

Monday, February 2, 2026

The Series 2026A Bonds: Between 10:00 and 10:15 A.M., C.S.T.

The Series 2026B Bonds: Between 10:30 and 10:45 A.M., C.S.T.

(Open Speer Auction)

Official Statement

In the opinion of Katten Muchin Rosenman LLP ("Bond Counsel"), under existing law, interest on the Series 2026A Bonds is not includible in the gross income of the owners thereof for federal income tax purposes and, assuming continuing compliance with the applicable requirements of the Internal Revenue Code of 1986, as amended, interest on the Series 2026A Bonds will continue to be excluded from the gross income of the owners thereof for federal income tax purposes. Interest on the Series 2026A Bonds is not exempt from present State of Illinois income taxes. Bond Counsel is of the opinion that interest on the Series 2026A Bonds is included in the adjusted financial statement income of those corporations subject to the corporate alternative minimum tax. See "TAX MATTERS – THE SERIES 2026A BONDS" herein. In the opinion of Bond Counsel, interest on the Series 2026B Bonds is includible in gross income of the owners thereof for federal income tax purposes. Interest on the Series 2026A Bonds and the Series 2026B Bonds is not exempt from present Illinois income taxes. See "CERTAIN FEDERAL INCOME TAX CONSIDERATIONS – THE SERIES 2026B BONDS" and "STATE TAX MATTERS – THE SERIES 2026B BONDS" herein for a more complete discussion. Interest on both the Series 2026A Bonds and the Series 2026B Bonds is not exempt from present Illinois income taxes.



VILLAGE OF DEERFIELD

Lake and Cook Counties, Illinois

\$5,990,000* General Obligation Bonds, Series 2026A**\$2,260,000* Taxable General Obligation Bonds, Series 2026B**

Dated Date of Delivery

Book-Entry

Due Serially as Detailed Herein

The \$5,990,000* General Obligation Bonds, Series 2026A (the "Series 2026A Bonds") and the \$2,260,000* Taxable General Obligation Bonds, Series 2026B (the "Series 2026B Bonds" and, together with the Series 2026A Bonds, the "Bonds") are being issued by the Village of Deerfield, Lake and Cook Counties, Illinois (the "Village"). Interest is payable semiannually on June 1 and December 1 of each year, commencing December 1, 2026. Interest is calculated based on a 360-day year of twelve 30-day months. The Bonds will be issued using a book-entry system. The Depository Trust Company, New York, New York ("DTC"), will act as securities depository for the Bonds. The ownership of one fully registered Bond for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Bonds will be made to purchasers. The Bonds will mature on December 1 in the years and amounts as detailed herein.

OPTIONAL REDEMPTION

The Series 2026A Bonds due December 1, 2026-2035, inclusive, are non-callable. The Series 2026A Bonds due December 1, 2036-2045, inclusive, are callable in whole or in part on any date on or after December 1, 2035, at a price of par and accrued interest. If less than all the Series 2026A Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot. See "OPTIONAL REDEMPTION – The Series 2026A Bonds" herein.

The Series 2026B Bonds due December 1, 2029-2033, inclusive, are non-callable. The Series 2026B Bonds due December 1, 2034-2045, inclusive, are callable in whole or in part on any date on or after December 1, 2033, at a price of par and accrued interest. If less than all the Series 2026B Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot. See "OPTIONAL REDEMPTION – The Series 2026B Bonds" herein.

PURPOSE, LEGALITY AND SECURITY

The Series 2026A Bond proceeds will be used to finance various capital improvements throughout the Village and to pay the costs of issuing the Series 2026A Bonds. The Series 2026B Bond proceeds will be used for land acquisition and to pay the costs of issuing the Series 2026B Bonds. See "THE PROJECTS" herein.

In the opinion of Bond Counsel, the Bonds are valid and legally binding general obligations of the Village and the Village is obligated to levy ad valorem taxes upon all the taxable property within the Village for the payment of the Bonds and the interest thereon without limitation as to rate or amount. However, the enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors' rights and remedies heretofore or hereafter enacted.

This Official Statement is dated January 20, 2026, and has been prepared under the authority of the Village. An electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Sales Calendars/Competitive Official Statement Sales". Additional copies may be obtained from Mr. Eric Burk, Director of Finance, Village of Deerfield, 850 Waukegan Road, Deerfield, Illinois 60015, or from the Municipal Advisor to the Village:



*Subject to change.

(1) CUSIP numbers appearing in this Official Statement have been provided by CUSIP Global Services ("CGS"). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The Village is not responsible for the selection of CUSIP numbers and makes no representation as to their correctness on the Bonds or as set forth on the cover of this Official Statement. The CUSIP numbers are subject to change after issuance of the Bonds.

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission (“Rule 15c2-12”), this document, as the same may be supplemented or corrected by the Village from time to time (collectively, the “Official Statement”), may be treated as an Official Statement with respect to the Bonds described herein that is deemed near final as of the date hereof (or the date of any such supplement or correction) by the Village.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law or deemed appropriate by the Village, shall constitute a “Final Official Statement” of the Village with respect to the Bonds, as that term is defined in Rule 15c2-12. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Bonds and other information may be included in a separate document entitled “Final Official Statement” rather than through supplementing the Official Statement by an addendum or addenda.

No dealer, broker, salesman or other person has been authorized by the Village to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement and the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the Village. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the Village and, while believed to be reliable, is not guaranteed as to completeness. THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE VILLAGE SINCE THE RESPECTIVE DATES THEREOF.

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement, they will be furnished on request. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

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OFFICIAL BID FORMS

OFFICIAL NOTICES OF SALE

BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Official Statement, including the Official Notices of Sale and the Official Bid Forms, which are provided for the convenience of potential investors and which should be reviewed in their entirety by potential investors. The following descriptions apply equally to the Series 2026A Bonds and the Series 2026B Bonds. Other terms specific to each series are provided separately herein..

Issuer:	Village of Deerfield, Lake and Cook Counties, Illinois (the “Village”).
Dated Date:	Date of delivery, expected to be on or about February 18, 2026.
Interest Due:	Each June 1 and December 1, commencing December 1, 2026.
Authorization:	Pursuant to the home rule powers of the Village and a bond ordinance adopted by the President and Board of Trustees of the Village on the 2 nd day of February, 2026.
Security:	The Bonds are valid and legally binding general obligations of the Village and the Village is obligated to levy ad valorem taxes upon all the taxable property within the Village for the payment of the Bonds and the interest thereon without limitation as to rate or amount. However, the enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors’ rights and remedies heretofore or hereafter enacted.
Investment Rating:	The Bonds have been rated “Aaa” by Moody’s Ratings, New York, New York (“Moody’s”). See “ INVESTMENT RATING ” herein.
Bond Registrar/Paying Agent:	U.S. Bank Trust Company, National Association, Chicago, Illinois (the “Bond Registrar”).
Delivery:	The Bonds are expected to be delivered on or about February 18, 2026.
Book-Entry Form:	The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Bonds. See APPENDIX B herein.
Record Date:	The Bond Registrar shall not be required to transfer or exchange any Bond beginning at the close of business on the fifteenth day of the month next preceding any interest payment date on such Bond (known as the Record Date) and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen days next preceding mailing of a notice of redemption of any Bonds. See “ REGISTRATION, TRANSFER AND EXCHANGE ” herein.
Denomination:	\$5,000 or integral multiples thereof.
Municipal Advisor:	Speer Financial, Inc., Chicago, Illinois.

THE SERIES 2026A BONDS

Issue:	\$5,990,000* General Obligation Bonds, Series 2026 (the “Series 2026A Bonds”).
Principal Due:	Serially each December 1, commencing December 1, 2026 through 2045, as detailed below.
Optional Redemption:	The Series 2026A Bonds maturing on or after December 1, 2036, inclusive, are callable at the option of the Village on any date on or after December 1, 2035, at a price of par plus accrued interest to the redemption date. If less than all the Series 2026A Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot. See “OPTIONAL REDEMPTION – The Series 2026A Bonds” herein.
Purpose:	The Series 2026A Bonds are being issued to finance various capital improvements throughout the Village and to pay the costs of issuing the Series 2026A Bonds. See “THE PROJECTS” herein.
Tax Matters:	Bond Counsel will provide an opinion as to the tax exemption of the Series 2026A Bonds as discussed under “TAX MATTERS – THE SERIES 2026A BONDS” in this Official Statement. Interest on the Series 2026A Bonds is not exempt from present State of Illinois income taxes.
Bank Qualification:	The Series 2026A Bonds are “qualified tax-exempt obligations” under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See “QUALIFIED TAX-EXEMPT OBLIGATIONS – THE SERIES 2026A BONDS” herein.

AMOUNTS*, MATURITIES, INTEREST RATES, YIELDS AND CUSIP NUMBERS

Principal Amount*	Due Dec. 1	Interest Rate	Yield	CUSIP Number(1)	Principal Amount*	Due Dec. 1	Interest Rate	Yield	CUSIP Number(1)
\$240,000	2026	_____ %	_____ %	_____	\$290,000	2036	_____ %	_____ %	_____
190,000	2027	_____ %	_____ %	_____	305,000	2037	_____ %	_____ %	_____
200,000	2028	_____ %	_____ %	_____	320,000	2038	_____ %	_____ %	_____
210,000	2029	_____ %	_____ %	_____	340,000	2039	_____ %	_____ %	_____
220,000	2030	_____ %	_____ %	_____	355,000	2040	_____ %	_____ %	_____
230,000	2031	_____ %	_____ %	_____	375,000	2041	_____ %	_____ %	_____
240,000	2032	_____ %	_____ %	_____	390,000	2042	_____ %	_____ %	_____
250,000	2033	_____ %	_____ %	_____	410,000	2043	_____ %	_____ %	_____
265,000	2034	_____ %	_____ %	_____	430,000	2044	_____ %	_____ %	_____
280,000	2035	_____ %	_____ %	_____	450,000	2045	_____ %	_____ %	_____

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

*Subject to change

THE SERIES 2026B BONDS

Issue:	\$2,260,000* Taxable General Obligation Bonds, Series 2026B (the “Series 2026B Bonds”).
Principal Due:	Serially each December 1, commencing December 1, 2029 through 2045, as detailed below.
Optional Redemption:	The Series 2026B Bonds maturing on or after December 1, 2034, inclusive, are callable at the option of the Village on any date on or after December 1, 2033, at a price of par plus accrued interest to the redemption date. If less than all the Series 2026B Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot. See “OPTIONAL REDEMPTION – The Series 2026B Bonds” herein.
Purpose:	The Series 2026B Bonds are being issued for land acquisition and to pay the costs of issuing the Series 2026B Bonds. See “THE PROJECTS” herein.
Tax Matters:	In the opinion of Bond Counsel, interest on the Series 2026B Bonds is includible in gross income of the owners thereof for federal income tax purposes. See “CERTAIN FEDERAL INCOME TAX CONSIDERATIONS – THE SERIES 2026B BONDS” and “STATE TAX MATTERS – THE SERIES 2026B BONDS” herein for a more complete discussion.

AMOUNTS*, MATURITIES, INTEREST RATES, YIELDS AND CUSIP NUMBERS

Principal Amount*	Due Dec. 1	Interest Rate	Yield	CUSIP Number(1)	Principal Amount*	Due Dec. 1	Interest Rate	Yield	CUSIP Number(1)
\$ 90,000	2029	_____ %	_____ %	_____	\$135,000	2038	_____ %	_____ %	_____
95,000	2030	_____ %	_____ %	_____	140,000	2039	_____ %	_____ %	_____
100,000	2031	_____ %	_____ %	_____	150,000	2040	_____ %	_____ %	_____
105,000	2032	_____ %	_____ %	_____	155,000	2041	_____ %	_____ %	_____
105,000	2033	_____ %	_____ %	_____	165,000	2042	_____ %	_____ %	_____
110,000	2034	_____ %	_____ %	_____	170,000	2043	_____ %	_____ %	_____
115,000	2035	_____ %	_____ %	_____	180,000	2044	_____ %	_____ %	_____
125,000	2036	_____ %	_____ %	_____	190,000	2045	_____ %	_____ %	_____
130,000	2037	_____ %	_____ %	_____					

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

*Subject to change

VILLAGE OF DEERFIELD
Lake and Cook Counties, Illinois

Daniel C. Shapiro
Village President

Village Board of Trustees

Robert Benton
Larry Berg

Jennifer Goldstone
Jesse Greenberg

Elaine Jacoby
Mary Oppenheim

Officials

Kent S. Street
Village Manager

Eric L. Burk
Director of Finance

Justin Keenan
Assistant Village Manager

Steven M. Elrod, Esq.
Elrod Friedman LLP
Village Attorney

INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning the Village of Deerfield, Illinois (the “Village”), in connection with the offering and sale of its \$5,990,000* General Obligation Bonds, Series 2026A (the “Series 2026A Bonds”) and \$2,260,000* Taxable General Obligation Bonds, Series 2026B Bonds (the “Series 2026B Bonds” and together with the Series 2026A Bonds, the “Bonds”).

This Official Statement contains “forward-looking statements” that are based upon the Village’s current expectations and its projections about future events. When used in this Official Statement, the words “project,” “estimate,” “intend,” “expect,” “scheduled,” “pro-forma” and similar words identify forward-looking statements. Forward-looking statements are subject to known and unknown risks, uncertainties and factors that are outside of the control of the Village. Actual results could differ materially from those contemplated by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Neither the Village nor any other party plans to issue any updates or revisions to these forward-looking statements based on future events.

*Subject to change.

AUTHORIZATION, PURPOSE AND SECURITY

The Bonds are being issued pursuant to the home rule powers of the Village, under Section 6 of Article VII of the 1970 Constitution of the State of Illinois (the “State”), and pursuant to the bond ordinance expected to be adopted by the Board of Trustees of the Village on the 2nd day of February, 2026 (the “Bond Ordinance”). The Series 2026A Bond proceeds will be used to finance various capital improvements throughout the Village and pay the costs of issuing the Series 2026A Bonds. The Series 2026B Bond proceeds will be used for land acquisition and pay the costs of issuing the Series 2026B Bonds. See “**THE PROJECTS**” herein.

The Bonds constitute valid and legally binding full faith and credit general obligations of the Village, are payable from any funds of the Village legally available for such purpose, and all taxable property in the Village is subject to the levy of taxes to pay the same without limitation as to rate or amount. The Bond Ordinance provides for the levy of ad valorem taxes, unlimited as to rate or amount, upon all taxable property within the Village in amounts sufficient to pay, as and when due, all principal of and interest on the Bonds. The Bond Ordinance will be filed with the County Clerks of Lake and Cook Counties and will serve as authorization to said County Clerks to extend and collect the property taxes as set forth in the Bond Ordinance.

THE PROJECTS

The Series 2026A Bond proceeds will be used to finance various capital improvements throughout the Village and to pay the costs of issuing the Series 2026A Bonds. Such capital improvements include funding for the 2026 street rehabilitation and sidewalk replacement project, various sewer, water, and wastewater treatment facility improvements, and various improvements to village owned-real estate and buildings. These projects are anticipated to cost \$5,860,000, and are expected to be completed throughout 2026.

The Series 2026B Bonds are being issued for land acquisition and to pay the costs of issuing the Series 2026B Bonds. The Village is purchasing the property located at 700 Deerfield Road, which is located within its Downtown TIF and currently owned and occupied by US Bank.

SOURCES AND USES

The sources and uses of funds resulting from the Bonds are shown below:

	<u>The Series 2026A Bonds</u>	<u>The Series 2026B Bonds</u>
SOURCES:		
Principal Amount.....	\$ _____	\$ _____
Net Original Issue Premium	\$ _____	\$ _____
Total Sources.....	\$ _____	\$ _____
USES:		
Costs of the Project.....	\$ _____	\$ _____
Costs of Issuance(1)	\$ _____	\$ _____
Total Uses.....	\$ _____	\$ _____

Note: (1) Includes underwriter's discount, fixed costs of issuance and contingencies.

OPTIONAL REDEMPTION

The Series 2026A Bonds

The Series 2026A Bonds due December 1, 2026-2035, inclusive, are not subject to optional redemption. The Series 2026A Bonds due December 1, 2036-2045, inclusive, are callable in whole or in part on any date on or after December 1, 2035, at a price of par and accrued interest to the redemption date. If less than all the Series 2026A Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot.

The Series 2026B Bonds

The Series 2026B Bonds due December 1, 2029-2033, inclusive, are not subject to optional redemption. The Series 2026B Bonds due December 1, 2034-2045, inclusive, are callable in whole or in part on any date on or after December 1, 2033, at a price of par and accrued interest to the redemption date. If less than all the Series 2026B Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot.

NOTICE OF REDEMPTION

Notice of the redemption of Bonds shall be mailed not less than 30 days nor more than 60 days prior to the date fixed for such redemption to the registered owners of Bonds to be redeemed at their last addresses appearing on said registration books. The Bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for payment of the redemption price of all the Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, and if notice of redemption shall have been mailed as aforesaid (and notwithstanding any defect therein or the lack of actual receipt thereof by any registered owner) then from and after the redemption date interest on such Bonds or portions thereof shall cease to accrue and become payable.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as described above and in the Bond Ordinance, the Bonds or portions of Bonds so to be redeemed will, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Village shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds will be paid by the Bond Registrar at the redemption price.

RISK FACTORS

The purchase of the Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Bonds should make an independent evaluation of the entirety of the information presented in this Official Statement and its appendices in order to make an informed investment decision. Certain of the investment risks are described below. The following statements, however, should not be considered a complete description of all risks to be considered in the decision to purchase the Bonds, nor should the order of the presentation of such risks be construed to reflect the relative importance of the various risks. There can be no assurance that other risk factors are not material or will not become material in the future.

Construction Risks

There are potential risks that could affect the ability of the Village to timely complete the Project. While preliminary costs have been projected by the Village's consulting architects, not all of the construction contracts have been let by the Village. No assurance can be given that the cost of completing the Project will not exceed available funds. Completion of the Project involves many risks common to construction projects such as shortages or delays in the availability of materials and labor, work stoppages, labor disputes, contractual disputes with contractors or suppliers, weather interferences, construction accidents, delays in obtaining legal approvals, unforeseen engineering, archeological or environmental problems and unanticipated cost increases, any of which could give rise to significant delays or cost overruns.

Finances of the State of Illinois

While the finances of the State have significantly improved in recent years, the State continues to deal with a severe underfunding of its pension systems, which, based on the comprehensive annual financial reports of the State's five retirement systems, have a combined unfunded pension liability of approximately \$140 billion and a combined funded ratio of approximately 45%. Also, despite nine credit rating upgrades since June 2021, the State's long term general obligation bonds carry the lowest ratings of all states.

Under current law, the State shares a portion of sales tax, income tax and motor fuel tax revenue with municipalities, including the Village. The State's general fiscal condition and the underfunding of the State's pension systems have materially adversely affected the State's financial condition and may result in decreased or delayed revenues allocated to the Village in future years. Over time, the State has reduced the share of certain of these revenue sources, particularly income tax revenues, that are distributed to local governments, such as the Village, through the Local Government Distributive Fund. With respect to income tax revenues, prior to State fiscal year 2011, 10% of income tax revenues were divided among municipalities in the State. That amount was reduced to 5.45% by State fiscal year 2015. In the State's budget for the fiscal year ending June 30, 2023, the portions distributed to local governments were 6.16% and 6.85% of individual and corporate income taxes, respectively. In the State's budget for the fiscal year ended June 30, 2024, the amounts distributed to local governments are 6.47% and 6.85% of individual and corporate income taxes, respectively. In the State's budget for the fiscal year ended June 30, 2025, the portions distributed to local governments are 6.47% and 6.845% of individual and corporate income taxes, respectively.

In addition, the State's recent budgets have contained provisions reducing the amount of income tax revenue to be deposited into the Local Government Distributive Fund for distribution to municipalities, like the Village, by 10% for State fiscal year 2018 and by 5% for State fiscal year 2019 and State fiscal year 2020. All State budgets since the State fiscal year 2020 budget have not included such a reduction. Each State budget since the budget for State fiscal year 2018 has also included a service fee for collection and processing of local imposed sales taxes. Such fee was 2% of such sales taxes for State fiscal year 2018 and was reduced to 1.5% of such sales taxes beginning in State fiscal year 2019.

Pursuant to recent legislation passed by the Illinois General Assembly (House Bill 3144) and signed by the Governor, food for human consumption that is to be consumed off the premises where it is sold (other than alcoholic beverages, food consisting of or infused with adult use cannabis, soft drinks, candy, and food that has been prepared for immediate consumption) will be exempt from sales tax beginning January 1, 2026. Under House Bill 3144, the corporate authorities of any municipality may, by ordinance or resolution that takes effect on or after January 1, 2026, impose a tax upon all persons engaged in the business of selling groceries at retail in the municipality on the gross receipts from those sales made in the course of that business. If imposed, the tax shall be at the rate of 1% of the gross receipts from these sales.

On June 16, 2025, the Village approved the implementation of a 1% local grocery tax, beginning collection on January 1, 2026 to replace the tax eliminated by the State.

The Village can give no assurance that there will not be additional changes in applicable law modifying the manner in which local revenue sharing is allocated by the State, nor can the Village predict the effect the State's financial problems may have on the Village's future finances.

Future Pension Plan Funding Requirements

The Village participates in the Police Pension Plan, as hereinafter defined. Under the Illinois Pension Code, as amended (the "Pension Code"), the Village is required to contribute to the plan in order to achieve a Funded Ratio of 90% by 2040. In order to achieve the 90% Funded Ratio for the plan by 2040, it is expected that the annual employer contributions required by the Village will increase over time. The Village also participates in the Illinois Municipal Retirement Plan (the "IMRF Plan"), which is a defined benefit pension plan administered by the Illinois Municipal Retirement Fund ("IMRF"); employer contributions are projected by IMRF to increase over time. Increasing annual required employer contributions for the Village could have a material adverse effect on the finances of the Village.

The Pension Code allows the State Comptroller, after proper procedures have taken place, to divert State payments intended for the Village to the Police Pension Plan to satisfy contribution shortfalls by the Village. If the Village does not make 100% of its annual required contributions to the Police Pension Plan, the Village may have revenues withheld by the State Comptroller. Such withholdings by the State Comptroller could adversely affect the Village's financial health and operations. See "**EMPLOYEE RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS**" herein for a more complete discussion.

Cybersecurity

Computer networks and data transmission and collection are vital to the efficient operation of the Village. Despite the implementation of network security measures by the Village, its information technology and infrastructure may be vulnerable to deliberate attacks by hackers, malware, ransomware or computer virus, or may otherwise be breached due to employee error, malfeasance or other disruptions. Any such breach could compromise networks and the information stored thereon could be disrupted, accessed, publicly disclosed, lost or stolen. Although the Village does not believe that its information technology systems are at a materially greater risk of cybersecurity attacks than other similarly situated governmental entities, any such disruption, access, disclosure or other loss of information could have an adverse effect on the Village's operations and financial health. Further, as cybersecurity threats continue to evolve, the Village may be required to expend significant additional resources to continue to modify and strengthen security measures, investigate and remediate any vulnerabilities, or invest in new technology designed to mitigate security risks.

Local Economy

The financial health of the Village is in part dependent on the strength of the local economy. Many factors affect the local economy, including rates of employment and economic growth and the level of residential and commercial development. It is not possible to predict to what extent any changes in economic conditions, demographic characteristics, population or commercial and industrial activity will occur and what impact such changes would have on the finances of the Village.

Declining Equalized Assessed Valuations

The amount of property taxes extended for the Village is determined by applying the various operating tax rates and the bond and interest tax rate levied by the Village to the Village's Equalized Assessed Valuation ("EAV"). The Village's EAV could decrease for a number of reasons including, but not limited to, a decline in property values or large taxpayers moving out of the Village. As detailed herein, the Village's EAV has declined at times over the past five years. Declining EAVs and increasing tax rates could reduce the amount of taxes the Village is able to receive.

Loss or Change of Bond Rating

The Bonds have received a credit rating from Moody's. The rating can be changed or withdrawn at any time for reasons both under and outside the Village's control. Any change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

Secondary Market for the Bonds

No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The hereinafter-defined Underwriter is not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof.

Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

Continuing Disclosure

A failure by the Village to comply with the Continuing Disclosure Undertaking for continuing (see "CONTINUING DISCLOSURE" herein) will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, and may adversely affect the transferability and liquidity of the Bonds and their market price.

Suitability of Investment

The interest rates borne by the Bonds are intended to compensate the investor for assuming the risk of investing in the Bonds. Furthermore, the tax-exempt feature of the Bonds is currently more valuable to high tax bracket investors than to investors that are in low tax brackets. As such, the value of the interest compensation to any particular investor will vary with individual tax rates and circumstances. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

Future Changes in Laws

Various state and federal laws, regulations and constitutional provisions apply to the Village and to the Bonds. The Village can give no assurance that there will not be a change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the Village, or the taxing authority of the Village. For example, many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by State government. Future actions of the State may affect the overall financial conditions of the Village, the taxable value of property within the Village, and the ability of the Village to levy property taxes or collect revenues for its ongoing operations.

Factors Relating to Tax Exemption

As discussed under **“TAX MATTERS – THE SERIES 2026A BONDS”**, **“CERTAIN FEDERAL INCOME TAX CONSIDERATIONS – THE SERIES 2026B BONDS”** and **“STATE MATTERS – THE SERIES 2026B BONDS”** herein, interest on the Bonds could become includible in gross income for purposes of federal income taxation, retroactive to the date the Bonds were issued, as a result of future acts or omissions of the Village in violation of its covenants in the Bond Ordinance. Should such an event of taxability occur, the Bonds are not subject to any special redemption.

There are or may be pending in the Congress of the United States (“Congress”) legislative proposals relating to the federal tax treatment of interest on the Bonds, including some that carry retroactive effective dates, that, if enacted, could affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to Bonds issued prior to enactment. Finally, reduction or elimination of the tax-exempt status of obligations such as the Bonds could have an adverse effect on the Village’s ability to access the capital markets to finance future capital or operational needs by reducing market demand for such obligations or materially increasing borrowing costs of the Village.

The tax-exempt bond office of the Internal Revenue Service (the “Service”) is conducting audits of tax-exempt bonds, both compliance checks and full audits, with increasing frequency to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether the Service will commence any such audit. If an audit is commenced, under current procedures the Service may treat the Village as a taxpayer and the Bondholders may have no right to participate in such proceeding. The commencement of an audit with respect to any tax-exempt obligations of the Village could adversely affect the market value and liquidity of the Bonds, regardless of the ultimate outcome.

Bankruptcy

The rights and remedies of the Bondholders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors’ rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Bonds will be similarly qualified.

Climate Change Risk

There are potential risks to the State, the Village and their respective financial condition that are associated with changes to the climate over time and with increases in the frequency, timing and severity of extreme weather events, causing or increasing the severity of flooding and other natural disasters. The Village cannot predict how or when various climate change risks may occur, nor can it quantify the impact on the State or the Village, its population or its financial condition. Over time, the costs could be significant and could have a material adverse effect on the Village’s finances.

THE VILLAGE

The Village, incorporated in 1903, is located in Lake County with a portion in Cook County and covers an area of approximately 7.0 square miles. The Village is a home-rule unit of government pursuant to a referendum on April 15, 1975 and operates under the council/manager form of government. The Illinois Tri-State Toll-road (Interstate 94) runs through the western part of the Village and the Toll-road spur connecting the Tri-State Toll-road and Eden's Expressway (four miles east) is the approximate southern boundary of the Village. The Village is home to many corporate headquarters, research centers and facilities for many well-known national and international companies. The Village had a population of 19,196 as of the 2020 U.S. Census.

Village Government and Services

The Village is governed by a Village President, often called the Mayor, and a six member Board of Trustees, all of whom are elected for a four year staggered term, and who serve without pay. The Board is the legislative body of the Village government. The administrative work is performed under the direction of the Village Manager, who is salaried and appointed by the Village President and Board of Trustees. There are eighteen boards and commissions appointed to assist the Village Board in its policy-making decisions. While most operate at the sole discretion of the Village Board, some have specific duties and obligations established by state law. The overall communication process between the Village and its residents is enhanced through the voluntary service of more than 100 citizens who serve as advisors to the Village President and the Board of Trustees.

The Village has purchased Lake Michigan water from the City of Highland Park on a contractual basis since 1913. The Village maintains three pumps at the reservoir in Highland Park and has 78 miles of water mains through which some one billion gallons per year are passed. The Village has a one million gallon elevated tank and a 4.3 MG underground reservoir. Natural gas is provided by North Shore Gas, cable television is provided by Comcast and AT&T Broadband, and telephone service is provided by AT&T and various other companies.

The Village is served by separate sanitary sewers (70 miles) and storm sewers (70 miles) with treatment provided by the Village owned sewage treatment plant. A portion of the west side (all villages west of the tollway) sewer service is by Lake County. The Village's most recent treatment plant expansion was completed in 2013.

The Deerfield Police Department consists of 43 sworn officers and has been a fully accredited agency with CALEA since 2005. Each squad car is equipped with a laptop computer, which is linked to a variety of different resources; there are a total of ten marked patrol cars. The officer is able to send and receive messages from dispatch and other officers in the field. The computers also connect to different state and federal databases, enabling officers to run criminal history background checks, obtain license information, as well as a wealth of other information.

Fire protection and paramedic services are provided by the Deerfield-Bannockburn Fire Protection District, a separate taxing jurisdiction, which houses 43 sworn personnel and 3 civilian personnel at its station in Deerfield and Bannockburn. The District's Deerfield fire station was occupied in July, 1996. The Bannockburn fire station in the northern part of the District was completed in June, 1998. Both stations were constructed from funds on hand. The excellence of the District and the Village's water system has resulted in a high Class 3 fire insurance rating.

The Deerfield Public Library was first opened in 1927 with a total of 700 books. The library was originally housed in the Deerfield Grammar School, it then moved to 762 Waukegan Road, then to 860 Waukegan Road. The Library is now permanently located at 920 Waukegan Road with a total of over 200,000 items.

Education

There are seven public schools, which include four elementary schools, two middle schools and one high school that serve the Village. The area also has two private elementary schools and two private high schools in the Village. Trinity International University is the only college adjacent the Village.

In addition, there are many higher educational opportunities within the surrounding areas such as National-Lewis University, Kendall College, Lake Forest College and Roosevelt University. Other educational institutions in surrounding communities include DePaul University, Dominican University, Northeastern University and Robert Morris College as well as the many other colleges and universities within the Chicago-land area.

Recreation

The Deerfield Park District was created in 1951 and serves virtually all of the Village's resident population and a portion of the Village of Riverwoods. The District system operates on revenue received from the district's share of real estate property taxes and user fees. The District owns more than 350 acres of land which includes 20 park sites, an 18-hole golf course, two outdoor pools, a nature area, a skate park, two community centers, a multi-use recreation center and approximately 900 leisure/recreation programs per year.

Transportation

Commuters have transportation to Chicago via the Metra Milwaukee District Railroad, with two stations and parking for over 500 cars at each station. The Lake-Cook station area employers participate in a commuter shuttle service program which takes commuters to and from the station. The stations are both served by Pace buses. Deerfield is located one mile west of Route 41, a direct auto route to Chicago or Wisconsin. The Tollway (I-294) goes north to Wisconsin and south to I-80 which is the Illinois connection to Indiana and Iowa. Deerfield is within 15 miles of Chicago's O'Hare International Airport; a short ride down the Tri-State Tollway with access from both Deerfield Road and Lake Cook Road in Deerfield. O'Hare Airport is a 25 minute drive, Midway Airport is a 1 hour 20 minute drive, Chicago Executive Airport is a 10 minute drive, Mitchell Field in Milwaukee is a 50 minute drive, and the Loop is a 45 minute drive.

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SOCIOECONOMIC INFORMATION

The following statistics principally pertain to the Village with additional comparisons with Lake County, Cook County, and the State.

Major Village Employers(1)

Name	Product/Service	Approximate Employees
Walgreens Boots Alliance, Inc.	Company Headquarters; Pharmacy and Drugstore	5,700
Baxter International, Inc.	Corporate Headquarters; Pharmaceutical Products	1,700
Baxter Healthcare Corp.	Corporate Headquarters; Pharmaceutical Products	800
Essendant Co.	Company Headquarters; Office Equipment	800
Deerfield Park District	Park District	500
Deerfield School District 109	Education	421
Alight Solutions, LLC	HR & Benefits Services	400
Miller, Cooper & Co., Ltd.	Company Headquarters and Accounting and Management Consulting Firms	400
Horizon Therapeutics USA, Inc.	Pharmaceuticals	300
Oracle America, Inc.	Database Software and Services	300

Note: (1) Source: 2025 Illinois Manufacturers Directory, 2025 Illinois Services Directory and a selective telephone survey.

Major Area Employers(1)

Location	Name	Product/Service	Approximate Employment
Buffalo Grove	Siemens Industry, Inc.	Building Control Systems	1,800
Wheeling	Durable Packaging International, Inc.	Aluminum Foil and Packaging Products	1,500
Northbrook	UL Solutions	Corporate Headquarters; Product Testing and Certification	1,500
Northbrook	Astellas Pharma US, Inc.	Corporate Headquarters; Pharmaceutical Research Laboratories	1,150
Glenview	Anixter, Inc.	Corporate Headquarters; Telecommunications Products	1,000
Glenview	Kraft Heinz Foods Company	Company Headquarters; Food Products	1,000
Wheeling	Handi-Foil Corp.	Aluminum Foil and Packaging Products	800
Wheeling	SG360	Corporate Headquarters; Digital Printing	760
Northbrook	Highland Baking Co., Inc.	Bread Manufacturer and Distributer	615
Glenview	Illinois Tool Works, Inc.	Corporate Headquarters; Industrial Equipment and Supplies	586
Buffalo Grove	ESS	Business Consulting Services	550

Note: (1) Source: 2025 Illinois Manufacturers Directory and the 2025 Illinois Services Directory.

The following tables show employment by industry and by occupation for the Village, Cook County, Lake County, and the State as reported by the U.S. Census Bureau 2019-2023 American Community Survey 5-Year Estimates (the "2019-2023 ACS") released by the U.S. Census Bureau in December 2024.

Employment By Industry(1)

Classification	The Village		Cook County		Lake County		The State	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	0	0.0%	5,014	0.2%	1,184	0.3%	64,288	1.0%
Construction	248	2.5%	120,465	4.7%	17,826	5.0%	338,825	5.4%
Manufacturing	1,025	10.2%	242,723	9.4%	56,167	15.7%	728,327	11.6%
Wholesale Trade	331	3.3%	61,180	2.4%	14,130	4.0%	168,508	2.7%
Retail Trade	1,033	10.3%	236,793	9.1%	40,438	11.3%	650,779	10.4%
Transportation and Warehousing, and Utilities	151	1.5%	201,110	7.8%	15,502	4.3%	433,291	6.9%
Information	185	1.8%	51,027	2.0%	5,050	1.4%	103,644	1.7%
Finance and Insurance, and Real Estate and Rental and Leasing	1,332	13.2%	217,703	8.4%	28,899	8.1%	462,565	7.4%
Professional, Scientific, and Management, and Administrative and Waste Management Services	2,238	22.2%	411,128	15.9%	51,170	14.3%	794,813	12.7%
Educational Services and Health Care and Social Assistance	2,329	23.1%	608,303	23.5%	72,173	20.2%	1,470,742	23.5%
Arts, Entertainment and Recreation and Accommodation and Food Services	699	6.9%	221,832	8.6%	30,187	8.4%	516,702	8.3%
Other Services, Except Public Administration	361	3.6%	122,385	4.7%	13,668	3.8%	285,896	4.6%
Public Administration	140	1.4%	90,955	3.5%	10,945	3.1%	234,863	3.8%
Total	10,072	100.0%	2,590,618	100.0%	357,339	100.0%	6,253,243	100.0%

Note: (1) Source: 2019-2023 ACS.

Employment By Occupation(1)

Classification	The Village		Cook County		Lake County		The State	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Management, Business, Science and Arts	6,924	68.7%	1,181,349	45.6%	169,315	47.4%	2,660,678	42.5%
Service	742	7.4%	416,526	16.1%	50,380	14.1%	996,806	15.9%
Sales and Office	2,015	20.0%	491,974	19.0%	72,463	20.3%	1,235,237	19.8%
Natural Resources, Construction, and Maintenance	146	1.4%	149,254	5.8%	20,112	5.6%	443,661	7.1%
Production, Transportation, and Material Moving	245	2.4%	351,515	13.6%	45,069	12.6%	916,861	14.7%
Total.....	10,072	100.0%	2,590,618	100.0%	357,339	100.0%	6,253,243	100.0%

Note: (1) Source: 2019-2023 ACS.

Unemployment Rates

The unemployment rates for the Village, Lake County, Cook County and the State are listed below.

Annual Average Unemployment Rates(1)

Calendar Year	The Village	Lake County	Cook County	The State
2021	3.5%	5.4%	7.0%	6.1%
2022	3.0%	4.4%	5.0%	4.6%
2023	3.8%	5.1%	4.5%	4.5%
2024	3.8%	5.0%	5.4%	5.0%
2025(2)	N/A	4.6%	4.9%	4.7%

Notes: (1) Source: Illinois Department of Employment Security.
(2) Preliminary rates as of August 2025.

Building Permits

Village Building Permits(1) (Excludes the Value of Land)

Calendar Year	Commercial Construction		Residential Construction		Total Value
	Number of Units	Value	Number of Units	Value	
2021	138	\$26,949,288	1,200	\$28,688,084	\$ 55,637,372
2022	103	28,866,450	1,048	35,433,816	64,300,266
2023	70	21,603,593	1,745	55,412,575	77,016,168
2024	52	51,613,944	1,144	59,664,482	111,278,426
2025	57	60,873,672	1,117	43,744,912	104,618,584

Note: (1) Source: the Village.

Housing

The 2019-2023 ACS reported that the median value of the Village's owner-occupied homes was \$608,600. This compares to \$305,200 for Cook County, \$326,600 for Lake County and \$250,500 for the State. The following table represents the five year average market value of specified owner-occupied units for the Village, Cook County, Lake County and the State at the time of the 2019-2023 ACS.

Home Values(1)

	The Village		Cook County		Lake County		The State	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under \$50,000	0	0.0%	41,998	3.5%	5,826	3.1%	179,713	5.4%
\$50,000 to \$99,999	15	0.2%	40,050	3.3%	3,494	1.8%	293,418	8.8%
\$100,000 to \$149,999	27	0.4%	84,534	7.1%	11,705	6.1%	373,012	11.2%
\$150,000 to \$199,999	83	1.3%	117,090	9.8%	22,520	11.8%	402,625	12.0%
\$200,000 to \$299,999	250	4.0%	303,912	25.4%	43,436	22.7%	796,642	23.8%
\$300,000 to \$499,999	1,730	27.9%	361,818	30.2%	55,491	29.1%	836,453	25.0%
\$500,000 to \$999,999	3,350	54.0%	193,482	16.1%	38,891	20.4%	373,844	11.2%
\$1,000,000 or more	744	12.0%	55,950	4.7%	9,600	5.0%	87,327	2.6%
Total	6,199	100.0%	1,198,834	100.0%	190,963	100.0%	3,343,034	100.0%

Note: (1) Source: 2019-2023 ACS.

Mortgage Status(1)

	The Village		Cook County		Lake County		The State	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Housing Units with a Mortgage	4,148	66.9%	754,757	63.0%	124,587	65.2%	2,056,770	61.5%
Housing Units without a Mortgage	2,051	33.1%	444,077	37.0%	66,376	34.8%	1,286,264	38.5%
Total	6,199	100.0%	1,198,834	100.0%	190,963	100.0%	3,343,034	100.0%

Note: (1) Source: 2019-2023 ACS.

Income

Per Capita Personal Income for the Highest Income Counties in the State(1)

Ranking	County	2019 to 2023
1	DuPage County	\$57,051
2	Lake County	55,756
3	Monroe County	49,438
4	McHenry County	48,275
5	Cook County	47,801
6	Will County	46,216
7	Kane County	46,013
8	Grundy County	43,744
9	Piatt County	43,547
10	Kendall County	43,127

Note: (1) Source: The 2019-2023 ACS.

The following shows the median family income for certain counties in the State.

Ranking of Median Family Income(1)

County	Family Income	Ranking
DuPage County.....	\$136,376	1
Lake County.....	132,828	2
Monroe County.....	128,922	3
Will County.....	124,227	4
McHenry County.....	121,624	5
Kendall County.....	119,150	6
Kane County.....	116,477	7
Cook County.....	102,297	12

Note: (1) Source: The 2019-2023 ACS.

The 2019-2023 ACS reported that the Village had a median family income of \$211,942. This compares to \$102,297 for Cook County, \$132,828 for Lake County and \$103,504 for the State. The following table represents the distribution of family incomes for the Village, Cook County, Lake County and the State at the time of the 2019-2023 ACS.

Family Income(1)

	The Village		Cook County		Lake County		The State	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under \$10,000.....	38	0.7%	42,405	3.5%	3,204	1.7%	92,276	2.9%
\$10,000 to \$14,999.....	9	0.2%	22,515	1.9%	1,575	0.9%	49,504	1.6%
\$15,000 to \$24,999.....	60	1.1%	51,737	4.3%	5,006	2.7%	115,394	3.7%
\$25,000 to \$34,999.....	60	1.1%	63,491	5.2%	5,400	2.9%	144,347	4.6%
\$35,000 to \$49,999.....	106	1.9%	102,147	8.4%	10,543	5.7%	255,343	8.2%
\$50,000 to \$74,999.....	272	4.8%	162,053	13.4%	19,460	10.6%	440,350	14.1%
\$75,000 to \$99,999.....	291	5.2%	147,639	12.2%	20,782	11.3%	413,051	13.2%
\$100,000 to \$149,999.....	883	15.7%	232,849	19.2%	38,026	20.7%	664,299	21.2%
\$150,000 to \$199,999.....	824	14.7%	150,406	12.4%	26,873	14.6%	404,823	12.9%
\$200,000 or more.....	<u>3,078</u>	<u>54.8%</u>	<u>235,857</u>	<u>19.5%</u>	<u>53,070</u>	<u>28.9%</u>	<u>552,865</u>	<u>17.7%</u>
Total.....	5,621	100.0%	1,211,099	100.0%	183,939	100.0%	3,132,252	100.0%

Note: (1) Source: 2019-2023 ACS.

The 2019-2023 ACS reported that the Village had a median household income of \$189,705. This compares to \$81,797 for Cook County, \$108,917 for Lake County and \$81,702 for the State. The following table represents the distribution of household incomes for the Village, Cook County, Lake County and the State at the time of the 2019-2023 ACS.

Household Income(1)

	The Village		Cook County		Lake County		The State	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under \$10,000.....	173	2.3%	124,398	6.0%	8,797	3.4%	262,472	5.2%
\$10,000 to \$14,999.....	87	1.2%	79,619	3.8%	4,678	1.8%	167,954	3.4%
\$15,000 to \$24,999.....	144	1.9%	131,723	6.3%	11,869	4.6%	312,209	6.2%
\$25,000 to \$34,999.....	245	3.3%	135,473	6.5%	11,956	4.7%	325,873	6.5%
\$35,000 to \$49,999.....	263	3.5%	199,836	9.6%	18,864	7.3%	493,412	9.9%
\$50,000 to \$74,999.....	483	6.5%	297,564	14.3%	32,059	12.5%	755,975	15.1%
\$75,000 to \$99,999.....	390	5.2%	256,665	12.3%	29,945	11.7%	637,303	12.7%
\$100,000 to \$149,999.....	1,224	16.4%	356,146	17.1%	48,521	18.9%	896,614	17.9%
\$150,000 to \$199,999.....	986	13.2%	201,564	9.7%	31,225	12.2%	494,802	9.9%
\$200,000 or more.....	<u>3,448</u>	<u>46.3%</u>	<u>301,590</u>	<u>14.5%</u>	<u>58,746</u>	<u>22.9%</u>	<u>655,290</u>	<u>13.1%</u>
Total.....	7,443	100.0%	2,084,578	100.0%	256,660	100.0%	5,001,904	100.0%

Note: (1) Source: 2019-2023 ACS.

Retail Activity

Following is a summary of the Village's sales tax receipts as collected and disbursed by the Illinois Department of Revenue.

Retailers' Occupation, Service Occupation and Use Tax(1)

Calendar Year	Municipal Tax(2)	Percent Change + (-)	Municipal Home Rule Sales Tax	Percent Change + (-)	Total	Percent Change + (-)
2020	\$3,296,050	(20.82%)	\$2,353,076	(28.22%)	\$ 5,649,126	(24.08%)
2021	5,264,960	59.74%	4,250,828	80.65%	9,515,787	68.45%
2022	5,576,527	5.92%	4,542,442	6.86%	10,118,969	6.34%
2023	4,661,499	(16.41%)	3,497,809	(23.00%)	8,159,308	(19.37%)
2024	4,486,336	(3.76%)	3,032,849	(13.29%)	7,519,184	(7.85%)
Growth from 2020 to 2024	36.11%		28.89%		33.10%	

Notes: (1) Source: Illinois Department of Revenue.
(2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Tax, collected on behalf of the Village, less a State administration fee. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State.

Public Act 101-0009, effective June 5, 2019, included the "Leveling the Playing Field for Illinois Retailers Act." This legislation requires certain remote retailers to collect and remit state and locally-imposed sales taxes for the jurisdiction where the product is delivered (destination) starting on July 1, 2020. Information from the Illinois Municipal League (IML) indicates that "local governments could receive \$92 million per state fiscal year." There will, however, be a decrease in collections of Use Tax. Ultimately, the IML anticipates that municipalities will experience a net increase as a result of Public Act 101-0009.

DEFAULT RECORD

The Village has no record of default and has met its debt repayment obligations promptly.

SHORT-TERM BORROWING

The Village has not issued tax anticipation warrants or revenue anticipation notes during the last five years to meet its short-term current year cash flow requirements.

DEBT INFORMATION

After issuance of the Bonds, the Village will have outstanding \$56,580,000* principal amount of general obligation debt. A portion of the Village's outstanding general obligation debt is expected to be repaid by sources other than property taxes.

Except for the Bonds, the Village does not intend to issue any debt within the next twelve months.

*Subject to change.

General Obligation Bonded Debt(1) **(Principal Only)**

Calendar Year	Taxable Series 2011B (QSEB)(2)	Series 2015 (12/1)	Series 2017 (12/1)	Series 2018 (12/1)	Series 2020 (12/1)	Series 2021 (12/1)	The Bonds(3)		Total Principal Outstanding(3)	Cumulative Principal Retired(3)	
	(12/1)						Series 2026A (12/1)	Series 2026B (12/1)		Amount	Percent
2026	\$ 0	\$ 510,000	\$ 320,000	\$ 295,000	\$ 645,000	\$ 1,100,000	\$ 240,000	\$ 0	\$ 3,110,000	\$ 3,110,000	5.50%
2027	0	530,000	330,000	310,000	665,000	1,175,000	190,000	0	3,200,000	6,310,000	11.15%
2028	12,480,000	545,000	345,000	320,000	685,000	975,000	200,000	0	15,550,000	21,860,000	38.64%
2029	0	560,000	0	325,000	700,000	2,795,000	210,000	90,000	4,680,000	26,540,000	46.91%
2030	0	575,000	0	335,000	705,000	2,950,000	220,000	95,000	4,880,000	31,420,000	55.53%
2031	0	595,000	0	350,000	0	3,470,000	230,000	100,000	4,745,000	36,165,000	63.92%
2032	0	610,000	455,000	360,000	0	950,000	240,000	105,000	2,720,000	38,885,000	68.73%
2033	0	630,000	475,000	370,000	0	970,000	250,000	105,000	2,800,000	41,685,000	73.67%
2034	0	650,000	490,000	385,000	0	985,000	265,000	110,000	2,885,000	44,570,000	78.77%
2035	0	0	510,000	395,000	0	1,005,000	280,000	115,000	2,305,000	46,875,000	82.85%
2036	0	0	525,000	410,000	0	1,025,000	290,000	125,000	2,375,000	49,250,000	87.04%
2037	0	0	0	425,000	0	1,045,000	305,000	130,000	1,905,000	51,155,000	90.41%
2038	0	0	0	0	0	1,070,000	320,000	135,000	1,525,000	52,680,000	93.11%
2039	0	0	0	0	0	0	340,000	140,000	480,000	53,160,000	93.96%
2040	0	0	0	0	0	0	355,000	150,000	505,000	53,665,000	94.85%
2041	0	0	0	0	0	0	375,000	155,000	530,000	54,195,000	95.78%
2042	0	0	0	0	0	0	390,000	165,000	555,000	54,750,000	96.77%
2043	0	0	0	0	0	0	410,000	170,000	580,000	55,330,000	97.79%
2044	0	0	0	0	0	0	430,000	180,000	610,000	55,940,000	98.87%
2045	0	0	0	0	0	0	450,000	190,000	640,000	56,580,000	100.00%
Total	\$12,480,000	\$5,205,000	\$3,450,000	\$4,280,000	\$3,400,000	\$19,515,000	\$5,990,000	\$2,260,000	\$56,580,000		

- Notes: (1) Source: The Village.
(2) The Village has established a mandatory sinking fund for the Series 2011B Bonds and has agreed to make annual sinking fund payments on December 1 of each year equaling \$725,000 through 2027 and \$900,000 upon maturity in 2028. The sinking fund is held by the Village.
(3) Subject to change.

Detailed Overlapping Bonded Debt(1)

	Outstanding Debt(2)	Applicable to the Village	
		Percent(3)	Amount
Schools:			
School District Number 27	\$ 36,435,000	10.51%	\$ 3,829,319
School District Number 28	14,725,000	5.78%	851,105
School District Number 109	15,310,000	78.76%	12,058,156
Township High School District Number 113	127,605,000	28.85%	36,814,043
Township High School District Number 225	19,385,000	2.72%	527,272
Community College District No. 532	65,840,000	4.56%	3,002,304
Community College District No. 535	51,230,000	0.67%	343,241
Total Schools			\$57,425,439
Others:			
Lake County	\$ 119,280,000	4.35%	\$ 5,188,680
Lake County Forest Preserve District	174,800,000	4.35%	7,603,800
Cook County	1,930,491,280	0.10%	1,930,491
Cook County Forest Preserve District	70,975,000	0.10%	70,975
Metropolitan Water Reclamation District of Greater Chicago	2,555,076,024	0.10%	2,555,076
Deerfield Park District	4,560,000	97.79%	4,459,224
Northbrook Park District	14,095,000	3.12%	439,764
Park District of Highland Park	13,615,000	1.26%	171,549
Northwest Mosquito Abatement District	6,360,000	0.35%	22,260
Total Others			\$22,441,819
Total Schools and Others Overlapping Bonded Debt			\$79,867,258

- Notes: (1) Source: Lake and Cook County Clerks and the MSRB's Electronic Municipal Market Access website ("EMMA").
(2) Outstanding debt as of December 9, 2025. Includes original principal amounts of capital appreciation bonds and alternate revenue bonded debt. Excludes debt certificates.
(3) Overlapping percentages are based on 2024 EAV, the most current available.

Statement of Bonded Indebtedness(1)

	Amount Applicable	Ratio To		Per Capita (2020 Census 19,196)
		EAV	Estimated Actual	
Assessed Valuation of Taxable Property, 2024	\$1,652,914,155	100.00%	33.33%	\$ 86,107.22
Estimated Actual Value, 2024	\$4,958,742,465	300.00%	100.00%	\$258,321.65
Village Direct Bonded Debt(2)	\$ 56,580,000	3.42%	1.14%	\$ 2,947.49
Overlapping Bonded Debt(3)				
Schools	\$ 57,425,439	3.47%	1.16%	\$ 2,991.53
All Others	22,441,819	1.36%	0.45%	1,169.09
Total Overlapping Bonded Debt	\$ 79,867,258	4.83%	1.61%	\$ 4,160.62
Total Net Direct & Overlapping Bonded Debt(2)	\$ 136,447,258	8.25%	2.75%	\$ 7,108.11

- Notes: (1) Source: Lake and Cook County Clerks and the Village.
(2) Includes the Bonds and is subject to change.
(3) Overlapping bonded debt as of December 9, 2025.

LEGAL DEBT MARGIN

As a home rule municipality under the Illinois Constitution, the Village has no constitutional or statutory legal debt limitations or property tax limits.

PROPERTY ASSESSMENT AND TAX INFORMATION

For the 2024 levy year, the Village's EAV was comprised of approximately 74.66% residential, 24.85% commercial, and less than 1% industrial valuations.

