359,700	1,234,700
2030	920,000	315,950	1,235,950
2031	965,000	269,950	1,234,950
2032	1,010,000	221,700	1,231,700
2033	1,030,000	201,500	1,231,500
2034	1,055,000	180,900	1,235,900
2035	1,075,000	159,800	1,234,800
2036	1,095,000	138,300	1,233,300
2037	1,120,000	116,400	1,236,400
2038	1,140,000	94,000	1,234,000
2039	1,165,000	71,200	1,236,200
2040	1,185,000	47,900	1,232,900
2041	1,210,000	24,200	1,234,200
	16,240,000	3,524,100	19,764,100

VILLAGE OF MONTGOMERY, ILLINOIS

Long-Term Debt Requirements

General Obligation Alternate Revenue Source Bonds of 2023

April 30, 2025

Date of Issue	October 25, 2023
Date of Maturity	December 30, 2048
Authorized Issue	\$4,835,000
Interest Rates	4.75% to 5.00%
Interest Dates	June 30 and December 30
Principal Maturity Date	December 30
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	\$ —	239,625	239,625
2027	—	239,625	239,625
2028	—	239,625	239,625
2029	—	239,625	239,625
2030	—	239,625	239,625
2031	—	239,625	239,625
2032	—	239,625	239,625
2033	—	239,625	239,625
2034	—	239,625	239,625
2035	—	239,625	239,625
2036	—	239,625	239,625
2037	—	239,625	239,625
2038	—	239,625	239,625
2039	340,000	239,625	579,625
2040	360,000	222,625	582,625
2041	375,000	204,625	579,625
2042	395,000	185,875	580,875
2043	415,000	166,125	581,125
2044	435,000	146,412	581,412
2045	455,000	125,750	580,750
2046	480,000	103,000	583,000
2047	500,000	79,000	579,000
2048	525,000	54,000	579,000
2049	555,000	27,750	582,750
	4,835,000	4,669,912	9,504,912

VILLAGE OF MONTGOMERY, ILLINOIS

Long-Term Debt Requirements

General Obligation Alternate Revenue Source Refunding Bonds of 2024A

April 30, 2025

Date of Issue	September 26, 2024
Date of Maturity	December 30, 2037
Authorized Issue	\$6,935,000
Interest Rates	4.00%
Interest Dates	June 30 and December 30
Principal Maturity Date	December 30
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	\$ 320,000	349,832	669,832
2027	440,000	264,600	704,600
2028	460,000	247,000	707,000
2029	475,000	228,600	703,600
2030	495,000	209,600	704,600
2031	515,000	189,800	704,800
2032	535,000	169,200	704,200
2033	555,000	147,800	702,800
2034	580,000	125,600	705,600
2035	605,000	102,400	707,400
2036	625,000	78,200	703,200
2037	650,000	53,200	703,200
2038	680,000	27,200	707,200
	6,935,000	2,193,032	9,128,032

VILLAGE OF MONTGOMERY, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Bond (Alternate Revenue Source), Series 2024B

April 30, 2025

Date of Issue	September 26, 2024
Date of Maturity	December 30, 2038
Authorized Issue	\$2,785,000
Interest Rates	5.00%
Interest Dates	June 30 and December 30
Principal Maturity Date	December 30, 2038
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	\$ 105,000	175,610	280,610
2027	150,000	134,000	284,000
2028	160,000	126,500	286,500
2029	170,000	118,500	288,500
2030	175,000	110,000	285,000
2031	185,000	101,250	286,250
2032	190,000	92,000	282,000
2033	200,000	82,500	282,500
2034	215,000	72,500	287,500
2035	225,000	61,750	286,750
2036	230,000	50,500	280,500
2037	245,000	39,000	284,000
2038	260,000	26,750	286,750
2039	275,000	13,750	288,750
	<u>2,785,000</u>	<u>1,204,610</u>	<u>3,989,610</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2011

April 30, 2025

Date of Issue	October 20, 2011
Date of Maturity	April 19, 2032
Authorized Issue	\$4,310,177
Interest Rate	1.25%
Interest Dates	April 19 and October 19
Principal Maturity Date	April 19 and October 19
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	\$ 230,642	20,238	250,880
2027	233,534	17,346	250,880
2028	236,462	14,418	250,880
2029	239,427	11,453	250,880
2030	242,429	8,451	250,880
2031	245,469	5,411	250,880
2032	248,548	2,331	250,879
	1,676,511	79,648	1,756,159

VILLAGE OF MONTGOMERY, ILLINOIS

Long-Term Debt Requirements

IEPA Loan Payable of 2014

April 30, 2025

Date of Issue	June 1, 2014
Date of Maturity	December 1, 2034
Authorized Issue	\$2,392,635
Interest Rate	1.995%
Interest Dates	June 1 and December 1
Principal Maturity Date	June 1 and December 1
Payable at	Illinois Environmental Protection Agency

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	\$ 127,274	27,178	154,452
2027	129,826	24,626	154,452
2028	132,429	22,023	154,452
2029	135,084	19,368	154,452
2030	137,792	16,660	154,452
2031	140,555	13,897	154,452
2032	143,373	11,079	154,452
2033	146,248	8,204	154,452
2034	149,180	5,272	154,452
2035	152,167	2,286	154,453
	<u>1,393,928</u>	<u>150,593</u>	<u>1,544,521</u>

VILLAGE OF MONTGOMERY, ILLINOIS

Long-Term Debt Requirements

Debt Certificates of 2024

April 30, 2025

Date of Issue	May 7, 2024
Date of Maturity	May 1, 2026
Authorized Issue	\$12,500,000
Interest Rate	4.87%
Interest Dates	May 1 and November 1
Principal Maturity Date	May 1, 2026
Payable at	Huntington National Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	\$ —	902,979	902,979
2027	12,500,000	304,375	12,804,375
	12,500,000	1,207,354	13,707,354

VILLAGE OF MONTGOMERY, ILLINOIS

Long-Term Debt Requirements

Debt Certificates of 2025

April 30, 2025

Date of Issue	March 18, 2025
Date of Maturity	December 30, 2029
Authorized Issue	\$29,500,000
Interest Rate	4.48%
Interest Dates	June 30 and December 30
Principal Maturity Date	December 30, 2029
Payable at	Huntington National Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2026	\$ —	1,035,253	1,035,253
2027	6,850,000	1,321,600	8,171,600
2028	7,200,000	1,014,720	8,214,720
2029	7,550,000	692,160	8,242,160
2030	7,900,000	353,920	8,253,920
	<u>29,500,000</u>	<u>4,417,653</u>	<u>33,917,653</u>

STATISTICAL SECTION (Unaudited)

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

Financial Trends

These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the Village's most significant local revenue sources.

Debt Capacity

These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.

