



VILLAGE OF _____ **McCOOK**

ANNUAL FINANCIAL REPORT **FOR THE YEAR ENDED DECEMBER 31, 2025**



Village of McCook

Financial Statements and
Supplementary Information

December 31, 2025

Village of McCook

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Village of McCook

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June 16, 2026

The Trustees and Citizens of the Village of McCook

The Annual Financial Report of the Village of McCook for the year ended December 31, 2025, is hereby submitted. State law, local ordinances and continuing disclosures agreements with bond underwriters require the Village to publish a report on its financial position and activity presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Responsibility for both the accuracy of the data presented and the fairness of the presentation, including all disclosures, rests with the Village management. We believe the data as presented is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the Village's financial position and changes in financial position as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain maximum understanding of the Village's financial condition have been included.

The organization and content of the report follows the standards for annual financial reporting promulgated by the Governmental Accounting Standards Board (GASB). To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework to protect the assets of the Village and to compile sufficiently reliable information for the preparation of the Village of McCook's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village's internal control framework has been designed to provide reasonable rather than absolute assurance that the financial statements are free of material misstatements. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The Village's financial statements have been audited by Baker Tilly US 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 of McCook for the year ended December 31, 2025, are free of material misstatements. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluation of the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Village's financial statements of the year ended December 31, 2025, are presented fairly in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management Discussion & Analysis (MD&A). This letter of transmittal is designed to complement that analysis and should be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors. This report includes all financial activity for the funds, and departments for which the Village is financially accountable. The criteria used to determine financial accountability is defined in Note 1 of the Financial Statements, on pages 17 and 18. The Police and Firefighters' Pension Funds each have a separate Board that administers their respective fund resources and uses. Other local governments that serve the McCook community do not qualify as entities for which the Village is accountable. These governments include the McCook Park District, the McCook Library, all school districts, and Lyons Township. Therefore, the financial activities of these entities are not included in this report.

PROFILE OF THE VILLAGE OF MC COOK

The Village of McCook, which has a land area of about 2.63 square miles, is located in Cook County and is 14 miles southwest of Chicago. The majority of the Village is occupied by industrial and other commercial businesses. While the residential population is 249 in the 2020 census and has remained constant since then, the Village's corporate businesses raise the daytime population and economic activity significantly. The property tax base is 93 percent industrial, 4 percent residential, and 3 percent commercial. The twenty leading industrial property tax payers are diverse major operations and account for about 72% percent of the total tax base. Vacancy rates are low in the Village.

The Village of McCook established its industrial origins in the 1880's spurred development. Several major quarries were established to provide stone for the building as Midwest America grew. Stone was shipped both on the railroads as well as the Illinois & Michigan Canal and later on the Sanitary and Ship Canal that also ran through the Village. The Village was incorporated in 1926 and the Village's name probably honors Santa Fe railroad director John James McCook.

After incorporation, several major corporations establish significant operations in the Village including Electro Motive Company that manufactured diesel locomotives that replaced steam engines, Reynold Metals that created aluminum including significant production for World War II aircraft, and Universal Oil Products that produced chemicals for use through evolving and expanding American industries. The Outlaws Motorcycle Club was established in McCook in 1935 when Old Route 66 passed through the Village.

Today, the industrial landscape of the Village continues to evolve. As major manufacturing plants reduced operations and even closed, the land has be redeveloped for other industrial purposes. The Village has provided economic development assistance to facilitate this change. The fair market value of industrial properties dropped to under \$300 million in 2013. By 2025, the value has increased to more than \$700 million. This estimate is low since it is based on the Cook County tax assessment and numerous properties have been awarded special county assessments that are 60 percent lower than the stipulated valuations based on market. While quarry operations continue in the Village, part of one major quarry has been integrated into the Chicago area flood control system administered by the Metropolitan Water Reclamation District and parts of other have exhausted stone material after 150 years of operations and are being recovered that will provide the potential for additional development.

The Village operates under the Mayor form of government. Based on referendum, the Village also operates as a home-rule community and provides a full range of municipal services to its residential and industrial customers. These services include police and fire protection; building code and fire prevention inspection services; paramedic services; water and storm water utilities; a commuter and residential parking system; community development services; and the construction and maintenance of streets, storm water, and other municipal infrastructure. The Village's water system serves seven other water customers and is the eighth largest customer of the City of Chicago.

MAJOR INITIATIVES

Strong leadership from the Mayor and Village Board allows the Village staff to accomplish a variety of major initiatives over the past years while continuing a strong commitment to financial stewardship. These achievements are the direct result of input and participation by the residents and businesses of McCook, effective Village Board leadership and cooperative interactions among professional staff members in all departments.

As historical major manufacturers have restructured their operations as plants have come to the end of their useful lives, manufacturing techniques have changed, environmental controls forced closures and cleanups, and markets demand new products, significant vacancies occurred. Starting with the former Reynolds Metals manufacturing facility, the Village established the First Avenue Tax Increment Financing (the "First Avenue TIF") Redevelopment Areas to rebuild these areas. The Equalized Assessed Value of the First Avenue TIF when it was established in 2003 was \$14.7 million. Most recently, the value is \$60.8 million, over a 400 percent increase and a value more than the original Reynolds Metals plant when fully operational and profitable. The initial developer financed all the project costs at no risk to the Village. When the project became established, the Village refinanced the debt to increase the amount of First Avenue TIF funds that could be used for economic development.

The Village has established three additional TIFs without taking financial risks and using the increment for other projects. The Village anticipates additional economic development projects such as the reclamation of the quarries being recaptured to additional tax values.

Economic development goes beyond simply industrial projects. As part of the First Avenue TIF, a private developer created an indoor sports facility with a regulation soccer field totally within the facility called the McCook Athletic and Exposition (MAX) Center. The excessive property taxes on the building prevented the private firm from succeeding. The Village purchased the facility, installed new management, created numerous improvements and features, and has made the project a standalone profitable operation. This is unusual for such government run facilities by other municipalities and park districts that typically only attempt to fund operating costs and have the taxpayers pay the capital costs of such facilities. This operation was the only Village function impacted by the COVID pandemic. The Village advanced funds to maintain viability which are intended to be repaid by 2028.

RELEVANT FINANCIAL POLICIES

The Village has established several specific policies to improve the overall wellbeing of the residents, continue to meet immediate and long-term service objectives, and enhance the financial capability of the Village.

- **Budget** The Village adopts an annual budget. The Municipal Budget aligns everyday operations and Village resources with community priorities. Each year the budget is reviewed and discussed over multiple meetings in a participative process to allow for dialogue between community members, the Village Board and staff. Overall sound fiscal practices have resulted in strong financial results.
- **Bond Rating.** Village financial efforts has resulted in the Village's bond rating by Standard and Poor's from BBB to A over the last fifteen years. This mid-range investment grade rating allows the Village to borrow funds at the lowest cost possible for more infrastructure and economic development projects. The rating agencies typically are provide lower ratings to governments with smaller populations such as the Village due to a perception of limited flexibility. Further, the concentration of taxpayers such as the Village's top twenty constituting 71 percent of the tax value (and even more significant thirty years ago with three constituted an even larger percent) limits ratings. Finally, the rating does not appear to provide significant positive credit to for both the conservative nature of the economic development projects with developers assuming the risk and the results over the past 30 years.
- **Successful independent financial audit.** The Village has increased its General Fund Unassigned Fund Balance from \$1.8 million in 2015 to \$32.9 million in 2025. Restricted Fund balances for community development and debt service have increased from \$3.7 million in 2015 to \$20.6 million. In 2025, there were also assigned fund balances for capital projects and stabilization (working capital) of \$1.1 million. In total fund balances for the Governmental Funds increased by over \$41 million. In the past ten years, annual Government-Wide Revenues have increased from \$23.5 million to \$38.9 million with most of the increase occurring in the last five years. Government-Wide Expenditures have been kept moderate increasing from \$20.3 million in 2015 to \$25.9 million in 2025. The Water Fund is another major asset of the Village. Unrestricted Fund Balance has increased from \$3.4 in 2015 to \$6.2 million in 2025. These attributes allow the Village to obtain a solid investment grade rating and even more acceptance by bond investors.
- **Maintenance of Capital.** The Village prepares has substantially invested in infrastructure such that a capital plan is unnecessary. This includes investment in the Water Utility that serves as substantial area. Nevertheless, there are still additional funds available to support continued investment in infrastructure and other capital projects without borrowing to fund them.
- **Investments.** With the increase in interest rates, the Village has pursued and achieved increased investment returns while protecting principal.
- **Fund Balances** The Village has set for the conservative fund balance targets and have substantially exceeded those in the last five years. The fund balances ensure proper working capital and protect against unforeseen events.

- **Long Term Obligations** There are three major components of this financial issue.
 - *Debt.* The Village only issues debt needed for capital planning and economic development. In fact, debt has not been used for any new projects since 2012. As a result, debt has decreased from \$38.4 million in 2014 to \$16.2 million at the end of 2025. Also, while all debt is general obligation debt, it is repaid from TIFs and the MAX resulting in no impact on the general operations of the Village or the taxpayers. Further, all existing debt is projected to be repaid in ten years.
 - *Pension.* Pension liabilities are the other major non-current obligation of the Village. The only pension plan with a significant unfunded liability is the Police Pension Fund. The other pension funds are overfunded by \$2.2 million. The total liability for this fund increased from \$18.4 million in 2015 to \$33.5 million in 2025. The unfunded liability has increased only from \$9.7 million in 2015 to \$12.4 million in 2024. The funding percent has increased from 47% in 2015 to 63% in 2025. The state funding policy for pensions is a significant deferral of funding based on the percentage of salary method generally not recognized by rating agencies and investors. Had the Village followed this funding plan, the unfunded liability would have been significantly greater and the funded percentage lower. The Village continues to plan to address this liability in a more reasonable method.
 - *OPEB.* The OPEB liability at the end of 2024 is significantly greater the present value of expected payments to the GASB policy that requires multiples of future insurance premiums of as much as 5 times due to age. Even Obamacare limits these multiples to 2 times. Also, the discount rate is lower since this is not funded also inflating the liability. To put this in context, the ending liability is 17 times the actual payments in 2025. This also reflects the \$1.5 million reduction to the liability in 2024 and an additional \$400,000 in 2025.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire Finance department. We want to take this opportunity to thank Renee Botica, Assistant Clerk who manages Village Financial Records and the others who assist her for all their efforts. We also wish to express appreciation for the policies and decisions provided by the Village Board, as reflected in this report.

Respectfully submitted.



Terry Carr
Mayor

Village of McCook

Elected Officials and Department Heads

Year Ended December 31, 2025

ELECTED OFFICIALS

Terrance M. Carr	Mayor
Kenneth E. Lyons, Jr.	Village Clerk
Renee Botica	Deputy Village Clerk
Jill Yuretich	Village Treasurer
John Bubash, Jr.	Trustee
Robert Mandekich	Trustee
Thomas Perrin	Trustee
Kevin Russell	Trustee
Vicoria Cernetig	Trustee
Erica Padilla	Trustee

DEPARTMENT HEADS

Renee Botica	Finance and Human Resources
Jeremy Carr	Police Chief
David DeLeshe	Fire Chief
Kevin Las Cola	Chief Water Operator
Joseph Sobus	Public Work Superintendent
John Bubash, Jr.	Building and Zoning Commissioner
Brendan Meskill	Building Inspector

Independent Auditors' Report

To the Village Board of
Village of McCook

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of McCook (the Village), as of and for the year ended December 31, 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 accompanying 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 as of December 31, 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 (GAAS). Our responsibilities under those standards are further described in the Auditors' 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.

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

In performing an audit in accordance with GAAS, 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 required supplementary information, 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 for the year ended December 31, 2025 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The supplementary information for the year ended December 31, 2025 as listed in the table of contents is presented for purposes of additional analysis and is 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 for the year ended December 31, 2025, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended December 31, 2025.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Village as of and for the year ended December 31, 2024 (not presented herein), and have issued our report thereon dated June 20, 2025, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information. The supplementary information as listed in the table of contents for the year ended December 31, 2024 is presented for purposes of additional analysis and is 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 2024 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2024 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those basic financial statements or to those basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the table of contents is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2024.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the other supplementary schedules, the letter of transmittal and the List of Elected and Appointed Officials but does not include the basic financial statements and our auditors' 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.

The image shows a handwritten signature in black ink that reads "Baker Tilly US, LLP". The signature is written in a cursive, flowing style.

Oak Brook, Illinois
June 16, 2026

Village of McCook

Management's Discussion and Analysis
December 31, 2025
(Unaudited)

The discussion and analysis of Village of McCook's (the Village) financial performance provides an overall review of the Village's financial activities for the year ended December 31, 2025. The management of the Village encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the Village's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the MD&A).

Financial Highlights

- The assets and deferred outflow of the Village exceeded its liabilities and deferred inflows at the close of the most recent fiscal year for a net position of \$57,447,435.
- In total, net position increased by \$13,182,983 due to increased government revenues.
- At the close of the current fiscal year, the Village's governmental funds reported combined ending fund balances of \$56,311,327, an increase of \$6,716,968 in comparison with the prior year.
- General revenues accounted for \$21,924,023 in revenue or 95% of all governmental activities revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$1,315,968 or 5% of total governmental activities revenues of \$23,239,991.
- The Village had \$10,829,229 in expenses related to government activities. However, only \$1,315,968 of these expenses were offset by program specific charges and grants with the remainder being support by general revenues.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the Village's basic financial statements. The basic financial statements are comprised of three components:

- Government-wide financial statements,
- Fund financial statements and
- Notes to basic financial statements.

This report also contains other supplementary information in addition to the basic financial statements.

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 and are reported using the accrual basis of accounting and economic resources measurement focus.

The statement of net position presents information on all of the Village's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the fiscal year being reported. 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.

Village of McCook

Management's Discussion and Analysis
December 31, 2025
(Unaudited)

The government-wide financial statements can be divided into two types of activities: governmental and business-type. Governmental activities present the functions of the Village that are principally supported by taxes and intergovernmental revenues. Business-Type activities present the functions that are intended to recover all or a significant portion of their costs through user fees and charges. The Village's governmental activities include functions like general government, TIF economic development, public safety and public works. The Village's business-type activities include water & sewer and athletics and exposition.

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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements and are reported using the modified accrual basis of accounting and current financial resources measurement focus. The governmental fund statements provide a detailed short-term view of the Village's general government operations and the basic services it provides. 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 Village's near-term financing requirements.

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

Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General, 1st Avenue TIF and Riverside TIF Funds, all of which are considered to be major funds. Data from the remaining 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 schedules elsewhere in this report. The Village adopts an annual budget for all funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with the budgets adopted.

Proprietary Funds

The Village maintains proprietary funds, all of which are enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village utilizes enterprise funds to account for its water, sewer and athletics and exposition functions. The Village adopts an annual budget for these funds.

Village of McCook

Management's Discussion and Analysis
December 31, 2025
(Unaudited)

Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village's proprietary funds present the activities and balances in Water and Max Funds, which are considered to be major funds, using the accrual basis of accounting and economic resources measurement focus. Proprietary funds report on the full accrual basis of accounting which is the same as the government-wide financial statements. The proprietary funds reflect the private-sector type operation, where the fee for service typically covers all or most of the cost of operation and maintenance including depreciation.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the Village. 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 full accrual, the same as reported in the government-wide financial statements.

Notes to Basic Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's contributions and pension information of the Illinois Municipal Retirement Fund, Retirees' Health Plan, Police Pension Fund and Firefighters' Pension Fund; as well as, budget to actual comparisons of the funds. Supplementary schedules include combining and individual fund schedules of all nonmajor funds and Fiduciary Funds.

Village of McCook

Management's Discussion and Analysis
December 31, 2025
(Unaudited)

Table 1
Condensed Statement of Net Position (in Actual Dollars)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Assets/Deferred Outflows						
Current and other assets	\$ 72,897,723	\$ 64,139,554	\$ 13,164,789	\$ 11,449,894	\$ 86,062,512	\$ 75,589,448
Capital assets	<u>5,957,069</u>	<u>4,794,485</u>	<u>25,440,529</u>	<u>25,046,627</u>	<u>31,397,598</u>	<u>29,841,112</u>
Total Assets	78,854,792	68,934,039	38,605,318	36,496,521	117,460,110	105,430,560
Deferred Outflows	2,692,158	4,726,883	121,544	193,435	2,813,702	4,920,318
Liabilities/Deferred Inflows						
Long-term liabilities	30,511,047	34,658,268	10,793,472	11,821,156	41,304,519	46,479,424
Other liabilities	<u>540,905</u>	<u>412,146</u>	<u>1,545,874</u>	<u>1,052,669</u>	<u>2,086,779</u>	<u>1,464,815</u>
Total Liabilities	31,051,952	35,070,414	12,339,346	12,873,825	43,391,298	47,944,239
Deferred Inflows	18,701,049	17,251,218	734,030	890,969	19,435,079	18,142,187
Net Position						
Net investment in capital assets	5,957,069	4,794,485	16,254,878	15,059,113	22,211,947	19,853,598
Restricted	23,746,709	20,013,851	-	-	23,746,709	20,013,851
Unrestricted	<u>2,090,171</u>	<u>(3,469,046)</u>	<u>9,398,608</u>	<u>7,866,049</u>	<u>11,488,779</u>	<u>4,397,003</u>
Total Net Position	<u>\$ 31,793,949</u>	<u>\$ 21,339,290</u>	<u>\$ 25,653,486</u>	<u>\$ 22,925,162</u>	<u>\$ 57,447,435</u>	<u>\$ 44,264,452</u>

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results of Activities - which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital - which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital - which will: (a) reduce current assets and increase capital assets; and, (b) increase capital assets and long-term debt, which will not change the net position net investment in capital assets.

Spending of Nonborrowed Current Assets on New Capital - which will: (a) reduce current assets and increase capital assets; and, (b) will reduce unrestricted net position and increase net investment in capital assets.

Principal Payment on Debt - which will: (a) reduce current assets and reduce long-term debt; and, (b) reduce unrestricted net position and increase net investment in capital assets.

Reduction of Capital Assets Through Depreciation - which will reduce capital assets and net investment in capital assets.

Village of McCook

Management's Discussion and Analysis

December 31, 2025

(Unaudited)

Current Year Impacts

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, total net position increased by \$13,182,983 increasing its prior year's net position of \$44,264,452 to a net position of \$57,447,435. The Village's total assets/deferred outflows equal \$120,273,812. The Village's total liabilities/deferred inflows equal \$62,886,377.

A portion of the net position of the governmental activities is restricted for street maintenance, road improvements, drug enforcement, community development, debt service and pension benefits.

Village of McCook

Management's Discussion and Analysis

December 31, 2025

(Unaudited)

Charges for services	\$ 1,150,024	\$ 978,283	\$ 15,711,990	\$ 14,799,782	\$ 16,862,014	\$ 15,778,065
Operating grants and contributions	141,194	263,729	-	-	141,194	263,729
Capital grants and contributions	24,750	345,654	-	-	24,750	345,654
General Revenues:						
Property taxes	3,955,745	4,621,651	-	-	3,955,745	4,621,651
Tax increment taxes	9,742,615	8,175,067	-	-	9,742,615	8,175,067
Taxes	4,281,586	4,216,565	-	-	4,281,586	4,216,565
Other general revenues	<u>3,944,077</u>	<u>5,996,388</u>	<u>167,806</u>	<u>103,465</u>	<u>4,111,883</u>	<u>6,099,853</u>
Total revenues	23,239,991	24,597,337	15,879,796	14,903,247	39,119,787	39,500,584
Expenses						
General government	2,438,947	2,132,547	-	-	2,438,947	2,132,547
Public safety	6,572,454	7,278,289	-	-	6,572,454	7,278,289
Public works	652,130	468,651	-	-	652,130	468,651
Community development	766,041	511,069	-	-	766,041	511,069
Interest on long term debt, GA	399,657	482,671	-	-	399,657	482,671
Water and sewer	-	-	12,718,898	11,458,468	12,718,898	11,458,468
Athletics and exposition	<u>-</u>	<u>-</u>	<u>2,388,677</u>	<u>2,246,319</u>	<u>2,388,677</u>	<u>2,246,319</u>
Total expenses	10,829,229	10,873,227	15,107,575	13,704,787	25,936,804	24,578,014
Transfers/contributions	<u>(1,956,103)</u>	<u>(2,452,342)</u>	<u>1,956,103</u>	<u>2,452,342</u>	<u>-</u>	<u>-</u>
Change in net position	10,454,659	11,271,768	2,728,324	3,650,802	13,182,983	14,922,570
Net Position, Beginning	<u>21,339,290</u>	<u>10,067,522</u>	<u>22,925,162</u>	<u>19,274,360</u>	<u>44,264,452</u>	<u>29,341,882</u>
Net Position, Ending	<u>\$ 31,793,949</u>	<u>\$ 21,339,290</u>	<u>\$ 25,653,486</u>	<u>\$ 22,925,162</u>	<u>\$ 57,447,435</u>	<u>\$ 44,264,452</u>

Village of McCook

Management's Discussion and Analysis
December 31, 2025
(Unaudited)

Normal Impacts

There are eight basic (normal) impacts that will affect the comparability of the revenues and expenses on the Statement of Activities summary presentation.

Revenues

Economic Condition - which can reflect a declining, stable or growing economic environment and has substantial impact on state sales, replacement and hotel/motel tax revenue; as well as, public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in Village Approved Rates - while certain tax rates are set by statute, the Village has significant authority to impose and periodically increase/decrease rates (water, home rule sales tax, etc.).

Changing Patterns in Intergovernmental and Grant Revenue (Both Recurring and Nonrecurring) - certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while nonrecurring grants are less predictable and often distorting in their impact on year to year comparisons.

Market Impacts on Investment Income - the Village's investments may be affected by market conditions causing investment income to increase/decrease.

Expenses

Introduction of New Programs - within the functional expense categories (general government, public safety, public works and community development), individual programs may be added or deleted to meet changing community needs.

Change in Authorized Personnel - changes in service demand may cause the Village to increase/decrease authorized staffing. Staffing costs (salary and related benefits) represent the largest operating cost of the Village.

Salary Increases (Annual Adjustments and Merit) - the ability to attract and retain human and intellectual resources requires the Village to strive to approach a competitive salary range position in the marketplace.

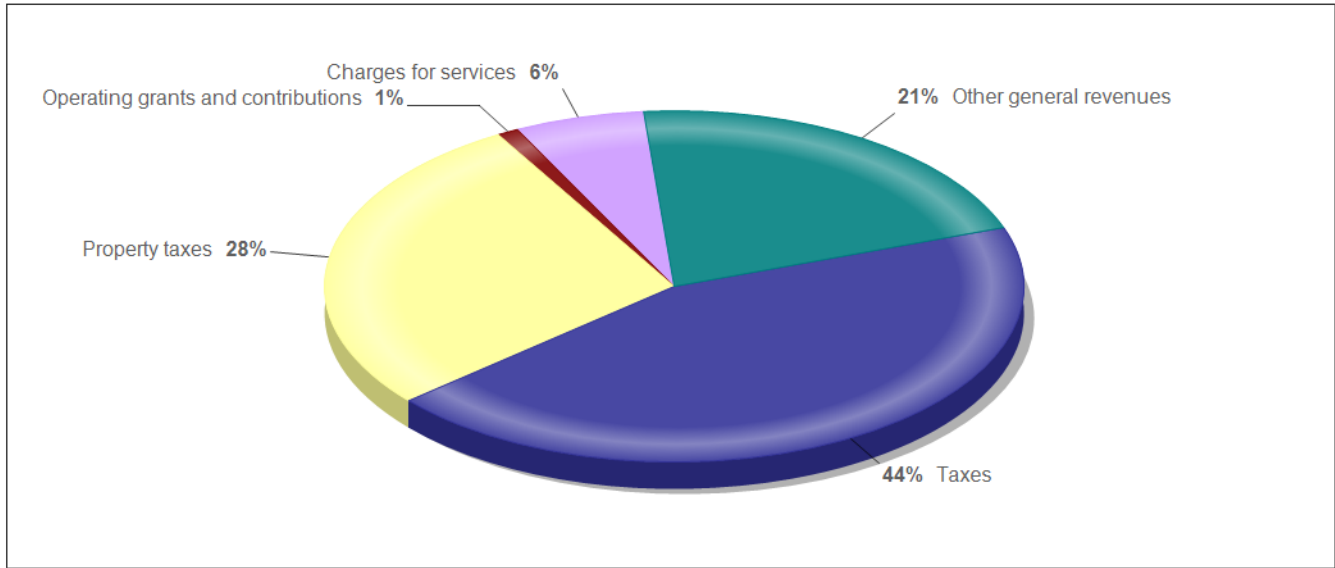
Inflation - while overall inflation appears to be reasonably modest, the Village is a major consumer of certain commodities such as supplies, fuel and parts. Some functions may experience unusual commodity specific increases.