Equalized Assessed Valuation(1)

	Levy Years				
	2020	2021	2022	2023	2024(2)
By Property Class:					
Residential	\$1,080,979,802	\$1,076,443,157	\$1,122,864,566	\$1,155,347,904	\$1,231,893,187
Commercial	390,865,454	382,478,550	389,879,376	419,921,428	410,108,473
Industrial	7,686,905	7,090,769	7,469,940	7,935,727	8,064,947
Total	\$1,479,532,161	\$1,466,012,476	\$1,520,213,882	\$1,583,205,059	\$1,650,066,607
By County:					
Lake County	\$1,294,595,296	\$1,285,429,534	\$1,329,479,837	\$1,382,992,164	\$1,449,853,712
Cook County	184,936,865	180,582,942	190,734,045	200,212,895	203,060,443
Total	\$1,479,532,161	\$1,466,012,476	\$1,520,213,882	\$1,583,205,059	\$1,652,914,155
Percent change +(-).....	(2.93%)(3)	(0.91%)	3.70%	4.14%	4.40%

- Notes: (1) Source: Lake and Cook County Clerks.
(2) 2024 EAV by property class is currently unavailable for Cook County. Includes 2023 EAV by property class information for Cook County, the most current available.
(3) Percentage based on 2019 EAV of \$1,524,116,833.

Representative Tax Rates(1) (Per \$100 EAV)

	Levy Years				
	2020	2021	2022	2023	2024
Village Rates:					
Bond and Interest	\$0.318	\$0.334	\$0.326	\$0.312	\$0.299
Corporate	0.244	0.267	0.270	0.266	0.264
Library	0.284	0.300	0.291	0.291	0.292
Revenue Recapture.....	0.000	0.007	0.004	0.002	0.007
Total Village Rate	\$0.846	\$0.908	\$0.891	\$0.872	\$0.861
Others:					
Lake County (Including Forest Preserve).....	0.780	0.777	0.762	0.754	0.713
School District Number 109	3.292	3.453	3.614	3.631	3.597
Township High School District Number 113.....	2.391	2.486	2.525	2.477	2.396
Community College District No. 532	0.290	0.293	0.296	0.294	0.280
Deerfield Park District.....	0.580	0.605	0.620	0.625	0.617
Deerfield-Bannockburn Fire Protection District	0.676	0.705	0.713	0.708	0.709
All Other(2).....	0.048	0.050	0.049	0.045	0.044
Total(3).....	\$8.903	\$9.277	\$9.470	\$9.406	\$9.217

- Notes: (1) Source: Lake County Clerk.
(2) Includes the Township of West Deerfield and the Southlake Mosquito Abatement District.
(3) Representative tax rates are from West Deerfield Township tax code 17004, which represents the largest tax code of the Village's 2024 EAV, the most current available.

Village Tax Extensions and Collections(1)

Levy Year	Collection Year	Tax Extensions	Taxes Collected	Percent of Collections to Tax Levy
2020	2021	\$12,562,426	\$12,552,174	99.92%
2021	2022	13,298,894	13,298,000	99.99%
2022	2023	13,545,985	13,548,373	100.02%
2023	2024	13,771,103	13,727,402	99.68%
2024	2025	13,231,136	13,241,847	100.08%

Note: (1) Source: the Village.

Principal Village Taxpayers(1)

<u>Taxpayer</u>	<u>Business/Service</u>	<u>EAV(2)(3)</u>
Corporate 500 Properties LLC	Real Property	\$ 38,050,019
Walgreen Co.....	Pharmacy, Company Headquarters	34,028,282
Gateway Fairview Inc.....	Real Property	30,808,837
Horizon Properties Holding LLC.....	Real Property	25,205,943
TNREF III Parkway JV, LLC.....	Real Property	19,553,421
SRC Arbor LK.....	Real Property	18,143,108
Deerfield Senior Resid.....	Senior Living	16,707,714
LPF Woodview LLC	Real Property	15,714,398
North Parkway One Investment LLC.....	Real Property	15,261,039
Deerland Retail, LLC	Real Property	14,014,686
Total		\$227,487,447
Ten Largest Taxpayers as Percent of Total EAV (\$1,650,066,607)(3).....		13.79%

- Notes: (1) Source: Lake and Cook County Clerks, except for taxpayer descriptions which are based on publicly available information available to the Village.
- (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.
- (3) Based on 2024 EAV for Lake County and 2023 EAV for Cook County, the most current available for this purpose.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

Summary of Property Assessment, Tax Levy and Collection Procedures

A separate tax to pay the principal of and interest on the Bonds will be levied on all taxable real property within the Village. The information under this caption describes the current procedures for real property assessments, tax levies and collections in the County. There can be no assurance that the procedures described herein will not change.

Lake County Tax Levy and Collection Procedures

Local assessment officers determine the assessed valuation of taxable real property and railroad property not held or used for railroad operations. The Illinois Department of Revenue (the "Department") assesses certain other types of taxable property, including railroad property held or used for railroad operations. Local assessment officers' valuation determinations are subject to review at the county level and then, in general, to equalization by the Department. Such equalization is achieved by applying to each county's assessments a multiplier determined by the Department. The purpose of equalization is to provide a common basis of assessments among counties by adjusting assessments toward the statutory standard of 33-1/3% of fair cash value. Farmland is assessed according to a statutory formula which takes into account factors such as productivity and crop mix. Taxes are extended against the assessed values after equalization.

Property tax levies of each taxing body are filed in the office of the county clerk of each county in which territory of that taxing body is located. The county clerk computes the rates and amount of taxes applicable to taxable property subject to the tax levies of each taxing body and determines the dollar amount of taxes attributable to each respective parcel of taxable property. The county clerk then supplies to the appropriate collecting officials within the county the information needed to bill the taxes attributable to the various parcels therein. After the taxes have been collected, the collecting officials distribute to the various taxing bodies their respective shares of the taxes collected. Taxes levied in one calendar year are due and payable in two installments during the next calendar year.

Lake County Exemptions

The Illinois Property Tax Code, as amended (the “Property Tax Code”), exempts certain property from taxation. Certain property is exempt from taxation on the basis of ownership and/or use, including, but not limited to, public parks, not-for-profit schools, public schools, churches, not-for-profit hospitals and public hospitals. In addition, the Property Tax Code provides a variety of homestead exemptions, which are discussed below.

An annual General Homestead Exemption provides that the EAV of certain property owned and used for residential purposes (“Residential Property”) may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$6,000. Beginning with tax year 2023, the maximum reduction in the five collar counties (DuPage, Kane, Lake, McHenry and Will) (the “Collar Counties”) is \$8,000.

The Homestead Improvement Exemption applies to Residential Property that has been improved or rebuilt in the two years following a catastrophic event, as defined in the Property Tax Code. The exemption is limited to an annual maximum amount of \$75,000 for up to four years, to the extent the assessed value is attributable solely to such improvements or rebuilding.

The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. The maximum exemption is \$5,000. Beginning with tax year 2023, the maximum exemption in the Collar Counties is \$8,000.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older, reside in their property as their principal place of residence and receive a household income not in excess of the maximum income limitation. The maximum income limitation is \$65,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen’s residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year.

Purchasers of certain single family homes and residences of one to six units located in certain targeted areas (as defined in the Property Tax Code) can apply for the Community Stabilization Assessment Freeze Pilot Program. To be eligible the purchaser must meet certain requirements for rehabilitating the property, including expenditures of at least \$5 per square foot, adjusted by the Consumer Price Index (“CPI”). Upon meeting the requirements, the assessed value of the improvements is reduced by (a) 90% in the first seven years, (b) 65% in the eighth year and (c) 35% in the ninth year. The benefit ceases in the tenth year. The program will be phased out by June 30, 2029.

The Natural Disaster Homestead Exemption (the “Natural Disaster Exemption”) applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood, earthquake, wind, or storm. The Natural Disaster Exemption is equal to the EAV of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

Several exemptions are available to veterans of the United States armed forces. The Veterans with Disabilities Exemption for Specially-Adapted Housing exempts up to \$100,000 of the Assessed Valuation of property owned and used exclusively by veterans with a disability, their spouses or unmarried surviving spouses. Qualification for this exemption requires the veteran's disability to be of such a nature that the federal government has authorized payment for purchase of specially adapted housing under the U.S. Code as certified to annually by the Illinois Department of Veterans Affairs or for housing or adaptations donated by a charitable organization to such disabled veteran.

The Standard Homestead Exemption for Veterans with Disabilities provides an annual homestead exemption to veterans with a service-connected disability based on the percentage of such disability. If the veteran has a (a) service-connected disability of 30% or more but less than 50%, the annual exemption is \$2,500, (b) service-connected disability of 50% or more but less than 70%, the annual exemption is \$5,000, and (c) service-connected disability of 70% or more, the property is exempt from taxation.

The Returning Veterans' Homestead Exemption is available for property owned and occupied as the principal residence of a veteran in the assessment year, and the year following the assessment year, in which the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a one-time, two-year homestead exemption of \$5,000.

Finally, the Homestead Exemption for Persons with Disabilities provides an annual homestead exemption in the amount of \$2,000 for property that is owned and occupied by certain disabled persons who meet State-mandated guidelines.

Cook County Real Property Assessment

The Cook County Assessor (the "Assessor") is responsible for the assessment of all taxable real property within Cook County, including such property located within the boundaries of the Village, except for certain railroad property, pollution control facilities and low sulfur dioxide emission coal-fueled devices, which are assessed directly by the Department. For triennial reassessment purposes, Cook County is divided into three districts: west and south suburbs (the "South Tri"), north and northwest suburbs (the "North Tri"), and the City of Chicago (the "City Tri"). The Village is located in the North Tri and was last reassessed for the 2022 tax levy year. The Village will next be reassessed for the 2025 levy year.

Real property in Cook County is separated into classes for assessment purposes. After the Assessor establishes the fair market value of a parcel of property, that value is multiplied by the appropriate classification percentage to arrive at the assessed valuation (the "Assessed Valuation") for the parcel. Such classification percentages range from 10% for certain residential, commercial and industrial property to 25% for other industrial and commercial property.

Property is classified for assessment into six basic categories, each of which is assessed at various percentages of fair market value as follows: Class 1 - unimproved real estate (10%); Class 2 - residential (10%); Class 3 - rental-residential (16% in tax year 2009, 13% in tax year 2010, and 10% in tax year 2011 and subsequent years); Class 4 - not-for-profit (25%); Class 5a - commercial (25%); and Class 5b - industrial (25%).

In addition, property may be temporarily classified into one of eight additional assessment classification categories. Upon expiration of such classification, property so classified will revert to one of the basic six assessment classifications described above. The additional assessment classifications are as follows:

CLASS	DESCRIPTION OF QUALIFYING PROPERTY	ASSESSMENT PERCENTAGE	REVERTS TO CLASS
6b	Newly constructed industrial properties or substantially rehabilitated sections of existing industrial properties	10% for first 10 years and any 10 year renewal; if not renewed, 15% in year 11, 20% in year 12	5b
C	Industrial property that has undergone environmental testing and remediation	10% for first 10 years, 15% in year 11, 20% in year 12	5b
	Commercial property that has undergone environmental testing and remediation	10% for first 10 years, 15% in year 11, 20% in year 12	5a
7a/7b	Newly constructed or substantially rehabilitated commercial properties in an area in need of commercial development	10% for first 10 years, 15% in year 11, 20% in year 12	5a
7c	Newly constructed or rehabilitated commercial buildings and acquisition of abandoned property and rehabilitation of buildings thereon including the land upon which the buildings are situated and the land related to the rehabilitation	10% for first 3 years and any 3 year renewal; if not renewed, 15% in year 4, 20% in year 5	5a
8	Industrial properties in enterprise communities or zones in need of substantial revitalization	10% for first 10 years and any 10-year renewal; if not renewed, 15% in year 11, 20% in year 12	5b
	Commercial properties in enterprise communities or zones in need of substantial revitalization	10% for first 10 years, 15% in year 11, 20% in year 12	5a
9	New or substantially rehabilitated multi-family residential properties in target areas, empowerment or enterprise zones	10% for first 10 years and any 10 year renewal	As Applicable
S	Class 3 properties subject to Section 8 contracts renewed under the “Mark up to Market” option	10% for term of Section 8 contract renewal and any subsequent renewal	3
L	Substantially rehabilitated Class 3, 4 or 5b properties qualifying as “Landmark” or “Contributing” buildings	10% for first 10 years and any 10-year renewal; if not renewed, 15% in year 11, 20% in year 12	3, 4, or 5b
	Substantially rehabilitated Class 5a properties qualifying as “Landmark” or “Contributing” buildings	10% for first 10 years, 15% in year 11, 20% in year 12	5a

The Assessor has established procedures enabling taxpayers to contest their proposed Assessed Valuations. Once the Assessor certifies its final Assessed Valuations, a taxpayer can seek review of its assessment by appealing to the Cook County Board of Review (the “Board of Review”), which consists of three commissioners elected by the voters of Cook County. The Board of Review has the power to adjust the Assessed Valuations set by the Assessor.

Owners of residential property having six or fewer units are able to appeal decisions of the Board of Review to the Illinois Property Tax Appeal Board (the “PTAB”), a statewide administrative body. The PTAB has the power to determine the Assessed Valuation of real property based on equity and the weight of the evidence. Taxpayers may appeal the decision of PTAB to either the Circuit Court of Cook County (the “Circuit Court”) or the Illinois Appellate Court under the Illinois Administrative Review Law.

As an alternative to seeking review of Assessed Valuations by PTAB, taxpayers who have first exhausted their remedies before the Board of Review may file an objection in the Circuit Court. The procedure under this alternative is similar to the judicial review procedure described in the immediately preceding paragraph, however, the standard of proof differs. In addition, in cases where the Assessor agrees that an assessment error has been made after tax bills have been issued, the Assessor can correct any factual error, and thus reduce the amount of taxes due, by issuing a Certificate of Error. Certificates of Error are not issued in cases where the only issue is the opinion of the valuation of the property.

Cook County Equalization

After the Assessor has established the Assessed Valuation for each parcel for a given year, and following any revisions by the Board of Review or PTAB, the Department is required by statute to review the Assessed Valuations. The Department establishes an equalization factor (the “Equalization Factor”), commonly called the “multiplier,” for each county to make all valuations uniform among the 102 counties in the State. Under State law, the aggregate of the assessments within each county is to be equalized at 33-1/3% of the estimated fair cash value of real property located within the county prior to any applicable exemptions. One multiplier is applied to all property in Cook County, regardless of its assessment category, except for certain farmland property and wind energy assessable property, which are not subject to equalization.

Once the Equalization Factor is established, the Assessed Valuation, as revised by the Board of Review or PTAB, is multiplied by the Equalization Factor to determine the EAV of that parcel. The EAV for each parcel is the final property valuation used for determination of tax liability. The aggregate EAV for all parcels in any taxing body’s jurisdiction, plus the valuation of property assessed directly by the Department, constitute the total real estate tax base for the taxing body, which is used to calculate tax rates (the “Assessment Base”). The following table sets forth the Equalization Factor for Cook County for the last 10 tax levy years.

<u>TAX LEVY YEAR</u>	<u>EQUALIZATION FACTOR</u>
2015	2.6685
2016	2.8032
2017	2.9627
2018	2.9109
2019	2.9160
2020	3.2234
2021	3.0027
2022	2.9237
2023	3.0163
2024	3.0355

Cook County Exemptions

The Property Tax Code exempts certain property from taxation. Certain property is exempt from taxation on the basis of ownership and/or use, including, but not limited to, public parks, not-for-profit schools, public schools, churches, not-for-profit hospitals and public hospitals. In addition, the Property Tax Code provides a variety of homestead exemptions, which are discussed below.

An annual General Homestead Exemption provides that the EAV of Residential Property may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$10,000 for tax year 2017 and thereafter.

The Long-Time Occupant Homestead Exemption limits the increase in EAV of a taxpayer's homestead property to 10% per year if such taxpayer has owned the property for at least 10 years as of January 1 of the assessment year (or 5 years if purchased with certain government assistance) and has a household income of \$100,000 or less ("Qualified Homestead Property"). If the taxpayer's annual income is \$75,000 or less, the EAV of the Qualified Homestead Property may increase by no more than 7% per year. There is no exemption limit for Qualified Homestead Properties.

The Homestead Improvement Exemption applies to Residential Property that has been improved or rebuilt in the two years following a catastrophic event, as defined in the Property Tax Code. The exemption is limited to an annual maximum amount of \$75,000 for up to four years, to the extent the Assessed Valuation is attributable solely to such improvements or rebuilding.

The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. The maximum exemption is \$8,000 for tax years 2017 and thereafter.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older, reside in their property as their principal place of residence and receive a household income not in excess of \$65,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen's residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year. Beginning in tax year 2017, the amount of the exemption is equal to the greater of the amount calculated as described in the previous sentence (as more completely set forth in the Property Tax Code) or \$2,000.

Purchasers of certain single family homes and residences of one to six units located in certain targeted areas (as defined in the Property Tax Code) can apply for the Community Stabilization Assessment Freeze Pilot Program. To be eligible the purchaser must meet certain requirements for rehabilitating the property, including expenditures of at least \$5 per square foot, adjusted by the Consumer Price Index ("CPI"). Upon meeting the requirements, the assessed value of the improvements is reduced by (a) 90% in the first seven years, (b) 65% in the eighth year and (c) 35% in the ninth year. The benefit ceases in the tenth year. The program will be phased out by June 30, 2029.

The Natural Disaster Exemption applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood, earthquake, wind, or storm. The Natural Disaster Exemption is equal to the EAV of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

Several exemptions are available to veterans of the United States armed forces. The Veterans with Disabilities Exemption for Specially-Adapted Housing exempts up to \$100,000 of the Assessed Valuation of property owned and used exclusively by veterans with a disability, their spouses or unmarried surviving spouses. Qualification for this exemption requires the veteran's disability to be of such a nature that the federal government has authorized payment for purchase of specially adapted housing under the U.S. Code as certified to annually by the Illinois Department of Veterans Affairs or for housing or adaptations donated by a charitable organization to such disabled veteran.

The Standard Homestead Exemption for Veterans with Disabilities provides an annual homestead exemption to veterans with a service-connected disability based on the percentage of such disability. If the veteran has a (a) service-connected disability of 30% or more but less than 50%, the annual exemption is \$2,500, (b) service-connected disability of 50% or more but less than 70%, the annual exemption is \$5,000, and (c) service-connected disability of 70% or more, the property is exempt from taxation.

The Returning Veterans' Homestead Exemption is available for property owned and occupied as the principal residence of a veteran in the assessment year, and the year following the assessment year, in which the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a one-time, two-year homestead exemption of \$5,000.

Finally, the Homestead Exemption for Persons with Disabilities provides an annual homestead exemption in the amount of \$2,000 for property that is owned and occupied by certain disabled persons who meet State-mandated guidelines.

Cook County Tax Levy

As part of the annual budgetary process of governmental units (the "Units") with power to levy taxes in Cook County, the designated body for each Unit annually adopts proceedings to levy real estate taxes. The administration and collection of real estate taxes is statutorily assigned to the Cook County Clerk and the Cook County Treasurer. After the Units file their annual tax levies, the Cook County Clerk computes the annual tax rate for each Unit. The Cook County Clerk computes the Unit's maximum allowable levy by multiplying the maximum tax rate for that Unit by the prior year's EAV for all property currently in the Village. The prior year's EAV includes the EAV of any new property, the current year value of any annexed property and any recovered tax increment value, minus any disconnected property for the current year under the Limitation Law (as hereinafter defined). The tax rate for a Unit is computed by dividing the lesser of the maximum allowable levy or the actual levy by the current year's EAV.

Cook County Extensions

As part of the annual budgetary process of governmental units (the "Units") with power to levy taxes in Cook County, the designated body for each Unit annually adopts proceedings to levy real estate taxes. The administration and collection of real estate taxes is statutorily assigned to the Cook County Clerk and the Cook County Treasurer. After the Units file their annual tax levies, the Cook County Clerk computes the annual tax rate for each Unit. The Cook County Clerk computes the Unit's maximum allowable levy by multiplying the maximum tax rate for that Unit by the prior year's EAV for all property currently in the Village. The prior year's EAV includes the EAV of any new property, the current year value of any annexed property and any recovered tax increment value, minus any disconnected property for the current year under the Limitation Law. The tax rate for a Unit is computed by dividing the lesser of the maximum allowable levy or the actual levy by the current year's EAV.

The Cook County Clerk then computes the total tax rate applicable to each parcel of real property by aggregating the tax rates of all of the Units having jurisdiction over the particular parcel. The Cook County Clerk extends the tax by entering the tax (determined by multiplying the total tax rate by the EAV of that parcel for the current assessment year) in the books prepared for the Cook County Collector (the “Warrant Books”) along with the tax rates, the Assessed Valuation and the EAV. The Warrant Books are the Cook County Collector’s authority for the collection of taxes and are used by the Cook County Collector as the basis for issuing tax bills to all property owners.

Cook County Collections

Property taxes are collected by the Cook County Collector, who is also the Cook County Treasurer, who remits to each Unit its share of the collections. Taxes levied in one year become payable during the following year in two installments, the first due on March 1 and the second on the later of August 1 or 30 days after the mailing of the tax bills. A payment due is deemed to be paid on time if the payment is postmarked on the due date. Beginning with the first installment payable in 2010, the first installment is equal to 55% of the prior year’s tax bill. However, if a Certificate of Error is approved by a court or certified on or before November 30 of the preceding year and before the estimated tax bills are prepared, then the first installment is instead based on the certain percentage of the corrected prior year’s tax bill. The second installment is for the balance of the current year’s tax bill, and is based on the then current tax year levy, assessed value and Equalization Factor, and reflects any changes from the prior year in those factors. The first installment penalty date has historically been the first business day in March. The following table sets forth the second installment penalty date for the last ten tax levy years in Cook County.

<u>TAX LEVY YEAR</u>	<u>SECOND INSTALLMENT PENALTY DATE</u>
2015	August 1, 2016
2016	August 1, 2017
2017	August 1, 2018
2018	August 1, 2019
2019	August 3, 2020
2020	August 2, 2021
2021	December 30, 2022
2022	December 1, 2023
2023	August 1, 2024
2024	December 15, 2025

As a result of ongoing efforts to modernize technology within various Cook County property tax agencies, personnel shortages and turnover attributable to COVID-19 and the complicated nature of the reassessment of property taxes in the City of Chicago, for the 2021 tax year (for amounts payable in calendar year 2022), the distribution of amounts related to second installment Cook County property tax bills for calendar year 2022 were delayed. Likewise, such distribution of amounts were delayed in calendar year 2023 and 2025. The Village did not experience any cash flow issues due to such delays.

It is possible that the changes to the assessment appeals process described above will cause delays similar to those experienced in past years in preparation and mailing of the second installment in future years. In the future, Cook County may provide for tax bills to be payable in four installments instead of two.

During the periods of peak collections, tax receipts are forwarded to each Unit on a weekly basis. Upon receipt of taxes from the Cook County Collector, the Village promptly credits the taxes received to the funds for which they were levied.

Property Tax Extension Limitation Law

The Property Tax Extension Limitation Law (the “Limitation Law”) limits the amount of the annual increase in property taxes to be extended for certain Illinois non-home rule units of government. In general, the Limitation Law restricts the amount of such increases to the lesser of 5% or the percentage increase in the CPI during the calendar year preceding the levy year. Currently, the Limitation Law applies only to and is a limitation upon all non-home rule taxing bodies in Cook County, the five collar counties (DuPage, Kane, Lake, McHenry and Will) and several downstate counties.

Home rule units, including the Village, are exempt from the limitations contained in the Limitation Law. If the Limitation Law were to apply in the future to the Village, the limitations set forth therein will not apply to any taxes levied by the Village to pay the principal of and interest on the Bonds.

Unpaid Taxes and Annual Tax Sales

Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are deemed delinquent and bear interest at the rate of 0.75% per month (or portion thereof) until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax. If taxes go unpaid for 13 months, the county treasurer is required to sell the delinquent property taxes at the “Annual Tax Sale”, which is a sale of tax liens, not properties. A public sale is held, at which time successful tax buyers pay the unpaid taxes plus penalties. Taxpayers can redeem their property by paying the amount paid at the sale, plus interest penalties and fees. If no redemption is made within the applicable redemption period, the tax buyer can secure a court-ordered deed to the home. Tax buyers can seek the deed to a home after 2 1/2 years, with the option of a six month extension. If the property is abandoned, that time frame can be shortened to two years. Owners of vacant, commercial and industrial properties have six months to redeem their taxes before the tax buyer can seek ownership of the property.

If there is no sale of the tax lien on a parcel of property at the Annual Tax Sale, the taxes are forfeited and the property becomes eligible to be purchased at any time thereafter at an amount equal to all delinquent taxes and interest accrued to the date of purchase. Redemption periods and procedures are the same as applicable to the Annual Tax Sale.

When taxes remain unpaid for more than 20 years, Illinois law states that the property is “forfeited to the state.” As a practical matter, this does not happen. Instead, the taxes are wiped out, as the property remains in its distressed condition barring a change in the owner’s circumstances or it being sold.

Scavenger Sales

In the County, if a property’s taxes go unpaid in at least three of the previous 20 years, the property is offered at a biennial “Scavenger Sale,” which like the Annual Tax Sale, is a sale of unpaid taxes. The winning bidder is not required to pay any of the previous years’ unpaid taxes. If the owner, however, does not redeem such back taxes, the winning bidder can seek deed to the property. To obtain the deed, the bidder must pay all unpaid taxes billed on the property between the last year covered by the Scavenger Sale and the date the bidder seeks the deed. Redemption periods vary from six months to two and a half years depending upon the type and occupancy of the property. As in the Annual Sale, bidders at the Scavenger Sale can seek the deed to a home after 2 1/2 years, with the option of a six month extension. If the property is abandoned, that time frame can be shortened to two years. With a vacant, commercial or industrial property, the winning buyer can seek the deed after six months.

Public Act 103 0555, effective January 1, 2024, eliminates the County’s mandatory Scavenger Sale and allows the County or local governments to take control of properties if they are not purchased in the Annual Tax Sale. The County, like all other Illinois counties, can cease selling tax liens and instead work to connect chronically-delinquent, forfeited tax liens to new development opportunities.

Truth in Taxation Law

Legislation known as the Truth in Taxation Law (the “Law”) limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels. The provisions of the Law do not apply to levies made to pay principal of and interest on the Bonds. The Village covenanted in the Bond Ordinance that it will not take any action or fail to take any action which would adversely affect the ability of the Village to levy and collect the taxes levied by the Village for payment of principal of and interest on the Bonds, other than as described under “**AUTHORIZATION, PURPOSE AND SECURITY**” herein. The Village also covenanted that it and its officers will comply with all present and future laws concerning the levy, extension and collection of such taxes levied by the Village, collected and deposited as provided in the Bond Ordinance.

FINANCIAL INFORMATION

Financial Reports

The Village’s financial statements are audited annually by certified public accountants. The Village’s financial statements are completed on a modified accrual basis of accounting consistent with generally accepted accounting principles applicable to governmental entities. See **APPENDIX A** for more detail.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village for its comprehensive annual financial report in each of the past 36 years. In order to be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

No Consent or Updated Information Requested of the Auditor

The tables contained in this “**FINANCIAL INFORMATION**” section (the “Excerpted Financial Information”) are from the audited financial statements of the Village, including the audited financial statements for the fiscal year ended December 31, 2024 (the “2024 Audit”), which was approved by formal action of the Village Board and attached to this Official Statement as **APPENDIX A**. The Village has not requested the Auditor to update information contained in the Excerpted Financial Information or the 2024 Audit; nor has the Village requested that the Auditor consent to the use of the Excerpted Financial Information or the 2024 Audit in this Official Statement. Other than as expressly set forth in this Official Statement, the financial information contained in the Excerpted Financial Information and 2024 Audit has not been updated since the date of the 2024 Audit. The inclusion of the Excerpted Financial Information and 2024 Audit in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the Village since the date of the 2024 Audit. Questions or inquiries relating to financial information of the Village since the date of the 2024 Audit should be directed to the Village.

Summary Financial Information

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. See **APPENDIX A** for the 2024 Audit.

Statement of Net Position Governmental Activities

	Audited as of December 31				
	2020	2021	2022	2023	2024
ASSETS:					
Cash and Investments.....	\$ 43,669,483	\$ 51,081,873	\$ 50,853,330	\$ 52,081,526	\$ 56,801,052
Receivables, Net:					
Property Taxes.....	7,874,573	8,057,803	8,469,033	8,422,932	8,593,712
Accounts.....	916,204	829,465	801,912	1,027,183	1,255,914
Accrued Interest.....	15,000	24,717	70,496	145,645	158,652
Electric Utility Tax.....	41,418	91,253	93,389	84,237	81,550
Due from Other Governmental Units.....	9,874,951	8,786,593	8,461,533	7,486,636	7,464,798
Note Receivable.....	13,172,246	7,758,512	6,153,303	4,548,094	2,950,170
Leases.....	0	0	1,999,494	2,367,997	2,265,365
Internal Balances.....	(1,956,728)	(1,937,492)	(1,958,505)	(2,033,300)	(2,148,012)
Inventory.....	153,635	191,701	213,433	232,702	124,043
Prepaid Items.....	1,520,676	2,343,525	2,403,948	2,743,646	3,214,364
Deposits.....	2,674,526	2,864,522	3,109,161	2,504,684	2,546,203
Restricted Assets:					
Net Pension Asset.....	0	2,611,623	3,789,009	0	0
Capital Assets:					
Capital Assets Not Being Depreciated.....	21,590,984	21,662,544	22,098,552	22,538,800	22,144,912
Capital Assets Being Depreciated, Net of Depreciation.....	<u>58,691,347</u>	<u>58,452,058</u>	<u>57,519,866</u>	<u>55,875,792</u>	<u>55,630,262</u>
Total Assets.....	<u>\$158,238,315</u>	<u>\$162,818,697</u>	<u>\$164,077,954</u>	<u>\$158,026,574</u>	<u>\$161,082,985</u>
DEFERRED OUTFLOWS OF RESOURCES:					
Pension Items - IMRF.....	\$ 2,164,299	\$ 1,992,052	\$ 1,141,110	\$ 4,029,568	\$ 3,656,003
Other Postemployment Benefits.....	2,691,946	2,515,986	2,624,481	2,608,940	2,952,262
Pension Items - Police Pension.....	<u>12,817,142</u>	<u>10,342,513</u>	<u>14,254,478</u>	<u>11,004,795</u>	<u>6,913,132</u>
Total Deferred Outflows or Resources.....	<u>\$ 17,673,387</u>	<u>\$ 14,850,551</u>	<u>\$ 18,020,069</u>	<u>\$ 17,643,303</u>	<u>\$ 13,521,397</u>
Total Assets and Deferred Outflows of Resources.....	<u>\$175,911,702</u>	<u>\$177,669,248</u>	<u>\$182,098,023</u>	<u>\$175,669,877</u>	<u>\$174,604,382</u>
LIABILITIES:					
Accounts Payable.....	\$ 5,185,116	\$ 1,692,515	\$ 1,601,119	\$ 1,722,823	\$ 2,072,176
Accrued Payroll.....	148,216	192,291	203,071	205,190	328,480
Contracts Payable.....	4,482,192	4,217,695	156,559	156,559	156,559
Other Payables.....	291,546	344,320	269,925	249,375	2,375,926
Deposits Payable.....	2,194,086	2,244,594	2,443,158	2,438,327	2,482,810
Accrued Interest Payable.....	83,858	95,998	90,652	85,034	79,125
Due to Other Governmental Units.....	13,252,807	10,852,807	9,058,892	6,052,807	7,493,018
Unearned Revenues.....	0	0	1,268,717	0	0
Noncurrent liabilities:					
Due Within One Year.....	3,095,653	2,613,766	2,724,920	3,171,600	2,754,238
Due In More Than One Year.....	<u>60,184,897</u>	<u>43,325,443</u>	<u>51,074,385</u>	<u>53,173,762</u>	<u>50,410,781</u>
Total Liabilities.....	<u>\$ 88,918,371</u>	<u>\$ 65,579,429</u>	<u>\$ 68,891,398</u>	<u>\$ 67,255,477</u>	<u>\$ 68,153,113</u>
DEFERRED INFLOWS OF RESOURCES:					
Deferred Property Taxes.....	\$ 7,874,573	\$ 8,057,803	\$ 8,234,195	\$ 8,422,932	\$ 8,593,712
Pension Items - IMRF.....	1,785,139	3,516,558	5,479,967	148,456	9,126
Pension Items - Police Pension.....	10,952,530	25,073,021	13,634,739	10,484,817	7,334,895
Other Postemployment Benefits.....	184,733	809,057	1,963,874	1,764,472	1,606,440
Lease Related Amounts.....	<u>0</u>	<u>0</u>	<u>1,999,494</u>	<u>2,367,997</u>	<u>2,265,365</u>
Total Deferred Inflows or Resources.....	<u>\$ 20,796,975</u>	<u>\$ 37,456,439</u>	<u>\$ 31,312,269</u>	<u>\$ 23,188,674</u>	<u>\$ 19,809,538</u>
Total Liabilities and Deferred Inflows of Resources.....	<u>\$109,715,346</u>	<u>\$103,035,868</u>	<u>\$100,203,667</u>	<u>\$ 90,444,151</u>	<u>\$ 87,962,651</u>
NET POSITION:					
Invested in Capital Assets, Net of Related Debt.....	\$ 55,202,771	\$ 56,119,625	\$ 52,420,551	\$ 49,047,973	\$ 49,891,611
Restricted.....	10,236,978	14,134,810	16,562,906	14,309,539	12,676,745
Unrestricted.....	<u>756,607</u>	<u>4,378,945</u>	<u>12,910,899</u>	<u>21,868,214</u>	<u>24,073,375</u>
Total Net Position.....	<u>\$ 66,196,356</u>	<u>\$ 74,633,380</u>	<u>\$ 81,894,356</u>	<u>\$ 85,225,726</u>	<u>\$ 86,641,731</u>

**Statement of Activities
Governmental Activities
Net (Expense) Revenue and Changes in Net Position**

	Audited Year Ended December 31				
	2020	2021	2022	2023	2024
PRIMARY GOVERNMENT:					
Governmental Activities:					
General Government.....	\$ (5,595,993)	\$ (8,092,443)	\$ (7,725,861)	\$ (6,652,800)	\$ (5,976,160)
Public Safety	(8,802,744)	(2,642,127)	(6,421,188)	(8,351,613)	(9,133,701)
Highways and Streets/Public Works	(7,354,532)	(6,216,846)	(4,987,725)	(11,239,825)	(11,240,009)
Interest.....	(401,821)	(1,538,501)	(421,140)	(370,349)	(316,065)
Total Governmental Activities	\$(22,155,090)	\$(18,489,917)	\$(19,555,914)	\$(26,614,587)	\$(26,665,935)
GENERAL REVENUES:					
Taxes:					
Property.....	\$ 7,962,617	\$ 7,753,641	\$ 8,276,435	\$ 8,493,768	\$ 8,444,798
Replacement	140,839	247,245	500,261	416,188	244,275
Home Rule Sales	1,739,777	5,388,083	5,683,656	4,664,600	3,737,578
Local Use	838,588	726,161	777,978	747,205	680,414
Hotel/Motel	609,330	1,120,137	1,837,894	2,151,803	2,178,132
Simplified Telecommunications	1,212,527	1,171,660	932,500	901,311	827,062
Electric Utility Tax.....	1,038,198	1,078,509	1,066,336	1,007,663	997,054
Food and Beverage.....	471,326	606,487	718,491	809,391	819,007
Intergovernmental	9,122,079	10,246,355	9,949,419	10,307,520	8,844,716
Investment Income (Loss)	508,576	(117,367)	(677,353)	2,836,362	2,867,415
Gain on Disposal of Assets.....	43,147	67,654	59,806	36,780	103,544
Miscellaneous.....	398,414	1,339,940	359,515	240,027	1,144,560
Transfers.....	(2,818,648)	(2,701,564)	(2,668,048)	(2,711,648)	(2,761,628)
Total General Revenues.....	\$ 21,266,770	\$ 26,926,941	\$ 26,816,890	\$ 29,900,970	\$ 28,126,927
Change in Net Position.....	\$ (888,320)	\$ 8,437,024	\$ 7,260,976	\$ 3,286,383	\$ 1,460,992
Net Position, January 1	\$ 67,084,676(1)	\$ 66,196,356	\$ 74,633,380	\$ 81,894,356	\$ 85,180,739
Net Position, December 31	\$ 66,196,356	\$ 74,633,380	\$ 81,894,356	\$ 85,180,739	\$ 86,641,731

Note: (1) As restated.

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General Fund Balance Sheet

	Audited As of December 31				
	2020	2021	2022	2023	2024
ASSETS:					
Cash and Investments	\$24,969,276	\$24,861,243	\$26,852,446	\$29,405,918	\$36,501,871
Receivables:					
Property Taxes	3,752,222	3,902,311	4,172,135	4,220,740	4,389,570
Accounts	907,899	722,976	672,713	903,858	1,082,359
Accrued Interest	4,312	4,399	29,869	76,139	91,894
Electric Utility Tax	41,418	91,253	93,389	84,237	81,550
Due from Other Governments	1,882,031	2,295,656	2,409,541	1,967,764	2,382,969
Notes Receivable	13,172,246	7,758,512	6,153,303	4,548,094	2,950,170
Leases	0	0	1,999,494	2,367,997	2,265,365
Deposits	2,674,526	2,864,522	3,109,161	2,504,684	2,546,203
Inventory	22,077	43,577	42,174	43,733	48,152
Prepaid items	1,517,015	2,339,577	2,399,801	2,739,087	3,209,974
Due from Other Funds	0	44,046	125,645	165,011	187,716
Total Assets	<u>\$48,943,022</u>	<u>\$44,928,072</u>	<u>\$48,059,671</u>	<u>\$49,027,262</u>	<u>\$55,737,793</u>
LIABILITIES:					
Accounts Payable	\$ 4,388,167	\$ 1,234,442	\$ 1,193,004	\$ 929,079	\$ 1,299,209
Accrued Payroll	145,253	188,427	199,008	200,964	321,825
Deposits Payable	2,194,086	2,244,594	2,443,158	2,438,327	2,482,810
Other Payables	291,546	344,320	269,925	249,375	2,375,926
Due to Other Governments	0	0	606,085	0	2,912,169
Total Liabilities	<u>\$ 7,019,052</u>	<u>\$ 4,011,783</u>	<u>\$ 4,711,180</u>	<u>\$ 3,817,745</u>	<u>\$ 9,391,939</u>
DEFERRED INFLOWS OF RESOURCES:					
Property Taxes	\$ 3,752,222	\$ 3,902,311	\$ 4,058,403	\$ 4,548,094	\$ 4,389,570
Unavailable Revenues	13,162,246	7,758,512	6,153,303	4,220,740	2,942,884
Lease Related Amounts	0	0	1,999,494	2,367,997	2,265,365
Total Deferred Inflows of Resources	<u>\$16,914,468</u>	<u>\$11,660,823</u>	<u>\$12,211,200</u>	<u>\$11,136,831</u>	<u>\$ 9,597,819</u>
Total Liabilities and Deferred Inflows of Resources	<u>\$23,933,520</u>	<u>\$15,672,606</u>	<u>\$16,922,380</u>	<u>\$14,954,576</u>	<u>\$18,989,758</u>
FUND BALANCE:					
Nonspendable	\$ 1,549,092	\$ 2,383,154	\$ 2,441,975	\$ 2,782,820	\$ 3,258,126
Assigned	668,207	2,485,692	2,787,757	608,854	558,254
Restricted	2,674,526	2,864,522	3,109,161	2,504,684	2,546,203
Unassigned	20,117,677	21,522,098	22,798,398	28,176,328	30,385,452
Total Fund Balance	<u>\$25,009,502</u>	<u>\$29,255,466</u>	<u>\$31,137,291</u>	<u>\$34,072,686</u>	<u>\$36,748,035</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$48,943,022</u>	<u>\$44,928,072</u>	<u>\$48,059,671</u>	<u>\$49,027,262</u>	<u>\$55,737,793</u>

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General Fund Revenues and Expenditures

	Audited Fiscal Year Ending December 31				
	2020	2021	2022	2023	2024
REVENUES:					
Taxes	\$ 9,300,031	\$13,309,473	\$13,104,289	\$12,644,598	\$12,033,379
Licenses and permits	1,759,947	1,491,882	1,499,407	1,467,945	2,515,778
Intergovernmental	6,226,776	10,605,343	9,676,075	8,773,607	9,050,941
Charges for Services	1,064,194	894,957	1,091,477	2,045,608	1,390,946
Fines and Forfeits	177,321	183,964	139,652	138,776	143,919
Investment Income (Loss)	216,134	(2,425)	117,657	1,582,245	1,819,886
Miscellaneous	990,396	2,005,836	1,012,033	997,055	1,621,097
Total Revenues	\$19,734,799	\$28,489,030	\$26,640,590	\$27,649,834	\$28,575,946
EXPENDITURES:					
General Government	\$ 8,173,040	\$10,319,251	\$10,540,729	\$ 9,037,285	\$ 9,369,175
Public Safety	9,370,990	9,629,383	10,148,238	11,634,718	11,926,709
Highways and Streets	2,616,396	2,923,776	3,050,668	3,032,623	3,468,026
Total Expenditures	\$20,160,426	\$22,872,410	\$23,739,635	\$23,704,626	\$24,763,910
Excess (Deficiency) of Revenues Over Expenditures	\$ (425,627)	\$ 5,616,620	\$ 2,900,955	\$ 3,945,208	\$ 3,812,036
OTHER FINANCING SOURCES (USES):					
Transfers In (Out), Net	\$ (2,684,349)	\$ (1,370,656)	\$ (1,019,130)	\$ (1,054,800)	\$ (1,091,700)
Total Other Financing Sources (uses)	\$ (2,684,349)	\$ (1,370,656)	\$ (1,019,130)	\$ (1,054,800)	\$ (1,091,700)
Net Change in Fund Balance	\$ (3,109,976)	\$ 4,245,964	\$ 1,881,825	\$ 2,890,408	\$ 2,720,336
Beginning Fund Balance	28,119,478(1)	25,009,502	29,255,466	31,137,291	34,027,699
Ending Fund Balance	\$25,009,502	\$29,255,466	\$31,137,291	\$34,027,699	\$36,748,035

Note: (1) As restated.

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General Fund(1) Budget and Estimated Financial Information

	Budgeted Fiscal Year Ending <u>12/31/2025</u>	Estimated Fiscal Year Ending <u>12/31/2025</u>	Budgeted Fiscal Year Ending <u>12/31/2026</u>
REVENUES:			
Property Tax	\$ 8,593,712	\$ 8,593,712	\$ 9,237,695
TIF Increment Tax	150,000	265,000	265,000
Home Rule Sales Tax	4,565,000	4,102,000	4,702,000
Replacement Tax	250,000	180,000	200,000
Motor Fuel Tax	800,000	910,000	850,000
Sales Tax	5,400,000	5,105,000	5,602,500
Local Use Tax.....	600,000	315,000	100,000
State Income Tax	3,000,000	3,300,000	3,200,000
Hotel-Motel Tax	1,725,000	1,900,000	1,900,000
Food & Beverage Tax.....	700,000	810,000	750,000
Licenses and Permits	3,116,000	3,001,000	2,221,000
Charges for Service	15,283,200	16,818,800	16,183,000
Miscellaneous.....	<u>6,020,439</u>	<u>10,331,939</u>	<u>16,346,158</u>
Total Revenues	\$50,203,351	\$55,632,451	\$61,557,353
Operating Transfer In.....	\$ 4,999,857	\$ 7,199,857	\$ 3,972,182
Total Revenues and Transfers In	\$55,203,208	\$62,832,308	\$65,529,535
(To)/From Reserve	\$ 7,085,632	\$ 4,818,580	\$ (2,769,819)
Total Resources	\$62,288,840	\$67,650,888	\$62,759,716
EXPENDITURES:			
Personal Services	\$21,382,592	\$20,576,240	\$22,785,842
Other Services.....	367,425	210,416	267,825
Contractual Services.....	12,527,221	10,678,707	12,475,825
Commodities	6,139,155	6,094,945	6,403,810
Capital Outlay.....	8,423,309	14,407,442	7,801,801
Debt Service.....	4,534,281	4,533,281	5,243,431
Pension Payments.....	<u>3,915,000</u>	<u>3,950,000</u>	<u>3,915,000</u>
Total Expenditures.....	\$57,288,983	\$60,451,031	\$58,893,534
Operating Transfer Out.....	\$ 4,999,857	\$ 7,199,857	\$ 3,866,182
Total Expenditures and Transfers Out	\$62,288,840	\$67,650,888	\$62,759,716
Total Resources Over (Under) Expenditures and Transfers	\$ 0	\$ 0	\$ 0

Notes: (1) Source: the Village.
(2) Includes an estimated \$8,600,000 of bond proceeds.

EMPLOYEE RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS

See **APPENDIX D** herein for a discussion of the Village's employee retirement and other postemployment benefits obligations.

REGISTRATION, TRANSFER AND EXCHANGE

Registration

The registered owner of a Bond will be deemed and regarded as the absolute owner thereof for the purpose of receiving payment of, or on account of, the principal of, premium, if any, or interest thereon and for all other purposes whatsoever, and all such payments so made to such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Village nor the Bond Registrar will be affected by any notice to the contrary.

Transfers and Exchanges

The transfer of Bonds will be registrable only upon the registration books maintained by the Village for that purpose at the principal corporate trust office of the Bond Registrar, by the registered owner thereof or by his attorney duly authorized in writing, upon surrender thereof together with an instrument of transfer satisfactory to the Bond Registrar and duly executed by the registered owner or his duly authorized agent. Upon such surrender for registration of transfer, the Village will execute and the Bond Registrar will authenticate and deliver a new Bond or Bonds of any authorized denominations, registered in the name of the transferee, and of the same aggregate principal amount, maturity and interest rate as the surrendered Bond.

Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity and interest rate and of any authorized denominations, upon surrender thereof at the principal corporate trust office of the Bond Registrar with a written instrument of transfer satisfactory to the Bond Registrar, duly executed by the registered owner or his duly authorized agent.

For every such exchange or registration of transfer of Bonds, the Village or the Bond Registrar may make a charge sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer. No charge will be made in connection with such exchange or registration of transfer to pay the cost of preparing each new Bond issued upon such exchange or registration of transfer.

TAX MATTERS – THE SERIES 2026A BONDS

Summary of Bond Counsel Opinion

On the date of issuance and delivery of the Series 2026A Bonds, Bond Counsel will deliver an approving opinion with respect to the Series 2026A Bonds. The form of opinion expected to be delivered by Bond Counsel is attached as **APPENDIX C**. A summary of the opinion of Bond Counsel and a general discussion of certain other tax matters relating to the Series 2026A Bonds are set forth below.

Bond Counsel is of the opinion that under existing law, interest on the Series 2026A Bonds is not includible in the gross income of the owners thereof for Federal income tax purposes. If there is continuing compliance with the applicable requirements of the Internal Revenue Code of 1986 (the “Code”), Bond Counsel is of the opinion that interest on the Series 2026A Bonds will continue to be excluded from the gross income of the owners thereof for Federal income tax purposes. Bond Counsel is further of the opinion that the Series 2026A Bonds are not “private activity bonds” within the meaning of Section 141(a) of the Code. Accordingly, interest on the Series 2026A Bonds is not an item of tax preference for purposes of computing alternative minimum taxable income for individuals. Interest on the Series 2026A Bonds is includible in computing adjusted financial statement income of those corporations subject to the corporate alternative minimum tax. Interest on the Series 2026A Bonds is not exempt from State income taxes.

The Code contains certain requirements that must be satisfied from and after the date of issuance of the Series 2026A Bonds. These requirements relate to the use and investment of the proceeds of the Series 2026A Bonds, the payment of certain amounts to the United States, the security and source of payment of the Series 2026A Bonds and the use of property financed with the proceeds of the Series 2026A Bonds. The Village has covenanted in the Series 2026A Bond Ordinance to comply with these requirements.

Bonds Purchased at a Premium or a Discount

The difference (if any) between the initial price at which a substantial amount of each maturity of the Series 2026A Bonds is sold to the public (the “Offering Price”) and the principal amount payable at maturity of such Series 2026A Bonds is given special treatment for Federal income tax purposes. If the Offering Price is higher than the maturity value of a Series 2026A Bond, the difference between the two is known as “bond premium”; if the Offering Price is lower than the maturity value of a Series 2026A Bond, the difference between the two is known as “original issue discount”.

Bond premium and original issue discount are amortized over the term of a Series 2026A Bond on the basis of the owner’s yield from the date of purchase to the date of maturity, compounded at the end of each accrual period of one year or less with straight line interpolation between compounding dates, as provided more specifically in the Income Tax Regulations. The amount of bond premium accruing during each period is treated as a reduction in the amount of tax-exempt interest earned during such period and is subtracted from the owner’s tax basis in the Series 2026A Bonds. The amount of original issue discount accruing during each period is treated as interest that is excludible from the gross income of the owner of such Series 2026A Bonds for Federal income tax purposes, to the same extent and with the same limitations as current interest, and is added to the owner’s tax basis in the Series 2026A Bonds. A Series 2026A Bond’s adjusted tax basis is used to determine whether, and to what extent, the owner realizes taxable gain or loss upon disposition of the Series 2026A Bonds (whether by reason of sale, acceleration, redemption prior to maturity or payment at maturity of the Series 2026A Bonds).

Owners of Series 2026A Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Series 2026A Bonds. It is possible that under the applicable provisions governing the determination of state or local income taxes, accrued interest on the Series 2026A Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a year later.

Exclusion From Gross Income Requirements

The Code sets forth certain requirements that must be satisfied on a continuing basis in order to preserve the exclusion from gross income for Federal income tax purposes of interest on the Series 2026A Bonds. Among these requirements are the following:

Limitations on Private Use. The Code includes limitations on the amount of Series 2026A Bonds proceeds that may be used in the trade or business of, or used to make or finance loans to, persons other than governmental units.

Investment Restrictions. Except during certain “temporary periods,” proceeds of the Series 2026A Bonds and investment earnings thereon (other than amounts held in a reasonably required reserve or replacement fund, if any, or as part of “minor portion”) may generally not be invested in investments having a yield that is “materially higher” (1/8 of one percent) than the yield on the Series 2026A Bonds.

Rebate of Arbitrage Profit. Unless the Village qualifies for one of several exemptions, earnings from the investment of the “gross proceeds” of the Series 2026A Bonds in excess of the earnings that would have been realized if such investments had been made at a yield equal to the yield on the Series 2026A Bonds are required to be paid to the United States at periodic intervals. For this purpose, the term “gross proceeds” includes the original proceeds of the Series 2026A Bonds, amounts received as a result of investing such proceeds, and amounts to be used to pay debt service on the Series 2026A Bonds.

Covenants to Comply. The Village has covenanted in the Series 2026A Bonds Ordinance to comply with the requirements of the Code relating to the exclusion from gross income for Federal income tax purposes of interest on the Series 2026A Bonds.

Risks of Non-Compliance

In the event that the Village fails to comply with the requirements of the Code, interest on the Series 2026A Bonds may become includible in the gross income of the owners thereof for Federal income tax purposes retroactive to the date of issue. In such event, the Series 2026A Bond Ordinance requires neither acceleration of payment of principal of, or interest on, the Series 2026A Bonds nor payment of any additional interest or penalties to the owners of the Series 2026A Bonds.

Federal Income Tax Consequences

Pursuant to Section 103 of the Code, interest on the Series 2026A Bonds is not includible in the gross income of the owners thereof for Federal income tax purposes. However, the Code contains a number of other provisions relating to the treatment of interest on the Series 2026A Bonds which may affect the taxation of certain types of owners, depending on their particular tax situations. Some of the potentially applicable Federal income tax provisions are described in general terms below. PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS CONCERNING THE PARTICULAR FEDERAL INCOME TAX CONSEQUENCES OF THEIR OWNERSHIP OF THE SERIES 2026A BONDS.

- A. *Cost of Carry.* Owners of the Series 2026A Bonds will generally be denied a deduction for otherwise deductible interest on any debt that is treated for Federal income tax purposes as having been incurred or continued to purchase or carry the Series 2026A Bonds. Financial institutions are denied a deduction for their otherwise allowable interest expense in an amount determined by reference to their adjusted basis in the Series 2026A Bonds.
- B. *Individual Owner.* Receipt of interest on the Series 2026A Bonds may increase the amount of Social Security and Railroad Retirement benefits includible in the gross income of the recipients thereof for Federal income tax purposes.
- C. *Certain Blue Cross or Blue Shield Organizations.* Receipt of interest on the Series 2026A Bonds may reduce a special deduction otherwise available to certain Blue Cross or Blue Shield organizations.
- D. *Property or Casualty Insurance Companies.* Receipt of interest on the Series 2026A Bonds may reduce otherwise deductible underwriting losses of a property or casualty insurance company.

- E. *Corporate Owners.* Interest on the Series 2026A Bonds is generally taken into account in computing the earnings and profits of a corporation and consequently may be subject to federal income taxes based thereon. Thus, for example, interest on the Series 2026A Bonds is taken into account not only in computing adjusted financial statement income of those corporations subject to the corporate alternative minimum tax but also the branch profits tax imposed on certain foreign corporations, the passive investment income tax imposed on certain S corporations, and the accumulated earnings tax.
- F. *Foreign Personal Holding Company Income.* A United States shareholder of a foreign personal holding company may realize taxable income to the extent that interest on the Series 2026A Bonds held by such a company is properly allocable to the shareholder.