VILLAGE OF MONTGOMERY, ILLINOIS

Net Position by Component - Last Ten Fiscal Years
April 30, 2025 (Unaudited)

See Following Page

VILLAGE OF MONTGOMERY, ILLINOIS

Net Position by Component - Last Ten Fiscal Years April 30, 2025 (Unaudited)

	2016	2017*	2018
Governmental Activities			
Net Investment in Capital Assets	\$ 46,661,769	45,991,729	44,692,893
Restricted	3,113,629	1,662,150	1,284,243
Unrestricted (Deficit)	249,053	2,739,824	3,079,607
Total Governmental Activities Net Position	50,024,451	50,393,703	49,056,743
Business-Type Activities			
Net Investment in Capital Assets	20,879,292	20,383,154	19,146,577
Unrestricted	2,957,829	3,302,664	3,179,608
Total Business-Type Activities Net Position	23,837,121	23,685,818	22,326,185
Primary Government			
Net Investment in Capital Assets	67,541,061	66,374,883	63,839,470
Restricted	3,113,629	1,662,150	1,284,243
Unrestricted	3,206,882	6,042,488	6,259,215
Total Primary Government Net Position	73,861,572	74,079,521	71,382,928

Data Source: Audited Financial Statements

* The Economic Development (Revolving Loan) Fund was dissolved on October 11, 2016 by the Illinois Department of Commerce and Economic Opportunity. All money was released to Village control to be expended in any manner deemed appropriate by the Village.

** The Village implemented GASB Nos. 74 and 75 as of April 30, 2019.

2019**	2020	2021	2022	2023	2024	2025
43,943,173	42,946,474	41,961,058	40,033,420	40,803,687	41,448,075	38,071,471
2,023,667	2,650,328	4,888,818	5,281,680	6,781,450	5,822,373	15,142,535
(1,222,705)	(3,281,565)	(2,682,301)	1,432,233	5,374,581	10,935,772	7,067,739
44,744,135	42,315,237	44,167,575	46,747,333	52,959,718	58,206,220	60,281,745
18,355,971	16,719,681	15,261,554	13,984,150	13,978,096	16,919,096	7,444,218
2,176,430	3,794,068	4,935,241	5,288,076	4,933,719	4,550,099	12,359,796
20,532,401	20,513,749	20,196,795	19,272,226	18,911,815	21,469,195	19,804,014
62,299,144	59,666,155	57,222,612	54,017,570	54,781,783	58,367,171	45,515,689
2,023,667	2,650,328	4,888,818	5,281,680	6,781,450	5,822,373	15,142,535
953,725	512,503	2,252,940	6,720,309	10,308,300	15,485,871	19,427,535
65,276,536	62,828,986	64,364,370	66,019,559	71,871,533	79,675,415	80,085,759

VILLAGE OF MONTGOMERY, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years April 30, 2025 (Unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental Activities										
General Government	\$ 4,000,986	4,244,641	4,116,922	4,200,723	6,387,862	5,011,178	4,490,044	6,385,513	7,017,346	13,247,918
Public Safety	5,805,768	5,678,585	6,129,886	6,313,301	6,782,631	6,726,856	6,966,682	7,704,522	8,335,866	8,901,362
Highways and Streets	5,085,800	5,719,404	7,466,762	7,298,111	8,252,272	7,895,794	8,240,386	5,422,126	8,344,942	5,789,969
Sanitation *	—	—	—	—	—	—	—	—	—	—
Interest on Long-Term Debt	344,003	318,881	296,284	261,329	208,114	169,165	809,417	409,733	384,839	590,459
Total Governmental Activities Expenses	15,236,557	15,961,511	18,009,854	18,073,464	21,630,879	19,802,993	20,506,529	19,921,894	24,082,993	28,529,708
Business-Type Activities										
Water	5,507,018	5,864,400	6,224,449	6,196,236	6,488,139	6,943,904	7,304,945	7,838,364	7,861,712	9,596,938
Refuse *	1,293,243	1,332,282	1,213,171	1,198,372	1,237,572	1,292,619	1,355,620	1,411,530	1,357,590	1,587,318
Total Business-Type Activities Expenses	6,800,261	7,196,682	7,437,620	7,394,608	7,725,711	8,236,523	8,660,565	9,249,894	9,219,302	11,184,256
Total Primary Government Expenses	22,036,818	23,158,193	25,447,474	25,468,072	29,356,590	28,039,516	29,167,094	29,171,788	33,302,295	39,713,964
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	488,315	603,044	676,638	691,978	966,971	943,663	956,177	1,243,108	1,521,825	1,025,194
Public Safety	509,588	271,302	235,286	334,673	295,685	297,355	297,238	325,058	296,267	401,001
Highways and Streets	713,056	621,374	640,824	618,241	659,160	682,834	1,012,753	2,008,975	2,297,678	1,629,011
Sanitation *	—	—	—	—	—	—	—	—	—	—
Operating Grants and Contributions	1,319,509	681,547	655,684	526,178	770,589	2,377,050	1,395,873	496,899	794,048	787,977
Capital Grants and Contributions	—	403,637	—	—	—	—	—	558,991	491,182	888,006
Total Governmental Activities Program Revenues	3,030,468	2,580,904	2,208,432	2,171,070	2,692,405	4,300,902	3,662,041	4,633,031	5,401,000	4,731,189
Business-Type Activities										
Charges for Services										
Water	5,864,368	6,205,808	5,930,548	6,113,989	6,354,241	6,789,258	5,836,790	6,295,555	8,758,363	7,139,517
Refuse *	—	587,125	—	—	327,702	672,298	1,359,618	1,416,002	1,461,757	1,611,708
Total Business-Type Activities Program Revenues	5,864,368	6,792,933	5,930,548	6,113,989	6,681,943	7,461,556	7,196,408	7,711,557	10,220,120	8,751,225
Total Primary Government Program Revenues	8,894,836	9,373,837	8,138,980	8,285,059	9,374,348	11,762,458	10,858,449	12,344,588	15,621,120	13,482,414