Current Year Impacts

The Governmental Activities experienced an increase in revenue largely due to increased tax collections. Governmental Activities also experienced reduced expenses largely due to changes in public safety operations and the impact of pension liabilities. As a result, the net position increased to \$31,793,949 as compared to \$21,399,290 in the prior fiscal year.

Governmental Activities

Governmental Revenues by Source



Revenues

The Village has a large industrial base. In Illinois, large corporations have recently been successful at reducing their assessed valuations on which their real estate tax levies are based. The process to reduce these assessments or file and resolve other tax disputes can take years to wind their way through County and State boards and courts. The Village has sufficient reserves for any additional future refunds.

TIF taxes are a key factor for economic development. The following table summarizes the taxes:

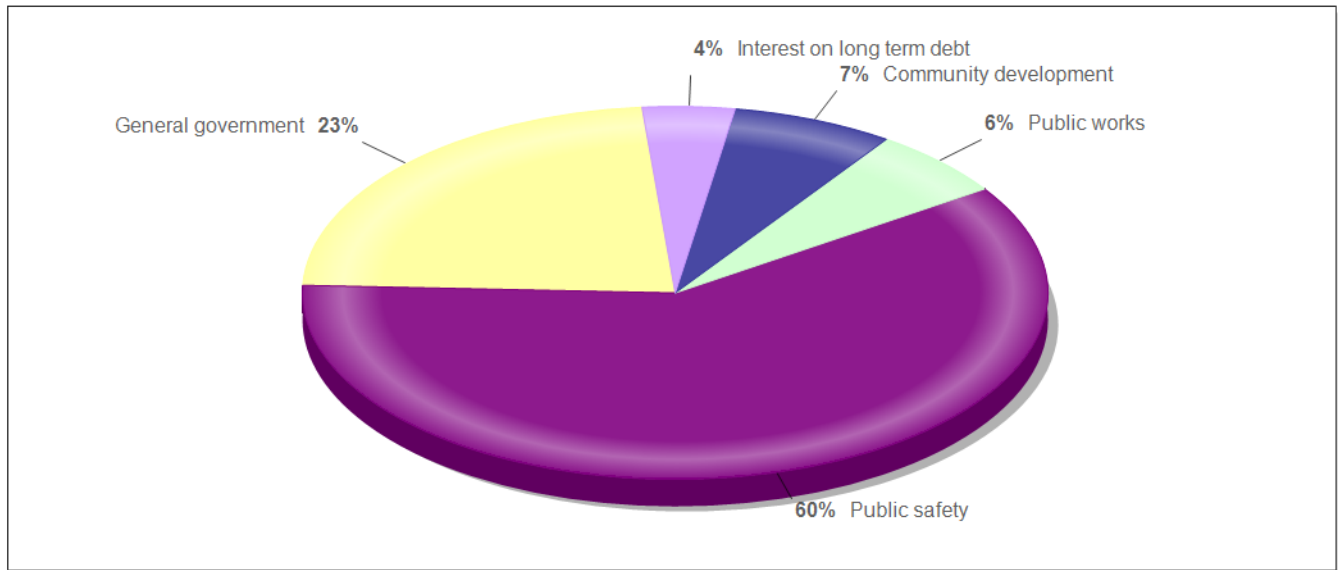
TIF Fund	Initial TIF Year		Final TIF Year		2025 TIF Taxes
	Levy	Collect	Levy	Collect	Collected
1st Avenue	2004	2005	2026	2027	\$ 5,781,605
Riverside	2014	2015	2036	2037	1,398,354
Joliet Road	2009	2010	2031	2032	941,021
55th Street	2023	2024	2045	2046	1,621,635

The business-type activity of the Village of McCook includes the Waterworks and Sewerage System Department and McCook Athletic and Exposition Center (Max). The Water Utility Department serves the Village of McCook residents and businesses, along with providing water to the Villages of Hodgkins, Riverside, Indian Head Park, Countryside, LaGrange and Lyons. Pricing for water is based on a schedule set by the Village and reflects increases as passed along from the Village's supplier, the City of Chicago. Sales of water (revenues) can be affected by climate, at times, with warmer and drier summers bringing higher demand. The City of Chicago has annually adjusted rates and this adjustment is passed along to Village customers. The operating revenues of the Waterworks and Sewerage System Department were approximately \$13.6 million, which is a 7.9% increase from 2024's operating revenue of \$12.6 million. The operating revenues of the Max were approximately \$2.1 million, which is a slight decrease compared to 2024.

Village of McCook

Management's Discussion and Analysis
December 31, 2025
(Unaudited)

Governmental Expenses by Function



Expenses

Expenses for 2025 were \$10.8 million for governmental activities, which is approximately \$0.1 million less than the prior year.

The expenses for business-type activities were \$15.1 million, increasing \$1.4 million from the prior year.

Financial Analysis of the Village's Funds

At the end of the current fiscal year, the Village of McCook's governmental funds reported a combined (major and nonmajor) ending fund balance of \$56.3 million which is an increase of \$6.7 million from the prior year. The revenue exceeded expenditures in the General Fund by \$2.5 million primarily due to the receipt of incentive renewal payments. The revenues exceeded expenditures in the 1st Avenue TIF and the Riverside TIF due increased tax increment property tax collections in both funds and reduced development costs in Riverside TIF.

The Proprietary Funds are the Water Utility Departments and the Max (McCook Athletic and Exposition Center). The operating revenue for the Water Utility Department increased 7.9% from operating revenue in 2024. The operating income for the Water and Sewer Fund for fiscal 2025 was \$904,627 before consideration of nonoperating revenues and expenses and transfers. Transfers to the General Fund from the Water and Sewer Fund totaled \$300,000.

The operating income for the Max Fund for fiscal 2025 was \$27,532. After contributions and transfers, the Max Fund reported a surplus in 2025 and total net position increased by \$2,140,232. The Max Fund finished the year with a net position of \$14,140,749. Additionally, the Max reduced the advance from the General Fund by \$200,000 during the year. The net position of all proprietary funds at the end of fiscal 2025 equaled \$25,653,486, of which \$9,398,608 is unrestricted.

Village of McCook

Management's Discussion and Analysis
December 31, 2025
(Unaudited)

General Fund Budgetary Highlights

The original budget was not amended during the year. The actual revenues were more than projected total revenues in the General Fund by approximately \$1.5 million for the year ended December 31, 2025.

The actual expenditures for fiscal 2025 were less than budget by approximately \$3.1 million, a result of changes in staffing during the year as well as projects not occurring in FY25. Additional amounts were transferred from the Water and Sewer Fund, the Debt Service Fund, 1st Ave TIF Fund, and Joliet TIF Fund to the General Fund. The General Fund balance as of December 31, 2025 is \$35,040,157.

Capital Assets and Debt Administration

Capital Assets

By the end of 2025, the Village had compiled a total investment of \$59,446,858 (\$31,397,598 net of accumulated depreciation) in a broad range of capital assets including land, buildings, vehicles, machinery and equipment and infrastructure. Total depreciation/amortization expense for the year was \$1,515,572. More detailed information about capital assets can be found in Note 2. of the basic financial statements.

Table 3
Capital Assets (Net of Depreciation)
(in Actual Dollars)

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Land	\$ 168,448	\$ 168,448	\$ 2,142,625	\$ 2,142,625	\$ 2,311,073	\$ 2,311,073
Land improvements	-	-	1,044,148	1,086,178	1,044,148	1,086,178
Building and building improvements	2,375,634	1,228,664	16,360,816	15,608,673	18,736,450	16,837,337
Vehicles	820,539	2,286,300	50,035	80,885	870,574	2,367,185
Machinery and equipment	333,468	747,384	1,018,655	1,052,379	1,352,123	1,799,763
Infrastructure	2,258,980	363,689	3,807,638	4,017,780	6,066,618	4,381,469
Lease assets	-	-	1,016,612	1,058,107	1,016,612	1,058,107
Total	<u>\$ 5,957,069</u>	<u>\$ 4,794,485</u>	<u>\$ 25,440,529</u>	<u>\$ 25,046,627</u>	<u>\$ 31,397,598</u>	<u>\$ 29,841,112</u>

Village of McCook

Management's Discussion and Analysis
December 31, 2025
(Unaudited)

Debt Administration

The long-term liabilities consists of four types of liabilities reported by the Village's financial statements. The Village's governmental activities long-term liabilities includes \$8,135,592 in General Obligation bonds, \$336,162 for compensated absences, \$9,657,904 of total OPEB liability and \$12,381,389 of net pension liability. The General Obligation bonds will be repaid through incremental tax revenue generated within the TIF districts. The Village's governmental activities reported total long-term liabilities of \$30,511,047 at December 31, 2025.

The Village's business-type activities long-term liabilities includes \$8,480,240 of general obligation debt, \$130,468 in compensated absences, a \$1,116,514 total OPEB liability, and \$1,066,250 of lease obligations. The general obligation debt is paid primarily by revenues generated by the McCook Athletic and Exposition Center (Max Fund) and the Water and Sewer Fund.

Additional information on long-term debt obligations can be found in Note 2 to the financial statement. The Village Financial Statements as well as certain information in the Supplementary and Other Information provide the required continuing disclosure of the Village pursuant to its outstanding bonds.

Factors Bearing on the Village's Future

The general economic conditions of southwestern Cook County and the Chicago metropolitan statistical area were affected by the national economic downturn. The Village is actively working on two new redevelopment areas (the former Electromotive diesel engine plant and reclaiming certain fully mined quarries) to facilitate continued growth. The Village is located in an Illinois enterprise zone and has the advantage of several incentive packages to industry that help keep it competitive as compared to other industrial locations. Also, the Village is completing three tax increment financing districts within the Village boundaries. To date, multiple industrial buildings are being developed within these areas and the Village has realized an overall increase of economic impact as a result. Previous and current redevelopment projects have positively impacted the Village through permits and fees, sales taxes, and restricted tax increment financing revenue. The Village continues to prioritize pension contributions to reduce the unfunded levels.

The financial accomplishments over the past several years that resulted from balanced budgets, economic development, and expenditure moderation provide for a sound foundation for future financial goals. Specifically, the Village intends to continue to balance budgets for governmental and enterprise funds, maintain financial reserves, promote continued economic development, address infrastructure and equipment needs, increase pension funding, and reduce debt. The fiscal year 2026 budget reflects these initiatives.

Requests for Information

This financial report is designed to provide the Village's citizens, taxpayers and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. If you have questions about this report, need additional financial information, or would like a copy of the financial statements for the Police Pension Fund or Firefighters' Pension Fund, contact the Business Office:

Village of McCook
5000 Glencoe Avenue
McCook, Illinois 60525-7804

Village of McCook

Statement of Net Position

December 31, 2025

	Governmental Activities	Business- Type Activities	Total
Assets and Deferred Outflows of Resources			
Assets			
Cash and cash equivalents	\$ 49,380,179	\$ 11,027,365	\$ 60,407,544
Investments	126,740	402,902	529,642
Receivables (net):			
Real estate taxes	18,515,939	-	18,515,939
Accounts	-	1,554,108	1,554,108
Other	56,257	-	56,257
Note receivable	-	495,988	495,988
Lease receivable	-	255,082	255,082
Due from other governments	894,051	-	894,051
Prepaid items	213,984	75,744	289,728
Internal balances	646,400	(646,400)	-
Net pension asset	2,194,500	-	2,194,500
Restricted cash and cash equivalents	869,673	-	869,673
Capital assets (net of accumulated depreciation/amortization):			
Land	168,448	2,142,625	2,311,073
Land improvements	-	1,044,148	1,044,148
Buildings and building improvements	2,375,634	16,360,816	18,736,450
Machinery and equipment	820,539	1,018,655	1,839,194
Infrastructure	333,468	3,807,638	4,141,106
Vehicles	2,258,980	50,035	2,309,015
Land, right-to-use lease asset	-	1,016,612	1,016,612
Total assets	<u>78,854,792</u>	<u>38,605,318</u>	<u>117,460,110</u>
Deferred Outflows of Resources			
Deferred outflows of resources related to pensions	1,640,797	-	1,640,797
Deferred outflows of resources related to OPEB	<u>1,051,361</u>	<u>121,544</u>	<u>1,172,905</u>
Total deferred outflows of resources	<u>2,692,158</u>	<u>121,544</u>	<u>2,813,702</u>
Liabilities, Deferred Inflows of Resources and Net Position			
Liabilities			
Accounts payable	383,764	1,417,562	1,801,326
Accrued salaries	125,912	48,542	174,454
Unearned revenue	-	53,887	53,887
Payroll liabilities	6,333	-	6,333
Accrued interest payable	24,896	25,883	50,779
Long-term liabilities:			
Due within one year	3,020,355	896,656	3,917,011
Due in more than one year	<u>27,490,692</u>	<u>9,896,816</u>	<u>37,387,508</u>
Total liabilities	<u>31,051,952</u>	<u>12,339,346</u>	<u>43,391,298</u>
Deferred Inflows of Resources			
Property taxes levied for receipt in future periods	13,566,311	-	13,566,311
Deferred inflows of resources related to pensions	991,812	-	991,812
Deferred inflows of resources related to OPEB	4,142,926	478,948	4,621,874
Deferred inflows related to leases	<u>-</u>	<u>255,082</u>	<u>255,082</u>
Total deferred inflows of resources	<u>18,701,049</u>	<u>734,030</u>	<u>19,435,079</u>

See notes to financial statements

Village of McCook

Statement of Net Position
December 31, 2025

	Governmental Activities	Business- Type Activities	Total
Net Position			
Net investment in capital assets	\$ 5,957,069	\$ 16,254,878	\$ 22,211,947
Restricted for:			
Highways and streets	70,646	-	70,646
Public safety	935,795	-	935,795
Community development	2,558,126	-	2,558,126
Debt service	17,987,642	-	17,987,642
Pension benefits	2,194,500	-	2,194,500
Unrestricted	<u>2,090,171</u>	<u>9,398,608</u>	<u>11,488,779</u>
 Total net position	 <u><u>\$ 31,793,949</u></u>	 <u><u>\$ 25,653,486</u></u>	 <u><u>\$ 57,447,435</u></u>

See notes to financial statements

Village of McCook

Statement of Activities

Year Ended December 31, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
General government	\$ 2,438,947	\$ 739,815	\$ -	\$ 14,750	\$ (1,684,382)	\$ -	\$ (1,684,382)
Public safety	6,572,454	410,209	129,899	10,000	(6,022,346)	-	(6,022,346)
Public works	652,130	-	11,295	-	(640,835)	-	(640,835)
Community development	766,041	-	-	-	(766,041)	-	(766,041)
Interest on long term debt	399,657	-	-	-	(399,657)	-	(399,657)
Total governmental activities	10,829,229	1,150,024	141,194	24,750	(9,513,261)	-	(9,513,261)
Business-type activities:							
Water and sewer	12,718,898	13,575,786	-	-	-	856,888	856,888
Athletics and exposition	2,388,677	2,136,204	-	-	-	(252,473)	(252,473)
Total business-type activities	15,107,575	15,711,990	-	-	-	604,415	604,415
Total	<u>\$ 25,936,804</u>	<u>\$ 16,862,014</u>	<u>\$ 141,194</u>	<u>\$ 24,750</u>	<u>(9,513,261)</u>	<u>604,415</u>	<u>(8,908,846)</u>
General Revenues							
Taxes:							
Real estate					3,955,745	-	3,955,745
Tax increment					9,742,615	-	9,742,615
Replacement					871,161	-	871,161
State income					45,094	-	45,094
Sales					2,741,252	-	2,741,252
Waste transfer					101,190	-	101,190
Other					522,889	-	522,889
Unrestricted investment earnings					2,505,827	146,478	2,652,305
Other					1,438,250	21,328	1,459,578
Total general revenues					21,924,023	167,806	22,091,829
Transfers					(1,956,103)	1,956,103	-
Total general revenues and transfers					19,967,920	2,123,909	22,091,829
Change in net position					10,454,659	2,728,324	13,182,983
Net Position, Beginning					21,339,290	22,925,162	44,264,452
Net Position, Ending					<u>\$ 31,793,949</u>	<u>\$ 25,653,486</u>	<u>\$ 57,447,435</u>

See notes to financial statements

Village of McCook

Balance Sheet -
Governmental Funds
December 31, 2025

	<u>General</u>	<u>1st Avenue TIF</u>	<u>Riverside TIF</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Assets					
Cash and cash equivalents	\$ 28,516,330	\$ 8,585,102	\$ 8,261,122	\$ 4,017,625	\$ 49,380,179
Investments	126,740	-	-	-	126,740
Receivables (net):					
Real estate taxes	4,293,458	8,099,166	2,076,746	4,046,569	18,515,939
Other	56,257	-	-	-	56,257
Restricted cash and cash equivalents	869,673	-	-	-	869,673
Prepaid items	213,984	-	-	-	213,984
Due from other governments	894,051	-	-	-	894,051
Due from other funds	4,335,955	146,400	-	163,214	4,645,569
Advances to other funds	500,000	-	-	-	500,000
Total assets	<u>\$ 39,806,448</u>	<u>\$ 16,830,668</u>	<u>\$ 10,337,868</u>	<u>\$ 8,227,408</u>	<u>\$ 75,202,392</u>

See notes to financial statements

Village of McCook

Balance Sheet -
Governmental Funds
December 31, 2025

	General	1st Avenue TIF	Riverside TIF	Nonmajor Governmental Funds	Total
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 75,146	\$ -	\$ -	\$ 308,618	\$ 383,764
Accrued salaries	125,912	-	-	-	125,912
Payroll liabilities	6,333	-	-	-	6,333
Due to other funds	141,164	3,860,050	-	497,955	4,499,169
Total liabilities	348,555	3,860,050	-	806,573	5,015,178
Deferred Inflows of Resources					
Property taxes levied for receipt in future periods	4,108,160	5,565,932	1,389,132	2,503,087	13,566,311
Unavailable revenues	309,576	-	-	-	309,576
Total deferred inflows of resources	4,417,736	5,565,932	1,389,132	2,503,087	13,875,887
Fund Balances					
Nonspendable for prepaids	213,984	-	-	-	213,984
Nonspendable for advance receivable	500,000	-	-	-	500,000
Restricted for public safety	935,795	-	-	-	935,795
Restricted for community development	-	-	-	2,558,126	2,558,126
Restricted for highways and streets	-	-	-	70,646	70,646
Restricted for debt service purposes	-	7,404,686	8,948,736	1,659,116	18,012,538
Assigned for capital projects	-	-	-	629,860	629,860
Assigned for stabilization funds	500,000	-	-	-	500,000
Unassigned	32,890,378	-	-	-	32,890,378
Total fund balances	35,040,157	7,404,686	8,948,736	4,917,748	56,311,327
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 39,806,448</u>	<u>\$ 16,830,668</u>	<u>\$ 10,337,868</u>	<u>\$ 8,227,408</u>	<u>\$ 75,202,392</u>

See notes to financial statements

Village of McCook

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2025

Total Fund Balances, Governmental Funds \$ 56,311,327

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds. See Note 2. 5,957,069

Some receivables, such as property taxes, that are not currently available are reported as unavailable revenues in the fund financial statements but are recognized as revenue when earned in the government-wide statements. 309,576

The net pension asset does not relate to current financial resources and is not reported in the governmental funds. 2,194,500

Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. 1,640,797

Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. (991,812)

Deferred outflows of resources related to OPEB do not relate to current financial resources and are not reported in the governmental funds. 1,051,361

Deferred inflows of resources related to OPEB do not relate to current financial resources and are not reported in the governmental funds. (4,142,926)

Some long-term liabilities, including long-term debt, are not due and payable in the current period and, therefore, are not reported in the funds.

Bonds payable (8,135,592)

Compensated absences (336,162)

Net pension liabilities (12,381,389)

Total OPEB liabilities (9,657,904)

Accrued interest payable (24,896)

Net Position of Governmental Activities \$ 31,793,949

Village of McCook

Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
Year Ended December 31, 2025

	General	1st Avenue TIF	Riverside TIF	Nonmajor Governmental Funds	Total
Revenues					
Taxes	\$ 7,279,793	\$ -	\$ -	\$ 133,220	\$ 7,413,013
Tax increment taxes	-	5,781,605	1,398,354	2,562,656	9,742,615
Other taxes	-	-	-	233,670	233,670
Intergovernmental	867,335	-	-	11,295	878,630
Licenses, permits and fees	837,646	-	-	-	837,646
Fines and police reports	317,987	-	-	-	317,987
Investment income	1,627,993	424,917	418,097	34,820	2,505,827
Other	1,289,429	-	-	-	1,289,429
Total revenues	<u>12,220,183</u>	<u>6,206,522</u>	<u>1,816,451</u>	<u>2,975,661</u>	<u>23,218,817</u>
Expenditures					
Current:					
General government	2,426,454	-	-	22,930	2,449,384
Public safety	6,065,973	-	-	-	6,065,973
Public works	541,526	-	-	-	541,526
TIF economic development	-	79,114	193,100	491,965	764,179
Debt service:					
Principal retirement	-	2,515,000	-	-	2,515,000
Interest and other	-	482,566	-	-	482,566
Capital outlay	616,757	1,255,765	-	1,108,499	2,981,021
Total expenditures	<u>9,650,710</u>	<u>4,332,445</u>	<u>193,100</u>	<u>1,623,394</u>	<u>15,799,649</u>
Excess (deficiency) of revenues over expenditures	<u>2,569,473</u>	<u>1,874,077</u>	<u>1,623,351</u>	<u>1,352,267</u>	<u>7,419,168</u>
Other Financing Sources (Uses)					
Transfers in	1,522,252	-	-	-	1,522,252
Transfers out	-	(1,632,850)	(51,875)	(539,727)	(2,224,452)
Total other financing sources (uses)	<u>1,522,252</u>	<u>(1,632,850)</u>	<u>(51,875)</u>	<u>(539,727)</u>	<u>(702,200)</u>
Net change in fund balances	4,091,725	241,227	1,571,476	812,540	6,716,968
Fund Balances, Beginning	<u>30,948,432</u>	<u>7,163,459</u>	<u>7,377,260</u>	<u>4,105,208</u>	<u>49,594,359</u>
Fund Balances, Ending	<u>\$ 35,040,157</u>	<u>\$ 7,404,686</u>	<u>\$ 8,948,736</u>	<u>\$ 4,917,748</u>	<u>\$ 56,311,327</u>

See notes to financial statements

Village of McCook

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2025

Net Change in Fund Balances, Total Governmental Funds	\$ 6,716,968
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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 Net Position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the Statement of Activities.

Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements.	1,658,204
Depreciation is reported in the government-wide financial statements.	(495,620)

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.	21,174
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	2,515,000
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Governmental funds report debt premiums and discounts as other financing sources or uses. However, in the statement of net position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the Statement of Activities and are reported as interest expense.	
Debt premium	76,346

Some expenses in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	15,998
Total OPEB liability	305,391
Net pension asset and net pension liability	1,915,876
Deferred outflows of resources related to pensions	(1,480,191)
Deferred inflows of resources related to pensions	(696,633)
Deferred outflows of resources related to OPEB	(554,534)
Deferred inflows of resources related to OPEB	450,117
Accrued interest payable	6,563

Change in Net Position of Governmental Activities	<u>\$ 10,454,659</u>
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Village of McCook

Statement of Net Position -
Proprietary Funds
December 31, 2025

	Business-Type Activities - Enterprise Funds		
	Water	Max	Total
Assets and Deferred Outflows of Resources			
Current Assets			
Cash and cash equivalents	\$ 7,137,550	\$ 3,889,815	\$ 11,027,365
Investments	402,902	-	402,902
Receivables:			
Accounts	1,476,462	77,646	1,554,108
Note receivable	495,988	-	495,988
Lease receivable	-	255,082	255,082
Prepaid items	-	75,744	75,744
Total current assets	<u>9,512,902</u>	<u>4,298,287</u>	<u>13,811,189</u>
Noncurrent Assets			
Capital assets (net of accumulated depreciation/amortization):			
Land	-	2,142,625	2,142,625
Land improvements	-	1,044,148	1,044,148
Buildings and improvements	753,196	15,607,620	16,360,816
Machinery and equipment	839,267	179,388	1,018,655
Vehicles	41,930	8,105	50,035
Infrastructure	3,769,356	38,282	3,807,638
Land, right-to-use lease asset	<u>1,016,612</u>	<u>-</u>	<u>1,016,612</u>
Total noncurrent assets	<u>6,420,361</u>	<u>19,020,168</u>	<u>25,440,529</u>
Total assets	<u>15,933,263</u>	<u>23,318,455</u>	<u>39,251,718</u>
Deferred Outflows of Resources			
Deferred outflows of resources related to OPEB	<u>104,888</u>	<u>16,656</u>	<u>121,544</u>
Total deferred outflows of resources	<u>104,888</u>	<u>16,656</u>	<u>121,544</u>

See notes to financial statements

Village of McCook

Statement of Net Position -
Proprietary Funds
December 31, 2025

	Business-Type Activities - Enterprise Funds		
	Water	Max	Total
Liabilities, Deferred Inflows of Resources and Net Position			
Current Liabilities			
Accounts payable	\$ 1,378,887	\$ 38,675	\$ 1,417,562
Accrued salaries	29,299	19,243	48,542
Unearned revenues	-	53,887	53,887
Unavailable revenues	-	25,883	25,883
Due to other funds	146,400	-	146,400
Advances from other funds	-	500,000	500,000
Total current liabilities	<u>1,554,586</u>	<u>637,688</u>	<u>2,192,274</u>
Noncurrent Liabilities			
Long-term debt:			
Due within one year	184,815	711,841	896,656
Due in more than one year	<u>2,372,699</u>	<u>7,524,117</u>	<u>9,896,816</u>
Total noncurrent liabilities	<u>2,557,514</u>	<u>8,235,958</u>	<u>10,793,472</u>
Total liabilities	<u>4,112,100</u>	<u>8,873,646</u>	<u>12,985,746</u>
Deferred Inflows of Resources			
Deferred inflows of resources related to OPEB	413,314	65,634	478,948
Deferred inflows related to leases	-	255,082	255,082
Total deferred inflows of resources	<u>413,314</u>	<u>320,716</u>	<u>734,030</u>
Net Position			
Net investment in capital assets	5,271,267	10,983,611	16,254,878
Restricted for:			
Unrestricted	<u>6,241,470</u>	<u>3,157,138</u>	<u>9,398,608</u>
Total net position	<u>\$ 11,512,737</u>	<u>\$ 14,140,749</u>	<u>\$ 25,653,486</u>

See notes to financial statements

Village of McCook

Statement of Revenues, Expenses and Changes in Net Position -

Proprietary Funds

Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds		
	Water	Max	Total
Operating Revenues			
Water and sewer charges	\$ 13,559,078	\$ -	\$ 13,559,078
Late charges	16,708	-	16,708
Rentals and sales	-	2,136,204	2,136,204
Total operating revenues	<u>13,575,786</u>	<u>2,136,204</u>	<u>15,711,990</u>
Operating Expenses			
Personnel services	648,818	755,090	1,403,908
Contractual services, including purchase of water	11,167,094	371,035	11,538,129
Supplies	19,541	158,340	177,881
Repairs and maintenance	93,728	71,223	164,951
Electricity	333,942	137,554	471,496
Depreciation/amortization	404,522	615,430	1,019,952
Other charges	3,514	-	3,514
Total operating expenses	<u>12,671,159</u>	<u>2,108,672</u>	<u>14,779,831</u>
Operating income (loss)	<u>904,627</u>	<u>27,532</u>	<u>932,159</u>
Nonoperating Revenues (Expenses)			
Interest income	9,876	136,602	146,478
Interest and other	(47,739)	(280,005)	(327,744)
Other	21,328	-	21,328
Total nonoperating revenues (expenses)	<u>(16,535)</u>	<u>(143,403)</u>	<u>(159,938)</u>
Income (loss) before contributions and transfers	<u>888,092</u>	<u>(115,871)</u>	<u>772,221</u>
Contributions and Transfers			
Capital contributions	-	1,253,903	1,253,903
Transfers in	-	1,002,200	1,002,200
Transfers out	<u>(300,000)</u>	<u>-</u>	<u>(300,000)</u>
Total contributions and transfers	<u>(300,000)</u>	<u>2,256,103</u>	<u>1,956,103</u>
Change in net position	588,092	2,140,232	2,728,324
Net Position, Beginning	<u>10,924,645</u>	<u>12,000,517</u>	<u>22,925,162</u>
Net Position, Ending	<u>\$ 11,512,737</u>	<u>\$ 14,140,749</u>	<u>\$ 25,653,486</u>

See notes to financial statements

Village of McCook

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds		
	Water	Max	Total
Cash Flows From Operating Activities			
Received from customers	\$ 13,098,344	\$ 1,998,799	\$ 15,097,143
Paid to suppliers for goods and services	(10,984,145)	(727,523)	(11,711,668)
Paid to employees for services	(807,737)	(742,454)	(1,550,191)
Net cash flows from operating activities	1,306,462	528,822	1,835,284
Cash Flows From Investing Activities			
Investment income	9,876	136,602	146,478
(Purchase) of investment securities	(101)	-	(101)
Net cash flows from investing activities	9,775	136,602	146,377
Cash Flows From Noncapital Financing Activities			
Transfers, in from (out to) other funds	(300,000)	1,002,200	702,200
Interfund borrowing / (lending)	146,400	(200,000)	(53,600)
Net cash flows from noncapital financing activities	(153,600)	802,200	648,600
Cash Flows From Capital and Related Financing Activities			
Debt retired	(149,237)	(665,000)	(814,237)
Interest paid	(54,114)	(337,200)	(391,314)
Connection fees received	133,567	-	133,567
Acquisition and construction of capital assets	(60,861)	(99,090)	(159,951)
Miscellaneous	21,328	-	21,328
Net cash flows from capital and related financing activities	(109,317)	(1,101,290)	(1,210,607)
Net change in cash and cash equivalents	1,053,320	366,334	1,419,654
Cash and Cash Equivalents, Beginning	6,084,230	3,523,481	9,607,711
Cash and Cash Equivalents, Ending	<u>\$ 7,137,550</u>	<u>\$ 3,889,815</u>	<u>\$ 11,027,365</u>

See notes to financial statements

Village of McCook

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2025

	Business-Type Activities - Enterprise Funds		
	Water	Max	Total
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities			
Operating income (loss)	\$ 904,627	\$ 27,532	\$ 932,159
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
Depreciation/amortization		615,430	615,430
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	(477,442)	5,851	(471,591)
(Increase) decrease in prepaid expense	-	13,842	13,842
Increase (decrease) in accounts payable	633,674	(3,213)	630,461
Increase (decrease) in accrued salaries	6,557	1,660	8,217
Increase (decrease) in compensated absences	(72,641)	4,139	(68,502)
Increase (decrease) in total OPEB liability and related deferrals	(92,835)	6,837	(85,998)
Increase (decrease) in unearned revenue	-	(143,256)	(143,256)
Net cash flows from operating activities	<u>\$ 901,940</u>	<u>\$ 528,822</u>	<u>\$ 1,430,762</u>
Noncash Capital and Related Financing Activities			
Capital asset contributed from governmental activities	<u>\$ -</u>	<u>\$ 1,253,903</u>	

See notes to financial statements

Village of McCook

Statement of Fiduciary Net Position -
Fiduciary Funds
December 31, 2025

	Pension Trusts
Assets	
Cash and cash equivalents	\$ 2,225,257
Investments, at fair value	<u>20,945,349</u>
Total assets	<u>23,170,606</u>
Net Position	
Restricted for pension benefits	<u>23,170,606</u>
Total net position	<u><u>\$ 23,170,606</u></u>

See notes to financial statements

Village of McCook

Statement of Changes in Fiduciary Net Position -
Fiduciary Funds
Year Ended December 31, 2025

	Pension Trust Funds
Additions	
Contributions:	
Employee contributions	\$ 182,741
Employer contributions	<u>1,666,122</u>
Total contributions	<u>1,848,863</u>
Investment income:	
Investment income	472,255
Net appreciation in fair value of investments	<u>2,084,610</u>
Total investment income	2,556,865
Less investment management fees	<u>(17,530)</u>
Net investment income	<u>2,539,335</u>
Total additions	<u>4,388,198</u>
Deductions	
Payments to participants	1,361,821
Payments to beneficiaries	236,255
Refunds of contributions	1,516
Administration	<u>30,065</u>
Total deductions	<u>1,629,657</u>
Change in fiduciary net position	2,758,541
Net Position, Beginning	<u>20,412,065</u>
Net Position, Ending	<u><u>\$ 23,170,606</u></u>

See notes to financial statements

Village of McCook

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December 31, 2025

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Village of McCook

Notes to Financial Statements
December 31, 2025

1. Summary of Significant Accounting Policies

The Village of McCook, Illinois (the Village) was incorporated in 1926. The Village is a home-rule municipality, under the 1970 Illinois Constitution, located in Cook County, Illinois. The Village operates under a President-Trustee form of government and provides the following services as authorized by its charter: public safety (police and fire protection), highways and streets, sanitation (water and sewer), health and social services, public improvements, planning and zoning and general administrative services.

The accounting policies of the Village conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

Reporting Entity

This report includes all of the funds of the Village. The Village's Article 3 (Police) and Article 4 (Fire) pension plans (the "Public Safety Pension Plans") qualify as Fiduciary Component Units in accordance with GASB 67 since they meet the following conditions:

- The Public Safety Pension Plans are considered legally separate from the Village.
- The pension boards for the Public Safety Pension Plans do not have the authority to levy its own taxes or independently establish its final contribution rates. Under the Illinois Pension Code, the municipality ultimately holds the statutory authority to "set or approve" the property tax levy rate required to fund the plan or budget and provide other funding sources.
- The Village's legal obligation to make financial contributions to the Public Safety Pension Plans creates an automatic financial burden relationship.
- Fiduciary Criteria: Because the plan holds assets in a qualifying trust solely for the benefit of retirees, it meets the definition of a fiduciary activity.
- Illinois law and supporting regulations established Public Safety Pension Plans to be recognized pension plans per the IRS and requires the pension plans to invest with entities that established Custodian accounts with Trust Departments. This structure achieves the following Fiduciary standards:
 - Contributions from the Village to the Public Safety Pension Plans and earnings on those contributions are irrevocable.
 - Pension plan assets are dedicated to providing pensions to plan members in accordance with the benefit terms.
 - Pension plan assets are legally protected from the creditors of employers, the Village, creditors of the plan members, and the pension plan administrator.

Fiduciary Component Units

The Police Pension Employees Retirement System (PPERS) is established for the Village's police employees. 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 pension beneficiary elected by the membership and two police employees elected by the membership constitute the pension board. The Village and the PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. A municipality is considered to have a financial burden if it is legally obligated or has otherwise assumed the obligation to make contributions to the pension plan. 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. PPERS is reported as a fiduciary component unit pension trust fund and the data for the pension is included in the government's fiduciary fund financial statements as a pension trust fund. Separately issued financial statements of the PPERS may be obtained from the PPERS.

The Firefighters' Pension Employees Retirement System (FPERS) is established for the Village's firefighters. FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President and one pension beneficiary elected by the membership constitute the pension board. The Village and the FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. A municipality is considered to have a financial burden if it is legally obligated or has otherwise assumed the obligation to make contributions to the pension plan. 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. FPERS is reported as a fiduciary component unit and the data for the pension is included in the government's fiduciary fund financial statements as a pension trust fund. Separately issued financial statements of the FPERS may be obtained from the FPERS.

Government-Wide and Fund Financial Statements

In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. This Statement requires that a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. This standard was implemented January 1, 2025.

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

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

Fund Financial Statements

Financial statements of the Village are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues and expenditures/expenses.

Funds are organized as major funds or nonmajor funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the Village or meets the following criteria:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues or expenditures/expenses of that individual governmental fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental fund that met the 10% test is at least 5% of the corresponding total for all governmental funds combined.
- c. In addition, any other governmental fund that the Village believes is particularly important to financial statement users may be reported as a major fund.

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

The Village reports the following major governmental and enterprise funds:

General Fund

General Fund is used to account for the Village's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.

Special Revenue Funds

1st Avenue TIF Fund is used to account for incremental real estate tax revenues received from the Village's Tax Increment Financing district that are to be used for the redevelopment of sites within the Redevelopment Project Area along 1st Avenue for more market oriented commercial uses of the properties to enhance the value of those properties and improve their contributions to the Village and its surrounding area.

Riverside TIF Fund is used to account for incremental real estate tax revenues received from the Village's Tax Increment Financing district that are to be used for the redevelopment of sites within the Redevelopment Project Area along Riverside Avenue for more market oriented commercial uses of the properties to enhance the value of those properties and improve their contributions to the Village and its surrounding area.

Enterprise Funds

Water Fund is used to account for operations of the water and sewer systems.

Max Fund is used to account for operations of the McCook Athletic and Exposition Center.

Village of McCook

Notes to Financial Statements
December 31, 2025

The Village reports the following nonmajor governmental funds:

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Motor Fuel Tax Fund
Joliet Road TIF Fund
55th Street TIF Fund

Debt Service Fund

Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for the payment of general long-term debt principal, interest and related costs.

Debt Service Fund

Capital Projects Fund

Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Capital Projects Fund

In addition, the Village reports the following fund type:

Pension Trust Funds

Pension Trust Funds are used to account for and report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans.

Police Pension Fund
Firefighters' Pension Fund

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and 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. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year following the levy year. As a result, taxes receivable for the following year are recorded as receivables and deferred inflows. Grants are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Unbilled receivables are recorded as revenues when services are provided.

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the Village is entitled to the resources and the amounts are available. Amounts owed to the Village which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, public charges for services, and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

Proprietary and Fiduciary Funds

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The 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 proprietary funds are charges to customers for sales and services. Operating expenses for proprietary 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.

All Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity

Deposits and Investments

For purposes of the statement of cash flows, the Village considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Illinois Statutes authorize the Village to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services and the Illinois Funds Investment Pool.

Illinois Public Act 101 0610 consolidated the assets of the state's more than 650 downstate and suburban public safety pension funds into two consolidated investment funds and required the Police Pension Fund and Firefighters' Pension Fund to pool their funds for investment purposes. The Illinois Police Officers' Pension Investment Fund and the Firefighters' Pension Investment Fund are external investment pools valued at share price, the price for which the investments could be sold. Additional information related to the Illinois Police Officers' Pension Investment Fund and the Firefighters' Pension Investment Fund can be found at <https://www.ipopif.org> and <https://www.ifpif.org>, respectively.

The Illinois Police Officers' Pension Investment Fund's investment policy statement has an investment objective to earn a long-term, net-of-fees, investment return that meets or exceeds the actuarial assumed rate of return and the return of the Policy Benchmark consistent with the risk level expected from the asset allocation. In the March 4, 2022 actuarial experience study the Illinois Police Officers' Pension Investment Fund's actuaries recommended an investment return of 6.75%.

The Firefighters' Pension Investment Fund's investment policy has an investment objective that seeks to maximize the likelihood of meeting long-term return objectives, while (i) maintaining prudent risk exposure, (ii) controlling fees and expenses related to management of the Fund and (iii) complying with the governing provisions of the Illinois Pension Code (40 ILCS 5 et seq.) and other applicable laws and regulations. Long-term return objectives are based on an assumed rate of return as set forth by the Firefighters' Pension Investment Fund's actuary. In the December 1, 2021 actuarial experience study the Firefighters' Pension Investment Fund's actuaries recommended an investment return of 7.125%.

The Village has adopted an investment policy. That policy follows the state statute for allowable investments, except commercial paper, repurchase agreements on government securities, derivative products, reverse repurchase agreements, or tri-party repurchase agreements.

Interest Rate Risk

The Village's investment policy seek to ensure preservation of capital in the Village's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The Village's policy limits the Village to investments with a maturity of no more than 20 years from the date of purchase, unless matched to a specific cash flow. The Village's investment portfolio is required to be sufficiently liquid to enable the Village to meet all operating requirements as they come due.

Credit Risk

State Statutes limit the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The Village's investment policy authorizes investments in any type of security allowed for in Illinois statutes regarding the investment of public funds. As of December 31, 2025, all of the Village's applicable other investments had either "AAA" or "A-1+" ratings with their applicable rating agency.

Concentration of Credit Risk

The Village's and Pensions' investment policies require diversification of the investment portfolio to minimize risk of loss resulting from over-concentration in a particular type of security, risk factor, issuer or maturity. The Village's policy further states that no financial institution shall hold more than 50% of the Village's investment portfolio at the current time of investment placement. The Village operates its investments as an internal investment pool where each fund reports its pro rata share of the investments made by the Village. In this internal investment pool there were no investments which are subject to concentration for credit risk that represent more than 5% of the portfolio as of December 31, 2025.

Custodial Credit Risk, Deposits

With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the Village's deposits may not be returned to it. The Village does not require collateralization of deposits, unless the amount of the funds deposited in a financial institution exceeds 50% of the capital stock and surplus of a bank, exceeds 50% of the net worth of a savings bank or savings and loan association, or exceeds 50% of the unimpaired capital and surplus of a credit union. The police pension's and firefighters' pension's investment policy limits exposure to deposit custodial credit risk by requiring deposits in excess of FDIC insurable limits to be collateralized.

Custodial Credit Risk, Investments

With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village's investment policy does not require collateralization of investments, unless the amount of funds deposited in a financial institution exceeds 50% of the capital stock and surplus of a bank, or exceeds 50% of the unimpaired capital and surplus of a credit union.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on methods and inputs as outlined in Note 2. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

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

Village of McCook

Notes to Financial Statements

December 31, 2025

Receivables

Property taxes for levy year 2025 attaches as an enforceable lien on January 1, 2025, on property values assessed as of the same date. Taxes are levied by December following the lien date by passage of a Tax Levy Ordinance.

Tax bills for levy year 2025 are prepared by the Cook County Treasurer and issued on or about March 1, 2026 and July 1, 2026, and are payable in two installments, on or about April 1, 2026 and August 1, 2026 or within 30 days of the tax bills being issued.

The County collects such taxes and remits them periodically. The 2025 property tax levy is recognized as a receivable and deferred inflows in fiscal 2025, net the allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2025, the property taxes receivable and related deferred inflows consisted of the estimated amount collectible from the 2025 levy and any uncollected and available amounts from prior levies.

Accounts receivable have been shown net of an allowance for uncollectible accounts.

The property tax receivable is shown net of an allowance for uncollectibles. The allowance is equal to 2% (\$276,863) of outstanding property taxes at December 31, 2025.

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as "due to and from other funds." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as internal balances.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are so classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

Capital Assets

Government-Wide Financial Statements

Capital assets, which include property, buildings, vehicles, plant and equipment, and infrastructure (including right-to-use lease assets) are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$1,000 and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets and service concession arrangements are recorded at their estimated acquisition value at the date of donation.

Village of McCook

Notes to Financial Statements
December 31, 2025

Depreciation and amortization of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation and amortization reflected in the statement of net position. Depreciation and amortization is provided over the assets' estimated useful lives using the straight-line method. The range of estimated useful lives by type of asset is as follows:

Buildings	50 Years
Land improvements	20 Years
Machinery and equipment	5-15 Years
Infrastructure	30 Years
Water/sewer infrastructure	50 Years
Street infrastructure	30 Years
Vehicles	8 Years

Lease assets are typically amortized over the lease term.

Fund Financial Statements

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same way as in the government-wide statements.

Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts.

Vacation and sick leave pay is accrued in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable resources. Employees earn a specified amount of vacation and sick leave each year. Vacations are accrued on a monthly basis and are used on a first in - first out basis. Vacations may accrue without limit. The liability for sick pay is recognized based on the employee's current rate of pay at year-end. Upon termination accumulated sick leave shall be paid at a proportionate rate equal to years of service for the remaining sick leave accumulated. The liability for sick pay is recognized based upon the employee's current rate of pay at year - end and years of service accumulated.

Long-Term Obligations

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bonds payable, accrued compensated absences, pension liabilities, and OPEB liabilities, and lease obligations.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

Village of McCook

Notes to Financial Statements

December 31, 2025

The Village has approved the issuance of educational facilities refunding revenue bonds and community revenue bonds for the benefit of two nonprofit organizations. The educational facilities refunding revenue bonds and the community revenue bonds are secured by revenue agreements on the associated projects and do not constitute indebtedness of the Village. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. At year end, the aggregate principal amount for the 2015 outstanding educational facilities refunding revenue bonds and the 2015 community revenue bonds outstanding was \$1,595,000 and \$3,396,169, respectively.

Leases

The Village is a lessor because it leases capital assets to other entities. As a lessor, the Village reports a lease receivable and corresponding deferred inflow of resources in both the fund financial statements and government-wide financial statements. The Village continues to report and depreciate the capital assets being leased as capital assets of the primary government.

The Village is a lessee because it leases capital assets from other entities. As a lessee, the Village reports a lease liability and an intangible right-to-use capital asset (known as the lease asset) on the government-wide financial statements and proprietary fund statements. In the governmental fund financial statements, the Village recognizes lease proceeds and capital outlay at initiation of the lease, and the outflow of resources for the lease liability as a debt service payment.

Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net assets that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

- a. **Net Investment in Capital Assets** - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.
- b. **Restricted Net Position** - Consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.
- c. **Unrestricted Net Position** - All other net positions that do not meet the definitions of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, it is the Village's policy to use restricted resources first, then unrestricted resources as they are needed.

Village of McCook

Notes to Financial Statements
December 31, 2025

Fund Statements

Governmental fund balances are displayed as follows:

- a. **Nonspendable** - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. **Restricted** - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. **Committed** - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the Village Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village Board that originally created the commitment.
- d. **Assigned** - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Board may take official action to assign amounts. Assignments may take place after the end of the reporting period.
- e. **Unassigned** - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The Village considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the Village would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

2. Detailed Notes on All Funds

Deposits and Investments

Deposits and investments at year end were comprised of the following:

	<u>Carrying Value</u>	<u>Statement Balances</u>
Banking deposits	\$ 57,793,445	\$ 58,393,138
Illinois Funds	5,977,019	5,977,019
Illinois Police Officers' Investment Fund	13,860,069	13,860,069
Firefighters' Pension Investment Fund	1,875,176	1,875,176
Insurance contracts	5,210,104	5,210,104
Money Market Fund	256,957	256,957
Petty cash	4,695	-
	<u>84,977,465</u>	<u>-</u>
Total deposits and investments	<u>\$ 84,977,465</u>	<u>\$ 85,572,463</u>

Village of McCook

Notes to Financial Statements
December 31, 2025

Reconciliation to financial statements

Per statement of net position, page 1:

Unrestricted cash and cash equivalents	\$ 60,407,544
Investments	529,642
Restricted cash and cash equivalents	869,673

Per statement of net position, fiduciary funds, page 14:

Cash and cash equivalents	2,225,257
Investments, at fair value	<u>20,945,349</u>

Total deposits and investments	<u>\$ 84,977,465</u>
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Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and non-interest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

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.

Police

Investment Type	December 31, 2025			Total
	Level 1	Level 2	Level 3	
Insurance guaranteed investment contracts	\$ -	\$ -	\$ 5,210,104	\$ 5,210,104

The Illinois Police Officers' Pension Investment Fund of \$13,860,069 and the Firefighters' Pension Investment Fund of \$1,875,176 are measured at net asset value.

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the Village's deposits may not be returned to the Village.

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The Village does not have any investments exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

Village of McCook

Notes to Financial Statements
December 31, 2025

As of December 31, 2025, the Village's investments were rated as follows:

<u>Investment Type</u>	<u>Fitch Ratings</u>
Illinois Funds	AAA
Insurance contracts	NR

The Pension Funds also held investments in the following external pools which are not rated:

Illinois Police Officers' Pension Investment Fund

Firefighters' Pension Investment Fund

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

At December 31, 2025, the Police Pension Fund 's investment portfolio was concentrated as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Percentage of Net Position</u>
Jackson National Life Insurance	Insurance contract	25.84 %

Receivables

All of the receivables other than the note and lease receivables on the balance sheet are expected to be collected within one year.

The note receivable reported in the Water Fund is for the water system interconnection loan provided to the Village of Lyons. Loan payments are made monthly and are expected to end in May 2029.

Lease Receivables

<u>Business-Type Activities</u>				<u>Receivable Balance December 31, 2025</u>
<u>Lease Receivables Description</u>	<u>Date of Inception</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	
Leased land, MAX lot	02/01/15	01/31/35	3.00%	\$ 196,582
Leased building, MAX restaurant	06/01/21	05/31/26	3.00	58,500
Total business-type activities				<u>\$ 255,082</u>

The Village recognized \$82,642 and \$0 of lease revenue and interest revenue, respectively, during the fiscal year.

Village of McCook

Notes to Financial Statements
December 31, 2025

Restricted Assets

The following represent the balances of the restricted assets:

Net Pension Asset

Restricted assets have been reported in connection with the net pension asset balance since this balance must be used to fund employee benefits.

State and Federal Forfeiture

State and federal forfeiture accounts, relating to policing activity, are classified as restricted cash and investments in the financial statements.