QUALIFIED TAX-EXEMPT OBLIGATIONS – THE SERIES 2026A BONDS

Section 265(b)(3)(B) of the Code provides that certain issues designated or deemed as “qualified tax-exempt obligations” and purchased by financial institutions (either from the issuer or in a secondary market transaction) may be disregarded in computing the proportional disallowance of interest expense provided in such Section. In the Series 2026A Bond Ordinance, the Village has designated the Series 2026A Bonds as “qualified tax-exempt obligations”. In addition, as required by Section 265 of the Code, the Village has represented that the reasonably anticipated amount of “tax-exempt obligations” that are required to be taken into account under Section 265 of the Code and will be issued by the Village and all subordinate entities of the Village during 2023 does not exceed \$10,000,000 except to the extent that refunding bonds may be deemed as “qualified tax-exempt obligations” in excess of \$10,000,000, and has covenanted that it will not designate and issue more than \$10,000,000 aggregate principal amount of “tax-exempt obligations” during 2023. For purposes of the foregoing sentence, the term “tax-exempt obligations” includes “qualified 501(c)(3) bonds” (as defined in Section 145 of the Code) but does not include other “private activity bonds” (as defined in Section 141(a) of the Code).

CERTAIN FEDERAL INCOME TAX CONSIDERATIONS – THE SERIES 2026B BONDS

The following is a summary of the principal United States federal income tax consequences of ownership of the Series 2026B Bonds (the “Taxable Bonds”) applicable to United States Holders, as defined below. This summary deals only with the Taxable Bonds held as capital assets by initial purchasers, and not with special classes of holders, such as dealers in securities or currencies, banks, tax-exempt organizations, life insurance companies, persons that hold the Taxable Bonds as a hedge or as hedged against currency risks or that are part of a straddle or conversion transaction, or persons whose functional currency is not the United States dollar.

The Code contains a number of provisions relating to the taxation of the Taxable Bonds (including, but not limited to, the treatment of and accounting for interest, premium, and market discount thereon, gain from the disposition thereof and withholding tax on income therefrom) that may affect the taxation of certain owners, depending on their particular tax situations. Prospective purchasers of the Taxable Bonds should consult their own tax advisors concerning the consequences, in their particular circumstances, under the Code and the laws of any other taxing jurisdiction, of ownership of the Taxable Bonds.

Notwithstanding the information below, it should be noted that certain taxpayers that are required to prepare certified financial statements or file financial statements with certain regulatory or governmental agencies may be required to recognize income, gain and loss with respect to the Taxable Bonds at the time such income, gain or loss is recognized on such financial statements instead of under the rules described below.

United States Federal Income Tax Considerations for United States Holders of Taxable Bonds

The term “United States Holder” refers to a beneficial owner of a Taxable Bond for United States federal income tax law purposes and that is:

- (a) a citizen or resident of the United States;
- (b) a corporation or partnership which is created or organized in or under the laws of the United States or of any political subdivision thereof;
- (c) an estate the income of which is subject to United States federal income taxation regardless of its source; or
- (d) a trust if (1) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust or (2) the trust was in existence on August 10, 1996 and properly elected to continue to be treated as a United States person.

If a partnership holds the Taxable Bonds, the United States federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. A partner in a partnership holding the Taxable Bonds should consult its tax advisor regarding the consequences to the United States federal income tax treatment of an investment in the Taxable Bonds.

Payments of Interest to United States Holders. Interest on the Taxable Bonds will be taxable to a United States Holder as ordinary income at the time it is received or accrued, depending on the holder’s method of accounting for tax purposes in accordance with general applicable principles.

Sale and Retirement of the Taxable Bonds. Unless a non-recognition provision of the Code applied, United States Holders of the Taxable Bonds must recognize any gain or loss on the sale, redemption, retirement or other disposition of their Taxable Bonds. The gain or loss is measured by the difference between the amount realized on the disposition of a Taxable Bond (except to the extent attributable to accrued but unpaid interest on the Taxable Bond which will be taxed in the manner described above under “Payments of Interest to United States Holders”) and the United States Holder’s adjusted tax basis in the Taxable Bond. Such gain or loss is capital gain or loss, except to the extent of accrued market discount not previously included in income, and is long-term capital gain or loss if at the time of disposition such Taxable Bond has been held for more than one year.

Unearned Income Medicare Contribution Tax. A 3.8 percent Medicare contribution tax is imposed on the “not investment income” of certain United States individuals and on the undistributed “net investment income” of certain estates and trusts. Among other items, “net investment income” generally includes interest and certain net gain from the disposition of property (such as the Taxable Bonds), less certain deductions.

Backup Withholding and Information Reporting

Information reporting applied to payments of interest on the Taxable Bonds, or the proceeds of the sale or other disposition of the Taxable Bonds with respect to certain non-corporate United States Holders, and backup withholding may apply unless the recipient of such payments supplies a taxpayer identification number, certified under penalties of perjury, as well as certain other information or otherwise establishes an exemption from backup withholding. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against that holder's United States federal income tax liability provided the required information is furnished to the Internal Revenue Service.

Change of Law

The opinion of Bond Counsel and the descriptions of the tax law contained in this Official Statement are based on statutes, judicial decisions, regulations, rulings and other official interpretations of law in existence on the date the Taxable Bonds are issued. There can be no assurance that such law or the interpretation thereof will not be changed or that new provisions of law will not be enacted or promulgated at any time while the Taxable Bonds are outstanding in a manner that would adversely affect the value or the tax treatment of ownership of the Taxable Bonds.

STATE TAX MATTERS – THE SERIES 2026B BONDS

Interest on the Series 2026B Bonds is not exempt from State income tax.

CONTINUING DISCLOSURE

In the Bond Ordinance, the Village has covenanted and agreed, for the benefit of the beneficial owners of the Bonds, to provide certain financial information and operating data relating to the Village within 210 days after the close of the Village's fiscal year (the "Annual Report"); and, in a timely manner not in excess of ten business days after the event, to provide notices of the occurrence of certain enumerated events. The Annual Report will be filed by the Village with the Municipal Securities Rulemaking Board (the "MSRB") for disclosures on its Electronic Municipal Market Access ("EMMA") system. The information to be contained in the Annual Report will consist of the annual audited financial statement of the Village, and updated information with respect to the statements in this Official Statement contained under the captions "**Retailers' Occupation, Service Occupation and Use Tax**", "**DEBT INFORMATION**", "**PROPERTY ASSESSMENT AND TAX INFORMATION**" and "**FINANCIAL INFORMATION**" (excluding Budget and Estimated Financial Information). Each annual audited financial statement will conform to generally accepted accounting principles applicable to governmental units and will be prepared in accordance with standards of the Governmental Accounting Standards Board. If the audited financial statement is not available, then an unaudited financial statement will be included in the Annual Report and the audited financial statement will be filed promptly after it becomes available. The notices of enumerated events and timely notice of any failure of the Village to file its Annual Report within the 210 day period will be filed by the Village with the MSRB for disclosures on EMMA. The Village's undertaking with respect to enumerated events includes timely notice of the occurrence of any of the following events with respect to the Bonds.

The Village's General Obligation Bonds, Taxable Series 2011B (Qualified Energy Conservation Bonds – Direct Payment) (the "Series 2011B Bonds") and its General Obligation Bonds, Series 2015 (the "Series 2015 Bonds"), both included a 180-day filing deadline for the Village's annual financial information and audited financial statements. All other current Undertakings for the Village include a 210-day filing requirement.

The Village did not file its audited financial statements for the fiscal year ended December 31, 2022, by the time period specified in the Series 2011B Bonds and Series 2015 Bonds Undertakings. Such filings were made 181 days after the fiscal year end.

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
7. Modifications to the rights of security holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the securities, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Village*;
13. The consummation of a merger, consolidation, or acquisition involving the Village or the sale of all or substantially all of the assets of the Village, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the Village, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Village, any of which affect Bondholders, if material;** and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Village, any of which reflect financial difficulties.**

The Village has agreed to the foregoing undertakings in order to assist participating underwriters of the Bonds and brokers, dealers and municipal securities dealers in complying with Securities and Exchange Commission Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934. The Village will provide the foregoing information for so long as Rule 15c2-12(b)(5) is applicable to the Bonds and the Village remains an “obligated person” under the Rule with respect to the Bonds. No provision of the bond ordinance limits the remedies available to any beneficial owner of the Bonds with respect to the enforcement of the continuing disclosure covenants of the Village described above. Failure to comply with the continuing disclosure covenants will not constitute an event of default under the Bond Ordinance.

The Village may amend the continuing disclosure undertakings contained in the Bond Ordinance upon a change in circumstances provided that (a) the change in circumstances arises from a change in legal requirements, law, or change in the identity, nature or status of the Village or the type of business conducted by the Village, (b) the undertakings, as amended, would have complied with the requirements of Rule 15c2-12(b)(5) at the time of this offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances and (c) in the opinion of nationally recognized bond counsel selected by the Village, the amendment does not materially impair the interests of the beneficial owners of the Bonds.

* This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Village in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Village, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Village.

**The term “financial obligation” means a: (i) debt obligation; (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term “financial obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

LITIGATION

There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the Village taken with respect to the issuance or sale thereof. There is no litigation now pending, or to the knowledge of the Village, threatened against the Village that is expected to materially impact the financial condition of the Village.

LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the unqualified approving opinion of Bond Counsel, whose approving opinion will be delivered with the Bonds. Bond Counsel has reviewed the statements in this Official Statement appearing under the headings **“PURPOSE, LEGALITY AND SECURITY”** and **“TAX MATTERS,”** and is of the opinion that the statements contained under such headings are accurate statements or summaries of the matters set forth therein and fairly present the information purported to be shown. Except for the foregoing, however, Bond Counsel has not independently verified the accuracy or completeness of statements and information contained in this Official Statement and does not assume any responsibility of the accuracy or completeness of such statements and information.

The opinion of Bond Counsel and the descriptions of the tax law contained in this Official Statement are based on statutes, judicial decisions, regulations, rulings and other official interpretations of law in existence on the date the Bonds are issued. There can be no assurance that such law or the interpretation thereof will not be changed or that new provisions of law will not be enacted or promulgated at any time while the Bonds are outstanding in a manner that would adversely affect the value or the tax treatment of ownership of the Bonds.

OFFICIAL STATEMENT AUTHORIZATION

This Official Statement has been authorized for distribution to prospective purchasers of the Bonds. All statements, information, and statistics herein are believed to be correct but are not guaranteed by the consultants or by the Village, and all expressions of opinion, whether or not so stated, are intended only as such.

INVESTMENT RATING

The Bonds have been rated “Aaa” by Moody’s. The Village has supplied certain information and material concerning the Bonds and the Village to the rating service shown on the cover page, including certain information and materials which may not have been included in this Official Statement, as part of its application for an investment rating on the Bonds. A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Generally, such rating service bases its rating on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such rating will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating service if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such rating may have an adverse effect on the secondary market price of the Bonds. Except as may be required by the Undertaking described in **“CONTINUING DISCLOSURE”**, neither the Village nor the Underwriter undertakes responsibility to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of the rating or to oppose any such revision or withdrawal. An explanation of the significance of the investment rating may be obtained from the rating agency: Moody’s Ratings, 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, telephone 212-553-1658. The Village will provide appropriate periodic credit information to the rating service to maintain a rating on the Bonds.

UNDERWRITING

The Series 2026A Bonds were offered for sale by the Village at a public, competitive sale on February 2, 2026. The best bid submitted at the sale was submitted by _____ (the "Series 2026A Underwriter"). The Village awarded the contract for sale of the Series 2026A Bonds to the Series 2026A Underwriter at a price of \$_____ (reflecting the par amount of \$_____, plus a net reoffering premium of \$_____, and less an Underwriter's discount of \$_____). The Series 2026A Underwriter has represented to the Village that the Series 2026A Bonds have been subsequently re-offered to the public initially at the yields set forth on the cover of the Final Official Statement.

The Series 2026B Bonds were offered for sale by the Village at a public, competitive sale on February 2, 2026. The best bid submitted at the sale was submitted by _____ (the "Series 2026B Underwriter"). The Village awarded the contract for sale of the Series 2026B Bonds to the Series 2026B Underwriter at a price of \$_____ (reflecting the par amount of \$_____, plus a net reoffering premium of \$_____, and less an Underwriter's discount of \$_____). The Series 2026B Underwriter has represented to the Village that the Series 2026B Bonds have been subsequently re-offered to the public initially at the yields set forth on the cover of the Final Official Statement.

MUNICIPAL ADVISOR

The Village has engaged Speer Financial, Inc. as municipal advisor (the "Municipal Advisor") in connection with the issuance and sale of the Bonds. The Municipal Advisor is a Registered Municipal Advisor in accordance with the rules of the MSRB. The Municipal Advisor will not participate in the underwriting of the Bonds. The financial information included in this Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. The Municipal Advisor is not a firm of certified public accountants and does not serve in that capacity or provide accounting services in connection with the Bonds. The Municipal Advisor is not obligated to undertake any independent verification of or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement, nor is the Municipal Advisor obligated by the Village's continuing disclosure undertaking.

CERTIFICATION

We have examined this Official Statement dated January 20, 2026 for the \$5,990,000* General Obligation Bonds, Series 2026A and the \$2,260,000* Taxable General Obligation Bonds, Series 2026B, believe it to be true and correct and will provide to the purchasers of the Bonds at the time of delivery, certificates confirming to the purchasers that to the best of our knowledge and belief information in the Official Statement was at the time of acceptance of the bid for the Bonds and, including any addenda thereto, was at the time of delivery of the Bonds true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

/s/

Village Manager
VILLAGE OF DEERFIELD
Lake and Cook Counties, Illinois

/s/

Director of Finance
VILLAGE OF DEERFIELD
Lake and Cook Counties, Illinois

*Subject to change.

APPENDIX A

**VILLAGE OF DEERFIELD
LAKE AND COOK COUNTIES, ILLINOIS**

FISCAL YEAR 2024 AUDITED FINANCIAL STATEMENTS



Village of Deerfield, Illinois



VILLAGE OF DEERFIELD

Annual Comprehensive Financial Report

for the Fiscal Year Ended on December 31, 2024

**Annual Comprehensive
Financial Report
of the Village of Deerfield, Illinois**

For the Year Ended December 31, 2024

Prepared by Finance Department

Eric L. Burk
Director of Finance/Treasurer

Village of Deerfield

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December 31, 2024

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VILLAGE OF DEERFIELD

June 18, 2025

Honorable Mayor and Members
of the Board of Trustees of
Citizens of the Village of Deerfield

The Annual Comprehensive Financial Report of the Village of Deerfield (the "Village") for the year ended December 31, 2024, is submitted herewith. This report represents a comprehensive picture of the Village's financial activities during 2024 and the financial condition of its various funds at December 31, 2024. The Village is required to issue annually a report of its financial position and activity presented in conformance with generally-accepted accounting principles ("GAAP") and audited in accordance with generally-accepted auditing standards by an independent firm of certified public accountants. Although formally addressed to the elected officials and citizens of Deerfield, this financial report has numerous other users. Foremost among the other users are the bondholders of the Village, financial institutions, educational institutions and other governmental entities.

Responsibility for both the accuracy of the data presented as well as the completeness and fairness of the presentation, including all disclosures, rests with the Village. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position of the Village and the results of its operations as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the Village's financial affairs have been included.

Baker Tilly US, LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Village of Deerfield's financial statements for the year ended December 31, 2024. The independent auditors' report is located at the front of the financial section of this report.

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

Profile of the Government

The Village of Deerfield was incorporated in 1903 and operates under the council/manager form of government. The legislative body consists of the Mayor and Board of six Trustees, all elected on an at-large basis to overlapping four-year terms. The Village Manager is responsible for the day-to-day operation of the Village. The Village is a home rule municipality as defined by the Illinois Constitution. Located approximately 25 miles north of the City of Chicago, in both Cook and Lake Counties, the Village occupies a land area of 7.0 square miles and has a certified 2020 Census population of 19,196. Additional demographic information may be found in the statistical section of this report.

The Village provides a number of general governmental services including police protection, water and sewer utilities including sewerage treatment, street construction and maintenance, code enforcement, planning and zoning and general administrative services. Fire protection service is provided by a separate fire protection district. The financial reporting entity of the Village of Deerfield is comprised of all funds of the primary government (i.e., the Village of Deerfield as legally defined) and its pension trust fund: the Deerfield Police Pension Fund. This fund was determined to be a pension trust fund due to its fiduciary and fiscal relationship with the Village as its sole purpose is to provide retirement benefits to the Village's sworn police officers. No other legally separate entity qualifies as a component unit of the Village.

Accounting System and Budgetary Control

The accounts of the Village are organized on the basis of funds, each of which is considered a separate and distinct accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. Revenues are allocated to and accounted for in individual funds based upon the purpose for which they are to be expended and the means by which spending activities are controlled. The accounting records for general governmental operations are maintained on the modified accrual basis, with revenues being recorded when available and measurable and expenditures being recorded when materials or services are received and the liability is incurred. Accounting records for the Village's enterprise funds, internal service funds, custodial funds and pension trust fund are maintained on the accrual basis of accounting.

Management of the Village is responsible for establishing and maintaining a system of internal accounting controls. These controls are designed to assure that the assets of the Village are safeguarded against any material loss, theft or misuse. These controls assure that the financial statements are in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that control objectives will be met. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits require estimates and judgment by Management.

The annual budget serves as the foundation for the Village's financial planning and control. State law requires that a municipality operating under the budget system adopt its annual budget prior to the start of its fiscal year. Through the budget, spending authority is conveyed by expenditure object. The legal level of budgetary control is the department level, or, where no departmental segregation of a fund exists, the fund level.

Factors Affecting Financial Condition

Economic Outlook. There are several measures of economic health for local governments. Four of the more objective measures or indicators are local employment levels, retail sales activity, family income levels and construction activity.

Pursuant to a sales tax sharing agreement, 80% of the sales tax the Village receives from Walgreen National is rebated back to them. In 2019, the Village was informed that Walgreen National amended sales tax returns which resulted in the Village owing the State of Illinois approximately \$16 million (\$8 million for base sales tax and \$8 million for home rule sales tax) for amounts that were previously distributed to the Village. The State is withholding \$200,000 per month (\$100,000 base sales tax and \$100,000 home rule sales tax) from the Village's disbursements until the \$16 million is repaid. Walgreen National is repaying the Village 80% of the \$16 million owed to the State of Illinois as the Village had already distributed payments pursuant to the agreement. The Village base sales tax revenue (which represents 1% of the total eligible sales), net of all Walgreen National activity, increased by approximately \$10,000 from the amount received in 2023.

Employment levels in the Village have always surpassed that of Lake and Cook Counties and the State of Illinois as a whole. As of December 31, 2023, the Village's unemployment rate was estimated to be 2.4%, compared to 5.1% for Lake County, 4.2% for the State of Illinois and 3.2% for the United States. Deerfield's estimated unemployment rate as of December 31, 2024 is not available at the time of this analysis. The unemployment rate for Lake County increased to 4.5%, the State of Illinois increased to 4.3% and the unemployment rate has increased to 3.8% for the United States as of December 31, 2024.

Median household income figures from 2023 Census estimates demonstrate that the average income of Deerfield residents far exceeds county and state averages. According to the Census Bureau, Deerfield's 2023 median household income was \$189,705 compared to \$81,702 for the State of Illinois and \$78,538 for the United States. This ranked Deerfield among the wealthiest communities in the State of Illinois. The Deerfield median household income has increased approximately 11.14% from the 2021 Census figure.

Commercial and residential construction activity remained relatively consistent with the prior year. Much of the activity was in commercial and residential remodeling. Overall permit revenue totaled \$1,960,698 for the year ending December 31, 2024. Foreclosure rates remained low; with approximately 25 to 35 single family homes out of the Village's 6,500 in this status during the year.

Long-term Financial Planning. The Village utilizes a five-year Capital Improvement Program (“CIP”) to address major capital and infrastructure improvements. For a project to be included in the CIP, it must involve the creation or purchase of a tangible asset with an original cost of at least \$25,000 and a useful life of more than one year. Projects that are programmed for the first year of the CIP (i.e., the upcoming budget year) are most closely scrutinized in the capital planning process because associated funding must be provided in that budget. Until 2008, the Village had primarily followed a “pay-as-you-go” funding strategy for maintenance and replacement of assets and had issued limited debt for new projects. Capital grants are sought at the state and local level for eligible projects. No new debt was issued in 2024.

Major Initiatives

As part of the 2024 budget planning process, Village staff presented the Board with a \$7.5 million capital projects program. In October of 2021, the Village refunded several bond issues and issued an additional \$7 million of bonds to partially fund capital projects in 2022 and 2023.

The Village continued to pursue a variety of sustainability initiatives related to reducing its greenhouse gas (GHG) emissions in order to achieve the goals of converting 100% of electricity to renewable sources, reducing transportation emissions by 55% and reducing waste emissions by 66% by 2030. Staff will work with the Greenhouse Gas Reduction Working Group over the coming year to establish a 2025 GHG emissions baseline and compare that to the 2021 emissions baseline and the 2017 control year.

In January 2023, the Board approved the creation of a Tax Increment Financing (TIF) District for a portion of the Village's downtown business district and Village Center. The Village approved Tax Increment Financing Redevelopment Plan, pursuant to the TIF Act, will enable the target area to overcome a number of redevelopment barriers. Ryan LLC (previously Kane McKenna and Associates Inc.) was retained by the Village to assist in drafting the Redevelopment Plan. The Downtown TIF District (TIF District #3) was created to ensure the Village Center continues to serve as the center of community life in Deerfield through coordinated land use and planning. The utilization of economic development tools, like tax increment financing, will allow the Village to implement a coordinated program of actions to spur investment.

In July 2023, the Board approved the creation of the C-4 Entertainment and Limited Retail Business District for a portion of the Village South of Lake Cook Road. This specialized zoning district was established to encourage and carefully regulate entertainment and a limited variety of commercial and residential uses while also providing for the possible development of office buildings, research facilities, training centers and restricted industrial parks in suitable areas located along a primary arterial street across from a residential district. The limited development potential of this area led the Board to establish the Lake Cook Road TIF District (TIF District #4) in March 2024. TIF District #4 was put in place to help foster redevelopment of the area by adding retail, restaurant and entertainment uses in order to strengthen the commercial areas of the Village. The goal of TIF District #4 is to provide a sound economic base while maintaining a compatible relationship between commercial areas and other areas of the Village in a coordinated manner.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Deerfield for its annual comprehensive financial report for the fiscal year ended December 31, 2023. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report whose contents conform to program standards. Such report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The Village of Deerfield is a long-time participant in the Certificate of Achievement program. We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA.

In addition, the Village also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated January 1, 2024. In order to qualify for the Distinguished Budget Presentation

Award, the Village's budget document had to be judged proficient as a policy document, a financial plan, an operations guide and a communications device.

The preparation of the annual comprehensive financial report was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the Department has my sincere appreciation for the contributions made in the preparation of this report. In particular, I would like to acknowledge the work of James Neumann, Senior Accountant, for his efforts in continuing to efficiently administer the accounting systems of the Village.

Finally, appreciation is expressed to the Village President and Board of Trustees for their leadership and support in planning and conducting the fiscal affairs of the Village in a responsible manner.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Eric Burk", with a stylized, cursive script.

Eric L. Burk
Director of Finance/Treasurer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Deerfield
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

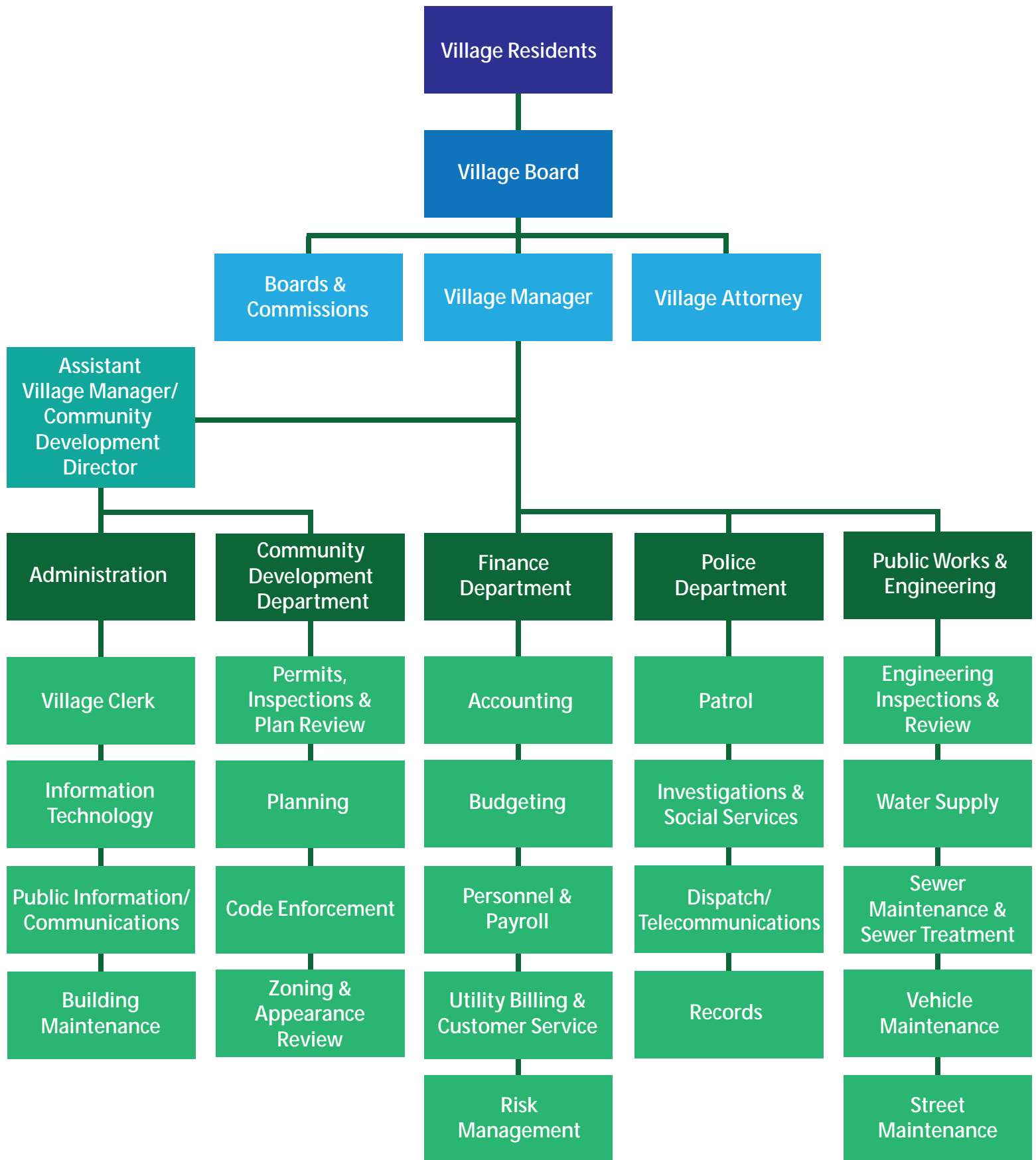
December 31, 2023

Christopher P. Morill

Executive Director/CEO



Village of Deerfield, Illinois Organization Chart



VILLAGE OF DEERFIELD, ILLINOIS

PRINCIPAL OFFICIALS

December 31, 2024

LEGISLATIVE

VILLAGE BOARD OF TRUSTEES

Daniel C. Shapiro, Mayor

Rebekah Metts-Childers

Elaine Jacoby

Robert L. Benton

Jennifer Goldstone

Larry Berg

Mary M. Oppenheim

Kent S. Street, Clerk

ADMINISTRATIVE

Kent S. Street, Village Manager

FINANCE DEPARTMENT

Eric L. Burk
Director of Finance/Treasurer

Independent Auditors' Report

To the Honorable Mayor and Members of the Board of Trustees of
Village of Deerfield, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Deerfield, Illinois (the Village), as of and for the year ended December 31, 2024, 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, 2024 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) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

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 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The supplementary information 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 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.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory section, statistical section, and other information as listed in the table of contents 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 18, 2025 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

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 18, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF DEERFIELD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2024
(UNAUDITED)

The Village of Deerfield (the "Village") management's discussion and analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the Village's financial activity, (3) identify changes in the Village's financial position (its ability to address subsequent year challenges), (4) identify any material deviations from the financial plan (the approved budget) and (5) identify individual fund issues or concerns.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the Transmittal Letter and the Village's financial statements.

Financial Highlights

- The Village's General Fund ended the period with total revenues exceeding total expenditures by \$3,812,036. Combined with other financing sources (uses) of (\$1,091,700), the December 31, 2024, fund balance increased by \$2,720,336. The 2024 General Fund amended budget showed a decrease of \$2,608,858. General Fund Taxes and Intergovernmental Revenues exceeded budget due to higher than expected receipts of income tax, building permit fees, and miscellaneous revenues. In addition, hotel tax performed better than expected although it has yet to fully recover to pre COVID-19 amounts. Investment income also outperformed the budgeted amount as rates and balances have remained higher than originally expected. General Fund expenditures were under budget due largely to economic incentive payments, open positions and general liability insurance.
- In 2019, the Illinois Department of Revenue (IDOR) notified the Village that its monthly distributions for sales tax and home rule sales tax would be reduced by \$100,000 each per month due to previous over distributions resulting from a business that filed amended sales tax returns. The total amount owed by the Village to IDOR was \$16,452,807. As part of an ongoing sales tax sharing agreement, the Village had previously rebated 80% of the overpayments (\$13,162,246) to the business and needed to negotiate a repayment schedule with the business. The Village withheld further cash payments to the business, but accrued liabilities, while the repayment schedule was being negotiated. In 2021, the Village finalized a repayment agreement with the business that allows the Village to keep the amounts previously held as a reduction to the amount due from the business. In addition, the business will make monthly payments of \$133,767 starting in May of 2021 until the entire \$13,162,246 has been repaid to the Village. As of December 31, 2024, the Village had recovered \$10,219,362 related to amounts due from the business and IDOR had withheld a total of \$12,800,000 from the Village's monthly sales tax and home rule sales tax distributions. Additionally in 2024, the business filed additional amended returns with the IDOR. The business made a one-time payment of \$2,912,169, which represents the business' portion of prior overpayments related to the tax sharing agreement for the amended tax periods. As a result of the additional over distributions from the IDOR to the Village, the IDOR extended the period in which the monthly distributions for sales tax and home rule sales tax will be reduced. The Statement of Net Position reflects a receivable of \$2,950,170 for amounts due from the business and a payable of \$7,493,018 for the remaining amount due to IDOR.
- Sales tax and home rule sales tax decreased \$170,378 and \$927,022, respectively in the current year. The decrease was due largely to reduced economic incentive activity, which also resulted in reduced contractual service expenditures in the Finance Department. The Village also recognized sales tax and home rule sales tax of \$802,605 each related to repayments from transaction described above. The IDOR withheld \$1,200,000 from sales tax and home rule sales tax for a total of \$2,400,000 in 2024. Sales tax combined with home rule sales tax excluding activity related to the economic incentive and repayments agreements decreased \$275,850. This decrease is a more accurate reflection of the sales tax generated in the Village and is due to relatively consistent economic activity between 2023 and 2024 within the Village.
- State income tax totaled \$3,259,873 in 2024, which is a slight increase from the 2023 total of \$3,065,974.
- Hotel/motel tax revenue (\$2,178,132) increased from the prior year and exceeded the current year budget of \$1,500,000; business travel is the primary reason for stays at Deerfield hotels. All six of the Deerfield hotels remained open during the year. However, hotel/motel revenue has not recovered to pre-COVID amounts of over \$2.4 million due largely to decreased occupancy rates.

VILLAGE OF DEERFIELD, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

- The Village collected \$997,054 from the Electric Utility tax and \$827,062 from the Simplified Telecommunications tax. Electric Utility tax decreased slightly from the prior year, but is reasonably consistent. Simplified Telecommunications tax decreased from the prior year and is expected to continue to decrease in future years.
- The 1% food and beverage tax, which was implemented in March of 2017, totaled \$819,007 for the year. The tax is allocated to the infrastructure replacement fund and increased by \$9,616 from the prior year due largely to increased costs of prepared food and beverages.
- The infrastructure maintenance fee of ½ of 1% of the project value, which was implemented in 2012, totaled \$391,077 for the year.
- The Village retired \$2,630,000 of general obligation debt during the year. No new debt was issued in 2024. The total balance of debt outstanding as of December 31, 2024, was \$51,070,000.

USING THE FINANCIAL SECTION OF THIS ANNUAL COMPREHENSIVE FINANCIAL REPORT

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

Government-Wide Financial Statements

The government-wide financial statements are designed to be corporate-like in that all governmental and business-type activities are consolidated into columns that add to a total for the Primary Government. The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The governmental activities reflect the Village's basic services, including police, public works, engineering and administration. Property tax, shared state sales tax, local hotel/motel tax and shared state income taxes finance the majority of these services. The business-type activities reflect private sector type operations (Water, Sewer, Refuse Disposal and Commuter Parking) where the charges for services typically cover all or most of the cost of operation, including depreciation.

Fund Financial Statements

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

The governmental major funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

The government-wide financial statements provide a long-term view. Comparisons between the individual governmental fund statements and the government-wide statements provide information about financing decisions and the amount invested in maintaining and improving infrastructure. These two perspectives can provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances reconcile the differences between these two perspectives. Budgetary comparison schedules for other funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the Village's budget.

VILLAGE OF DEERFIELD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Proprietary or business-type activity funds reported in the fund financial statements are for those services for which the Village charges customers a fee. There are two kinds of proprietary funds, enterprise and internal service. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Enterprise fund services are primarily provided to customers external to the Village organization such as those of the water and sewer utilities, commuter parking lots and refuse collection and disposal. Internal service funds provide services and charge fees to customers within the Village organization such as equipment services (repair and maintenance of Village vehicles). Internal services are to both the governmental and business-type activities of the government-wide financial statements.

Proprietary fund statements provide both long-term and short-term financial information consistent with the focus provided by the government-wide financial statements, but with more detail for major enterprise funds. Individual fund information for internal service funds and non-major enterprise funds is found in combining statements in a later section of this report.

Fiduciary funds such as the employee pension plans are reported in the fiduciary fund financial statements, but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund Village programs. Fiduciary fund financial statements report similarly to proprietary funds.

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's funding of pension benefit obligations to its employees and budget information.

Major funds and component units are reported in the basic financial statements as discussed. Combining and individual statements and schedules for non-major and internal service funds are presented in a subsequent section of this report.

FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE

The Village implemented the new financial reporting model (GASB #34) beginning with the fiscal year that ended April 30, 2004. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the Village as a whole.

VILLAGE OF DEERFIELD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

STATEMENT OF NET POSITION – Village of Deerfield
(in millions of dollars)

	Governmental Activities		Business-type Activities		Total – Primary Govt.	
	2024	2023	2024	2023	2024	2023
Current & Other Assets	83.31	79.56	8.98	8.99	92.29	88.55
Capital Assets	77.77	78.42	64.32	64.14	142.09	142.56
Total Assets	161.08	157.98	73.30	73.13	243.38	231.11
Deferred Outflows of Resources	13.52	17.64	0.89	0.90	14.41	18.54
Total Assets and Deferred Outflows of Resources	174.60	175.62	74.19	74.03	248.79	249.65
Long-Term Liabilities	50.41	53.17	23.42	24.34	73.83	77.51
Other Liabilities	17.74	14.08	1.68	1.73	19.42	15.81
Total Liabilities	68.15	67.25	25.10	26.07	93.25	93.32
Deferred Inflows of Resources	19.81	23.19	1.06	1.12	20.87	24.31
Total Liabilities and Deferred Inflows of Resources	87.96	90.44	26.16	27.19	114.12	117.63
Net Position:						
Net Investment in Capital Assets	49.89	49.05	41.42	40.33	91.31	89.38
Restricted	12.68	14.31	-	-	12.68	14.31
Unrestricted	24.07	21.82	6.61	6.51	30.68	28.38
Total Net Position	86.64	85.18	48.03	46.84	134.67	132.02

Current & Other Assets for Governmental Activities increased mainly due to increases in cash and investments resulting from receipts for State income taxes, building permit fees and miscellaneous revenues exceeding budgeted amounts. The changes in Deferred Outflows of Resources and Deferred Inflows of Resources relate to Pension items (See Employee Retirement Systems footnote) and Other Postemployment Benefits (See Other Postemployment Benefits footnote) in the Governmental and Business-type Activities. Governmental Activities Long-Term Liabilities decreased due to changes in the actuarially determined liabilities for OPEB, IMRF and Police. In addition, Long-Term debt of \$2.63 million was retired during the year. Other Liabilities in Governmental Activities decreased due to payment amounts due to other governmental units in the current year in accordance with the repayment agreement described in the financial highlights section.

VILLAGE OF DEERFIELD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

The following table provides a summary of activities causing a change in net position.

Changes in Net Position – Village of Deerfield (in millions of dollars)						
	Governmental Activities		Business-type Activities		Total – Primary Govt.	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Charges for Service	5.81	5.49	10.15	10.00	15.96	15.49
Operating Grants	0.92	0.87	-	-	0.92	0.87
Capital Grants	0.38	0.12	1.95	6.17	2.33	6.29
General Revenue:						
Property Taxes	8.69	8.49	-	-	8.69	8.49
Other Taxes/ Intergovernmental	18.08	21.01	-	-	18.08	21.01
Other	4.12	3.12	0.47	0.43	4.59	3.55
Total Revenue	38.00	39.10	12.57	16.60	50.57	55.70
Expenses:						
General Government	9.28	9.08	-	-	9.28	9.08
Public Safety	10.54	10.47	-	-	10.54	10.47
Highways and Streets	13.06	12.59	-	-	13.06	12.59
Interest/fiscal charges	0.90	0.96	-	-	0.90	0.96
Water	-	-	6.88	6.36	6.88	6.36
Sewerage	-	-	5.45	5.23	5.42	5.23
Refuse	-	-	1.59	1.52	1.59	1.52
Parking Lots	-	-	0.22	0.24	0.22	0.24
Total Expense	33.78	33.10	14.14	13.35	47.89	46.45
Increase(decrease) before transfers	4.22	6.00	-1.57	3.25	2.68	9.25
Transfer in (out)	-2.76	-2.71	2.76	2.71	-	-
Changes in Net Position	1.46	3.29	1.19	5.96	2.68	9.25
Ending Net Position	86.64	85.18	48.03	46.84	134.67	132.02

VILLAGE OF DEERFIELD, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

CURRENT YEAR IMPACTS

Governmental Activities

Revenue

Charges for service increased from the prior year due to increased building permit revenue resulting from increased development activity occurring within the Village in the current year. Public safety charges for service decreased from prior year, due to a one-time JETSB reimbursement occurring in 2023 related to the dispatch center remodeling. Capital grants increased from the prior year due to a onetime grant for the acquisition of police body cameras.

Expenses

The Village's Governmental Activities Expenses remained largely consistent between 2023 and 2024, increasing overall by \$700,000. General government expenses increased by approximately \$200,000 due to normal inflationary increases in salaries, offset partially by expenses for professional services, economic incentives, and advisory board expenses. Highways and streets expenses increased by approximately \$500,000 due to additional costs for street salt, emergency tree removal, and street rehabilitation work. Additionally, public safety expense is affected by the actuarial calculation of Net Pension Liability and Other Post-Employment Benefits Liability.

Business-type Activities

Revenue

A water rate increase of 4% was implemented in January 2024; water sales totaled \$5.92 million, which was more than the budget of \$5.83 million. Sewer user charges of \$3.43 million were also more than the budget of \$3.41 million. The sewer rates were also increased 4% in January 2024. Water and sewer charges were above budget due to usage being higher than expected in the current year. Refuse user charge rates were increased 3.5% in 2024 and revenue of \$0.6 million was slightly above the budgeted amount. The daily parking fee was held flat and resulted in revenue of \$0.16 million, which was significantly reduced due to changing work restrictions and work from home accommodations.

Expenses

Water Fund operating expenses increased to \$0.63 million from the prior year. The increase is due to increases in personnel costs, wholesale water purchases and a year-end accounting adjustment related to Net Pension Liability. The Village's wholesale water supplier increased its rates by 9% in 2024; a series of annual increases to fund the reconstruction of their water treatment plant and lead service line replacement is expected for the near future.

Sewerage Fund operating expenses increased \$0.17 million in comparison to the prior year. The increase was due in part to increased personnel costs and a year-end accounting adjustment related to Net Pension Liability.

Refuse Fund operating expenses increased slightly from the prior year due to personnel services and contractual services. Parking Fund operating expenses decreased slightly in comparison to the prior year. Both funds were under their operating expense budget.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

At December 31, 2024, the governmental funds reported a combined fund balance of \$50.70 million which is a 0.87% increase from the beginning of the year (\$50.25 million). The increase is due largely to several General Fund revenues exceeding the budgeted amounts. (hotel/motel tax, building permit fees, State income tax, charges for services, and investment income). Additionally, the 2011B Debt Service Sinking Fund will continue to accumulate fund balance until the bonds are due on December 1, 2028. Finally, a TIF district was established in 2024, which will continue to accumulate fund balance to be spent on future renovations to downtown areas within the village. The increases in General Fund revenue, 2011B Debt Service Sinking Fund, and the downtown TIF fund were partially offset by the planned spend down of funds in the Motor Fuel Tax fund.

VILLAGE OF DEERFIELD, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Major Governmental Funds

The General Fund is the Village's primary operating fund and the largest source of day-to-day service delivery. The General Fund cash balance of \$36.50 million provides for approximately 1 year of anticipated annual expenditures.

General Fund revenues were above the budget of \$25.26 million by \$3.32 million. State income taxes, building permit fees, and miscellaneous revenues were positively impacted as described in the financial highlight section. While it has not yet returned to pre COVID-19 amounts, Hotel/Motel tax also exceeded the budgeted amount. Finally, investment income exceeded the budget amount as rates and balances remain higher than initially expected.

General Fund expenditures were \$2.01 million less than the amended budget. General Fund actual expenditures were lower due to open positions and lower than expected contractual services, including general liability insurance and economic incentives.

The table below shows the original and revised budget and the actual revenues and expenditures for the General Fund. More information may be found on the schedule of revenues, expenditures and changes to fund balance.

General Fund Budget versus Actual
Fiscal year ended December 31, 2024
(in millions)

	Original Budget	Amended Budget	Actual
Revenues			
Taxes	12.28	12.28	12.03
Intergovernmental	8.68	8.68	9.05
Other	4.30	4.30	7.50
Total	25.26	25.26	28.58
Expenditures & Transfers			
Expenditures	26.78	26.78	24.76
Transfers – Net	1.09	1.09	1.09
Total	27.87	27.87	25.85
Change in Fund Balance	-2.61	-2.61	2.73

Major Proprietary Funds

The major proprietary (or business-type) funds operated by the Village are the Water, Sewerage and Refuse Funds.

The Water Fund operating revenues totaled \$6.14 million for the year. Actual operating expenses, excluding depreciation totaled \$6.28 million. Overall, net position decreased by \$0.15 million, which included depreciation of \$0.63 million, investment income of \$0.12 million and contributions of capital assets from the Infrastructure Replacement fund of \$0.50 million related to the Meadowbrook subdivision watermain and offsite water system improvements on Lake Cook Road.

The Sewerage Fund operating expenses were under budget by \$0.08 million due primarily to a year-end accounting adjustment related to Net Pension Liability. Operating revenues were over budget by \$0.02 million. Actual operating expenditures for the year exceeded operating revenues by \$0.18 million. Capital expenses for the foreseeable future in this fund have been transferred to the Infrastructure Fund.

The Refuse Fund operating expenses exceeded operating revenues by \$1.01 million. The Village also transfers a portion of its General Fund revenues to the Refuse Fund. Revenue transferred to the Refuse Fund totaled \$1.09 million and the Refuse Fund's net position increased \$0.12 million during the year to \$1.20 million.

Internal Service Funds

The Village's combined internal service funds' net position were \$10.25 million as of December 31, 2024, with \$6.68 million of the total available in cash for major equipment purchases in the Vehicle and Equipment Replacement Fund. Total Garage Fund expenses exceeded total revenues resulting in a decrease in net position.

VILLAGE OF DEERFIELD, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

Capital assets

Effective May 1, 2004, the Village revised its policy of capitalizing assets to raise the minimum to \$25,000 (actual) or more in value. The Village's investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2024, was \$77.78 million. The Village's investment in capital assets, net of accumulated depreciation, for business-type activities as of December 31, 2024, was \$64.32 million. Major capital asset additions during the current year included infrastructure improvements, streets and vehicles/equipment. Additional information on capital assets is presented in Note 2 to the financial statements.

Long-term debt

The Village did not issue any new debt during the year. At the end of the year, the Village had total bonded debt outstanding of \$51.1 million. As a home rule government, under Illinois law, the Village has no legal debt limit. As of December 31, 2024, the total Village debt represented 3.23% of the 2023 equalized assessed value. Additional information on long-term debt is presented in Note 2 to the financial statements.

Bond Rating

The Village's general obligation bonds are rated Aaa by Moody's Investor Rating Service. The Aaa rating was reaffirmed with the issuance of the General Obligation Bond Series of 2021.

Pension Funds

The Village continues to fully fund its annual required contributions to both the Police Pension Fund and Illinois Municipal Retirement Fund. Increased salaries, an aging employee base, and end of career accumulated leave payouts have resulted in large contributions to both funds which cover all full-time employees. Additional information on the funding levels can be found in the Required Supplementary Information section.

Economic Factors

The Village is an affluent residential community with a substantial office/commercial presence including a number of headquarters operations in the health services and pharmaceutical areas. Property taxes are a minor part of the overall operating revenues. Net of a \$1,091,700 transfer to the refuse fund, property taxes total approximately 11% of General Fund revenue.

One of the major retail areas in the Village continues to seek major tenants and/or redevelopment. The Village is committed to working with developers and land owners to help them fill vacant retail space.

In January 2023, the Village Board approved the creation of a Tax Increment Financing (TIF) District for a portion of the Village's downtown business district and Village Center. The Village received incremental revenue totaling \$0.23 million in 2024. No incremental funds were expended in 2024.

In July 2023, the Village Board approved the creation of the C-4 Entertainment and Limited Retail Business District for a portion of the Village South of Lake Cook Road. This specialized zoning district was established to encourage and carefully regulate entertainment and a limited variety of commercial and residential uses while also providing for the possible development of office buildings, research facilities, training centers and restricted industrial parks in suitable areas located along a primary arterial street across from a residential district.

In December 2019, a novel strain of coronavirus was reported in Wuhan, Hubei province, China. In the first several months of 2020, the virus, SARS-CoV-2, and resulting disease, COVID-19, spread to the United States, including to areas impacting the Village. Many of the Village's revenue sources have recovered from the effects of these events; however, this situation continues to negatively impact Hotel/Motel tax and Commuter Parking Lot fees.

Contacting the Village's Financial Management

This financial report is designed to provide a general overview of the Village's finances, comply with finance-related laws and regulations and demonstrate the Village's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Village's Finance Director, 850 Waukegan Road, Deerfield, IL 60015 or access the Village website at www.deerfield.il.us.