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Net (Expense) Revenue										
Governmental Activities	\$ (12,206,089)	(13,380,607)	(15,801,422)	(15,902,394)	(18,938,474)	(15,502,091)	(16,844,488)	(15,288,863)	(18,681,993)	(23,798,519)
Business-Type Activities	(935,893)	(403,749)	(1,507,072)	(1,280,619)	(1,043,768)	(774,967)	(1,464,157)	(1,538,337)	1,000,818	(2,433,031)
Total Primary Government Net (Expense) Revenue	(13,141,982)	(13,784,356)	(17,308,494)	(17,183,013)	(19,982,242)	(16,277,058)	(18,308,645)	(16,827,200)	(17,681,175)	(26,231,550)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property Taxes	2,681,695	2,833,737	2,811,662	3,447,801	3,743,444	3,841,421	3,911,419	4,074,929	4,925,139	5,852,127
Utility Taxes	1,256,073	1,330,011	1,248,464	1,280,686	1,193,929	1,184,554	1,334,160	1,933,189	1,234,927	1,242,159
Video Gaming Taxes	60,261	69,783	110,129	131,568	135,367	126,539	231,672	263,440	339,637	380,627
Cannabis Taxes	—	—	—	—	3,886	16,314	30,865	31,541	255,613	31,425
Intergovernmental - Unrestricted										
Sales Taxes	5,967,427	6,565,069	7,141,902	7,587,026	7,856,323	8,310,885	9,487,212	9,919,640	11,186,564	12,013,181
Income Taxes	1,964,982	1,742,849	1,677,747	1,907,508	1,814,022	2,238,047	3,098,877	3,118,150	3,372,012	3,613,447
Replacement Taxes	56,272	68,467	64,221	61,977	67,840	86,049	187,562	212,001	138,474	93,760
Local Use Taxes	436,512	456,796	487,302	566,143	652,788	845,150	746,446	837,428	764,228	529,528
TIF Surplus	—	—	15,785	11,307	14,392	9,339	11,330	13,177	20,845	24,370
Other Taxes	—	—	—	—	—	—	—	—	—	33,332
American Rescue Plan	—	—	—	—	—	—	—	990,812	1,383,904	297,714
Franchise Fees	258,965	261,152	246,034	250,229	241,068	222,507	221,506	—	—	—
Investment Income (Loss)	44,614	44,830	112,229	220,896	246,982	149,734	(127,604)	800,583	1,156,103	1,477,071
Miscellaneous	288,798	377,165	301,864	321,695	539,535	323,890	290,801	248,660	367,521	563,059
Internal Activity - Transfers	—	—	—	—	—	—	—	(942,302)	(1,216,472)	(277,756)
Total Governmental Activities	13,015,599	13,749,859	14,217,339	15,786,836	16,509,576	17,354,429	19,424,246	21,501,248	23,928,495	25,874,044
Business-Type Activities										
Investment Income (Loss)	19,148	24,775	59,077	104,802	84,921	52,921	(32,143)	81,866	315,260	363,317
Miscellaneous	71,058	227,671	88,362	122,744	940,195	405,092	571,731	153,758	24,830	126,777
Internal Activity - Transfers	—	—	—	—	—	—	—	942,302	1,216,472	277,756
Total Business-Type Activities	90,206	252,446	147,439	227,546	1,025,116	458,013	539,588	1,177,926	1,556,562	767,850
Total Primary Government	13,105,805	14,002,305	14,364,778	16,014,382	17,534,692	17,812,442	19,963,834	22,679,174	25,485,057	26,641,894
Changes in Net Position										
Governmental Activities	809,510	369,252	(1,584,083)	(115,558)	(2,428,898)	1,852,338	2,579,758	6,212,385	5,246,502	2,075,525
Business-Type Activities	(845,687)	(151,303)	(1,359,633)	(1,053,073)	(18,652)	(316,954)	(924,569)	(360,411)	2,557,380	(1,665,181)
Total Primary Government Changes in Net Position	(36,177)	217,949	(2,943,716)	(1,168,631)	(2,447,550)	1,535,384	1,655,189	5,851,974	7,803,882	410,344

Data Source: Audited Financial Statements

* The Refuse Fund (Sanitation) changed from a department in the General Fund to an Enterprise Fund during the year ended April 30, 2015.

VILLAGE OF MONTGOMERY, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years April 30, 2025 (Unaudited)

	2016	2017*	2018
General Fund			
Nonspendable	\$ 617,742	549,233	481,703
Unassigned	3,394,156	3,488,826	3,625,645
Total General Fund	4,011,898	4,038,059	4,107,348
All Other Governmental Funds			
Restricted	3,169,718	1,712,350	1,335,443
Assigned	2,221,199	4,819,428	5,170,063
Unassigned	(30,090)	—	—
Total All Other Governmental Funds	5,360,827	6,531,778	6,505,506
Total Governmental Funds	9,372,725	10,569,837	10,612,854

Data Source: Audited Financial Statements

*The Economic Development (Revolving Loan) Fund was dissolved on October 11, 2016 by the Illinois Department of Commerce and Economic Opportunity. All money was released to Village control to be expended in any manner deemed appropriate by the Village.

2019	2020	2021	2022	2023	2024	2025
377,270	483,486	590,419	633,284	550,277	414,980	547,565
4,440,049	4,511,552	4,404,648	4,707,601	4,906,322	5,249,227	5,368,303
4,817,319	4,995,038	4,995,067	5,340,885	5,456,599	5,664,207	5,915,868
2,073,534	2,700,328	4,936,276	18,550,564	9,970,739	5,859,361	15,182,964
4,532,941	4,239,488	5,065,379	8,631,041	10,828,194	16,280,184	18,206,485
—	—	(1,980)	(11,847)	(15,908)	(10,180)	(85,951)
6,606,475	6,939,816	9,999,675	27,169,758	20,783,025	22,129,365	33,303,498
11,423,794	11,934,854	14,994,742	32,510,643	26,239,624	27,793,572	39,219,366

VILLAGE OF MONTGOMERY, ILLINOIS

Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years April 30, 2025 (Unaudited)

	2016	2017	2018
Revenues			
Property Taxes	\$ 2,681,695	2,833,737	2,811,662
Other Taxes	1,316,334	1,399,794	1,358,593
Licenses, Permits and Fees	447,653	525,473	427,199
Intergovernmental	9,744,702	9,514,728	10,042,641
Fines and Forfeitures	341,152	255,857	216,061
Charges for Services	1,158,907	1,016,400	1,044,839
Investment Income (Loss)	44,614	44,824	110,396
Miscellaneous	288,798	377,165	301,244
Total Revenues	16,023,855	15,967,978	16,312,635
Expenditures			
General Government	3,099,920	3,621,280	3,582,411
Public Safety	4,434,450	4,837,851	5,279,814
Highways and Streets	3,678,986	4,129,972	5,577,214
Sanitation **	—	—	—
Capital Outlay	1,368,627	1,251,522	1,129,429
Debt Service			
Principal Retirement	828,071	755,000	810,000
Interest and Fiscal Charges	364,061	334,965	312,015
Total Expenditures	13,774,115	14,930,590	16,690,883
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,249,740	1,037,388	(378,248)
Other Financing Sources (Uses)			
Debt Issuance	—	—	—
Premium on Debt Issuance	—	—	—
Payment to Escrow Agent	—	—	—
Disposal of Capital Assets	68,650	159,724	174,142
Transfers In	1,492,113	1,084,076	1,162,439
Transfers Out	(1,492,113)	(1,084,076)	(1,162,439)
	68,650	159,724	174,142
Net Change in Fund Balances	2,318,390	1,197,112	(204,106)
Debt Service as a Percentage of Noncapital Expenditures	9.44%	7.86%	7.06%