Capital Assets

Capital asset activity for the year ended December 31, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated/ amortized:				
Land	\$ 168,448	\$ -	\$ -	\$ 168,448
Total capital assets not being depreciated/ amortized	<u>168,448</u>	<u>-</u>	<u>-</u>	<u>168,448</u>
Capital assets being depreciated/ amortized:				
Land improvements	91,950	-	-	91,950
Buildings and building improvements	2,090,241	1,208,596	-	3,298,837
Machinery and equipment	2,765,441	195,152	-	2,960,593
Infrastructure	3,643,516	-	-	3,643,516
Vehicles	4,615,273	254,456	-	4,869,729
Total capital assets being depreciated/ amortized	<u>13,206,421</u>	<u>1,658,204</u>	<u>-</u>	<u>14,864,625</u>
Total capital assets	<u>13,374,869</u>	<u>1,658,204</u>	<u>-</u>	<u>15,033,073</u>
Less accumulated depreciation/amortization for:				
Land improvements	91,950	-	-	91,950
Buildings and building improvements	861,577	61,626	-	923,203
Machinery and equipment	2,018,057	121,997	-	2,140,054
Infrastructure	3,279,827	30,221	-	3,310,048
Vehicles	2,328,973	281,776	-	2,610,749
Total accumulated depreciation/amortization	<u>8,580,384</u>	<u>495,620</u>	<u>-</u>	<u>9,076,004</u>
Net capital assets being depreciated/ amortized	<u>4,626,037</u>	<u>1,162,584</u>	<u>-</u>	<u>5,788,621</u>
Total governmental activities capital assets, net	<u>\$ 4,794,485</u>	<u>\$ 1,162,584</u>	<u>\$ -</u>	<u>\$ 5,957,069</u>

Village of McCook

Notes to Financial Statements
December 31, 2025

Depreciation/amortization expense was charged to functions as follows:

Governmental Activities

Administration	\$ 44,020
Public safety	342,562
Public works, which includes the depreciation of infrastructure	<u>109,038</u>

Total governmental activities depreciation/amortization expense	<u><u>\$ 495,620</u></u>
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	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-Type Activities				
Capital assets not being depreciated/ amortized:				
Land	\$ 2,142,625	\$ -	\$ -	\$ 2,142,625
Total capital assets not being depreciated/amortized	<u>2,142,625</u>	<u>-</u>	<u>-</u>	<u>2,142,625</u>
Capital assets being depreciated/ amortized:				
Buildings and improvements	22,899,206	1,326,410	-	24,225,616
Machinery and equipment	3,327,042	87,444	-	3,414,486
Vehicles	500,250	-	-	500,250
Infrastructure	11,394,121	-	-	11,394,121
Land improvements	1,554,096	-	-	1,554,096
Lease right-to-use	<u>1,182,591</u>	<u>-</u>	<u>-</u>	<u>1,182,591</u>
Total capital assets being depreciated/ amortized	<u>40,857,306</u>	<u>1,413,854</u>	<u>-</u>	<u>42,271,160</u>
Total capital assets	<u>42,999,931</u>	<u>1,413,854</u>	<u>-</u>	<u>44,413,785</u>
Less accumulated depreciation/amortization for:				
Buildings and improvements	7,290,533	574,267	-	7,864,800
Machinery and equipment	2,274,663	121,168	-	2,395,831
Vehicles	419,365	30,850	-	450,215
Infrastructure	7,376,341	210,142	-	7,586,483
Land improvements	467,918	42,030	-	509,948
Lease right-to-use	<u>124,484</u>	<u>41,495</u>	<u>-</u>	<u>165,979</u>
Total accumulated depreciation/amortization	<u>17,953,304</u>	<u>1,019,952</u>	<u>-</u>	<u>18,973,256</u>
Net capital assets being depreciated/amortized	<u>22,904,002</u>	<u>393,902</u>	<u>-</u>	<u>23,297,904</u>
Business-type activities capital assets, net	<u><u>\$ 25,046,627</u></u>	<u><u>\$ 393,902</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 25,440,529</u></u>

Village of McCook

Notes to Financial Statements
December 31, 2025

Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts:

Receivable Fund	Payable Fund	Amount
Nonmajor Governmental Funds	General	\$ 141,164
General	1st Avenue TIF	3,860,050
1st Avenue TIF	Water	146,400
General	Nonmajor Governmental Funds	475,905
Nonmajor Governmental Funds	Nonmajor Governmental Funds	<u>22,050</u>
Total, fund financial statements		4,645,569
Add interfund receivables created with business-type eliminations		146,400
Less government-wide eliminations		(4,645,569)
Add interfund advances		<u>500,000</u>
Total internal balances, government-wide statement of net position		<u><u>\$ 646,400</u></u>

All amounts are due within one year.

The due from/to balance between the General Fund and the Nonmajor Governmental Funds relates to the resplit on property taxes.

The due from/to balance between the General Fund and the 1st Avenue TIF Fund relates to portions of the 2012, 2016, and 2019 debt service payments, as well as related interest rate subsidy and administrative fees.

The due from/to balance between the 1st Avenue TIF Fund and the Water Fund relates to a portion of the 2019 debt service payments.

The due from/to balance between the General Fund and the Joliet TIF Fund relates to impact fees.

The due from/to balance between Nonmajor Governmental Funds relates to administrative fees.

Advances

The general fund is advancing funds to the MAX Fund. The amount advanced is outstanding transfer balance that has not been repaid as of fiscal year end. As of December 31, 2025, the advance is \$500,000. The principal purpose of this advance is to fund a portion of the MAX salaries and operations. Repayment is expected to occur by 2028.

Village of McCook

Notes to Financial Statements

December 31, 2025

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
General	Water	\$ 300,000
General	1st Avenue TIF	630,650
General	Riverside Avenue TIF	51,875
General	Nonmajor Governmental Funds	539,727
MAX	1st Avenue TIF	<u>1,002,200</u>
Total, fund financial statements		\$ 2,524,452
Less government-wide eliminations		(1,822,252)
Add capital contributions from 1st Ave TIF to MAX Fund		<u>1,253,903</u>
Total transfers, government-wide statement of activities		<u>\$ 1,956,103</u>

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2025, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds payable:					
General obligation debt	\$ 7,550,000	\$ -	\$ 1,575,000	\$ 5,975,000	\$ 1,900,000
Direct borrowing general obligation debt	2,995,000	-	940,000	2,055,000	1,000,000
(Discounts)/Premiums	<u>181,938</u>	<u>-</u>	<u>76,346</u>	<u>105,592</u>	<u>-</u>
Total bonds payable	<u>10,726,938</u>	<u>-</u>	<u>2,591,346</u>	<u>8,135,592</u>	<u>2,900,000</u>
Other liabilities:					
Compensated absences (net change)	352,160	-	15,998	336,162	120,355
Net pension liability, SLEP	17,037	14,664	15,206	16,495	-
Net pension liability, police	13,598,838	-	1,233,944	12,364,894	-
Total OPEB liability	<u>9,963,295</u>	<u>-</u>	<u>305,391</u>	<u>9,657,904</u>	<u>-</u>
Total other liabilities	<u>23,931,330</u>	<u>14,664</u>	<u>1,570,539</u>	<u>22,375,455</u>	<u>120,355</u>
Total governmental activities long-term liabilities	<u>\$ 34,658,268</u>	<u>\$ 14,664</u>	<u>\$ 4,161,885</u>	<u>\$ 30,511,047</u>	<u>\$ 3,020,355</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 8,965,000	\$ -	\$ 790,000	\$ 8,175,000	\$ 820,000
(Discounts)/Premiums	<u>366,593</u>	<u>-</u>	<u>61,353</u>	<u>305,240</u>	<u>-</u>
Total bonds and notes payable	<u>9,331,593</u>	<u>-</u>	<u>851,353</u>	<u>8,480,240</u>	<u>820,000</u>
Other liabilities:					
Compensated Absences (net change)	198,970	-	68,502	130,468	51,225
Lease obligations	1,090,487	-	24,237	1,066,250	25,431
Total OPEB liability	<u>1,200,106</u>	<u>2,872</u>	<u>86,464</u>	<u>1,116,514</u>	<u>-</u>
Total other liabilities	<u>2,489,563</u>	<u>2,872</u>	<u>179,203</u>	<u>2,313,232</u>	<u>76,656</u>
Total business-type activities long-term liabilities	<u>\$ 11,821,156</u>	<u>\$ 2,872</u>	<u>\$ 1,030,556</u>	<u>\$ 10,793,472</u>	<u>\$ 896,656</u>

Village of McCook

Notes to Financial Statements
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General Obligation Debt

All general obligation debt payable is backed by the full faith and credit of the Village. Debt in the governmental funds will be retired by the 1st Avenue TIF Fund.

The Village uses incremental property taxes of the 1st Avenue TIF Fund (Incremental Taxes) to repay most of the Governmental Activities debt instead of the dedicated debt service property tax levies. Accordingly, the Village annually abates the dedicated debt service levies based on anticipated Incremental Taxes. Further, the Village maintains cash balances in the General Fund and the 1st Avenue TIF Fund in excess of such abatements in the remote instance that Incremental Taxes would not be sufficient to pay annual debt service.

Direct borrowings originally completed in 2012 as a variable rate obligation currently have a fixed rate and specific maturity schedule and are not subject to any change. The bonds have several default provisions, including payment defaults by the Village, failure to comply with covenants of the borrowing, bankruptcy or insolvency of the Village, failure to fund pension plans, and a downgrade by Standard and Poor's of its rating of any long-term unenhanced general obligation debt of the Village to below "BBB-". In the event of default, the purchaser of the direct borrowing has the option to accelerate the repayment. However, for certain events of default, particularly payment and bankruptcy defaults previously outlined, the purchaser must give the Village seven days' notice to accelerate the repayment. For all other defaults, particularly notice and procedural matters including pension funding, the purchaser of the direct borrowing must give 30 days notice of the default. The Village has complied with all provisions of the direct borrowing. Since origination, the purchaser has not given the Village any notice of acceleration of the repayment of the bonds due to an event of default, and there are no outstanding events of default.

The Business-Type Activities debt are general obligations of the Village which has pledged its full faith and credit for repayment. The debt is also secured by a dedicated debt service property tax levies imposed at the time of issuance for the debt repayment.

The Village uses water and sewer user fees and rental and sales (Enterprise Revenues) from the MAX to repay Business-Type Activities debt instead of the dedicated debt service property tax levies. Accordingly, the Village annually abates the dedicated debt service levies based on anticipated Enterprise Revenues. Further, the Village maintains cash balances in the Water and MAX Funds as well as the General Fund in excess of such abatements in the remote instance that Enterprise Revenues would not be sufficient to pay annual debt service.

The compensated absences liability, net pension liability and other postemployment benefit liability attributable to governmental activities will be liquidated primarily by the General Fund and Water Fund.

<u>Governmental Activities</u>					Balance
General Obligation Debt	Date of	Final	Interest	Original	December 31,
	Issue	Maturity	Rates	Indebtedness	2025
Series 2016B, 1st Avenue TIF	12/29/16	12/01/28	3.75-3.90%	\$ 5,975,000	\$ 5,975,000
2012 Series, 1st Avenue TIF, Direct Borrowing	06/21/12	12/01/27	3.46	10,000,000	<u>2,055,000</u>
Total governmental activities, general obligation debt					<u>\$ 8,030,000</u>

Village of McCook

Notes to Financial Statements
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<u>Business-Type Activities</u> <u>General Obligation Debt</u>	<u>Date of</u> <u>Issue</u>	<u>Final</u> <u>Maturity</u>	<u>Interest</u> <u>Rates</u>	<u>Original</u> <u>Indebtedness</u>	<u>Balance</u> <u>December 31,</u> <u>2025</u>
Series 2019A MAX	04/17/19	12/01/35	4.00%	\$ 11,780,000	\$ 7,765,000
Series 2019A Water	04/17/19	12/01/28	4.00	1,225,000	410,000
Total business-type activities, general obligation debt					<u>\$ 8,175,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>General Obligation Debt</u>		<u>Governmental Activities</u> <u>Direct Borrowing General</u> <u>Obligation Debt</u>		<u>Total</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 1,900,000	\$ 298,750	\$ 1,000,000	\$ 71,103	\$ 2,900,000	\$ 369,853
2027	2,000,000	203,750	1,055,000	36,503	3,055,000	240,253
2028	2,075,000	103,750	-	-	2,075,000	103,750
Total	<u>\$ 5,975,000</u>	<u>\$ 606,250</u>	<u>\$ 2,055,000</u>	<u>\$ 107,606</u>	<u>\$ 8,030,000</u>	<u>\$ 713,856</u>

<u>Years</u>	<u>Business-Type Activities</u> <u>General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 820,000	\$ 327,000
2027	855,000	294,000
2028	885,000	260,000
2029	775,000	224,600
2030	805,000	193,600
2031-2035	4,035,000	459,000
Total	<u>\$ 8,175,000</u>	<u>\$ 1,758,200</u>

Lease Liabilities

<u>Business-Type Activities</u> <u>Lease Liabilities</u>	<u>Date of</u> <u>Issue</u>	<u>Final</u> <u>Maturity</u>	<u>Interest</u> <u>Rates</u>	<u>Original</u> <u>Indebtedness</u>	<u>Balance</u> <u>December 31,</u> <u>2025</u>
Tower, land easement	07/01/11	06/30/50	3.00%	\$ 1,182,591	\$ 1,066,250
Total business-type activities, lease liabilities					<u>\$ 1,066,250</u>

See capital asset note for related capital asset.

Village of McCook

Notes to Financial Statements

December 31, 2025

Future minimum lease payments are as follows:

<u>Years</u>	<u>Principal</u>	<u>Interest</u>
2026	\$ 25,431	\$ 31,987
2027	26,670	31,224
2028	27,956	30,424
2029	29,291	29,585
2030	30,675	28,707
2031-2035	176,009	128,845
2036-2040	219,144	99,950
2041-2045	270,728	64,092
2046-2050	260,346	19,926
Total	<u>\$ 1,066,250</u>	<u>\$ 464,740</u>

3. Other Information

Employees' Retirement System

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

The Village participates in two benefit plans under IMRF. The vast majority of members participate in the Regular Plan. The SLEP plan is for sheriffs, deputy sheriffs, and selected police chiefs.

For the year ended December 31, 2025, the following balances are recognized in the government-wide financial statements:

	<u>Net Pension Asset</u>	<u>Net Pension Liability</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Pension Expense</u>
IMRF, Regular	\$ 1,575,492	\$ -	\$ 221,692	\$ 58,758	\$ (110,068)
IMRF, SLEP	-	16,495	3,394	-	3,704
Police Pension Plan	-	12,364,894	1,415,711	700,679	2,357,856
Firefighters' Pension Plan	619,008	-	-	232,375	(127,914)
Total	<u>\$ 2,194,500</u>	<u>\$ 12,381,389</u>	<u>\$ 1,640,797</u>	<u>\$ 991,812</u>	<u>\$ 2,123,578</u>

Village of McCook

Notes to Financial Statements
December 31, 2025

Illinois Municipal Retirement Fund

Plan Description

Both IMRF benefit plans have two tiers. Members who first participated in IMRF or an Illinois Reciprocal System prior to January 1, 2011 participate in *Tier 1*. All other members participate in *Tier 2*. For *Tier 1* participants, pension benefits vest after eight years of service.

Participating members 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 their final rate of earnings (average of the highest 48 consecutive months' earnings during the last 10 years) for credited service up to 15 years and 3% for each year thereafter to a maximum of 75% of their final rate of earnings.

Employees hired on or after January 1, 2011, are eligible for *Tier 2* benefits. For *Tier 2* participants, pension benefits vest after 10 years of service. Participating members who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3% of their final rate of earnings for the first 15 years of service credit, plus 2% for each year of service 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 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

At December 31, 2024, the measurement date, membership in the plans were as follows:

	<u>Regular Plan</u>	<u>SLEP</u>
Retirees and beneficiaries	16	1
Inactive, nonretired members	20	-
Active members	<u>22</u>	<u>-</u>
Total	<u><u>58</u></u>	<u><u>1</u></u>

Contributions

As set by statute, employees participating in Regular and SLEP plans are required to contribute 4.50% and 7.50%, respectively, of their annual covered salary. The statute requires the Village to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The actuarially determined contribution rates for the calendar year ending December 31, 2024 were 0.90% and 12.48%, respectively, of annual covered payroll for Regular and SLEP plans. The Village also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability/(Asset)

The net pension liabilities/(assets) were measured as of December 31, 2024, and the total pension liabilities used to calculate the net pension liabilities/(assets) were determined by an actuarial valuation as of that date.

Summary of Significant Accounting Policies

For purposes of measuring the net pension liabilities/(assets), deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Actuarial Assumptions

The total pension liabilities for IMRF was determined by actuarial valuations 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	
Investment Rate of Return	7.25%
Salary increases	2.85% to 13.75%, including inflation
Price inflation	2.25%

Mortality

For nondisabled 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.

Long-Term Expected Real Rate of Return

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

Asset Class	Target Allocation	Projected Returns/Risks	
		One Year Arithmetic	Ten Year Geometric
Equities	33.50 %	5.70 %	4.35 %
International equities	18.00	7.10	5.40
Fixed income	24.50	5.30	5.20
Real estate	10.50	7.30	6.40
Alternatives	12.50		
Private equity		10.00	6.25
Commodities		6.05	4.85
Cash equivalents	1.00	3.60	3.60

Village of McCook

Notes to Financial Statements

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Discount Rate

The discount rate used to measure the total pension liability for IMRF 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 employer contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the 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 investments was applied to all periods of projected benefits to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liabilities/(assets) to changes in the discount rate. The table below presents the net pension liabilities/(assets) calculated using the discount rate of 7.25% as well as what the net pension liabilities/(assets) would be if it were to be calculated using discount rates that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate.

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Regular			
Net pension liability/(asset)	\$ (519,018)	\$ (1,575,492)	\$ (2,380,171)
SLEP			
Net pension liability/(asset)	\$ 25,791	\$ 16,495	\$ 8,167

Changes in Net Pension Liability/(Asset)

The changes in net pension liabilities/(assets) for the calendar year ended December 31, 2024 were as follows:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability/(Asset) (a) - (b)</u>
Regular			
Balances at December 31, 2023	\$ 8,528,029	\$ 9,791,814	\$ (1,263,785)
Service cost	143,816	-	143,816
Interest on total pension liability	615,922	-	615,922
Differences between expected and actual experience of the total pension liability	23,877	-	23,877
Benefit payments, including refunds of employee contributions	(208,916)	(208,916)	-
Contributions, employer	-	14,594	(14,594)
Contributions, employee	-	72,978	(72,978)
Net investment income	-	946,445	(946,445)
Other (net transfer)	-	61,305	(61,305)
Balances at December 31, 2024	<u>\$ 9,102,728</u>	<u>\$ 10,678,220</u>	<u>\$ (1,575,492)</u>
Plan fiduciary net position as a percentage of the total pension liability			117.31 %

Village of McCook

Notes to Financial Statements
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SLEP

Balances at December 31, 2023	\$ 143,125	\$ 126,088	\$ 17,037
Interest on total pension liability	9,825	-	9,825
Differences between expected and actual experience of the total pension liability	3,233	-	3,233
Benefit payments, including refunds of employee contributions	(15,206)	(15,206)	-
Net investment income	-	13,516	(13,516)
Other (net transfer)	-	84	(84)
Balances at December 31, 2024	<u>\$ 140,977</u>	<u>\$ 124,482</u>	<u>\$ 16,495</u>

Plan fiduciary net position as a percentage of the total pension liability 88.30 %

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

For the year ended December 31, 2025, pension expense was \$(110,068) and \$3,704 for the Regular and SLEP plans, respectively. Deferred outflows and inflows of resources related to pension were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Regular		
Difference between expected and actual experience	\$ 18,919	\$ 58,758
Assumption changes	4,452	-
Net difference between projected and actual earnings on pension plan investments	183,645	-
Contributions subsequent to the measurement date	14,676	-
Total	<u>\$ 221,692</u>	<u>\$ 58,758</u>
SLEP		
Net difference between projected and actual earnings on pension plan investments	\$ 3,394	\$ -
Total	<u>\$ 3,394</u>	<u>\$ -</u>

Village of McCook

Notes to Financial Statements
December 31, 2025

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liabilities/(assets) for the year ending December 31, 2026. The remaining amounts reported as deferred outflows and inflows of resources related to pensions is \$148,258, and \$3,394 for the Regular and SLEP plans, respectively. Amounts will be recognized in pension expense as follows:

<u>Years Ending December 31:</u>	<u>Regular Plan</u>	<u>SLEP</u>
2026	\$ 73,748	\$ 1,612
2027	232,957	4,949
2028	(110,704)	(2,184)
2029	<u>(47,743)</u>	<u>(983)</u>
Total	<u>\$ 148,258</u>	<u>\$ 3,394</u>

Police Pension

Plan Description

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

As provided for in the Illinois Compiled Statutes, the Plan provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Police Pension Fund as provided for in Illinois Compiled Statutes.

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one half of the salary attached to the rank on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension 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 paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a police shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase in the CPI, whichever is less.

Village of McCook

Notes to Financial Statements
December 31, 2025

Plan Membership

At December 31, 2025, the Police Pension membership consisted of:

Retirees and beneficiaries	20
Inactive, nonretired members	1
Active members	<u>15</u>
Total	<u><u>36</u></u>

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 plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded by the year 2040. The Village's actuarially determined contribution rate for the fiscal year ending December 31, 2025 was 94.88% of annual covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2025, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of Significant Accounting Policies

The financial statements of the Police Pension Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The Village's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of December 31, 2025 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Interest rate	6.25%
Inflation	2.50%
Projected salary increases	3.00%
Cost-of-living adjustments	Tier 1 - 3.00% Tier 2 - 1.50%

Village of McCook

Notes to Financial Statements
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Mortality rates were based on the PUB-2016 Mortality Table for Safety Workers, amount weighted, projected generationally using the MP-2021 Mortality Table. The actuarial assumptions were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability for the Police Pension Plan was 6.25%, 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 actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan'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 Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 6.25% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1-percentage-point lower (5.25%) or 1-percentage-point higher (7.25%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability	\$ 17,608,817	\$ 12,364,894	\$ 8,216,021

Changes in Net Pension Liability/(Asset)

The Village's changes in net pension liability/(asset) for the year ended December 31, 2025 was as follows:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability/(Asset) (a) - (b)</u>
Balances at December 31, 2024	\$ 32,235,974	\$ 18,637,136	\$ 13,598,838
Service cost	284,419	-	284,419
Interest on total pension liability	1,976,926	-	1,976,926
Differences between expected and actual experience of the total pension liability	571,384	-	571,384
Change of assumptions	(47,025)	-	(47,025)
Benefit payments, including refunds of employee contributions	(1,494,726)	(1,494,726)	-
Contributions, employer	-	1,600,000	(1,600,000)
Contributions, employee	-	182,741	(182,741)
Net investment income	-	2,257,552	(2,257,552)
Administration	-	(20,645)	20,645
Balances at December 31, 2025	<u>\$ 33,526,952</u>	<u>\$ 21,162,058</u>	<u>\$ 12,364,894</u>

Plan fiduciary net position as a percentage of
the total pension liability

63.12 %

Village of McCook

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December 31, 2025

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

For the year ended December 31, 2025, the Village recognized pension expense of \$2,357,856. The Village reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,389,718	\$ 97,933
Assumption changes	25,993	37,750
Net difference between projected and actual earnings on pension plan investments	-	564,996
Total	<u>\$ 1,415,711</u>	<u>\$ 700,679</u>

The amounts reported as deferred outflows and inflows of resources related to pensions is \$715,032 and will be recognized in pension expense as follows:

Years Ending December 31:

2026	\$ 912,494
2027	(3,847)
2028	(72,228)
2029	(128,626)
2030	7,239
Total	<u>\$ 715,032</u>

Firefighters' Pension

Plan Description

Fire sworn personnel are covered by the Firefighters' Pension Plan, which is a defined benefit single-employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. The Village accounts for the plan as a pension trust fund.

As provided for in the Illinois Compiled Statutes, the Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits to employees grouped into two tiers. *Tier 1* is for employees hired prior to January 1, 2011 and *Tier 2* is for employees hired after that date. The following is a summary of the Firefighters' Pension Plan as provided for in Illinois Compiled Statutes.

Village of McCook

Notes to Financial Statements
December 31, 2025

Tier 1 - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter 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 paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees attaining the age of 55 or more with 10 or more years of creditable service are entitled to receive a monthly pension of 2.5% of the final average salary for each year of creditable service. The salary is initially capped at \$106,800 but increases annually thereafter and is limited to 75% of final average salary. Employees with 10 or more years of creditable service may retire at or after age 50 and receive a reduced retirement benefit. The monthly pension of a firefighter shall be increased annually on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase in the CPI, whichever is less.