BASIC FINANCIAL STATEMENTS

Village of Deerfield

Statement of Net Position

December 31, 2024

	Governmental Activities	Business- Type Activities	Total
Assets			
Cash and investments	\$ 56,801,052	\$ 3,864,210	\$ 60,665,262
Receivables (net):			
Property taxes	8,593,712	-	8,593,712
Accounts	1,255,914	1,917,877	3,173,791
Accrued interest	158,652	9,377	168,029
Electric utility tax	81,550	-	81,550
Due from other governmental units	7,464,798	-	7,464,798
Note receivable	2,950,170	-	2,950,170
Leases	2,265,365	868,473	3,133,838
Internal balances	(2,148,012)	2,148,012	-
Prepaid items	3,214,364	89,813	3,304,177
Inventory	124,043	84,393	208,436
Deposits	2,546,203	-	2,546,203
Capital assets:			
Capital assets not being depreciated	22,144,912	3,220,039	25,364,951
Capital assets, being depreciated	129,657,884	84,619,817	214,277,701
Less accumulated depreciation	<u>(74,027,622)</u>	<u>(23,520,233)</u>	<u>(97,547,855)</u>
Total assets	<u>161,082,985</u>	<u>73,301,778</u>	<u>234,384,763</u>
Deferred Outflows of Resources			
Pension items, IMRF	3,656,003	536,912	4,192,915
Pension items, police pension	6,913,132	-	6,913,132
Other postemployment benefits	<u>2,952,262</u>	<u>356,349</u>	<u>3,308,611</u>
Total deferred outflows of resources	<u>13,521,397</u>	<u>893,261</u>	<u>14,414,658</u>
Liabilities			
Accounts payable	2,072,176	462,273	2,534,449
Accrued payroll	328,480	69,049	397,529
Contracts payable	156,559	-	156,559
Deposits payable	2,482,810	58,739	2,541,549
Other payables	2,375,926	-	2,375,926
Accrued interest payable	79,125	69,898	149,023
Due to other governmental units	7,493,018	-	7,493,018
Noncurrent liabilities:			
Due within one year	2,754,238	1,020,554	3,774,792
Due in more than one year	<u>50,410,781</u>	<u>23,423,909</u>	<u>73,834,690</u>
Total liabilities	<u>68,153,113</u>	<u>25,104,422</u>	<u>93,257,535</u>
Deferred Inflows of Resources			
Property taxes levied for a future period	8,593,712	-	8,593,712
Pension items, IMRF	9,126	1,340	10,466
Pension items, police pension	7,334,895	-	7,334,895
Other postemployment benefits	1,606,440	193,903	1,800,343
Lease related amounts	<u>2,265,365</u>	<u>868,473</u>	<u>3,133,838</u>
Total deferred inflows of resources	<u>19,809,538</u>	<u>1,063,716</u>	<u>20,873,254</u>

See notes to financial statements

Village of Deerfield

Statement of Net Position
December 31, 2024

	Governmental Activities	Business- Type Activities	Total
Net Position			
Net investment in capital assets	\$ 49,891,611	\$ 41,420,058	\$ 91,311,669
Restricted for:			
Maintenance of roadways	686,042	-	686,042
Public safety	2,546,203	-	2,546,203
Debt service	9,207,944	-	9,207,944
TIF development	236,556	-	236,556
Unrestricted	<u>24,073,375</u>	<u>6,606,843</u>	<u>30,680,218</u>
 Total net position	 <u>\$ 86,641,731</u>	 <u>\$ 48,026,901</u>	 <u>\$134,668,632</u>

See notes to financial statements

Village of Deerfield

Statement of Activities

Year Ended December 31, 2024

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	\$ 9,280,673	\$ 3,304,513	\$ -	\$ -	\$ (5,976,160)	\$ -	\$ (5,976,160)
Public safety	10,544,677	1,410,976	-	-	(9,133,701)	-	(9,133,701)
Highways and streets	13,058,982	522,442	917,288	379,243	(11,240,009)	-	(11,240,009)
Interest and fiscal charges	889,564	573,499	-	-	(316,065)	-	(316,065)
Total governmental activities	33,773,896	5,811,430	917,288	379,243	(26,665,935)	-	(26,665,935)
Business-type activities:							
Water	6,885,481	5,916,184	-	500,559	-	(468,738)	(468,738)
Sewerage	5,446,431	3,434,296	-	1,446,312	-	(565,823)	(565,823)
Refuse	1,594,265	625,751	-	-	-	(968,514)	(968,514)
Commuter parking lot	215,560	175,318	-	-	-	(40,242)	(40,242)
Total business-type activities	14,141,737	10,151,549	-	1,946,871	-	(2,043,317)	(2,043,317)
Total	\$ 47,915,633	\$ 15,962,979	\$ 917,288	\$ 2,326,114	(26,665,935)	(2,043,317)	(28,709,252)
General Revenues							
Taxes:							
Property					8,689,073	-	8,689,073
Home rule sales					3,737,578	-	3,737,578
Local use					680,414	-	680,414
Hotel/motel					2,178,132	-	2,178,132
Simplified telecommunications					827,062	-	827,062
Electric utility tax					997,054	-	997,054
Food and beverage					819,007	-	819,007
Intergovernmental					8,844,716	-	8,844,716
Investment income					2,867,415	210,031	3,077,446
Gain on disposal of assets					103,544	-	103,544
Miscellaneous					1,144,560	261,053	1,405,613
Total general revenues					30,888,555	471,084	31,359,639
Transfers					(2,761,628)	2,761,628	-
Change in net position					1,460,992	1,189,395	2,650,387
Net Position, Beginning					85,180,739	46,837,506	132,018,245
Net Position, Ending					\$ 86,641,731	\$ 48,026,901	\$ 134,668,632

See notes to financial statements

Village of Deerfield

Balance Sheet -
Governmental Funds
December 31, 2024

	<u>General</u>	<u>Motor Fuel Tax</u>	<u>Debt Service</u>	<u>2011B Debt Service Sinking</u>
Assets				
Cash and investments	\$ 36,501,871	\$ 705,029	\$ 525,478	\$ 9,180,297
Receivables:				
Taxes	4,389,570	-	4,204,142	-
Accounts	1,082,359	-	-	-
Accrued interest	91,894	5,349	4,240	27,647
Electric utility tax	81,550	-	-	-
Due from other governments	2,382,969	72,083	4,065,000	-
Note receivable	2,950,170	-	-	-
Leases	2,265,365	-	-	-
Prepaid items	3,209,974	-	-	-
Inventory	48,152	-	-	-
Deposits	2,546,203	-	-	-
Due from other funds	187,716	-	-	-
	<u>\$ 55,737,793</u>	<u>\$ 782,461</u>	<u>\$ 8,798,860</u>	<u>\$ 9,207,944</u>
Total assets				
	<u>\$ 55,737,793</u>	<u>\$ 782,461</u>	<u>\$ 8,798,860</u>	<u>\$ 9,207,944</u>
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	\$ 1,299,209	\$ 96,419	\$ 100	\$ -
Accrued payroll	321,825	-	-	-
Contracts payable	-	-	-	-
Deposits payable	2,482,810	-	-	-
Other payables	2,375,926	-	-	-
Due to other governments	2,912,169	-	-	-
	<u>9,391,939</u>	<u>96,419</u>	<u>100</u>	<u>-</u>
Total liabilities				
	<u>9,391,939</u>	<u>96,419</u>	<u>100</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenues	2,942,884	-	4,065,000	-
Property taxes levied for a future period	4,389,570	-	4,204,142	-
Lease related amounts	2,265,365	-	-	-
	<u>9,597,819</u>	<u>-</u>	<u>8,269,142</u>	<u>-</u>
Total deferred inflows of resources				
	<u>9,597,819</u>	<u>-</u>	<u>8,269,142</u>	<u>-</u>
Fund Balances				
Nonspendable for inventory	48,152	-	-	-
Nonspendable for prepaid items	3,209,974	-	-	-
Restricted for maintenance of roadways	-	686,042	-	-
Restricted for public safety	2,546,203	-	-	-
Restricted for debt service	-	-	-	9,207,944
Restricted for TIF development	-	-	-	-
Assigned to capital projects	-	-	-	-
Assigned to special projects	558,254	-	-	-
Assigned to debt service	-	-	529,618	-
Unassigned	30,385,452	-	-	-
	<u>36,748,035</u>	<u>686,042</u>	<u>529,618</u>	<u>9,207,944</u>
Total fund balances (deficit)				
	<u>36,748,035</u>	<u>686,042</u>	<u>529,618</u>	<u>9,207,944</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 55,737,793</u>	<u>\$ 782,461</u>	<u>\$ 8,798,860</u>	<u>\$ 9,207,944</u>

See notes to financial statements

<u>Infrastructure Replacement</u>	<u>Nonmajor Governmental Fund - Downtown TIF</u>	<u>Total</u>
\$ 2,958,275	\$ 236,261	\$ 50,107,211
-	-	8,593,712
131,936	-	1,214,295
9,967	295	139,392
-	-	81,550
944,746	-	7,464,798
-	-	2,950,170
-	-	2,265,365
-	-	3,209,974
-	-	48,152
-	-	2,546,203
-	-	187,716
<u>\$ 4,044,924</u>	<u>\$ 236,556</u>	<u>\$ 78,808,538</u>

\$ 607,181	\$ -	\$ 2,002,909
-	-	321,825
156,559	-	156,559
-	-	2,482,810
-	-	2,375,926
-	-	2,912,169

<u>763,740</u>	<u>-</u>	<u>10,252,198</u>
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-	-	7,007,884
-	-	8,593,712
-	-	2,265,365

-	-	17,866,961
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-	-	48,152
-	-	3,209,974
-	-	686,042
-	-	2,546,203
-	-	9,207,944
-	236,556	236,556
3,281,184	-	3,281,184
-	-	558,254
-	-	529,618
-	-	30,385,452
<u>3,281,184</u>	<u>236,556</u>	<u>50,689,379</u>

<u>\$ 4,044,924</u>	<u>\$ 236,556</u>	<u>\$ 78,808,538</u>
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See notes to financial statements

Village of Deerfield

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position December 31, 2024

Total Fund Balances, Governmental Funds \$ 50,689,379

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. 77,775,174

Less capital assets used in internal service funds. (3,543,277)

Some receivables 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. 2,942,884

Intergovernmental receivables from the Library is not unavailable revenue on the Statement of Net Position. 4,065,000

Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. 10,569,135

Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds. (7,344,021)

Deferred outflows of resources related to OPEB do not relate to current financial resources and are not reported in the governmental funds. 2,952,262

Deferred inflows of resources related to OPEB do not relate to current financial resources and are not reported in the governmental funds. (1,606,440)

Internal service funds are reported in the Statement of Net Position as governmental activities. 7,909,606

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

Bonds and notes payable (29,683,000)

Compensated absences (2,184,651)

Accrued interest (79,125)

Unamortized debt premium (2,265,563)

Net pension liability (12,439,033)

Total other postemployment benefit liability (6,592,772)

Due to other governmental units (4,580,849)

Less internal service fund long-term liabilities 57,022

Net Position of Governmental Activities \$ 86,641,731

Village of Deerfield

Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds
Year Ended December 31, 2024

	<u>General</u>	<u>Motor Fuel Tax</u>	<u>Debt Service</u>	<u>2011B Debt Service Sinking</u>
Revenues				
Taxes	\$ 12,033,379	\$ -	\$ 3,479,421	\$ 725,000
Licenses and permits	2,515,778	-	-	-
Intergovernmental	9,050,941	917,288	363,799	-
Charges for services	1,390,946	-	-	-
Fines and forfeits	143,919	-	-	-
Contributions	-	-	689,700	-
Investment income	1,819,886	103,152	80,830	316,940
Miscellaneous	<u>1,621,097</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>28,575,946</u>	<u>1,020,440</u>	<u>4,613,750</u>	<u>1,041,940</u>
Expenditures				
Current:				
General government	9,369,175	-	-	1,123
Public safety	11,926,709	-	-	-
Highway and streets	3,468,026	-	-	-
Capital outlay	-	3,972,126	-	-
Debt service:				
Principal retirement	-	-	1,835,000	-
Interest and other	<u>-</u>	<u>-</u>	<u>1,023,528</u>	<u>-</u>
Total expenditures	<u>24,763,910</u>	<u>3,972,126</u>	<u>2,858,528</u>	<u>1,123</u>
Excess (deficiency) of revenues over expenditures	<u>3,812,036</u>	<u>(2,951,686)</u>	<u>1,755,222</u>	<u>1,040,817</u>
Other Financing Sources (Uses)				
Transfers out	<u>(1,091,700)</u>	<u>-</u>	<u>(1,669,928)</u>	<u>-</u>
Total other financing sources (uses)	<u>(1,091,700)</u>	<u>-</u>	<u>(1,669,928)</u>	<u>-</u>
Net change in fund balances	2,720,336	(2,951,686)	85,294	1,040,817
Fund Balances, Beginning	<u>34,027,699</u>	<u>3,637,728</u>	<u>444,324</u>	<u>8,167,127</u>
Fund Balances, Ending	<u>\$ 36,748,035</u>	<u>\$ 686,042</u>	<u>\$ 529,618</u>	<u>\$ 9,207,944</u>

See notes to financial statements

Infrastructure Replacement	Nonmajor Governmental Fund - Downtown TIF	Total
\$ 1,770,058	\$ 231,362	\$ 18,239,220
-	-	2,515,778
-	-	10,332,028
-	-	1,390,946
-	-	143,919
-	-	689,700
182,043	5,194	2,508,045
<u>515,773</u>	<u>-</u>	<u>2,136,870</u>
<u>2,467,874</u>	<u>236,556</u>	<u>37,956,506</u>
-	-	9,370,298
-	-	11,926,709
-	-	3,468,026
3,162,266	-	7,134,392
-	-	1,835,000
<u>-</u>	<u>-</u>	<u>1,023,528</u>
<u>3,162,266</u>	<u>-</u>	<u>34,757,953</u>
<u>(694,392)</u>	<u>236,556</u>	<u>3,198,553</u>
<u>-</u>	<u>-</u>	<u>(2,761,628)</u>
<u>-</u>	<u>-</u>	<u>(2,761,628)</u>
(694,392)	236,556	436,925
<u>3,975,576</u>	<u>-</u>	<u>50,252,454</u>
<u>\$ 3,281,184</u>	<u>\$ 236,556</u>	<u>\$ 50,689,379</u>

See notes to financial statements

Village of Deerfield

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
Year Ended December 31, 2024

Net Change in Fund Balances, Total Governmental Funds	\$	436,925
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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	2,299,798
Depreciation is reported in the government-wide financial statements	(2,908,745)
Net book value of assets retired	(30,471)
Internal service funds portion of capital assets	(1,064,439)

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.	(2,085,210)
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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.	
Principal repaid	1,835,000

Governmental funds report debt premiums and discounts as other financing sources (uses) or 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	128,056

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	20,743
Total other postemployment benefits liability	(1,277,073)
Accrued interest on debt	5,909
Net pension liability, IMRF	1,534,939
Deferred outflows of resources related to pensions	(4,465,228)
Deferred inflows of resources related to pensions	3,289,252
Deferred outflows of resources related to total OPEB liability	343,322
Deferred inflows of resources related to total OPEB liability	158,032
Due to other governmental units	1,471,958
Net pension liability, police pension	940,131

Internal service funds are used by management to charge costs to individual funds. The change in net position of the internal service fund reported with governmental activities	<u>828,093</u>
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Change in Net Position of Governmental Activities	\$	<u>1,460,992</u>
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Village of Deerfield

Statement of Net Position -
Proprietary Funds
December 31, 2024

Business-Type Activities - Enterprise Funds

	<u>Water</u>	<u>Sewerage</u>	<u>Refuse</u>
Assets			
Current assets:			
Cash and investments	\$ 1,439,130	\$ 1,229,756	\$ 1,195,324
Receivables:			
Accounts, billed	430,024	262,260	20,995
Accounts, unbilled	687,084	414,817	102,697
Accrued interest	3,846	3,608	1,923
Leases	50,289	-	-
Prepaid items	37,422	48,287	2,173
Inventory	<u>76,650</u>	<u>7,743</u>	<u>-</u>
Total current assets	<u>2,724,445</u>	<u>1,966,471</u>	<u>1,323,112</u>
Noncurrent assets:			
Leases receivable	818,184	-	-
Capital assets:			
Capital assets not being depreciated	2,112,991	1,029,548	-
Capital assets being depreciated	31,017,379	51,651,608	-
Less accumulated depreciation	<u>(8,179,551)</u>	<u>(14,200,890)</u>	<u>-</u>
Total noncurrent assets	<u>25,769,003</u>	<u>38,480,266</u>	<u>-</u>
Total assets	<u>28,493,448</u>	<u>40,446,737</u>	<u>1,323,112</u>
Deferred Outflows of Resources			
Pension items - IMRF	197,440	339,472	-
Other postemployment benefits	<u>147,694</u>	<u>208,655</u>	<u>-</u>
Total deferred outflows of resources	<u>345,134</u>	<u>548,127</u>	<u>-</u>

See notes to financial statements

Business-Type Activities - Enterprise Funds			
Nonmajor Enterprise Fund - Commuter Parking Lot	Total	Governmental Activities - Internal Service Funds	
\$ -	\$ 3,864,210	\$ 6,693,841	
-	713,279	10,382	
-	1,204,598	31,237	
-	9,377	19,260	
-	50,289	-	
1,931	89,813	4,390	
-	84,393	75,891	
<u>1,931</u>	<u>6,015,959</u>	<u>6,835,001</u>	
-	818,184	-	
77,500	3,220,039	-	
1,950,830	84,619,817	7,592,777	
<u>(1,139,792)</u>	<u>(23,520,233)</u>	<u>(4,049,500)</u>	
<u>888,538</u>	<u>65,137,807</u>	<u>3,543,277</u>	
<u>890,469</u>	<u>71,153,766</u>	<u>10,378,278</u>	
-	536,912	-	
-	356,349	-	
-	893,261	-	

See notes to financial statements

Village of Deerfield

Statement of Net Position -
Proprietary Funds
December 31, 2024

Business-Type Activities - Enterprise Funds

	<u>Water</u>	<u>Sewerage</u>	<u>Refuse</u>
Liabilities			
Current liabilities:			
Accounts payable	252,800	81,171	126,672
Accrued payroll	21,371	47,202	-
Accrued interest	-	69,898	-
Deposits payable	36,950	21,789	-
Bonds payable	-	832,000	-
Compensated absences payable	64,284	121,420	-
Due to other funds	-	-	-
	<u>375,405</u>	<u>1,173,480</u>	<u>126,672</u>
Total current liabilities			
Noncurrent liabilities:			
Long-term debt:			
Compensated absences payable	24,160	45,634	-
Net pension liability	180,080	309,624	-
Other postemployment benefit payable	329,822	465,953	-
Bonds payable	-	22,067,565	-
	<u>534,062</u>	<u>22,888,776</u>	<u>-</u>
Total noncurrent liabilities			
Total liabilities	<u>909,467</u>	<u>24,062,256</u>	<u>126,672</u>
Deferred Inflows of Resources			
Pension items, IMRF	493	847	-
Other postemployment benefits	80,366	113,537	-
Lease related amounts	868,473	-	-
	<u>949,332</u>	<u>114,384</u>	<u>-</u>
Total deferred inflows of resources			
Net Position			
Net investment in capital assets	24,950,819	15,580,701	-
Unrestricted	2,028,964	1,237,523	1,196,440
	<u>\$ 26,979,783</u>	<u>\$ 16,818,224</u>	<u>\$ 1,196,440</u>
Total net position			

Adjustments to reflect the consolidation of internal service funds
activities related to enterprise funds.

Net Position Business-type Activities

Net internal service funds reported in the statement of net position as
governmental activities

Business-Type Activities - Enterprise Funds		
Nonmajor Enterprise Fund - Commuter Parking Lot	Total	Governmental Activities - Internal Service Funds
1,630	462,273	69,267
476	69,049	6,655
-	69,898	-
-	58,739	-
-	832,000	-
2,850	188,554	13,966
<u>187,716</u>	<u>187,716</u>	<u>-</u>
 192,672	 1,868,229	 89,888
 1,071	 70,865	 43,056
-	489,704	-
-	795,775	-
<u>-</u>	<u>22,067,565</u>	<u>-</u>
 1,071	 23,423,909	 43,056
<u>193,743</u>	<u>25,292,138</u>	<u>132,944</u>
 -	 1,340	 -
-	193,903	-
<u>-</u>	<u>868,473</u>	<u>-</u>
 -	 1,063,716	 -
 888,538	 41,420,058	 3,543,277
<u>(191,812)</u>	<u>4,271,115</u>	<u>6,702,057</u>
<u>\$ 696,726</u>	<u>\$ 45,691,173</u>	<u>\$ 10,245,334</u>
	<u>2,335,728</u>	<u>(2,335,728)</u>
	<u>\$ 48,026,901</u>	
		<u>\$ 7,909,606</u>

See notes to financial statements

Village of Deerfield

Statement of Revenues, Expenses and Changes in Net Position -
Proprietary Funds
Year Ended December 31, 2024

Business-Type Activities - Enterprise Funds

	<u>Water</u>	<u>Sewerage</u>	<u>Refuse</u>
Operating Revenues			
Charges for services	\$ 5,916,184	\$ 3,434,296	\$ 625,751
Miscellaneous	<u>223,936</u>	<u>32,260</u>	<u>4,857</u>
Total operating revenues	<u>6,140,120</u>	<u>3,466,556</u>	<u>630,608</u>
Operating Expenses			
Administration	733,035	645,481	-
Operations	5,550,068	3,004,397	1,638,683
Capital outlay	-	-	-
Depreciation	<u>628,528</u>	<u>1,116,429</u>	<u>-</u>
Total operating expenses	<u>6,911,631</u>	<u>4,766,307</u>	<u>1,638,683</u>
Operating income (loss)	<u>(771,511)</u>	<u>(1,299,751)</u>	<u>(1,008,075)</u>
Nonoperating Revenues (Expenses)			
Gain on sale of capital assets	-	-	-
Investment income	117,324	65,420	35,943
Interest and other	<u>-</u>	<u>(746,973)</u>	<u>-</u>
Total nonoperating revenues (expenses)	<u>117,324</u>	<u>(681,553)</u>	<u>35,943</u>
Income (loss) before contributions and transfers	<u>(654,187)</u>	<u>(1,981,304)</u>	<u>(972,132)</u>
Contributions and Transfers			
Contributions	500,559	1,446,312	-
Transfers in	<u>-</u>	<u>1,669,928</u>	<u>1,091,700</u>
Total contributions and transfers	<u>500,559</u>	<u>3,116,240</u>	<u>1,091,700</u>
Change in net position	(153,628)	1,134,936	119,568
Net Position, Beginning	<u>27,133,411</u>	<u>15,683,288</u>	<u>1,076,872</u>
Net Position, Ending	<u>\$ 26,979,783</u>	<u>\$ 16,818,224</u>	<u>\$ 1,196,440</u>
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds			
Change in net position of business-type activities			

See notes to financial statements

Business-Type Activities - Enterprise Funds		
Nonmajor Enterprise Fund - Commuter Parking Lot	Total	Governmental Activities - Internal Service Funds
\$ 175,318	\$ 10,151,549	\$ 1,512,956
-	261,053	14,574
<u>175,318</u>	<u>10,412,602</u>	<u>1,527,530</u>
-	1,378,516	-
188,823	10,381,971	556,259
-	-	115,294
<u>26,737</u>	<u>1,771,694</u>	<u>503,866</u>
<u>215,560</u>	<u>13,532,181</u>	<u>1,175,419</u>
<u>(40,242)</u>	<u>(3,119,579)</u>	<u>352,111</u>
-	-	103,544
(8,656)	210,031	359,370
<u>-</u>	<u>(746,973)</u>	<u>-</u>
<u>(8,656)</u>	<u>(536,942)</u>	<u>462,914</u>
<u>(48,898)</u>	<u>(3,656,521)</u>	<u>815,025</u>
-	1,946,871	150,485
<u>-</u>	<u>2,761,628</u>	<u>-</u>
<u>-</u>	<u>4,708,499</u>	<u>150,485</u>
(48,898)	1,051,978	965,510
<u>745,624</u>	<u>44,639,195</u>	<u>9,279,824</u>
<u>\$ 696,726</u>	<u>\$ 45,691,173</u>	<u>\$ 10,245,334</u>
	137,417	
	<u>\$ 1,189,395</u>	

See notes to financial statements

Village of Deerfield

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2024

Business-Type Activities - Enterprise Funds

	<u>Water</u>	<u>Sewerage</u>	<u>Refuse</u>
Cash Flows From Operating Activities			
Received from customers	\$ 5,727,330	\$ 3,335,242	\$ 618,597
Received from miscellaneous revenues	223,936	32,260	4,857
Paid to suppliers for goods and services	(5,198,503)	(1,641,526)	(1,625,991)
Paid to employees for services	<u>(1,149,881)</u>	<u>(2,009,759)</u>	<u>-</u>
Net cash flows from operating activities	<u>(397,118)</u>	<u>(283,783)</u>	<u>(1,002,537)</u>
Cash Flows From Investing Activities			
Investment income	<u>117,364</u>	<u>65,136</u>	<u>35,943</u>
Net cash flows from investing activities	<u>117,364</u>	<u>65,136</u>	<u>35,943</u>
Cash Flows From Noncapital Financing Activities			
Interfund transfer	<u>-</u>	<u>1,669,928</u>	<u>1,091,700</u>
Net cash flows from noncapital financing activities	<u>-</u>	<u>1,669,928</u>	<u>1,091,700</u>
Cash Flows From Capital and Related Financing Activities			
Proceeds from sale of capital assets	-	-	-
Bond principal payments	-	(795,000)	-
Bond interest payments	-	(874,928)	-
Acquisition and construction of capital assets	<u>-</u>	<u>-</u>	<u>-</u>
Net cash flows from capital and related financing activities	<u>-</u>	<u>(1,669,928)</u>	<u>-</u>
Net change in cash and cash equivalents	(279,754)	(218,647)	125,106
Cash and Cash Equivalents, Beginning	<u>1,718,884</u>	<u>1,448,403</u>	<u>1,070,218</u>
Cash and Cash Equivalents, Ending	<u>\$ 1,439,130</u>	<u>\$ 1,229,756</u>	<u>\$ 1,195,324</u>

See notes to financial statements

Business-Type Activities - Enterprise Funds		
Nonmajor Enterprise Fund - Commuter Parking Lot	Total	Governmental Activities - Internal Service Funds
\$ 175,318	\$ 9,856,487	\$ 1,507,913
-	261,053	14,574
(168,127)	(8,634,147)	(211,691)
<u>(21,240)</u>	<u>(3,180,880)</u>	<u>(304,566)</u>
<u>(14,049)</u>	<u>(1,697,487)</u>	<u>1,006,230</u>
<u>(8,656)</u>	<u>209,787</u>	<u>359,370</u>
<u>(8,656)</u>	<u>209,787</u>	<u>359,370</u>
<u>22,705</u>	<u>2,784,333</u>	<u>-</u>
<u>22,705</u>	<u>2,784,333</u>	<u>-</u>
-	-	25,485
-	(795,000)	-
-	(874,928)	-
<u>-</u>	<u>-</u>	<u>(1,339,761)</u>
<u>-</u>	<u>(1,669,928)</u>	<u>(1,314,276)</u>
-	(373,295)	51,324
<u>-</u>	<u>4,237,505</u>	<u>6,642,517</u>
<u>\$ -</u>	<u>\$ 3,864,210</u>	<u>\$ 6,693,841</u>

See notes to financial statements

Village of Deerfield

Statement of Cash Flows -
Proprietary Funds
Year Ended December 31, 2024

Business-Type Activities - Enterprise Funds

	<u>Water</u>	<u>Sewerage</u>	<u>Refuse</u>
Reconciliation of Operating Income (Loss) to Net Cash			
Flows From Operating Activities			
Operating income (loss)	\$ (771,511)	\$ (1,299,751)	\$ (1,008,075)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
Depreciation	628,528	1,116,429	-
Changes in assets and liabilities:			
Receivables	(188,854)	(99,054)	(7,154)
Prepaid expenses	1,447	1,867	84
Inventories	(8,869)	416	-
Accounts payable	(45,586)	(23,356)	12,608
Deposits payable	1,458	297	-
Accrued payroll	7,169	16,525	-
Other postemployment benefit payable	46,905	111,873	-
Compensated absences payable	3,672	17,449	-
Pension items	<u>(71,477)</u>	<u>(126,478)</u>	<u>-</u>
Net cash flows from operating activities	<u>\$ (397,118)</u>	<u>\$ (283,783)</u>	<u>\$ (1,002,537)</u>
Noncash Capital and Related Financing Activities			
Capital contributions	<u>\$ 500,559</u>	<u>\$ 1,446,312</u>	<u>\$ -</u>

See notes to financial statements

Business-Type Activities - Enterprise Funds			
Nonmajor Enterprise Fund - Commuter Parking Lot	Total	Governmental Activities - Internal Service Funds	
\$ (40,242)	\$ (3,119,579)	\$ 352,111	
26,737	1,771,694	503,866	
-	(295,062)	(5,043)	
75	3,473	169	
-	(8,453)	113,078	
(507)	(56,841)	38,167	
-	1,755	-	
(8)	23,686	2,429	
-	158,778	-	
(104)	21,017	1,453	
-	(197,955)	-	
<u>\$ (14,049)</u>	<u>\$ (1,697,487)</u>	<u>\$ 1,006,230</u>	
<u>\$ -</u>		<u>\$ 150,485</u>	

See notes to financial statements

Village of Deerfield

Statement of Fiduciary Net Position -
Fiduciary Funds
December 31, 2024

	Pension Trust Fund	Custodial Fund
Assets		
Cash and investments	\$ 295,626	\$ 3,627,104
Investments:		
Illinois Police Officers' Pension Investment Fund	64,684,070	-
Receivables:		
Accounts	<u>-</u>	<u>326,736</u>
Total assets	<u>64,979,696</u>	<u>3,953,840</u>
Liabilities		
Accounts payable	<u>14,250</u>	<u>18,294</u>
Total liabilities	<u>14,250</u>	<u>18,294</u>
Net Position		
Restricted for retirement benefits	64,965,446	-
Restricted for dispatch services	<u>-</u>	<u>3,935,546</u>
Total net position	<u>\$ 64,965,446</u>	<u>\$ 3,935,546</u>

See notes to financial statements

Village of Deerfield

Statement of Changes in Fiduciary Net Position -
Fiduciary Funds
Year Ended December 31, 2024

	Pension Trust Fund	Custodial Fund
Additions		
Contributions and charges for services:		
Contributions, employer	\$ 1,346,333	\$ -
Contributions, employee	537,282	-
Charges for services	-	1,020,663
Miscellaneous	-	171,820
	<u>1,883,615</u>	<u>1,192,483</u>
Total contributions and charges for services		
	<u>1,883,615</u>	<u>1,192,483</u>
Investment Income:		
Net appreciation in fair value of investments	5,330,017	-
Interest and dividends earned on investments	378,892	61,954
	<u>5,708,909</u>	<u>61,954</u>
Total investment income		
	<u>5,708,909</u>	<u>61,954</u>
Investment expense	(34,827)	-
	<u>5,674,082</u>	<u>61,954</u>
Net investment income		
	<u>5,674,082</u>	<u>61,954</u>
Total additions	<u>7,557,697</u>	<u>1,254,437</u>
Deductions		
Pension payments	3,564,591	-
Administrative	36,990	-
Public safety	-	857,380
Capital outlay	-	18,237
	<u>3,601,581</u>	<u>875,617</u>
Total deductions		
	<u>3,601,581</u>	<u>875,617</u>
Change in fiduciary net position	3,956,116	378,820
Net Position, Beginning	<u>61,009,330</u>	<u>3,556,726</u>
Net Position, Ending	<u>\$ 64,965,446</u>	<u>\$ 3,935,546</u>

See notes to financial statements

Village of Deerfield

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December 31, 2024

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Village of Deerfield

Notes to Financial Statements
December 31, 2024

1. Summary of Significant Accounting Policies

The Village of Deerfield, Illinois (the Village) was incorporated in 1903. The Village is a home-rule municipality, under the 1970 Illinois Constitution, located in Lake 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 protection), highways and streets, sanitation (water, sewer and refuse), 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 reporting entity for the Village consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of three methods, discrete presentation, blended or fiduciary. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

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. No separate annual financial report is issued for the PPERS.

Government-Wide and Fund Financial Statements

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. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The effect of material interfund activity (except for activities reported in internal service funds) has been eliminated from these statements. The statements distinguish between governmental and business-type activities.

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 or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and

Village of Deerfield

Notes to Financial Statements
December 31, 2024

- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise 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 Fund

Motor Fuel Tax Fund is used to account for activity funded by the state share of tax on the use of motor fuels.

Debt Service Funds

Debt Service Fund is used to account and report the assigned resources for the payment of general long-term debt.

2011B Debt Services Sinking Fund is used to account and report the restricted resources for the payment of general long-term debt.

Capital Projects Fund

Infrastructure Replacement Fund is used to account for and report financial resources that are assigned to expenditures for maintaining, repairing and renovating the capital assets of the Village.

Enterprise Funds

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

Sewerage Fund is used to account for all activities necessary to provide sewer service to the residents of the Village including administration, construction, maintenance and operations of the sewerage treatment plant and related debt service.

Refuse Fund is used to account for all the revenue and expenses necessary to provide the residents of the Village with refuse service.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

The Village reports the following nonmajor governmental and enterprise funds:

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.

Downtown TIF Fund

Enterprise Fund

Enterprise Fund is used to account for and report any activity for which a fee is charged to external uses for goods or services, and must be used for activities which meet certain debt or cost recovery criteria.

Commuter Parking Lot Fund

In addition, the Village reports the following fund types:

Internal Service Funds

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

Garage Fund
Vehicle & Equipment Replacement Fund

Pension Trust Fund

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

Police Pension Trust Fund

Custodial Fund

Custodial Fund is used to account for and report assets controlled by the Village and the assets are for the benefit of individuals, private organizations and/or other governmental units.

Deerfield Consolidated Joint Emergency
Telephone System Board (JETSB)
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 for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. 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. Sales taxes, telecommunications taxes and use taxes use a 90-day period and income taxes use a 120-day 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, special assessments 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.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

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.

Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions and the Illinois insurance company general and separate accounts, mutual funds meeting certain requirements, equity securities and corporate bonds meeting certain requirements. Pension funds with net assets in excess of \$10,000,000 and an appointed investment advisor may invest an additional portion of its assets in common and preferred stocks and mutual funds, that meet certain requirements. The Police Pension Fund's investment policy allows investments in all of the above listed accounts, but does exclude any repurchase agreements.

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 to pool its funds for investment purposes. The Illinois Police Officers' Pension Investment Fund is an 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 can be found at <https://www.ipopif.org>.

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%.

Additional restrictions may arise from local charters, ordinances, resolutions and grant resolutions.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

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

Interest Rate Risk

In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a five-year period. The Village investment policy limits maturities to five years unless tied to a specific cash flow. Investments may be purchased with maturities to match future projects or liability requirements. In addition, the policy requires the Village to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. In accordance with its investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity to meet required pension payments. The investment policy does not limit the maximum maturity length of investments in the fund.

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 and Police Pension Fund's investment policy authorizes investments in any type of security allowed for in Illinois statutes regarding the investment of public funds.

Concentration of Credit Risk

The Village's 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, but does not specify maximum amounts that can be invested in any one investment vehicle, maturity, issuer or class of securities.

Custodial Credit Risk, Deposits

The Village's and Police Pension Fund's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution to the extent of 100% of the value of the deposit.

Custodial Credit Risk, Investments

The Village's and Police Pension Fund's investment policies require all securities to be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts. The Village's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution to the extent of 100% of the value of the deposit in excess of federal depository insurance with the collateral held by the Village's agent in the Village's name. The Village's investment policy also requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Village's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the Village's name. The Police Pension Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a DVP basis with the underlying investments held by a third party acting as the Police Pension Fund's agent separate from where the investment was purchased in the Police Pension Fund's name.

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.

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.

Receivables

Property taxes for levy year 2024 attaches as an enforceable lien on January 1, 2024, 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 2024 are prepared by the County and issued on or about May 1, 2025 and are payable in two installments, on or about March 1 and August 1, 2025 or within 30 days of the tax bills being issued.

The County collects such taxes and remits them periodically. The 2024 property tax levy is recognized as a receivable and deferred inflows in fiscal 2024, net the allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2024, the property taxes receivable and related deferred inflows consisted of the estimated amount collectible from the 2024 levy.

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 government-wide financial statements as internal balances.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

Inventories and Prepaid Items

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the purchases method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on FIFO and charged to construction and/or operation and maintenance expense when used.

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.

Capital Assets

Government-Wide Financial Statements

Capital assets, which include property, buildings, vehicles, plant and equipment, and infrastructure are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$25,000 and an estimated useful life in excess of one year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation 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 and building improvements	20-50 Years
Parking improvements	15-50 Years
Water/sewer system	40-60 Years
Vehicles, machinery and equipment	4-20 Years
Infrastructure	20-50 Years

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.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

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.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2024, are determined on the basis of current salary rates and include salary related payments.

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 and accrued compensated absences.

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.

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the effective interest method. The balance at year end is shown as an increase or decrease in the liability section of the statement of net position.

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

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.

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.

Village of Deerfield

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- 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.

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 (ordinance) 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 Village Board has, by ordinance, adopted a fund balance policy authorizing the Director of Finance to assign amounts for a specific purpose. 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.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

Interfund Transactions

Interfund services are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except interfund services and reimbursements, are reported as transfers.

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>
Deposits	\$ 17,981,745	\$ 18,144,255
Certificates of deposit (negotiable)	3,269,952	3,269,952
Illinois Funds	19,219,996	19,218,896
U.S. agencies	24,113,899	24,113,899
Illinois Police Officers' Pension Investment Fund	64,684,070	64,684,070
Petty cash	<u>2,400</u>	<u>2,400</u>
Total deposits and investments	<u>\$ 129,272,062</u>	<u>\$ 129,433,472</u>
Reconciliation to financial statements		
Per statement of net position:		
Cash and investments	\$ 60,665,262	
Per statement of net position, fiduciary funds:		
Cash and investments	3,922,730	
Illinois Police Officers' Pension Investment Fund	<u>64,684,070</u>	
Total deposits and investments	<u>\$ 129,272,062</u>	

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 noninterest-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.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

The valuation methods for recurring fair value measurements are as follows:

- The investment in the Illinois Police Officers' Pension Investment Fund is measured at the net asset value
- The Village utilized the market valuation method for all recurring fair value measurements

Investment Type	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Certificates of deposit (negotiable)	\$ -	\$ 3,269,952	\$ -	\$ 3,269,952
U.S. agencies	-	24,113,899	-	24,113,899
Total	<u>\$ -</u>	<u>\$ 27,383,851</u>	<u>\$ -</u>	<u>\$ 27,383,851</u>

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.

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

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.

As of December 31, 2024, the Village's investments were rated as follows:

Investment Type	Standard & Poors	Moody's Investors Services
Certificates of deposit (negotiable)	Not rated	Not rated
Illinois Funds	AAAm	N/A
U.S. agencies	AA+	AAA
Illinois Police Officers' Pension Investment Fund	Not rated	Not rated

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.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

At December 31, 2024, the Village's investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Portfolio
Federal Home Loan Mortgage Corporation	U.S. Agency obligations, implicitly guaranteed	17.50 %
Federal Farm Credit Banks	U.S. Agency obligations, implicitly guaranteed	10.00
Federal Home Loan Banks	U.S. Agency obligations, implicitly guaranteed	60.30

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2024, investments were as follows:

Village

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1 Year	1-5 Years	6-10 Years	Greater than 10 Years
Certificates of deposit (negotiable)	\$ 3,269,952	\$ 500,307	\$ 2,769,645	\$ -	\$ -
U.S. agencies	<u>24,113,899</u>	<u>4,647,041</u>	<u>19,466,858</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 27,383,851</u>	<u>\$ 5,147,348</u>	<u>\$ 22,236,503</u>	<u>\$ -</u>	<u>\$ -</u>

Money-Weighted Rate of Return

Police Pension Fund

For the year ended December 31, 2024, the annual money-weighted rate of return on the Police Pension plan investments, net of pension plan investment expense, was 9.59%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

Receivables

All of the receivables on the balance sheet are expected to be collected within one year except for the note receivable, lease receivable and the portion of the due from other governments related to the debt service fund.

In 2019, the State notified the Village that its monthly distributions for sales tax and home rule sales tax would be reduced due to previous over distributions resulting from a business that filed amended state returns. As part of an ongoing sales tax sharing agreement, the Village had previously rebated 80% of the overpayments (\$13,162,246) to the business and the Village negotiated a repayment schedule with the business. As of fiscal year end, The Statement of Net Position reflects a note receivable of \$2,950,170 for amounts due from the business and a payable of \$7,493,018 for the remaining amount due to the State. On the fund level, the note receivable is reported as unavailable revenue.

The Village issued General Obligation Bonds in 2011 and 2013 on behalf of the Library to finance the Library Improvement Project. These bonds were refunded by the Village in fiscal year 2021. These bonds are in the Village's name and are a liability of the Village. The Library receives property tax collections to pay for the bond principal and interest then remits the funds to the Village as the principal and interest payments become due. The Village has recorded a receivable, offset by unavailable revenue, for the amount of debt outstanding, less cash on hand, that the Library will be paying the Village.

Lease Receivables

Governmental Activities				Receivable Balance December 31, 2024
Lease Receivables Description	Date of Inception	Final Maturity	Interest Rates	
Cell tower lease	01/11/10	01/10/35	5.00%	\$ 458,327
Cell tower lease	10/07/08	10/06/33	5.00	452,536
Cell tower lease	09/01/09	08/31/34	5.00	428,465
Land lease	07/01/06	06/30/56	5.00	149,692
Tower lease	11/15/22	11/14/62	5.00	<u>776,345</u>
Total governmental activities				<u><u>\$ 2,265,365</u></u>
Business-Type Activities				Receivable Balance December 31, 2024
Lease Receivables Description	Date of Inception	Final Maturity	Interest Rates	
Cell tower lease	04/23/07	04/22/31	5.00%	\$ 271,294
Cell tower lease	06/01/16	05/31/41	5.00	<u>597,179</u>
Total business-type activities				<u><u>\$ 868,473</u></u>

The Village recognized \$147,495 and \$152,884 of lease revenue and interest revenue, respectively, during the fiscal year.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

Capital Assets

Capital asset activity for the year ended December 31, 2024, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 5,511,924	\$ -	\$ -	\$ 5,511,924
Land right-of-way	16,180,188	-	-	16,180,188
Construction in progress	<u>846,688</u>	<u>87,570</u>	<u>481,458</u>	<u>452,800</u>
Total capital assets not being depreciated	<u>22,538,800</u>	<u>87,570</u>	<u>481,458</u>	<u>22,144,912</u>
Capital assets being depreciated:				
Buildings and improvements	14,280,807	775,074	-	15,055,881
Vehicles, machinery and equipment	6,838,744	1,848,777	212,180	8,475,341
Infrastructure	<u>106,056,827</u>	<u>69,835</u>	<u>-</u>	<u>106,126,662</u>
Total capital assets being depreciated	<u>127,176,378</u>	<u>2,693,686</u>	<u>212,180</u>	<u>129,657,884</u>
Total capital assets	<u>149,715,178</u>	<u>2,781,256</u>	<u>693,638</u>	<u>151,802,796</u>
Less accumulated depreciation for:				
Buildings and improvements	6,715,523	313,835	-	7,029,358
Vehicles, machinery and equipment	4,359,905	522,616	181,709	4,700,812
Infrastructure	<u>60,225,158</u>	<u>2,072,294</u>	<u>-</u>	<u>62,297,452</u>
Total accumulated depreciation	<u>71,300,586</u>	<u>2,908,745</u>	<u>181,709</u>	<u>74,027,622</u>
Net capital assets being depreciated	<u>55,875,792</u>	<u>(215,059)</u>	<u>30,471</u>	<u>55,630,262</u>
Total governmental activities capital assets, net	<u>\$ 78,414,592</u>	<u>\$ (127,489)</u>	<u>\$ 511,929</u>	<u>\$ 77,775,174</u>

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 218,647
Public safety	235,310
Highway and streets	<u>2,454,788</u>
Total governmental activities depreciation expense	<u>\$ 2,908,745</u>

Village of Deerfield

Notes to Financial Statements
December 31, 2024

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Business-Type Activities				
Capital assets not being depreciated:				
Land	\$ 1,955,456	\$ -	\$ -	\$ 1,955,456
Construction in progress	<u>216,433</u>	<u>1,048,150</u>	<u>-</u>	<u>1,264,583</u>
Total capital assets not being depreciated	<u>2,171,889</u>	<u>1,048,150</u>	<u>-</u>	<u>3,220,039</u>
Capital assets being depreciated:				
Buildings and improvements	46,726,283	-	-	46,726,283
Parking lot improvements	1,950,830	-	-	1,950,830
Vehicles, machinery and equipment	626,490	-	-	626,490
Water distribution system	25,788,873	421,893	-	26,210,766
Sanitary sewer system	<u>8,628,619</u>	<u>476,829</u>	<u>-</u>	<u>9,105,448</u>
Total capital assets being depreciated	<u>83,721,095</u>	<u>898,722</u>	<u>-</u>	<u>84,619,817</u>
Total capital assets	<u>85,892,984</u>	<u>1,946,872</u>	<u>-</u>	<u>87,839,856</u>
Less accumulated depreciation for:				
Buildings and improvements	12,937,614	959,727	-	13,897,341
Parking lot improvements	1,113,055	26,737	-	1,139,792
Vehicles, machinery and equipment	626,489	-	-	626,489
Water distribution system	4,395,323	570,260	-	4,965,583
Sanitary sewer system	<u>2,676,058</u>	<u>214,970</u>	<u>-</u>	<u>2,891,028</u>
Total accumulated depreciation	<u>21,748,539</u>	<u>1,771,694</u>	<u>-</u>	<u>23,520,233</u>
Net capital assets being depreciated	<u>61,972,556</u>	<u>(872,972)</u>	<u>-</u>	<u>61,099,584</u>
Business-type activities capital assets, net	<u>\$ 64,144,445</u>	<u>\$ 175,178</u>	<u>\$ -</u>	<u>\$ 64,319,623</u>

Interfund Receivables/Payables and Transfers

Interfund Receivables/Payables

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Commuter Parking Lot	<u>\$ 187,716</u>
Total		<u>\$ 187,716</u>

All amounts are due within one year.

The principal purpose of these interfunds is due to negative pooled cash balances at fiscal year end.

Village of Deerfield

Notes to Financial Statements

December 31, 2024

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
Refuse	General	\$ 1,091,700	To subsidize administrative charges
Sewerage	Debt Service	<u>1,669,928</u>	To fund debt service paid by Sewerage Fund
Total		<u>\$ 2,761,628</u>	

Long-Term Obligations

Long-term obligations activity for the year ended December 31, 2024, 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 and notes payable:					
General obligation debt	\$ 31,518,000	\$ -	\$ 1,835,000	\$ 29,683,000	\$ 1,908,000
(Discounts)/Premiums	<u>2,393,619</u>	<u>-</u>	<u>128,056</u>	<u>2,265,563</u>	<u>-</u>
Total bonds and notes payable	<u>33,911,619</u>	<u>-</u>	<u>1,963,056</u>	<u>31,948,563</u>	<u>1,908,000</u>
Other liabilities:					
Compensated absences (net change), governmental	2,148,372	-	20,743	2,127,629	832,272
Compensated absences (net change), internal service	55,569	1,453	-	57,022	13,966
Total other postemployment benefit liability	5,315,699	1,277,073	-	6,592,772	-
Net pension liability, IMRF	4,869,493	-	1,534,939	3,334,554	-
Net pension liability, Police	<u>10,044,610</u>	<u>-</u>	<u>940,131</u>	<u>9,104,479</u>	<u>-</u>
Total other liabilities	<u>22,433,743</u>	<u>1,278,526</u>	<u>2,495,813</u>	<u>21,216,456</u>	<u>846,238</u>
Total governmental activities long-term liabilities	<u>\$ 56,345,362</u>	<u>\$ 1,278,526</u>	<u>\$ 4,458,869</u>	<u>\$ 53,165,019</u>	<u>\$ 2,754,238</u>
Business-Type Activities					
Bonds and notes payable:					
General obligation debt	\$ 22,182,000	\$ -	\$ 795,000	\$ 21,387,000	\$ 832,000
(Discounts)/Premiums	<u>1,637,507</u>	<u>-</u>	<u>124,942</u>	<u>1,512,565</u>	<u>-</u>
Total bonds and notes payable	<u>23,819,507</u>	<u>-</u>	<u>919,942</u>	<u>22,899,565</u>	<u>832,000</u>
Other liabilities:					
Compensated absences (net change)	238,402	21,017	-	259,419	188,554
Total other postemployment benefit liability	564,177	231,598	-	795,775	-
Net pension liability, IMRF	<u>749,292</u>	<u>-</u>	<u>259,588</u>	<u>489,704</u>	<u>-</u>
Total other liabilities	<u>1,551,871</u>	<u>252,615</u>	<u>259,588</u>	<u>1,544,898</u>	<u>188,554</u>
Total business-type activities long-term liabilities	<u>\$ 25,371,378</u>	<u>\$ 252,615</u>	<u>\$ 1,179,530</u>	<u>\$ 24,444,463</u>	<u>\$ 1,020,554</u>

Village of Deerfield

Notes to Financial Statements
December 31, 2024

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 future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

<u>Governmental Activities</u>					Balance December 31, 2024
<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	
General Obligation Bond Series 2015	05/19/15	12/01/34	3.00-3.25%	\$ 9,575,000	\$ 5,700,000
General Obligation Bond Series 2017	02/06/17	12/01/36	3.00-3.75	5,700,000	3,760,000
General Obligation Bond Series 2018	06/12/18	12/01/37	3.00-4.00	5,970,000	4,565,000
General Obligation Bond Series 2020	11/10/20	12/01/30	3.00-4.00	6,280,000	1,608,000
General Obligation Bond Series 2021	10/27/21	12/01/38	2.00-5.00	15,540,000	14,050,000
Total governmental activities, general obligation debt					<u>\$ 29,683,000</u>

<u>Business-Type Activities</u>					Balance December 31, 2024
<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	
General Obligation Bond Series 2011B	10/17/11	12/01/28	4.00%	\$ 12,500,000	\$ 12,480,000
General Obligation Bond Series 2020	11/10/20	12/01/30	3.00-4.00	6,280,000	2,412,000
General Obligation Bond Series 2021	10/27/21	12/01/31	2.00-5.00	7,705,000	6,495,000
Total business-type activities, general obligation debt					<u>\$ 21,387,000</u>

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>		<u>Business-Type Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 1,908,000	\$ 949,503	\$ 832,000	\$ 838,778
2026	1,993,000	875,533	877,000	800,898
2027	2,091,000	798,013	919,000	760,917
2028	2,074,000	718,697	13,276,000	718,958
2029	2,640,000	641,075	1,740,000	184,067
2030-2034	12,567,000	1,875,290	3,743,000	151,937
2035-2038	6,410,000	354,240	-	-
Total	<u>\$ 29,683,000</u>	<u>\$ 6,212,351</u>	<u>\$ 21,387,000</u>	<u>\$ 3,455,555</u>

Village of Deerfield

Notes to Financial Statements
December 31, 2024

Other Debt Information

The total OPEB liability and net pension liability attributable to governmental activities will be liquidated primarily by the General Fund.

Net Position

Net position reported on the government-wide statement of net position at December 31, 2024, includes the following:

	Governmental Activities	Business-Type Activities
Net investment in capital assets:		
Total capital assets	\$ 151,802,796	\$ 87,839,856
Less accumulated depreciation	<u>74,027,622</u>	<u>23,520,233</u>
Net carrying value of capital assets	<u>77,775,174</u>	<u>64,319,623</u>
Less all outstanding principal of capital-related debt/borrowings related to the Village's own capital assets, including borrowing used to refund capital-related borrowings	25,618,000	21,387,000
Less unamortized original issue premiums on outstanding capital debt	<u>2,265,563</u>	<u>1,512,565</u>
Subtotal	<u>27,883,563</u>	<u>22,899,565</u>
Total net investment in capital assets	<u>\$ 49,891,611</u>	<u>\$ 41,420,058</u>

3. Other Information

Employees' Retirement System

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer public employee retirement system; and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for the plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan does not issue a separate report on the pension plan. 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.

For the year ended December 31, 2024, the following balances are recognized in the government-wide financial statements:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
IMRF, Regular	\$ 4,990,758	\$ 5,471,865	\$ 13,659	\$ (1,110,556)
Police Pension Plan	<u>9,104,479</u>	<u>6,913,132</u>	<u>7,334,895</u>	<u>1,347,943</u>
Total	<u>\$ 14,095,237</u>	<u>\$ 12,384,997</u>	<u>\$ 7,348,554</u>	<u>\$ 237,387</u>

Illinois Municipal Retirement Fund**Plan Description**

All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two tier plan. 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 8 years of service. Participating members who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 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.

Under the employer number within IMRF, both the Village and Deerfield Public Library contribute to the regular plan. As a result, IMRF is considered to be an agent multiple-employer plan through which cost-sharing occurs between the Village and Deerfield Public Library.

Plan Membership

At December 31, 2023, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	144
Inactive, non-retired members	104
Active members	<u>108</u>
Total	<u><u>356</u></u>

Contributions

As set by statute, Village and Deerfield Public Library employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the Village and to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The actuarially determined contribution rate for the calendar year ending December 31, 2023 was 7.59% of annual covered payroll for IMRF. The Village and 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.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability/(asset), 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 liability for IMRF was determined by actuarial valuations performed as of December 31, 2023 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 non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

Village of Deerfield

Notes to Financial Statements
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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	34.50 %	6.35 %	5.00 %
International equities	18.00	8.00	6.35
Fixed income	24.50	4.85	4.75
Real estate	10.50	6.30	6.00
Alternatives	11.50		
Private equity		12.35	8.65
Commodities		7.20	6.05
Cash equivalents	1.00	3.80	3.80

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

	1% Decrease	Current Discount Rate	1% Increase
Net pension liability/(asset), Village	\$ 10,106,860	\$ 3,824,258	\$ (1,102,566)
Net pension liability/(asset), Deerfield Public Library	<u>2,882,728</u>	<u>1,166,500</u>	<u>(179,365)</u>
Total	<u>\$ 12,989,588</u>	<u>\$ 4,990,758</u>	<u>\$ (1,281,931)</u>

Village of Deerfield

Notes to Financial Statements
December 31, 2024

Changes in Net Pension Liability/(Asset)

The changes in net pension liability/(asset) for the calendar year ended December 31, 2023 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances at December 31, 2022	\$ 63,573,778	\$ 56,299,464	\$ 7,274,314
Service cost	892,479	-	892,479
Interest on total pension liability	4,511,935	-	4,511,935
Differences between expected and actual experience of the total pension liability	1,615,260	-	1,615,260
Change of assumptions	(7,381)	-	(7,381)
Benefit payments, including refunds of employee contributions	(3,572,872)	(3,572,872)	-
Contributions, employer	-	779,456	(779,456)
Contributions, employee	-	470,557	(470,557)
Net investment income	-	6,208,209	(6,208,209)
Other (net transfer)	-	1,837,627	(1,837,627)
Balances at December 31, 2023	<u>\$ 67,013,199</u>	<u>\$ 62,022,441</u>	<u>\$ 4,990,758</u>
Plan fiduciary net position as a percentage of the total pension liability			92.55 %
Balances at December 31, 2023			
Village	\$ 52,634,866	\$ 48,810,608	\$ 3,824,258
Deerfield Public Library	<u>14,378,333</u>	<u>13,211,833</u>	<u>1,166,500</u>
Total	<u>\$ 67,013,199</u>	<u>\$ 62,022,441</u>	<u>\$ 4,990,758</u>

Village of Deerfield

Notes to Financial Statements
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Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2024, pension expense was \$(1,110,556). Deferred outflows and inflows of resources related to pension were from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,548,199	\$ -
Assumption changes	-	13,659
Net difference between projected and actual earnings on pension plan investments	3,090,277	-
Contributions subsequent to the measurement date	<u>833,389</u>	<u>-</u>
Total	<u>\$ 5,471,865</u>	<u>\$ 13,659</u>
Village	\$ 4,192,915	\$ 10,466
Deerfield Public Library	<u>1,278,950</u>	<u>3,193</u>
Total	<u>\$ 5,471,865</u>	<u>\$ 13,659</u>

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 liability/(asset) for the year ending December 31, 2025. The remaining amounts reported as deferred outflows and inflows of resources related to pensions is \$4,624,817. Amounts will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 895,238
2026	1,631,724
2027	2,526,671
2028	<u>(428,816)</u>
Total	<u>\$ 4,624,817</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.

Village of Deerfield

Notes to Financial Statements
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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.

Plan Membership

At December 31, 2024, the Police Pension membership consisted of:

Retirees and beneficiaries	42
Inactive, non-retired members	10
Active members	<u>39</u>
Total	<u><u>91</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, 2024 was 25.11% of annual covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2024.

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, 2024 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Fair Value
Actuarial assumptions	
Interest rate	7.00%
Inflation	2.50%
Projected salary increases	3.75% - 7.97%
Cost-of-living adjustments	2.50%

Active Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2021 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates. 25% of active Member deaths are assumed to be in the Line of Duty. Retiree Mortality follows the L&A Assumption Study for Police 2024. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2021 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates. Disabled Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants improved to 2021 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates. Spouse Mortality follows the L&A Assumption Study for Police 2024. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors improved to 2021 using MP-2021 Improvement Rates. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. These rates are then improved generationally using MP-2021 Improvement Rates.