Data Source: Audited Financial Statements

2019	2020	2021	2022	2023	2024	2025
3,447,801	3,743,444	3,841,421	3,911,419	4,074,929	4,925,139	5,852,127
1,412,254	1,333,182	1,327,407	1,596,697	2,228,170	1,830,177	1,654,211
460,164	672,228	569,477	612,232	16,147,098	18,151,257	18,281,315
10,660,139	11,175,954	13,845,927	14,927,300	538,831	834,249	431,923
282,892	275,223	279,382	246,120	225,783	267,408	324,784
1,148,011	1,337,013	1,367,939	1,646,341	2,675,914	2,923,720	2,248,161
212,669	237,228	142,290	(124,500)	763,539	1,130,198	1,443,583
244,525	283,664	192,226	290,801	248,660	367,521	563,059
17,868,455	19,057,936	21,566,069	23,106,410	26,902,924	30,429,669	30,799,163
3,602,701	3,811,506	4,211,225	4,359,372	4,745,347	6,126,564	6,871,580
5,263,236	5,640,813	5,994,220	6,213,185	6,642,166	7,239,696	8,022,888
5,604,072	6,831,874	6,089,198	6,819,265	3,817,594	6,624,240	3,203,422
—	—	—	—	—	—	—
927,016	748,288	1,029,815	2,970,373	15,813,119	6,547,445	7,064,375
1,375,000	1,385,000	1,025,000	870,000	665,000	685,000	710,000
285,490	225,453	166,713	625,090	548,415	531,863	604,024
17,057,515	18,642,934	18,516,171	21,857,285	32,231,641	27,754,808	26,476,289
810,940	415,002	3,049,898	1,249,125	(5,328,717)	2,674,861	4,322,874
—	—	—	16,240,000	—	—	6,935,000
—	—	—	1,511,394	—	—	419,016
—	—	—	(1,492,111)	—	—	—
—	96,058	9,990	7,493	—	95,559	26,660
1,656,790	1,608,278	2,553,809	2,671,836	1,941,165	2,913,215	2,565,250
(1,656,790)	(1,608,278)	(2,553,809)	(2,671,836)	(2,883,467)	(4,129,687)	(2,843,006)
—	96,058	9,990	16,266,776	(942,302)	(1,120,913)	7,102,920
810,940	511,060	3,059,888	17,515,901	(6,271,019)	1,553,948	11,425,794
10.24%	8.87%	6.77%	7.99%	6.30%	5.62%	5.26%

VILLAGE OF MONTGOMERY, ILLINOIS

Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years April 30, 2025 (Unaudited)

Tax Levy Year		Residential Property	Commercial Property	Industrial Property
2015	Kane County	\$ 98,338,791	\$ 15,564,174	\$ 41,358,775
	Kendall County	176,394,904	32,053,647	2,773,279
2016	Kane County	108,568,782	16,037,793	42,098,691
	Kendall County	198,500,016	31,838,517	2,773,279
2017	Kane County	116,542,473	16,680,893	42,863,804
	Kendall County	210,473,440	32,512,305	2,773,279
2018	Kane County	124,172,746	19,251,029	47,928,447
	Kendall County	226,660,110	33,337,544	2,773,279
2019	Kane County	131,975,374	20,052,122	47,563,340
	Kendall County	238,717,322	36,043,368	2,993,873
2020	Kane County	139,057,427	20,623,242	49,421,934
	Kendall County	251,810,811	36,202,110	2,993,873
2021	Kane County	145,310,112	22,377,391	51,487,377
	Kendall County	270,940,448	42,396,473	2,993,873
2022	Kane County	154,122,848	24,237,295	56,710,935
	Kendall County	296,534,793	50,360,114	2,993,873
2023	Kane County	164,113,042	25,893,227	60,137,734
	Kendall County	330,886,931	57,119,242	2,993,873
2024	Kane County	184,982,918	30,835,721	95,010,612
	Kendall County	371,108,523	81,694,290	2,993,873

Date Source: Village and County Records (Rate Setting EAV)

Railroad Property		Farm Property		Total Equalized Assessed Value	Total Estimated Actual Value	Ratio of Total Assessed to Total Actual Value	Total Direct Tax Rate
\$ 1,114,199	\$ 417,234	\$ 156,793,173	\$ 470,379,519	33.33%	0.5883		
10,056	180,852	211,412,738	634,238,214	33.33%	0.5804		
		<u>368,205,911</u>	<u>1,104,617,733</u>				
1,263,415	426,791	168,395,472	505,186,416	33.33%	0.5387		
10,056	189,322	233,311,190	699,933,570	33.33%	0.5391		
		<u>401,706,662</u>	<u>1,205,119,986</u>				
1,408,869	424,682	177,920,721	533,762,163	33.33%	0.0534		
10,056	198,652	245,967,732	737,903,196	33.33%	0.5125		
		<u>423,888,453</u>	<u>1,271,665,359</u>				
1,513,472	503,549	193,369,243	580,107,729	33.33%	0.0471		
34,962	208,952	263,014,847	789,044,541	33.33%	0.4851		
		<u>456,384,090</u>	<u>1,369,152,270</u>				
1,755,043	539,472	201,885,351	605,656,053	33.33%	0.0427		
51,654	220,299	278,026,516	834,079,548	33.33%	0.4549		
		<u>479,911,867</u>	<u>1,439,735,601</u>				
2,122,285	577,506	211,802,394	635,407,182	33.33%	0.0408		
44,025	232,679	291,283,498	873,850,494	33.33%	0.4602		
		<u>503,085,892</u>	<u>1,509,257,676</u>				
2,533,135	617,221	222,325,236	666,975,708	33.33%	0.4340		
45,052	245,509	316,621,355	949,864,065	33.33%	0.4340		
		<u>538,946,591</u>	<u>1,616,839,773</u>				
2,840,954	517,514	238,429,546	715,288,638	33.33%	0.4182		
52,423	260,425	350,201,628	1,050,604,884	33.33%	0.4185		
		<u>588,631,174</u>	<u>1,765,893,522</u>				
2,981,945	693,129	253,819,077	761,457,231	33.33%	0.3872		
58,642	272,625	391,331,313	1,173,993,939	33.33%	0.3865		
		<u>645,150,390</u>	<u>1,935,451,170</u>				
2,768,442	932,008	314,529,701	943,589,103	33.33%	0.3589		
72,597	830,326	456,699,609	1,370,098,827	33.33%	0.3579		
		<u>771,229,310</u>	<u>2,313,687,930</u>				

VILLAGE OF MONTGOMERY, ILLINOIS

Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years April 30, 2025 (Unaudited)