Plan Membership

At December 31, 2025, the Firefighters' Pension Plan membership consisted of:

Retirees and beneficiaries	1
Inactive, nonretired members	-
Active members	-
Total	1

Contributions

Participants contribute a fixed percentage of their base salary to the plans. At December 31, 2025, there were no active participants in the plan. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded by the year 2040. The Firefighters' Pension Plan does not have covered payroll for the fiscal year ended December 31, 2025.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2025, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of Significant Accounting Policies

The financial statements of the Firefighters' Pension Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The Village's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Plan investments are reported at fair value. Short-term investments are reported at cost, which approximated fair value. Investments that do not have an established market are reported at estimated fair values.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of December 31, 2025 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Interest rate	4.83%
Inflation	2.50%
Projected salary increases	2.75%
Cost-of-living adjustments	Tier 1 - 3.00% Tier 2 - 1.50%

Mortality rates were based on the PUB-2016 Mortality Table for Safety Workers, amount weighted, projected generationally using the MP-2021 Mortality Table. The actuarial assumptions were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability for the Firefighters' Pension Plan was 4.83%, 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 actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan'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 Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Village of McCook

Notes to Financial Statements

December 31, 2025

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 4.83% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1-percentage-point lower (3.83%) or 1-percentage-point higher (5.83%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability/(asset)	\$ (489,669)	\$ (619,008)	\$ (731,201)

Changes in Net Pension Liability/(Asset)

The Village's changes in net pension liability/(asset) for the year ended December 31, 2025 was as follows:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net Pension Liability/(Asset) (a) - (b)</u>
Balances at December 31, 2024	\$ 1,525,604	\$ 1,774,929	\$ (249,325)
Interest on total pension liability	60,400	-	60,400
Differences between expected and actual experience of the total pension liability	(18,815)	-	(18,815)
Change of assumptions	(72,783)	-	(72,783)
Benefit payments, including refunds of employee contributions	(104,866)	(104,866)	-
Contributions, employer	-	66,122	(66,122)
Net investment income	-	281,783	(281,783)
Administration	-	(9,420)	9,420
Balances at December 31, 2025	<u>\$ 1,389,540</u>	<u>\$ 2,008,548</u>	<u>\$ (619,008)</u>

Plan fiduciary net position as a percentage of the total pension liability 144.55 %

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

For the year ended December 31, 2025, the Village recognized pension expense of \$(127,914). The Village reported deferred outflows and inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 232,375

Village of McCook

Notes to Financial Statements
December 31, 2025

The amounts reported as deferred outflows and inflows of resources related to pensions is \$(232,375) and will be recognized in pension expense as follows:

<u>Years Ending December 31:</u>	<u>Amount</u>
2026	\$ (36,273)
2027	(90,844)
2028	(63,260)
2029	<u>(41,998)</u>
Total	<u><u>\$ (232,375)</u></u>

Risk Management

The Village is exposed to various risks of loss related to torts; theft of, damage to or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The Village participates in a public entity risk pool called ICRMT to provide coverage for losses from these risks.

Public Entity Risk Pool

ICRMT

The Village participates in the Illinois Counties Risk Management Trust (ICRMT). ICRMT is an organization of municipalities and special districts in Illinois, which has formed an association under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs. The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

Commitments and Contingencies

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

From time to time, the Village is party to various pending claims and legal proceedings. 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.

The Village has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

Other Commitments

In 2022, the Village approved the 55th Street Redevelopment Area and a Redevelopment Agreement. Pursuant to the Redevelopment Agreement, the developer is entitled to up to \$65 million of reimbursement of eligible redevelopment costs starting in 2026 through the expiration of the 55th Street Redevelopment Area. This reimbursement is secured solely by 50 percent of the incremental revenues from 55th Street Redevelopment Area less any 50 percent of the refunds of the property taxes on the parcels in the 55th Street Redevelopment Area. There is no other obligation of the Village of this reimbursement. Further, at the current scheduled expiration of the 55th Street Redevelopment Area, any uncovered portion of this commitment will be extinguished with no further obligation of the Village to provide any additional reimbursement.

Other Postemployment Benefits

General Information about the OPEB Plan

Plan Description

The Village administers a single-employer defined benefit healthcare plan. The plan provides health coverage for eligible retirees through the Village's group health insurance plan, the dental plan and group whole life insurance plan which covers both active and retired members. Benefit provisions are established through personnel policy guidelines and collective bargaining agreements. The Village's OPEB plan is a single-employer defined benefit OPEB plan administered by the Village. The plan is funded on a pay-as-you-go basis and no assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The plan does not issue a separate report.

Benefits Provided

Contribution requirements are established through personnel policy guidelines and collective bargaining agreements and may be amended only through negotiations between the Village and the union. The Village provides pre and post-Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Village's three retirement plans. The Village pays a subsidy of 100% of the cost of the monthly health and dental insurance premiums for the retirees who were hired before July 1, 2005 and have served 25 years. For retirees hired after June 30, 2005 who have served 25 years, the Village pays a subsidy of 100% of the cost of the health and dental insurance premiums for the retirees who elect HMO coverage. Retirees hired after June 30, 2005 who have served 25 years and who elect PPO are required to pay the differential between the PPO cost and the HMO cost. For retirees hired after June 30, 2005 who have served 2 years, the Village pays a subsidy of half the health and dental insurance premium for HMO or PPO coverage and the retiree is required to pay the remainder. All IMRF employees with 8 years of service at age 55 are able to remain on the Village plan until age 65 at the full cost to the retiree. Upon a retiree becoming eligible for Medicare, the amount payable under the Village's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

Village of McCook

Notes to Financial Statements
December 31, 2025

Employees Covered by Benefit Terms

At December 31, 2025, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	18
Active plan members	<u>46</u>
Total	<u><u>64</u></u>

Total OPEB Liability

The total OPEB liability of \$10,774,418 was measured as of December 31, 2025, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	4.83%
Inflation	3.00%
Salary increases	N/A
Healthcare cost trend rates	3.70%
Retirees' share of benefit-related costs	0%

The discount rate was based on the composite 20-bond GO index for municipal bonds at December 31, 2025.

Mortality rates were based on the PUB-2016 Mortality Table for Safety Workers or General staff (as applicable), headcount-weighted, projected generationally using the MP-2021.

The actuarial assumptions used in the December 31, 2025 valuation were based on the results of an actuarial experience study January 1, 2025 - December 31, 2025.

Village of McCook

Notes to Financial Statements
December 31, 2025

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at December 31, 2024	<u>\$ 11,163,401</u>
Changes for the year:	
Service cost	217,123
Interest	454,525
Differences between expected and actual experience	427,923
Changes in assumptions or other inputs	(899,489)
Benefit payments	<u>(589,065)</u>
Net changes	<u>(388,983)</u>
Balances at December 31, 2025	<u><u>\$ 10,774,418</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 4.10% in 2024 to 4.83% in 2025.

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

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.83%) or 1-percentage-point higher (5.83%) than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	\$ 12,158,437	\$ 10,774,418	\$ 9,636,509

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

The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 9,571,218	\$ 10,774,418	\$ 12,242,855

Village of McCook

Notes to Financial Statements
December 31, 2025

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

For the year ended December 31, 2025, the Village recognized OPEB expense of \$302,093. At December 31, 2025, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 808,923	\$ 2,015,229
Changes of assumptions or other inputs	<u>363,982</u>	<u>2,606,645</u>
Total	<u><u>\$ 1,172,905</u></u>	<u><u>\$ 4,621,874</u></u>

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

Years Ending December 31:

2026	\$ (958,477)
2027	(934,274)
2028	(675,775)
2029	(515,907)
2030	(319,732)
Thereafter	<u>(44,804)</u>
Total	<u><u>\$ (3,448,969)</u></u>

Tax Abatement

Tax abatements are a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The Village is disclosing all abatement agreements individually.

Village of McCook

Notes to Financial Statements
December 31, 2025

The Village through its tax incremental financing districts, First Avenue and Joliet Road has entered into tax abatement agreements with a developers in the form of tax incremental financing incentive payments to stimulate economic development. The abatements are authorized through the Village Board ordinance for the reimbursement of property tax increment for various projects. The developers pay property taxes as they become due, and after meeting the criteria established in the development agreements, are entitled to future incentive payments that directly correlate to the taxes paid.

Agreement Description	Calculation Method	Developer Commitment	2025 Payments
Redevelopment Agreement	Reimbursement of eligible costs not to exceed \$500,000 and \$0.40/sq. ft. of building area, but not to exceed 35% of the tax bill	Construction and operation of a redevelopment project at 8201 West 47th Street	\$ 178,097
Redevelopment Agreement	Reimbursement of eligible costs not to exceed \$7,105,000 and \$0.40/sq. ft. of building area, but not to exceed 50% of the tax bill	Construction and operation of a redevelopment project at 8701 West 53rd Street	308,618

Village property tax revenues are impacted by certain reduced assessments granted by the County of Cook in conjunction with the Village Board for the development or redevelopment of industrial properties. The properties receive a real estate tax incentive through a reduction in the assessment from the standard rate to a reduced value for a period of time. Under the Village's home rule property tax levy, tax revenues are not reduced in the whole as the reduction is shifted to other taxpayers. Those properties received a reduced bill due to the reduced assessment. In fiscal year 2025, the total estimated impact of these incentives is a reduction in property taxes for those properties in the amount of approximately \$600,000. However, when the properties reside in a tax incremental financing district, the Village is only able to capture incremental property tax revenue based on the reduced assessment. In fiscal year 2025, this resulted in approximately \$12.8 million of forgone incremental property tax revenue. This incremental property tax would have been revenue in the Village's TIF funds.

Effect of New Accounting Standards on Current-Period Financial Statements

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*
- Statement No. 105, *Subsequent Events*

When they become effective, application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

Village of McCook

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

General Fund

Year Ended December 31, 2025

With Comparative Actual Amounts for the Year Ended December 31, 2024

	2025			2024
	Original and Final Budget	Actual	Variance With Final Budget	Actual
Revenues				
Taxes				
Real estate taxes	\$ 3,856,000	\$ 3,822,525	\$ (33,475)	\$ 4,249,757
Sales	2,600,000	2,740,168	140,168	2,832,660
Other taxes	8,000	4,353	(3,647)	12,057
Dumping	120,000	109,192	(10,808)	86,468
Real estate transfer tax	100,000	264,395	164,395	120,750
Mineral sales/use	65,000	51,698	(13,302)	70,295
Video Gaming tax	100,000	87,954	(12,046)	96,790
Environmental	40,000	40,000	-	40,000
Telecommunication	65,000	43,593	(21,407)	68,059
Host	15,000	14,725	(275)	15,015
Waste transfer	100,000	101,190	1,190	103,989
Total taxes	7,069,000	7,279,793	210,793	7,695,840
Intergovernmental				
Federal forfeiture	50,000	129,899	79,899	252,624
State grants	-	10,000	10,000	84,884
Federal grants	-	14,750	14,750	260,770
Replacement	850,000	667,592	(182,408)	799,130
State income	42,000	45,094	3,094	42,864
Total intergovernmental	942,000	867,335	(74,665)	1,440,272
Licenses, permits and fees	850,000	837,646	(12,354)	680,969
Fines and police reports	300,000	317,987	17,987	302,745
Interest	1,000,000	1,627,993	627,993	1,327,805
Other	500,000	1,289,429	789,429	3,730,909
Total revenues	10,661,000	12,220,183	1,559,183	15,178,540
Expenditures				
General government:				
General government	4,267,085	2,426,454	1,840,631	2,224,457
Public safety:				
License and enforcement	54,700	41,955	12,745	77,810
Police department	4,904,900	4,367,372	537,528	4,315,348
Fire department	1,738,000	1,597,749	140,251	1,776,620
Board of police and fire commissioners	43,200	46,824	(3,624)	21,802
Environmental control	67,700	12,073	55,627	147,573
Total	6,808,500	6,065,973	742,527	6,339,153

See notes to required supplementary information

Village of McCook

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

General Fund

Year Ended December 31, 2025

With Comparative Actual Amounts for the Year Ended December 31, 2024

	2025			2024
	Original and Final Budget	Actual	Variance With Final Budget	Actual
Public works:				
Buildings and grounds	\$ 562,805	\$ 441,310	\$ 121,495	\$ 361,979
Sanitation	48,000	40,114	7,886	1,799
Streets	36,000	13,187	22,813	8,266
Street lighting	316,000	46,915	269,085	40,101
Total	962,805	541,526	421,279	412,145
Capital outlay:				
General government	59,000	36,076	22,924	26,420
License and enforcement	4,000	3,685	315	2,921
Police department	143,500	160,737	(17,237)	159,486
Fire department	35,000	32,568	2,432	130,029
Buildings and grounds	391,000	336,610	54,390	77,537
Streets	37,000	28,665	8,335	12,869
Street lighting	27,000	18,416	8,584	21,865
Total	696,500	616,757	79,743	431,127
Total expenditures	12,734,890	9,650,710	3,084,180	9,406,882
Excess (deficiency) of revenues over (under) expenditures	(2,073,890)	2,569,473	4,643,363	5,771,658
Other Financing Sources (Uses)				
Transfers in	2,237,000	1,522,252	(714,748)	1,639,635
Total other financing sources (uses)	2,237,000	1,522,252	(714,748)	1,639,635
Net change in fund balance	\$ 163,110	4,091,725	\$ 3,928,615	7,411,293
Fund Balance, Beginning		30,948,432		23,537,139
Fund Balance, Ending		\$ 35,040,157		\$ 30,948,432

See notes to required supplementary information

Village of McCook

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
1st Avenue TIF Special Revenue Fund
Year Ended December 31, 2025
With Comparative Actual Amounts for the Year Ended December 31, 2024

	2025			2024
	Original and Final Budget	Actual	Variance With Final Budget	Actual
Revenues				
Tax increment taxes	\$ 5,100,000	\$ 5,781,605	\$ 681,605	\$ 4,958,848
Interest earned	<u>100,000</u>	<u>424,917</u>	<u>324,917</u>	<u>312,186</u>
Total revenues	<u>5,200,000</u>	<u>6,206,522</u>	<u>1,006,522</u>	<u>5,271,034</u>
Expenditures				
Current:				
Community development	71,000	291	70,709	305
Professional services	83,000	78,823	4,177	50,125
Capital outlay	1,370,000	1,255,765	114,235	1,811,079
Debt service:				
Principal retirement	2,515,000	2,515,000	-	2,365,000
Interest and other	<u>481,127</u>	<u>482,566</u>	<u>(1,439)</u>	<u>587,911</u>
Total expenditures	<u>4,520,127</u>	<u>4,332,445</u>	<u>187,682</u>	<u>4,814,420</u>
Excess (deficiency) of revenues over (under) expenditures	<u>679,873</u>	<u>1,874,077</u>	<u>1,194,204</u>	<u>456,614</u>
Other Financing Sources (Uses)				
Transfers out	<u>(1,667,975)</u>	<u>(1,632,850)</u>	<u>35,125</u>	<u>(1,647,755)</u>
Total other financing sources (uses)	<u>(1,667,975)</u>	<u>(1,632,850)</u>	<u>35,125</u>	<u>(1,647,755)</u>
Net change in fund balance	<u>\$ (988,102)</u>	<u>241,227</u>	<u>\$ 1,229,329</u>	<u>(1,191,141)</u>
Fund Balance, Beginning		<u>7,163,459</u>		<u>8,354,600</u>
Fund Balance, Ending		<u>\$ 7,404,686</u>		<u>\$ 7,163,459</u>

See notes to required supplementary information

Village of McCook

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Riverside TIF Special Revenue Fund
Year Ended December 31, 2025
With Comparative Actual Amounts for the Year Ended December 31, 2024

	2025			2024
	Original and Final Budget	Actual	Variance With Final Budget	Actual
Revenues				
Tax increment taxes	\$ 1,350,000	\$ 1,398,354	\$ 48,354	\$ 1,308,753
Interest earned	<u>125,000</u>	<u>418,097</u>	<u>293,097</u>	<u>242,722</u>
Total revenues	<u>1,475,000</u>	<u>1,816,451</u>	<u>341,451</u>	<u>1,551,475</u>
Expenditures				
Current:				
Community development	550,000	184,097	365,903	180,905
Professional services	<u>23,100</u>	<u>9,003</u>	<u>14,097</u>	<u>9,388</u>
Total expenditures	<u>573,100</u>	<u>193,100</u>	<u>380,000</u>	<u>190,293</u>
Excess (deficiency) of revenues over (under) expenditures	<u>901,900</u>	<u>1,623,351</u>	<u>721,451</u>	<u>1,361,182</u>
Other Financing Sources (Uses)				
Transfers out	<u>(51,875)</u>	<u>(51,875)</u>	<u>-</u>	<u>(47,159)</u>
Total other financing sources (uses)	<u>(51,875)</u>	<u>(51,875)</u>	<u>-</u>	<u>(47,159)</u>
Net change in fund balance	<u>\$ 850,025</u>	<u>1,571,476</u>	<u>\$ 721,451</u>	<u>1,314,023</u>
Fund Balance, Beginning		<u>7,377,260</u>		<u>6,063,237</u>
Fund Balance, Ending		<u>\$ 8,948,736</u>		<u>\$ 7,377,260</u>

See notes to required supplementary information

Village of McCook

Illinois Municipal Retirement Fund
Schedule of Changes in the Village's Net Pension Liability (Asset) and Related Ratios
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Pension Liability										
Service cost	\$ 174,332	\$ 195,334	\$ 206,716	\$ 210,880	\$ 218,963	\$ 209,826	\$ 170,946	\$ 159,526	\$ 157,273	\$ 143,816
Interest	343,140	371,880	400,165	427,389	465,159	490,975	521,748	547,919	587,051	615,922
Differences between expected and actual experience	(7,698)	(89,249)	44,966	(47,168)	(238,574)	(85,592)	(195,726)	27,780	(134,490)	23,877
Changes of assumptions	-	-	(191,230)	212,808	-	(82,449)	-	-	10,192	-
Benefit payments, including refunds of member contributions	(164,800)	(109,357)	(103,671)	(95,769)	(85,183)	(84,622)	(93,102)	(167,472)	(221,222)	(208,916)
Net change in total pension liability	344,974	368,608	356,946	708,140	360,365	448,138	403,866	567,753	398,804	574,699
Total Pension Liability, Beginning	<u>4,570,435</u>	<u>4,915,409</u>	<u>5,284,017</u>	<u>5,640,963</u>	<u>6,349,103</u>	<u>6,709,468</u>	<u>7,157,606</u>	<u>7,561,472</u>	<u>8,129,225</u>	<u>8,528,029</u>
Total Pension Liability, Ending (a)	<u>\$ 4,915,409</u>	<u>\$ 5,284,017</u>	<u>\$ 5,640,963</u>	<u>\$ 6,349,103</u>	<u>\$ 6,709,468</u>	<u>\$ 7,157,606</u>	<u>\$ 7,561,472</u>	<u>\$ 8,129,225</u>	<u>\$ 8,528,029</u>	<u>\$ 9,102,728</u>
Plan Fiduciary Net Position										
Employer contributions	\$ 131,521	\$ 104,998	\$ 126,918	\$ 141,471	\$ 107,241	\$ 112,950	\$ 104,393	\$ 69,173	\$ 19,946	\$ 14,594
Employee contributions	75,298	83,627	89,660	94,595	98,086	85,139	78,840	77,490	69,043	72,978
Net investment income	27,105	360,278	914,878	(277,013)	1,113,970	991,494	1,346,520	(1,067,369)	956,252	946,445
Benefit payments, including refunds of member contributions	(164,800)	(109,357)	(103,671)	(95,769)	(85,183)	(84,622)	(93,102)	(167,472)	(221,222)	(208,916)
Other (net transfer)	(325,311)	(181,899)	(32,734)	50,208	(198,388)	16,289	(52,601)	(12,806)	217,697	61,305
Net change in plan fiduciary net position	(256,187)	257,647	995,051	(86,508)	1,035,726	1,121,250	1,384,050	(1,100,984)	1,041,716	886,406
Plan Fiduciary Net Position, Beginning	<u>5,400,053</u>	<u>5,143,866</u>	<u>5,401,513</u>	<u>6,396,564</u>	<u>6,310,056</u>	<u>7,345,782</u>	<u>8,467,032</u>	<u>9,851,082</u>	<u>8,750,098</u>	<u>9,791,814</u>
Plan Fiduciary Net Position, Ending (b)	<u>\$ 5,143,866</u>	<u>\$ 5,401,513</u>	<u>\$ 6,396,564</u>	<u>\$ 6,310,056</u>	<u>\$ 7,345,782</u>	<u>\$ 8,467,032</u>	<u>\$ 9,851,082</u>	<u>\$ 8,750,098</u>	<u>\$ 9,791,814</u>	<u>\$ 10,678,220</u>
Employer's Net Pension Liability (Asset), Ending (a) - (b)	<u>\$ (228,457)</u>	<u>\$ (117,496)</u>	<u>\$ (755,601)</u>	<u>\$ 39,047</u>	<u>\$ (636,314)</u>	<u>\$ (1,309,426)</u>	<u>\$ (2,289,610)</u>	<u>\$ (620,873)</u>	<u>\$ (1,263,785)</u>	<u>\$ (1,575,492)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	104.65%	102.22%	113.39%	99.38%	109.48%	118.29%	130.28%	107.64%	114.82%	117.31%
Covered Payroll	\$ 1,673,290	\$ 1,858,374	\$ 1,992,433	\$ 2,102,095	\$ 2,179,689	\$ 1,891,966	\$ 1,713,635	\$ 1,689,357	\$ 1,534,282	\$ 1,621,668
Employer's Net Pension Liability as a Percentage of Covered Payroll	-13.65%	-6.32%	-37.92%	1.86%	-29.19%	-69.21%	-133.61%	-36.75%	-82.37%	-97.15%

See notes to required supplementary information

Village of McCook

Illinois Municipal Retirement Fund
Schedule of Employer Contributions
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially determined contribution	\$ 104,998	\$ 126,918	\$ 141,471	\$ 107,241	\$ 112,950	\$ 101,961	\$ 67,236	\$ 19,946	\$ 19,946	\$ 14,595
Contributions in relation to the actuarially determined contribution	(104,998)	(126,918)	(141,471)	(107,241)	(112,950)	(104,393)	(69,173)	(19,946)	(19,946)	(14,594)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,432)	\$ (1,937)	\$ -	\$ -	\$ 1
Covered payroll	\$ 1,858,374	\$ 1,992,433	\$ 2,102,095	\$ 2,179,689	\$ 1,891,966	\$ 1,713,635	\$ 1,689,357	\$ 1,534,282	\$ 1,534,282	\$ 1,621,668
Contributions as a percentage of covered payroll	5.65%	6.37%	6.73%	4.92%	5.97%	6.09%	4.09%	1.30%	1.30%	0.90%

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	19-year closed period
Asset valuation method	5-Year Smoothed Market
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
Mortality	MP-2020 (base year 2010)

Other information:

There were no benefit changes during the year.