Discount Rate

The discount rate used to measure the total pension liability for the Police Pension Plan was 7.00%. The discount rate calculated using the prior measurement date was 7.00%. 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 Deerfield

Notes to Financial Statements
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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 7.00% 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability	\$ 19,115,393	\$ 9,104,479	\$ 887,004

Changes in Net Pension Liability/(Asset)

The Village's changes in net pension liability/(asset) for the year ended December 31, 2024 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, 2023	\$ 71,053,940	\$ 61,009,330	\$ 10,044,610
Service cost	1,019,115	-	1,019,115
Interest on total pension liability	4,866,625	-	4,866,625
Changes in benefit terms	210,211	-	210,211
Differences between expected and actual experience of the total pension liability	155,157	-	155,157
Change of assumptions	331,380	-	331,380
Benefit payments, including refunds of employee contributions	(3,564,591)	(3,564,591)	-
Contributions, employer	-	1,346,333	(1,346,333)
Contributions, employee	-	537,282	(537,282)
Net investment income	-	5,674,369	(5,674,369)
Administration	-	(35,365)	35,365
Balances at December 31, 2024	<u>\$ 74,071,837</u>	<u>\$ 64,967,358</u>	<u>\$ 9,104,479</u>
Plan fiduciary net position as a percentage of the total pension liability			87.71 %

Village of Deerfield

Notes to Financial Statements
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Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2024, the Village recognized pension expense of \$1,347,943. 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	\$ 915,528	\$ 1,759,840
Assumption changes	4,577,143	5,575,055
Net difference between projected and actual earnings on pension plan investments	<u>1,420,461</u>	<u>-</u>
Total	<u><u>\$ 6,913,132</u></u>	<u><u>\$ 7,334,895</u></u>

The amounts reported as deferred outflows and inflows of resources related to pensions is \$(421,763) and will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 451,230
2026	326,495
2027	(1,430,405)
2028	181,915
2029	<u>49,002</u>
Total	<u><u>\$ (421,763)</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 Municipal Insurance Cooperative Agency and Intergovernmental Personnel Benefit Cooperative to provide coverage for losses from the risks described below. Municipal Insurance Cooperative Agency deductibles are accounted for and financed by the fund or funds impacted by the loss.

Public Entity Risk Pool

Municipal Insurance Cooperative Agency

The Village participates in the Municipal Insurance Cooperative Agency (MICA). MICA is a public entity risk pool whose members are Illinois municipalities. MICA manages and funds first party property losses, third party liability claims, workers' compensation claims and public officials' liability claims of its members. MICA provides \$15,000,000 of coverage after a \$2,500 deductible. The Village's payments to MICA are displayed on the financial statements as expenditures/expenses in appropriate funds.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

Intergovernmental Personnel Benefit Cooperative

The Village participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi governmental and nonprofit public service entities.

The IPBC receives, processes and pays such claims as they may come within the benefit program of each member. Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers: a Benefit Administrator and a Treasurer. The Village does not exercise any control over the activities of the IPBC beyond its representation on the Board of Directors.

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.

Joint Ventures

Solid Waste Agency of Lake County

The Village is a member of SWALCO, which consists of 35 municipalities. SWALCO is a municipal corporation and public body politic and corporate established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended (the Act). SWALCO is empowered under the Act to plan, construct, finance, operate and maintain a solid waste disposal system to serve its members.

These percentage shares are subject to change in future years based on the combination of the population and equalized assessed valuation of the municipalities.

The members form a contiguous geographic service area, which is located in Lake County. Under the agency agreement, additional members may join SWALCO upon the approval of each member.

SWALCO is governed by a Board of Directors, which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of SWALCO are appointed by the Board of Directors. The Board of Directors determines the general policy of SWALCO; makes all appropriations; approves contracts; adopts resolutions providing for the issuance of bonds or notes by SWALCO; adopts bylaws, rules and regulations; and exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws.

Village of Deerfield

Notes to Financial Statements
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SWALCO is an oversight advisory board providing long range planning services to member municipalities. The Village is a participant in SWALCO, but no agreement has been reached as to services to be provided.

Complete financial statements can be obtained from the Solid Waste Agency of Lake County, 1300 N. Skokie Highway, Suite 103, Gurnee, Illinois 60031.

The Village does not have an equity interest in SWALCO at December 31, 2024.

Other Postemployment Benefits

General Information about the OPEB Plan

Plan Description

The Village administers a single-employer defined benefit healthcare plan. The plan provides for eligible retirees through the Village's group health insurance plan, which covers both active and retired members. Benefit provisions are established through personnel policy guidelines and collective bargaining agreements. 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 two retirement plans. The Village pays a subsidy of 50% of the cost of the monthly health insurance premiums for the retirees up to a maximum of \$50. The retiree pays the remainder of the blended premium. 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.

Employees Covered by Benefit Terms

At December 31, 2024, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	27
Active plan members	<u>106</u>
Total	<u><u>133</u></u>

Total OPEB Liability

The total OPEB liability of \$7,388,547 was measured as of December 31, 2024, and was determined by an actuarial valuation as of that date.

Village of Deerfield

Notes to Financial Statements
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Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2024 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	4.08%
Inflation	2.50%
Salary increases	2.75%
Healthcare cost trend rates	Initial medical rate for HMO of 7.80%, grading up to 5.00% in 2034 and initial medical rate for PPO of 7.90%, grading down to 5.00% in 2034

The discount rate was based on a combination of the Expected Long-Term Rate of Return on Plan Assets and the Municipal Bond Rate. If the Employer does not have a trust dedicated exclusively to the payment of OPEB benefits, as is the case with the Village, then only the Municipal Bond Rate is used in determining the Total OPEB Liability.

Active IMRF Mortality follows the PubG-2010(B) Improved Generationally using MP-2021 Improvement Rates, weighted per IMRF Experience Study Report dated December 14, 2021. Police Active Mortality follows the Active Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates. Retiree Mortality follows the L&A Assumption Study for Police 2021. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2021 Improvement Rates. Disabled Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants improved to 2017 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates. Spouse Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. Mortality improvement uses MP-2021 Improvement Rates applied on a fully generational basis.

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of an actuarial experience study dated January 4, 2024.

Village of Deerfield

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Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at December 31, 2023	<u>\$ 5,879,876</u>
Changes for the year:	
Service cost	201,577
Interest	196,546
Changes of benefit terms	271,797
Differences between expected and actual experience	603,847
Changes in assumptions or other inputs	189,124
Other	252,515
Benefit payments	<u>(206,735)</u>
Net changes	<u>1,508,671</u>
Balances at December 31, 2024	<u><u>\$ 7,388,547</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.26% for the reporting period ending December 31, 2023 to 4.08% for the reporting period ending December 31, 2024. There were also changes in assumptions related to expected increases in medical costs assumption rates as disclosed above.

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 (3.08%) or 1-percentage-point higher (5.08%) than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	\$ 8,389,304	\$ 7,388,547	\$ 6,570,917

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	\$ 6,447,611	\$ 7,388,547	\$ 8,561,469

Village of Deerfield

Notes to Financial Statements
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OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2024, the Village recognized OPEB expense of \$928,829. At December 31, 2024, 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	\$ 1,419,535	\$ -
Changes of assumptions or other inputs	<u>1,889,076</u>	<u>1,800,343</u>
Total	<u>\$ 3,308,611</u>	<u>\$ 1,800,343</u>

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

<u>Years Ending December 31:</u>	<u>Amount</u>
2025	\$ 258,909
2026	258,909
2027	276,132
2028	210,555
2029	135,364
Thereafter	<u>368,399</u>
Total	<u>\$ 1,508,268</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.

During the fiscal year 2002, the Village entered into an economic incentive agreement with a commercial entity. The agreement was approved by the Board, in accordance with Illinois Compiled Statutes. The Village has agreed to reimburse the commercial entity 75% of the total sales tax revenue generated for the first six years of the agreement and 80% of any sales tax revenue generated for the seventh year and all subsequent years. The amount of the rebates is limited to specified time period and are payable over 20 years solely from sales taxes generated by the commercial entity. The rebates are to be paid monthly with the agreement expiring 20 years after commencement. The total amount of home-rule sales tax rebated for the fiscal year ending December 31, 2024 was \$999,987. At December 31, 2024, the Village has accrued an estimated home-rule sales tax rebate liability of \$280,428 for amounts collected by the state through December 31, 2024 but not yet paid to the commercial entity. To date, the Village has rebated \$24,909,014 of home-rule sales tax to the commercial entity. The agreement has no stated maximum. The rebate is not subject to recapture, in whole or in part.

Effect of New Accounting Standards on Current-Period Financial Statements

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

- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*
- Statement No. 104, *Disclosure of Certain Capital Assets*

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

REQUIRED SUPPLEMENTARY INFORMATION

Village of Deerfield

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - General Fund
Year Ended December 31, 2024

	Budgeted Amounts		
	Original	Final	Actual
Revenues			
Taxes	\$ 12,280,740	\$ 12,280,740	\$ 12,033,379
Licenses and permits	1,558,500	1,558,500	2,515,778
Intergovernmental	8,675,000	8,675,000	9,050,941
Charges for services	1,168,000	1,168,000	1,390,946
Fines and forfeits	154,500	154,500	143,919
Investment income	500,000	500,000	1,819,886
Miscellaneous	<u>921,500</u>	<u>921,500</u>	<u>1,621,097</u>
Total revenues	<u>25,258,240</u>	<u>25,258,240</u>	<u>28,575,946</u>
Expenditures			
Current:			
General government	10,992,602	10,992,602	9,369,175
Public safety	12,525,278	12,525,278	11,926,709
Highway and streets	<u>3,257,518</u>	<u>3,257,518</u>	<u>3,468,026</u>
Total expenditures	<u>26,775,398</u>	<u>26,775,398</u>	<u>24,763,910</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,517,158)</u>	<u>(1,517,158)</u>	<u>3,812,036</u>
Other Financing Sources (Uses)			
Transfers out	<u>(1,091,700)</u>	<u>(1,091,700)</u>	<u>(1,091,700)</u>
Total other financing sources (uses)	<u>(1,091,700)</u>	<u>(1,091,700)</u>	<u>(1,091,700)</u>
Net change in fund balance	<u><u>\$ (2,608,858)</u></u>	<u><u>\$ (2,608,858)</u></u>	2,720,336
Fund Balance, Beginning			<u>34,027,699</u>
Fund Balance, Ending			<u><u>\$ 36,748,035</u></u>

See notes to required supplementary information

Village of Deerfield

Detailed Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Motor Fuel Tax Fund
Year Ended December 31, 2024

	Budgeted Amounts		
	Original	Final	Actual
Revenues			
Intergovernmental:			
Allotments earned	\$ 800,000	\$ 800,000	\$ 917,288
Investment income	40,000	40,000	103,152
Total revenues	<u>840,000</u>	<u>840,000</u>	<u>1,020,440</u>
Expenditures			
Capital outlay:			
Construction	<u>3,990,000</u>	<u>3,990,000</u>	<u>3,972,126</u>
Total capital outlay	<u>3,990,000</u>	<u>3,990,000</u>	<u>3,972,126</u>
Total expenditures	<u>3,990,000</u>	<u>3,990,000</u>	<u>3,972,126</u>
Net change in fund balance	<u><u>\$ (3,150,000)</u></u>	<u><u>\$ (3,150,000)</u></u>	(2,951,686)
Fund Balance, Beginning			<u>3,637,728</u>
Fund Balance, Ending			<u><u>\$ 686,042</u></u>

See notes to required supplementary information

Village of Deerfield

Illinois Municipal Retirement Fund

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

Last Ten Fiscal Years

	2015	2016	2017	2018
Total Pension Liability				
Service cost	\$ 818,026	\$ 818,026	\$ 809,768	\$ 808,121
Interest changes of benefit terms	3,391,973	3,391,973	3,523,642	3,698,811
Differences between expected and actual experience	(19,404)	(19,404)	498,398	132,967
Changes of assumptions	56,963	56,963	(118,747)	(1,832,353)
Benefit payments, including refunds of member contributions	(2,437,679)	(2,437,679)	(2,407,525)	(2,597,018)
Net change in total pension liability	1,809,879	1,809,879	2,305,536	210,528
Total Pension Liability, Beginning	44,286,635	46,096,514	47,906,393	50,211,929
Total Pension Liability, Ending	<u>\$ 46,096,514</u>	<u>\$ 47,906,393</u>	<u>\$ 50,211,929</u>	<u>\$ 50,422,457</u>
Plan Fiduciary Net Position				
Employer contributions	\$ 1,004,206	\$ 1,004,206	\$ 1,015,210	\$ 967,263
Employee contributions	347,043	347,043	361,461	361,998
Net investment income	202,355	202,355	2,843,389	7,465,049
Benefit payments, including refunds of member contributions	(2,437,679)	(2,437,679)	(2,407,525)	(2,597,018)
Other (net transfer)	679,125	679,125	5,176	(651,057)
Net change in plan fiduciary net position	(204,950)	(204,950)	1,817,711	5,546,235
Plan Fiduciary Net Position, Beginning	41,219,186	41,014,236	40,809,286	42,626,997
Plan Fiduciary Net Position, Ending	<u>\$ 41,014,236</u>	<u>\$ 40,809,286</u>	<u>\$ 42,626,997</u>	<u>\$ 48,173,232</u>
Net Pension Liability/(Asset), Ending	<u>\$ 5,082,278</u>	<u>\$ 7,097,107</u>	<u>\$ 7,584,932</u>	<u>\$ 2,249,225</u>
Net Pension Liability/(Asset), Village	\$ 4,014,999	\$ 5,606,714	\$ 5,992,097	\$ 1,754,797
Net Pension Liability/(Asset), Library	1,067,279	1,490,393	1,592,835	494,428
Net Pension Liability/(Asset), Ending	<u>\$ 5,082,278</u>	<u>\$ 7,097,107</u>	<u>\$ 7,584,932</u>	<u>\$ 2,249,225</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.97%	85.19%	84.89%	95.54%
Covered Payroll	\$ 6,330,297	\$ 6,330,297	\$ 7,943,748	\$ 8,044,417
Net Pension Liability/(Asset) as a Percentage of Covered Payroll	80.28%	112.11%	95.48%	27.96%

See notes to required supplementary information

2019	2020	2021	2022	2023	2024
\$ 785,228 3,705,491	\$ 809,310 3,912,209	\$ 832,315 4,084,078	\$ 825,874 4,210,843	\$ 854,879 4,336,789	\$ 892,479 4,511,935
1,478,424 1,525,615	828,737 -	976,038 (862,422)	27,862 -	703,168 -	1,615,260 (7,381)
(2,817,052)	(3,086,631)	(3,295,663)	(3,260,964)	(3,422,807)	(3,572,872)
4,677,706	2,463,625	1,734,346	1,803,615	2,472,029	3,439,421
50,422,457	55,100,163	57,563,788	59,298,134	61,101,749	63,573,778
<u>\$ 55,100,163</u>	<u>\$ 57,563,788</u>	<u>\$ 59,298,134</u>	<u>\$ 61,101,749</u>	<u>\$ 63,573,778</u>	<u>\$ 67,013,199</u>
\$ 1,048,606 375,994 (2,640,332)	\$ 837,924 377,067 8,626,192	\$ 1,152,162 404,425 7,555,954	\$ 1,132,219 410,886 9,908,196	\$ 978,229 435,845 (8,327,404)	\$ 779,456 470,557 6,208,209
(2,817,052) 1,158,475	(3,086,631) 475,656	(3,295,663) 277,107	(3,260,964) (41,124)	(3,422,807) (136,728)	(3,572,872) 1,837,627
(2,874,309)	7,230,208	6,093,985	8,149,213	(10,472,865)	5,722,977
48,173,232	45,298,923	52,529,131	58,623,116	66,772,329	56,299,464
<u>\$ 45,298,923</u>	<u>\$ 52,529,131</u>	<u>\$ 58,623,116</u>	<u>\$ 66,772,329</u>	<u>\$ 56,299,464</u>	<u>\$ 62,022,441</u>
<u>\$ 9,801,240</u>	<u>\$ 5,034,657</u>	<u>\$ 675,018</u>	<u>\$ (5,670,580)</u>	<u>\$ 7,274,314</u>	<u>\$ 4,990,758</u>
\$ 7,623,836 2,177,404	\$ 3,927,673 1,106,984	\$ 527,320 147,698	\$ (4,416,510) (1,254,070)	\$ 5,618,785 1,655,529	\$ 3,824,257 1,166,501
<u>\$ 9,801,240</u>	<u>\$ 5,034,657</u>	<u>\$ 675,018</u>	<u>\$ (5,670,580)</u>	<u>\$ 7,274,314</u>	<u>\$ 4,990,758</u>
82.21%	91.25%	98.86%	109.28%	88.56%	92.55%
\$ 8,355,421	\$ 8,379,246	\$ 8,987,212	\$ 9,130,792	\$ 9,685,440	\$ 10,269,509
117.30%	60.08%	7.51%	-62.10%	75.11%	48.60%

See notes to required supplementary information

Village of Deerfield

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

	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 996,735	\$ 1,015,211	\$ 961,308	\$ 1,048,605	\$ 837,925
Contributions in relation to the actuarially determined contribution	(1,004,206)	(1,015,210)	(967,263)	(1,048,606)	(837,924)
Contribution deficiency (excess)	<u>\$ (7,471)</u>	<u>\$ 1</u>	<u>\$ (5,955)</u>	<u>\$ (1)</u>	<u>\$ 1</u>
Covered payroll	\$ 7,702,244	\$ 7,943,748	\$ 8,044,417	\$ 8,355,421	\$ 8,379,246
Contributions as a percentage of covered payroll	13.04%	12.78%	12.02%	12.55%	10.00%
	2020	2021	2022	2023	2024
Actuarially determined contribution	\$ 1,152,161	\$ 1,132,218	\$ 978,229	\$ 779,456	\$ 841,520
Contributions in relation to the actuarially determined contribution	(1,152,162)	(1,132,219)	(978,229)	(779,456)	(841,520)
Contribution deficiency (excess)	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 8,987,212	\$ 9,130,792	\$ 9,685,440	\$ 10,269,509	\$ 11,072,628
Contributions as a percentage of covered payroll	12.82%	12.40%	10.10%	7.59%	7.60%

Notes to Schedule:

Valuation date: Actuarially determined contributions are calculated as of December 31 of the prior fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregated Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	19 years
Asset valuation method	5-year smoothed market, 20% corridor
Inflation	2.75%
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	Pub-2010

See notes to required supplementary information

Village of Deerfield

Police Pension Fund

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

Last Ten Fiscal Years

	2015	2016	2017	2018
Total Pension Liability				
Service cost	\$ 1,138,463	\$ 941,842	\$ 1,002,497	\$ 781,798
Interest	2,800,129	4,212,748	3,862,179	4,040,019
Differences between expected and actual experience	2,088,324	(2,314,800)	106,742	8,204
Change of Benefit Terms	-	-	-	-
Changes of assumptions	12,175,632	(5,531,502)	(6,365,881)	5,851,896
Benefit payments, including refunds of member contributions	(2,443,015)	(2,603,139)	(2,900,648)	(2,805,095)
Net change in total pension liability	15,759,533	(5,294,851)	(4,295,111)	7,876,822
Total Pension Liability, Beginning	<u>50,957,374</u>	<u>66,716,907</u>	<u>61,422,056</u>	<u>57,126,945</u>
Total Pension Liability, Ending (a)	<u>\$ 66,716,907</u>	<u>\$ 61,422,056</u>	<u>\$ 57,126,945</u>	<u>\$ 65,003,767</u>
Plan Fiduciary Net Position				
Employer contributions	\$ 871,305	\$ 934,918	\$ 1,100,000	\$ 1,100,000
Employee contributions	517,457	425,791	390,162	418,230
Contributions others				
Net investment income	(4,524)	3,845,026	6,296,845	(1,613,045)
Benefit payments, including refunds of member contributions	(2,443,015)	(2,603,139)	(2,900,648)	(2,805,095)
Administration	(23,217)	(41,182)	(41,938)	(39,371)
Net change in plan fiduciary net position	(1,081,994)	2,561,414	4,844,421	(2,939,281)
Plan Fiduciary Net Position, Beginning	<u>41,594,356</u>	<u>40,512,362</u>	<u>43,073,776</u>	<u>47,918,197</u>
Plan Fiduciary Net Position, Ending (b)	<u>\$ 40,512,362</u>	<u>\$ 43,073,776</u>	<u>\$ 47,918,197</u>	<u>\$ 44,978,916</u>
Village's Net Pension Liability/(Asset), Ending (a) - (b)	<u>\$ 26,204,545</u>	<u>\$ 18,348,280</u>	<u>\$ 9,208,748</u>	<u>\$ 20,024,851</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.72%	70.13%	83.88%	69.19%
Covered Payroll	\$ 3,806,499	\$ 3,825,286	\$ 3,949,608	\$ 4,220,281
Village's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	688.42%	479.66%	233.16%	474.49%

Notes to Schedule

Changes of assumptions:

There was a change in assumption related to the discount rate made since the prior measurement

In 2023, the discount rate at the beginning of the year was 7.25%

and at end of the year was 7.00%

2019	2020	2021	2022	2023	2024
\$ 999,423	\$ 1,067,196	\$ 1,371,154	\$ 906,444	\$ 917,405	\$ 1,019,115
4,150,305	4,328,602	4,203,508	4,570,002	4,717,415	4,866,625
390,324	(1,829,795)	(3,515,627)	1,312,288	41,920	155,157
364,298	-	-	(69,525)	-	210,211
1,898,463	8,977,202	(14,866,823)	-	2,163,927	331,380
(2,892,518)	(3,078,729)	(3,248,879)	(3,362,809)	(3,464,998)	(3,564,591)
4,910,295	9,464,476	(16,056,667)	3,356,400	4,375,669	3,017,897
65,003,767	69,914,062	79,378,538	63,321,871	66,678,271	71,053,940
<u>\$ 69,914,062</u>	<u>\$ 79,378,538</u>	<u>\$ 63,321,871</u>	<u>\$ 66,678,271</u>	<u>\$ 71,053,940</u>	<u>\$ 74,071,837</u>
\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,174,781	\$ 1,346,333
427,942	460,146	450,777	521,477	492,983	537,282
				24,950	-
9,035,470	8,609,768	8,025,810	(8,596,852)	7,262,932	5,674,369
(2,892,518)	(3,078,729)	(3,248,879)	(3,362,809)	(3,464,998)	(3,564,591)
(38,955)	(49,247)	(47,007)	(45,375)	(31,253)	(35,365)
7,631,939	7,041,938	6,280,701	(10,383,559)	5,459,395	3,958,028
44,978,916	52,610,855	59,652,793	65,933,494	55,549,935	61,009,330
<u>\$ 52,610,855</u>	<u>\$ 59,652,793</u>	<u>\$ 65,933,494</u>	<u>\$ 55,549,935</u>	<u>\$ 61,009,330</u>	<u>\$ 64,967,358</u>
<u>\$ 17,303,207</u>	<u>\$ 19,725,745</u>	<u>\$ (2,611,623)</u>	<u>\$ 11,128,336</u>	<u>\$ 10,044,610</u>	<u>\$ 9,104,479</u>
75.25%	75.15%	104.12%	83.31%	85.86%	87.71%
\$ 4,318,271	\$ 4,643,250	\$ 4,548,701	\$ 4,854,314	\$ 4,965,426	\$ 5,361,903
400.70%	424.83%	-57.41%	229.25%	202.29%	169.80%

See notes to required supplementary information

Village of Deerfield

Police Pension Fund
Schedule of Employer Contributions
Last Ten Fiscal Years

	2015	2016	2017	2018	2019
Actuarially Determined Contribution	\$ 871,305	\$ 934,918	\$ 934,836	\$ 850,587	\$ 929,599
Contributions in Relation to the Actuarially Determined Contribution	871,305	934,918	1,100,000	1,100,000	1,100,000
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (165,164)</u>	<u>\$ (249,413)</u>	<u>\$ (170,401)</u>
Covered Payroll	\$ 3,806,499	\$ 3,825,286	\$ 3,949,608	\$ 4,220,281	\$ 4,318,271
Contributions as a Percentage of Covered Payroll	22.89%	24.44%	27.85%	26.06%	25.47%
	2020	2021	2022	2023	2024
Actuarially Determined Contribution	\$ 944,434	\$ 795,747	\$ 442,901	\$ 1,082,673	\$ 1,346,333
Contributions in Relation to the Actuarially Determined Contribution	1,100,000	1,100,000	1,100,000	1,174,781	1,346,333
Contribution deficiency (excess)	<u>\$ (155,566)</u>	<u>\$ (304,253)</u>	<u>\$ (657,099)</u>	<u>\$ (92,108)</u>	<u>\$ -</u>
Covered Payroll	\$ 4,643,250	\$ 4,548,701	\$ 4,854,314	\$ 4,965,426	\$ 5,361,903
Contributions as a Percentage of Covered Payroll	23.69%	24.18%	22.66%	23.66%	25.11%

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 Dollar
Remaining amortization period	14 years
Asset valuation method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary increases	3.25%, Individual pay increases 3.75% - 7.97%
Investment rate of return	7.25%
Mortality	Pub-2010 Adjusted for Plan Status, Demographics, & Illinois Public Pension Data

See notes to required supplementary information

Village of Deerfield

Police Pension Fund
Schedule of Investment Returns
Last Ten Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Annual money-weighted rate of return, net of investment expense	(0.02) %	9.73 %	15.08 %	(3.42) %	20.62 %
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Annual money-weighted rate of return, net of investment expense	16.82 %	13.78 %	(11.82) %	13.66 %	9.59 %

See notes to required supplementary information

Village of Deerfield

Retiree Health Plan
Schedule of Changes in the Village's Total OPEB Liability
and Related Ratios
Last Seven Fiscal Years

	2018	2019
Total OPEB Liability		
Service cost	\$ 90,149	\$ 80,482
Interest	127,960	135,867
Changes of benefit terms	(202,501)	-
Differences between expected and actual experience	-	-
Changes of assumptions	(251,824)	1,623,157
Benefit payments	(163,613)	(172,047)
Other changes	-	-
Net change in total OPEB liability	(399,829)	1,667,459
Total OPEB Liability, Beginning	<u>3,799,225</u>	<u>3,399,396</u>
Total OPEB Liability, Ending	<u><u>\$ 3,399,396</u></u>	<u><u>\$ 5,066,855</u></u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%
Covered-Employee Payroll	\$ 9,522,034	\$ 10,807,795
Total OPEB liability as a percentage of covered-employee payroll	35.70%	46.88%

Notes to Schedule

Changes of assumptions:

In 2024, the discount rate at the beginning of the year was 3.26%
and at end of the year was 4.08%

The Village implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

The Village does not accumulate assets in a trust to pay related benefits for the OPEB plan.

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 111,815	\$ 279,068	\$ 265,694	\$ 168,879	\$ 201,577
124,009	144,258	128,250	194,805	196,546
-	-	(269,077)	-	271,797
648,969	-	599,180	-	603,847
1,347,614	(757,840)	(1,538,927)	377,949	189,124
(192,832)	(164,440)	(167,832)	(196,924)	(206,735)
<u>(444,547)</u>	<u>224,932</u>	<u>(78,238)</u>	<u>8,256</u>	<u>252,515</u>
1,595,028	(274,022)	(1,060,950)	552,965	1,508,671
<u>5,066,855</u>	<u>6,661,883</u>	<u>6,387,861</u>	<u>5,326,911</u>	<u>5,879,876</u>
<u>\$ 6,661,883</u>	<u>\$ 6,387,861</u>	<u>\$ 5,326,911</u>	<u>\$ 5,879,876</u>	<u>\$ 7,388,547</u>
0.00%	0.00%	0.00%	0.00%	0.00%
\$ 11,397,335	\$ 11,708,206	\$ 12,445,857	\$ 12,892,847	\$ 13,677,423
58.45%	54.56%	42.80%	45.61%	54.02%

See notes to required supplementary information

Village of Deerfield

Notes to Required Supplementary Information
Year Ended December 31, 2024

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds (at the fund level) for the general, special revenue, debt service, capital projects, enterprise, internal service and pension trust funds. The budget is as amended by the Board of Trustees. All annual appropriations lapse at fiscal year end.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to assign or commit that portion of the applicable appropriation is utilized in the governmental funds. Material encumbrances outstanding at year end, if any, are reported as reservations of fund balance and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. No material encumbrances were recorded at fiscal year end.

All departments of the Village submit requests for appropriation to the Village's manager so that a budget may be prepared. The budget is prepared by fund and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and can add to, subtract from or change appropriations; but cannot change the form of the budget. Management cannot amend the total budget for individual funds without seeking the approval of the governing body. Expenditures cannot legally exceed budgeted appropriations at the fund level and the Board of Trustees must approve any over expenditures of appropriation or transfers of appropriated amounts.

SUPPLEMENTARY INFORMATION

Village of Deerfield

Detailed Schedule of Revenues - Budget and Actual -
General Fund
Year Ended December 31, 2024

	Budgeted Amounts		Actual
	Original	Final	
Taxes			
Property	\$ 4,255,740	\$ 4,255,740	\$ 4,253,290
Replacement	250,000	250,000	244,275
Home rule sales	3,425,000	3,425,000	2,853,152
Local use	750,000	750,000	680,414
Electric utility	1,100,000	1,100,000	997,054
Hotel/Motel	1,500,000	1,500,000	2,178,132
Telecommunication	1,000,000	1,000,000	827,062
Total taxes	12,280,740	12,280,740	12,033,379
Licenses and Permits			
Beer/liquor licenses	60,000	60,000	65,975
Food licenses	5,000	5,000	6,744
Other business licenses	5,500	5,500	1,880
Building permits	1,100,000	1,100,000	1,960,698
Contractor's licenses	20,000	20,000	115,300
Nonbusiness licenses and permits	38,000	38,000	43,363
Vehicle licenses	330,000	330,000	321,818
Total licenses and permits	1,558,500	1,558,500	2,515,778
Intergovernmental			
State grant	280,000	280,000	297,112
Sales taxes	5,400,000	5,400,000	5,368,720
Income taxes	2,900,000	2,900,000	3,259,873
State highway maintenance	65,000	65,000	86,762
Cannabis Tax	30,000	30,000	38,474
Total intergovernmental	8,675,000	8,675,000	9,050,941
Charges for Services			
Billings	368,000	368,000	502,464
Dispatching services	540,000	540,000	876,952
Engineering services	260,000	260,000	11,530
Total charges for services	1,168,000	1,168,000	1,390,946
Miscellaneous			
False alarms	15,000	15,000	14,375
Rentals	305,000	305,000	204,237
Miscellaneous	144,000	144,000	1,019,529
Sale of capital assets	7,500	7,500	335
Franchise fees	450,000	450,000	382,621
Total miscellaneous	921,500	921,500	1,621,097
Fines and forfeits	154,500	154,500	143,919
Investment income	500,000	500,000	1,819,886
Total revenues	\$ 25,258,240	\$ 25,258,240	\$ 28,575,946

Village of Deerfield

Detailed Schedule of Expenditures - Budget and Actual -
General Fund
Year Ended December 31, 2024

	Budgeted Amounts		
	Original	Final	Actual
General Government			
Finance department:			
Personnel services	\$ 1,186,900	\$ 1,186,900	\$ 1,178,069
Training and development	14,300	14,300	8,782
Contractual services	3,855,610	3,855,610	2,676,801
Commodities	10,500	10,500	3,857
Utilities	24,200	24,200	18,551
Capital outlay	<u>5,000</u>	<u>5,000</u>	<u>3,000</u>
Total finance department	<u>5,096,510</u>	<u>5,096,510</u>	<u>3,889,060</u>
Administration:			
Personnel services	1,770,087	1,770,087	1,648,963
Training and development	19,800	19,800	18,791
Contractual services	964,105	964,105	1,065,174
Commodities	8,000	8,000	7,787
Utilities	12,800	12,800	11,138
Capital outlay	<u>105,300</u>	<u>105,300</u>	<u>91,965</u>
Total administration	<u>2,880,092</u>	<u>2,880,092</u>	<u>2,843,818</u>
Community development:			
Personnel services	1,545,770	1,545,770	1,563,642
Training and development	7,750	7,750	4,197
Contractual services	320,488	320,488	298,223
Commodities	14,000	14,000	11,711
Utilities	11,100	11,100	9,713
Capital outlay	<u>21,060</u>	<u>21,060</u>	<u>25,295</u>
Total community development	<u>1,920,168</u>	<u>1,920,168</u>	<u>1,912,781</u>
Engineering:			
Personnel services	478,000	478,000	400,232
Training and development	5,200	5,200	2,362
Contractual services	546,397	546,397	267,093
Commodities	13,500	13,500	11,468
Utilities	5,600	5,600	4,527
Capital outlay	<u>47,135</u>	<u>47,135</u>	<u>37,834</u>
Total engineering	<u>1,095,832</u>	<u>1,095,832</u>	<u>723,516</u>
Total general government	<u>10,992,602</u>	<u>10,992,602</u>	<u>9,369,175</u>
Public Safety, Police Department			
Administrative services:			
Personnel services	1,552,471	1,552,471	1,207,646
Training and development	36,290	36,290	14,533
Contractual services	1,054,099	1,054,099	904,214
Commodities	26,175	26,175	25,925
Utilities	26,450	26,450	22,373
Capital outlay	<u>586,562</u>	<u>586,562</u>	<u>558,449</u>
Total administrative services	<u>3,282,047</u>	<u>3,282,047</u>	<u>2,733,140</u>

Village of Deerfield

Detailed Schedule of Expenditures - Budget and Actual -

General Fund

Year Ended December 31, 2024

	Budgeted Amounts		
	Original	Final	Actual
Communications:			
Personnel services	\$ 1,364,155	\$ 1,364,155	\$ 1,307,945
Training and development	18,100	18,100	3,911
Contractual services	500	500	-
Capital outlay	<u>5,000</u>	<u>5,000</u>	<u>6,683</u>
Total communications	<u>1,387,755</u>	<u>1,387,755</u>	<u>1,318,539</u>
Investigations:			
Personnel services	1,278,596	1,278,596	944,331
Training and development	15,650	15,650	2,531
Contractual services	9,330	9,330	11,644
Commodities	11,625	11,625	7,152
Capital outlay	<u>36,500</u>	<u>36,500</u>	<u>15,513</u>
Total investigations	<u>1,351,701</u>	<u>1,351,701</u>	<u>981,171</u>
Patrol:			
Personnel services	6,056,796	6,056,796	6,494,394
Training and development	90,241	90,241	67,522
Contractual services	80,220	80,220	90,396
Commodities	146,330	146,330	102,290
Utilities	7,300	7,300	6,088
Capital outlay	<u>74,888</u>	<u>74,888</u>	<u>54,012</u>
Total patrol	<u>6,455,775</u>	<u>6,455,775</u>	<u>6,814,702</u>
Special detail:			
Personnel services	<u>48,000</u>	<u>48,000</u>	<u>79,157</u>
Total special detail	<u>48,000</u>	<u>48,000</u>	<u>79,157</u>
Total public safety, police department	<u>12,525,278</u>	<u>12,525,278</u>	<u>11,926,709</u>
Highways and Streets			
Administration:			
Personnel services	331,600	331,600	306,033
Training and development	4,000	4,000	2,849
Contractual services	267,367	267,367	214,076
Commodities	7,700	7,700	7,515
Utilities	8,600	8,600	4,895
Capital outlay	<u>205,901</u>	<u>205,901</u>	<u>203,174</u>
Total administration	<u>825,168</u>	<u>825,168</u>	<u>738,542</u>
Maintenance:			
Personnel services	891,700	891,700	899,898
Contractual services	184,000	184,000	273,984
Commodities	157,000	157,000	171,515
Utilities	120,000	120,000	132,622
Capital outlay	<u>25,000</u>	<u>25,000</u>	<u>18,085</u>
Total maintenance	<u>1,377,700</u>	<u>1,377,700</u>	<u>1,496,104</u>

Village of Deerfield

Detailed Schedule of Expenditures - Budget and Actual -
General Fund
Year Ended December 31, 2024

	Budgeted Amounts		Actual
	Original	Final	
Snow and ice control:			
Personnel services	\$ 86,750	\$ 86,750	\$ 57,928
Contractual services	155,000	155,000	149,557
Commodities	219,000	219,000	239,215
Capital outlay	<u>750</u>	<u>750</u>	<u>-</u>
Total snow and ice control	<u>461,500</u>	<u>461,500</u>	<u>446,700</u>
Forestry:			
Personnel services	8,100	8,100	7,077
Contractual services	313,000	313,000	454,526
Commodities	10,000	10,000	8,560
Capital outlay	<u>202,000</u>	<u>202,000</u>	<u>230,147</u>
Total forestry	<u>533,100</u>	<u>533,100</u>	<u>700,310</u>
Train station maintenance:			
Personnel services	11,450	11,450	12,677
Contractual services	43,500	43,500	69,979
Commodities	3,000	3,000	1,865
Utilities	<u>2,100</u>	<u>2,100</u>	<u>1,849</u>
Total train station maintenance	<u>60,050</u>	<u>60,050</u>	<u>86,370</u>
Total highways and streets	<u>3,257,518</u>	<u>3,257,518</u>	<u>3,468,026</u>
Total expenditures	<u>\$ 26,775,398</u>	<u>\$ 26,775,398</u>	<u>\$ 24,763,910</u>

Village of Deerfield

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Debt Service Fund
Year Ended December 31, 2024

	Budgeted Amounts		
	Original	Final	Actual
Revenues			
Taxes			
Property	\$ 3,477,192	\$ 3,477,192	\$ 3,479,421
Intergovernmental	359,239	359,239	363,799
Contribution from library	689,700	689,700	689,700
Investment income	<u>15,000</u>	<u>15,000</u>	<u>80,830</u>
Total revenues	<u>4,541,131</u>	<u>4,541,131</u>	<u>4,613,750</u>
Expenditures			
Debt Service			
Principal retirement	1,835,000	1,835,000	1,835,000
Interest and other	1,020,403	1,020,403	1,020,403
Fiscal charges	<u>5,000</u>	<u>5,000</u>	<u>3,125</u>
Total expenditures	<u>2,860,403</u>	<u>2,860,403</u>	<u>2,858,528</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,680,728</u>	<u>1,680,728</u>	<u>1,755,222</u>
Other Financing Sources (Uses)			
Transfers out	<u>(1,669,928)</u>	<u>(1,669,928)</u>	<u>(1,669,928)</u>
Total other financing sources (uses)	<u>(1,669,928)</u>	<u>(1,669,928)</u>	<u>(1,669,928)</u>
Net change in fund balance	<u>\$ 10,800</u>	<u>\$ 10,800</u>	85,294
Fund Balance, Beginning			<u>444,324</u>
Fund Balance, Ending			<u>\$ 529,618</u>

Village of Deerfield

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - 2011B Debt Service Sinking Fund
Year Ended December 31, 2024

	Budgeted Amounts		
	Original	Final	Actual
Revenues			
Property taxes	\$ 725,000	\$ 725,000	\$ 725,000
Investment income	<u>75,000</u>	<u>75,000</u>	<u>316,940</u>
Total revenues	<u>800,000</u>	<u>800,000</u>	<u>1,041,940</u>
Expenditures			
Current			
General government:			
Contractual services	<u>1,500</u>	<u>1,500</u>	<u>1,123</u>
Total general government	<u>1,500</u>	<u>1,500</u>	<u>1,123</u>
Total expenditures	<u>1,500</u>	<u>1,500</u>	<u>1,123</u>
Excess (deficiency) of revenues over (under) expenditures	<u>798,500</u>	<u>798,500</u>	<u>1,040,817</u>
Other Financing Sources (Uses)			
Transfers out	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Total other financing sources (uses)	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ 748,500</u>	<u>\$ 748,500</u>	1,040,817
Fund Balance, Beginning			<u>8,167,127</u>
Fund Balance, Ending			<u>\$ 9,207,944</u>

Village of Deerfield

Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Infrastructure Replacement Fund
Year Ended December 31, 2024

	Budgeted Amounts		
	Original	Final	Actual
Revenues			
Taxes			
Home rule sales	\$ 1,140,000	\$ 1,140,000	\$ 951,051
Food and beverage	600,000	600,000	819,007
Investment income	75,000	75,000	182,043
Miscellaneous	<u>300,000</u>	<u>300,000</u>	<u>515,773</u>
Total revenues	<u>2,115,000</u>	<u>2,115,000</u>	<u>2,467,874</u>
Expenditures			
Capital Outlay			
Contractual services	410,000	410,000	310,671
Construction	<u>3,085,000</u>	<u>3,085,000</u>	<u>2,851,595</u>
Total expenditures	<u>3,495,000</u>	<u>3,495,000</u>	<u>3,162,266</u>
Net change in fund balance	<u>\$ (1,380,000)</u>	<u>\$ (1,380,000)</u>	(694,392)
Fund Balance, Beginning			<u>3,975,576</u>
Fund Balance, Ending			<u>\$ 3,281,184</u>

Village of Deerfield

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

Water Fund

Year Ended December 31, 2024

	Budgeted Amounts		Actual
	Original	Final	
Operating Revenues			
Charges for services:			
Water sales	\$ 5,832,000	\$ 5,832,000	\$ 5,916,184
Miscellaneous:			
Permits and fees	40,000	40,000	66,230
Penalties	40,000	40,000	49,169
Other	71,500	71,500	93,513
Total operating revenues	5,983,500	5,983,500	6,140,120
Operating Expenses			
Administration	798,045	798,045	733,035
Operations:			
Distribution	4,285,800	4,285,800	4,289,180
Maintenance - mains and fire hydrants	733,050	933,050	977,100
Maintenance - meters	290,500	290,500	283,788
Total operating expenses excluding depreciation	6,107,395	6,307,395	6,283,103
Operating income (loss) before depreciation	(123,895)	(323,895)	(142,983)
Depreciation	-	-	628,528
Operating income (loss)	(123,895)	(323,895)	(771,511)
Nonoperating Revenues (Expenses)			
Investment income	10,000	10,000	117,324
Total nonoperating revenues (expenses)	10,000	10,000	117,324
Income (loss) before contributions	(113,895)	(313,895)	(654,187)
Contributions			
Contributions	-	-	500,559
Total contributions	-	-	500,559
Change in net position	\$ (113,895)	\$ (313,895)	(153,628)
Net Position, Beginning			27,133,411
Net Position, Ending			\$ 26,979,783

Village of Deerfield

Schedule of Operating Expenses - Budget and Actual -

Water Fund

Year Ended December 31, 2024

	Budgeted Amounts		Actual
	Original	Final	
Administration			
Personnel services	\$ 388,250	\$ 388,250	\$ 375,002
Training and development	3,500	3,500	2,427
Contractual services	325,180	325,180	278,362
Commodities	5,500	5,500	4,681
Utilities	9,400	9,400	7,275
Capital outlay	66,215	66,215	65,288
Total administration	798,045	798,045	733,035
Operations			
Distribution:			
Personnel services	113,300	113,300	126,817
Contractual services	73,000	73,000	53,508
Commodities	4,002,000	4,002,000	4,005,396
Utilities	92,500	92,500	102,157
Capital outlay	5,000	5,000	1,302
Total distribution	4,285,800	4,285,800	4,289,180
Main and fire hydrant maintenance:			
Personnel services	415,600	475,600	492,947
Contractual services	126,250	141,250	164,024
Commodities	187,200	312,200	317,106
Capital outlay	4,000	4,000	3,023
Total main and fire hydrant maintenance	733,050	933,050	977,100
Meter maintenance:			
Personnel services	144,500	144,500	141,384
Contractual services	40,000	40,000	54,927
Commodities	4,000	4,000	2,375
Capital outlay	102,000	102,000	85,102
Total meter maintenance	290,500	290,500	283,788
Total operations	5,309,350	5,509,350	5,550,068
Total operating expenses excluding depreciation	\$ 6,107,395	\$ 6,307,395	\$ 6,283,103

Village of Deerfield

Schedule of Capital Assets and Depreciation -

Water Fund

Year Ended December 31, 2024

	Assets			Balances December 31, 2024
	Balances December 31, 2023	Additions	Retirements	
Land	\$ 1,877,956	\$ -	\$ -	\$ 1,877,956
Construction in progress	156,368	78,667	-	235,035
Buildings	4,180,123	-	-	4,180,123
Water system improvements	25,788,873	421,893	-	26,210,766
Equipment and vehicles	626,490	-	-	626,490
Total	<u>\$ 32,629,810</u>	<u>\$ 500,560</u>	<u>\$ -</u>	<u>\$ 33,130,370</u>
	Accumulated Depreciation			Balances December 31, 2024
	Balances December 31, 2023	Additions	Retirements	
Buildings	\$ 2,529,209	\$ 58,268	\$ -	\$ 2,587,477
Water system improvements	4,395,323	570,260	-	4,965,583
Equipment and vehicles	626,491	-	-	626,491
Total	<u>\$ 7,551,023</u>	<u>\$ 628,528</u>	<u>\$ -</u>	<u>8,179,551</u>
Net asset value				<u>\$ 24,950,819</u>

Village of Deerfield

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

Sewerage Fund

Year Ended December 31, 2024

	Budgeted Amounts		Actual
	Original	Final	
Operating Revenues			
Charges for services:			
Sewer charges	\$ 3,407,200	\$ 3,407,200	\$ 3,434,296
Miscellaneous:			
Permits and fees	7,500	7,500	1,200
Penalties	30,000	30,000	31,023
Other	5,000	5,000	37
Total operating revenues	3,449,700	3,449,700	3,466,556
Operating Expenses			
Administration	742,751	742,751	645,481
Operations:			
Treatment plant	2,065,802	2,140,802	2,154,333
Cleaning and maintenance	385,000	430,000	487,689
Construction	414,900	414,900	362,375
Total operating expenses excluding depreciation	3,608,453	3,728,453	3,649,878
Operating income (loss) before depreciation	(158,753)	(278,753)	(183,322)
Depreciation	-	-	1,116,429
Operating income (loss)	(158,753)	(278,753)	(1,299,751)
Nonoperating Revenues (Expenses)			
Investment income	20,000	20,000	65,420
Principal retirement	(795,000)	(795,000)	-
Interest and other	(875,928)	(875,928)	(746,973)
Total nonoperating revenues (expenses)	(1,650,928)	(1,650,928)	(681,553)
Income (loss) before contributions and transfers	(1,809,681)	(1,929,681)	(1,981,304)
Contributions and Transfers			
Contributions	-	-	1,446,312
Transfers in	1,669,928	1,669,928	1,669,928
Total contributions and transfers	1,669,928	1,669,928	3,116,240
Change in net position	\$ (139,753)	\$ (259,753)	1,134,936
Net Position, Beginning			15,683,288
Net Position, Ending			\$ 16,818,224

Village of Deerfield

Schedule of Operating Expenses - Budget and Actual -

Sewerage Fund

Year Ended December 31, 2024

	Budgeted Amounts		Actual
	Original	Final	
Administration			
Personnel services	\$ 282,900	\$ 282,900	\$ 263,570
Training and development	2,600	2,600	1,919
Contractual services	342,700	342,700	272,814
Commodities	5,050	5,050	4,275
Utilities	4,700	4,700	3,953
Capital outlay	104,801	104,801	98,950
Total administration	742,751	742,751	645,481
Operations			
Treatment plant:			
Personnel services	1,121,525	1,121,525	1,117,165
Training and development	9,000	9,000	5,766
Contractual services	317,337	317,337	352,098
Commodities	201,500	201,500	154,267
Utilities	322,500	397,500	434,959
Miscellaneous	43,500	43,500	44,830
Capital outlay	50,440	50,440	45,248
Total treatment plant	2,065,802	2,140,802	2,154,333
Cleaning and maintenance:			
Personnel services	297,000	297,000	381,059
Contractual services	64,500	109,500	88,920
Commodities	23,500	23,500	17,710
Total cleaning and maintenance	385,000	430,000	487,689
Construction:			
Personnel services	325,200	325,200	267,334
Contractual services	20,500	20,500	21,773
Commodities	64,200	64,200	69,110
Capital outlay	5,000	5,000	4,158
Total construction	414,900	414,900	362,375
Total operations	2,865,702	2,985,702	3,004,397
Total operating expenses excluding depreciation	\$ 3,608,453	\$ 3,728,453	\$ 3,649,878

Village of Deerfield

Schedule of Capital Assets and Depreciation -

Sewerage Fund

Year Ended December 31, 2024

	Assets			
	Balances December 31, 2023	Additions	Retirements	Balances December 31, 2024
Sewer System	\$ 8,628,619	\$ 476,829	\$ -	\$ 9,105,448
Buildings and Improvements	42,546,160	-	-	42,546,160
CIP	60,065	969,483	-	1,029,548
Total	<u>\$ 51,234,844</u>	<u>\$ 1,446,312</u>	<u>\$ -</u>	<u>\$ 52,681,156</u>
	Accumulated Depreciation			
	Balances December 31, 2023	Additions	Retirements	Balances December 31, 2024
Sewer System	\$ 2,676,059	\$ 214,970	\$ -	\$ 2,891,029
Buildings and Improvements	10,408,402	901,460	-	11,309,862
Total	<u>\$ 13,084,461</u>	<u>\$ 1,116,430</u>	<u>\$ -</u>	<u>14,200,890</u>
Net asset value				<u>\$ 38,480,266</u>

Village of Deerfield

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

Refuse Fund

Year Ended December 31, 2024

	Budgeted Amounts		Actual
	Original	Final	
Operating Revenues			
Charges for services:			
Refuse billing	\$ 606,500	\$ 606,500	\$ 625,751
Miscellaneous	10,000	10,000	4,857
Total operating revenues	616,500	616,500	630,608
Operating Expenses			
Operations			
Contractual services	1,678,150	1,678,150	1,545,503
Commodities	22,700	22,700	13,687
Capital outlay	79,493	79,493	79,493
Total operating expenses excluding depreciation	1,780,343	1,780,343	1,638,683
Operating income (loss)	(1,163,843)	(1,163,843)	(1,008,075)
Nonoperating Revenues (Expenses)			
Investment income	15,000	15,000	35,943
Total nonoperating revenues (expenses)	15,000	15,000	35,943
Income (loss) before transfers	(1,148,843)	(1,148,843)	(972,132)
Transfers			
Transfers in	1,091,700	1,091,700	1,091,700
Total transfers	1,091,700	1,091,700	1,091,700
Change in net position	\$ (57,143)	\$ (57,143)	119,568
Net Position, Beginning			1,076,872
Net Position, Ending			\$ 1,196,440

Village of Deerfield

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual -
Commuter Parking Lot Fund
Year Ended December 31, 2024

	Budgeted Amounts		
	Original	Final	Actual
Operating Revenues			
Charges for services:			
Parking lot fees	\$ 146,500	\$ 146,500	\$ 175,318
Total operating revenues	146,500	146,500	175,318
Operating Expenses			
Operations	218,100	218,100	188,823
Total operating expenses	218,100	218,100	188,823
Operating income (loss) before depreciation	(71,600)	(71,600)	(13,505)
Depreciation	-	-	26,737
Operating income (loss)	(71,600)	(71,600)	(40,242)
Nonoperating Revenues (Expenses)			
Investment income	-	-	(8,656)
Total nonoperating revenues (expenses)	-	-	(8,656)
Change in net position	\$ (71,600)	\$ (71,600)	(48,898)
Net Position, Beginning			745,624
Net Position, Ending			\$ 696,726

Village of Deerfield

Schedule of Operating Expenses - Budget and Actual -
Commuter Parking Lot Fund
Year Ended December 31, 2024

	Budgeted Amounts		Actual
	Original	Final	
Operations			
Parking lots, village and federal funds:			
Personnel services	\$ 22,000	\$ 22,000	\$ 10,564
Contractual services	95,900	95,900	88,669
Utilities	3,300	3,300	2,203
Total parking lots, village and federal funds	121,200	121,200	101,436
Parking lots, village construction:			
Personnel services	22,000	22,000	10,564
Contractual services	69,900	69,900	73,158
Utilities	5,000	5,000	3,665
Total parking lots, village construction	96,900	96,900	87,387
Total operating expenses excluding depreciation	\$ 218,100	\$ 218,100	\$ 188,823

Village of Deerfield

Schedule of Capital Assets and Depreciation -
Commuter Parking Lot Fund
Year Ended December 31, 2024

	Assets			
	Balances December 31, 2023	Additions	Retirements	Balances December 31, 2024
Land	\$ 77,500	\$ -	\$ -	\$ 77,500
Parking lot improvements	1,950,830	-	-	1,950,830
Total	<u>\$ 2,028,330</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,028,330</u>
Accumulated Depreciation				
	Balances December 31, 2023	Additions	Retirements	Balances December 31, 2024
Parking lot improvements	\$ 1,113,055	\$ 26,736	\$ -	\$ 1,139,791
Total	<u>\$ 1,113,055</u>	<u>\$ 26,736</u>	<u>\$ -</u>	<u>1,139,791</u>
Net asset value				<u>\$ 888,539</u>