	2015 (2)	2016 (2)	2017 (1)
Village of Montgomery			
General Corporate	0.2607	0.1384	0.1376
IMRF	0.0615	0.0571	0.0542
Liability Insurance	0.0724	0.0733	0.0696
Social Security	0.0615	0.0593	0.0563
Police Pension	0.1243	0.1451	0.1315
Police Protection	—	0.0659	0.0625
Prior Year Adjustment	—	—	0.0019
Total Direct Tax Rates	0.5804	0.5391	0.5136
Overlapping Rates			
Kane County	—	—	0.4025
Kane County Forest Preserve District	—	—	0.1658
Kendall County	0.7909	0.7477	—
Kendall County Forest Preserve District	0.1787	0.1755	—
Aurora Township	—	—	0.2163
Aurora Township Road District	—	—	0.0961
Bristol Township	—	—	—
Bristol Township Road District	—	—	—
Oswego Township	0.0904	0.0855	—
Oswego Township Road District	0.2027	0.1917	—
Montgomery Fire Protection District	—	—	0.7460
Oswego Fire Protection District	0.7871	0.7524	—
Oswego Library District	0.2996	0.2864	0.2816
Fox Valley Park District	—	—	0.5322
Oswegoland Park District	0.4973	0.4764	—
Unit School District Number 129	—	—	5.9882
Unit School District Number 308	7.3176	6.9712	—
Community College District Number 516	0.5885	0.5601	0.5533
Total Overlapping Tax Rates	10.7528	10.2469	8.9820
Total Direct and Overlapping Rates	11.3332	10.7860	9.4956

Notes:

Property tax rates are per \$100 of assessed valuation

(1) Representative tax rates for other government units are from Kane County Tax Code AU013, which represents the largest portion of the Village's 2017 to 2020 EAV

(2) Representative tax rates for other government units are from Kendall County Tax Code OS009, which represents the largest portion of the Village's 2015 and 2016 EAV

Data Source: Offices of the Kane County and Kendall County Clerks

2018 (1)	2019 (1)	2020 (1)	2021	2022	2023	2024
0.1246	0.1355	0.1173	0.1127	0.1087	0.1004	0.0900
0.0514	0.0379	0.0350	0.0334	0.0322	0.0298	0.0267
0.0660	0.0555	0.0389	0.0371	0.0358	0.0331	0.0297
0.0534	0.0471	0.0427	0.0408	0.0394	0.0364	0.0326
0.1306	0.1428	0.1652	0.1633	0.1574	0.1454	0.1418
0.0593	0.0584	0.0486	0.0464	0.0447	0.0413	0.0371
0.0098	(0.0002)	(0.0088)	0.0003	0.0008	0.0009	0.0010
0.4951	0.4770	0.4389	0.4340	0.4190	0.3873	0.3589
0.3877	0.3739	0.3618	0.3522	0.3322	—	0.2878
0.1607	0.1549	0.1477	0.1435	0.1367	—	0.1468
—	—	—	—	—	0.5671	—
—	—	—	—	—	0.1426	—
0.2210	0.2107	0.2002	0.1884	0.1709	—	0.1456
0.0917	0.0887	0.0858	0.0826	0.0802	—	0.0723
—	—	—	—	—	0.0743	—
—	—	—	—	—	0.0537	—
—	—	—	—	—	—	—
—	—	—	—	—	—	—
0.7099	0.7055	0.6786	0.6446	0.6280	—	0.5672
—	—	—	—	—	0.7358	—
0.2724	0.2782	0.2518	0.2585	0.2541	0.2445	0.2258
0.4903	0.4916	0.4557	0.4337	0.4199	0.4036	0.3779
—	—	—	—	—	—	—
5.8301	5.6274	5.4393	5.2857	5.1444	—	4.5892
—	—	—	—	—	5.8711	—
0.5414	0.5377	0.4286	0.4710	0.4656	0.4515	0.4201
8.7052	8.4686	8.0495	7.8602	7.6320	8.5442	6.8327
9.2003	8.9456	8.4884	8.2942	8.0510	8.9315	7.1916

VILLAGE OF MONTGOMERY, ILLINOIS

Principal Property Tax Payers - Current Tax Levy Year and Nine Tax Levy Years Ago April 30, 2025 (Unaudited)

Taxpayer	2024 Tax Levy			Taxpayer	2015 Tax Levy		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value		Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
325 South Route 31 LLC	\$ 20,072,203	1	2.60%	United Facilities, Inc.	\$ 10,619,028	1	2.88%
Montgomery Properties LLC	19,966,248	2	2.59%	Wal-Mart Stores, Inc.	4,353,035	2	1.18%
American Crystal Sugar Co.	12,044,678	3	1.56%	Menards, Inc.	3,187,856	3	0.87%
United Facilities, Inc.	11,962,762	4	1.55%	Fox River Foods, Inc.	2,784,814	5	0.76%
Allsteel 90 Knell LLC	5,795,271	5	0.75%	Stag Montgomery, LLC	2,709,745	6	0.74%
Victorian My Mazel LLC	5,321,671	6	0.69%	IP Eat Five	2,830,834	4	0.77%
Walmart Stores Inc.	4,872,581	7	0.63%	Centerpoint Properties	2,597,593	7	0.71%
Mountain Industrial Properties LLC	4,831,238	8	0.63%	Monmouth Capital Corp	2,188,961	8	0.59%
Montgomery Investors LLC	4,020,048	9	0.52%	JC Penny Properties, Inc.	1,933,140	9	0.53%
Card Buddig & Co.	3,910,104	10	0.51%	Victorian Apartments LLC	1,831,799	10	0.50%
Total	<u>92,796,804</u>		<u>12.03%</u>		<u>35,036,805</u>		<u>9.52%</u>
2024 EAV	<u>\$ 771,229,310</u>			2015 EAV	<u>\$ 368,205,911</u>		

Data Source: Kane and Kendall Counties Assessors (The 2024 EAV is the most current)

VILLAGE OF MONTGOMERY, ILLINOIS

Property Tax Levies and Collections - Last Ten Tax Levy Years April 30, 2025 (Unaudited)

Tax Levy Year	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$	2,136,891	\$ 2,131,871	99.77%	\$ 3,779	\$ 2,135,650	99.94%
2016		2,164,974	2,162,561	99.89%	(2,183)	2,160,378	99.79%
2017		2,174,319	2,172,629	99.92%	—	2,172,629	99.92%
2018		2,233,407	2,231,693	99.92%	—	2,231,693	99.92%
2019		2,227,811	2,224,971	99.87%	—	2,224,971	99.87%
2020		2,270,093	2,269,701	99.98%	—	2,269,701	99.98%
2021		2,336,464	2,336,463	100.00%	—	2,336,463	100.00%
2022		2,461,761	2,476,725	100.61%	—	2,476,725	100.61%
2023		2,495,300	2,496,534	100.05%	—	2,496,534	100.05%
2024		2,614,276	*	*	*	*	*

Data Source: Village Records

*Taxes are collected in two installments due in June and September of the following year.

Note: The percentage collected may exceed 100% due to the use of a weighted average of taxes levied by two counties.