See notes to required supplementary information

Village of McCook

Illinois Municipal Retirement Fund - SLEP

Schedule of Changes in the Village's Net Pension Liability (Asset) and Related Ratios

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Pension Liability										
Interest	\$ 10,619	\$ 10,631	\$ 10,941	\$ 10,562	\$ 10,377	\$ 10,314	\$ 10,247	\$ 10,133	\$ 10,000	\$ 9,825
Differences between expected and actual experience	1,796	1,921	1,950	2,187	2,411	2,602	2,508	2,711	2,953	3,233
Changes of assumptions	(145)	(8,094)	(4,956)	2,872	-	148	-	-	(340)	-
Benefit payments, including refunds of member contributions	(12,159)	(12,493)	(12,816)	(13,150)	(13,489)	(13,825)	(14,158)	(14,494)	(14,847)	(15,206)
Net change in total pension liability	111	(8,035)	(4,881)	2,471	(701)	(761)	(1,403)	(1,650)	(2,234)	(2,148)
Total Pension Liability, Beginning	<u>160,208</u>	<u>160,319</u>	<u>152,284</u>	<u>147,403</u>	<u>149,874</u>	<u>149,173</u>	<u>148,412</u>	<u>147,009</u>	<u>145,359</u>	<u>143,125</u>
Total Pension Liability, Ending (a)	<u>\$ 160,319</u>	<u>\$ 152,284</u>	<u>\$ 147,403</u>	<u>\$ 149,874</u>	<u>\$ 149,173</u>	<u>\$ 148,412</u>	<u>\$ 147,009</u>	<u>\$ 145,359</u>	<u>\$ 143,125</u>	<u>\$ 140,977</u>
Plan Fiduciary Net Position										
Employer contributions	\$ 3,916	\$ 4,124	\$ 3,381	\$ 2,270	\$ 1,826	\$ 2,254	\$ 1,975	\$ 1,500	\$ 763	\$ -
Net investment income	564	8,159	24,189	(10,547)	24,816	20,514	26,499	(24,708)	14,434	13,516
Benefit payments, including refunds of member contributions	(12,159)	(12,493)	(12,816)	(13,150)	(13,489)	(13,825)	(14,158)	(14,494)	(14,847)	(15,206)
Other (net transfer)	9,589	1,591	(3,744)	4,895	1,690	2,616	1,343	1,917	4,824	84
Net change in plan fiduciary net position	1,910	1,381	11,010	(16,532)	14,843	11,559	15,659	(35,785)	5,174	(1,606)
Plan Fiduciary Net Position, Beginning	<u>116,869</u>	<u>118,779</u>	<u>120,160</u>	<u>131,170</u>	<u>114,638</u>	<u>129,481</u>	<u>141,040</u>	<u>156,699</u>	<u>120,914</u>	<u>126,088</u>
Plan Fiduciary Net Position, Ending (b)	<u>\$ 118,779</u>	<u>\$ 120,160</u>	<u>\$ 131,170</u>	<u>\$ 114,638</u>	<u>\$ 129,481</u>	<u>\$ 141,040</u>	<u>\$ 156,699</u>	<u>\$ 120,914</u>	<u>\$ 126,088</u>	<u>\$ 124,482</u>
Employer's Net Pension Liability (Asset), Ending (a) - (b)	<u>\$ 41,540</u>	<u>\$ 32,124</u>	<u>\$ 16,233</u>	<u>\$ 35,236</u>	<u>\$ 19,692</u>	<u>\$ 7,372</u>	<u>\$ (9,690)</u>	<u>\$ 24,445</u>	<u>\$ 17,037</u>	<u>\$ 16,495</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74.09%	78.91%	88.99%	76.49%	86.80%	95.03%	106.59%	83.18%	88.10%	88.30%
Covered Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employer's Net Pension Liability as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

See notes to required supplementary information

Village of McCook

Illinois Municipal Retirement Fund - SLEP
Schedule of Employer Contributions
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Actuarially Determined Contribution	(4,124)	(3,381)	(2,270)	(1,826)	(2,254)	(1,975)	(1,500)	(763)	(763)	-
Contribution deficiency (excess)	<u>\$ (4,124)</u>	<u>\$ (3,381)</u>	<u>\$ (2,270)</u>	<u>\$ (1,826)</u>	<u>\$ (2,254)</u>	<u>\$ (1,975)</u>	<u>\$ (1,500)</u>	<u>\$ (763)</u>	<u>\$ (763)</u>	<u>\$ -</u>
Covered Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Valuation Date:

Actuarially determined contribution rates are calculated as of December 31 each year, which are 6 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	19-year closed period
Asset valuation method	5-Year Smoothed Market
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
Mortality	MP-2020 (base year 2010)

Other Information:

There were no benefit changes during the year.

See notes to required supplementary information

Village of McCook

Police Pension Fund

Schedule of Changes in the Village's Net Pension Liability and Related Ratios

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Pension Liability										
Service cost	\$ 231,031	\$ 227,715	\$ 228,340	\$ 175,862	\$ 186,854	\$ 243,093	\$ 212,259	\$ 212,217	\$ 219,055	\$ 284,419
Interest	1,208,828	1,299,767	1,367,832	1,397,197	1,397,649	1,515,666	1,746,323	1,831,443	1,946,142	1,976,926
Differences between expected and actual experience	719,863	291,063	(230,876)	504,202	780,112	3,089,480	638,761	1,235,948	(153,105)	571,384
Changes of assumptions	-	-	-	225,544	513,355	-	-	-	-	(47,025)
Benefit payments, including refunds of member contributions	(757,352)	(772,013)	(854,282)	(892,128)	(935,904)	(1,099,761)	(1,184,872)	(1,285,907)	(1,609,755)	(1,494,726)
Net change in total pension liability	1,402,370	1,046,532	511,014	1,410,677	1,942,066	3,748,478	1,412,471	1,993,701	402,337	1,290,978
Total Pension Liability, Beginning	<u>18,366,328</u>	<u>19,768,698</u>	<u>20,815,230</u>	<u>21,326,244</u>	<u>22,736,921</u>	<u>24,678,987</u>	<u>28,427,465</u>	<u>29,839,936</u>	<u>31,833,637</u>	<u>32,235,974</u>
Total Pension Liability, Ending (a)	<u>\$ 19,768,698</u>	<u>\$ 20,815,230</u>	<u>\$ 21,326,244</u>	<u>\$ 22,736,921</u>	<u>\$ 24,678,987</u>	<u>\$ 28,427,465</u>	<u>\$ 29,839,936</u>	<u>\$ 31,833,637</u>	<u>\$ 32,235,974</u>	<u>\$ 33,526,952</u>
Plan Fiduciary Net Position										
Employer contributions	\$ 800,000	\$ 800,000	\$ 1,500,000	\$ 1,500,000	\$ 1,000,000	\$ 1,100,000	\$ 1,200,000	\$ 1,500,000	\$ 1,500,000	\$ 1,600,000
Employee contributions	149,310	168,273	170,414	569,605	196,855	162,997	164,109	166,126	291,064	182,741
Net investment income	473,223	992,663	(475,301)	1,760,012	1,142,927	1,867,224	(1,697,090)	1,435,536	1,198,940	2,257,552
Benefit payments, including refunds of member contributions	(757,352)	(772,013)	(854,282)	(892,128)	(935,904)	(1,099,761)	(1,184,872)	(1,285,907)	(1,609,755)	(1,494,726)
Administration	(26,168)	(37,418)	(30,974)	(27,585)	(25,581)	(32,216)	(32,594)	(27,930)	(32,091)	(20,645)
Net change in plan fiduciary net position	639,013	1,151,505	309,857	2,909,904	1,378,297	1,998,244	(1,550,447)	1,787,825	1,348,158	2,524,922
Plan Fiduciary Net Position, Beginning	<u>8,664,780</u>	<u>9,303,793</u>	<u>10,455,298</u>	<u>10,765,155</u>	<u>13,675,059</u>	<u>15,053,356</u>	<u>17,051,600</u>	<u>15,501,153</u>	<u>17,288,978</u>	<u>18,637,136</u>
Plan Fiduciary Net Position, Ending (b)	<u>\$ 9,303,793</u>	<u>\$ 10,455,298</u>	<u>\$ 10,765,155</u>	<u>\$ 13,675,059</u>	<u>\$ 15,053,356</u>	<u>\$ 17,051,600</u>	<u>\$ 15,501,153</u>	<u>\$ 17,288,978</u>	<u>\$ 18,637,136</u>	<u>\$ 21,162,058</u>
Village's Net Pension Liability, Ending (a) - (b)	<u>\$ 10,464,905</u>	<u>\$ 10,359,932</u>	<u>\$ 10,561,089</u>	<u>\$ 9,061,862</u>	<u>\$ 9,625,631</u>	<u>\$ 11,375,865</u>	<u>\$ 14,338,783</u>	<u>\$ 14,544,659</u>	<u>\$ 13,598,838</u>	<u>\$ 12,364,894</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.06%	50.23%	50.48%	60.14%	61.00%	59.98%	51.95%	54.31%	57.81%	63.12%
Covered Payroll	\$ 1,528,003	\$ 1,692,750	\$ 1,722,960	\$ 1,599,686	\$ 1,973,647	\$ 1,500,408	\$ 1,563,410	\$ 1,455,263	\$ 1,757,889	\$ 1,686,313
Village's Net Pension Liability as a Percentage of Covered Payroll	684.87%	612.02%	612.96%	566.48%	487.71%	758.18%	917.15%	999.45%	773.59%	733.25%

See notes to required supplementary information

Village of McCook

Police Pension Fund
Schedule of Employer Contributions
Last Ten Fiscal Years

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Actuarially Determined Contribution	\$ 844,890	\$ 939,012	\$ 947,043	\$ 969,162	\$ 848,128	\$ 960,002	\$ 1,088,691	\$ 1,361,297	\$ 1,473,605	\$ 1,524,845
Contributions in Relation to the Actuarially Determined Contribution	<u>(800,000)</u>	<u>(800,000)</u>	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>(1,000,000)</u>	<u>(1,100,000)</u>	<u>(1,200,000)</u>	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>(1,600,000)</u>
Contribution Deficiency (excess)	<u>\$ 44,890</u>	<u>\$ 139,012</u>	<u>\$ (552,957)</u>	<u>\$ (530,838)</u>	<u>\$ (151,872)</u>	<u>\$ (139,998)</u>	<u>\$ (111,309)</u>	<u>\$ (138,703)</u>	<u>\$ (26,395)</u>	<u>\$ (75,155)</u>
Covered payroll	\$ 1,506,593	\$ 1,692,750	\$ 1,722,960	\$ 1,599,686	\$ 1,973,647	\$ 1,500,408	\$ 1,563,410	\$ 1,455,263	\$ 1,757,889	\$ 1,686,313
Contributions as a Percentage of Covered Payroll	53.10%	47.26%	87.06%	93.77%	50.67%	73.31%	76.76%	103.07%	85.33%	94.88%

Valuation Date:

Actuarially determined contributions are calculated as of December 31 of the current fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	15 years
Asset valuation method	Market value
Inflation	2.50%
Salary increases	3.00%
Investment rate of return	6.25%
Retirement age	50-70
Mortality	PUB-2016, projected generationally using MP-2021

See notes to required supplementary information

Village of McCook

Firefighters' Pension Fund
Schedule of Changes in the Village's Net Pension Liability (Asset) and Related Ratios
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Pension Liability										
Service cost	\$ 83,294	\$ 80,383	\$ 80,464	\$ 71,870	\$ 57,677	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	103,404	30,635	33,751	34,329	41,843	42,010	39,424	58,412	53,000	60,400
Differences between expected and actual experience	-	44,667	(103,291)	(99,192)	136,011	(9,784)	31,016	22,117	24,855	(18,815)
Changes of assumptions	(242,851)	-	-	(115,397)	277,167	21,238	(316,556)	75,368	(127,138)	(72,783)
Benefit payments, including refunds of member contributions	-	-	-	-	(22,670)	(91,359)	(95,968)	(98,847)	(101,812)	(104,866)
Net change in total pension liability	(56,153)	155,685	10,924	(108,390)	490,028	(37,895)	(342,084)	57,050	(151,095)	(136,064)
Total Pension Liability, Beginning	<u>1,507,534</u>	<u>1,451,381</u>	<u>1,607,066</u>	<u>1,617,990</u>	<u>1,509,600</u>	<u>1,999,628</u>	<u>1,961,733</u>	<u>1,619,649</u>	<u>1,676,699</u>	<u>1,525,604</u>
Total Pension Liability, Ending (a)	<u>\$ 1,451,381</u>	<u>\$ 1,607,066</u>	<u>\$ 1,617,990</u>	<u>\$ 1,509,600</u>	<u>\$ 1,999,628</u>	<u>\$ 1,961,733</u>	<u>\$ 1,619,649</u>	<u>\$ 1,676,699</u>	<u>\$ 1,525,604</u>	<u>\$ 1,389,540</u>
Plan Fiduciary Net Position										
Employer contributions	\$ 90,000	\$ 100,000	\$ 150,000	\$ 550,000	\$ 175,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 66,122
Employee contributions	10,157	10,456	10,766	11,083	8,414	-	-	-	-	-
Net investment income	(7,509)	35,090	(15,737)	69,358	46,041	29,258	(235,648)	194,126	159,940	281,783
Benefit payments, including refunds of member contributions	-	-	-	-	(22,670)	(91,359)	(95,968)	(98,847)	(101,812)	(104,866)
Administration	(6,595)	(5,869)	(5,935)	(9,283)	(9,867)	(6,685)	(11,143)	(10,730)	(8,825)	(9,420)
Net change in plan fiduciary net position	86,053	139,677	139,094	621,158	196,918	31,214	(292,759)	134,549	99,303	233,619
Plan Fiduciary Net Position, Beginning	<u>619,722</u>	<u>705,775</u>	<u>845,452</u>	<u>984,546</u>	<u>1,605,704</u>	<u>1,802,622</u>	<u>1,833,836</u>	<u>1,541,077</u>	<u>1,675,626</u>	<u>1,774,929</u>
Plan Fiduciary Net Position, Ending (b)	<u>\$ 705,775</u>	<u>\$ 845,452</u>	<u>\$ 984,546</u>	<u>\$ 1,605,704</u>	<u>\$ 1,802,622</u>	<u>\$ 1,833,836</u>	<u>\$ 1,541,077</u>	<u>\$ 1,675,626</u>	<u>\$ 1,774,929</u>	<u>\$ 2,008,548</u>
Village's Net Pension Liability (Asset), Ending (a) - (b)	<u>\$ 745,606</u>	<u>\$ 761,614</u>	<u>\$ 633,444</u>	<u>\$ (96,104)</u>	<u>\$ 197,006</u>	<u>\$ 127,897</u>	<u>\$ 78,572</u>	<u>\$ 1,073</u>	<u>\$ (249,325)</u>	<u>\$ (619,008)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)	48.63%	52.61%	60.85%	106.37%	90.15%	93.48%	95.15%	99.94%	116.34%	144.55%
Covered Payroll	\$ 104,500	\$ 113,630	\$ 113,862	\$ 117,220	\$ 88,989	\$ -	\$ -	\$ -	\$ -	\$ -
Village's Net Pension Liability (Asset) as a Percentage of Covered Payroll	713.50%	670.26%	556.33%	-81.99%	221.38%	N/A	N/A	N/A	N/A	N/A

Notes To Schedule:

See notes to required supplementary information

Village of McCook

Firefighters' Pension Fund
Schedule of Employer Contributions
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially Determined Contribution	\$ 108,940	\$ 122,834	\$ 123,627	\$ 117,946	\$ 58,917	\$ 18,791	\$ 19,912	\$ 16,458	\$ 9,263	\$ 9,785
Contributions in Relation to the Actuarially Determined Contribution	(90,000)	(100,000)	(150,000)	(550,000)	(175,000)	(100,000)	(50,000)	(50,000)	(50,000)	(66,122)
Contribution deficiency (excess)	<u>\$ 18,940</u>	<u>\$ 22,834</u>	<u>\$ (26,373)</u>	<u>\$ (432,054)</u>	<u>\$ (116,083)</u>	<u>\$ (81,209)</u>	<u>\$ (30,088)</u>	<u>\$ (33,542)</u>	<u>\$ (40,737)</u>	<u>\$ (56,337)</u>
Covered Payroll	\$ 104,350	\$ 113,630	\$ 113,862	\$ 117,220	\$ 88,989	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a Percentage of Covered Payroll	86.25%	88.00%	131.74%	469.20%	196.65%	N/A	N/A	N/A	N/A	N/A

Valuation Date:

Actuarially determined contributions are calculated as of December 31 of the current fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age
Amortization method	Level percentage of payroll, closed
Remaining amortization period	16 years
Asset valuation method	Market value
Inflation	2.50%
Salary increases	2.75%
Investment rate of return	4.83%
Retirement age	50-70
Mortality	PUB-2016, projected generationally using MP-2021

See notes to required supplementary information

Village of McCook

Retiree Health Insurance Plan

Schedule of Changes in the Total OPEB Liability and Related Ratios and Related Ratios

Last Eight Fiscal Years

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Total OPEB liability								
Service cost	\$ 299,270	\$ 257,889	\$ 416,415	\$ 439,866	\$ 466,369	\$ 230,198	\$ 254,757	\$ 217,123
Interest	386,419	437,302	394,131	358,130	331,384	543,567	450,252	454,525
Changes of assumptions	(999,717)	3,279,656	1,453,839	(10,410)	(2,768,678)	549,964	(1,270,080)	(899,489)
Benefit payments, including refunds of member contributions	(364,202)	(398,048)	(379,348)	(424,209)	(422,514)	(634,315)	(642,966)	(589,065)
Difference between expected and actual experience	<u>152,410</u>	<u>381,003</u>	<u>178,592</u>	<u>(961,293)</u>	<u>1,260,887</u>	<u>(1,510,273)</u>	<u>(1,506,679)</u>	<u>427,923</u>
Net Change in Total OPEB Liability	(525,820)	3,957,802	2,063,629	(597,916)	(1,132,552)	(820,859)	(2,714,716)	(388,983)
Total OPEB Liability, Beginning	<u>10,933,833</u>	<u>10,408,013</u>	<u>14,365,815</u>	<u>16,429,444</u>	<u>15,831,528</u>	<u>14,698,976</u>	<u>13,878,117</u>	<u>11,163,401</u>
Total OPEB Liability, Ending	<u>\$ 10,408,013</u>	<u>\$ 14,365,815</u>	<u>\$ 16,429,444</u>	<u>\$ 15,831,528</u>	<u>\$ 14,698,976</u>	<u>\$ 13,878,117</u>	<u>\$ 11,163,401</u>	<u>\$ 10,774,418</u>
Covered-Employee Payroll	\$ 3,519,373	\$ 3,973,500	\$ 3,627,249	\$ 3,627,249	\$ 3,111,159	\$ 3,111,159	\$ 3,433,916	\$ 3,433,916
Village's Total OPEB Liability as a Percentage of Covered-Employee Payroll	295.73%	361.54%	452.95%	436.46%	472.46%	446.08%	325.09%	313.76%

Notes to Schedule:

The Village implemented GASB Statement No. 75 in fiscal year 2018.

Information prior to fiscal year 2018 is not available.

The Retiree Health Insurance Plan holds no assets in trust.

See notes to required supplementary information

Village of McCook

Notes to Required Supplementary Information
Year Ended December 31, 2025

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. Budget amounts are as originally adopted by the Board of Trustees. All annual appropriations lapse at fiscal year end.

Prior to December 31, the Village clerk submits to the Village board a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to March 31, the budget is legally enacted through passage of an ordinance. Formal budgetary integration is employed as a management control device during the year of the general fund and special revenue funds.

The Village is authorized to change budgeted amounts within any fund; however, revisions that alter total fund budgeted amounts must be approved by two-thirds of the members of the Village board. No revisions can be made increasing the budget unless funding is available for the purpose of the revision. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The appropriated budget is prepared by fund, function and department. The Village Board has authorized the Village Clerk to transfer budget amounts between departments within any fund; however, the Village board must approve revisions that alter the total expenditures of any fund.

SUPPLEMENTARY INFORMATION

Village of McCook

Combining Balance Sheet -
Nonmajor Governmental Funds
December 31, 2025

	Motor Fuel Tax	Joliet Road TIF	55th Street TIF	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Assets						
Cash	\$ 70,646	\$ 1,648,122	\$ 1,660,289	\$ 8,708	\$ 629,860	\$ 4,017,625
Receivables (net):						
Real estate taxes	-	1,517,185	2,522,665	6,719	-	4,046,569
Due from other funds	-	-	22,050	141,164	-	163,214
	<u>70,646</u>	<u>1,517,185</u>	<u>2,544,715</u>	<u>147,883</u>	<u>629,860</u>	<u>4,230,089</u>
Total assets	<u>\$ 70,646</u>	<u>\$ 3,165,307</u>	<u>\$ 4,205,004</u>	<u>\$ 156,591</u>	<u>\$ 629,860</u>	<u>\$ 8,227,408</u>
Liabilities, Deferred Inflows of Resources and Fund Balances						
Liabilities						
Accounts payable	\$ -	\$ 308,618	\$ -	\$ -	\$ -	\$ 308,618
Due to other funds	-	281,364	60,000	156,591	-	497,955
	<u>-</u>	<u>589,982</u>	<u>60,000</u>	<u>156,591</u>	<u>-</u>	<u>806,573</u>
Total liabilities	<u>-</u>	<u>589,982</u>	<u>60,000</u>	<u>156,591</u>	<u>-</u>	<u>806,573</u>
Deferred Inflows of Resources						
Property taxes levied for future periods	-	916,209	1,586,878	-	-	2,503,087
	<u>-</u>	<u>916,209</u>	<u>1,586,878</u>	<u>-</u>	<u>-</u>	<u>2,503,087</u>
Total deferred inflows of resources	<u>-</u>	<u>916,209</u>	<u>1,586,878</u>	<u>-</u>	<u>-</u>	<u>2,503,087</u>
Fund Balances						
Restricted for highways and streets	70,646	-	-	-	-	70,646
Restricted for community development	-	-	2,558,126	-	-	2,558,126
Restricted for debt service	-	1,659,116	-	-	-	1,659,116
Assigned for capital projects	-	-	-	-	629,860	629,860
	<u>70,646</u>	<u>1,659,116</u>	<u>2,558,126</u>	<u>-</u>	<u>629,860</u>	<u>4,917,748</u>
Total fund balances	<u>70,646</u>	<u>1,659,116</u>	<u>2,558,126</u>	<u>-</u>	<u>629,860</u>	<u>4,917,748</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 70,646</u>	<u>\$ 3,165,307</u>	<u>\$ 4,205,004</u>	<u>\$ 156,591</u>	<u>\$ 629,860</u>	<u>\$ 8,227,408</u>

Village of McCook

Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Nonmajor Governmental Funds
Year Ended December 31, 2025

	Motor Fuel Tax	Joliet Road TIF	55th Street TIF	Debt Service	Capital Projects	Total Nonmajor Governmental Funds
Revenues						
Real estate taxes	\$ -	\$ -	\$ -	\$ 133,220	\$ -	\$ 133,220
Tax increment taxes	-	941,021	1,621,635	-	-	2,562,656
Motor fuel tax	11,295	-	-	-	-	11,295
Other taxes	-	-	-	-	233,670	233,670
Interest	13	34,374	318	115	-	34,820
	<u>11,308</u>	<u>975,395</u>	<u>1,621,953</u>	<u>133,335</u>	<u>233,670</u>	<u>2,975,661</u>
Total revenues	11,308	975,395	1,621,953	133,335	233,670	2,975,661
Expenditures						
Current:						
General government	-	-	-	-	22,930	22,930
Community development	-	308,618	-	-	-	308,618
Professional services	-	5,820	177,527	-	-	183,347
Capital outlay	-	-	-	-	1,108,499	1,108,499
	<u>-</u>	<u>314,438</u>	<u>177,527</u>	<u>-</u>	<u>1,131,429</u>	<u>1,623,394</u>
Total expenditures	-	314,438	177,527	-	1,131,429	1,623,394
Excess (deficiency) of revenues over expenditures	11,308	660,957	1,444,426	133,335	(897,759)	1,352,267
Other Financing Sources (Uses)						
Transfers out	-	(323,136)	(60,000)	(156,591)	-	(539,727)
	<u>-</u>	<u>(323,136)</u>	<u>(60,000)</u>	<u>(156,591)</u>	<u>-</u>	<u>(539,727)</u>
Total other financing sources (uses)	-	(323,136)	(60,000)	(156,591)	-	(539,727)
Net change in fund balances	11,308	337,821	1,384,426	(23,256)	(897,759)	812,540
Fund Balances, Beginning	<u>59,338</u>	<u>1,321,295</u>	<u>1,173,700</u>	<u>23,256</u>	<u>1,527,619</u>	<u>4,105,208</u>
Fund Balances, Ending	<u>\$ 70,646</u>	<u>\$ 1,659,116</u>	<u>\$ 2,558,126</u>	<u>\$ -</u>	<u>\$ 629,860</u>	<u>\$ 4,917,748</u>

Village of McCook

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

Motor Fuel Tax - Nonmajor Special Revenue Fund

Year Ended December 31, 2025

With Comparative Actual Amounts for the Year Ended December 31, 2024

	2025			2024
	Original and Final Budget	Actual	Variance With Final Budget	Actual
Revenues				
Motor fuel tax allotments	\$ 19,000	\$ 11,295	\$ (7,705)	\$ 11,105
Interest	<u>25</u>	<u>13</u>	<u>(12)</u>	<u>10</u>
Total revenues	<u>19,025</u>	<u>11,308</u>	<u>(7,717)</u>	<u>11,115</u>
Expenditures				
Current:				
Public works	<u>21,000</u>	<u>-</u>	<u>21,000</u>	<u>-</u>
Total expenditures	<u>21,000</u>	<u>-</u>	<u>21,000</u>	<u>-</u>
Net change in fund balance	<u><u>\$ (1,975)</u></u>	<u>11,308</u>	<u><u>\$ 13,283</u></u>	<u>11,115</u>
Fund Balance, Beginning		<u>59,338</u>		<u>48,223</u>
Fund Balance, Ending		<u><u>\$ 70,646</u></u>		<u><u>\$ 59,338</u></u>

Village of McCook

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Joliet Road TIF - Nonmajor Special Revenue Fund
Year Ended December 31, 2025
With Comparative Actual Amounts for the Year Ended December 31, 2024