Village of Deerfield

Combining Statement of Net Position -
Internal Service Funds
December 31, 2024

	<u>Garage Fund</u>	<u>Vehicle & Equipment Replacement</u>	<u>Total</u>
Assets			
Current assets:			
Cash and investments	\$ 18,117	\$ 6,675,724	\$ 6,693,841
Receivables:			
Accounts, billed	1,543	8,839	10,382
Accounts, unbilled	-	31,237	31,237
Accrued interest	-	19,260	19,260
Prepaid items	4,390	-	4,390
Inventory	<u>75,891</u>	<u>-</u>	<u>75,891</u>
Total current assets	<u>99,941</u>	<u>6,735,060</u>	<u>6,835,001</u>
Noncurrent assets:			
Capital assets:			
Property and equipment	-	7,592,777	7,592,777
Less accumulated depreciation	<u>-</u>	<u>(4,049,500)</u>	<u>(4,049,500)</u>
Total noncurrent assets	<u>-</u>	<u>3,543,277</u>	<u>3,543,277</u>
Total assets	<u>99,941</u>	<u>10,278,337</u>	<u>10,378,278</u>
Liabilities			
Current liabilities:			
Accounts payable	10,502	58,765	69,267
Accrued payroll	6,655	-	6,655
Compensated absences payable	<u>13,966</u>	<u>-</u>	<u>13,966</u>
Total current liabilities	<u>31,123</u>	<u>58,765</u>	<u>89,888</u>
Noncurrent liabilities:			
Compensated absences payable	<u>43,056</u>	<u>-</u>	<u>43,056</u>
Total noncurrent liabilities	<u>43,056</u>	<u>-</u>	<u>43,056</u>
Total liabilities	<u>74,179</u>	<u>58,765</u>	<u>132,944</u>
Net Position			
Net investment in capital assets	-	3,543,277	3,543,277
Unrestricted	<u>25,762</u>	<u>6,676,295</u>	<u>6,702,057</u>
Total net position	<u>\$ 25,762</u>	<u>\$ 10,219,572</u>	<u>\$ 10,245,334</u>

Village of Deerfield

Combining Statement of Revenues, Expenses and

Changes in Fund Net Position -

Internal Service Funds

Year Ended December 31, 2024

	<u>Garage Fund</u>	<u>Vehicle & Equipment Replacement</u>	<u>Total</u>
Operating Revenues			
Billings	\$ 435,648	\$ 1,077,308	\$ 1,512,956
Miscellaneous	<u>14,574</u>	<u>-</u>	<u>14,574</u>
Total operating revenues	<u>450,222</u>	<u>1,077,308</u>	<u>1,527,530</u>
Operating Expenses			
Operations	556,259	-	556,259
Capital outlay	-	115,294	115,294
Depreciation	<u>-</u>	<u>503,866</u>	<u>503,866</u>
Total operating expenses	<u>556,259</u>	<u>619,160</u>	<u>1,175,419</u>
Operating income (loss)	<u>(106,037)</u>	<u>458,148</u>	<u>352,111</u>
Nonoperating Revenues (Expenses)			
Gain on sale of capital assets	-	103,544	103,544
Investment income	<u>286</u>	<u>359,084</u>	<u>359,370</u>
Total nonoperating revenues (expenses)	<u>286</u>	<u>462,628</u>	<u>462,914</u>
Income (loss) before contributions	<u>(105,751)</u>	<u>920,776</u>	<u>815,025</u>
Contributions			
Contributions	<u>-</u>	<u>150,485</u>	<u>150,485</u>
Total contributions	<u>-</u>	<u>150,485</u>	<u>150,485</u>
Change in net position	(105,751)	1,071,261	965,510
Net Position, Beginning	<u>131,513</u>	<u>9,148,311</u>	<u>9,279,824</u>
Net Position, Ending	<u>\$ 25,762</u>	<u>\$ 10,219,572</u>	<u>\$ 10,245,334</u>

Village of Deerfield

Combining Statement of Cash Flows -
Internal Service Funds
Year Ended December 31, 2024

	<u>Garage Fund</u>	<u>Vehicle & Equipment Replacement</u>	<u>Total</u>
Cash Flows From Operating Activities			
Received from customers	\$ 438,948	\$ 1,068,965	\$ 1,507,913
Receipts from miscellaneous revenue	14,574	-	14,574
Paid to suppliers for goods and services	(136,138)	(75,553)	(211,691)
Paid to employees for services	<u>(304,566)</u>	<u>-</u>	<u>(304,566)</u>
Net cash flows from operating activities	<u>12,818</u>	<u>993,412</u>	<u>1,006,230</u>
Cash Flows From Investing Activities			
Investment income	<u>286</u>	<u>359,084</u>	<u>359,370</u>
Net cash flows from investing activities	<u>286</u>	<u>359,084</u>	<u>359,370</u>
Cash Flows From Capital and Related Financing Activities			
Acquisition and construction of capital assets	-	(1,339,761)	(1,339,761)
Proceeds from sale of capital assets	<u>-</u>	<u>25,485</u>	<u>25,485</u>
Net cash flows from capital and related financing activities	<u>-</u>	<u>(1,314,276)</u>	<u>(1,314,276)</u>
Net change in cash and cash equivalents	13,104	38,220	51,324
Cash and Cash Equivalents, Beginning	<u>5,013</u>	<u>6,637,504</u>	<u>6,642,517</u>
Cash and Cash Equivalents, Ending	<u><u>\$ 18,117</u></u>	<u><u>\$ 6,675,724</u></u>	<u><u>\$ 6,693,841</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Flows From Operating Activities			
Operating income (loss)	\$ (106,037)	\$ 458,148	\$ 352,111
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:			
Depreciation	-	503,866	503,866
Changes in assets and liabilities:			
Accounts receivable	3,300	(8,343)	(5,043)
Prepaid expenses	169	-	169
Inventories	113,078	-	113,078
Accounts payable	(1,574)	39,741	38,167
Accrued payroll	2,429	-	2,429
Compensated absences payable	<u>1,453</u>	<u>-</u>	<u>1,453</u>
Net cash flows from operating activities	<u><u>\$ 12,818</u></u>	<u><u>\$ 993,412</u></u>	<u><u>\$ 1,006,230</u></u>
Noncash Capital and Related Financing Activities			
Capital contributions	<u><u>\$ -</u></u>	<u><u>\$ 150,485</u></u>	

Village of Deerfield

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

Garage Fund

Year Ended December 31, 2024

	Budgeted Amounts		
	Original	Final	Actual
Operating Revenues			
Interfund services:			
Billings	\$ 480,000	\$ 480,000	\$ 435,648
Miscellaneous	10,000	10,000	14,574
Total operating revenues	490,000	490,000	450,222
Operating Expenses			
Operations	489,000	489,000	556,259
Total operating expenses	489,000	489,000	556,259
Operating income (loss)	1,000	1,000	(106,037)
Nonoperating Revenues			
Investment income	-	-	286
Total nonoperating revenues	-	-	286
Change in net position	\$ 1,000	\$ 1,000	(105,751)
Net Position, Beginning			131,513
Net Position, Ending			\$ 25,762

Village of Deerfield

Schedule of Operating Expenses - Budget and Actual -

Garage Fund

Year Ended December 31, 2024

	Budgeted Amounts		Actual
	Original	Final	
Operating Expenses			
Public works department:			
Personnel services	\$ 323,200	\$ 323,200	\$ 308,448
Training and development	6,300	6,300	2,217
Contractual services	29,400	29,400	20,678
Commodities	124,800	124,800	218,437
Utilities	3,400	3,400	4,779
Capital outlay	1,900	1,900	1,700
Total operating expenses	\$ 489,000	\$ 489,000	\$ 556,259

Village of Deerfield

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual -
Vehicle & Equipment Replacement
Year Ended December 31, 2024

	Budgeted Amounts		
	Original	Final	Actual
Operating Revenues			
Interfund services			
Billings	\$ 962,030	\$ 962,030	\$ 1,077,308
Total operating revenues	962,030	962,030	1,077,308
Operating Expenses			
Capital outlay	1,841,840	2,489,840	115,294
Depreciation	-	-	503,866
Total operating expenses	1,841,840	2,489,840	619,160
Operating income	(879,810)	(1,527,810)	458,148
Nonoperating Revenues			
Gain on sale of capital assets	-	-	103,544
Investment income	75,000	75,000	359,084
Total nonoperating revenues	75,000	75,000	462,628
Net income before contributions	(804,810)	(1,452,810)	920,776
Contributions			
Contributions	-	-	150,485
Contributions	-	-	150,485
Change in net position	\$ (804,810)	\$ (1,452,810)	1,071,261
Net Position, Beginning			9,148,311
Net Position, Ending			\$ 10,219,572

Village of Deerfield

Schedule of Changes in Fiduciary Net Position - Budget and Actual -
Police Pension Trust Fund
Year Ended December 31, 2024

	Budgeted Amounts		
	Original	Final	Actual
Additions			
Contributions:			
Contributions, employer	\$ 1,100,000	\$ 1,100,000	\$ 1,346,333
Contributions, employee	<u>505,000</u>	<u>505,000</u>	<u>537,282</u>
Total contributions	<u>1,605,000</u>	<u>1,605,000</u>	<u>1,883,615</u>
Investment income:			
Net appreciation in fair value of investments	500,000	500,000	5,330,017
Interest and dividends earned on investments	<u>700,000</u>	<u>700,000</u>	<u>378,892</u>
Total investment income	1,200,000	1,200,000	5,708,909
Less investment expense	<u>(25,000)</u>	<u>(25,000)</u>	<u>(34,827)</u>
Net investment income	<u>1,175,000</u>	<u>1,175,000</u>	<u>5,674,082</u>
Total additions	<u>2,780,000</u>	<u>2,780,000</u>	<u>7,557,697</u>
Deductions			
Pension payments	3,700,000	3,700,000	3,564,591
Separation refunds	15,000	15,000	-
Administrative	<u>52,700</u>	<u>52,700</u>	<u>36,990</u>
Total deductions	<u>3,767,700</u>	<u>3,767,700</u>	<u>3,601,581</u>
Change in net position	<u>\$ (987,700)</u>	<u>\$ (987,700)</u>	3,956,116
Net Position, Beginning			<u>61,009,330</u>
Net Position, Ending			<u>\$ 64,965,446</u>

LONG-TERM DEBT REQUIREMENTS

Village of Deerfield

Long-Term Debt Requirements

General Obligation Bond Series 2011B

December 31, 2024

Date of Issue	October 17, 2011
Date of Maturity	December 1, 2028
Authorized Issue	\$12,500,000
Denomination of Bonds	\$5,000
Interest Rates	4%
Principal Maturity Date	December 1
Payable at	Depository Trust Company, Chicago Illinois

Tax Levy Year	Future Principal and Interest Requirements						
	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2024	\$ -	\$ 499,200	\$ 499,200	2025	\$ 249,600	2025	\$ 249,600
2025	-	499,200	499,200	2026	249,600	2026	249,600
2026	-	499,200	499,200	2027	249,600	2027	249,600
2027	12,480,000	499,200	12,979,200	2028	249,600	2028	249,600
	<u>\$ 12,480,000</u>	<u>\$ 1,996,800</u>	<u>\$ 14,476,800</u>		<u>\$ 998,400</u>		<u>\$ 998,400</u>

Village of Deerfield

Long-Term Debt Requirements
General Obligation Bond Series 2015
December 31, 2024

Date of Issue May 19, 2015
Date of Maturity December 1, 2034
Authorized Issue \$9,575,000
Denomination of Bonds \$5,000
Interest Rates 3.00% to 3.25%
Principal Maturity Date December 1
Payable at Depository Trust Company, Chicago Illinois

Tax Levy Year	Future Principal and Interest Requirements						
	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2024	\$ 495,000	\$ 174,200	\$ 669,200	2025	\$ 87,100	2025	\$ 87,100
2025	510,000	159,350	669,350	2026	79,675	2026	79,675
2026	530,000	144,050	674,050	2027	72,025	2027	72,025
2027	545,000	128,150	673,150	2028	64,075	2028	64,075
2028	560,000	111,800	671,800	2029	55,900	2029	55,900
2029	575,000	95,000	670,000	2030	47,500	2030	47,500
2030	595,000	77,750	672,750	2031	38,875	2031	38,875
2031	610,000	59,900	669,900	2032	29,950	2032	29,950
2032	630,000	41,600	671,600	2033	20,800	2033	20,800
2033	650,000	21,125	671,125	2034	10,562	2034	10,563
	<u>\$ 5,700,000</u>	<u>\$ 1,012,925</u>	<u>\$ 6,712,925</u>		<u>\$ 506,462</u>		<u>\$ 506,463</u>

Village of Deerfield

Long-Term Debt Requirements
General Obligation Bond Series 2017
December 31, 2024

Date of Issue February 28, 2017
Date of Maturity December 1, 2036
Authorized Issue \$5,700,000
Denomination of Bonds \$5,000
Interest Rates 3.00% to 3.750%
Principal Maturity Date December 1
Payable at U.S. Bank National Association, Chicago, Illinois

Tax Levy Year	Future Principal and Interest Requirements						
	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2024	\$ 310,000	\$ 129,438	\$ 439,438	2025	\$ 64,719	2025	\$ 64,719
2025	320,000	120,138	440,138	2026	60,069	2026	60,069
2026	330,000	110,538	440,538	2027	55,269	2027	55,269
2027	345,000	99,812	444,812	2028	49,906	2028	49,906
2028	-	88,600	88,600	2029	44,300	2029	44,300
2029	-	88,600	88,600	2030	44,300	2030	44,300
2030	-	88,600	88,600	2031	44,300	2031	44,300
2031	455,000	88,600	543,600	2032	44,300	2032	44,300
2032	475,000	73,812	548,812	2033	36,906	2033	36,906
2033	490,000	57,188	547,188	2034	28,594	2034	28,594
2034	510,000	38,812	548,812	2035	19,406	2035	19,406
2035	525,000	19,683	544,683	2036	9,842	2036	9,841
	<u>\$ 3,760,000</u>	<u>\$ 1,003,821</u>	<u>\$ 4,763,821</u>		<u>\$ 501,911</u>		<u>\$ 501,910</u>

Village of Deerfield

Long-Term Debt Requirements
General Obligation Bond Series 2018
December 31, 2024

Date of Issue June 12, 2018
Date of Maturity December 1, 2037
Authorized Issue \$5,970,000
Denomination of Bonds \$5,000
Interest Rates 3.00% to 4.00%
Principal Maturity Date December 1
Payable at U.S. Bank National Association, Chicago, Illinois

Tax Levy Year	Future Principal and Interest Requirements						
	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2024	\$ 285,000	\$ 152,330	\$ 437,330	2025	\$ 76,165	2025	\$ 76,165
2025	295,000	140,930	435,930	2026	70,465	2026	70,465
2026	310,000	129,130	439,130	2027	64,565	2027	64,565
2027	320,000	119,830	439,830	2028	59,915	2028	59,915
2028	325,000	110,230	435,230	2029	55,115	2029	55,115
2029	335,000	100,480	435,480	2030	50,240	2030	50,240
2030	350,000	90,096	440,096	2031	45,048	2031	45,048
2031	360,000	79,246	439,246	2032	39,623	2032	39,623
2032	370,000	67,364	437,364	2033	33,682	2033	33,682
2033	385,000	55,154	440,154	2034	27,577	2034	27,577
2034	395,000	42,450	437,450	2035	21,225	2035	21,225
2035	410,000	29,020	439,020	2036	14,510	2036	14,510
2036	425,000	14,875	439,875	2037	7,437	2037	7,438
	<u>\$ 4,565,000</u>	<u>\$ 1,131,135</u>	<u>\$ 5,696,135</u>		<u>\$ 565,567</u>		<u>\$ 565,568</u>

Village of Deerfield

Long-Term Debt Requirements
General Obligation Bond Series 2020
December 31, 2024

Date of Issue	November 10, 2020
Date of Maturity	December 1, 2030
Authorized Issue	\$6,280,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 4.00%
Principal Maturity Date	December 1
Payable at	U.S. Bank National Association, Chicago, Illinois

Tax Levy Year	Future Principal and Interest Requirements						
	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2024	\$ 620,000	\$ 121,463	\$ 741,463	2025	\$ 60,732	2025	\$ 60,732
2025	645,000	96,663	741,663	2026	48,332	2026	48,332
2026	665,000	70,862	735,862	2027	35,431	2027	35,431
2027	685,000	44,262	729,262	2028	22,131	2028	22,131
2028	700,000	16,862	716,862	2029	8,431	2029	8,431
2029	705,000	8,812	713,812	2030	4,406	2030	4,406
	<u>\$ 4,020,000</u>	<u>\$ 358,924</u>	<u>\$ 4,378,924</u>		<u>\$ 179,462</u>		<u>\$ 179,462</u>

Village of Deerfield

Long-Term Debt Requirements
General Obligation Bond Series 2021
December 31, 2024

Date of Issue October 27, 2021
Date of Maturity December 1, 2030
Authorized Issue \$23,245,000
Denomination of Bonds \$5,000
Interest Rates 2.00% to 5.00%
Principal Maturity Date December 1
Payable at U.S. Bank National Association, Chicago, Illinois

Tax Levy Year	Future Principal and Interest Requirements						
	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2024	\$ 1,030,000	\$ 711,650	\$ 1,741,650	2025	\$ 355,825	2025	\$ 355,825
2025	1,100,000	660,150	1,760,150	2026	330,075	2026	330,075
2026	1,175,000	605,150	1,780,150	2027	302,575	2027	302,575
2027	975,000	546,400	1,521,400	2028	273,200	2028	273,200
2028	2,795,000	497,650	3,292,650	2029	248,825	2029	248,825
2029	2,950,000	357,900	3,307,900	2030	178,950	2030	178,950
2030	3,470,000	210,400	3,680,400	2031	105,200	2031	105,200
2031	950,000	141,000	1,091,000	2032	70,500	2032	70,500
2032	970,000	122,000	1,092,000	2033	61,000	2033	61,000
2033	985,000	102,600	1,087,600	2034	51,300	2034	51,300
2034	1,005,000	82,900	1,087,900	2035	41,450	2035	41,450
2035	1,025,000	62,800	1,087,800	2036	31,400	2036	31,400
2036	1,045,000	42,300	1,087,300	2037	21,150	2037	21,150
2037	1,070,000	21,400	1,091,400	2038	10,700	2038	10,700
	<u>\$ 20,545,000</u>	<u>\$ 4,164,300</u>	<u>\$ 24,709,300</u>		<u>\$ 2,082,150</u>		<u>\$ 2,082,150</u>

Village of Deerfield

Statistical Section

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

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These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	
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Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Village of Deerfield

Net Position by Component
Last Ten Fiscal Years

Fiscal Year	2015	2016	2017	2018
Governmental Activities				
Net investment in capital assets	\$ 55,025,274	\$ 55,732,838	\$ 56,110,035	\$ 49,784,690
Restricted	4,467,283	5,129,514	5,867,341	7,455,951
Unrestricted	14,516,742	13,144,539	7,143,730	8,393,474
Total governmental activities	<u>\$ 74,009,299</u>	<u>\$ 74,006,891</u>	<u>\$ 69,121,106</u>	<u>\$ 65,634,115</u>
Business-Type Activities				
Net investment in capital assets	\$ 29,869,458	\$ 32,118,523	\$ 32,574,200	\$ 32,548,303
Restricted	-	-	-	-
Unrestricted	(194,463)	376,014	2,257,403	3,116,674
Total business-type activities	<u>\$ 29,674,995</u>	<u>\$ 32,494,537</u>	<u>\$ 34,831,603</u>	<u>\$ 35,664,977</u>
Primary Government				
Net investment in capital assets	\$ 84,894,732	\$ 87,851,361	\$ 88,684,235	\$ 82,332,993
Restricted	4,467,283	5,129,514	5,867,341	7,455,951
Unrestricted	14,322,279	13,520,553	9,401,133	11,510,148
Total primary government	<u>\$ 103,684,294</u>	<u>\$ 106,501,428</u>	<u>\$ 103,952,709</u>	<u>\$ 101,299,092</u>

Data Source

Audited financial statements

2019	2020	2021	2022	2023	2024
\$ 51,431,009	\$ 55,202,771	\$ 56,119,625	\$ 52,420,551	\$ 49,047,973	\$ 49,891,611
9,189,233	10,236,978	14,134,810	16,562,906	14,309,539	12,676,745
6,092,104	756,607	4,378,945	12,910,899	21,823,227	24,073,375
<u>\$ 66,712,346</u>	<u>\$ 66,196,356</u>	<u>\$ 74,633,380</u>	<u>\$ 81,894,356</u>	<u>\$ 85,180,739</u>	<u>\$ 86,641,731</u>
\$ 34,461,747	\$ 34,224,767	\$ 34,389,742	\$ 35,029,303	\$ 40,324,938	\$ 41,420,058
-	-	-	627,501	-	-
3,678,365	4,049,277	5,004,592	5,227,561	6,512,568	6,606,843
<u>\$ 38,140,112</u>	<u>\$ 38,274,044</u>	<u>\$ 39,394,334</u>	<u>\$ 40,884,365</u>	<u>\$ 46,837,506</u>	<u>\$ 48,026,901</u>
\$ 85,892,756	\$ 89,427,538	\$ 90,509,367	\$ 87,449,854	\$ 89,372,911	\$ 91,311,669
9,189,233	10,236,978	14,134,810	17,190,407	14,309,539	12,676,745
9,770,469	4,805,884	9,383,537	18,138,460	28,335,795	30,680,218
<u>\$ 104,852,458</u>	<u>\$ 104,470,400</u>	<u>\$ 114,027,714</u>	<u>\$ 122,778,721</u>	<u>\$ 132,018,245</u>	<u>\$ 134,668,632</u>

Village of Deerfield

Change in Net Position
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Expenses				
Governmental activities:				
General government	\$ 8,182,572	\$ 8,938,512	\$ 10,097,910	\$ 9,106,754
Public safety	11,870,633	11,516,466	10,868,594	10,796,954
Highways and streets	8,065,953	12,905,603	13,068,419	9,194,654
Interest and fiscal charges	1,113,073	918,603	1,008,199	1,095,898
Total governmental activities expenses	<u>29,232,231</u>	<u>34,279,184</u>	<u>35,043,122</u>	<u>30,194,260</u>
Business-type activities:				
Water	4,517,289	4,405,066	4,098,233	4,339,113
Sewerage	4,533,170	4,996,664	3,960,118	4,648,489
Refuse disposal	1,433,697	1,449,954	1,322,473	1,435,418
Commuter Parking	284,789	306,583	301,514	348,009
Total business-type activities expenses	<u>10,768,945</u>	<u>11,158,267</u>	<u>9,682,338</u>	<u>10,771,029</u>
Total primary government expenses	<u>40,001,176</u>	<u>45,437,451</u>	<u>44,725,460</u>	<u>40,965,289</u>
Program Revenues				
Governmental activities:				
Charges for services:				
General government	2,214,956	2,706,969	2,538,758	2,808,343
Public safety	1,218,489	1,221,896	1,127,634	1,465,852
Public works	606,549	417,398	301,855	575,536
Interest	-	711,369	586,016	686,907
Operating grants and contributions	445,554	464,020	472,113	480,661
Capital grants and contributions	442,690	6,853,567	949,252	77,526
Total governmental activities program revenues	<u>4,928,238</u>	<u>12,375,219</u>	<u>5,975,628</u>	<u>6,094,825</u>
Business-type activities:				
Charges for services:				
Water	3,701,281	4,058,510	4,211,302	4,241,528
Sewerage	2,724,235	2,853,730	2,936,590	2,917,006
Refuse disposal	513,672	515,496	526,418	538,185
Commuter parking	270,799	277,048	292,829	294,221
Capital grants and contributions	2,249,741	2,922,849	1,058,155	797,356
Total business-type activities program revenues	<u>9,459,728</u>	<u>10,627,633</u>	<u>9,025,294</u>	<u>8,788,296</u>
Total primary government program revenues	<u>14,387,966</u>	<u>23,002,852</u>	<u>15,000,922</u>	<u>14,883,121</u>
Net Revenue (Expense)				
Governmental activities	(24,303,993)	(21,903,965)	(29,067,494)	(24,099,435)
Business-type activities	<u>(1,309,217)</u>	<u>(530,634)</u>	<u>(657,044)</u>	<u>(1,982,733)</u>
Total primary government net revenue (expense)	<u>\$ (25,613,210)</u>	<u>\$ (22,434,599)</u>	<u>\$ (29,724,538)</u>	<u>\$ (26,082,168)</u>

2019	2020	2021	2022	2023	2024
\$ 7,943,887	\$ 8,384,057	\$ 10,505,819	\$ 10,079,102	\$ 9,078,479	\$ 9,280,673
12,580,314	9,716,892	3,738,541	7,612,142	10,470,180	10,544,677
8,849,016	8,894,754	7,722,374	7,958,022	12,586,333	13,058,982
1,061,861	1,060,960	1,538,501	1,035,093	964,348	889,564
30,435,078	28,056,663	23,505,235	26,684,359	33,099,340	33,773,896
4,654,721	5,352,629	5,658,771	5,687,478	6,358,446	6,885,481
4,857,062	5,136,250	4,668,322	4,838,474	5,252,746	5,446,431
1,496,633	1,459,839	1,484,341	1,498,730	1,523,501	1,594,265
298,131	294,368	205,046	199,882	218,826	215,560
11,306,547	12,243,086	12,016,480	12,224,564	13,353,519	14,141,737
41,741,625	40,299,749	35,521,715	38,908,923	46,452,859	47,915,633
\$3,126,661	2,788,064	2,413,376	2,353,241	2,425,679	3,304,513
1,900,377	914,148	1,096,414	1,190,954	2,118,567	1,410,976
551,713	360,269	235,657	329,301	351,540	522,442
673,020	659,139	-	613,953	593,999	573,499
616,062	1,095,929	1,148,335	1,174,486	868,944	917,288
314,103	84,024	121,536	1,466,510	126,024	379,243
7,181,936	5,901,573	5,015,318	7,128,445	6,484,753	7,107,961
4,359,790	5,055,073	5,467,337	5,411,217	5,771,640	5,916,184
2,874,981	3,137,677	3,310,267	3,220,927	3,471,882	3,434,296
554,694	572,309	560,282	583,127	600,525	625,751
292,861	66,388	30,547	88,600	156,549	175,318
2,622,337	556,183	908,837	1,439,249	6,165,558	1,946,871
10,704,663	9,387,630	10,277,270	10,743,120	16,166,154	12,098,420
17,886,599	15,289,203	15,292,588	17,871,565	22,650,907	19,206,381
(23,253,142)	(22,155,090)	(18,489,917)	(19,555,914)	(26,614,587)	(26,665,935)
(601,884)	(2,855,456)	(1,739,210)	(1,481,444)	2,812,635	(2,043,317)
\$ (23,855,026)	\$ (25,010,546)	\$ (20,229,127)	\$ (21,037,358)	\$ (23,801,952)	\$ (28,709,252)

Village of Deerfield

Change in Net Position (cont.)

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Revenues and Other				
Changes in Net Position				
Governmental activities:				
Taxes:				
Property	\$ 5,527,577	\$ 7,335,510	\$ 7,350,802	\$ 7,349,472
Home rule sales	2,941,572	3,484,806	3,841,934	3,252,733
Simplified telecommunications	1,707,745	1,722,295	1,370,180	1,368,145
Other	3,797,848	3,817,963	4,363,655	4,570,428
Intergovernmental	7,697,052	8,350,115	8,990,723	8,152,479
Investment income	130,060	191,929	393,675	759,659
Miscellaneous	676,294	431,172	646,776	109,854
Contributions	732,831	-	-	-
Special item				
Transfers (out)	(1,805,840)	(2,770,464)	(2,776,036)	(2,778,413)
Total governmental activities	<u>21,405,139</u>	<u>22,563,326</u>	<u>24,181,709</u>	<u>22,784,357</u>
Business-type activities:				
Property taxes	965,948	22	-	-
Investment income	4,055	4,753	10,848	23,967
Miscellaneous	218,479	226,012	207,226	213,257
Transfers in	<u>1,805,840</u>	<u>2,770,464</u>	<u>2,776,036</u>	<u>2,778,413</u>
Total business-type activities	<u>2,994,322</u>	<u>3,001,251</u>	<u>2,994,110</u>	<u>3,015,637</u>
Total primary government	<u>24,399,461</u>	<u>25,564,577</u>	<u>27,175,819</u>	<u>25,799,994</u>
Change in Net Position				
Governmental activities	(2,898,854)	659,361	(4,885,785)	(1,315,078)
Business-type activities	<u>1,685,105</u>	<u>2,470,617</u>	<u>2,337,066</u>	<u>1,032,904</u>
Total primary government				
change in net position	<u>\$ (1,213,749)</u>	<u>\$ 3,129,978</u>	<u>\$ (2,548,719)</u>	<u>\$ (282,174)</u>

Data Source

Audited financial statements

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 7,416,705	\$ 8,103,456	\$ 8,000,886	\$ 8,776,696	\$ 8,909,956	\$ 8,689,073
2,427,689	1,739,777	5,388,083	5,683,656	4,664,600	3,737,578
5,896,439	1,212,527	1,171,660	932,500	901,311	827,062
4,939,071	2,957,442	3,531,294	4,400,699	4,716,062	4,674,607
4,480,336	9,122,079	10,246,355	9,949,419	10,307,520	8,844,716
1,605,244	508,576	(117,367)	(677,353)	2,836,362	2,867,415
351,193	441,561	1,407,594	419,321	276,807	1,248,104
-	-	-	-	-	-
<u>(2,785,304)</u>	<u>(2,818,648)</u>	<u>(2,701,564)</u>	<u>(2,668,048)</u>	<u>(2,711,648)</u>	<u>(2,761,628)</u>
<u>24,331,373</u>	<u>21,266,770</u>	<u>26,926,941</u>	<u>26,816,890</u>	<u>29,900,970</u>	<u>28,126,927</u>
-	-	-	-	-	-
44,367	12,787	(184)	52,869	175,811	210,031
247,348	157,953	158,120	250,558	253,047	261,053
<u>2,785,304</u>	<u>2,818,648</u>	<u>2,701,564</u>	<u>2,668,048</u>	<u>2,711,648</u>	<u>2,761,628</u>
<u>3,077,019</u>	<u>2,989,388</u>	<u>2,859,500</u>	<u>2,971,475</u>	<u>3,140,506</u>	<u>3,232,712</u>
<u>27,408,392</u>	<u>24,256,158</u>	<u>29,786,441</u>	<u>29,788,365</u>	<u>33,041,476</u>	<u>31,359,639</u>
1,078,231	(888,320)	8,437,024	7,260,976	3,286,383	1,460,992
<u>2,475,135</u>	<u>133,932</u>	<u>1,120,290</u>	<u>1,490,031</u>	<u>5,953,141</u>	<u>1,189,395</u>
<u>\$ 3,553,366</u>	<u>\$ (754,388)</u>	<u>\$ 9,557,314</u>	<u>\$ 8,751,007</u>	<u>\$ 9,239,524</u>	<u>\$ 2,650,387</u>

Village of DeerfieldFund Balances of Governmental Funds
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General Fund				
Nonspendable for:				
Note receivable	\$ 60,000	\$ 50,000	\$ 40,000	\$ 30,000
Inventory	21,031	26,643	26,844	28,516
Prepaid items	707,640	904,041	1,180,641	1,188,498
Advance	-	1,075,689	684,083	374,695
Restricted for:				
Public safety	-	-	-	-
Unrestricted:				
Assigned for capital projects	1,000,000	1,300,000	-	-
Assigned for special projects	-	-	-	-
Subsequent year's budget	2,960,593	2,117,018	606,765	949,698
Unassigned	15,200,930	14,963,328	16,561,166	17,391,240
Total general fund	<u>\$ 19,950,194</u>	<u>\$ 20,436,719</u>	<u>\$ 19,099,499</u>	<u>\$ 19,962,647</u>
All Other Governmental Funds				
Restricted for:				
Capital projects	\$ 696,658	\$ -	\$ -	\$ -
Maintenance of roadways	388,546	360,593	340,455	832,299
Public safety	1,130,293	1,124,743	1,071,465	1,364,908
Debt service	2,948,444	3,644,178	4,455,421	5,258,744
TIF development	-	-	-	-
Unrestricted:				
Assigned for:				
Debt service	58,021	111,920	177,263	171,299
Capital projects	4,707,033	5,935,979	4,121,126	8,494,316
Total all other governmental funds	<u>\$ 9,928,995</u>	<u>\$ 11,177,413</u>	<u>\$ 10,165,730</u>	<u>\$ 16,121,566</u>

Data Source

Audited financial statements

2019	2020	2021	2022	2023	2024
\$ 20,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -
43,026	22,077	43,577	42,174	43,733	48,152
1,374,119	1,517,015	2,339,577	2,399,801	2,739,087	3,209,974
-	-	-	-	-	-
2,575,227	2,674,526	2,864,522	3,109,161	2,504,684	2,546,203
-	-	-	-	-	-
-	668,207	675,337	608,855	608,854	558,254
-	-	1,810,355	2,178,902	-	-
23,734,776	20,117,677	21,522,098	22,798,398	28,131,341	30,385,452
<u>\$ 27,747,148</u>	<u>\$ 25,009,502</u>	<u>\$ 29,255,466</u>	<u>\$ 31,137,291</u>	<u>\$ 34,027,699</u>	<u>\$ 36,748,035</u>
\$ -	\$ -	\$ 7,003,989	\$ 2,545,036	\$ -	\$ -
479,457	830,818	1,429,230	2,608,416	3,637,728	686,042
-	-	-	-	-	-
6,134,549	6,731,634	7,229,435	7,056,320	8,167,127	9,207,944
-	-	-	-	-	236,556
190,610	241,326	174,945	278,348	444,324	529,618
5,443,931	804,134	1,568,414	5,115,548	3,975,576	3,281,184
<u>\$ 12,248,547</u>	<u>\$ 8,607,912</u>	<u>\$ 17,406,013</u>	<u>\$ 17,603,668</u>	<u>\$ 16,224,755</u>	<u>\$ 13,941,344</u>

Village of Deerfield

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

Fiscal Year	2015	2016	2017	2018
Revenues				
Taxes	\$ 14,955,266	\$ 17,522,177	\$ 18,207,216	\$ 17,625,022
Licenses and permits	1,464,015	1,958,108	1,784,230	1,877,242
Intergovernmental	8,102,221	15,007,986	9,628,692	8,119,258
Charges for services	1,114,515	971,304	849,759	1,487,963
Fines and forfeitures	292,284	286,981	264,926	277,967
Contribution from library	732,831	730,131	726,706	727,581
Investment income	130,060	191,929	344,598	659,671
Miscellaneous	1,348,025	1,555,393	1,572,755	1,338,187
Total revenues	28,139,217	38,224,009	33,378,882	32,112,891
Expenditures				
General government	8,266,520	8,906,902	9,406,290	8,826,989
Public safety	9,136,003	9,054,499	9,336,602	9,458,681
Highways and streets	2,816,855	2,749,322	2,985,820	2,782,979
Capital outlay	11,958,472	11,652,625	11,362,494	5,058,776
Debt service:				
Principal	962,000	1,369,000	1,441,000	1,460,000
Interest	674,859	944,819	1,032,016	1,019,059
Total expenditures	33,814,709	34,677,167	35,564,222	28,606,484
Excess (deficiency) of revenues over expenditures	(5,675,492)	3,546,842	(2,185,340)	3,506,407
Other Financing Sources (Uses)				
Transfers in	10,191,142	4,241,596	6,367,905	4,087,145
Transfers (out)	(11,996,982)	(7,012,060)	(9,143,941)	(6,865,558)
Bonds issued	9,575,000	-	5,700,000	5,970,000
Premium (discount) on bonds issued	422,335	-	240,732	120,990
Payment to refunded bonds escrow agent	-	-	(3,328,259)	-
Sale of capital assets	-	-	-	-
Total other financing sources (uses)	8,191,495	(2,770,464)	(163,563)	3,312,577
Net change in fund balances	\$ 2,516,003	\$ 776,378	\$ (2,348,903)	\$ 6,818,984
Debt Service as a Percentage of Noncapital Expenditures	6.60%	7.67%	8.42%	9.21%

*Eight months ended December 31, 2013.

Data Source

Audited financial statements

2019	2020	2021	2022	2023	2024
\$ 21,489,133	\$ 14,593,128	\$ 19,577,416	\$ 19,396,155	\$ 18,794,533	\$ 18,239,220
2,412,956	1,759,947	1,491,882	1,499,407	1,467,945	2,515,778
7,541,062	7,807,147	13,402,651	12,560,564	11,272,817	10,332,028
1,673,921	1,064,194	894,957	1,091,477	2,045,608	1,390,946
274,725	177,321	183,964	139,652	138,776	143,919
727,631	726,831	730,831	683,950	687,450	689,700
1,423,052	460,834	(116,503)	(683,602)	2,509,958	2,508,045
1,553,367	1,456,700	2,330,835	1,280,626	1,309,623	2,136,870
37,095,847	28,046,102	38,496,033	35,968,229	38,226,710	37,956,506
7,996,398	8,173,943	10,320,181	10,541,691	9,038,294	9,370,298
9,873,759	9,370,990	9,629,383	10,148,238	11,634,718	11,926,709
3,802,858	3,366,396	3,473,311	3,050,668	3,032,623	3,468,026
6,736,792	8,221,592	3,555,498	4,652,716	7,454,624	7,134,392
1,634,000	1,790,000	1,815,000	1,672,000	1,752,000	1,835,000
1,201,229	1,101,421	1,062,588	1,155,388	1,091,308	1,023,528
31,245,036	32,024,342	29,855,961	31,220,701	34,003,567	34,757,953
5,850,811	(3,978,240)	8,640,072	4,747,528	4,223,143	3,198,553
7,595,613	2,300,316	614,009	-	-	-
(9,534,942)	(5,118,964)	(3,315,573)	(2,668,048)	(2,711,648)	(2,761,628)
-	2,512,000	15,540,000	-	-	-
-	299,206	1,737,940	-	-	-
-	(2,764,929)	(10,172,383)	-	-	-
-	-	-	-	-	-
(1,939,329)	(2,772,371)	4,403,993	(2,668,048)	(2,711,648)	(2,761,628)
\$ 3,911,482	\$ (6,750,611)	\$ 13,044,065	\$ 2,079,480	\$ 1,511,495	\$ 436,925
10.16%	10.88%	10.64%	9.84%	8.82%	8.81%

Village of Deerfield

Equalized Assessed Value and Actual Value of Taxable Property
Last Ten Levy Years

Fiscal Year	Residential Property	Farm Property	Commercial Property	Industrial Property	Total	Railroad	Total Assessed Value	Total Actual Value	Total Direct Tax Rate
2015	\$ 909,922,822	\$ -	\$ 311,130,618	\$ 6,248,146	\$ 1,227,301,586	\$ -	\$ 1,227,301,586	\$ 3,681,904,758	\$ 0.5300
2016	984,948,931	-	327,995,985	6,125,472	1,319,070,388	-	1,319,070,388	3,957,211,164	0.8920
2017	1,052,928,225	-	348,028,112	6,556,025	1,407,512,362	-	1,407,512,362	4,222,537,086	0.8580
2018	1,098,197,935	-	363,288,977	6,754,542	1,468,241,454	-	1,468,241,454	4,404,724,362	0.8340
2019	1,097,716,621	-	355,750,738	6,755,220	1,460,222,579	-	1,460,222,579	4,380,667,737	0.8450
2020	1,105,253,539	-	410,864,413	7,998,881	1,524,116,833	-	1,524,116,833	4,572,350,499	0.8860
2021	1,080,979,802	-	390,865,454	7,686,905	1,479,532,161	-	1,479,532,161	4,438,596,483	0.8460
2022	1,076,443,157	-	382,478,550	7,090,769	1,466,012,476	-	1,466,012,476	4,398,037,428	0.9080
2023	1,122,864,566	-	389,879,376	7,469,940	1,520,213,882	-	1,520,213,882	4,560,641,646	0.8910
2024	1,155,347,904	-	419,921,428	7,935,727	1,583,205,059	-	1,583,205,059	4,749,615,177	0.8720

Data Source: Lake County Clerk & Cook County Clerk

Village of Deerfield

Direct and Overlapping Property Tax Rates
Last Ten Levy Years

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
DIRECT VILLAGE RATE										
Bonds & Interest	\$ 0.251	\$ 0.278	\$ 0.316	\$ 0.305	\$ 0.306	\$ 0.338	\$ 0.318	\$ 0.334	\$ 0.326	\$ 0.312
Corporate	-	0.261	0.249	0.239	0.241	0.250	0.244	0.267	0.270	0.266
Garbage	0.080	-	-	-	-	-	-	-	-	-
Library	0.199	0.353	0.293	0.290	0.298	0.298	0.284	0.300	0.291	0.291
Revenue Recapture	-	-	-	-	-	-	-	0.007	0.004	0.002
Village	0.530	0.892	0.858	0.834	0.845	0.886	0.846	0.908	0.891	0.872
OVERLAPPING RATES										
Lake County including Forest Preserve	0.893	0.871	0.825	0.809	0.794	0.777	0.780	0.777	0.762	0.754
Deerfield Elementary Dist 109	3.401	3.211	3.070	3.049	3.069	3.120	3.292	3.453	3.614	3.631
High School District 113	2.421	2.309	2.187	2.164	2.222	2.280	2.391	2.486	2.525	2.477
Community College District 532	0.306	0.299	0.285	0.281	0.282	0.282	0.290	0.293	0.296	0.294
Deerfield Park District	0.599	0.552	0.542	0.535	0.548	0.567	0.580	0.605	0.620	0.625
Deerfield-Bannockburn Fire Prot Dist	0.650	0.624	0.612	0.608	0.625	0.638	0.676	0.705	0.713	0.708
All Other (1)	0.053	0.049	0.059	0.045	0.046	0.046	0.048	0.050	0.049	0.045
TOTAL DIRECT AND OVERLAPPING TAX RATE	\$ 8.853	\$ 8.807	\$ 8.438	\$ 8.325	\$ 8.431	\$ 8.596	\$ 8.903	\$ 9.277	\$ 9.470	\$ 9.406

*Rates are per \$100 of Assessed Value

(1) Total of West Deerfield Township & Southlake Mosquito Abatement District

Data Source: Office of the Lake County Clerk

Village of Deerfield

Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2023 (1) Assessed Value	Rank	Percentage of Total Assessed Value	2014 Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Corporate 500 Properties LLC	\$ 38,050,019	1	2.31%			
Walgreen Co.	34,028,282	2	2.06%	\$ 16,773,971	3	0.46%
Gateway Fairview Inc.	30,808,837	3	1.87%			
Horizon Properties Holding LLC	25,205,943	4	1.53%			
TNREF III Parkway JV, LLC	19,553,421	5	1.19%			
SRC Arbor LK	18,143,108	6	1.10%			
Deerfield Senior Residences	16,707,714	7	1.01%			
LPF Woodview LLC	15,714,398	8	0.95%			
North Parkway One Investment LLC	15,261,039	9	0.92%			
Deerland Retail, LLC	14,014,686	10	0.85%			
Arden Realty, Inc.				32,347,420	1	0.88%
Scott Dressing, Sr Mgr Taxation				28,038,811	2	0.76%
CRM Properties Group				14,000,889	4	0.38%
JBC Funds Parkway North LLC				13,676,063	5	0.37%
Wells Core REIT - Four Parkway North LLC				6,895,057	6	0.19%
MLQ MB Hotels 2011 LLC				5,793,668	7	0.16%
RREEF America Reit Agent Corner Partners				5,686,868	8	0.15%
Colliers International				4,949,667	9	0.13%
RT Parkway LLC				4,441,922	10	0.12%
	<u>\$ 227,487,447</u>		<u>13.79%</u>	<u>\$ 132,604,336</u>		<u>3.60%</u>

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

(1) Based on 2024 EAV for Lake County and 2023 EAV for Cook County, the most current available.

Data Source: Office of the Lake County Clerk

Village of Deerfield

Property Tax Extensions and Collections Last Ten Levy Years

Fiscal Year Ended Dec 31	Taxes Extended for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$ 10,783,925	\$ 10,725,053	99.45%	\$ -	\$ 10,725,053	99.45%
2016	11,821,939	11,772,386	99.58%	-	11,772,386	99.58%
2017	12,088,181	12,045,734	99.65%	-	12,045,734	99.65%
2018	12,289,037	12,270,843	99.85%	-	12,270,843	99.85%
2019	12,388,275	12,349,237	99.68%	-	12,349,237	99.68%
2020	13,506,340	13,431,524	99.45%	-	13,431,524	99.45%
2021	12,562,426	12,552,174	99.92%	-	12,552,174	99.92%
2022	13,298,894	13,298,000	99.99%	-	13,298,000	99.99%
2023	13,545,985	13,548,373	100.02%	-	13,548,373	100.02%
2024	13,771,103	13,727,402	99.68%	-	13,727,402	99.68%

Data Source: Lake County Treasurer, Cook County Treasurer and Village Records

Village of Deerfield

Sales Tax by Category
Last Ten Calendar Years

Calendar Year	2015	2016	2017
General merchandise	\$ 208,851	\$ 195,293	\$ 210,058
Food	874,095	746,457	764,304
Drinking and eating places	1,128,992	1,036,096	1,123,950
Apparel	164,410	150,231	112,184
Furniture and H.H. and radio	288,538	279,964	264,646
Lumber, building hardware	542,259	507,057	545,393
Automobile and filling stations	314,993	347,603	332,391
Drugs and miscellaneous retail	4,069,522	5,664,948	6,818,569
Agriculture and all others	839,745	910,728	852,451
Manufacturers	<u>266,575</u>	<u>220,430</u>	<u>183,720</u>
TOTAL	<u>\$ 8,697,980</u>	<u>\$ 10,058,807</u>	<u>\$ 11,207,666</u>
Village direct sales tax rate	1.00%	1.00%	1.00%
Village home rule rate	1.00%	1.00%	1.00%

Data Source

Illinois Department of Revenue

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 213,577	\$ 32,036	\$ 254,174	\$ 95,872	\$ 218,884	\$ 235,870
853,120	789,576	814,096	876,891	948,253	1,555,433
1,151,138	1,285,275	884,502	981,146	1,205,818	1,315,830
103,293	95,657	30,650	75,411	115,768	132,477
427,117	495,247	336,543	472,896	415,570	346,655
554,529	796,423	560,515	834,246	870,203	834,920
323,516	320,502	249,337	330,532	357,460	329,380
5,171,319	2,764,728	1,909,666	5,010,790	4,844,076	2,305,248
678,301	679,896	458,746	632,473	903,073	860,752
<u>191,992</u>	<u>181,331</u>	<u>150,897</u>	<u>205,530</u>	<u>239,864</u>	<u>242,743</u>
<u>\$ 9,667,902</u>	<u>\$ 7,440,671</u>	<u>\$ 5,649,126</u>	<u>\$ 9,515,787</u>	<u>\$ 10,118,969</u>	<u>\$ 8,159,308</u>
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Village of Deerfield

Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Calendar Year	Lake County Rate	RTA Lake County Rate	Cook County Rate	Cook County Home Rule Rate	RTA Cook County Rate	Village Home Rule Rate	Village Direct Rate	State Rate
2015	0.25%	0.75%	0.25%	0.75%	1.00%	1.00%	1.00%	5.00%
2016	0.25%	0.75%	0.25%	0.75%	1.00%	1.00%	1.00%	5.00%
2017	0.25%	0.75%	0.25%	1.75%	1.00%	1.00%	1.00%	5.00%
2018	0.25%	0.75%	0.25%	1.75%	1.00%	1.00%	1.00%	5.00%
2019	0.25%	0.75%	0.25%	1.75%	1.00%	1.00%	1.00%	5.00%
2020	0.25%	0.75%	0.25%	1.75%	1.00%	1.00%	1.00%	5.00%
2021	0.25%	0.75%	0.25%	1.75%	1.00%	1.00%	1.00%	5.00%
2022	0.25%	0.75%	0.25%	1.75%	1.00%	1.00%	1.00%	5.00%
2023	0.25%	0.75%	0.25%	1.75%	1.00%	1.00%	1.00%	5.00%
2024	0.25%	0.75%	0.25%	1.75%	1.00%	1.00%	1.00%	5.00%

Data Source

Village and County Records

Village of Deerfield

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities General Obligation Bonds	Business-Type Activities General Obligation Bonds	Total Primary Government	Percentage of Personal Income*	Per Capita*
2015	\$ 31,252,022	\$ 30,460,961	\$ 61,712,983	5.29%	\$ 3,340.17
2016	29,859,606	29,667,530	59,527,136	4.87%	3,202.45
2017	31,118,917	28,850,541	59,969,458	4.69%	3,193.43
2018	35,715,167	28,014,826	63,729,993	4.66%	3,372.67
2019	34,042,923	27,158,640	61,201,563	4.42%	3,282.29
2020	32,262,666	26,355,143	58,617,809	4.03%	3,143.72
2021	37,571,911	25,502,824	63,074,735	3.99%	3,285.83
2022	35,784,961	24,684,417	60,469,378	3.65%	3,150.10
2023	33,911,619	23,819,507	57,731,126	3.23%	3,007.46
2024	31,948,563	22,899,565	54,848,128	2.99%	2,857.27

* See the schedule of Demographic and Economic Statistics for personal income and population data.

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

Data Source

Audited Financial Statements

Village of Deerfield

Ratios of General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year	(1) Governmental Activities General Obligation Bonds	(1) Business-Type Activities General Obligation Bonds	(1) Less Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2015	\$ 31,252,022	\$ 30,460,961	\$ 2,983,643	\$ 58,729,340	4.79%	\$ 3,178.68
2016	29,859,606	29,667,530	3,756,098	55,771,038	4.23%	3,000.38
2017	31,118,917	28,850,541	4,632,684	55,336,774	3.93%	2,946.74
2018	35,715,167	28,014,826	5,430,043	58,299,950	3.97%	3,085.31
2019	34,042,923	27,158,640	6,325,158	54,876,405	3.76%	2,943.07
2020	32,262,666	26,355,143	6,972,960	51,644,849	3.39%	2,769.75
2021	37,571,911	25,502,824	7,404,381	55,670,354	3.76%	2,900.10
2022	35,784,961	24,684,417	7,056,320	53,413,058	3.64%	2,782.51
2023	33,911,619	23,819,507	8,167,127	49,563,999	3.26%	2,582.00
2024	31,948,563	22,899,565	9,207,944	45,640,184	2.88%	2,377.59

Data Source

(1) Audited Financial Statements

Village of Deerfield

Direct and Overlapping Bonded Debt -
Governmental Activities
December 31, 2024

<u>Governmental Unit</u>	<u>(1) Gross General Obligation Debt</u>	<u>(2) Percentage of Debt Applicable to Government</u>	<u>*** Village's Share of Debt</u>
Direct Debt:			
Village of Deerfield	\$ 31,948,563	100.00%	\$ 31,948,563
	Total Direct Debt:		31,948,563
Overlapping Debt:			
Lake County	131,535,000	4.35%	5,721,773
Lake County Forest Preserve	149,920,000	4.35%	6,521,520
Cook County	1,907,276,750	0.10%	1,907,277
Cook County Forest Preserve	87,340,000	0.10%	87,340
Deerfield Park District	4,765,000	97.70%	4,655,405
Park District of Highland Park	13,665,000	1.26%	172,179
Northbrook Park District	16,100,000	3.10%	499,100
Lake Elementary School District No. 109	15,310,000	78.76%	12,058,156
Lake High School District No. 113	103,590,000	28.85%	29,885,715
Cook Northfield Township High School District No. 225	28,405,000	2.68%	761,254
Community College of Lake County No. 532	71,000,000	4.56%	3,237,600
Oakton Community College District No. 535	53,185,000	0.66%	351,021
Metropolitan Water Reclamation District of Greater Chicago	2,430,261,774	0.01%	243,026
	Total Overlapping Debt:		66,101,366
Total Gross Debt & Total Direct and Overlapping Debt	5,044,302,087		98,049,929
Less Debt Service Fund Amount Available - Village of Deerfield	9,207,944		9,207,944
TOTAL DIRECT AND OVERLAPPING DEBT	\$ 5,035,094,143		\$ 88,841,985

* Most recent data available.

** Determined by ratio of assessed value of property subject to taxation in overlapping unit to value of property subject to taxation.

*** Amount of column (2) multiplied by amount in column (1).

Data Sources

Lake and Cook County Clerk's Offices

Village of Deerfield

Legal Debt Margin Information

The Village is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin:

The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one per cent: ...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage.