VILLAGE OF MONTGOMERY, ILLINOIS

Sales Tax Base - Taxable Sales by Category - Last Ten Calendar Years April 30, 2025 (Unaudited)

Category	2015 (2)	2016	2017
General Merchandise	\$ 1,489,844	1,190,970	1,237,033
Food	245,183	1,048,995	1,208,296
Drinking and Eating Places	327,968	450,668	501,084
Apparel	24,467	32,781	37,558
Furniture & H.H. & Radio	33,435	28,547	29,595
Lumber, Building Hardware	652,700	878,745	883,918
Automobile and Filling Stations	526,431	677,443	742,106
Drugs and Miscellaneous Retail	449,040	578,138	728,736
Agriculture and All Others	927,918	1,066,314	1,050,707
Manufacturers	330,015	509,575	550,425
Censored (1)	12,132	14,538	23,887
Totals	5,019,133	6,476,714	6,993,345
Village Portion of State Sales Tax Rate	1.00%	1.00%	1.00%
Village Non-Home Rule Rate	—%	1.00%	1.00%
Totals	1.00%	2.00%	2.00%

Notes:

(1) Censored - The State will not release data if 4 or fewer businesses are included in a particular category for each County.

(2) The Village Non-Home Rule Sales Tax was implemented on July 1, 2015.

(3) The above numbers are the total sales tax dollars received by the Village before applicable sales tax rebates.

Data Source: Illinois Department of Revenue SIC Reporting

2018	2019	2020	2021	2022	2023	2024
1,254,109	1,290,509	1,195,077	1,197,255	1,166,008	1,240,107	1,322,215
1,736,738	1,820,355	1,917,507	2,118,785	2,419,381	2,367,882	2,853,627
518,035	497,951	491,359	602,973	682,119	723,081	898,563
41,964	38,410	—	51,331	60,999	67,308	73,733
17,397	56,064	41,412	62,642	50,229	49,635	49,894
925,284	978,447	1,190,904	1,245,094	1,229,254	1,173,936	1,050,781
777,910	760,091	690,846	808,983	1,014,561	1,074,078	980,488
724,141	731,524	801,553	1,312,607	1,324,902	1,521,534	1,758,965
1,102,859	1,145,558	1,172,402	1,476,337	1,609,478	1,747,628	1,879,034
416,946	477,130	390,417	476,391	552,344	667,713	651,364
35,699	13,520	39,290	—	—	—	—
7,551,082	7,809,559	7,930,767	9,352,398	10,109,275	10,632,902	11,518,664
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%

VILLAGE OF MONTGOMERY, ILLINOIS

Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years April 30, 2025 (Unaudited)

Fiscal Year		Village Portion of State Rate	State Portion of State Rate	Total State Rate	Village Non-Home Rule Rate	Regional Transportation Authority Rate	Public Safety Rate	Total Rate Village (Kendall County)
2015	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2016	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2017	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2018	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2019	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2020	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2021	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2022	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2023	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%
2024	Kane County	1.00%	5.25%	6.25%	1.00%	0.75%	—%	8.00%
	Kendall County	1.00%	5.25%	6.25%	1.00%	—%	1.00%	8.25%

Data Source: Village and State Records

Note: The rates listed in this table apply to sales of general merchandise. Sales of food not prepared for immediate consumption, drugs and titled vehicles are subject to a different tax rate. This rate is 1.75% in Kane County and 1.00% in Kendall County for sales of food and 7.00% in Kane County and 6.25% in Kendall County for sales of titled vehicles.

VILLAGE OF MONTGOMERY, ILLINOIS

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years April 30, 2025 (Unaudited)

Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Alternate Revenue Source Bonds	Lease Payable	General Obligation Alternate Revenue Source Bonds	IEPA Loans	Debt Certificates				
2016	\$ 9,891,082	\$ —	\$ 5,540,147	\$ 6,534,438	\$ —	\$ 21,965,667	4.56%	\$ 1,191.33	
2017	9,101,691	—	5,069,944	6,159,856	—	20,331,491	3.96%	1,102.70	
2018	8,262,302	—	8,095,875	5,778,319	—	22,136,496	4.15%	1,200.59	
2019	6,864,771	—	7,570,586	5,390,258	—	19,825,615	3.67%	1,075.26	
2020	5,464,385	—	7,274,750	4,995,551	—	17,734,686	3.23%	961.86	
2021	4,431,166	—	6,969,593	4,594,071	—	15,994,830	2.50%	789.40	
2022	19,814,732	—	6,665,138	4,185,692	—	30,665,562	4.87%	1,513.45	
2023	19,002,097	—	6,351,388	3,770,282	—	29,123,767	4.56%	1,437.36	
2024	18,169,934	—	10,943,980	3,422,997	—	32,536,911	4.64%	1,605.81	
2025	24,667,338	—	10,620,511	3,070,439	42,000,000	80,358,288	10.88%	3,965.96	

Data Source: Village Records

Notes:

Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics for personal income and population data.

VILLAGE OF MONTGOMERY, ILLINOIS

Ratio of General Bonded Debt Outstanding - Last Ten Fiscal Years

April 30, 2025 (Unaudited)

Fiscal Year	Gross General Obligation Bonds	Debt Payable From Other Sources	Net General Obligation Bonds	Total Estimated Actual Value of Taxable Property	Percentage of Estimated Actual Value of Taxable Property (1)	Per Capita (2)
2016	\$ 15,431,229	\$ —	\$ 15,431,229	\$ 1,104,617,733	1.40%	\$ 836.93
2017	14,171,635	—	14,171,635	1,205,119,986	1.18%	768.61
2018	16,358,177	—	16,358,177	1,271,665,359	1.29%	887.20
2019	14,435,357	—	14,435,357	1,369,152,270	1.05%	782.91
2020	12,739,135	—	12,739,135	1,439,735,601	0.88%	690.92
2021	11,400,759	—	11,400,759	1,509,257,676	0.76%	562.67
2022	26,479,870	—	26,479,870	1,616,839,773	1.64%	1,306.87
2023	25,353,485	—	25,353,485	1,765,893,522	1.44%	1,251.28
2024	29,113,914	—	29,113,914	1,935,451,170	1.50%	1,436.87
2025	35,287,849	—	35,287,849	2,313,687,930	1.53%	1,741.58

Data Source: Village Records

Notes:

Details regarding the Village's outstanding debt can be found in the notes to the financial statements.

See Demographic and Economic Statistics schedule for population data.