	2025			2024
	Original and Final Budget	Actual	Variance With Final Budget	Actual
Revenues				
Tax increment taxes	\$ 665,000	\$ 941,021	\$ 276,021	\$ 665,742
Interest earned	<u>20,000</u>	<u>34,374</u>	<u>14,374</u>	<u>23,160</u>
Total revenues	<u>685,000</u>	<u>975,395</u>	<u>290,395</u>	<u>688,902</u>
Expenditures				
Current:				
Community development	900,100	308,618	591,482	188,596
Professional services	<u>48,000</u>	<u>5,820</u>	<u>42,180</u>	<u>6,700</u>
Total expenditures	<u>948,100</u>	<u>314,438</u>	<u>633,662</u>	<u>195,296</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(263,100)</u>	<u>660,957</u>	<u>924,057</u>	<u>493,606</u>
Other Financing Sources (Uses)				
Transfers out	<u>(63,822)</u>	<u>(323,136)</u>	<u>(259,314)</u>	<u>(247,521)</u>
Total other financing sources (uses)	<u>(63,822)</u>	<u>(323,136)</u>	<u>(259,314)</u>	<u>(247,521)</u>
Net change in fund balance	<u>\$ (326,922)</u>	<u>337,821</u>	<u>\$ 664,743</u>	<u>246,085</u>
Fund Balance, Beginning		<u>1,321,295</u>		<u>1,075,210</u>
Fund Balance, Ending		<u>\$ 1,659,116</u>		<u>\$ 1,321,295</u>

Village of McCook

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
 55th Street TIF - Nonmajor Special Revenue Fund
 Year Ended December 31, 2025
 With Comparative Actual Amounts for the Year Ended December 31, 2024

	2025			2024
	Original and Final Budget	Actual	Variance With Final Budget	Actual
Revenues				
Tax increment taxes	\$ 1,217,829	\$ 1,621,635	\$ 403,806	\$ 1,241,724
Interest earned	-	318	318	27
Total revenues	<u>1,217,829</u>	<u>1,621,953</u>	<u>404,124</u>	<u>1,241,751</u>
Expenditures				
Current:				
Community development	4,050,000	-	4,050,000	-
Professional services	<u>233,100</u>	<u>177,527</u>	<u>55,573</u>	<u>13,513</u>
Total expenditures	<u>4,283,100</u>	<u>177,527</u>	<u>4,105,573</u>	<u>13,513</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,065,271)</u>	<u>1,444,426</u>	<u>4,509,697</u>	<u>1,228,238</u>
Other Financing Sources (Uses)				
Transfers out	<u>(50,000)</u>	<u>(60,000)</u>	<u>(10,000)</u>	-
Total other financing sources (uses)	<u>(50,000)</u>	<u>(60,000)</u>	<u>(10,000)</u>	-
Net change in fund balance	<u>\$ (3,115,271)</u>	1,384,426	<u>\$ 4,499,697</u>	1,228,238
Fund Balance (Deficit), Beginning		<u>1,173,700</u>		<u>(54,538)</u>
Fund Balance, Ending		<u>\$ 2,558,126</u>		<u>\$ 1,173,700</u>

Village of McCook

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Debt Service Fund - Nonmajor Debt Service Fund
Year Ended December 31, 2025
With Comparative Actual Amounts for the Year Ended December 31, 2024

		2025		
	Original and Final Budget	Actual	Variance With Final Budget	2024 Actual
Revenues				
Real estate taxes	\$ 320,000	\$ 133,220	\$ (186,780)	\$ 371,894
Interest earned	<u>-</u>	<u>115</u>	<u>115</u>	<u>101</u>
Total revenues	<u>320,000</u>	<u>133,335</u>	<u>(186,665)</u>	<u>371,995</u>
Expenditures				
Debt service:				
Interest and other	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>-</u>
Total expenditures	<u>10,000</u>	<u>-</u>	<u>10,000</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>310,000</u>	<u>133,335</u>	<u>(176,665)</u>	<u>371,995</u>
Other Financing Sources (Uses)				
Transfers out	<u>(400,000)</u>	<u>(156,591)</u>	<u>243,409</u>	<u>(400,000)</u>
Total other financing sources (uses)	<u>(400,000)</u>	<u>(156,591)</u>	<u>243,409</u>	<u>(400,000)</u>
Net change in fund balance	<u><u>\$ (90,000)</u></u>	<u>(23,256)</u>	<u><u>\$ 66,744</u></u>	<u>(28,005)</u>
Fund Balance, Beginning		<u>23,256</u>		<u>51,261</u>
Fund Balance, Ending		<u><u>\$ -</u></u>		<u><u>\$ 23,256</u></u>

Village of McCook

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Capital Projects Fund - Nonmajor Capital Projects Fund
Year Ended December 31, 2025
With Comparative Actual Amounts for the Year Ended December 31, 2024

	2025		
	Original and Final Budget	Actual	Variance With Final Budget
			2024 Actual
Revenues			
Local exise tax	\$ 275,000	\$ 233,670	\$ (41,330)
Total revenues	<u>275,000</u>	<u>233,670</u>	<u>(41,330)</u>
Expenditures			
Current:			
General government	1,250,000	22,930	1,227,070
Public works	650,000	-	650,000
Capital outlay	<u>2,150,000</u>	<u>1,108,499</u>	<u>1,041,501</u>
Total expenditures	<u>4,050,000</u>	<u>1,131,429</u>	<u>2,918,571</u>
Net change in fund balance	<u><u>\$ (3,775,000)</u></u>	<u>(897,759)</u>	<u><u>\$ 2,877,241</u></u>
Fund Balance, Beginning		<u>1,527,619</u>	<u>1,378,659</u>
Fund Balance, Ending		<u><u>\$ 629,860</u></u>	<u><u>\$ 1,527,619</u></u>

Village of McCook

Combining Statement of Fiduciary Net Position -
Pension Trust Funds
December 31, 2025

	Police Pension	Firefighters' Pension	Total
Assets			
Cash and cash equivalents	\$ 2,091,885	\$ 133,372	\$ 2,225,257
Investments, at fair value	<u>19,070,173</u>	<u>1,875,176</u>	<u>20,945,349</u>
Total assets	<u>\$ 21,162,058</u>	<u>\$ 2,008,548</u>	<u>\$ 23,170,606</u>
Net Position			
Net position restricted for pensions	<u>\$ 21,162,058</u>	<u>\$ 2,008,548</u>	<u>\$ 23,170,606</u>

Village of McCook

Combining Statement of Changes in Fiduciary Net Position -
Pension Trust Funds
Year Ended December 31, 2025

	Police Pension	Firefighters' Pension	Total
Additions			
Contributions:			
Employee contributions	\$ 182,741	\$ -	\$ 182,741
Employer contributions	1,600,000	66,122	1,666,122
Total contributions	1,782,741	66,122	1,848,863
Investment income:			
Bank deposits	273	5	278
Government securities	332,644	126,204	458,848
Insurance contracts	13,129	-	13,129
Net appreciation (depreciation) in fair value of investments	1,924,721	159,889	2,084,610
Total investment income	2,270,767	286,098	2,556,865
Less Investment management fees	(13,215)	(4,315)	(17,530)
Net investment income	2,257,552	281,783	2,539,335
Total additions	4,040,293	347,905	4,388,198
Deductions			
Payments to participants	1,256,955	104,866	1,361,821
Payments to beneficiaries	236,255	-	236,255
Refunds of contributions	1,516	-	1,516
Administration	20,645	9,420	30,065
Total deductions	1,515,371	114,286	1,629,657
Change in net position	2,524,922	233,619	2,758,541
Net Position, Beginning	18,637,136	1,774,929	20,412,065
Net Position, Ending	<u>\$ 21,162,058</u>	<u>\$ 2,008,548</u>	<u>\$ 23,170,606</u>

Village of McCook

Combining Balance Sheet -
General Fund
December 31, 2025

	Corporate Fund	Stabilization Fund	Total
Assets			
Cash and cash equivalents	\$ 28,016,330	\$ 500,000	\$ 28,516,330
Investments	126,740	-	126,740
Receivables (net):			
Real estate taxes	4,293,458	-	4,293,458
Other	56,257	-	56,257
Restricted cash and cash equivalents	869,673	-	869,673
Prepaid items	213,984	-	213,984
Due from other funds	4,335,955	-	4,335,955
Due from other governments	894,051	-	894,051
Advances to other funds	500,000	-	500,000
Total assets	<u>\$ 39,306,448</u>	<u>\$ 500,000</u>	<u>\$ 39,806,448</u>
Liabilities			
Accounts payable	\$ 75,146	\$ -	\$ 75,146
Accrued salaries	125,912	-	125,912
Payroll liabilities	6,333	-	6,333
Due to other funds	141,164	-	141,164
Total liabilities	<u>348,555</u>	<u>-</u>	<u>348,555</u>
Deferred Inflows of Resources			
Property taxes levied for receipt in future periods	4,108,160	-	4,108,160
Unavailable local revenue	309,576	-	309,576
Total deferred inflows of resources	<u>4,417,736</u>	<u>-</u>	<u>4,417,736</u>
Fund Balances			
Nonspendable for prepaids	213,984	-	213,984
Nonspendable for advance receivable	500,000	-	500,000
Restricted for public safety	935,795	-	935,795
Assigned for stabilization funds	-	500,000	500,000
Unassigned	32,890,378	-	32,890,378
Total fund balance	<u>34,540,157</u>	<u>500,000</u>	<u>35,040,157</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 39,306,448</u>	<u>\$ 500,000</u>	<u>\$ 39,806,448</u>

Village of McCook

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance -

General Fund

Year Ended December 31, 2025

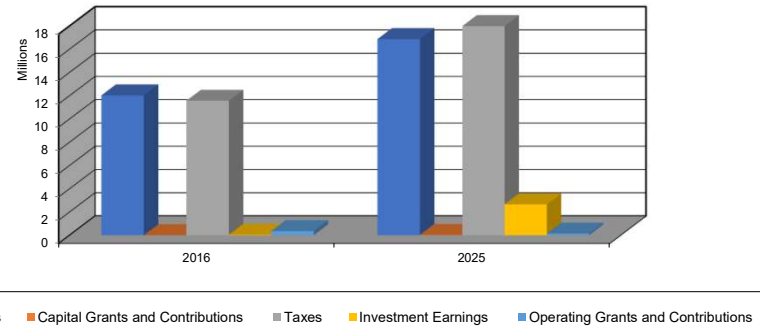
	Corporate Fund	Stabilization Fund	Total
Revenues			
Taxes	\$ 7,279,793	\$ -	\$ 7,279,793
Intergovernmental	867,335	-	867,335
Licenses, permits and fees	837,646	-	837,646
Fines and police reports	317,987	-	317,987
Interest earned	1,627,993	-	1,627,993
Other	1,289,429	-	1,289,429
Total revenues	12,220,183	-	12,220,183
Expenditures			
General government	2,426,454	-	2,426,454
Public safety	6,065,973	-	6,065,973
Public works	541,526	-	541,526
Capital outlay	616,757	-	616,757
Total expenditures	9,650,710	-	9,650,710
Excess (deficiency) of revenues over expenditures	2,569,473	-	2,569,473
Transfers			
Transfers in	1,522,252	-	1,522,252
Total transfers	1,522,252	-	1,522,252
Net change in fund balance	4,091,725	-	4,091,725
Fund Balances, Beginning	30,448,432	500,000	30,948,432
Fund Balances, Ending	<u>\$ 34,540,157</u>	<u>\$ 500,000</u>	<u>\$ 35,040,157</u>

Village of McCook

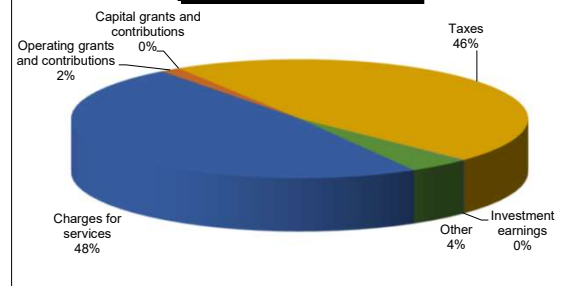
Government-Wide Revenues by Type
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Program Revenues										
Charges for services	\$ 12,026,243	\$ 11,902,086	\$ 11,113,647	\$ 13,422,324	\$ 13,093,077	\$ 15,055,826	\$ 16,766,236	\$ 15,237,616	\$ 15,778,065	\$ 16,862,014
Operating grants and contributions	355,379	216,201	308,270	322,144	188,547	171,703	386,865	264,811	263,729	141,194
Capital grants and contributions	-	-	130,000	430,921	79,021	45,654	76,041	319,237	345,654	24,750
Total program revenues	12,381,622	12,118,287	11,551,917	14,175,389	13,360,645	15,273,183	17,229,142	15,821,664	16,387,448	17,027,958
General Revenues										
Taxes	11,561,323	13,237,161	13,986,391	13,991,673	12,911,951	16,196,035	16,628,884	15,812,318	17,013,283	17,979,946
Investment earnings	36,411	94,952	206,361	216,020	79,674	19,124	314,673	1,114,178	1,983,249	2,652,305
Other	1,064,208	346,819	1,501,785	319,934	1,465,230	1,649,636	3,027,684	2,426,786	4,116,604	1,459,578
Total general revenues	12,661,942	13,678,932	15,694,537	14,527,627	14,456,855	17,864,795	19,971,241	19,353,282	23,113,136	22,091,829
Total revenues	\$ 25,043,564	\$ 25,797,219	\$ 27,246,454	\$ 28,703,016	\$ 27,817,500	\$ 33,137,978	\$ 37,200,383	\$ 35,174,946	\$ 39,500,584	\$ 39,119,787

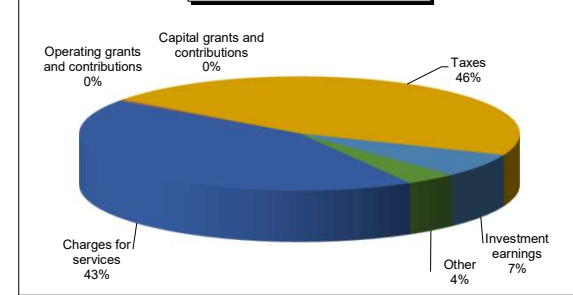
Revenues by Source - First and Last Fiscal Year



Composition of Revenues 2016



Composition of Revenues 2025



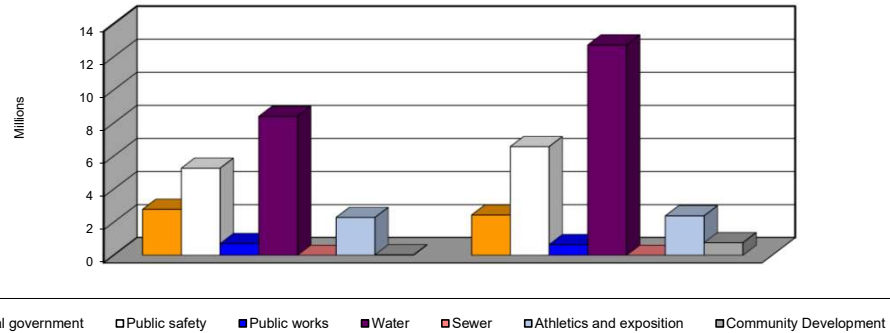
SOURCE OF INFORMATION: 2016-2025 financial statements

Village of McCook

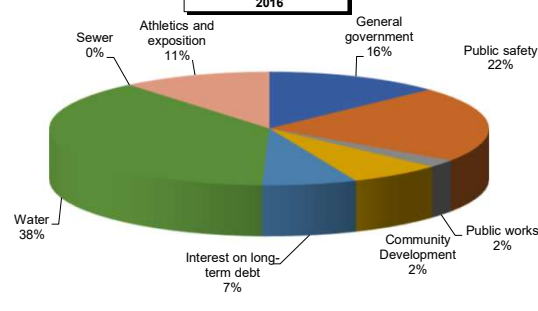
Government-Wide Expenses by Function
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental Activities										
General government	\$ 2,941,363	\$ 3,217,365	\$ 2,589,232	\$ 3,040,482	\$ 2,873,446	\$ 2,635,936	\$ 3,782,659	\$ 2,241,513	\$ 2,132,547	\$ 2,438,947
Public safety	4,882,341	5,093,401	6,242,448	6,199,333	6,392,383	5,176,801	3,714,859	6,822,478	7,278,289	6,572,454
Public works	498,191	556,285	484,657	478,762	430,752	648,063	614,445	577,705	468,651	652,130
Community development	1,545,961	822,395	2,823,004	1,236,329	1,016,834	591,561	359,063	503,657	511,069	766,041
Interest on long-term debt	1,578,404	833,170	854,974	815,825	783,644	718,295	643,967	559,693	482,671	399,657
Total governmental activities	11,446,260	10,522,616	12,994,315	11,770,731	11,497,059	9,770,656	9,114,993	10,705,046	10,873,227	10,829,229
Business-Type Activities										
Water and sewer	8,710,633	8,475,983	8,873,435	10,404,954	10,846,938	11,413,812	12,017,130	11,908,855	11,458,468	12,718,898
Athletics and exposition	2,494,995	2,580,521	2,885,708	3,479,053	2,575,490	2,368,847	2,423,517	2,393,176	2,246,319	2,388,677
Total business-type activities	11,205,628	11,056,504	11,759,143	13,884,007	13,422,428	13,782,659	14,440,647	14,302,031	13,704,787	15,107,575
Total expenses	\$ 22,651,888	\$ 21,579,120	\$ 24,753,458	\$ 25,654,738	\$ 24,919,487	\$ 23,553,315	\$ 23,555,640	\$ 25,007,077	\$ 24,578,014	\$ 25,936,804

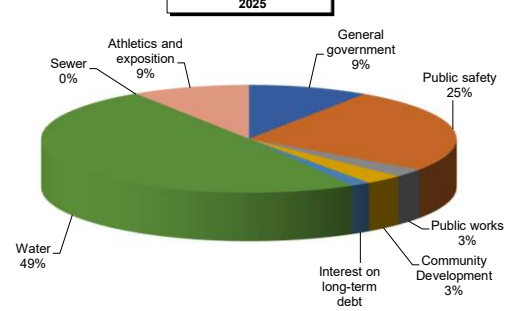
Expenses by Function - First and Last Fiscal Year



Composition of Expenses 2016



Composition of Expenses 2025



SOURCE OF INFORMATION: 2016-2025 Financial Statements

Village of McCook

Fund Balances, Governmental Funds *

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	\$ -	\$ 155,124	\$ 156,654	\$ 156,654	\$ 1,664,410	\$ 1,676,313	\$ 1,244,269	\$ 1,104,144	\$ 875,902	\$ 713,984
Restricted	159,875	171,687	285,487	212,433	128,907	71,713	369,640	546,664	825,609	935,795
Assigned		-			500,000	500,000	500,000	500,000	500,000	500,000
Unassigned	4,914,048	5,479,830	6,658,751	7,171,792	6,994,513	10,715,877	16,491,655	21,386,331	28,746,921	32,890,378
Total general fund	<u>\$ 5,073,923</u>	<u>\$ 5,806,641</u>	<u>\$ 7,100,892</u>	<u>\$ 7,540,879</u>	<u>\$ 9,287,830</u>	<u>\$ 12,963,903</u>	<u>\$ 18,605,564</u>	<u>\$ 23,537,139</u>	<u>\$ 30,948,432</u>	<u>\$ 35,040,157</u>
All Other Governmental Funds										
Restricted	\$ 4,629,725	\$ 7,289,598	\$ 7,452,428	\$ 6,646,762	\$ 8,136,967	\$ 11,002,919	\$ 12,795,557	\$ 16,166,560	\$ 17,955,916	\$ 20,641,310
Assigned	-	-	-	-	-	-	1,212,381	804,630	690,011	629,860
Unassigned	46,716	-	-	-	-	-	-	(54,538)	-	-
Total all other governmental funds	<u>\$ 4,676,441</u>	<u>\$ 7,289,598</u>	<u>\$ 7,452,428</u>	<u>\$ 6,646,762</u>	<u>\$ 8,136,967</u>	<u>\$ 11,002,919</u>	<u>\$ 14,007,938</u>	<u>\$ 16,916,652</u>	<u>\$ 18,645,927</u>	<u>\$ 21,271,170</u>

Source of information: 2016-2025 annual financial statements.

Village of McCook

Governmental Funds Revenues by Source *
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Local Sources										
Taxes	\$ 11,525,501	\$ 13,243,335	\$ 13,933,901	\$ 13,880,831	\$ 12,440,060	\$ 15,164,436	\$ 14,696,441	\$ 14,467,894	\$ 16,242,801	\$ 17,389,298
Intergovernmental	355,379	216,201	308,270	452,144	1,024,022	1,176,313	2,300,346	1,963,534	1,451,377	878,630
Licenses, permits, and fees	514,736	533,468	488,474	408,404	481,226	508,090	1,921,596	575,320	680,969	837,646
Fines and police reports	204,439	221,773	206,795	168,910	165,762	528,990	510,595	333,635	302,745	317,987
Interest earned	35,803	88,556	194,670	216,020	78,530	10,972	278,574	1,056,205	1,906,011	2,505,827
Other	1,075,201	361,175	1,520,430	373,783	752,309	1,456,925	3,279,162	2,692,695	3,994,488	1,289,429
Total local sources	<u>\$ 13,711,059</u>	<u>\$ 14,664,508</u>	<u>\$ 16,652,540</u>	<u>\$ 15,500,092</u>	<u>\$ 14,941,909</u>	<u>\$ 18,845,726</u>	<u>\$ 22,986,714</u>	<u>\$ 21,089,283</u>	<u>\$ 24,578,391</u>	<u>\$ 23,218,817</u>

* - Includes revenues for all Governmental Fund Types.

Source of information: 2016-2025 annual financial statements.

Village of McCookGovernmental Funds Expenditures by Function*
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Current Operating										
General government	\$ 3,417,553	\$ 3,412,851	\$ 2,830,688	\$ 3,021,095	\$ 2,622,662	\$ 2,463,936	\$ 2,467,672	\$ 2,249,882	\$ 2,398,363	\$ 2,489,145
Public safety	4,192,542	4,523,640	5,571,016	6,755,786	5,625,650	5,192,712	7,109,641	6,309,651	6,628,668	6,259,278
Public works	323,955	404,345	899,672	541,175	406,102	554,149	435,590	587,848	2,305,549	3,289,481
Community development	2,065,286	830,224	3,104,121	1,563,284	1,023,384	618,300	369,312	503,657	449,532	764,179
Debt service	17,453,836	2,077,045	2,163,653	2,010,265	3,026,955	2,980,604	3,262,219	2,900,756	2,952,911	2,997,566
Total	<u>\$ 27,453,172</u>	<u>\$ 11,248,105</u>	<u>\$ 14,569,150</u>	<u>\$ 13,891,605</u>	<u>\$ 12,704,753</u>	<u>\$ 11,809,701</u>	<u>\$ 13,644,434</u>	<u>\$ 12,551,794</u>	<u>\$ 14,735,023</u>	<u>\$ 15,799,649</u>

* - Includes expenditures for all Governmental Fund Types.

Source of Information: 2016-2025 Annual Financial Statements.

Village of McCook

Property Tax Rates, Levies and Collections
Last Ten Tax Levy Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Rates Extended*										
Corporate	\$ 4.3899	\$ 4.3431	\$ 3.8130	\$ 3.9105	\$ 3.9007	\$ 3.0319	\$ 3.4186	\$ 3.4537	\$ 1.5995	\$ 2.4798
Bond and Interest	0.4760	0.4690	0.4187	0.4344	0.4327	0.3424	0.3723	0.3762	0.2072	0.0899
Police Pension	-	-	-	-	-	-	-	-	0.7566	-
Fire Pension	-	-	-	-	-	-	-	-	0.0753	-
Total rates extended	<u>\$ 4.8659</u>	<u>\$ 4.8121</u>	<u>\$ 4.2317</u>	<u>\$ 4.3449</u>	<u>\$ 4.3334</u>	<u>\$ 3.3743</u>	<u>\$ 3.7909</u>	<u>\$ 3.8299</u>	<u>\$ 2.6386</u>	<u>\$ 2.5697</u>
Levies Extended										
Total levies extended	<u>\$ 4,361,788</u>	<u>\$ 4,360,721</u>	<u>\$ 4,367,355</u>	<u>\$ 4,372,270</u>	<u>\$ 4,372,158</u>	<u>\$ 4,292,653</u>	<u>\$ 4,276,321</u>	<u>\$ 4,276,427</u>	<u>\$ 4,184,624</u>	<u>\$ 4,191,944</u>
Total collections^	<u>\$ 4,279,527</u>	<u>\$ 4,213,438</u>	<u>\$ 4,219,055</u>	<u>\$ 4,297,901</u>	<u>\$ 4,294,697</u>	<u>\$ 4,267,247</u>	<u>\$ 4,252,023</u>	<u>\$ 4,117,916</u>	<u>\$ 4,137,957</u>	<u>\$ 3,879,681</u>
Percentage of:										
Extensions collected	98.11%	96.62%	96.60%	98.30%	98.23%	99.41%	99.43%	96.29%	98.88%	92.55%

* Tax rates are expressed in dollars per \$100 of Assessed Valuation.