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

Illustrative Computation of Debt Margin If Government Were Not a Home Rule Municipality

The Village is a home rule municipality and, as such, has no debt limitations. If, however, the Village were a non-home rule municipality, its available debt limit would be as follows:

EQUALIZED ASSESSED VALUATION - 2023*	\$ 1,583,205,059
Non-Home Rule Legal Debt Limit - 8.625%	136,551,436
Amount of debt applicable to limit:	
General Obligation Bonds Series 2015	5,700,000
General Obligation Bonds Series 2017	3,760,000
General Obligation Bonds Series 2018	4,565,000
General Obligation Bonds Series 2020	1,608,000
General Obligation Bonds Series 2021	<u>14,050,000</u>
Total amount of debt applicable to limit:	<u>29,683,000</u>
NON-HOME RULE LEGAL DEBT MARGIN	<u>\$ 106,868,436</u>

* Most Recent EAV Available

Village of Deerfield

Demographic and Economic Information

Last Ten Fiscal Years

Fiscal Year		Population	Per Capita Personal Income	Median Household Income	Unemployment Rate
2015	(a)	18,476	\$ 63,190	\$ 135,754	4.20%
2016	(b)	18,588	65,757	137,423	4.40%
2017	(c)	18,779	68,101	143,729	3.60%
2018	(d)	18,896	72,334	142,621	3.25%
2019	(e)	18,646	74,334	144,229	2.90%
2020	(f)	18,646	77,954	153,431	7.40%
2021	(g)	19,196	82,426	162,064	4.05%
2022	(h)	19,196	86,234	168,568	3.35%
2023	(i)	19,196	92,981	185,762	3.80%
2024	(j)	19,196	95,714	189,705	2.40%

Data Sources

- (a) U.S. Census Bureau, "2010-2014 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics
- (b) U.S. Census Bureau, "2011-2015 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics
- (c) U.S. Census Bureau, "2012-2016 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics and Special Census
- (d) U.S. Census Bureau, "2013-2017 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics
- (e) U.S. Census Bureau and U.S. Bureau of Labor Statistics
- (f) U.S. Census Bureau and U.S. Bureau of Labor Statistics
- (g) U.S. Census Bureau and U.S. Bureau of Labor Statistics
- (h) U.S. Census Bureau and U.S. Bureau of Labor Statistics
- (i) U.S. Census Bureau and U.S. Bureau of Labor Statistics
- (j) U.S. Census Bureau and U.S. Bureau of Labor Statistics

Village of Deerfield

Principal Employers

Current Year and Nine Years Ago

Employer	2024			2015		
	Employees	Rank	% of Total Village Population	Employees	Rank	% of Total Village Population
Walgreen Co	5,000	1	26.05%	9,600	1	51.96%
Baxter International, Inc	1,900	2	9.90%	4,000	2	21.65%
Amgen	635	3	3.31%			
Essendant Inc	600	4	3.13%	600	5	3.25%
Deerfield Park District	500	5	2.60%	500	6	2.71%
Illinois Student Assistance Commission	499	6	2.60%			
Lundbeck US Inc.	260	7	1.35%			
Mercer Human Resources	250	8	1.30%			
Whitehall of Deerfield	230	9	1.20%			
ICON	160	10	0.83%			
Takeda Pharmaceuticals North				1,700	3	9.20%
Mondelez International Inc				1,200	4	6.49%
Deerfield School District 109				500	7	2.71%
Seimens Healthcare				310	8	1.68%
Beam Suntory Inv (formerly Beam Inc.)				260	9	1.41%
Meridian Group Intl Inc				255	10	1.38%
TOTAL	10,034		52.27%	18,925		102.43%
Village population			19,196			18,476

Data Source

Lake County Partners

Village of Deerfield

Full-Time Equivalent Employees

Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GENERAL GOVERNMENT										
Village Manager	5	5	6	8	8	8	8	9	9	11
Finance	8	8	8	7	7	7	7	7	7	7
Community Development	8	8	8	8	8	8	8	8	8	8
PUBLIC WORKS										
Administration/Engineering	7	7	7	7	6	6	6	5	5	6
Street Maintenance	7	7	7	7	7	7	7	7	7	7
Utilities Maintenance	13	13	13	13	13	13	13	13	13	13
Sewage Treatment Plant	7	7	7	7	7	7	7	7	7	7
Garage	2	2	2	2	2	2	2	2	2	2
PUBLIC SAFETY										
Police										
Administration	7	7	7	7	7	7	7	7	7	7
Communications	8	8	8	8	8	8	8	8	9	9
Investigations/Youth	7	7	7	7	7	7	7	7	7	7
Patrol	34	34	34	34	34	34	34	34	34	35
TOTAL	<u>113</u>	<u>113</u>	<u>114</u>	<u>115</u>	<u>114</u>	<u>114</u>	<u>114</u>	<u>114</u>	<u>115</u>	<u>119</u>

Data Source

Village budget office

Village of Deerfield

Operating Indicators

Last Ten Calendar Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
PUBLIC SAFETY										
Police										
Physical arrests	336	426	346	452	378	158	171	188	116	95
Parking violations	1,709	1,598	2,452	2,160	1,725	481	396	313	1,289	1,698
Traffic violations	3,765	3,463	2,858	3,725	3,178	1,201	1,634	1,742	1,456	1,170
PUBLIC WORKS										
Street resurfacing (miles)	6.45	0.36	0.74	1.77	3.64	0.24	0.00	1.17	0.00	2.14
WATER										
Water main breaks	61	53	52	32	42	52	59	67	38	48
Average daily consumption (gallons)	2,380,000	2,306,605	2,228,298	2,145,000	1,982,144	2,192,000	2,336,000	2,600,000	2,200,000	2,151,000
Peak daily consumption (gallons)	3,800,000	4,363,018	5,127,763	3,911,685	4,104,601	4,502,000	4,776,000	5,420,000	4,870,000	3,820,000
WASTEWATER										
Average daily treatment (gallons)	3,180,000	2,680,000	2,740,000	2,850,000	3,460,000	2,520,000	2,370,000	2,420,000	2,340,000	2,570,000

Data Source

Various village departments

Village of Deerfield

Capital Asset Statistics

Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Number of Police Officers	40	40	40	40	40	40	40	40	40	40
PUBLIC WORKS										
Arterial streets (miles)	8	8	8	8	8	8	8	8	8	8
Residential streets (miles)	68	68	68	68	68	68	68	68	68	8
Traffic signals	10	10	10	10	10	10	10	10	10	10
WATER										
Water mains (miles)	90	90	90	90	90	90	90	90	90	90
Fire hydrants	1,206	1,267	1,260	1,260	1,280	1,280	1,280	1,293	1,293	1,293
Storage capacity (gallons)	8,200,850	8,200,850	8,200,850	8,200,850	9,050,000	9,050,000	9,050,000	9,050,000	9,050,000	9,050,000
WASTEWATER										
Sewers (miles)	80	80	80	80	80	80	80	80	80	80
Treatment capacity (gallons)	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000

Data Source

Various village departments

OTHER INFORMATION

VILLAGE OF DEERFIELD

Village General Obligation Bonded Debt (1) (Principal Only)

Calendar Year	Taxable Series 2011B (QSEB) (2) (12/1)	Series 2015 (12/1)	Series 2016 (12/1)	Series 2018 (12/1)	Series 2020 (12/1)	Series 2021 (12/1)	Total Principal All G.O. Bonds	Cumulative Principal Retired	
								Amount	Percent
2025	\$ -	\$ 495,000	\$ 310,000	\$ 285,000	\$ 620,000	\$ 1,030,000	\$ 2,740,000	\$ 2,740,000	5.37%
2026	-	510,000	320,000	295,000	645,000	1,100,000	2,870,000	5,610,000	10.98%
2027	-	530,000	330,000	310,000	665,000	1,175,000	3,010,000	8,620,000	16.88%
2028	12,480,000	545,000	345,000	320,000	685,000	975,000	15,350,000	23,970,000	46.94%
2029	-	560,000	-	325,000	700,000	2,795,000	4,380,000	28,350,000	55.51%
2030	-	575,000	-	335,000	705,000	2,950,000	4,565,000	32,915,000	64.45%
2031	-	595,000	-	350,000	-	3,470,000	4,415,000	37,330,000	73.10%
2032	-	610,000	455,000	360,000	-	950,000	2,375,000	39,705,000	77.75%
2033	-	630,000	475,000	370,000	-	970,000	2,445,000	42,150,000	82.53%
2034	-	650,000	490,000	385,000	-	985,000	2,510,000	44,660,000	87.45%
2035	-	-	510,000	395,000	-	1,005,000	1,910,000	46,570,000	91.19%
2036	-	-	525,000	410,000	-	1,025,000	1,960,000	48,530,000	95.03%
2037	-	-	-	425,000	-	1,045,000	1,470,000	50,000,000	97.90%
2038	-	-	-	-	-	1,070,000	1,070,000	51,070,000	100.00%
Total	\$ 12,480,000	\$ 5,700,000	\$ 3,760,000	\$ 4,565,000	\$ 4,020,000	\$ 20,545,000	\$ 51,070,000		

Notes: (1) Source: The Village.

(2) The Village has established a mandatory sinking fund for the Series 2011B Bonds and has agreed to make annual sinking fund payments on December 1 of each year equaling \$725,000 through 2027 and \$900,000 upon maturity in 2028. The sinking fund is held by the Village.

VILLAGE OF DEERFIELD

Statement of Bonded Indebtedness (1)

		Ratio to		PER CAPITA
	<u>Amount Applicable</u>	<u>EAV</u>	<u>Estimated Actual</u>	(2020 Census Data- <u>19,196</u>)
Assessed Valuation of Taxable Property (2)	\$ 1,650,066,607	100.00%	33.33%	\$ 85,958.88
Estimated Actual Value (2)	\$ 4,950,199,821	300.00%	100.00%	\$ 257,876.63
 Village Direct Bonded Debt	 \$ 51,070,000	 3.10%	 1.03%	 \$ 2,660.45
Overlapping Debt: (3)				
Schools	\$ 46,293,746	2.81%	0.94%	\$ 2,411.64
All Others	19,807,619	1.20%	0.40%	1,031.86
Total Overlapping Bonded Debt	<u>\$ 66,101,365</u>	<u>4.01%</u>	<u>1.34%</u>	<u>\$3,443.50</u>
Total Net Direct & Overlapping Debt	\$ 117,171,365	7.10%	2.37%	\$6,103.95

Notes: (1) Source: Lake and Cook County Clerks and the Village.

(2) Based on 2024 EAV for Lake County and 2023 EAV for Cook County, the most current available.

(3) Overlapping debt as of May 16, 2025

VILLAGE OF DEERFIELD

Detailed Overlapping Bonded Debt(1)

	Outstanding Debt (2)	Applicable to Village Percent (3)	Amount
Schools:			
Elementary School District 109	\$ 15,310,000	78.76%	\$ 12,058,156
High School District Number 113	103,590,000	28.85%	29,885,715
High School District Number 225	28,405,000	2.68%	761,254
Community College District Number 532	71,000,000	4.56%	3,237,600
Community College District Number 535	53,185,000	0.66%	351,021
Total Schools			\$ 46,293,746
Others:			
Lake County	\$ 131,535,000	4.35%	\$ 5,721,773
Lake County Forest Preserve District	149,920,000	4.35%	6,521,520
Cook County	1,907,276,750	0.10%	1,907,277
Cook County Forest Preserve District	87,340,000	0.10%	87,340
Metropolitan Water Reclamation District of Greater Chicago	2,430,261,774	0.01%	243,026
Deerfield Park District	4,765,000	97.70%	4,655,405
Northbrook Park District	16,100,000	3.10%	499,100
Park District of Highland Park	13,665,000	1.26%	172,179
Total Others			\$ 19,807,619
Total Schools and Others Overlapping Bonded Debt			\$ 66,101,365

Notes: (1) Source: Lake and Cook County Clerks and the MSRB's Electronic Municipal Market Access website ("EMMA")

(2) Outstanding debt as of May 16, 2025. Includes original principal amounts of capital appreciation bonds and alternate revenue bonds. Excludes debt certificates.

(3) Percentages are based on 2024 EAV for Lake County and 2023 for Cook County, the most current available.

VILLAGE OF DEERFIELD

Equalized Assessed Valuation (1)

Property Class	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 (2)
Residential	\$ 984,948,931	\$ 1,052,928,225	\$ 1,098,197,935	\$ 1,097,716,621	\$ 1,105,253,539	\$ 1,080,979,802	\$ 1,076,443,157	\$ 1,122,864,566	\$ 1,155,347,904	\$ 1,231,893,187
Commercial	327,995,985	348,028,112	363,288,977	355,750,738	410,864,413	390,865,454	382,478,550	389,879,376	419,921,428	410,108,473
Industrial	6,125,472	6,556,025	6,754,542	6,755,220	7,998,881	7,686,905	7,090,769	7,469,940	7,935,727	8,064,947
Total	\$ 1,319,070,388	\$ 1,407,512,362	\$ 1,468,241,454	\$ 1,460,222,579	\$ 1,524,116,833	\$ 1,479,532,161	\$ 1,466,012,476	\$ 1,520,213,882	\$ 1,583,205,059	\$ 1,650,066,607
County										
Lake County	\$ 1,190,201,367	\$ 1,265,022,355	\$ 1,320,319,691	\$ 1,315,978,217	\$ 1,330,165,321	\$ 1,294,595,296	\$ 1,285,429,534	\$ 1,329,479,837	\$ 1,382,992,164	\$ 1,449,853,712
Cook County	128,869,021	142,490,007	147,921,763	144,244,362	193,951,512	184,936,865	180,582,942	190,734,045	190,734,045	200,212,895
Total	\$ 1,319,070,388	\$ 1,407,512,362	\$ 1,468,241,454	\$ 1,460,222,579	\$ 1,524,116,833	\$ 1,479,532,161	\$ 1,466,012,476	\$ 1,520,213,882	\$ 1,573,726,209	\$ 1,650,066,607
Percent change +(-)	7.48%	6.70%	4.31%	-0.55%	4.38%	-2.93%	-0.91%	3.70%	4.14%	4.22%

Notes:

(1) Source: Lake and Cook County Clerks' Offices.

(2) 2024 EAV by property class is currently unavailable for Cook County. Includes 2023 EAV information for Cook County.

VILLAGE OF DEERFIELD

Representative Tax Rates For Property Located in the Village of Deerfield
Per \$100 of Equalized Assessed Valuation (1)

	<u>2015</u>	<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>
Village Rates:										
Bond and Interest	\$ 0.278	\$ 0.316	\$ 0.305	\$ 0.306	\$ 0.338	\$ 0.318	\$ 0.334	\$ 0.326	\$ 0.312	\$ 0.299
Corporate	0.261	0.249	0.239	0.241	0.250	0.244	0.267	0.270	0.266	0.264
Garbage	0.000	0.000	0.000	0.000	0.000	0.000	0.300	0.291	0.291	0.292
All Other	0.353	0.293	0.290	0.298	0.298	0.284	0.007	0.004	0.002	0.007
Total Village Rate	\$ 0.892	\$ 0.858	\$ 0.834	\$ 0.845	\$ 0.886	\$ 0.846	\$ 0.908	\$ 0.891	\$ 0.871	\$ 0.862
Lake County (Including Forest Preserve)	0.871	0.825	0.809	0.794	0.777	0.780	0.777	0.762	0.754	0.713
Deerfield Elementary Dist. 109	3.211	3.070	3.049	3.069	3.120	3.292	3.453	3.614	3.631	3.597
High School District 113	2.309	2.187	2.164	2.222	2.280	2.391	2.486	2.525	2.477	2.396
Community College District Number 532	0.299	0.285	0.281	0.282	0.282	0.290	0.293	0.296	0.294	0.280
Deerfield Park District	0.552	0.542	0.535	0.548	0.567	0.580	0.605	0.620	0.625	0.617
Deerfield-Bannockburn Fire Protection District	0.624	0.612	0.608	0.625	0.638	0.676	0.705	0.713	0.708	0.709
All Other (2)	0.049	0.059	0.045	0.046	0.046	0.048	0.050	0.049	0.045	0.044
Total (3)	\$ 8.807	\$ 8.438	\$ 8.325	\$ 8.431	\$ 8.596	\$ 8.903	\$ 9.277	\$ 9.470	\$ 9.405	\$ 9.218

Notes: (1) Source: Lake County Clerk

(2) Includes the Township of West Deerfield and the Southlake Mosquito Abatement District.

(3) Representative tax rate is for Lake County Tax Code 17004, which represents the largest tax code of the Village's 2024 EAV; the latest data available.

VILLAGE OF DEERFIELD

Village Tax Extensions and Collections (1)

<u>Levy</u> <u>Year</u>	<u>Collection</u> <u>Year</u>	<u>Tax</u> <u>Extensions</u>	<u>Total</u> <u>Collected</u>	<u>Percent</u>
2014	2015	\$ 10,783,925	\$ 10,725,053	99.45%
2015	2016	11,821,939	11,772,386	99.58%
2016	2017	12,088,181	12,045,734	99.65%
2017	2018	12,289,037	12,270,843	99.85%
2018	2019	12,388,275	12,349,237	99.68%
2019	2020	13,506,340	13,431,524	99.45%
2020	2021	12,562,426	12,552,174	99.92%
2021	2022	13,298,894	13,298,000	99.99%
2022	2023	13,545,985	13,548,373	100.02%
2023	2024	13,771,103	13,727,402	99.68%

Note: (1) Source: the Village

VILLAGE OF DEERFIELD

Principal Taxpayers (1)

Taxpayer Name	Business/Service	EAV (2) (3)
Corporate 500 Properties LLC	Real Property	\$ 38,050,019
Walgreen Co.	Pharmacy, Company Headquarters	34,028,282
Gateway Fairview Inc.	Real Property	30,808,837
Horizon Properties Holding LLC	Real Property	25,205,943
TNREF III Parkway JV, LLC	Real Property	19,553,421
SRC Arbor LK	Real Property	18,143,108
Deerfield Senior Resid	Senior Living	16,707,714
LPF Woodview LLC	Real Property	15,714,398
North Parkway One Investment LLC	Real Property	15,261,039
Deerland Retail, LLC	Real Property	14,014,686
Total		\$ 227,487,447
10 Largest Taxpayers as Percent of Total EAV (\$1,650,066,607)		13.78%

- Notes: (1) Source: Lake and Cook County Clerks' Offices.
 (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.
 (3) Based on 2024 EAV for Lake County and 2023 EAV for Cook County, the most current available.

APPENDIX B

DESCRIBING BOOK-ENTRY ONLY ISSUANCE

The Depository Trust Company, New York, New York (“DTC”), will act as securities depository for the Bonds (the “Securities”). The Securities will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

1. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has an S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

2. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

3. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

4. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the bond registrar and request that copies of notices be provided directly to them.

5. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

6. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Village as soon as possible after the Record Date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

7. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Village or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Village, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Village or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

8. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to any Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to any Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to any Tender/Remarketing Agent's DTC account.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Village or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. The Village may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Village believes to be reliable, but the Village takes no responsibility for the accuracy thereof.

APPENDIX C

PROPOSED FORMS OF OPINIONS OF BOND COUNSEL

February ___, 2026

The President and Board of Trustees of the
Village of Deerfield, Illinois

Dear Members:

We have examined a record of proceedings relating to the issuance of \$_____ principal amount of General Obligation Bonds, Series 2026A (the “Bonds”), of the Village of Deerfield, a municipal corporation and a home rule unit of the State of Illinois. The Bonds are authorized and issued pursuant to the provisions of Section 6 of Article VII of the Illinois Constitution of 1970, and by virtue of an ordinance adopted by the President and Board of Trustees of the Village on February 2, 2026 and entitled: “Ordinance Authorizing the Issuance of General Obligation Bonds, Series 2026A and Taxable General Obligation Bonds, Series 2026B, of the Village of Deerfield, Illinois” (the “Bond Ordinance”).

The Bonds are issuable in the form of fully registered bonds in the denominations of \$5,000 or any integral multiple thereof. Bonds delivered on original issuance are dated February 18, 2026. The Bonds mature on December 1 in each of the following years in the respective principal amount set opposite each such year in the following table, and the Bonds maturing in each such year bear interest from their date payable on December 1, 2026 and semiannually thereafter on each June 1 and December 1, at the respective rate of interest per annum set forth opposite such year:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2026	\$	%
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
2042		
2043		
2044		

The Bonds maturing on or after December 1, 2036 are subject to redemption prior to maturity at the option of the Village, in such principal amounts and from such maturities as the Village shall determine, and by lot within a single maturity, on December 1, 2035 and on any date thereafter, at a redemption price equal to the principal amount thereof to be redeemed.

In our opinion, the Bonds are valid and legally binding general obligations of the Village of Deerfield and the Village is obligated to levy ad valorem taxes upon all the taxable property within the Village for the payment of the Bonds and the interest thereon without limitation as to rate or amount. However, the enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors' rights and remedies heretofore or hereafter enacted.

We are of the opinion that under existing law, interest on the Bonds is not includable in the gross income of the owners thereof for Federal income tax purposes. If there is continuing compliance with the requirements of the Internal Revenue Code of 1986 (the "Code"), we are of the opinion that interest on the Bonds will continue to be excluded from the gross income of the owners thereof for Federal income tax purposes. In addition, interest on the Bonds does not constitute an item of tax preference for purposes of computing alternative minimum taxable income for purposes of the individual alternative minimum tax. You are advised, however, that interest on the Bonds is included in computing the adjusted financial statement income of those corporations subject to the corporate alternative minimum tax.

The Code contains certain requirements that must be satisfied from and after the date hereof in order to preserve the exclusion from gross income for Federal income tax purposes of interest on the Bonds. These requirements relate to the use and investment of the proceeds of the Bonds, the payment of certain amounts to the United States, the security and source of payment of the Bonds and the use of the property financed with the proceeds of the Bonds. The Village has covenanted in the Bond Ordinance to comply with these requirements.

Pursuant to the Bond Ordinance, the Village has designated the Bonds as "qualified tax exempt obligations" as defined in Section 265(b)(3)(B) of the Code.

Interest on the Bonds is not exempt from Illinois income taxes.

Very truly yours,

KH:hf

February ___, 2026

The President and Board of Trustees of the
Village of Deerfield, Illinois

Dear Members:

We have examined a record of proceedings relating to the issuance of \$_____ principal amount of Taxable General Obligation Bonds, Series 2026B (the “Bonds”), of the Village of Deerfield, a municipal corporation and a home rule unit of the State of Illinois. The Bonds are authorized and issued pursuant to the provisions of Section 6 of Article VII of the Illinois Constitution of 1970, and by virtue of an ordinance adopted by the President and Board of Trustees of the Village on February 2, 2026 and entitled: “Ordinance Authorizing the Issuance of General Obligation Bonds, Series 2026A and Taxable General Obligation Bonds, Series 2026B, of the Village of Deerfield, Illinois” (the “Bond Ordinance”).

The Bonds are issuable in the form of fully registered bonds in the denominations of \$5,000 or any integral multiple thereof. Bonds delivered on original issuance are dated February 18, 2026. The Bonds mature on December 1 in each of the following years in the respective principal amount set opposite each such year in the following table, and the Bonds maturing in each such year bear interest from their date payable on December 1, 2026 and semiannually thereafter on each June 1 and December 1, at the respective rate of interest per annum set forth opposite such year:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2029	\$	%
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
2042		
2043		
2044		
2045		

The Bonds maturing on or after December 1, 2034 are subject to redemption prior to maturity at the option of the Village, in such principal amounts and from such maturities as the Village shall determine, and by lot within a single maturity, on December 1, 2033 and on any date thereafter, at a redemption price equal to the principal amount thereof to be redeemed.

Pursuant to the Bond Ordinance, the Village has designated the Bonds as “qualified tax exempt obligations” as defined in Section 265(b)(3)(B) of the Code.

Interest on the Bonds is includable in the gross income of the owners thereof for United States Federal income tax purposes and is not exempt from State of Illinois income taxes.

In our opinion, the Bonds are valid and legally binding general obligations of the Village of Deerfield and the Village is obligated to levy ad valorem taxes upon all the taxable property within the Village for the payment of the Bonds and the interest thereon without limitation as to rate or amount. However, the enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors’ rights and remedies heretofore or hereafter enacted.

Very truly yours,

KH:hf

APPENDIX D

**VILLAGE OF DEERFIELD
LAKE AND COOK COUNTIES, ILLINOIS**

**EXCERPTS OF FISCAL YEAR 2024 AUDITED FINANCIAL STATEMENTS
RELATING TO THE VILLAGE'S PENSION PLANS**

Village of Deerfield

Notes to Financial Statements
December 31, 2024

The Village reports the following nonmajor governmental and enterprise funds:

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.

Downtown TIF Fund

Enterprise Fund

Enterprise Fund is used to account for and report any activity for which a fee is charged to external uses for goods or services, and must be used for activities which meet certain debt or cost recovery criteria.

Commuter Parking Lot Fund

In addition, the Village reports the following fund types:

Internal Service Funds

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

Garage Fund
Vehicle & Equipment Replacement Fund

Pension Trust Fund

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

Police Pension Trust Fund

Custodial Fund

Custodial Fund is used to account for and report assets controlled by the Village and the assets are for the benefit of individuals, private organizations and/or other governmental units.

Deerfield Consolidated Joint Emergency
Telephone System Board (JETSB)
Fund

Village of Deerfield

Notes to Financial Statements
December 31, 2024

At December 31, 2024, the Village's investment portfolio was concentrated as follows:

Issuer	Investment Type	Percentage of Portfolio
Federal Home Loan Mortgage Corporation	U.S. Agency obligations, implicitly guaranteed	17.50 %
Federal Farm Credit Banks	U.S. Agency obligations, implicitly guaranteed	10.00
Federal Home Loan Banks	U.S. Agency obligations, implicitly guaranteed	60.30

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2024, investments were as follows:

Village

Investment Type	Fair Value	Maturity (In Years)			
		Less than 1 Year	1-5 Years	6-10 Years	Greater than 10 Years
Certificates of deposit (negotiable)	\$ 3,269,952	\$ 500,307	\$ 2,769,645	\$ -	\$ -
U.S. agencies	<u>24,113,899</u>	<u>4,647,041</u>	<u>19,466,858</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 27,383,851</u>	<u>\$ 5,147,348</u>	<u>\$ 22,236,503</u>	<u>\$ -</u>	<u>\$ -</u>

Money-Weighted Rate of Return

Police Pension Fund

For the year ended December 31, 2024, the annual money-weighted rate of return on the Police Pension plan investments, net of pension plan investment expense, was 9.59%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

Other Debt Information

The total OPEB liability and net pension liability attributable to governmental activities will be liquidated primarily by the General Fund.

Net Position

Net position reported on the government-wide statement of net position at December 31, 2024, includes the following:

	Governmental Activities	Business-Type Activities
Net investment in capital assets:		
Total capital assets	\$ 151,802,796	\$ 87,839,856
Less accumulated depreciation	<u>74,027,622</u>	<u>23,520,233</u>
Net carrying value of capital assets	<u>77,775,174</u>	<u>64,319,623</u>
Less all outstanding principal of capital-related debt/borrowings related to the Village's own capital assets, including borrowing used to refund capital-related borrowings	25,618,000	21,387,000
Less unamortized original issue premiums on outstanding capital debt	<u>2,265,563</u>	<u>1,512,565</u>
Subtotal	<u>27,883,563</u>	<u>22,899,565</u>
Total net investment in capital assets	<u>\$ 49,891,611</u>	<u>\$ 41,420,058</u>

3. Other Information

Employees' Retirement System

The Village contributes to two defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent-multiple-employer public employee retirement system; and the Police Pension Plan which is a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for the plans are governed by Illinois Compiled Statutes and can only be amended by the Illinois General Assembly. The Police Pension Plan does not issue a separate report on the pension plan. 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.

For the year ended December 31, 2024, the following balances are recognized in the government-wide financial statements:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
IMRF, Regular	\$ 4,990,758	\$ 5,471,865	\$ 13,659	\$ (1,110,556)
Police Pension Plan	<u>9,104,479</u>	<u>6,913,132</u>	<u>7,334,895</u>	<u>1,347,943</u>
Total	<u>\$ 14,095,237</u>	<u>\$ 12,384,997</u>	<u>\$ 7,348,554</u>	<u>\$ 237,387</u>

Village of Deerfield

Notes to Financial Statements
December 31, 2024

Illinois Municipal Retirement Fund

Plan Description

All employees (other than those covered by the Police and Firefighters' Pension plans) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two tier plan. 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 8 years of service. Participating members who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 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.

Under the employer number within IMRF, both the Village and Deerfield Public Library contribute to the regular plan. As a result, IMRF is considered to be an agent multiple-employer plan through which cost-sharing occurs between the Village and Deerfield Public Library.

Plan Membership

At December 31, 2023, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	144
Inactive, non-retired members	104
Active members	<u>108</u>
Total	<u><u>356</u></u>

Contributions

As set by statute, Village and Deerfield Public Library employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the Village and to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The actuarially determined contribution rate for the calendar year ending December 31, 2023 was 7.59% of annual covered payroll for IMRF. The Village and 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.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2023, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Summary of Significant Accounting Policies

For purposes of measuring the net pension liability/(asset), 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 liability for IMRF was determined by actuarial valuations performed as of December 31, 2023 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 non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

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	34.50 %	6.35 %	5.00 %
International equities	18.00	8.00	6.35
Fixed income	24.50	4.85	4.75
Real estate	10.50	6.30	6.00
Alternatives	11.50		
Private equity		12.35	8.65
Commodities		7.20	6.05
Cash equivalents	1.00	3.80	3.80

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

	1% Decrease	Current Discount Rate	1% Increase
Net pension liability/(asset), Village	\$ 10,106,860	\$ 3,824,258	\$ (1,102,566)
Net pension liability/(asset), Deerfield Public Library	<u>2,882,728</u>	<u>1,166,500</u>	<u>(179,365)</u>
Total	<u>\$ 12,989,588</u>	<u>\$ 4,990,758</u>	<u>\$ (1,281,931)</u>

Village of Deerfield

Notes to Financial Statements
December 31, 2024

Changes in Net Pension Liability/(Asset)

The changes in net pension liability/(asset) for the calendar year ended December 31, 2023 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances at December 31, 2022	\$ 63,573,778	\$ 56,299,464	\$ 7,274,314
Service cost	892,479	-	892,479
Interest on total pension liability	4,511,935	-	4,511,935
Differences between expected and actual experience of the total pension liability	1,615,260	-	1,615,260
Change of assumptions	(7,381)	-	(7,381)
Benefit payments, including refunds of employee contributions	(3,572,872)	(3,572,872)	-
Contributions, employer	-	779,456	(779,456)
Contributions, employee	-	470,557	(470,557)
Net investment income	-	6,208,209	(6,208,209)
Other (net transfer)	-	1,837,627	(1,837,627)
Balances at December 31, 2023	<u>\$ 67,013,199</u>	<u>\$ 62,022,441</u>	<u>\$ 4,990,758</u>
Plan fiduciary net position as a percentage of the total pension liability			92.55 %
Balances at December 31, 2023			
Village	\$ 52,634,866	\$ 48,810,608	\$ 3,824,258
Deerfield Public Library	<u>14,378,333</u>	<u>13,211,833</u>	<u>1,166,500</u>
Total	<u>\$ 67,013,199</u>	<u>\$ 62,022,441</u>	<u>\$ 4,990,758</u>

Village of Deerfield

Notes to Financial Statements
December 31, 2024

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

For the year ended December 31, 2024, pension expense was \$(1,110,556). Deferred outflows and inflows of resources related to pension were from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,548,199	\$ -
Assumption changes	-	13,659
Net difference between projected and actual earnings on pension plan investments	3,090,277	-
Contributions subsequent to the measurement date	<u>833,389</u>	<u>-</u>
Total	<u>\$ 5,471,865</u>	<u>\$ 13,659</u>
Village	\$ 4,192,915	\$ 10,466
Deerfield Public Library	<u>1,278,950</u>	<u>3,193</u>
Total	<u>\$ 5,471,865</u>	<u>\$ 13,659</u>

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 liability/(asset) for the year ending December 31, 2025. The remaining amounts reported as deferred outflows and inflows of resources related to pensions is \$4,624,817. Amounts will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 895,238
2026	1,631,724
2027	2,526,671
2028	<u>(428,816)</u>
Total	<u>\$ 4,624,817</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.

Village of Deerfield

Notes to Financial Statements
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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.

Plan Membership

At December 31, 2024, the Police Pension membership consisted of:

Retirees and beneficiaries	42
Inactive, non-retired members	10
Active members	<u>39</u>
Total	<u><u>91</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, 2024 was 25.11% of annual covered payroll.

Net Pension Liability/(Asset)

The net pension liability/(asset) was measured as of December 31, 2024.

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, 2024 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Fair Value
Actuarial assumptions	
Interest rate	7.00%
Inflation	2.50%
Projected salary increases	3.75% - 7.97%
Cost-of-living adjustments	2.50%

Active Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2021 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates. 25% of active Member deaths are assumed to be in the Line of Duty. Retiree Mortality follows the L&A Assumption Study for Police 2024. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2021 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates. Disabled Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants improved to 2021 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates. Spouse Mortality follows the L&A Assumption Study for Police 2024. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors improved to 2021 using MP-2021 Improvement Rates. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. These rates are then improved generationally using MP-2021 Improvement Rates.

Discount Rate

The discount rate used to measure the total pension liability for the Police Pension Plan was 7.00%. The discount rate calculated using the prior measurement date was 7.00%. 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 Deerfield

Notes to Financial Statements
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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 7.00% 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 (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Net pension liability	\$ 19,115,393	\$ 9,104,479	\$ 887,004

Changes in Net Pension Liability/(Asset)

The Village's changes in net pension liability/(asset) for the year ended December 31, 2024 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, 2023	\$ 71,053,940	\$ 61,009,330	\$ 10,044,610
Service cost	1,019,115	-	1,019,115
Interest on total pension liability	4,866,625	-	4,866,625
Changes in benefit terms	210,211	-	210,211
Differences between expected and actual experience of the total pension liability	155,157	-	155,157
Change of assumptions	331,380	-	331,380
Benefit payments, including refunds of employee contributions	(3,564,591)	(3,564,591)	-
Contributions, employer	-	1,346,333	(1,346,333)
Contributions, employee	-	537,282	(537,282)
Net investment income	-	5,674,369	(5,674,369)
Administration	-	(35,365)	35,365
Balances at December 31, 2024	<u>\$ 74,071,837</u>	<u>\$ 64,967,358</u>	<u>\$ 9,104,479</u>
Plan fiduciary net position as a percentage of the total pension liability			87.71 %

Village of Deerfield

Notes to Financial Statements
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Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended December 31, 2024, the Village recognized pension expense of \$1,347,943. 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	\$ 915,528	\$ 1,759,840
Assumption changes	4,577,143	5,575,055
Net difference between projected and actual earnings on pension plan investments	1,420,461	-
Total	<u>\$ 6,913,132</u>	<u>\$ 7,334,895</u>

The amounts reported as deferred outflows and inflows of resources related to pensions is \$(421,763) and will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2025	\$ 451,230
2026	326,495
2027	(1,430,405)
2028	181,915
2029	49,002
Total	<u>\$ (421,763)</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 Municipal Insurance Cooperative Agency and Intergovernmental Personnel Benefit Cooperative to provide coverage for losses from the risks described below. Municipal Insurance Cooperative Agency deductibles are accounted for and financed by the fund or funds impacted by the loss.

Public Entity Risk Pool

Municipal Insurance Cooperative Agency

The Village participates in the Municipal Insurance Cooperative Agency (MICA). MICA is a public entity risk pool whose members are Illinois municipalities. MICA manages and funds first party property losses, third party liability claims, workers' compensation claims and public officials' liability claims of its members. MICA provides \$15,000,000 of coverage after a \$2,500 deductible. The Village's payments to MICA are displayed on the financial statements as expenditures/expenses in appropriate funds.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

Other Postemployment Benefits

General Information about the OPEB Plan

Plan Description

The Village administers a single-employer defined benefit healthcare plan. The plan provides for eligible retirees through the Village's group health insurance plan, which covers both active and retired members. Benefit provisions are established through personnel policy guidelines and collective bargaining agreements. 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 two retirement plans. The Village pays a subsidy of 50% of the cost of the monthly health insurance premiums for the retirees up to a maximum of \$50. The retiree pays the remainder of the blended premium. 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.

Employees Covered by Benefit Terms

At December 31, 2024, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	27
Active plan members	<u>106</u>
Total	<u><u>133</u></u>

Total OPEB Liability

The total OPEB liability of \$7,388,547 was measured as of December 31, 2024, and was determined by an actuarial valuation as of that date.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2024 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	4.08%
Inflation	2.50%
Salary increases	2.75%
Healthcare cost trend rates	Initial medical rate for HMO of 7.80%, grading up to 5.00% in 2034 and initial medical rate for PPO of 7.90%, grading down to 5.00% in 2034

The discount rate was based on a combination of the Expected Long-Term Rate of Return on Plan Assets and the Municipal Bond Rate. If the Employer does not have a trust dedicated exclusively to the payment of OPEB benefits, as is the case with the Village, then only the Municipal Bond Rate is used in determining the Total OPEB Liability.

Active IMRF Mortality follows the PubG-2010(B) Improved Generationally using MP-2021 Improvement Rates, weighted per IMRF Experience Study Report dated December 14, 2021. Police Active Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates. Retiree Mortality follows the L&A Assumption Study for Police 2021. These rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2021 Improvement Rates. Disabled Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants improved to 2017 using MP-2021 Improvement Rates. These rates are then improved generationally using MP-2021 Improvement Rates. Spouse Mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for contingent survivors. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. Mortality improvement uses MP-2021 Improvement Rates applied on a fully generational basis.

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of an actuarial experience study dated January 4, 2024.

Village of Deerfield

Notes to Financial Statements
December 31, 2024

Changes in the Total OPEB Liability

	Total OPEB Liability
Balances at December 31, 2023	<u>\$ 5,879,876</u>
Changes for the year:	
Service cost	201,577
Interest	196,546
Changes of benefit terms	271,797
Differences between expected and actual experience	603,847
Changes in assumptions or other inputs	189,124
Other	252,515
Benefit payments	<u>(206,735)</u>
Net changes	<u>1,508,671</u>
Balances at December 31, 2024	<u><u>\$ 7,388,547</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.26% for the reporting period ending December 31, 2023 to 4.08% for the reporting period ending December 31, 2024. There were also changes in assumptions related to expected increases in medical costs assumption rates as disclosed above.

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 (3.08%) or 1-percentage-point higher (5.08%) than the current discount rate:

	1% Decrease	Discount Rate	1% Increase
Total OPEB liability	\$ 8,389,304	\$ 7,388,547	\$ 6,570,917

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	\$ 6,447,611	\$ 7,388,547	\$ 8,561,469

Village of Deerfield

Notes to Financial Statements
December 31, 2024

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

For the year ended December 31, 2024, the Village recognized OPEB expense of \$928,829. At December 31, 2024, 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	\$ 1,419,535	\$ -
Changes of assumptions or other inputs	<u>1,889,076</u>	<u>1,800,343</u>
Total	<u>\$ 3,308,611</u>	<u>\$ 1,800,343</u>

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

<u>Years Ending December 31:</u>	<u>Amount</u>
2025	\$ 258,909
2026	258,909
2027	276,132
2028	210,555
2029	135,364
Thereafter	<u>368,399</u>
Total	<u>\$ 1,508,268</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.

During the fiscal year 2002, the Village entered into an economic incentive agreement with a commercial entity. The agreement was approved by the Board, in accordance with Illinois Compiled Statutes. The Village has agreed to reimburse the commercial entity 75% of the total sales tax revenue generated for the first six years of the agreement and 80% of any sales tax revenue generated for the seventh year and all subsequent years. The amount of the rebates is limited to specified time period and are payable over 20 years solely from sales taxes generated by the commercial entity. The rebates are to be paid monthly with the agreement expiring 20 years after commencement. The total amount of home-rule sales tax rebated for the fiscal year ending December 31, 2024 was \$999,987. At December 31, 2024, the Village has accrued an estimated home-rule sales tax rebate liability of \$280,428 for amounts collected by the state through December 31, 2024 but not yet paid to the commercial entity. To date, the Village has rebated \$24,909,014 of home-rule sales tax to the commercial entity. The agreement has no stated maximum. The rebate is not subject to recapture, in whole or in part.

Village of Deerfield

Illinois Municipal Retirement Fund

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

Last Ten Fiscal Years

	2015	2016	2017	2018
Total Pension Liability				
Service cost	\$ 818,026	\$ 818,026	\$ 809,768	\$ 808,121
Interest changes of benefit terms	3,391,973	3,391,973	3,523,642	3,698,811
Differences between expected and actual experience	(19,404)	(19,404)	498,398	132,967
Changes of assumptions	56,963	56,963	(118,747)	(1,832,353)
Benefit payments, including refunds of member contributions	(2,437,679)	(2,437,679)	(2,407,525)	(2,597,018)
Net change in total pension liability	1,809,879	1,809,879	2,305,536	210,528
Total Pension Liability, Beginning	44,286,635	46,096,514	47,906,393	50,211,929
Total Pension Liability, Ending	<u>\$ 46,096,514</u>	<u>\$ 47,906,393</u>	<u>\$ 50,211,929</u>	<u>\$ 50,422,457</u>
Plan Fiduciary Net Position				
Employer contributions	\$ 1,004,206	\$ 1,004,206	\$ 1,015,210	\$ 967,263
Employee contributions	347,043	347,043	361,461	361,998
Net investment income	202,355	202,355	2,843,389	7,465,049
Benefit payments, including refunds of member contributions	(2,437,679)	(2,437,679)	(2,407,525)	(2,597,018)
Other (net transfer)	679,125	679,125	5,176	(651,057)
Net change in plan fiduciary net position	(204,950)	(204,950)	1,817,711	5,546,235
Plan Fiduciary Net Position, Beginning	41,219,186	41,014,236	40,809,286	42,626,997
Plan Fiduciary Net Position, Ending	<u>\$ 41,014,236</u>	<u>\$ 40,809,286</u>	<u>\$ 42,626,997</u>	<u>\$ 48,173,232</u>
Net Pension Liability/(Asset), Ending	<u>\$ 5,082,278</u>	<u>\$ 7,097,107</u>	<u>\$ 7,584,932</u>	<u>\$ 2,249,225</u>
Net Pension Liability/(Asset), Village	\$ 4,014,999	\$ 5,606,714	\$ 5,992,097	\$ 1,754,797
Net Pension Liability/(Asset), Library	1,067,279	1,490,393	1,592,835	494,428
Net Pension Liability/(Asset), Ending	<u>\$ 5,082,278</u>	<u>\$ 7,097,107</u>	<u>\$ 7,584,932</u>	<u>\$ 2,249,225</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	88.97%	85.19%	84.89%	95.54%
Covered Payroll	\$ 6,330,297	\$ 6,330,297	\$ 7,943,748	\$ 8,044,417
Net Pension Liability/(Asset) as a Percentage of Covered Payroll	80.28%	112.11%	95.48%	27.96%

2019	2020	2021	2022	2023	2024
\$ 785,228 3,705,491	\$ 809,310 3,912,209	\$ 832,315 4,084,078	\$ 825,874 4,210,843	\$ 854,879 4,336,789	\$ 892,479 4,511,935
1,478,424 1,525,615	828,737 -	976,038 (862,422)	27,862 -	703,168 -	1,615,260 (7,381)
(2,817,052)	(3,086,631)	(3,295,663)	(3,260,964)	(3,422,807)	(3,572,872)
4,677,706	2,463,625	1,734,346	1,803,615	2,472,029	3,439,421
50,422,457	55,100,163	57,563,788	59,298,134	61,101,749	63,573,778
<u>\$ 55,100,163</u>	<u>\$ 57,563,788</u>	<u>\$ 59,298,134</u>	<u>\$ 61,101,749</u>	<u>\$ 63,573,778</u>	<u>\$ 67,013,199</u>
\$ 1,048,606 375,994 (2,640,332)	\$ 837,924 377,067 8,626,192	\$ 1,152,162 404,425 7,555,954	\$ 1,132,219 410,886 9,908,196	\$ 978,229 435,845 (8,327,404)	\$ 779,456 470,557 6,208,209
(2,817,052) 1,158,475	(3,086,631) 475,656	(3,295,663) 277,107	(3,260,964) (41,124)	(3,422,807) (136,728)	(3,572,872) 1,837,627
(2,874,309)	7,230,208	6,093,985	8,149,213	(10,472,865)	5,722,977
48,173,232	45,298,923	52,529,131	58,623,116	66,772,329	56,299,464
<u>\$ 45,298,923</u>	<u>\$ 52,529,131</u>	<u>\$ 58,623,116</u>	<u>\$ 66,772,329</u>	<u>\$ 56,299,464</u>	<u>\$ 62,022,441</u>
<u>\$ 9,801,240</u>	<u>\$ 5,034,657</u>	<u>\$ 675,018</u>	<u>\$ (5,670,580)</u>	<u>\$ 7,274,314</u>	<u>\$ 4,990,758</u>
\$ 7,623,836 2,177,404	\$ 3,927,673 1,106,984	\$ 527,320 147,698	\$ (4,416,510) (1,254,070)	\$ 5,618,785 1,655,529	\$ 3,824,257 1,166,501
<u>\$ 9,801,240</u>	<u>\$ 5,034,657</u>	<u>\$ 675,018</u>	<u>\$ (5,670,580)</u>	<u>\$ 7,274,314</u>	<u>\$ 4,990,758</u>
82.21%	91.25%	98.86%	109.28%	88.56%	92.55%
\$ 8,355,421	\$ 8,379,246	\$ 8,987,212	\$ 9,130,792	\$ 9,685,440	\$ 10,269,509
117.30%	60.08%	7.51%	-62.10%	75.11%	48.60%

Village of Deerfield

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

	2015	2016	2017	2018	2019
Actuarially determined contribution	\$ 996,735	\$ 1,015,211	\$ 961,308	\$ 1,048,605	\$ 837,925
Contributions in relation to the actuarially determined contribution	<u>(1,004,206)</u>	<u>(1,015,210)</u>	<u>(967,263)</u>	<u>(1,048,606)</u>	<u>(837,924)</u>
Contribution deficiency (excess)	<u>\$ (7,471)</u>	<u>\$ 1</u>	<u>\$ (5,955)</u>	<u>\$ (1)</u>	<u>\$ 1</u>
Covered payroll	\$ 7,702,244	\$ 7,943,748	\$ 8,044,417	\$ 8,355,421	\$ 8,379,246
Contributions as a percentage of covered payroll	13.04%	12.78%	12.02%	12.55%	10.00%
	2020	2021	2022	2023	2024
Actuarially determined contribution	\$ 1,152,161	\$ 1,132,218	\$ 978,229	\$ 779,456	\$ 841,520
Contributions in relation to the actuarially determined contribution	<u>(1,152,162)</u>	<u>(1,132,219)</u>	<u>(978,229)</u>	<u>(779,456)</u>	<u>(841,520)</u>
Contribution deficiency (excess)	<u>\$ (1)</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 8,987,212	\$ 9,130,792	\$ 9,685,440	\$ 10,269,509	\$ 11,072,628
Contributions as a percentage of covered payroll	12.82%	12.40%	10.10%	7.59%	7.60%

Notes to Schedule:

Valuation date: Actuarially determined contributions are calculated as of December 31 of the prior fiscal year.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregated Entry Age Normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	19 years
Asset valuation method	5-year smoothed market, 20% corridor
Inflation	2.75%
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	Pub-2010

Village of Deerfield

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

	2015	2016	2017	2018
Total Pension Liability				
Service cost	\$ 1,138,463	\$ 941,842	\$ 1,002,497	\$ 781,798
Interest	2,800,129	4,212,748	3,862,179	4,040,019
Differences between expected and actual experience	2,088,324	(2,314,800)	106,742	8,204
Change of Benefit Terms	-	-	-	-
Changes of assumptions	12,175,632	(5,531,502)	(6,365,881)	5,851,896
Benefit payments, including refunds of member contributions	(2,443,015)	(2,603,139)	(2,900,648)	(2,805,095)
Net change in total pension liability	15,759,533	(5,294,851)	(4,295,111)	7,876,822
Total Pension Liability, Beginning	<u>50,957,374</u>	<u>66,716,907</u>	<u>61,422,056</u>	<u>57,126,945</u>
Total Pension Liability, Ending (a)	<u>\$ 66,716,907</u>	<u>\$ 61,422,056</u>	<u>\$ 57,126,945</u>	<u>\$ 65,003,767</u>
Plan Fiduciary Net Position				
Employer contributions	\$ 871,305	\$ 934,918	\$ 1,100,000	\$ 1,100,000
Employee contributions	517,457	425,791	390,162	418,230
Contributions others				
Net investment income	(4,524)	3,845,026	6,296,845	(1,613,045)
Benefit payments, including refunds of member contributions	(2,443,015)	(2,603,139)	(2,900,648)	(2,805,095)
Administration	(23,217)	(41,182)	(41,938)	(39,371)
Net change in plan fiduciary net position	(1,081,994)	2,561,414	4,844,421	(2,939,281)
Plan Fiduciary Net Position, Beginning	<u>41,594,356</u>	<u>40,512,362</u>	<u>43,073,776</u>	<u>47,918,197</u>
Plan Fiduciary Net Position, Ending (b)	<u>\$ 40,512,362</u>	<u>\$ 43,073,776</u>	<u>\$ 47,918,197</u>	<u>\$ 44,978,916</u>
Village's Net Pension Liability/(Asset), Ending (a) - (b)	<u>\$ 26,204,545</u>	<u>\$ 18,348,280</u>	<u>\$ 9,208,748</u>	<u>\$ 20,024,851</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.72%	70.13%	83.88%	69.19%
Covered Payroll	\$ 3,806,499	\$ 3,825,286	\$ 3,949,608	\$ 4,220,281
Village's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	688.42%	479.66%	233.16%	474.49%

Notes to Schedule

Changes of assumptions:

There was a change in assumption related to the discount rate made since the prior measurement
In 2023, the discount rate at the beginning of the year was 7.25%
and at end of the year was 7.00%

2019	2020	2021	2022	2023	2024
\$ 999,423	\$ 1,067,196	\$ 1,371,154	\$ 906,444	\$ 917,405	\$ 1,019,115
4,150,305	4,328,602	4,203,508	4,570,002	4,717,415	4,866,625
390,324	(1,829,795)	(3,515,627)	1,312,288	41,920	155,157
364,298	-	-	(69,525)	-	210,211
1,898,463	8,977,202	(14,866,823)	-	2,163,927	331,380
(2,892,518)	(3,078,729)	(3,248,879)	(3,362,809)	(3,464,998)	(3,564,591)
4,910,295	9,464,476	(16,056,667)	3,356,400	4,375,669	3,017,897
65,003,767	69,914,062	79,378,538	63,321,871	66,678,271	71,053,940
<u>\$ 69,914,062</u>	<u>\$ 79,378,538</u>	<u>\$ 63,321,871</u>	<u>\$ 66,678,271</u>	<u>\$ 71,053,940</u>	<u>\$ 74,071,837</u>
\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,174,781	\$ 1,346,333
427,942	460,146	450,777	521,477	492,983	537,282
				24,950	-
9,035,470	8,609,768	8,025,810	(8,596,852)	7,262,932	5,674,369
(2,892,518)	(3,078,729)	(3,248,879)	(3,362,809)	(3,464,998)	(3,564,591)
(38,955)	(49,247)	(47,007)	(45,375)	(31,253)	(35,365)
7,631,939	7,041,938	6,280,701	(10,383,559)	5,459,395	3,958,028
44,978,916	52,610,855	59,652,793	65,933,494	55,549,935	61,009,330
<u>\$ 52,610,855</u>	<u>\$ 59,652,793</u>	<u>\$ 65,933,494</u>	<u>\$ 55,549,935</u>	<u>\$ 61,009,330</u>	<u>\$ 64,967,358</u>
<u>\$ 17,303,207</u>	<u>\$ 19,725,745</u>	<u>\$ (2,611,623)</u>	<u>\$ 11,128,336</u>	<u>\$ 10,044,610</u>	<u>\$ 9,104,479</u>
75.25%	75.15%	104.12%	83.31%	85.86%	87.71%
\$ 4,318,271	\$ 4,643,250	\$ 4,548,701	\$ 4,854,314	\$ 4,965,426	\$ 5,361,903
400.70%	424.83%	-57.41%	229.25%	202.29%	169.80%

Village of Deerfield

Police Pension Fund
Schedule of Employer Contributions
Last Ten Fiscal Years

	2015	2016	2017	2018	2019
Actuarially Determined Contribution	\$ 871,305	\$ 934,918	\$ 934,836	\$ 850,587	\$ 929,599
Contributions in Relation to the Actuarially Determined Contribution	871,305	934,918	1,100,000	1,100,000	1,100,000
Contribution deficiency (excess)	\$ -	\$ -	\$ (165,164)	\$ (249,413)	\$ (170,401)
Covered Payroll	\$ 3,806,499	\$ 3,825,286	\$ 3,949,608	\$ 4,220,281	\$ 4,318,271
Contributions as a Percentage of Covered Payroll	22.89%	24.44%	27.85%	26.06%	25.47%
	2020	2021	2022	2023	2024
Actuarially Determined Contribution	\$ 944,434	\$ 795,747	\$ 442,901	\$ 1,082,673	\$ 1,346,333
Contributions in Relation to the Actuarially Determined Contribution	1,100,000	1,100,000	1,100,000	1,174,781	1,346,333
Contribution deficiency (excess)	\$ (155,566)	\$ (304,253)	\$ (657,099)	\$ (92,108)	\$ -
Covered Payroll	\$ 4,643,250	\$ 4,548,701	\$ 4,854,314	\$ 4,965,426	\$ 5,361,903
Contributions as a Percentage of Covered Payroll	23.69%	24.18%	22.66%	23.66%	25.11%

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 Dollar
Remaining amortization period	14 years
Asset valuation method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary increases	3.25%, Individual pay increases 3.75% - 7.97%
Investment rate of return	7.25%
Mortality	Pub-2010 Adjusted for Plan Status, Demographics, & Illinois Public Pension Data

Village of Deerfield

Police Pension Fund
Schedule of Investment Returns
Last Ten Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Annual money-weighted rate of return, net of investment expense	(0.02) %	9.73 %	15.08 %	(3.42) %	20.62 %
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Annual money-weighted rate of return, net of investment expense	16.82 %	13.78 %	(11.82) %	13.66 %	9.59 %

Village of Deerfield

Retiree Health Plan
Schedule of Changes in the Village's Total OPEB Liability
and Related Ratios
Last Seven Fiscal Years

	2018	2019
Total OPEB Liability		
Service cost	\$ 90,149	\$ 80,482
Interest	127,960	135,867
Changes of benefit terms	(202,501)	-
Differences between expected and actual experience	-	-
Changes of assumptions	(251,824)	1,623,157
Benefit payments	(163,613)	(172,047)
Other changes	-	-
Net change in total OPEB liability	(399,829)	1,667,459
Total OPEB Liability, Beginning	<u>3,799,225</u>	<u>3,399,396</u>
Total OPEB Liability, Ending	<u><u>\$ 3,399,396</u></u>	<u><u>\$ 5,066,855</u></u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	0.00%	0.00%
Covered-Employee Payroll	\$ 9,522,034	\$ 10,807,795
Total OPEB liability as a percentage of covered-employee payroll	35.70%	46.88%

Notes to Schedule

Changes of assumptions:

In 2024, the discount rate at the beginning of the year was 3.26%
and at end of the year was 4.08%

The Village implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

The Village does not accumulate assets in a trust to pay related benefits for the OPEB plan.