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

VILLAGE OF MONTGOMERY, ILLINOIS

Schedule of Direct and Overlapping Bonded Debt April 30, 2025 (Unaudited)

Governmental Unit	Governmental Activities Gross Debt	Percentage to Debt Applicable to Village (1)	Village's Share of Debt
Village of Montgomery	\$ 24,667,338	100.00%	\$ 24,667,338
Less: Self-Supported Debt	(24,667,338)	100.00%	(24,667,338)
Net Direct Bonded Debt	—		—
School Districts:			
School District #115	35,435,000	9.57%	3,391,130
School District #129	70,029,000	5.72%	4,005,659
School District #131	124,400,000	3.92%	4,876,480
School District #302	34,572,239	3.99%	1,379,432
School District #308	185,578,061	11.38%	21,118,783
Community College District #516	49,305,000	4.69%	2,312,405
Total School Districts	499,319,300		37,083,888
Other Agencies:			
Kane County	13,695,000	1.34%	183,513
Kendall County	9,520,000	8.57%	815,864
Kane County Forest Preserve District	68,650,000	1.34%	919,910
Kendall County Forest Preserve District	12,930,000	8.57%	1,108,101
Fox Valley Park District	12,175,000	9.02%	1,098,185
Oswegoland Park District	10,655,000	3.01%	320,716
Oswego Library District	1,590,000	20.70%	329,130
Total Other Agencies	129,215,000		4,775,419
Total Overlapping Debt	628,534,300		41,859,307
Total Direct and Overlapping Debt	628,534,300		41,859,307

Data Source: Kane and Kendall Clerks

Note: Overlapping and bonded debt percentages based on 2024 EAV, the most current available.

(1) Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit.

VILLAGE OF MONTGOMERY, ILLINOIS

Schedule of Legal Debt Margin - Last Ten Fiscal Years April 30, 2025 (Unaudited)

	2016	2017	2018
Assessed Value of Property	\$ 368,205,911	401,706,662	423,888,453
Debt Limit			
8.625% of Assessed Value	31,757,760	34,647,200	36,560,379
Total Debt Applicable to Limit	—	—	—
Legal Debt Margin	31,757,760	34,647,200	36,560,379
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	— %	— %	— %

Data Source: Audited Financial Statements

2019	2020	2021	2022	2023	2024	2025
456,384,090	479,911,867	503,085,892	538,946,591	588,631,174	645,150,390	771,229,310
39,363,128	41,392,399	43,391,158	46,484,143	50,769,439	55,644,221	66,518,528
—	—	—	—	—	—	—
39,363,128	41,392,399	43,391,158	46,484,143	50,769,439	55,644,221	66,518,528
— %	— %	— %	— %	— %	— %	— %

VILLAGE OF MONTGOMERY, ILLINOIS

Pledged Revenue Coverage - Last Ten Fiscal Years April 30, 2025 (Unaudited)

Fiscal Year	General Obligation Alternate Revenue Source Bonds and IEPA Loans					
	Water Charges and Other	Less: Operating Expenses (1)	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2016	\$ 4,565,238	\$ 3,014,249	\$ 1,550,989	\$ 760,453	\$ 313,743	1.4439
2017	4,871,852	3,690,643	1,181,209	834,582	301,039	1.0401
2018	4,732,639	3,982,215	750,424	861,537	357,429	0.6156
2019	4,913,784	3,894,124	1,019,660	888,061	370,998	0.8099
2020	5,112,726	4,112,382	1,000,344	669,707	341,987	0.9888
2021	5,947,562	4,675,196	1,272,366	706,637	327,684	1.2301
2022	5,836,790	4,970,925	865,865	712,834	312,603	0.8444
2023	6,295,555	5,513,239	782,316	710,410	296,034	0.7773
2024	8,758,363	5,154,989	3,603,374	652,285	587,970	2.9053
2025	7,139,517	5,763,602	1,375,915	667,558	827,631	0.9202

Data Source: Village Records

(1) Total expenses exclusive of depreciation and bond interest.

VILLAGE OF MONTGOMERY, ILLINOIS

Demographic and Economic Statistics - Last Ten Calendar Years April 30, 2025 (Unaudited)

Calendar Year	Population	Personal Income (in Thousands)	Per Capita Personal Income (1)	Unemployment Rate (2)
2016	18,438	\$ 481,342,428	\$ 26,106	5.35%
2017	18,438	512,816,094	27,813	4.60%
2018	18,438	533,171,646	28,917	4.25%
2019	18,438	540,362,466	29,307	3.90%
2020	18,438	549,692,094	29,813	8.75%
2021	20,262	640,096,842	31,591	6.10%
2022	20,262	630,087,414	31,097	5.30%
2023	20,262	639,124,266	31,543	4.90%
2024	20,262	701,065,200	34,600	4.80%
2025	20,262	738,610,686	36,453	3.60%

Data Source:

(1) US Census Bureau, 2014-2018 American Community Survey 5-Year Estimates

(2) Illinois Department of Employment Security, Kane and Kendall Counties

VILLAGE OF MONTGOMERY, ILLINOIS

Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago April 30, 2025 (Unaudited)

Employer	2025			2016		
	Employees	Rank	Percentage of Total Village Employment	Employees	Rank	Percentage of Total Village Employment
School District #308	2,230	1	12.10%			
Carl Buddig & Co.	600	2	3.26%			
Performance Food Service	435	3	2.36%	456	3	2.47%
Eby-Brown Co., LLC	400	4	2.17%	400	4	2.17%
Lyon LLC	300	5	1.63%			
Wal-Mart Stores, Inc.	260	6	1.41%	286	6	1.55%
Blain Supply, Inc.	250	7	1.36%			
The Timken Aurora Bearing Co.	250	8	1.36%	251	7	1.36%
US Medical Glove	225	9	1.22%			
Hormann, LLC	200	10	1.09%	200	9	1.08%
Caterpillar, Inc.				2,300	1	12.47%
Butterball				660	2	3.58%
VVF Illinois Services				350	5	1.90%
ComEd				200	8	1.08%
Sam's Club				170	10	0.92%
Total	<u>5,150</u>		<u>27.96%</u>	<u>5,273</u>		<u>28.58%</u>

Data Source:

Montgomery Economic Development Corporation

2025 Illinois Manufacturers Directory, 2025 Illinois Services Directory, Selective Telephone Survey

2016 Illinois Manufacturers Directory, 2016 Illinois Services Directory, Selective Telephone Survey

VILLAGE OF MONTGOMERY, ILLINOIS

**Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years
April 30, 2025 (Unaudited)**

See Following Page

VILLAGE OF MONTGOMERY, ILLINOIS

Full-Time Equivalent Village Government Employees by Function/Program - Last Ten Fiscal Years April 30, 2025 (Unaudited)

Function	2016	2017	2018
General Government			
Administration	1.88	1.88	2.88
Finance	6.00	6.00	5.00
Community Development	5.00	5.00	5.00
Public Safety			
Police			
Sworn Officers	25.00	28.00	30.00
Civilians/Other	3.00	3.75	3.75
Highways and Streets			
Administration	2.00	2.00	2.00
Street Maintenance	9.00	10.50	11.00
Water Operations	3.00	3.00	4.00
Building Maintenance	1.00	1.00	1.00
Fleet Maintenance	1.00	1.50	1.50
Forestry*	—	—	—
Totals	56.88	62.63	66.13

Data Source: Village Records

*Forestry is a new division for the Village as of FY2023. In the past, these employees were listed under Street Maintenance.