^ Net of prior year refunds.

Source of Information: Cook County Levy, Rate and Extension
Reports for 2015 To 2024.

Village of McCook

Ratio of Net General Bonded Debt to Assessed
Valuation and Net General Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year Ended December 31	Tax Levy Year	Gross General Bonded Debt	Reserved for Retirement of Funded Debt	Debt Payable From Enterprise Revenues	Net General Bonded Debt	Equalized Assessed Valuation	Percentage Net of General Bonded Debt to Assessed Valuation	Estimated Population	Net General Bonded Debt Per Capita
2016	2015	\$ 37,911,000	\$ 31,231	\$ 12,935,000	\$ 24,976,000	\$ 89,638,065	27.86 %	228	\$ 109,544
2017	2016	36,386,000	43,508	12,485,000	23,901,000	90,602,972	26.38 %	228	104,829
2018	2017	34,755,000	50,386	11,985,000	22,770,000	103,198,383	22.06 %	228	99,868
2019	2018	34,230,000	64,358	12,480,000	21,750,000	100,627,607	21.61 %	228	95,395
2020	2019	31,510,000	102,851	11,830,000	19,680,000	100,880,427	19.51 %	221	89,050
2021	2020	28,745,000	103,165	11,155,000	17,590,000	127,189,731	13.83 %	249	70,643
2022	2021	25,580,000	80,023	10,455,000	15,125,000	112,801,932	13.41 %	249	60,743
2023	2022	22,635,000	51,261	9,725,000	12,910,000	111,656,057	11.56 %	249	51,847
2024	2023	19,510,000	23,256	8,965,000	10,545,000	158,606,460	6.65 %	249	42,349
2025	2024	16,205,000	-	8,175,000	8,030,000	163,588,617	4.91 %	249	32,249

Notes: Population estimates are based on information received from the bureau of the census and local city and village governmental data.

Source of information: 2016-2025 annual financial statements.

Village of McCook

Ratio of Annual Debt Service Expenditures for
General Bonded Debt to Total General Expenditures
Last Ten Fiscal Years

Year Ended December 31	Total Governmental Expenditures (1)	Total Debt Service	Percentage of Annual Debt Service Fund Expenditures To Total General Expenditures
2025	\$ 15,799,649	\$ 2,997,566	18.97%
2024	14,735,023	2,952,911	20.04%
2023	12,551,794	2,900,756	23.11%
2022	13,644,434	3,262,219	23.91%
2021	11,809,701	2,980,604	25.24%
2020	12,704,753	3,026,955	23.83%
2019	13,891,605	2,010,265	14.47%
2018	14,569,149	2,163,653	14.85%
2017	11,248,105	2,077,045	18.47%
2016	27,453,172	17,453,836 (2)	63.58%

Notes: (1) includes expenditures of all governmental funds.

(2) the total debt service expenditures for 2016 includes \$14,465,000 of refunding bond proceeds placed in escrow to currently refund debt.

Source of Information: 2016-2025 Annual Financial Statements.

Village of McCook

Schedule of Bonds Outstanding

Issue Dated June 21, 2012

December 31, 2025

Year Ended December 31	Tax Increment Financing Bonds - 1st Avenue TIF 2012 Series				Total Debt Service
	Bonds Issued	Bonds Paid	Bonds Outstanding	Interest Payable	
2012	\$ -	\$ -	\$ -	\$ -	\$ -
2013	-	-	-	-	-
2014	-	-	-	-	-
2015	100,000	100,000	-	-	-
2016	1,055,000	1,055,000	-	-	-
2017	590,000	590,000	-	-	-
2018	625,000	625,000	-	-	-
2019	665,000	665,000	-	-	-
2020	705,000	705,000	-	-	-
2021	745,000	745,000	-	-	-
2022	790,000	790,000	-	-	-
2023	840,000	840,000	-	-	-
2024	890,000	890,000	-	-	-
2025	940,000	940,000	-	-	-
2026	1,000,000	-	1,000,000	70,692	1,070,692
2027	1,055,000	-	1,055,000	36,292	1,091,292
Total	<u>\$ 10,000,000</u>	<u>\$ 7,945,000</u>	<u>\$ 2,055,000</u>	<u>\$ 106,984</u>	<u>\$ 2,161,984</u>

Paying agent: Village with direct pay to BMO Harris

Principal payment date: December 1

Interest payment dates: 15th of every Month

Interest rates: 3.46%

Original amount of issue: \$ 10,000,000

Village of McCook

Schedule of Bonds Outstanding

Issue Dated December 8, 2016

December 31, 2025

Year Ended December 31	General Obligation Bonds, Series 2016A				Total Debt Service
	Bonds Issued	Bonds Paid	Bonds Outstanding	Interest Payable	
2017	\$ 325,000	\$ 325,000	\$ -	\$ -	\$ -
2018	340,000	340,000	-	-	-
2019	355,000	355,000	-	-	-
2020	365,000	365,000	-	-	-
2021	1,345,000	1,345,000	-	-	-
2022	1,675,000	1,675,000	-	-	-
2023	1,375,000	1,375,000	-	-	-
2024	1,475,000	1,475,000	-	-	-
2025	1,575,000	1,575,000	-	-	-
Total	<u>\$ 8,830,000</u>	<u>\$ 8,830,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Paying agent: Village through Depository Trust Company

Principal payment date: December 1

Interest payment dates: June 1 and December 1

Interest rates: 1.55% - 3.45%

Original amount of issue: \$ 8,830,000

Village of McCook

Schedule of Bonds Outstanding
Issue Dated December 29, 2016
December 31, 2025

Year Ended December 31	General Obligation Bonds, Series 2016B				Total Debt Service
	Bonds Issued	Bonds Paid	Bonds Outstanding	Interest Payable	
2017	\$ -	\$ -	\$ -	\$ -	\$ -
2018	-	-	-	-	-
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	-	-	-	-
2022	-	-	-	-	-
2023	-	-	-	-	-
2024	-	-	-	-	-
2025	-	-	-	-	-
2026	1,900,000	-	1,900,000	298,750	2,198,750
2027	2,000,000	-	2,000,000	203,750	2,203,750
2028	2,075,000	-	2,075,000	103,750	2,178,750
Total	<u>\$ 5,975,000</u>	<u>\$ -</u>	<u>\$ 5,975,000</u>	<u>\$ 606,250</u>	<u>\$ 6,581,250</u>

Paying agent: Village through Depository Trust Company

Principal payment date: December 1

Interest payment dates: June 1 and December 1

Interest rates: 3.75% - 3.90%

Original amount of issue: \$ 5,975,000

Village of McCook

Schedule of Bonds Outstanding

Issue Dated April 17, 2019

December 31, 2025

Year Ended December 31	General Obligation Bonds, Series 2019				Total Debt Service
	Bonds Issued	Bonds Paid	Bonds Outstanding	Interest Payable	
2019	\$ 525,000	\$ 525,000	\$ -	\$ -	\$ -
2020	650,000	650,000	-	-	-
2021	675,000	675,000	-	-	-
2022	700,000	700,000	-	-	-
2023	730,000	730,000	-	-	-
2024	760,000	760,000	-	-	-
2025	790,000	790,000	-	-	-
2026	820,000	-	820,000	310,600	1,130,600
2027	855,000	-	855,000	283,000	1,138,000
2028	885,000	-	885,000	254,200	1,139,200
2029	775,000	-	775,000	224,600	999,600
2030	805,000	-	805,000	193,600	998,600
2031	835,000	-	835,000	161,400	996,400
2032	870,000	-	870,000	128,000	998,000
2033	905,000	-	905,000	93,200	998,200
2034	940,000	-	940,000	57,000	997,000
2035	485,000	-	485,000	19,400	504,400
Total	<u>\$ 13,005,000</u>	<u>\$ 4,830,000</u>	<u>\$ 8,175,000</u>	<u>\$ 1,725,000</u>	<u>\$ 9,900,000</u>

Paying agent:

Village through Depository Trust Company

Principal payment date:

December 1

Interest payment dates:

June 1 and December 1

Interest rates:

4.00%

Original amount of issue:

\$ 13,005,000

Village of McCook

Detailed Overlapping Bonded Debt
December 31, 2025

Direct Debt: \$ 16,205,000

	<u>Outstanding Debt</u>	<u>Percent</u>	<u>Applicable Debt Amount</u>
Overlapping Debt:			
Cook County	\$ 1,760,191,750	0.08%	\$ 1,408,153
Cook County Forest Preserve	70,975,000	0.08%	56,780
Metropolitan Water Reclamation District	2,555,076,024	0.08%	2,044,061
Lyons Township	190,000	2.88%	5,472
School District 103	3,235,000	14.27%	461,635
School District 105	12,650,000	8.79%	1,111,935
High School District 201	58,147,918	2.17%	1,261,810
High School District 204	21,355,000	2.41%	514,656
DuPage Community College District 502	56,665,000	0.18%	101,997
Morton Community College District 527	6,440,000	2.17%	139,748
McCook Park District	190,000	100.00%	<u>190,000</u>
 Total Overlapping Debt			 <u>\$ 7,296,247</u>
 Total Direct and Overlapping Debt			 <u>\$ 23,501,247</u>

Village of McCook

Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years
December 31, 2025

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Village Direct Rates										
Corporate	\$ 4.3899	\$ 4.3431	\$ 3.8130	\$ 3.9105	\$ 3.9007	\$ 3.0319	\$ 3.4186	\$ 3.4537	\$ 1.5995	\$ 2.4800
Police Pension	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.7566	0.0000
Fire Pension	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0753	0.0000
Bond and Interest	0.4760	0.4690	0.4187	0.4344	0.4327	0.3424	0.3723	0.3762	0.2072	0.0900
Total Village Direct Rates	4.866	4.812	4.232	4.345	4.334	3.375	3.791	3.830	2.639	2.570
Overlapping Rates										
Cook County	0.552	0.533	0.496	0.489	0.454	0.453	0.446	0.431	0.386	0.390
Consolidated Elections	0.034	0.000	0.031	0.000	0.030	0.000	0.019	0.000	0.032	0.000
Cook County Forest Preserve	0.069	0.063	0.062	0.060	0.059	0.058	0.058	0.081	0.075	0.067
Lyons Township	0.070	0.067	0.063	0.065	0.060	0.040	0.043	0.045	0.035	0.036
Lyons General Assistance	0.003	0.003	0.000	0.002	0.004	0.003	0.005	0.005	0.005	0.004
Lyons Road and Bridge	0.049	0.047	0.040	0.041	0.041	0.036	0.039	0.040	0.031	0.031
Lyons Mental Health	0.115	0.110	0.090	0.093	0.093	0.080	0.087	0.089	0.069	0.070
McCook Public Library District	0.608	0.617	0.560	0.598	0.616	0.510	0.595	0.632	0.458	0.440
McCook Park District	0.589	0.606	0.549	0.572	0.583	0.488	0.567	0.603	0.449	0.452
School District 103	5.924	5.796	5.062	5.416	5.550	4.474	4.563	5.041	4.172	4.507
High School District 204	2.324	2.359	2.001	2.125	2.181	1.962	2.184	2.359	1.919	1.997
DuPage Community College District 502	0.311	0.313	0.258	0.265	0.244	0.227	0.252	0.256	0.197	0.195
Metropolitan Water Reclamation District	0.426	0.406	0.402	0.396	0.389	0.378	0.382	0.374	0.345	0.340
Des Plaines Valley Mosquito Abatement District	0.017	0.017	0.015	0.015	0.014	0.012	0.014	0.015	0.012	0.011
Total Direct and Overlapping Rates	<u>\$ 15.957</u>	<u>\$ 15.749</u>	<u>\$ 13.861</u>	<u>\$ 14.482</u>	<u>\$ 14.652</u>	<u>\$ 12.096</u>	<u>\$ 13.045</u>	<u>\$ 13.801</u>	<u>\$ 10.824</u>	<u>\$ 11.110</u>
Village of McCook Percent Total	30.49%	30.55%	30.53%	30.00%	29.58%	27.90%	29.06%	27.75%	24.38%	23.13%

Data Source: Office of the County Clerk

Note: Rates are per \$100 of Assessed Value

Village of McCook

Bond Maturity Schedule

December 31, 2025

Levy Year	Collect Year	Series 2012	Series 2016B	Series 2019	Total	Cumulative	
						Amount	Percent
2025	2026	\$ 1,000,000	\$ 1,900,000	\$ 820,000	\$ 3,720,000	\$ 3,720,000	22.96%
2026	2027	1,055,000	2,000,000	855,000	3,910,000	7,630,000	47.08%
2027	2028	-	2,075,000	885,000	2,960,000	10,590,000	65.35%
2028	2029	-	-	775,000	775,000	11,365,000	70.13%
2029	2030	-	-	805,000	805,000	12,170,000	75.10%
2030	2031	-	-	835,000	835,000	13,005,000	80.25%
2031	2032	-	-	870,000	870,000	13,875,000	85.62%
2032	2033	-	-	905,000	905,000	14,780,000	91.21%
2033	2034	-	-	940,000	940,000	15,720,000	97.01%
2034	2035	-	-	485,000	485,000	\$ 16,205,000	100.00%
		<u>\$ 2,055,000</u>	<u>\$ 5,975,000</u>	<u>\$ 8,175,000</u>	<u>\$ 16,205,000</u>		

Village of McCook

Schedule of Indebtedness

December 31, 2025

	<u>Amount</u>	<u>Percent of 2020 EAV</u>	<u>Percent of Fair Value</u>	<u>Per Capita (1)</u>
Total equalized assessed valuation (2024 EAV) (2)	<u>\$ 249,149,026</u>	<u>100.00%</u>	<u>33.33%</u>	<u>\$ 1,038,121</u>
Projected fair market value	<u>\$ 747,447,078</u>	<u>300.00%</u>	<u>100.00%</u>	<u>\$ 3,114,363</u>
Direct debt	\$ 16,205,000	6.50%	2.17%	\$ 67,521
Overlapping debt	<u>7,296,247</u>	<u>2.93%</u>	<u>0.98%</u>	<u>30,401</u>
Total direct and overlapping debt	<u>\$ 23,501,247</u>	<u>9.43%</u>	<u>3.14%</u>	<u>\$ 97,922</u>

(1) Based on population of 240

(2) 2024 EAV before reductions of Exemptions and tax increment finance districts.

Village of McCook

General Obligation Debt Service Summary

December 31, 2025

Levy Year	Payment Year	Series 2012	Series 2016A	Series 2016B	Series 2019	Total	Self Supporting Debt		Tax Supported Debt Service
							MAX and Water	TIF District	
2025	2026	\$1,071,103	\$ -	\$2,198,750	\$1,147,000	\$4,416,853	(\$1,147,000)	(\$3,269,853)	\$ -
2026	2027	1,091,503	-	2,203,750	1,149,200	4,444,453	(1,149,200)	(3,295,253)	-
2027	2028	-	-	2,178,750	1,145,000	3,323,750	(1,145,000)	(2,178,750)	-
2028	2029	-	-	-	999,600	999,600	(999,600)	-	-
2029	2030	-	-	-	998,600	998,600	(998,600)	-	-
2030	2031	-	-	-	996,400	996,400	(996,400)	-	-
2031	2032	-	-	-	998,000	998,000	(998,000)	-	-
2032	2033	-	-	-	998,200	998,200	(998,200)	-	-
2033	2034	-	-	-	997,000	997,000	(997,000)	-	-
2034	2035	-	-	-	504,400	504,400	(504,400)	-	-
		<u>\$ 2,162,606</u>	<u>\$ -</u>	<u>\$ 6,581,250</u>	<u>\$ 9,933,400</u>	<u>\$ 18,677,256</u>	<u>\$ (9,933,400)</u>	<u>\$ (8,743,856)</u>	<u>\$ -</u>

Village of McCook

Equalized Valuation and Estimated Market Value of Taxable Property - Last Ten Fiscal Years
December 31, 2025

Fiscal Year Ended Dec. 31	Tax Levy Year	Residential Property	Railroad Property	Commercial Property	Industrial Property	Total Equalized Assessed Valuation (1)	Less: Homeowners Exemptions	Less: Tax Increment	Equalized Assessed Valuation for Taxation (2)	Total Estimated Market Value (4)
2016	2015	\$ 8,287,211	\$ 1,565,297	\$ 5,537,212	\$ 105,026,900	\$ 120,416,620	\$ (671,518)	\$ (30,107,037)	\$ 89,638,065	\$ 361,249,860
2017	2016	8,282,674	1,669,650	5,638,037	112,467,629	128,057,990	(748,217)	(36,706,801)	90,602,972	384,173,970
2018	2017	10,392,972	1,822,924	6,531,753	129,214,883	147,962,532	(1,123,776)	(43,640,373)	103,198,383	443,887,596
2019	2018	10,151,321	2,015,315	5,600,755	123,472,708	141,240,099	(949,258)	(39,663,234)	100,627,607	423,720,297
2020	2019	10,056,312	2,235,349	5,931,397	125,010,719	143,233,777	(885,138)	(41,468,212)	100,880,427	429,701,331
2021	2020	11,604,511	2,650,081	6,959,661	169,631,984	190,846,237	(948,268)	(62,708,238)	127,189,731	572,538,711
2022	2021	10,335,969	2,650,081	6,727,325	148,868,550	168,581,925	(967,826)	(54,812,167)	112,801,932	505,745,775
2023	2022	9,980,760	3,519,584	6,588,143	145,813,442	165,901,929	(1,168,059)	(53,077,813)	111,656,057	497,705,787
2024	2023	9,460,832	3,756,128	7,880,450	214,757,006	235,854,416	(1,092,337)	(76,155,619)	158,606,460	707,563,248
2025	2024	8,479,022	3,714,668	7,621,383	229,333,953	249,149,026	(984,720)	(85,033,279)	163,131,027	747,447,078

Data Source: Office of the County Clerk

(1) Total Equalized Assessed Valuation of property based on the Assessed Valuation of property determined by the Cook County Assessor based on 10% of fair value for residential property and 25% of fair value for commercial and industrial property (except for certain exemptions) equalized by the Equalization Factor calculated by the Illinois Department of Revenue applicable to Cook County. Equalized Assessed Valuation should approximate 33% of the market value of taxable property in the Village.

(2) Total Equalized Assessed Valuation of the Village is reduced by Homeowners Exemptions and the Tax Increment (the Equalized Valuation of property in a Tax Increment District that exceeds the Frozen Level at the inception of the Tax Increment District) for purposes of billing and collecting taxes for the Village.

(3) The Total Estimated Market Value of the Village is based on the Equalized Assessed Valuation before Homeowners Exemptions and Tax Increment multiplied by 3. This calculation assumes that the countrywide Equalization Factor adjusts Assessed Valuation in the Village to one third of market.

Village of McCook

Summary of Largest Taxpayers - Villagewide and TIF Districts
2024 Levy Year Equalized Assessed Valuations

	Villagewide		TIF Districts		Total	
	Amount	Percent	Amount	Percent	Amount	Percent
Vulcan	\$ 27,816,193	21.02 %	\$ 30,762.00	0.03 %	\$ 27,846,955	11.18 %
MLRF Sergo LLC	14,994,125	11.33	-	-	14,994,125	6.02
P7DPMcCook	-	0.00	14,449,823	12.37	14,449,823	5.80
Bridge Point McCook	-	0.00	13,985,696	11.97	13,985,696	5.61
Progress Rail Locomotion	1,816,027	1.37	10,819,830	9.26	12,635,857	5.07
Hansen Aggregates	12,459,564	9.42	-	-	12,459,564	5.00
Maribel Salinas	-	0.00	11,192,859	9.58	11,192,859	4.49
Morgan Stanley	-	0.00	9,074,403	7.77	9,074,403	3.64
9150/9200 West 55th	68,487	0.05	6,707,633	5.74	6,776,120	2.72
Hormel Foods	-	0.00	6,400,440	5.48	6,400,440	2.57
Micheal Lewis	-	0.00	6,374,554	5.46	6,374,554	2.56
MIF 500 W 53RD	-	0.00	6,327,099	5.42	6,327,099	2.54
SVF West 47th	-	0.00	6,025,826	5.16	6,025,826	2.42
Commonwealth Edison	5,832,282	4.41	137,997	0.12	5,970,279	2.40
PITT OHIO Terminal	-	0.00	5,204,425	4.46	5,204,425	2.09
Safeguard Properties	-	0.00	4,959,166	4.25	4,959,166	1.99
Estes Express	4,786,486	3.62	-	-	4,786,486	1.92
West 55th Street Investors	4,570,765	3.45	-	-	4,570,765	1.83
DCT McCook Industrial	4,545,922	3.44	-	-	4,545,922	1.82
Federal Express	4,206,181	3.18	-	0.00	4,206,181	1.69
Total	<u>\$ 81,096,032</u>	<u>61.28 %</u>	<u>\$ 101,690,513</u>	<u>87.06 %</u>	<u>\$ 182,786,545</u>	<u>73.36 %</u>
Total EAV (2024 EAV)	\$ 249,149,026		\$ -		\$ 249,149,026	
Frozen	(31,778,378)		31,778,378		-	
Increment	<u>(85,033,279)</u>		<u>85,033,279</u>		<u>-</u>	
Applicable EAV	<u>\$ 132,337,369</u>		<u>\$ 116,811,657</u>		<u>\$ 249,149,026</u>	
	<u>61.28 %</u>		<u>87.06 %</u>		<u>73.36 %</u>	

Independent Auditors' Compliance Report

To the Village Board of
Village of McCook

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of McCook, as of and for the year ended December 31, 2025, and have issued our report thereon dated June 16, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

In connection with our audit, nothing came to our attention that caused us to believe that the Village failed to comply with provisions of Subsection (q) of Section 11-74.4-3 of Public Act 85-1142, *An Act in Relation to Tax Increment Financing*, insofar as it relates to accounting matters for the 1st Avenue Tax Increment Financing District; however, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Village's noncompliance with the above-referenced statute, insofar as it relates to accounting matters.

This report is intended solely for the information and use of the Board of Trustees, management, the State of Illinois, and others within the Village and is not intended to be, and should not be, used by anyone other than the specified parties.

Baker Tilly US, LLP

Oak Brook, Illinois
June 16, 2026

Independent Auditors' Compliance Report

To the Village Board of
Village of McCook

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of McCook, as of and for the year ended December 31, 2025, and have issued our report thereon dated June 16, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

In connection with our audit, nothing came to our attention that caused us to believe that the Village failed to comply with provisions of Subsection (q) of Section 11-74.4-3 of Public Act 85-1142, *An Act in Relation to Tax Increment Financing*, insofar as it relates to accounting matters for Joliet Road Tax Increment Financing District; however, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Village's noncompliance with the above-referenced statute, insofar as it relates to accounting matters.

This report is intended solely for the information and use of the Board of Trustees, management, the State of Illinois, and others within the Village and is not intended to be, and should not be, used by anyone other than the specified parties.

Baker Tilly US, LLP

Oak Brook, Illinois
June 16, 2026

Independent Auditors' Compliance Report

To the Village Board of
Village of McCook

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of McCook, as of and for the year ended December 31, 2025, and have issued our report thereon dated June 16, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

In connection with our audit, nothing came to our attention that caused us to believe that the Village failed to comply with provisions of Subsection (q) of Section 11-74.4-3 of Public Act 85-1142, *An Act in Relation to Tax Increment Financing*, insofar as it relates to accounting matters for Riverside Avenue Tax Increment Financing District; however, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Village's noncompliance with the above-referenced statute, insofar as it relates to accounting matters.

This report is intended solely for the information and use of the Board of Trustees, management, the State of Illinois, and others within the Village and is not intended to be, and should not be, used by anyone other than the specified parties.

Baker Tilly US, LLP

Oak Brook, Illinois
June 16, 2026

Independent Auditors' Compliance Report

To the Village Board of
Village of McCook

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of McCook, as of and for the year ended December 31, 2025, and have issued our report thereon dated June 16, 2026. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

In connection with our audit, nothing came to our attention that caused us to believe that the Village failed to comply with provisions of Subsection (q) of Section 11-74.4-3 of Public Act 85-1142, *An Act in Relation to Tax Increment Financing*, insofar as it relates to accounting matters for 55th Street Tax Increment Financing District; however, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the Village's noncompliance with the above-referenced statute, insofar as it relates to accounting matters.

This report is intended solely for the information and use of the Board of Trustees, management, the State of Illinois, and others within the Village and is not intended to be, and should not be, used by anyone other than the specified parties.

Baker Tilly US, LLP

Oak Brook, Illinois
June 16, 2026