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$ 111,815	\$ 279,068	\$ 265,694	\$ 168,879	\$ 201,577
124,009	144,258	128,250	194,805	196,546
-	-	(269,077)	-	271,797
648,969	-	599,180	-	603,847
1,347,614	(757,840)	(1,538,927)	377,949	189,124
(192,832)	(164,440)	(167,832)	(196,924)	(206,735)
<u>(444,547)</u>	<u>224,932</u>	<u>(78,238)</u>	<u>8,256</u>	<u>252,515</u>
1,595,028	(274,022)	(1,060,950)	552,965	1,508,671
<u>5,066,855</u>	<u>6,661,883</u>	<u>6,387,861</u>	<u>5,326,911</u>	<u>5,879,876</u>
<u>\$ 6,661,883</u>	<u>\$ 6,387,861</u>	<u>\$ 5,326,911</u>	<u>\$ 5,879,876</u>	<u>\$ 7,388,547</u>
0.00%	0.00%	0.00%	0.00%	0.00%
\$ 11,397,335	\$ 11,708,206	\$ 12,445,857	\$ 12,892,847	\$ 13,677,423
58.45%	54.56%	42.80%	45.61%	54.02%

**SERIES 2026A BONDS
OFFICIAL BID FORM**

(Open Speer Auction)

Village of Deerfield
850 Waukegan Road
Deerfield, Illinois 60015

February 2, 2026
Speer Financial, Inc.

Village President and Board of Trustees:

For the \$5,990,000* General Obligation Bonds, Series 2026A (the "Series 2026A Bonds"), of the Village of Deerfield, Lake and Cook Counties, Illinois (the "Village"), as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$_____ (no less than \$5,942,080). The Series 2026A Bonds are dated the date of delivery, expected to be on or about February 18, 2026. The Series 2026A Bonds will bear interest as follows (each rate a multiple of 1/8 or 1/100 of 1%). **The premium or discount, if any, is subject to adjustment allowing the same \$_____ gross spread per \$1,000 bond as bid herein.**

MATURITIES* - DECEMBER 1

\$240,000	2026	\$290,000	2036
190,000	2027	305,000	2037
200,000	2028	320,000	2038
210,000	2029	340,000	2039
220,000	2030	355,000	2040
230,000	2031	375,000	2041
240,000	2032	390,000	2042
250,000	2033	410,000	2043
265,000	2034	430,000	2044
280,000	2035	450,000	2045

*Any consecutive maturities may be aggregated into term bonds at the option of the bidder,
in which case the mandatory redemption provisions shall be on the same schedule as above.*

The Series 2026A Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Katten Muchin Rosenman LLP, Chicago, Illinois. The Village will pay for the legal opinion. The underwriter agrees to **apply for CUSIP numbers within 24 hours** and pay the fee charged by CUSIP Global Services and will accept the Series 2026A Bonds with the CUSIP numbers as entered on the Series 2026A Bonds.

As evidence of our good faith, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the Village's good faith bank and under the terms provided in the Official Notice of Sale for the Series 2026A Bonds. Alternatively, we have wire transferred or enclosed herewith a check payable to the order of the Treasurer of the Village in the amount of the Deposit under the terms provided in the Official Notice of Sale for the Series 2026A Bonds.

Form of Deposit (Check One)

Prior to Bid Opening:

Certified/Cashier's Check ☐

Wire Transfer ☐

Within **TWO hours** of Bidding:

Wire Transfer ☐

Amount: \$119,800

Account Manager Information

Name _____

Address _____

By _____

City _____ State/Zip _____

Direct Phone (_____) _____

FAX Number (_____) _____

E-Mail Address _____

Bidders Option Insurance

**We have purchased
insurance from:**

Name of Insurer
(Please fill in)

Premium: _____

Maturities: (Check One)

☐ _____ Years

☐ All

The foregoing bid was accepted and the Series 2026A Bonds sold by ordinance of the Village on February 2, 2026, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

VILLAGE OF DEERFIELD, LAKE AND COOK COUNTIES, ILLINOIS

*Subject to change.

President

----- **NOT PART OF THE BID** -----

(Calculation of true interest cost)

	Bid	Post Sale Revision
Gross Interest	\$	
Less Premium/Plus Discount	\$	
True Interest Cost	\$	
True Interest Rate	%	
TOTAL BOND YEARS	70,398.81	
AVERAGE LIFE	11.753 Years	

OFFICIAL NOTICE OF SALE
\$5,990,000*
VILLAGE OF DEERFIELD
Lake and Cook Counties, Illinois
General Obligation Bonds, Series 2026A
(Open Speer Auction)

The Village of Deerfield, Lake and Cook Counties, Illinois (the "Village"), will receive electronic bids on the SpeerAuction ("SpeerAuction") website address "www.SpeerAuction.com" for its \$5,990,000* General Obligation Bonds, Series 2026A (the "Series 2026A Bonds"), on an all or none basis between 10:00 A.M. and 10:15 A.M., C.S.T., Monday, February 2, 2026. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the Village's sale (as described below). Award will be made or all bids rejected at a meeting of the Village on that date. The Village reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the Series 2026A Bonds and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

The Series 2026A Bonds are valid and legally binding upon the Village and are payable from any funds of the Village legally available for such purpose, and all taxable property in the Village is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Series 2026A Bonds and the enforceability of the Series 2026A Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

Bidding Details

Bidders should be aware of the following bidding details associated with the sale of the Series 2026A Bonds.

- (1) All bids must be submitted on the SpeerAuction website at www.SpeerAuction.com. **No telephone, telefax or personal delivery bids will be accepted.** The use of SpeerAuction shall be at the bidder's risk and expense and the Village shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bid. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.
- (2) Bidders may change and submit bids as many times as they like during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid the prior bid will remain valid.
- (3) If any bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by SpeerAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.
- (4) The last valid bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winning bidder or bidders.
- (5) During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the ranking of their bid relative to other bids (i.e., "Leader", "Cover", "3rd" etc.)
- (6) On the Auction Page, bidders will be able to see whether a bid has been submitted.

Rules of SpeerAuction

Bidders must comply with the Rules of SpeerAuction in addition to the requirements of this Official Notice of Sale. To the extent there is a conflict between the Rules of SpeerAuction and this Official Notice of Sale, this Official Notice of Sale shall control.

Establishment of Issue Price (10% Test May Apply if Competitive Sale Requirements are Not Satisfied)

- (a) The winning bidder shall assist the Village in establishing the issue price of the Series 2026A Bonds and shall execute and deliver to the Village at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public or the sales price or prices of the Series 2026A Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit A** to this Official Notice of Sale, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Village and Katten Muchin Rosenman LLP, Chicago, Illinois ("Bond Counsel"). All actions to be taken by the Village under this Official Notice of Sale to establish the issue price of the Series 2026A Bonds may be taken on behalf of the Village by the Village's municipal advisor and any notice or report to be provided to the Village may be provided to Speer Financial, Inc., Chicago, Illinois ("Speer").

**Subject to change.*

- (b) The Village intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Series 2026A Bonds) will apply to the initial sale of the Series 2026A Bonds (the “competitive sale requirements”) because:
- (i) the Village shall disseminate this Official Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
 - (ii) all bidders shall have an equal opportunity to bid;
 - (iii) the Village may receive bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
 - (iv) the Village anticipates awarding the sale of the Series 2026A Bonds to the bidder who submits a firm offer to purchase the Series 2026A Bonds at the lowest true interest cost, as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Series 2026A Bonds, as specified in the bid.

- (c) In the event that the competitive sale requirements are not satisfied, the Village shall so advise the winning bidder. **The Village will not require bidders to comply with the “hold-the-offering-price rule” and therefore does not intend to use the initial offering price to the Public as of the Sale Date of any maturity of the Series 2026A Bonds as the issue price of that maturity, though the winning bidder may elect to apply the “hold the offering price rule” (as described below). Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Unless a bidder intends to apply the “hold-the-offering-price rule” as described below, bidders should prepare their bids on the assumption that all of the maturities of the Series 2026A Bonds will be subject to the 10% test (as described below) in order to establish the issue price of the Series 2026A Bonds.** If the competitive sale requirements are not satisfied, the 10% test shall apply to determine the issue price of each maturity of the Series 2026A Bonds unless the winning bidder shall request that the “hold-the-offering-price rule” (as described below) shall apply. The winning bidder must notify Speer of its intention to apply the “hold-the-offering-price rule” at or prior to the time the Series 2026A Bonds are awarded.

- (i) If the winning bidder does not request that the “hold-the-offering-price rule” apply to determine the issue price of the Series 2026A Bonds, the following two paragraphs shall apply:

The Village shall treat the first price at which 10% of a maturity of the Series 2026A Bonds (the “10% test”) is sold to the Public as the issue price of that maturity, applied on a maturity-by-maturity basis. The winning bidder shall advise the Village if any maturity of the Series 2026A Bonds satisfies the 10% test as of the date and time of the award of the Series 2026A Bonds.

Until the 10% test has been satisfied as to each maturity of the Series 2026A Bonds, the winning bidder agrees to promptly report to the Village the prices at which the unsold Series 2026A Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to the Series 2026A Bonds of that maturity or until all Series 2026A Bonds of that maturity have been sold to the Public. In addition, if the 10% test has not been satisfied with respect to any maturity of the Series 2026A Bonds prior to closing, then the purchaser shall provide the Village with a representation as to the price of prices, as of the date of closing, at which the purchaser reasonably expects to sell the remaining Series 2026A Bonds of such maturity.

- (ii) If the winning bidder does request that the “hold-the-offering-price rule” apply to determine the issue price of the Series 2026A Bonds, the following three paragraphs shall apply:

The Village may determine to treat (i) pursuant to the 10% test, the first price at which 10% of a maturity of the Series 2026A Bonds is sold to the Public as the issue price of that maturity and/or (ii) the initial offering price to the Public as of the Sale Date of any maturity of the Series 2026A Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the Village if any maturity of the Series 2026A Bonds satisfies the 10% test as of the date and time of the award of the Series 2026A Bonds. The Village shall promptly advise the winning bidder, at or before the time of award of the Series 2026A Bonds, which maturities of the Series 2026A Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule or both. Bids will *not* be subject to cancellation in the event that the Village determines to apply the hold-the-offering-price rule to any maturity of the Series 2026A Bonds.

By submitting a bid, the winning bidder shall (i) confirm that the Underwriters have offered or will offer the Series 2026A Bonds to the Public on or before the date of award at the offering price or prices (the “initial offering price”), and (ii) agree, on behalf of the Underwriters participating in the purchase of the Series 2026A Bonds, that the Underwriters will neither offer nor sell unsold Series 2026A Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth business day after the Sale Date; or
 - (2) the date on which the Underwriters have sold at least 10% of that maturity of the Series 2026A Bonds to the Public at a price that is no higher than the initial offering price to the Public.
- (d) The Village acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among Underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2026A Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Series 2026A Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the third-party distribution agreement and the related pricing wires. The Village further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price applicable to the Series 2026A Bonds.
- (e) By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Series 2026A Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (a) report the prices at which it sells to the Public the unsold Series 2026A Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Series 2026A Bonds of that maturity or all Series 2026A Bonds of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires which shall be at least until the 10% test has been satisfied as to the Series 2026A Bonds of that maturity or until the close of the fifth business day following the date of the award, and (ii) any agreement among Underwriters relating to the initial sale of the Series 2026A Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2026A Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (a) report the prices at which it sells to the Public the unsold Series 2026A Bonds of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% test has been satisfied as to the Series 2026A Bonds of that maturity or all Series 2026A Bonds of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires, which shall be at least until the 10% test has been satisfied as to the Series 2026A Bonds of that maturity or until the close of the fifth business day following the date of the award.
- (f) Sales of any Series 2026A Bonds to any person that is a Related Party to an Underwriter shall not constitute sales to the Public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:
 - (i) “Public” means any person other than an Underwriter or a Related Party,
 - (ii) “Underwriter” means (A) any person that agrees pursuant to a written contract with the Village (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2026A Bonds to the public including, specifically, the purchaser, and (b) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2026A Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2026A Bonds to the Public),

- (iii) a purchaser of any of the Series 2026A Bonds is a “Related Party” to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “Sale Date” means the date that the Series 2026A Bonds are awarded by the Village to the winning bidder.

Establishment of Issue Price (Hold-the-Offering Price Rule May Apply if Competitive Sale Requirements are Not Satisfied)

The winning bidder shall assist the Village in establishing the issue price of the Series 2026A Bonds and shall execute and deliver to the Village at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Series 2026A Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit A** to this Official Notice of Sale, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Village and Katten Muchin Rosenman LLP, Chicago, Illinois (“Bond Counsel”). All actions to be taken by the Village under this Official Notice of Sale to establish the issue price of the Series 2026A Bonds may be taken on behalf of the Village by the Village’s municipal advisor identified herein and any notice or report to be provided to the Village may be provided to the Village’s municipal advisor.

The Village intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Series 2026A Bonds) will apply to the initial sale of the Series 2026A Bonds (the “competitive sale requirements”) because:

- (1) the Village shall disseminate this Official Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Village may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Village anticipates awarding the sale of the Series 2026A Bonds to the bidder who submits a firm offer to purchase the Series 2026A Bonds at the highest price (or lowest true interest cost), as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Series 2026A Bonds, as specified in the bid.

In the event that the competitive sale requirements are not satisfied, the Village shall so advise the winning bidder. The Village may determine to treat (i) the first price at which 10% of a maturity of the Series 2026A Bonds (the “10% test”) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Series 2026A Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the Village if any maturity of the Series 2026A Bonds satisfies the 10% test as of the date and time of the award of the Series 2026A Bonds. The Village shall promptly advise the winning bidder, at or before the time of award of the Series 2026A Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Series 2026A Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. **Bids will not be subject to cancellation in the event that the Village determines to apply the hold-the-offering-price rule to any maturity of the Series 2026A Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Series 2026A Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Series 2026A Bonds.**

By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Series 2026A Bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Series 2026A Bonds, that the underwriters will neither offer nor sell unsold Series 2026A Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Series 2026A Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the Village when the underwriters have sold 10% of that maturity of the Series 2026A Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Series 2026A Bonds, the winning bidder agrees to promptly report to the Village the prices at which the unsold Series 2026A Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Series 2026A Bonds of that maturity or until all Series 2026A Bonds of that maturity have been sold.

The Village acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2026A Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Series 2026A Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the third-party distribution agreement and the related pricing wires. The Village further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Series 2026A Bonds.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Series 2026A Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Series 2026A Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Series 2026A Bonds of that maturity or all Series 2026A Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Series 2026A Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2026A Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2026A Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Series 2026A Bonds of that maturity or all Series 2026A Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Series 2026A Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:

- (1) "public" means any person other than an underwriter or a related party;
- (2) "underwriter" means (A) any person that agrees pursuant to a written contract with the Village (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2026A Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2026A Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2026A Bonds to the public);
- (3) a purchaser of any of the Series 2026A Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and
- (4) "sale date" means the date that the Series 2026A Bonds are awarded by the Village to the winning bidder.

Rules

- (1) A bidder ("Bidder") submitting a winning bid ("Winning Bid") is irrevocably obligated to purchase the Series 2026A Bonds at the rates and prices of the winning bid, if acceptable to the Village, as set forth in the related Official Notice of Sale. Winning Bids are not officially awarded to Winning Bidders until formally accepted by the Village.

- (2) Neither the Village, Speer, nor Grant Street Group (the “Auction Administrator”) is responsible for technical difficulties that result in loss of Bidder’s internet connection with SpeerAuction, slowness in transmission of bids, or other technical problems.
- (3) If for any reason a Bidder is disconnected from the Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon such Bidder, unless the Village exercises its right to reject bids, as set forth herein.
- (4) Bids which generate error messages are not accepted until the error is corrected and bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Official Notice of Sale (including amendments, if any) related to the auction.
- (6) Neither the Village, Speer, nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in the Official Notice of Sale, amendments, or Official Statement as they appear on SpeerAuction.
- (7) Only Bidders who request and receive admission to an auction may submit bids. SpeerAuction and the Auction Administrator reserve the right to deny access to SpeerAuction website to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the Village, Speer, nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder’s SpeerAuction password.
- (9) If two bids submitted in the same auction by the same or two or more different Bidders result in same True Interest Cost, the first confirmed bid received by SpeerAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in True Interest Cost.
- (10) Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Page they must report them to SpeerAuction within 15 minutes after the bidding time period ends. Regardless of the final results reported by SpeerAuction, Series 2026A Bonds are definitively awarded to the winning bidder only upon official award by the Village. If, for any reason, the Village fails to: (i) award Series 2026A Bonds to the winner reported by SpeerAuction, or (ii) deliver Series 2026A Bonds to winning bidder at settlement, neither the Village, Speer, nor the Auction Administrator will be liable for damages.

The Village reserves the right to reject all proposals, to reject any bid proposal not conforming to this Official Notice of Sale, and to waive any irregularity or informality with respect to any proposal. Additionally, the Village reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Series 2026A Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

The Series 2026A Bonds will be in fully registered form in the denominations of \$5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), to which principal and interest payments on the Series 2026A Bonds will be paid. Individual purchases will be in book-entry only form. Interest on each Series 2026A Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such bond is registered at the close of business on the fifteenth day of the month next preceding any interest payment date. The principal of the Series 2026A Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois. Semiannual interest is due June 1 and December 1 of each year commencing December 1, 2026, and is payable by U.S. Bank Trust Company, National Association, Chicago, Illinois (the “Bond Registrar”). The Series 2026A Bonds are dated the date of delivery, expected to be on or about February 18, 2026.

If the winning bidder is not a direct participant of DTC and does not have clearing privileges with DTC, the Series 2026A Bonds will be issued as Registered Bonds in the name of the purchaser. At the request of such winning bidder, the Village will assist in the timely conversion of the Registered Bonds into book-entry bonds with DTC as described herein.

MATURITIES* – DECEMBER 1

\$240,000	2026	\$290,000	2036
190,000	2027	305,000	2037
200,000	2028	320,000	2038
210,000	2029	340,000	2039
220,000	2030	355,000	2040
230,000	2031	375,000	2041
240,000	2032	390,000	2042
250,000	2033	410,000	2043
265,000	2034	430,000	2044
280,000	2035	450,000	2045

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

The Series 2026A Bonds maturing on or after December 1, 2036, inclusive, are callable at the option of the Village on any date on or after December 1, 2035, at a price of par and accrued interest to the redemption date. If less than all the Series 2026A Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. No coupon rate shall exceed five percent (5%). The differential between the highest rate bid and the lowest rate bid shall not exceed three percent (3%). All bids must be for all of the Series 2026A Bonds, must be for not less than \$5,942,080.

Award of the Bonds

The Series 2026A Bonds will be awarded on the basis of true interest cost, determined in the following manner. True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Series 2026A Bonds from the payment dates thereof to the dated date and to the bid price. For the purpose of calculating true interest cost, the Series 2026A Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage.

The Series 2026A Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale whose bid produces the lowest true interest cost rate to the Village as determined by the Village's Municipal Advisor, which determination shall be conclusive and binding on all bidders; *provided*, that the Village reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

The premium or discount, if any, is subject to pro rata adjustment if the maturity amounts of the Series 2026A Bonds are changed, allowing the same dollar amount of profit per \$1,000 bond as submitted on the Official Bid Form. The dollar amount of profit must be written on the Official Bid Form for any adjustment to be allowed and is subject to verification.

The true interest cost of each bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the Village's Municipal Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The Village or its Municipal Advisor will notify the bidder to whom the Series 2026A Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-32. The winning bidder will be required to pay the standard MSRB charge for Series 2026A Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per bond.

The winning bidder is required to wire transfer from a solvent bank or trust company to the Village's good faith bank the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time as evidence of the good faith of the bidder. Alternatively, a bidder may submit its Deposit upon or prior to the submission of its bid in the form of a certified or cashier's check on, or a wire transfer from, a solvent bank or trust company for **TWO PERCENT OF PAR** payable to the Treasurer of the Village. The Village reserves the right to award the Series 2026A Bonds to a bidder whose wire transfer is initiated but not received within such two hour time period provided that such bidder's federal wire reference number has been received. In the event the Deposit is not received as provided above, the Village may award the Series 2026A Bonds to the bidder submitting the next best bid provided such bidder agrees to such award.

The Deposit of the successful bidder will be retained by the Village pending delivery of the Series 2026A Bonds and all others, if received, will be promptly returned. Should the successful bidder fail to take up and pay for the Series 2026A Bonds when tendered in accordance with this Official Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the Village caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied on the purchase price upon delivery of the Series 2026A Bonds. No interest on the Deposit will accrue to the purchaser.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

Amalgamated Bank of Chicago
Corporate Trust
30 North LaSalle Street
38th Floor
Chicago, IL 60602
ABA (for wires only) # 071003405
Credit To: 3281 Speer Bidding Escrow
RE: Village of Deerfield, Lake and Cook Counties, Illinois
Bid for \$5,990,000* General Obligation Bonds, Series 2026A

Contemporaneously with such wire transfer, the winning bidder shall send an email to biddingscrow@aboc.com with the following information: (1) indication that a wire transfer has been made, (2) the amount of the wire transfer, (3) the issue to which it applies, and (4) the return wire instructions if such bidder is not awarded the Series 2026A Bonds. The Village and any bidder who chooses to wire the Deposit hereby agree irrevocably that Speer shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (i) if the bid is not accepted, Speer shall, at its expense, promptly return the Deposit amount to such bidder; (ii) if the bid is accepted, the Deposit shall be forwarded to the Village; (iii) Speer shall bear all costs of maintaining the escrow account and returning the funds to the bidder; (iv) Speer shall not be an insurer of the Deposit amount and shall have no liability except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and (v) no interest on the Deposit will accrue to the winning bidder.

The Village covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the Village for the benefit of the beneficial owners of the Series 2026A Bonds on or before the date of delivery of the Series 2026A Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter.

The Underwriter's obligation to purchase the Series 2026A Bonds shall be conditioned upon the Village delivering the Undertaking on or before the date of delivery of the Series 2026A Bonds.

The winning bidder shall provide a certificate, in form as set forth in **Exhibit A**, to evidence the issue price of each maturity of the Series 2026A Bonds.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the Village in the Series 2026A Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel arising from any adverse position to the Village in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

Series 2026A Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about February 18, 2026. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the Village except failure of performance by the purchaser, the Village may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Series 2026A Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Series 2026A Bonds, and any other information required by law or deemed appropriate by the Village, shall constitute a "Final Official Statement" of the Village with respect to the Series 2026A Bonds, as that term is defined in the Rule. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Series 2026A Bonds and other information may be included in a separate document entitled "Final Official Statement" rather than through supplementing the Official Statement by an addendum or addenda. By awarding the Series 2026A Bonds to any underwriter or underwriting syndicate, the Village agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Series 2026A Bonds are awarded, up to 50 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The Village shall treat the senior managing underwriter of the syndicate to which the Series 2026A Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Series 2026A Bonds agrees thereby that if its bid is accepted by the Village it shall enter into a contractual relationship with all Participating Underwriters of the Series 2026A Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Series 2026A Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The Village will, at its expense, deliver the Series 2026A Bonds to the purchaser in New York, New York, through the facilities of DTC and will pay for bond counsel's opinion. At the time of closing, the Village will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Series 2026A Bonds: (1) the opinion of Bond Counsel, that the Series 2026A Bonds are lawful and enforceable obligations of the Village in accordance with their terms; (2) the opinion of said attorneys that the interest on the Series 2026A Bonds is exempt from federal income taxes as and to the extent set forth in the Official Statement for the Series 2026A Bonds; and (3) a no litigation certificate by the Village.

The Village intends to designate the Series 2026A Bonds as "qualified tax-exempt obligations" pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The Village has authorized the printing and distribution of an Official Statement containing pertinent information relative to the Village and the Series 2026A Bonds. Copies of such Official Statement or additional information may be obtained from Mr. Eric Burk, Director of Finance, Village of Deerfield, 850 Waukegan Road, Deerfield, Illinois 60015 or an electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Sales Calendars/Competitive Official Statement Sales" from the Municipal Advisor to the Village, Speer Financial, Inc., 230 W. Monroe Street, Suite 2630, Chicago, Illinois 60606, telephone (312) 346-3700.

/s/ **KENT S. STREET**
Village Manager
VILLAGE OF DEERFIELD
Lake and Cook Counties, Illinois

/s/ **ERIC L. BURK**
Director of Finance
VILLAGE OF DEERFIELD
Lake and Cook Counties, Illinois

**Subject to change.*

Exhibit A

FORM OF ISSUE PRICE CERTIFICATE

\$5,990,000*
VILLAGE OF DEERFIELD
LAKE AND COOK COUNTIES, ILLINOIS
GENERAL OBLIGATION BONDS, SERIES 2026A

The undersigned, on behalf of _____ (the “Underwriter”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Series 2026A Bonds”).

1. ***Sale of the Bonds.*** As of the date of this certificate, for each Maturity of the Series 2026A Bonds, the first price at which at least 10% of such Maturity of the Series 2026A Bonds was sold to the Public is the respective price listed in Schedule A. ***[NOTE: This statement must be modified if 10% of any maturity is not sold by the issue date of the Bonds]***

2. ***Defined Terms.***

(a) ***Issuer*** means the Village of Deerfield, Lake and Cook Counties, Illinois.

(b) ***Maturity*** means Series 2026A Bonds with the same credit and payment terms. Series 2026A Bonds with different maturity dates, or Series 2026A Bonds with the same maturity date but different stated interest rates, are treated as separate Maturities.

(c) ***Public*** means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an underwriter or a related party to an underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) ***An underwriter*** means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2026A Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Series 2026A Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2026A Bonds to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Underwriter’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986 and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Compliance Certificate and with respect to compliance with the federal income tax rules affecting the Series 2026A Bonds, and by Katten Muchin Rosenman LLP in connection with rendering its opinion that the interest on the Series 2026A Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Series 2026A Bonds.

_____, as Underwriter

By: _____

Name: _____

Dated: _____, 2026

**SERIES 2026B BONDS
OFFICIAL BID FORM**

(Open Speer Auction)

Village of Deerfield
850 Waukegan Road
Deerfield, Illinois 60015

February 2, 2026
Speer Financial, Inc.

Village President and Board of Trustees:

For the \$2,260,000* Taxable General Obligation Bonds, Series 2026B (the "Series 2026B Bonds"), of the Village of Deerfield, Lake and Cook Counties, Illinois (the "Village"), as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$_____ (no less than \$2,214,800). The Series 2026B Bonds are dated the date of delivery, expected to be on or about February 18, 2026. The Series 2026B Bonds will bear interest as follows (each rate a multiple of 1/8 or 1/100 of 1%). **The premium or discount, if any, is subject to adjustment allowing the same \$_____ gross spread per \$1,000 bond as bid herein.**

MATURITIES* - DECEMBER 1

\$ 90,000	2029	\$135,000	2038
95,000	2030	140,000	2039
100,000	2031	150,000	2040
105,000	2032	155,000	2041
105,000	2033	165,000	2042
110,000	2034	170,000	2043
115,000	2035	180,000	2044
125,000	2036	190,000	2045
130,000	2037		

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

The Series 2026B Bonds are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Katten Muchin Rosenman LLP, Chicago, Illinois. The Village will pay for the legal opinion. The underwriter agrees to **apply for CUSIP numbers within 24 hours** and pay the fee charged by CUSIP Global Services and will accept the Series 2026B Bonds with the CUSIP numbers as entered on the Series 2026B Bonds.

As evidence of our good faith, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the Village's good faith bank and under the terms provided in the Official Notice of Sale for the Series 2026B Bonds. Alternatively, we have wire transferred or enclosed herewith a check payable to the order of the Treasurer of the Village in the amount of the Deposit under the terms provided in the Official Notice of Sale for the Series 2026B Bonds.

Form of Deposit (Check One)

Prior to Bid Opening:
Certified/Cashier's Check ☐
Wire Transfer ☐

Within **TWO hours** of Bidding:
Wire Transfer ☐

Amount: \$45,200

Account Manager Information

Name _____

Address _____

By _____

City _____ State/Zip _____

Direct Phone (_____) _____

FAX Number (_____) _____

E-Mail Address _____

Bidders Option Insurance

**We have purchased
insurance from:**

**Name of Insurer
(Please fill in)**

Premium: _____

Maturities: (Check One)

☐ _____ Years

☐ All

The foregoing bid was accepted and the Series 2026B Bonds sold by ordinance of the Village on February 2, 2026, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

VILLAGE OF DEERFIELD, LAKE AND COOK COUNTIES, ILLINOIS

*Subject to change.

President

----- **NOT PART OF THE BID** -----
(Calculation of true interest cost)

	Bid	Post Sale Revision
Gross Interest	\$	
Less Premium/Plus Discount	\$	
True Interest Cost	\$	
True Interest Rate	%	
TOTAL BOND YEARS	29,131.61	
AVERAGE LIFE	12.890 Years	

OFFICIAL NOTICE OF SALE
\$2,260,000*
VILLAGE OF DEERFIELD
Lake and Cook Counties, Illinois
Taxable General Obligation Bonds, Series 2026B
(Open Speer Auction)

The Village of Deerfield, Lake and Cook Counties, Illinois (the "Village"), will receive electronic bids on the SpeerAuction ("SpeerAuction") website address "www.SpeerAuction.com" for its \$2,260,000* Taxable General Obligation Bonds, Series 2026B (the "Series 2026B Bonds"), on an all or none basis between 10:30 A.M. and 10:45 A.M., C.S.T., Monday, February 2, 2026. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the Village's sale (as described below). Award will be made or all bids rejected at a meeting of the Village on that date. The Village reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the Series 2026B Bonds and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

The Series 2026B Bonds are valid and legally binding upon the Village and are payable from any funds of the Village legally available for such purpose, and all taxable property in the Village is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Series 2026B Bonds and the enforceability of the Series 2026B Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

Bidding Details

Bidders should be aware of the following bidding details associated with the sale of the Series 2026B Bonds.

- (1) All bids must be submitted on the SpeerAuction website at www.SpeerAuction.com. **No telephone, telefax or personal delivery bids will be accepted.** The use of SpeerAuction shall be at the bidder's risk and expense and the Village shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bid. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x 370.
- (2) Bidders may change and submit bids as many times as they like during the bidding time period; provided, however, each and any bid submitted subsequent to a bidder's initial bid must result in a lower true interest cost ("TIC") with respect to a bid, when compared to the immediately preceding bid of such bidder. In the event that the revised bid does not produce a lower TIC with respect to a bid the prior bid will remain valid.
- (3) If any bid in the auction becomes a leading bid two (2) minutes prior to the end of the auction, then the auction will be automatically extended by two (2) minutes from the time such bid was received by SpeerAuction. The auction end time will continue to be extended, indefinitely, until a single leading bid remains the leading bid for at least two minutes.
- (4) The last valid bid submitted by a bidder before the end of the bidding time period will be compared to all other final bids submitted by others to determine the winning bidder or bidders.
- (5) During the bidding, no bidder will see any other bidder's bid, but bidders will be able to see the ranking of their bid relative to other bids (i.e., "Leader", "Cover", "3rd" etc.)
- (6) On the Auction Page, bidders will be able to see whether a bid has been submitted.

Rules of SpeerAuction

Bidders must comply with the Rules of SpeerAuction in addition to the requirements of this Official Notice of Sale. To the extent there is a conflict between the Rules of SpeerAuction and this Official Notice of Sale, this Official Notice of Sale shall control.

Establishment of Issue Price (10% Test May Apply if Competitive Sale Requirements are Not Satisfied)

- (a) The winning bidder shall assist the Village in establishing the issue price of the Series 2026B Bonds and shall execute and deliver to the Village at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public or the sales price or prices of the Series 2026B Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit A** to this Official Notice of Sale, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Village and Katten Muchin Rosenman LLP, Chicago, Illinois ("Bond Counsel"). All actions to be taken by the Village under this Official Notice of Sale to establish the issue price of the Series 2026B Bonds may be taken on behalf of the Village by the Village's municipal advisor and any notice or report to be provided to the Village may be provided to Speer Financial, Inc., Chicago, Illinois ("Speer").

**Subject to change.*

- (b) The Village intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Series 2026B Bonds) will apply to the initial sale of the Series 2026B Bonds (the “competitive sale requirements”) because:
- (i) the Village shall disseminate this Official Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
 - (ii) all bidders shall have an equal opportunity to bid;
 - (iii) the Village may receive bids from at least three Underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
 - (iv) the Village anticipates awarding the sale of the Series 2026B Bonds to the bidder who submits a firm offer to purchase the Series 2026B Bonds at the lowest true interest cost, as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Series 2026B Bonds, as specified in the bid.

- (c) In the event that the competitive sale requirements are not satisfied, the Village shall so advise the winning bidder. **The Village will not require bidders to comply with the “hold-the-offering-price rule” and therefore does not intend to use the initial offering price to the Public as of the Sale Date of any maturity of the Series 2026B Bonds as the issue price of that maturity, though the winning bidder may elect to apply the “hold the offering price rule” (as described below). Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Unless a bidder intends to apply the “hold-the-offering-price rule” as described below, bidders should prepare their bids on the assumption that all of the maturities of the Series 2026B Bonds will be subject to the 10% test (as described below) in order to establish the issue price of the Series 2026B Bonds.** If the competitive sale requirements are not satisfied, the 10% test shall apply to determine the issue price of each maturity of the Series 2026B Bonds unless the winning bidder shall request that the “hold-the-offering-price rule” (as described below) shall apply. The winning bidder must notify Speer of its intention to apply the “hold-the-offering-price rule” at or prior to the time the Series 2026B Bonds are awarded.

- (i) If the winning bidder does not request that the “hold-the-offering-price rule” apply to determine the issue price of the Series 2026B Bonds, the following two paragraphs shall apply:

The Village shall treat the first price at which 10% of a maturity of the Series 2026B Bonds (the “10% test”) is sold to the Public as the issue price of that maturity, applied on a maturity-by-maturity basis. The winning bidder shall advise the Village if any maturity of the Series 2026B Bonds satisfies the 10% test as of the date and time of the award of the Series 2026B Bonds.

Until the 10% test has been satisfied as to each maturity of the Series 2026B Bonds, the winning bidder agrees to promptly report to the Village the prices at which the unsold Series 2026B Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to the Series 2026B Bonds of that maturity or until all Series 2026B Bonds of that maturity have been sold to the Public. In addition, if the 10% test has not been satisfied with respect to any maturity of the Series 2026B Bonds prior to closing, then the purchaser shall provide the Village with a representation as to the price of prices, as of the date of closing, at which the purchaser reasonably expects to sell the remaining Series 2026B Bonds of such maturity.

- (ii) If the winning bidder does request that the “hold-the-offering-price rule” apply to determine the issue price of the Series 2026B Bonds, the following three paragraphs shall apply:

The Village may determine to treat (i) pursuant to the 10% test, the first price at which 10% of a maturity of the Series 2026B Bonds is sold to the Public as the issue price of that maturity and/or (ii) the initial offering price to the Public as of the Sale Date of any maturity of the Series 2026B Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the Village if any maturity of the Series 2026B Bonds satisfies the 10% test as of the date and time of the award of the Series 2026B Bonds. The Village shall promptly advise the winning bidder, at or before the time of award of the Series 2026B Bonds, which maturities of the Series 2026B Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule or both. Bids will *not* be subject to cancellation in the event that the Village determines to apply the hold-the-offering-price rule to any maturity of the Series 2026B Bonds.

By submitting a bid, the winning bidder shall (i) confirm that the Underwriters have offered or will offer the Series 2026B Bonds to the Public on or before the date of award at the offering price or prices (the “initial offering price”), and (ii) agree, on behalf of the Underwriters participating in the purchase of the Series 2026B Bonds, that the Underwriters will neither offer nor sell unsold Series 2026B Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth business day after the Sale Date; or
 - (2) the date on which the Underwriters have sold at least 10% of that maturity of the Series 2026B Bonds to the Public at a price that is no higher than the initial offering price to the Public.
- (d) The Village acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among Underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2026B Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Series 2026B Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the third-party distribution agreement and the related pricing wires. The Village further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price applicable to the Series 2026B Bonds.
- (e) By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Series 2026B Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (a) report the prices at which it sells to the Public the unsold Series 2026B Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Series 2026B Bonds of that maturity or all Series 2026B Bonds of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires which shall be at least until the 10% test has been satisfied as to the Series 2026B Bonds of that maturity or until the close of the fifth business day following the date of the award, and (ii) any agreement among Underwriters relating to the initial sale of the Series 2026B Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2026B Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (a) report the prices at which it sells to the Public the unsold Series 2026B Bonds of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% test has been satisfied as to the Series 2026B Bonds of that maturity or all Series 2026B Bonds of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires, which shall be at least until the 10% test has been satisfied as to the Series 2026B Bonds of that maturity or until the close of the fifth business day following the date of the award.
- (f) Sales of any Series 2026B Bonds to any person that is a Related Party to an Underwriter shall not constitute sales to the Public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:
 - (i) “Public” means any person other than an Underwriter or a Related Party,
 - (ii) “Underwriter” means (A) any person that agrees pursuant to a written contract with the Village (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2026B Bonds to the public including, specifically, the purchaser, and (b) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2026B Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2026B Bonds to the Public),

- (iii) a purchaser of any of the Series 2026B Bonds is a “Related Party” to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “Sale Date” means the date that the Series 2026B Bonds are awarded by the Village to the winning bidder.

Establishment of Issue Price (Hold-the-Offering Price Rule May Apply if Competitive Sale Requirements are Not Satisfied)

The winning bidder shall assist the Village in establishing the issue price of the Series 2026B Bonds and shall execute and deliver to the Village at Closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Series 2026B Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit A** to this Official Notice of Sale, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Village and Katten Muchin Rosenman LLP, Chicago, Illinois (“Bond Counsel”). All actions to be taken by the Village under this Official Notice of Sale to establish the issue price of the Series 2026B Bonds may be taken on behalf of the Village by the Village’s municipal advisor identified herein and any notice or report to be provided to the Village may be provided to the Village’s municipal advisor.

The Village intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the Series 2026B Bonds) will apply to the initial sale of the Series 2026B Bonds (the “competitive sale requirements”) because:

- (1) the Village shall disseminate this Official Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the Village may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the Village anticipates awarding the sale of the Series 2026B Bonds to the bidder who submits a firm offer to purchase the Series 2026B Bonds at the highest price (or lowest true interest cost), as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Series 2026B Bonds, as specified in the bid.

In the event that the competitive sale requirements are not satisfied, the Village shall so advise the winning bidder. The Village may determine to treat (i) the first price at which 10% of a maturity of the Series 2026B Bonds (the “10% test”) is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the Series 2026B Bonds as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the Village if any maturity of the Series 2026B Bonds satisfies the 10% test as of the date and time of the award of the Series 2026B Bonds. The Village shall promptly advise the winning bidder, at or before the time of award of the Series 2026B Bonds, which maturities (and if different interest rates apply within a maturity, which separate CUSIP number within that maturity) of the Series 2026B Bonds shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule. **Bids will not be subject to cancellation in the event that the Village determines to apply the hold-the-offering-price rule to any maturity of the Series 2026B Bonds. Bidders should prepare their bids on the assumption that some or all of the maturities of the Series 2026B Bonds will be subject to the hold-the-offering-price rule in order to establish the issue price of the Series 2026B Bonds.**

By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Series 2026B Bonds to the public on or before the date of award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Series 2026B Bonds, that the underwriters will neither offer nor sell unsold Series 2026B Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Series 2026B Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder shall promptly advise the Village when the underwriters have sold 10% of that maturity of the Series 2026B Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

If the competitive sale requirements are not satisfied, then until the 10% test has been satisfied as to each maturity of the Series 2026B Bonds, the winning bidder agrees to promptly report to the Village the prices at which the unsold Series 2026B Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Series 2026B Bonds of that maturity or until all Series 2026B Bonds of that maturity have been sold.

The Village acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Series 2026B Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Series 2026B Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the third-party distribution agreement and the related pricing wires. The Village further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Series 2026B Bonds.

By submitting a bid, each bidder confirms that: (i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Series 2026B Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Series 2026B Bonds of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Series 2026B Bonds of that maturity or all Series 2026B Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and (ii) any agreement among underwriters relating to the initial sale of the Series 2026B Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2026B Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2026B Bonds of each maturity allotted to it until it is notified by the winning bidder or such underwriter that either the 10% test has been satisfied as to the Series 2026B Bonds of that maturity or all Series 2026B Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such underwriter and as set forth in the related pricing wires.

Sales of any Series 2026B Bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:

- (1) "public" means any person other than an underwriter or a related party;
- (2) "underwriter" means (A) any person that agrees pursuant to a written contract with the Village (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2026B Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2026B Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2026B Bonds to the public);
- (3) a purchaser of any of the Series 2026B Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and
- (4) "sale date" means the date that the Series 2026B Bonds are awarded by the Village to the winning bidder.

Rules

- (1) A bidder ("Bidder") submitting a winning bid ("Winning Bid") is irrevocably obligated to purchase the Series 2026B Bonds at the rates and prices of the winning bid, if acceptable to the Village, as set forth in the related Official Notice of Sale. Winning Bids are not officially awarded to Winning Bidders until formally accepted by the Village.

- (2) Neither the Village, Speer, nor Grant Street Group (the "Auction Administrator") is responsible for technical difficulties that result in loss of Bidder's internet connection with SpeerAuction, slowness in transmission of bids, or other technical problems.
- (3) If for any reason a Bidder is disconnected from the Auction Page during the auction after having submitted a Winning Bid, such bid is valid and binding upon such Bidder, unless the Village exercises its right to reject bids, as set forth herein.
- (4) Bids which generate error messages are not accepted until the error is corrected and bid is received prior to the deadline.
- (5) Bidders accept and agree to abide by all terms and conditions specified in the Official Notice of Sale (including amendments, if any) related to the auction.
- (6) Neither the Village, Speer, nor the Auction Administrator is responsible to any bidder for any defect or inaccuracy in the Official Notice of Sale, amendments, or Official Statement as they appear on SpeerAuction.
- (7) Only Bidders who request and receive admission to an auction may submit bids. SpeerAuction and the Auction Administrator reserve the right to deny access to SpeerAuction website to any Bidder, whether registered or not, at any time and for any reason whatsoever, in their sole and absolute discretion.
- (8) Neither the Village, Speer, nor the Auction Administrator is responsible for protecting the confidentiality of a Bidder's SpeerAuction password.
- (9) If two bids submitted in the same auction by the same or two or more different Bidders result in same True Interest Cost, the first confirmed bid received by SpeerAuction prevails. Any change to a submitted bid constitutes a new bid, regardless of whether there is a corresponding change in True Interest Cost.
- (10) Bidders must compare their final bids to those shown on the Observation Page immediately after the bidding time period ends, and if they disagree with the final results shown on the Observation Page they must report them to SpeerAuction within 15 minutes after the bidding time period ends. Regardless of the final results reported by SpeerAuction, Series 2026B Bonds are definitively awarded to the winning bidder only upon official award by the Village. If, for any reason, the Village fails to: (i) award Series 2026B Bonds to the winner reported by SpeerAuction, or (ii) deliver Series 2026B Bonds to winning bidder at settlement, neither the Village, Speer, nor the Auction Administrator will be liable for damages.

The Village reserves the right to reject all proposals, to reject any bid proposal not conforming to this Official Notice of Sale, and to waive any irregularity or informality with respect to any proposal. Additionally, the Village reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Series 2026B Bonds and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

The Series 2026B Bonds will be in fully registered form in the denominations of \$5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York ("DTC"), to which principal and interest payments on the Series 2026B Bonds will be paid. Individual purchases will be in book-entry only form. Interest on each Series 2026B Bond shall be paid by check or draft of the Bond Registrar to the person in whose name such bond is registered at the close of business on the fifteenth day of the month next preceding any interest payment date. The principal of the Series 2026B Bonds shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Bond Registrar in Chicago, Illinois. Semiannual interest is due June 1 and December 1 of each year commencing December 1, 2026, and is payable by U.S. Bank Trust Company, National Association, Chicago, Illinois (the "Bond Registrar"). The Series 2026B Bonds are dated the date of delivery, expected to be on or about February 18, 2026.

If the winning bidder is not a direct participant of DTC and does not have clearing privileges with DTC, the Series 2026B Bonds will be issued as Registered Bonds in the name of the purchaser. At the request of such winning bidder, the Village will assist in the timely conversion of the Registered Bonds into book-entry bonds with DTC as described herein.

MATURITIES* – DECEMBER 1

\$ 90,000	2029	\$135,000	2038
95,000	2030	140,000	2039
100,000	2031	150,000	2040
105,000	2032	155,000	2041
105,000	2033	165,000	2042
110,000	2034	170,000	2043
115,000	2035	180,000	2044
125,000	2036	190,000	2045
130,000	2037		

Any consecutive maturities may be aggregated into term bonds at the option of the bidder, in which case the mandatory redemption provisions shall be on the same schedule as above.

The Series 2026B Bonds maturing on or after December 1, 2034, inclusive, are callable at the option of the Village on any date on or after December 1, 2033, at a price of par and accrued interest to the redemption date. If less than all the Series 2026B Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the Village and within any maturity by lot

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. No coupon rate shall exceed five percent (5%). The differential between the highest rate bid and the lowest rate bid shall not exceed three percent (3%). All bids must be for all of the Series 2026B Bonds, must be for not less than \$2,214,800.

Award of the Bonds

The Series 2026B Bonds will be awarded on the basis of true interest cost, determined in the following manner. True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Series 2026B Bonds from the payment dates thereof to the dated date and to the bid price. For the purpose of calculating true interest cost, the Series 2026B Bonds shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage.

The Series 2026B Bonds will be awarded to the bidder complying with the terms of this Official Notice of Sale whose bid produces the lowest true interest cost rate to the Village as determined by the Village's Municipal Advisor, which determination shall be conclusive and binding on all bidders; *provided*, that the Village reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

The premium or discount, if any, is subject to pro rata adjustment if the maturity amounts of the Series 2026B Bonds are changed, allowing the same dollar amount of profit per \$1,000 bond as submitted on the Official Bid Form. The dollar amount of profit must be written on the Official Bid Form for any adjustment to be allowed and is subject to verification.

The true interest cost of each bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the Village's Municipal Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The Village or its Municipal Advisor will notify the bidder to whom the Series 2026B Bonds will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-32. The winning bidder will be required to pay the standard MSRB charge for Series 2026B Bonds purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per bond.

The winning bidder is required to wire transfer from a solvent bank or trust company to the Village's good faith bank the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time as evidence of the good faith of the bidder. Alternatively, a bidder may submit its Deposit upon or prior to the submission of its bid in the form of a certified or cashier's check on, or a wire transfer from, a solvent bank or trust company for **TWO PERCENT OF PAR** payable to the Treasurer of the Village. The Village reserves the right to award the Series 2026B Bonds to a bidder whose wire transfer is initiated but not received within such two hour time period provided that such bidder's federal wire reference number has been received. In the event the Deposit is not received as provided above, the Village may award the Series 2026B Bonds to the bidder submitting the next best bid provided such bidder agrees to such award.

The Deposit of the successful bidder will be retained by the Village pending delivery of the Series 2026B Bonds and all others, if received, will be promptly returned. Should the successful bidder fail to take up and pay for the Series 2026B Bonds when tendered in accordance with this Official Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the Village caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied on the purchase price upon delivery of the Series 2026B Bonds. No interest on the Deposit will accrue to the purchaser.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

Amalgamated Bank of Chicago
Corporate Trust
30 North LaSalle Street
38th Floor
Chicago, IL 60602
ABA (for wires only) # 071003405
Credit To: 3281 Speer Bidding Escrow
RE: Village of Deerfield, Lake and Cook Counties, Illinois
Bid for \$2,260,000* Taxable General Obligation Bonds, Series 2026B

Contemporaneously with such wire transfer, the winning bidder shall send an email to biddingscrow@aboc.com with the following information: (1) indication that a wire transfer has been made, (2) the amount of the wire transfer, (3) the issue to which it applies, and (4) the return wire instructions if such bidder is not awarded the Series 2026B Bonds. The Village and any bidder who chooses to wire the Deposit hereby agree irrevocably that Speer shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (i) if the bid is not accepted, Speer shall, at its expense, promptly return the Deposit amount to such bidder; (ii) if the bid is accepted, the Deposit shall be forwarded to the Village; (iii) Speer shall bear all costs of maintaining the escrow account and returning the funds to the bidder; (iv) Speer shall not be an insurer of the Deposit amount and shall have no liability except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and (v) no interest on the Deposit will accrue to the winning bidder.

The Village covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the "Undertaking") to provide ongoing disclosure about the Village for the benefit of the beneficial owners of the Series 2026B Bonds on or before the date of delivery of the Series 2026B Bonds as required under Section (b)(5) of Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter.

The Underwriter's obligation to purchase the Series 2026B Bonds shall be conditioned upon the Village delivering the Undertaking on or before the date of delivery of the Series 2026B Bonds.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the Village in the Series 2026B Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel arising from any adverse position to the Village in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

Series 2026B Bonds will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about February 18, 2026. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the Village except failure of performance by the purchaser, the Village may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser's interest in and liability for the Series 2026B Bonds will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Series 2026B Bonds, and any other information required by law or deemed appropriate by the Village, shall constitute a "Final Official Statement" of the Village with respect to the Series 2026B Bonds, as that term is defined in the Rule. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Series 2026B Bonds and other information may be included in a separate document entitled "Final Official Statement" rather than through supplementing the Official Statement by an addendum or addenda. By awarding the Series 2026B Bonds to any underwriter or underwriting syndicate, the Village agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Series 2026B Bonds are awarded, up to 50 copies of the Final Official Statement to permit each "Participating Underwriter" (as that term is defined in the Rule) to comply with the provisions of such Rule. The Village shall treat the senior managing underwriter of the syndicate to which the Series 2026B Bonds are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Series 2026B Bonds agrees thereby that if its bid is accepted by the Village it shall enter into a contractual relationship with all Participating Underwriters of the Series 2026B Bonds for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Series 2026B Bonds. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The Village will, at its expense, deliver the Series 2026B Bonds to the purchaser in New York, New York, through the facilities of DTC and will pay for bond counsel's opinion. At the time of closing, the Village will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Series 2026B Bonds: (1) the opinion of Bond Counsel, that the Series 2026B Bonds are lawful and enforceable obligations of the Village in accordance with their terms; and (2) a no litigation certificate by the Village.

The Village has authorized the printing and distribution of an Official Statement containing pertinent information relative to the Village and the Series 2026B Bonds. Copies of such Official Statement or additional information may be obtained from Mr. Eric Burk, Director of Finance, Village of Deerfield, 850 Waukegan Road, Deerfield, Illinois 60015 or an electronic copy of this Official Statement is available from the www.speerfinancial.com web site under "Sales Calendars/Competitive Official Statement Sales" from the Municipal Advisor to the Village, Speer Financial, Inc., 230 W. Monroe Street, Suite 2630, Chicago, Illinois 60606, telephone (312) 346-3700.

/s/ **KENT S. STREET**
Village Manager
VILLAGE OF DEERFIELD
Lake and Cook Counties, Illinois

/s/ **ERIC L. BURK**
Director of Finance
VILLAGE OF DEERFIELD
Lake and Cook Counties, Illinois

**Subject to change.*