2019	2020	2021	2022	2023	2024	2025
2.88	3.88	3.88	4.00	4.00	6.00	6.00
5.00	5.00	5.00	5.00	5.00	5.00	6.00
5.00	5.00	5.00	5.50	5.50	5.50	6.50
31.00	32.00	33.00	35.00	32.50	35.00	35.00
4.38	4.38	4.38	4.38	6.63	10.88	10.88
2.00	2.00	2.00	2.00	2.00	2.00	2.00
7.00	7.50	9.00	9.00	5.00	5.00	6.00
8.00	9.00	9.00	9.00	9.00	9.00	9.00
1.00	1.00	1.00	1.00	2.00	2.00	2.00
1.50	1.50	2.00	2.00	2.00	2.00	2.00
—	—	—	—	2.50	3.50	5.00
67.76	71.26	74.26	76.88	76.13	85.88	90.38

VILLAGE OF MONTGOMERY, ILLINOIS

Operating Indicators by Function/Program - Last Ten Fiscal Years April 30, 2025 (Unaudited)

Function/Program	2016	2017	2018
General Government			
Accounts Payable			
Checks Issued	4,206	4,916	5,186
ACH Transactions	65	113	227
Percent of Accounts Payable as ACH	1.5%	2.2%	4.2%
Voided Checks	23	57	69
Percent of Accounts Payable Voided	0.5%	1.1%	1.3%
Payroll			
Direct Deposits	1,477	1,600	1,710
Checks Issued	334	326	271
Percent of Payroll as Direct Deposits	81.6%	83.1%	86.3%
Debt			
Bond Rating	AA	AA	AA
Public Safety			
Physical Arrests	993	821	778
Parking Violations	984	866	1,579
Traffic Violations	2,884	2,135	3,807
Truck Overweight Violations	77	32	N/A
Highways and Streets			
Resurfacing (Miles)	6.70	5.40	5.20
Sidewalk Replacement (Sq. Ft.)	1,480	13,716	40,106
Sidewalk New (Sq. Ft.)	—	1,800	—
Parkway Tree Planting	282	300	341
Parkway Tree Removal	475	286	213
Water			
Number of Accounts	9,111	9,145	9,196
Average Bi-Monthly Bill	\$70	\$75	\$72
Average Monthly Bill*	\$—	\$—	\$—
Payment Types			
Epayment (Village website, IVR, Mobile)	26.0%	31.1%	26.4%
Lockbox	27.6%	25.2%	29.8%
Bill Pay (Bank Website)	11.8%	14.2%	16.9%
Credit Card	5.5%	5.5%	2.5%
Direct Debit	4.4%	4.5%	6.2%
Other	24.7%	19.5%	18.2%
Peak Daily Consumption	3,384,000	3,923,000	3,417,000
Average Daily Consumption	2,243,917	2,328,000	2,306,000
Water Main Breaks	19	33	51
Water Main Breaks Spoils Removal (Sq. Yd.)	1,580	2,250	N/A
Fire Hydrant Maintenance and Painting	325	180	120
New Connections	22	19	2

Data Source: Village Records

N/A - Not Available

* Village began monthly utility billing effective January 1, 2022

2019	2020	2021	2022	2023	2024	2025
4,926	4,782	4,806	2,221	1,582	2,770	2,679
245	228	481	1,070	1,172	1,678	1,250
4.7%	4.6%	9.1%	48.2%	74.1%	60.6%	46.7%
18	27	37	134	105	63	32
0.3%	0.5%	0.7%	0.7%	0.7%	2.3%	1.2%
1,955	1,997	2,107	2,134	1,968	2,255	2,368
173	97	37	39	40	32	28
91.3%	95.4%	98.3%	98.3%	98.0%	98.6%	98.8%
AA	AA	AA	AA	AA	AA	AA
838	857	829	556	727	802	77
1,329	1,126	619	683	852	926	1,357
3,515	3,329	2,706	1,667	1,933	2,457	2,652
N/A	N/A	N/A	1	1	N/A	49
5.17	10.45	8.06	6.53	4.00	5.72	6.89
39,459	57,648	45,573	46,100	21,000	9,105	37,915
471	2,065	1,149	1,251	746	15,322	8,776
389	406	335	205	292	285	190
115	113	125	196	125	154	119
9,241	9,319	9,425	9,550	9,700	9,710	9,811
\$75	\$79	\$85	\$—	\$—	\$—	\$—
\$—	\$—	\$—	\$51	\$42	\$50	\$70
30.1%	N/A	N/A	N/A	N/A	N/A	N/A
26.7%	N/A	N/A	N/A	N/A	N/A	N/A
16.9%	N/A	N/A	N/A	N/A	N/A	N/A
2.2%	N/A	N/A	N/A	N/A	N/A	N/A
5.8%	N/A	N/A	N/A	N/A	N/A	N/A
18.3%	N/A	N/A	N/A	N/A	N/A	N/A
3,899,000	3,484,000	3,815,000	3,951,000	3,493,000	3,440,000	3,440,000
2,130,000	2,357,000	2,840,000	2,481,000	2,240,000	2,207,000	2,256,000
44	43	25	36	36	41	29
896	880	490	720	243	530	540
133	75	115	136	204	208	216
16	70	N/A	N/A	N/A	6	6

VILLAGE OF MONTGOMERY, ILLINOIS

Capital Asset Statistic by Function/Program - Last Ten Calendar Years April 30, 2025 (Unaudited)

Function/Program	2015	2016	2017
Public Safety			
Police			
Stations	1	1	1
Area Patrols	4	4	4
Patrol Units	19	19	19
Highways and Streets			
Residential Streets (Miles)	76.0	76.5	76.5
Water			
Water Mains (Miles)	117	118	118
Fire Hydrants	1,680	1,700	1,700
Storage Capacity (Millions of Gallons)	5.8	5.8	5.8

Data Source: Village Records

2018	2019	2020	2021	2022	2023	2024
1	1	1	1	1	1	1
4	4	4	4	4	4	4
19	19	19	25	28	26	26
76.5	76.5	76.5	76.5	76.5	76.5	76.5
133	133	133	133	133	133	133
1,747	1,747	1,747	1,747	1,747	1,752	1,857
5.8	5.8	5.8	5.8	5.8	5.8	5.8

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



**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
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STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

October 14, 2025

The Honorable Village President
Members of the Board of Trustees
Village of Montgomery, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Montgomery, Illinois, as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements, and have issued our report thereon dated October 14, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Village of Montgomery, Illinois
October 14, 2025

Purpose of this Report

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

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP