

**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**



for the year ended
DECEMBER 31, 2015

VILLAGE OF DEERFIELD, ILLINOIS

VILLAGE OF DEERFIELD, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
December 31, 2015

Prepared by Finance Department

Eric L. Burk
Director of Finance/Treasurer

VILLAGE OF DEERFIELD, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Principal Officials	i
Organizational Chart	ii
Certificate of Achievement for Excellence in Financial Reporting.....	iii
Director of Finance’s Letter of Transmittal	iv-vii
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	1-2
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis.....	MD&A 1-7
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	3
Statement of Activities	4-5
Fund Financial Statements	
Governmental Funds	
Balance Sheet	6-7
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position	8
Statement of Revenues, Expenditures and Changes in Fund Balances	9-10
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities.....	11

VILLAGE OF DEERFIELD, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Basic Financial Statements (Continued)

Fund Financial Statements (Continued)

Proprietary Funds

Statement of Net Position.....	12-13
Statement of Revenues, Expenses and Changes in Net Position.....	14
Statement of Cash Flows.....	15-16

Fiduciary Funds

Statement of Fiduciary Net Position	17
Statement of Changes in Fiduciary Net Position	18

Notes to Financial Statements	19-58
-------------------------------------	-------

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund.....	59
Schedule of Funding Progress and Employer Contributions Other Postemployment Benefit Plan	60
Notes to Required Supplementary Information	61
Schedule of Employer Contributions Illinois Municipal Retirement Fund	62
Police Pension Fund	63
Schedule of the Village's Proportionate Share of the Net Pension Liability Illinois Municipal Retirement Fund	64
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios Police Pension Fund	65
Schedule of Investment Returns Police Pension Fund	66

VILLAGE OF DEERFIELD, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

COMBINING AND INDIVIDUAL FUND
 FINANCIAL STATEMENTS AND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

Schedule of Revenues - Budget and Actual - General Fund	67-68
Schedule of Expenditures - Budget and Actual - General Fund.....	69-71
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Debt Service Fund	72
Infrastructure Replacement Fund	73

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	75
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Motor Fuel Tax Fund.....	76
Enhanced 911 Fund	77
2011B Sinking Fund.....	78

MAJOR ENTERPRISE FUNDS

Water Fund	
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual	79
Schedule of Operating Expenses - Budget and Actual.....	80
Schedule of Capital Assets and Depreciation.....	81
Sewerage Fund	
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual	82
Schedule of Operating Expenses - Budget and Actual.....	83
Schedule of Capital Assets and Depreciation.....	84
Refuse Fund	
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual	85

VILLAGE OF DEERFIELD, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

COMBINING AND INDIVIDUAL FUND
 FINANCIAL STATEMENTS AND SCHEDULES (Continued)

NONMAJOR ENTERPRISE FUNDS

Commuter Parking Lot Fund	
Schedule of Revenues, Expenses and Changes in Net Position -	
Budget and Actual	86
Schedule of Operating Expenses - Budget and Actual.....	87
Schedule of Capital Assets and Depreciation.....	88

INTERNAL SERVICE FUNDS

Combining Statement of Net Position.....	89
Combining Statement of Revenues, Expenses and Changes in	
Net Position	90
Combining Statement of Cash Flows.....	91

Garage Fund	
Schedule of Revenues, Expenses and Changes in Net Position -	
Budget and Actual	92
Schedule of Operating Expenses - Budget and Actual.....	93

Vehicle and Equipment Replacement Fund	
Schedule of Revenues, Expenses and Changes in Net Position -	
Budget and Actual	94

FIDUCIARY FUNDS

Schedule of Changes in Plan Net Position- Budget and Actual -	
Police Pension Fund	95
Combining Statement of Changes in Assets and Liabilities -	
Agency Funds.....	96

SUPPLEMENTAL DATA

Long-Term Debt Requirements	
General Obligation Bond Series of 2008	97
General Obligation Bond Series of 2010A	98
General Obligation Bond Series of 2011A	99
General Obligation Bond Series of 2011B.....	100

VILLAGE OF DEERFIELD, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

SUPPLEMENTAL DATA (Continued)

Long-Term Debt Requirements (Continued)

General Obligation Bond Series of 2012	101
General Obligation Bond Series of 2013	102
General Obligation Bond Series of 2015	103

STATISTICAL SECTION

Financial Trends

Net Position by Component	104-105
Change in Net Position	106-109
Fund Balances of Governmental Funds	110-111
Changes in Fund Balances of Governmental Funds	112-113

Revenue Capacity

Sales Tax by Category	114
Direct and Overlapping Sales Tax Rates	115

Debt Capacity

Ratios of Outstanding Debt by Type.....	116
Ratios of General Bonded Debt Outstanding.....	117
Direct and Overlapping Bonded Debt - Governmental Activities.....	118
Legal Debt Margin Information	119

Demographic and Economic Information

Demographic and Economic Information.....	120
Principal Employers	121

Operating Information

Full-Time Equivalent Employees	122
Operating Indicators.....	123
Capital Asset Statistics.....	124

Continuing Disclosures.....	125-130
-----------------------------	---------

VILLAGE OF DEERFIELD, ILLINOIS

PRINCIPAL OFFICIALS

December 31, 2015

LEGISLATIVE

VILLAGE BOARD OF TRUSTEES

Harriet E. Rosenthal, Mayor

Daniel C. Shapiro

Thomas L. Jester

Barbara J. Struthers

William S. Seiden

Robert D. Nadler

Alan L. Farkas

Kent Street, Clerk

ADMINISTRATIVE

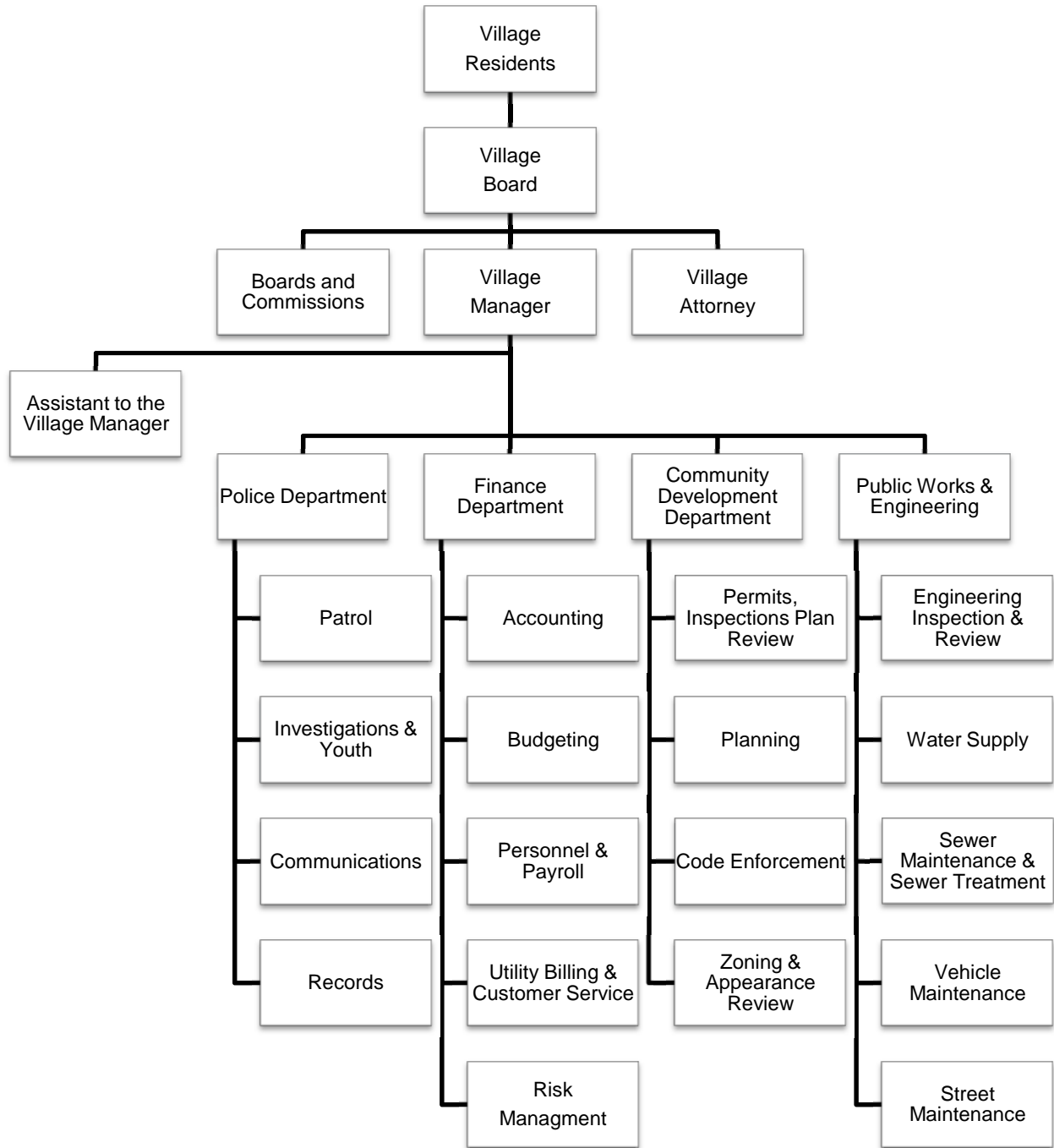
Kent Street, Village Manager

FINANCE DEPARTMENT

Eric L. Burk

Director of Finance/Treasurer

Village of Deerfield, Illinois Organization Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Village of Deerfield
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO



VILLAGE OF DEERFIELD

June 16, 2016

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

The Comprehensive Annual Financial Report ("CAFR") of the Village of Deerfield (the "Village") for the year ended December 31, 2015 is submitted herewith. This report represents a comprehensive picture of the Village's financial activities during 2015 and the financial condition of its various funds at December 31, 2015. 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.

Sikich LLP, Certified Public Accountants, have issued an unmodified ("clean") opinion on the Village of Deerfield's financial statements for the year ended December 31, 2015. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's 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 2010 Census of 18,458. 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, agency 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.

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, 2014 the Village's unemployment rate was estimated to be 5.1%, compared to 5.8% for Lake County, 5.8% for the State of Illinois and 5.4% for the United States. Deerfield's unemployment rate as of December 31, 2015 is not available. Other unemployment rates have remained relatively consistent at 6.2% in Lake County, 6.0% in the State of Illinois and 4.8% in the United States.

The Village base sales tax revenue (which represents 1% of the total eligible sales), net of the Walgreen National sales tax rebate, decreased approximately \$280,000 from its recent high in 2014. This decrease is not necessarily indicative of an overall decrease in retail sales activity. Pursuant to a sales tax sharing agreement, 80% of the sales tax the Village receives from Walgreen National is rebated back to them. The Walgreen National activity regularly fluctuates from year to year. 2014 included significantly greater receipts from Walgreen National, which accounted for approximately \$100,000 of the decrease above. 2014 also included several one-time receipts relating to use tax on titled/registered items and adjustments. Finally, one major retailer left town at the end of 2014. The 2015 base sales tax revenue, net of the Walgreen's sales tax rebate is consistent with the 2013 amount.

Median family income figures from 2010 Census estimates demonstrate that the average income of Deerfield residents far exceeds county and state averages. According to the Census Bureau, Deerfield's 2010 median family income was \$129,187, compared to \$68,236 for the State of Illinois and \$62,982 for the United States. This ranked Deerfield among the wealthiest communities in the State of Illinois. The median family income has increased approximately 30% from the 2000 Census figure.

Commercial and residential construction activity remained consistent compared to the prior year (excluding one-time permits related to two new apartment buildings) in the number of permits issued. Much of the activity was in commercial and residential remodeling. Overall permit revenue totaled \$1,004,633 for the year ending December 31, 2015. After removing the prior year one-time revenues, permit revenue remained reasonably consistent with the prior year. 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 recently, 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. \$10 million of additional debt was issued in 2015 as part of the five year CIP.

Major Initiatives

As part of the regular budget planning process, Village staff has presented the Board with an expanded capital projects program that will require significant expenditures over the next three years. The majority of these projects include road reconstruction along with water and sewer utility work. For 2015 -2017, the major funding sources will be balances in the Infrastructure Fund, property tax, state & federal grants, the home rule tax revenue and a \$9.575 million bond issue.

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 comprehensive annual financial report for the fiscal year ended December 31, 2014. 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 comprehensive annual financial report (CAFR) whose contents conform to program standards. Such CAFR 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 has received a Certificate of Achievement for the last thirty years. 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, 2015. 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 comprehensive annual 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 Richard Jett, Village 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,



Eric L. Burk
Director of Finance/Treasurer



1415 W. Diehl Road, Suite 400
Naperville, Illinois 60563

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

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

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, 2015, which collectively comprise the Village's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Village's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Deerfield, Illinois, as of December 31, 2015, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 14, the Village adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources and expenses; modified certain disclosures in the notes to financial statements and the required supplementary information. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the other required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the Village's basic financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules, supplemental data and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules and supplemental data are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Naperville, Illinois
June 16, 2016



GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

VILLAGE OF DEERFIELD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2015

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 (beginning on page iv) and the Village's financial statements (beginning on page 3).

Financial Highlights

- The Village's General Fund ended the period with total revenues exceeding total expenditures by \$414,635. Combined with other financing uses of \$1,177,178, the December 31, 2015 fund balance decreased by \$762,543. The 2015 General Fund budget originally showed a decrease of \$3,477,837. However, revenues exceeded budget and expenditures were under budget. See Major Governmental Funds section of MD&A for further details.
- Sales tax and home rule sales tax decreased \$656,714 and \$472,348, respectively in the current year. The decrease was due partially to lower than expected economic incentive activity, which also resulted in lower economic incentive expenditures and contributed to the positive variance in the General Fund.
- Hotel/motel tax revenue (\$2,141,488) exceeded current year expectation of \$1,800,000; business travel is the primary reason for stays at Deerfield hotels. All six of the Deerfield hotels remained open during the year.
- The Village collected \$1,251,001 from the Electric Utility tax and \$1,707,745 from the Simplified Telecommunications tax. Electric Utility tax decreased slightly from the prior year, but was consistent with the current year budget. Simplified Telecommunications tax increased significantly from the prior year and exceeded the current year budget.
- The Village issued \$9,575,000 of general obligation debt in 2015 to partially fund an expanded three year capital plan. The three year capital plan is also funded with planned drawdowns of General Fund Balance by moving a portion of the property tax levy from the General Fund to the Infrastructure Replacement Fund. The Village will evaluate moving the property tax levy out of the General Fund each year in conjunction with the General Fund Balance policy.
- The Village implemented GASB Statement number 68 in the current year. The implementation resulted in the addition of \$30,320,867 of net pension liability on the Statement of Net Position, \$496,767 in the Water Fund and \$993,595 in the Sewer Fund. The implementation also resulted in expense reduction to the Water and Sewer Funds of \$95,887 and \$191,774, respectively. The reductions were for accounting purposes only as deferred outflows exceeded the change in net pension liability. See note 12 for additional information.
- The Village completed its multi-year water meter change out program. The completion was accelerated in the current year to take advantage of the efficiencies related to reading the new meters. \$780,000 was budgeted for the accelerated change out program this year. Actual costs were under budget at approximately \$475,000.
- The Village increased daily parking fee from \$1.50 to \$2.00 and implemented a pay by phone parking app that allows daily fee parkers the convenience of skipping the pay boxes and paying directly from their mobile devices. Parking lot fees increase \$44,349 from the previous year.
- The infrastructure maintenance fee of ½ of 1% of the project value, which was implemented in 2012, totaled to \$428,546 for the year. This amount exceeded current year expectation, but decreased from the prior year amount due to the maintenance fee paid by a new apartment complex in the prior year.
- The Village retired \$1,720,000 of general obligation debt during the period. The total balance of debt outstanding as of December 31, 2015 was \$61,070,000. \$9,575,000 of general obligation debt was issued during 2015.

VILLAGE OF DEERFIELD, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL 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 (see pages 3 - 5) 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 (see pages 4 – 5) 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 (see pages 6 – 11) 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.

Proprietary or business-type activity funds (see pages 12 - 16) 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.

**VILLAGE OF DEERFIELD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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 (see pages 17 - 18) 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. The notes to the financial statements begin on page 18 of this report.

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.

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

	Governmental Activities		Business-type Activities		Total – Primary Govt.	
	2015	2014	2015	2014	2015	2014
Current & Other Assets	54.90	52.21	1.49	2.67	56.39	54.88
Capital Assets	76.62	70.92	60.33	59.50	136.95	130.42
Total Assets	131.52	123.13	61.82	62.17	193.34	185.30
Deferred Outflows of Resources	16.25	-	.74	-	16.99	-
Total Assets and Deferred Outflows of Resources	147.77	123.13	62.56	-	210.33	-
Long-Term Liabilities	63.01	23.57	31.47	30.73	94.48	54.30
Other Liabilities	3.59	4.02	1.39	1.42	4.98	5.44
Total Liabilities	66.60	27.59	32.86	32.15	99.46	59.74
Deferred Inflows of Resources	7.16	5.29	.03	.96	7.19	6.25
Total Liabilities and Deferred Inflows of Resources	73.76	32.88	32.89	33.11	106.65	65.99
Net Position:						
Net Investment in Capital Assets						
Assets	55.03	58.84	29.87	28.27	84.89	87.11
Restricted	4.44	4.33	-	-	4.44	4.33
Unrestricted	14.54	27.08	-.20	0.79	14.35	27.87
Total Net Position	74.01	90.25	29.67	29.06	103.68	119.31

The Village's total primary government net position decreased by \$15.63 million due largely to the implementation of GASB statement number 68. The Village recorded a Net Pension Liability of \$30.32 million related Governmental Activities and \$1.49 million related to Business-type Activities. The Village also recorded deferred outflows of resources of \$16.17 million and \$0.74 million for Governmental and Business-type Activities, respectively. Governmental Activities Capital Assets increased due to infrastructure improvements mainly related to street reconstruction.

**VILLAGE OF DEERFIELD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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.	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program Revenues:						
Charges for Service	4.04	5.42	7.21	7.13	11.25	12.56
Operating Grants	0.45	0.61	-	-	0.45	0.61
Capital Grants	0.44	1.31	2.25	0.17	2.69	1.48
General Revenue:						
Property Taxes	5.38	5.12	0.97	0.93	6.35	6.05
Other Taxes/ Intergovernmental	16.30	16.86	-	-	16.30	16.86
Transfers in (out)	-1.82	-1.82	1.82	1.82	-	-
Other	1.54	0.48	0.20	0.26	1.74	0.74
Total Revenue	26.33	27.98	12.45	10.32	38.78	38.30
Expenses:						
General Government	8.18	7.74	-	-	8.18	7.74
Public Safety	11.87	9.19	-	-	11.87	9.19
Highways and Streets	8.07	6.29	-	-	8.07	6.29
Interest/fiscal charges	1.11	0.69	-	-	1.11	0.69
Water	-	-	4.52	4.34	4.52	4.34
Sewer	-	-	4.53	4.70	4.53	4.70
Refuse	-	-	1.43	1.45	1.43	1.45
Parking Lots	-	-	0.28	0.33	0.28	0.33
Total Expense	29.23	23.91	10.76	10.82	39.99	34.73
Changes in Net Position	-2.90	4.07	1.69	-0.50	-1.21	3.57

CURRENT YEAR IMPACTS

Governmental Activities

Revenue

Charges for service decreased as the prior year included significant one time building permit revenue that related to the construction of two apartment complexes. Similarly, capital grants decreased due to prior year grants for street rehabilitation. The increase in property tax revenue (\$0.26 million) is due largely to increased costs of debt service.

Expenses

The Village's General Government expenses increased by \$5.32 million. The largest increase was to Public Safety and related to the implementation of GASB statement number 68. An additional \$2.4 million was included as Public Safety on the Statement of Activities due to the implementation. Highways and Street expenses increased \$1.78 million due to increased capital outlay related to the Village's expanded three year Capital Improvement plan. Interest and fiscal charges increased \$0.42 million due to interest payments and fiscal charges in connection with the issuance of debt.

VILLAGE OF DEERFIELD, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-type Activities

Revenues

A water rate increase of 2.5% was implemented in January, 2015; water sales totaled \$3.70 million, which was less than the budget of \$4.18 million. Sewer user charges of \$2.72 million were also short of the budget by \$0.05 million. The sewer rates were increased 2.5% in January 2015. Refuse charge rates were also increased 2.5%, and revenue of \$0.51 million was consistent with the budgeted amount. The daily parking fee was increased from \$1.50 to \$2.00, resulting in an increase in revenue of \$0.04 million.

Expenses

Water Fund operating expenditures increased \$0.17 million from the prior year. Water Sales decreased proportionately with wholesale water purchases; however, the completion of the accelerated meter change out program added significant costs to the fund this year. These additional costs were anticipated and actual costs were under budget, which resulted in an operating loss before depreciation \$0.2 million under the original budget. The Village's wholesale water supplier increased its rates on January 1st in combination with a series of annual increases to fund the reconstruction of their water treatment plant.

Sewer Fund operating expenses decreased in comparison to the prior year. The decrease was due largely to the implementation of GASB statement number 68. The Village's deferred outflows exceeded its change in net pension liability, resulting in a reduction of expenses of \$0.19 million for accounting purposes.

Refuse and Parking Fund operating expenses decreased slightly in comparison to the period year. Both funds were under their expenditure budget.

FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

Governmental Funds

At December 31, 2015, the governmental funds reported a combined fund balance of \$30.84 million which is a 8.90% increase from the beginning of the year (\$28.32 million). The increase is due partially to an increase in the Infrastructure Replacement Fund balance and unspent bond proceeds; both will be used as a part of the expanded three year capital plan. The 2011 B sinking fund also increased as expected. This fund will continue to increase until the Bonds are due on December 1, 2028.

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 \$16.6 million provides for approximately 300 days of anticipated annual expenditures.

General Fund revenues exceeded the budget of \$17.8 million by \$1.1 million. State shared revenues, such as income taxes and use taxes, exceeded budgeted amounts. Sales tax and Home Rule Sales tax did not meet the current year expectations, which also resulted in lower than expected economic incentive payments. Hotel/motel tax, telecommunications tax and building permit revenue all exceeded the current year budget.

General Fund expenditures were \$1.63 million less than the budget. This was caused primarily by economic incentive payments and the employer contribution to the Police Pension Fund being lower than expected. Vacant positions in multiple departments also contributed to the favorable variance.

**VILLAGE OF DEERFIELD, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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 on page 59.

**General Fund Budget versus Actual
Fiscal year ended December 31, 2015
(in millions)**

	Original Budget	Amended Budget	Actual
Revenues			
Taxes	8.06	8.06	8.62
Intergovernmental	6.65	6.65	6.77
Other	3.10	3.10	3.51
Total	17.81	17.81	18.90
Expenditures & Transfers			
Expenditures	20.09	20.09	18.48
Other Sources	-	-	-
Transfers – Net	1.20	1.20	1.18
Total	21.29	21.29	19.66
Change in Fund Balance	-3.48	-3.48	-0.76

The Debt Service Fund is funded through property taxes and Build America Bond & Qualified Energy Conservation Bond rebates. Revenues and expenditures in this fund were consistent with expectation, including Federal Sequestration Cuts to the Build America Bond & Qualified Energy Conservation Bond rebates.

The Infrastructure Replacement Fund (IRF) is primarily funded with a home rule sales tax and grants. The Village also implemented an Infrastructure Maintenance Fee of ½ of 1% of the project value in 2012. Revenue in the IRF exceeded the budget by \$0.22 million due partially to greater than expected Infrastructure Maintenance Fees. Expenditures in the IRF totaled \$11.96 million. Engineering costs for upcoming projects, street improvements and infrastructure improvements accounted for the bulk of this fund's expenditures.

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 \$3.82 million for the year. Actual operating expenses, excluding depreciation and interest totaled \$4.10 million. Overall, net position increased \$0.95 million which included depreciation of \$0.42 million and contributions of capital assets of \$2.00 million.

The Sewerage Fund operating expenses were under budget by \$0.30 million due primarily to lower than expected personnel costs. The operating revenue exceeded operating expenses excluding depreciation by \$0.28 million due to reduced operating costs. 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 \$0.9 million. This Village also uses a portion of its property tax levy to fund refuse collection. Property tax collected for the Refuse Fund totaled \$0.97 million and the Refuse Fund's net position increased \$0.07 million during the year to \$0.44 million.

Internal Service Funds

The Village's combined internal service funds' net position were \$6.5 million as of December 31, 2015, with \$4.9 million of the total available for major equipment purchases in the Vehicle and Equipment Replacement Fund. Total revenue approximated total expenses in the Garage Fund resulting in a minimal increase in net position.

VILLAGE OF DEERFIELD, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS

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, 2015 was \$76.62 million. The Village's investment in capital assets, net of accumulated depreciation, for business-type activities as of December 31, 2015 was \$60.33 million. Major capital asset additions during the current year included streets and vehicles/equipment. Additional information on capital assets is presented in Note 4 to the financial statements.

Long-term debt

The Village issued \$9.57 million of general obligation debt during the year and retired \$1.72 million of general obligation debt. At the end of the year, the Village had total bonded debt outstanding of \$61.07 million. As a home rule government, under Illinois law, the Village has no legal debt limit. As of December 31, 2015 the total Village debt represented 4.63% of the equalized assessed value. Additional information on long-term debt is presented in Note 6 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 2015.

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 national economic slowdown continues to affect the local Village micro-economy. However, slowdowns in local retail sales and hotel/motel occupancies have rebounded from the previous year. 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. General Fund property tax revenue was transferred to the Infrastructure Replacement Fund in 2015 to help fund an expanded three year capital improvement plan. Previously, property tax revenue was approximately 10% of General Fund revenue.

One of the major retail areas in the Village continues to attempt attracting major tenants. The Village is committed to working with developers and land owners to help them fill vacant retail space. Building permit revenues have again exceeded current period expectations.

The Village's hotel/motel tax has reached a high of \$2.1 million and exceeded current year budget by \$0.34 million due to more business travel. All of the Village's six hotels have remained open during the year. The continued strength of the local corporate employment provides a base level of demand for rooms which is the primary market for these hotels.

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.

VILLAGE OF DEERFIELD, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2015

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash and investments	\$ 31,831,554	\$ 1,364,537	\$ 33,196,091
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	7,075,988	-	7,075,988
Accounts	675,544	1,097,245	1,772,789
Accrued interest	24,545	609	25,154
Electric utility tax	107,513	-	107,513
Due from other governments	13,017,830	-	13,017,830
Note receivable	60,000	-	60,000
Internal balances	1,218,565	(1,218,565)	-
Inventory	169,413	162,526	331,939
Prepaid expenses	712,793	83,350	796,143
Capital assets not being depreciated	22,395,028	1,962,680	24,357,708
Capital assets (net of accumulated depreciation)	54,229,152	58,367,739	112,596,891
Total assets	131,517,925	61,820,121	193,338,046
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	2,044,564	740,273	2,784,837
Pension items - police pension	14,209,193	-	14,209,193
Total deferred outflows of resources	16,253,757	740,273	16,994,030
Total assets and deferred outflows of resources	147,771,682	62,560,394	210,332,076
LIABILITIES			
Accounts payable	1,930,968	385,570	2,316,538
Accrued payroll	299,076	66,200	365,276
Contracts payable	111,143	-	111,143
Deposits payable	-	40,599	40,599
Other payables	19,232	-	19,232
Accrued interest payable	78,525	86,057	164,582
Noncurrent liabilities			
Due within one year	1,534,720	807,165	2,341,885
Due in more than one year	62,631,262	31,470,311	94,101,573
Total liabilities	66,604,926	32,855,902	99,460,828
DEFERRED INFLOWS OF RESOURCES			
Deferred property taxes	7,075,988	-	7,075,988
Pension items - IMRF	81,469	29,497	110,966
Total deferred inflows of resources	7,157,457	29,497	7,186,954
Total liabilities and deferred inflows of resources	73,762,383	32,885,399	106,647,782
NET POSITION			
Net investment in capital assets	55,025,274	29,869,458	84,894,732
Restricted for			
Maintenance of roadways	388,546	-	388,546
Public safety	1,130,293	-	1,130,293
Debt service	2,925,622	-	2,925,622
Unrestricted	14,539,564	(194,463)	14,345,101
TOTAL NET POSITION	\$ 74,009,299	\$ 29,674,995	\$ 103,684,294

See accompanying notes to financial statements.

VILLAGE OF DEERFIELD, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2015

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General government	\$ 8,182,572	\$ 2,214,956	\$ -	\$ -
Public safety	11,870,633	1,218,489	-	6,215
Highways and streets	8,065,953	606,549	445,554	436,475
Interest	1,113,073	-	-	-
Total governmental activities	29,232,231	4,039,994	445,554	442,690
Business-Type Activities				
Water	4,517,289	3,701,281	-	2,002,495
Sewerage	4,533,170	2,724,235	-	247,246
Refuse disposal	1,433,697	513,672	-	-
Commuter parking lot	284,789	270,799	-	-
Total business-type activities	10,768,945	7,209,987	-	2,249,741
TOTAL PRIMARY GOVERNMENT	\$ 40,001,176	\$ 11,249,981	\$ 445,554	\$ 2,692,431

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmental Activities	Business-Type Activities	Total
	\$ (5,967,616)	\$ -	\$ (5,967,616)
	(10,645,929)	-	(10,645,929)
	(6,577,375)	-	(6,577,375)
	(1,113,073)	-	(1,113,073)
	<u>(24,303,993)</u>	<u>-</u>	<u>(24,303,993)</u>
	-	1,186,487	1,186,487
	-	(1,561,689)	(1,561,689)
	-	(920,025)	(920,025)
	-	(13,990)	(13,990)
	<u>-</u>	<u>(1,309,217)</u>	<u>(1,309,217)</u>
	<u>(24,303,993)</u>	<u>(1,309,217)</u>	<u>(25,613,210)</u>
General Revenues			
Taxes			
Property	5,378,578	965,948	6,344,526
Replacement	148,999	-	148,999
Home rule sales	2,941,572	-	2,941,572
Local use	405,359	-	405,359
Hotel/motel	2,141,488	-	2,141,488
Simplified telecommunications	1,707,745	-	1,707,745
Electric utility tax	1,251,001	-	1,251,001
Intergovernmental	7,697,052	-	7,697,052
Investment income	130,060	4,055	134,115
Miscellaneous	676,294	218,479	894,773
Contributions	732,831	-	732,831
Transfers	(1,805,840)	1,805,840	-
Total	<u>21,405,139</u>	<u>2,994,322</u>	<u>24,399,461</u>
CHANGE IN NET POSITION	<u>(2,898,854)</u>	<u>1,685,105</u>	<u>(1,213,749)</u>
NET POSITION, JANUARY 1	90,239,313	29,057,168	119,296,481
Change in accounting principal	<u>(13,331,160)</u>	<u>(1,067,278)</u>	<u>(14,398,438)</u>
NET POSITION, JANUARY 1 (RESTATED)	<u>76,908,153</u>	<u>27,989,890</u>	<u>104,898,043</u>
NET POSITION, DECEMBER 31	<u>\$ 74,009,299</u>	<u>\$ 29,674,995</u>	<u>\$ 103,684,294</u>

See accompanying notes to financial statements.

VILLAGE OF DEERFIELD, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2015

	General	Debt Service	Infrastructure Replacement	Nonmajor Governmental	Total
ASSETS					
Cash and investments	\$ 16,606,698	\$ 57,589	\$ 4,997,748	\$ 5,308,877	\$ 26,970,912
Receivables (net, where applicable, of allowances for uncollectibles)					
Property taxes	3,449,753	3,626,235	-	-	7,075,988
Accounts	575,891	-	6,200	88,234	670,325
Accrued interest	10,189	432	1,869	9,638	22,128
Electric utility tax receivable	107,513	-	-	-	107,513
Due from other governments	2,792,086	9,625,000	559,612	41,132	13,017,830
Note receivable	60,000	-	-	-	60,000
Due from other funds	261,899	-	-	-	261,899
Advance to other funds	958,565	-	-	-	958,565
Inventory	21,031	-	-	-	21,031
Prepaid items	707,640	-	-	-	707,640
TOTAL ASSETS	\$ 25,551,265	\$ 13,309,256	\$ 5,565,429	\$ 5,447,881	\$ 49,873,831

	General	Debt Service	Infrastructure Replacement	Nonmajor Governmental	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 857,900	\$ -	\$ 747,253	\$ 306,762	\$ 1,911,915
Accrued payroll	292,799	-	-	-	292,799
Contracts payable	-	-	111,143	-	111,143
Other payables	19,232	-	-	-	19,232
Total liabilities	1,169,931	-	858,396	306,762	2,335,089
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - Library	-	9,625,000	-	-	9,625,000
Unavailable property tax revenues	3,449,753	3,626,235	-	-	7,075,988
Total deferred inflows of resources	3,449,753	13,251,235	-	-	16,700,988
Total liabilities and deferred inflows of resources	4,619,684	13,251,235	858,396	306,762	19,036,077
FUND BALANCES					
Nonspendable for					
Note receivable	60,000	-	-	-	60,000
Inventory	21,031	-	-	-	21,031
Prepaid items	707,640	-	-	-	707,640
Advance	958,565	-	-	-	958,565
Restricted for					
Maintenance of roadways	-	-	-	388,546	388,546
Public safety	-	-	-	1,130,293	1,130,293
Debt service	-	-	-	2,925,622	2,925,622
Capital projects	-	-	-	696,658	696,658
Unrestricted					
Assigned for					
Debt service	-	58,021	-	-	58,021
Capital projects	1,000,000	-	4,707,033	-	5,707,033
Subsequent year's budget	2,960,593	-	-	-	2,960,593
Unassigned	15,223,752	-	-	-	15,223,752
Total fund balances	20,931,581	58,021	4,707,033	5,141,119	30,837,754
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 25,551,265	\$ 13,309,256	\$ 5,565,429	\$ 5,447,881	\$ 49,873,831

See accompanying notes to financial statements.

VILLAGE OF DEERFIELD, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

December 31, 2015

FUND BALANCES OF GOVERNMENTAL FUNDS		\$ 30,837,754
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	\$ 76,624,180	
Less internal service funds	<u>(1,549,463)</u>	75,074,717
Premium on bonds issued are capitalized and amortized on the statement of net position		(564,519)
Discount on bonds issued are deferred and amortized on the statement of net position		56,497
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds		
Bonds payable		(30,744,000)
Other postemployment benefit payable		(935,887)
Net pension liability - IMRF		(4,116,322)
Net pension liability - police pension		(26,204,545)
Compensated absences	(1,657,206)	
Less internal service funds	<u>(17,453)</u>	(1,639,753)
Intergovernmental receivable from the Library is not unavailable revenue on the statement of net position		9,625,000
Accrued interest on long-term liabilities is shown as a liability on the statement of net position		(78,525)
Differences between expected and actual experiences, assumption changes and net differences between projected and actual earnings are recognized as deferred outflows and inflows of resources on the statement of net position		
IMRF		1,963,095
Police Pension		14,209,193
The net position of the internal service funds are included in the governmental activities in the statement of net position		<u>6,526,594</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES		<u><u>\$ 74,009,299</u></u>

See accompanying notes to financial statements.

VILLAGE OF DEERFIELD, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2015

	General	Debt Service	Infrastructure Replacement	Nonmajor Governmental	Total
REVENUES					
Taxes	\$ 8,623,244	\$ 2,240,423	\$ 3,366,599	\$ 725,000	\$ 14,955,266
Licenses and permits	1,464,015	-	-	-	1,464,015
Intergovernmental	6,772,934	498,784	384,949	445,554	8,102,221
Charges for services	764,459	-	6,200	343,856	1,114,515
Fines and forfeits	292,284	-	-	-	292,284
Contribution from library	-	732,831	-	-	732,831
Investment income	66,478	3,383	11,532	48,667	130,060
Miscellaneous	913,024	-	428,786	6,215	1,348,025
Total revenues	18,896,438	3,475,421	4,198,066	1,569,292	28,139,217
EXPENDITURES					
Current					
General government	6,967,367	-	-	1,299,153	8,266,520
Public safety	8,697,581	-	-	438,422	9,136,003
Highways and streets	2,816,855	-	-	-	2,816,855
Capital outlay	-	-	11,958,472	-	11,958,472
Debt service					
Principal retirement	-	962,000	-	-	962,000
Interest and fiscal charges	-	674,859	-	-	674,859
Total expenditures	18,481,803	1,636,859	11,958,472	1,737,575	33,814,709
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	414,635	1,838,562	(7,760,406)	(168,283)	(5,675,492)

	General	Debt Service	Infrastructure Replacement	Nonmajor Governmental	Total
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of bonds issued at par	\$ -	\$ -	\$ -	\$ 9,575,000	\$ 9,575,000
Unamortized premium	-	-	-	422,335	422,335
Transfers in	22,822	-	10,191,142	-	10,213,964
Transfers (out)	(1,200,000)	(1,805,840)	-	(9,013,964)	(12,019,804)
Total other financing sources (uses)	(1,177,178)	(1,805,840)	10,191,142	983,371	8,191,495
NET CHANGE IN FUND BALANCES	(762,543)	32,722	2,430,736	815,088	2,516,003
FUND BALANCES, JANUARY 1	21,694,124	25,299	2,276,297	4,326,031	28,321,751
FUND BALANCES, DECEMBER 31	<u>\$ 20,931,581</u>	<u>\$ 58,021</u>	<u>\$ 4,707,033</u>	<u>\$ 5,141,119</u>	<u>\$ 30,837,754</u>

See accompanying notes to financial statements.

VILLAGE OF DEERFIELD, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2015

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		\$ 2,516,003
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	\$ 9,240,330	
Less internal service funds	<u>(209,664)</u>	9,030,666
The repayment of the principal portion long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities		962,000
The change in interest payable is reported as an expense on the statement of activities		(22,519)
Bonds issued and contributed to the Library are reported as expenditures in the governmental funds, but not on the statement of activities		(510,000)
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(2,546,133)	
Less internal service funds	<u>328,825</u>	(2,217,308)
The loss on disposal of capital assets for road reconstruction increases the highways and streets expense on the statement of activities		(1,048,313)
The increase in compensated absences is reported as an addition to expense on the statement of activities		(30,942)
The increase in the other postemployment benefit payable is reported as an addition to expense on the statement of activities		(73,448)
The change in deferred inflows and outflows of resources is reported only on the statement of activities		
IMRF		1,963,095
Police Pension		14,209,193
The change in net pension liabilities are reported only on the statement of activities		
IMRF		(1,168,601)
Police Pension		(16,841,527)
The amortization of the discount and premium are reported as a reduction to expense on the statement of activities		6,640
The change in net position of certain activities of internal service funds is in governmental funds		323,542
The proceeds of debt are an other financing source on the governmental funds income statement but are not reported on the statement of activities		
Proceeds from issuance of bonds		(9,575,000)
Premium on issuance of bonds		<u>(422,335)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		<u>\$ (2,898,854)</u>

See accompanying notes to financial statements.

VILLAGE OF DEERFIELD, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

December 31, 2015

	Business-Type Activities					Governmental
	Water	Sewerage	Refuse	Nonmajor	Total	Internal
				Enterprise (Parking Lot)		
CURRENT ASSETS						
Cash and investments	\$ -	\$ 645,778	\$ 445,038	\$ 273,721	\$ 1,364,537	\$ 4,860,642
Receivables						
Property taxes	-	-	-	-	-	-
Accounts - billed	148,631	120,963	10,987	-	280,581	5,219
Accounts - unbilled	416,785	315,822	84,057	-	816,664	-
Accrued interest	-	253	227	129	609	2,417
Prepaid expenses	34,105	45,392	2,086	1,767	83,350	5,153
Inventory	148,659	13,867	-	-	162,526	148,382
Total current assets	748,180	1,142,075	542,395	275,617	2,708,267	5,021,813
CAPITAL ASSETS						
Nondepreciable	1,877,956	7,224	-	77,500	1,962,680	-
Depreciable	21,448,464	45,819,532	-	1,950,830	69,218,826	4,125,686
Accumulated depreciation	(4,949,977)	(5,001,955)	-	(899,155)	(10,851,087)	(2,576,223)
Net capital assets	18,376,443	40,824,801	-	1,129,175	60,330,419	1,549,463
Total assets	19,124,623	41,966,876	542,395	1,404,792	63,038,686	6,571,276
DEFERRED OUTFLOWS OF RESOURCES						
Pension items - IMRF	246,758	493,515	-	-	740,273	-
Total assets and deferred outflows of resources	19,371,381	42,460,391	542,395	1,404,792	63,778,959	6,571,276

	Business-Type Activities				Governmental Activities	
	Water	Sewerage	Refuse	Nonmajor Enterprise (Parking Lot)	Total Enterprise	Internal Service
CURRENT LIABILITIES						
Accounts payable	\$ 196,352	\$ 80,377	\$ 104,336	\$ 4,505	\$ 385,570	\$ 19,053
Accrued payroll	18,518	46,880	-	802	66,200	6,277
Accrued interest	-	86,057	-	-	86,057	-
Deposits payable	22,236	18,363	-	-	40,599	-
Due to other funds	260,000	-	-	-	260,000	1,899
Bonds payable	-	781,000	-	-	781,000	-
Compensated absences payable	12,336	13,759	-	70	26,165	1,745
Total current liabilities	509,442	1,026,436	104,336	5,377	1,645,591	28,974
LONG-TERM LIABILITIES						
Advance from other funds	958,565	-	-	-	958,565	-
Compensated absences payable	111,026	123,827	-	631	235,484	15,708
Net pension liability	496,797	993,595	-	-	1,490,392	-
Other postemployment benefit payable	29,351	35,123	-	-	64,474	-
Bonds payable - long-term	-	29,679,961	-	-	29,679,961	-
Total long-term liabilities	1,595,739	30,832,506	-	631	32,428,876	15,708
Total liabilities	2,105,181	31,858,942	104,336	6,008	34,074,467	44,682
DEFERRED INFLOWS OF RESOURCES						
Pension items - IMRF	9,832	19,665	-	-	29,497	-
Total deferred inflows of resources	9,832	19,665	-	-	29,497	-
Total liabilities and deferred inflows of resources	2,115,013	31,878,607	104,336	6,008	34,103,964	44,682
NET POSITION						
Net investment in capital assets	18,376,443	10,363,840	-	1,129,175	29,869,458	1,549,463
Unrestricted	(1,120,075)	217,944	438,059	269,609	(194,463)	4,977,131
TOTAL NET POSITION	<u>\$ 17,256,368</u>	<u>\$ 10,581,784</u>	<u>\$ 438,059</u>	<u>\$ 1,398,784</u>	<u>\$ 29,674,995</u>	<u>\$ 6,526,594</u>

See accompanying notes to financial statements.

VILLAGE OF DEERFIELD, ILLINOIS

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

For the Year Ended December 31, 2015

	Business-Type Activities				Governmental Activities	
	Water	Sewerage	Refuse	Nonmajor	Total	Internal
				Enterprise (Parking Lot)		
OPERATING REVENUES						
Charges for services	\$ 3,701,281	\$ 2,724,235	\$ 513,672	\$ 270,799	\$ 7,209,987	\$ 1,031,294
Miscellaneous	119,858	81,038	17,583	-	218,479	10,485
Total operating revenues	3,821,139	2,805,273	531,255	270,799	7,428,466	1,041,779
OPERATING EXPENSES						
Administration	472,305	339,816	-	-	812,121	-
Operations	3,623,999	2,185,219	1,433,697	258,052	7,500,967	347,188
Commodities	-	-	-	-	-	112,300
Total operating expenses	4,096,304	2,525,035	1,433,697	258,052	8,313,088	459,488
OPERATING INCOME (LOSS) BEFORE DEPRECIATION AND AMORTIZATION	(275,165)	280,238	(902,442)	12,747	(884,622)	582,291
Depreciation and amortization	420,985	973,048	-	26,737	1,420,770	328,825
OPERATING INCOME (LOSS)	(696,150)	(692,810)	(902,442)	(13,990)	(2,305,392)	253,466
NON-OPERATING REVENUES (EXPENSES)						
Sale of capital assets	-	-	-	-	-	54,437
Investment income	-	1,608	1,613	834	4,055	15,639
Property taxes	-	-	965,948	-	965,948	-
Interest expense	-	(1,035,087)	-	-	(1,035,087)	-
Total non-operating revenues (expenses)	-	(1,033,479)	967,561	834	(65,084)	70,076
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(696,150)	(1,726,289)	65,119	(13,156)	(2,370,476)	323,542
CONTRIBUTIONS	2,002,495	247,246	-	-	2,249,741	-
TRANSFERS						
Transfers in	-	1,805,840	-	-	1,805,840	-
Total transfers	-	1,805,840	-	-	1,805,840	-
CHANGE IN NET POSITION	1,306,345	326,797	65,119	(13,156)	1,685,105	323,542
NET POSITION, JANUARY 1	16,305,782	10,966,506	372,940	1,411,940	29,057,168	6,203,052
Change in accounting principle	(355,759)	(711,519)	-	-	(1,067,278)	-
NET POSITION, JANUARY 1 (RESTATED)	15,950,023	10,254,987	372,940	1,411,940	27,989,890	6,203,052
NET POSITION, DECEMBER 31	\$ 17,256,368	\$ 10,581,784	\$ 438,059	\$ 1,398,784	\$ 29,674,995	\$ 6,526,594

See accompanying notes to financial statements.

VILLAGE OF DEERFIELD, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended December 31, 2015

	Business-Type Activities				Governmental Activities	
	Water	Sewerage	Refuse	Nonmajor Enterprise (Parking Lot)	Total Enterprise	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	\$ 3,717,521	\$ 2,690,545	\$ 509,227	\$ 270,799	\$ 7,188,092	\$ -
Receipts from interfund services	-	-	-	-	-	1,027,353
Receipts from miscellaneous revenues	119,858	81,038	17,583	-	218,479	10,485
Payments to suppliers	(3,171,943)	(927,680)	(1,300,997)	(210,486)	(5,611,106)	(286,131)
Payments to employees	(943,317)	(1,639,632)	(83,069)	(37,906)	(2,703,924)	(211,141)
Payments for interfund services	(90,889)	(146,542)	(46,820)	(7,590)	(291,841)	1,900
Net cash from operating activities	(368,770)	57,729	(904,076)	14,817	(1,200,300)	542,466
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Interfund loan	368,770	-	-	-	368,770	-
Interfund transfer	-	1,805,840	-	-	1,805,840	-
Property taxes	-	-	965,948	-	965,948	-
Net cash from noncapital financing activities	368,770	1,805,840	965,948	-	3,140,558	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Proceeds from sale of capital assets	-	-	-	-	-	54,437
Capital assets purchased	-	-	-	-	-	(264,101)
Bond principal payments	-	(758,000)	-	-	(758,000)	-
Bond interest payments	-	(1,048,290)	-	-	(1,048,290)	-
Net cash from capital and related financing activities	-	(1,806,290)	-	-	(1,806,290)	(209,664)
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of investments	-	1,489	1,504	788	3,781	14,546
Net cash from investing activities	-	1,489	1,504	788	3,781	14,546
NET INCREASE IN CASH AND CASH EQUIVALENTS	-	58,768	63,376	15,605	137,749	347,348
CASH AND CASH EQUIVALENTS, JANUARY 1	-	587,010	381,662	258,116	1,226,788	4,513,294
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ -	\$ 645,778	\$ 445,038	\$ 273,721	\$ 1,364,537	\$ 4,860,642

(This statement is continued on the following page.)

VILLAGE OF DEERFIELD, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
 PROPRIETARY FUNDS

For the Year Ended December 31, 2015

	Business-Type Activities				Governmental Activities	
	Water	Sewerage	Refuse	Nonmajor Enterprise (Parking Lot)	Total Enterprise	Internal Service
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES						
Operating income (loss)	\$ (696,150)	\$ (692,810)	\$ (902,442)	\$ (13,990)	\$ (2,305,392)	\$ 253,466
Adjustments to reconcile operating income (loss) to net cash from operating activities						
Depreciation and amortization	420,985	973,048	-	26,737	1,420,770	328,825
(Increase) decrease in						
Receivables	16,240	(33,690)	(4,445)	-	(21,895)	(3,444)
Prepaid expenses	(3,288)	(3,933)	(202)	(169)	(7,592)	(497)
Inventories	15,592	4,385	-	-	19,977	(45,844)
Increase (decrease) in						
Accounts payable	(32,330)	(34,204)	3,013	2,517	(61,004)	6,537
Deposits payable	1,019	1,060	-	-	2,079	-
Interfund payables	-	-	-	-	-	1,900
Accrued payroll	(8,154)	1,685	-	108	(6,361)	(1,752)
Other postemployment benefit payable	2,303	2,757	-	-	5,060	-
Compensated absences payable	10,901	31,205	-	(386)	41,720	3,275
Pension items	(95,888)	(191,774)	-	-	(287,662)	-
NET CASH FROM OPERATING ACTIVITIES	\$ (368,770)	\$ 57,729	\$ (904,076)	\$ 14,817	\$ (1,200,300)	\$ 542,466
NONCASH TRANSACTIONS						
Contributions of capital assets by other funds	\$ 2,002,495	\$ 247,246	\$ -	\$ -	\$ 2,249,741	\$ -
TOTAL NONCASH TRANSACTIONS	\$ 2,002,495	\$ 247,246	\$ -	\$ -	\$ 2,249,741	\$ -

See accompanying notes to financial statements.

VILLAGE OF DEERFIELD, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS

December 31, 2015

	Pension Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 1,039,702	\$ 2,925,021
Investments		
U.S. Treasury obligations	2,948,975	-
U.S. agencies securities	4,286	-
Corporate bonds	9,885,696	-
Mutual funds	25,830,670	-
Municipal bonds	674,107	-
Receivables		
Accrued interest	145,221	23
	<hr/>	<hr/>
Total assets	40,528,657	\$ 2,925,044
	<hr/>	<hr/>
LIABILITIES		
Accounts payable	16,295	\$ 5,366
Deposits payable	-	2,860,996
Other payables	-	58,682
	<hr/>	<hr/>
Total liabilities	16,295	\$ 2,925,044
	<hr/>	<hr/>
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	<u>\$ 40,512,362</u>	

See accompanying notes to financial statements.

VILLAGE OF DEERFIELD, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUND**

For the Year Ended December 31, 2015

ADDITIONS

Contributions - employer	\$ 871,305
Contributions - employee	<u>517,457</u>
Total contributions	<u>1,388,762</u>
Investment income	
Net depreciation in fair value of investments	(1,074,312)
Interest and dividends earned on investments	<u>1,099,476</u>
Total investment income	25,164
Less investment expense	<u>(29,688)</u>
Net investment income	<u>(4,524)</u>
Total additions	<u>1,384,238</u>

DEDUCTIONS

Benefits and refunds	
Pension payments	2,402,563
Separation refunds	40,452
Administrative	<u>23,217</u>
Total deductions	<u>2,466,232</u>

NET DECREASE (1,081,994)

**NET POSITION HELD IN TRUST
FOR PENSION BENEFITS**

January 1	<u>41,594,356</u>
December 31	<u><u>\$ 40,512,362</u></u>

See accompanying notes to financial statements.

VILLAGE OF DEERFIELD, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a. Reporting Entity

The Village was incorporated in 1903. The Village is a municipal corporation governed by an elected seven-member board. As required by GAAP, these financial statements present the Village (the primary government) and its component units.

The Village's financial statements include:

Pension Trust Fund

Police Pension Employees Retirement System

The Village's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's Mayor, one elected pension beneficiary and two elected police employees constitute the pension board. The Village and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Village's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund.

Based on the criteria of GASB Statement No 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, there are no component units for which the Village is considered to be financially accountable.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Joint Ventures

Solid Waste Agency of Lake County

Solid Waste Agency of Lake County (SWALCO) is a municipal corporation empowered to plan, finance, construct and operate a solid waste disposal system to serve its member municipalities. Management consists of a Board of Directors comprised of one appointed representative from each member. The Village does not exercise any control over the activities of SWALCO beyond its representation on the Board of Directors. SWALCO is reported as a proprietary joint venture.

b. Fund Accounting

The Village uses funds to report on its financial position, changes in its financial position and cash flows. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. A minimum number of funds are maintained consistent with legal and managerial requirements. Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of the Village's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds) and the funds committed, restricted or assigned for the servicing of general long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. When these assets are held under the terms of a formal trust agreement, a pension trust fund may be used. The Village has a police pension fund. Agency funds are used to account for funds that the Village holds on behalf of others as their agent.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity (except for activities reported in internal service funds) has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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 funds:

The General (Corporate) Fund is the Village's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The Debt Service Fund was established to accumulate restricted resources for the payment of general long-term debt.

The Infrastructure Replacement Fund was established for the purpose of maintaining, repairing and renovating the capital assets of the Village.

The Village reports the following major proprietary funds:

The Water Fund accounts for all activity necessary to provide water to the residents of the Village including administration, operation, maintenance, financing and related debt service.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The Sewerage Fund accounts for the provision of sewer service to the residents of the Village. All activity necessary to provide such services is accounted for in this fund including, but not limited to, administration, construction, maintenance and operations of the Sewerage Treatment Plant and related debt service.

The Refuse Fund accounts for all revenues and expenses necessary to provide the residents of the Village with refuse service.

Additionally, the Village reports the following proprietary funds:

The Parking Lot Fund accounts for all activity related to the commuter lot.

Internal Service Funds

The Garage Fund accounts for all activity necessary to maintain the efficient and safe operation of the Village's vehicles and equipment and is funded by various departments according to services rendered.

The Vehicle and Equipment Replacement Fund accounts for purchases of vehicles and equipment and is funded by various departments according to services rendered.

These funds are reported as governmental activities on the government-wide financial statements.

The Village reports a pension trust fund as a Fiduciary Fund to account for the Police Pension Fund. The Village also reports Agency Funds to account for street deposits and water meter deposits (Deposit Fund), DARE Funds and radio dispatching funds (East Shore Radio Network Fund) that the Village holds on behalf of others as their agent.

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements (Agency Funds have no measurement focus). Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation
(Continued)

are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing the day-to-day enterprise fund services. Incidental revenues/expenses, such as property taxes and investment income, are reported as non-operating.

Governmental fund financial statements are accounted for using a current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period. The Village recognizes property taxes when they become both measurable and available in the period intended to finance, generally within 60 days of year end. 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. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, franchise taxes, licenses, interest revenue and charges for services. Sales tax, telecommunication tax, local use tax and motor fuel tax and fines owed to/collected by the state at year end on behalf of the Village also are recognized as revenue. Permit revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The Village reports unavailable revenue and unearned revenue on its financial statements. Unavailable revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned revenues arise when resources are received by the Village before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Village has a legal claim to the resources, the deferred inflow of resources for unavailable revenue or the liability for unearned revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village’s proprietary funds consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Cash and Investments (Continued)

Investments

Investments with a maturity of less than one year when purchased and non-negotiable certificates of deposit are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is based on prices listed on national exchanges as of December 31, 2015 for debt and equity securities.

f. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet. Short-term interfund loans, if any, are classified as “interfund receivables/payables.”

g. Advances to Other Funds

Noncurrent portions of long-term interfund loan receivables are reported as advances between funds in the fund financial statements. The advances are offset equally by nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

h. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures when consumed rather than when purchased.

i. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses and are accounted for on the consumption method.

j. Capital Assets

Capital assets, which include property, plant, equipment, water and sewer system and infrastructure assets (e.g., roads, bridges and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess of \$25,000 and an estimated useful life in excess of one year.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Capital Assets (Continued)

All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received.

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 buildings, equipment, water/sewer systems and vehicles is computed using the straight-line method over the following useful lives:

	<u>Years</u>
Buildings and building improvements	20-50
Parking improvements	15-50
Water/sewer system	40-60
Vehicles, machinery and equipment	4-20
Infrastructure	20-50

k. Compensated Absences

Vested or accumulated vacation leave, including related Social Security and Medicare, that is owed to retirees or terminated employees is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements and the remainder is reported in long-term debt. Vested or accumulated vacation leave and vested sick leave of proprietary funds at both levels and governmental activities at the government-wide level is recorded as an expense and liability as the benefits accrue to employees.

l. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, and gains/losses on refundings, are deferred and amortized over the life of the bonds using the bonds outstanding method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount and gains/losses on refundings.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Long-Term Obligations (Continued)

In the 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 the actual debt proceeds received, are reported as expenditures.

m. Fund Equity/Net Position

Governmental funds equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned or unassigned. Nonspendable fund balance is reported for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose or externally imposed by outside entities. Committed fund balance is constrained by formal actions of the Village Board of Trustees, which is considered the Village's highest level of decision-making authority. Formal actions include ordinances approved by the Village Board of Trustees. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Finance Director through the approved fund balance policy of the Village. Any residual fund balance of the General Fund and any deficits in other funds, if any, is reported as unassigned.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide and proprietary fund financial statements, restricted net position is legally restricted by outside parties for a specific purpose. At December 31, 2015, no net position restrictions were the result of enabling legislation adopted by the Village. Net investment in capital assets represents the Village's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset. Unrestricted net position consists of net position that does not meet the definition of restricted or net investment in capital assets.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types of item, which arises under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, unavailable revenue, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and the long-term receivable from the Deerfield Public Library (the Library). These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Additionally the pension plans of the Village have both deferred inflows and outflows.

o. 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.

p. Accounting Estimates

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

2. DEPOSITS AND INVESTMENTS

The Village maintains a cash and investment pool that is available for use by all funds, except the Pension Trust Fund, 2011B Sinking Fund and the Bond Proceeds Fund. Each fund's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust fund are held separately from those of other funds.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

Permitted Deposits and Investments - Statutes and the Village's investment policy authorize the Village to make deposits/invest 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 Government or agreements 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 Illinois Funds.

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 is safety (preservation of capital and protection of investment principal), liquidity and yield.

a. Village Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral with a fair value of 100% of all bank balances in excess of federal depository insurance with the collateral held by the Village's agent in the Village's name.

b. Village Investments

The following table presents the Village's investments in and maturities of debt securities as of December 31, 2015:

	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. agency obligations	\$ 9,478,162	\$ -	\$ 5,631,304	\$ -	\$ 3,846,858

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 three-year period. However, the investment policy does not limit the maximum maturity length of investments. 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.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

b. Village Investments (Continued)

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. agency obligations rated AAA by Moody's ratings. Illinois Funds is rated AAA by Standard and Poor's, the fair value of which are the same as the value of the pool shares.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Village's agent separate from where the investment was purchased or by the trust department of the bank where purchased, in the Village's name. Illinois Funds and IMET are not subject to custodial credit risk.

Concentration of credit risk - The Village's investment policy requires diversification of the portfolio, but does not specify maximum amounts that can be invested in any one investment vehicle, maturity, issuer or class of securities.

The Village's investment policy does not specifically prohibit the use of or the investment in derivatives.

3. RECEIVABLES

a. Taxes

Property taxes for 2015 attach as an enforceable lien on January 1, 2015 on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1 for Cook County and May 1 for Lake County and are payable in two installments, on or about March 1 and August 1 for Cook County and June 1 and September 1 for Lake County. The County collects such taxes and remits them periodically.

The 2015 tax levy collections are intended to finance 2016 year and are not considered available for current operations and are, therefore, shown as unavailable/deferred revenue.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES (Continued)

b. Due from Other Governments

The Village issued General Obligation Bonds in 2011 and 2013 on behalf of the Library to finance the Library Improvement Project. 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 and 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 to the Village.

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 4,659,795	\$ 109,791	\$ -	\$ 4,769,586
Land right of way	16,180,188	-	-	16,180,188
Construction in progress	1,290,635	489,466	334,847	1,445,254
Total capital assets not being depreciated	22,130,618	599,257	334,847	22,395,028
Capital assets being depreciated				
Buildings and improvements	12,232,033	-	-	12,232,033
Vehicles, machinery and equipment	4,647,925	291,163	180,840	4,758,248
Infrastructure	98,974,880	8,754,406	5,308,303	102,420,983
Total capital assets being depreciated	115,854,838	9,045,569	5,489,143	119,411,264
Less accumulated depreciation for				
Buildings and improvements	3,874,719	291,342	-	4,166,061
Vehicles, machinery and equipment	2,508,284	392,081	153,777	2,746,588
Infrastructure	60,678,595	1,862,710	4,271,842	58,269,463
Total accumulated depreciation	67,061,598	2,546,133	4,425,619	65,182,112
Total capital assets being depreciated, net	48,793,240	6,499,436	1,063,524	54,229,152
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 70,923,858	\$ 7,098,693	\$ 1,398,371	\$ 76,624,180

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 1,955,456	\$ -	\$ -	\$ 1,955,456
Construction in Progress	-	7,224	-	7,224
Total capital assets not being depreciated	<u>1,955,456</u>	<u>7,224</u>	-	<u>1,962,680</u>
Capital assets being depreciated				
Buildings and improvements	45,185,189	-	-	45,185,189
Parking lot improvements	1,950,830	-	-	1,950,830
Vehicles, machinery and equipment	626,490	-	-	626,490
Water distribution system	14,849,333	2,002,494	209,976	16,641,851
Sanitary sewer system	4,585,564	240,022	11,120	4,814,466
Total capital assets being depreciated	<u>67,197,406</u>	<u>2,242,516</u>	<u>221,096</u>	<u>69,218,826</u>
Less accumulated depreciation for				
Buildings and improvements	4,400,066	963,064	-	5,363,130
Parking lot improvements	872,418	26,737	-	899,155
Vehicles, machinery and equipment	477,590	18,054	-	495,644
Water distribution system	2,417,577	314,476	209,976	2,522,077
Sanitary sewer system	1,483,762	98,439	11,120	1,571,081
Total accumulated depreciation	<u>9,651,413</u>	<u>1,420,770</u>	<u>221,096</u>	<u>10,851,087</u>
Total capital assets being depreciated, net	<u>57,545,993</u>	<u>821,746</u>	-	<u>58,367,739</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 59,501,449</u>	<u>\$ 828,970</u>	<u>\$ -</u>	<u>\$ 60,330,419</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES	
General government	\$ 164,067
Public safety	170,226
Highways and streets, including depreciation of general infrastructure assets	<u>2,211,840</u>
DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 2,546,133</u>

5. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions' injuries to employees; illnesses of employees; and natural disasters.

5. RISK MANAGEMENT (Continued)

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 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 IPBC beyond its representation on the Board of Directors.

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 \$2,000,000 of coverage after a \$1,000 deductible. The Village's payments to MICA are displayed on the financial statements as expenditures/expenses in appropriate funds.

Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are three officers, a Risk Manager and a Treasurer. The Village does not exercise any control over activities of MICA beyond its representation on the Board of Directors. MICA functions solely as an administrative agent for each member.

High-Level Excess Liability Pool

The Village participates in the High-Level Excess Liability Pool (HELP). HELP is a public entity risk pool established by certain municipalities (the Members) in Illinois to provide excess liability coverage (\$13,000,000 of coverage after the \$2,000,000 coverage provided by MICA). The Village's payments to HELP are displayed on the financial statements as expenditures/expenses in appropriate funds.

HELP was organized on April 1, 1987. The purpose of HELP is to act as a joint self-insurance pool for the purpose of seeking the prevention or lessening of liability claims for injuries to persons or property or claims for errors and omissions made against the Members and other parties included within the scope of coverage of HELP.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. RISK MANAGEMENT (Continued)

High-Level Excess Liability Pool (Continued)

HELP 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 HELP are appointed by the Board of Directors. The Board of Directors determines the general policy of HELP; makes all appropriations; approves contracts; adopts resolutions providing for the issuance of debt by HELP; 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.

The Village does not exercise any control over the activities of HELP beyond its representation on the Board of Directors.

6. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds for the acquisition and construction of major capital facilities.

General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Balances December 31	Additions	Reductions	Balances December 31	Current Portion
General Obligation Bond Series of 2008 (\$5,000,000 dated August 1 2008; maturing December 1, 2028; payable in annual installments; interest rates from 3.25% to 4.25%).	Debt Service	\$ 3,870,000	\$ -	\$ 210,000	\$ 3,660,000	\$ 220,000
General Obligation Bond Series of 2010A (\$12,500,000 dated November 3, 2010; maturing December 1, 2030; payable in annual installments; interest rates from 0.80% to 5.50%).	Debt Service*	4,136,000	-	222,000	3,914,000	224,000
	Sewer	6,204,000	-	333,000	5,871,000	336,000
General Obligation Bond Series of 2011A (\$9,900,000 dated October 17, 2011; maturing December 1, 2031; payable in annual installments; interest rates from 1.00% to 3.25%).	Debt Service	8,775,000	-	270,000	8,505,000	280,000
General Obligation Taxable Bond Series of 2011B (\$12,500,000 dated October 17, 2011; maturing December 1, 2028; payable in annual installments; interest rates of 4%).	Sewer**	12,480,000	-	-	12,480,000	-

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

Issue	Fund Debt Retired By	Balances December 31	Additions	Reductions	Balances December 31	Current Portion
General Obligation Bond Series of 2012 (\$10,000,000 dated February 21, 2012; maturing December 1, 2031, payable in annual installments; interest rates from 1.25% to 2.75%).	Sewer	\$ 10,000,000	\$ -	\$ -	\$ 10,000,000	\$ -
General Obligation Bond Series of 2013 (\$9,075,000 dated January 3, 2013; maturing December 1, 2031, payable in annual installments; interest rates from 2.00% to 2.25%).	Debt Service	5,350,000	-	260,000	5,090,000	265,000
	Sewer	2,400,000	-	425,000	1,975,000	445,000
General Obligation Bond Series of 2015 (\$9,575,000 dated May 6, 2015; maturing December 1, 2034; payable in annual installments; interest rates from 3.00% to 3.25%).	Debt Service	-	9,575,000	-	9,575,000	380,000
TOTAL		\$ 53,215,000	\$ 9,575,000	\$ 1,720,000	\$ 61,070,000	\$ 2,150,000

The \$5,000,000 in General Obligation Bonds, Series 2008, was authorized to finance various capital improvement projects.

The \$12,500,000 in General Obligation Bonds, Series 2010A, was authorized to finance various general and wastewater reclamation facility improvements.

The \$9,900,000 in General Obligation Bonds, Series 2011A, was authorized to finance \$4,000,000 in street improvement projects and \$5,900,000 for the library renovation project.

The \$12,500,000 in General Obligation Bonds, Taxable Series 2011B (Qualified Energy Conservation Bonds) was authorized to finance the wastewater reclamation facility improvements.

The \$10,000,000 in General Obligation Bonds, Series 2012, was authorized to finance the wastewater reclamation facility improvements.

The \$9,075,000 in General Obligation Bonds, Series 2013, was authorized to finance \$3,200,000 in wastewater reclamation facility improvements and \$5,875,000 for the library renovation project.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

The \$9,575,000 in General Obligation Bonds, Series 2015, was authorized to finance various street and infrastructure rehabilitation projects.

* The Village abated a portion of the tax levy on this bond issue for fiscal 2015 and evaluates annually if the Village is financially capable of doing so. The bonds were issued as taxable Build America Bonds and are eligible for a 35% direct payment interest credit from the United States Government.

** The Village abated a portion of the tax levy on this bond issue for fiscal 2015 and evaluates annually if the Village is financially capable of doing so. The bonds were issued as taxable Qualified Energy Conservation Bonds and are eligible for a 70% direct payment interest credit from the United States Government.

b. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Year Ending December 31,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$ 1,369,000	\$ 942,294	\$ 2,311,294	\$ 781,000	\$ 1,032,680	\$ 1,813,680
2017	1,406,000	908,692	2,314,692	804,000	1,016,052	1,820,052
2018	1,450,000	872,464	2,322,464	825,000	997,429	1,822,429
2019	1,494,000	833,662	2,327,662	851,000	978,319	1,829,319
2020	1,545,000	791,294	2,336,294	875,000	958,983	1,833,983
2021	1,599,000	746,873	2,345,873	901,000	937,098	1,838,098
2022	1,650,000	700,069	2,350,069	930,000	912,580	1,842,580
2023	1,713,000	650,319	2,363,319	957,000	886,592	1,843,592
2024	1,774,000	597,147	2,371,147	991,000	857,777	1,848,777
2025	1,837,000	541,188	2,378,188	1,018,000	827,265	1,845,265
2026	1,905,000	481,767	2,386,767	1,055,000	793,686	1,848,686
2027	1,983,000	418,899	2,401,899	1,087,000	758,116	1,845,116
2028	1,879,000	351,961	2,230,961	13,431,000	719,552	14,150,552
2029	2,475,000	287,173	2,762,173	1,885,000	184,435	2,069,435
2030	2,560,000	208,103	2,768,103	1,940,000	120,525	2,060,525
2031	2,215,000	124,100	2,339,100	1,995,000	54,638	2,049,638
2032	610,000	59,900	669,900	-	-	-
2033	630,000	41,600	671,600	-	-	-
2034	650,000	21,125	671,125	-	-	-
TOTAL	\$ 30,744,000	\$ 9,578,630	\$ 40,322,630	\$ 30,326,000	\$ 12,035,727	\$ 42,361,727

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

c. Changes in Long-Term Liabilities

During the fiscal year, the following changes occurred in long-term liabilities:

	Fund Debt Retired By	Balances December 31, Restated	Additions	Reductions	Balances December 31	Current Portion
GOVERNMENTAL ACTIVITIES						
General obligation bonds	Debt Service	\$ 22,131,000	\$ 9,575,000	\$ 962,000	\$ 30,744,000	\$ 1,369,000
Premium		149,447	422,335	7,263	564,519	-
Discount		(57,120)	-	(623)	(56,497)	-
Net pension liability - IMRF	General	2,947,721	1,168,601	-	4,116,322	-
Net pension liability - police pension	General	9,363,018	16,841,527	-	26,204,545	-
Compensated absences (Governmental)	General	1,608,811	207,370	176,428	1,639,753	163,975
Compensated absences (Internal Service)	Garage	14,178	6,345	3,070	17,453	1,745
Other postemployment benefit	General	862,439	73,448	-	935,887	-
TOTAL GOVERNMENTAL ACTIVITIES		\$ 37,019,494	\$ 28,294,626	\$ 1,148,138	\$ 64,165,982	\$ 1,534,720

Beginning balances were restated in accordance with GASB Statement No. 68. The General Fund will liquidate the pension and OPEB liabilities.

	Fund Debt Retired By	Balances December 31, Restated	Additions	Reductions	Balances December 31	Current Portion
BUSINESS-TYPE ACTIVITIES						
General obligation bonds	Sewer	\$ 31,084,000	\$ -	\$ 758,000	\$ 30,326,000	\$ 781,000
Premium		146,833	-	11,872	134,961	-
Compensated absences (Enterprise)	Water/Sewer /Parking	219,929	64,637	22,917	261,649	26,165
Net pension liability	Water/Sewer	1,067,278	423,114	-	1,490,392	-
Other postemployment benefit	Water/Sewer	59,414	5,060	-	64,474	-
TOTAL BUSINESS-TYPE ACTIVITIES		\$ 32,577,454	\$ 492,811	\$ 792,789	\$ 32,277,476	\$ 807,165

Beginning balances were restated in accordance with GASB Statement No. 68.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

d. Legal Debt Margin

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 percent: ...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 amounts.”

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

The Village qualifies as a Home Rule Unit under Section 6(a) of Article VII of the 1970 Constitution of Illinois and, under the powers granted by this section, can exercise any power and perform any function pertaining to its government and affairs that is not prohibited by the Illinois Compiled Statutes.

e. Noncommitment Debt - Industrial Development Revenue Bonds

The issuance of Industrial Development Revenue Bonds (IDRBs) by the Village is to finance in whole or in part the cost of the acquisition, purchase, construction, reconstruction, improvement, equipping, betterment or extension of any economic development project in order to encourage economic development within or near the Village.

IDRBs are not a debt of the Village. The entity using the bond proceeds to finance a construction or improvement project is liable for the bonds. Since the Village does not act as an agent for IDRBs, the transactions relating to the bonds and property do not appear in the Village’s financial statements.

The Village has authorized the issuance of the following such bonds:

Date Issued	Type of Bond	Original Amount	Debtor
4/16/84	Industrial Revenue	\$ 1,000,000	Teradyne, Inc.
9/19/11	Industrial Revenue	18,920,000	Chicagoland Jewish High School

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. LONG-TERM DEBT (Continued)

e. Noncommitment Debt - Industrial Development Revenue Bonds (Continued)

As of December 31, 2015, there were two IDRBs outstanding. The IDRB for the Chicagoland Jewel High School was refinanced during the fiscal year ended April 30, 2012 and the aggregate principal amount payable was \$11,704,000. The aggregate principal payable for the other series of IDRBs could not be determined; however, its original issue amount was \$1,000,000.

7. INTERFUND ASSETS/LIABILITIES

a. Interfund Transfers

Transfers From	Transfers To	Amount
General	Infrastructure Replacement	\$ 1,200,000
Bond Proceeds	Infrastructure Replacement	8,991,142
General	Nonmajor	22,822
Debt Service	Sewer	<u>1,805,840</u>
TOTAL		<u>\$ 12,019,804</u>

The purpose of significant transfers from/to other funds is as follows:

- \$1,200,000 transferred from the General Fund to the Infrastructure Replacement Fund is to provide additional funding needed to complete budgeted capital projects.
- \$8,991,142 transferred from the Bond Proceeds Fund to the Infrastructure Replacement Fund is to provide reimbursements for eligible construction project costs. The amount will not be repaid.
- \$1,805,840 transferred from Debt Service Fund to the Sewer Fund is to make the principal and interest payments for the sewer bonds.

b. Due To/From Other Funds/Advances

Receivable Fund	Payable Fund	Amount
General	Water - current	\$ 260,000
General	Water - long-term	958,565
General	Garage Fund	<u>1,899</u>
TOTAL		<u>\$ 1,220,464</u>

The interfund payables/receivables all represent temporary financing that will be repaid within one year, except for the long-term portion as noted.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. COMMITMENTS

High-Level Excess Liability Pool

The Village has committed to purchase excess liability insurance from HELP, a joint venture of Illinois municipalities.

These amounts have been calculated using the Village's current allocation percentage of 3.94% of premium expense. In future years, this allocation percentage will be subject to change because HELP's agreement provides that the members will be assessed each year based upon a formula that specifies the following four criteria for allocating premium costs:

- Miles of streets
- Full-time equivalent employees
- Number of licensed vehicles
- Operating revenues

The Village has passed a resolution authorizing the extension of HELP for ten years beginning May 1, 2008.

9. CONTINGENT LIABILITIES

a. Litigation

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

b. Grants

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

c. High-Level Excess Liability Pool

The Village's agreement with HELP provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. CONTINGENT LIABILITIES (Continued)

d. Solid Waste Agency of Lake County

The Village's contract with SWALCO provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

10. JOINT VENTURES

Solid Waste Agency of Lake County

Description of Joint Venture

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.

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, 2015.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The activity of the plan is reported in the Village's governmental and business-type activities.

b. Benefits Provided

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.

c. Membership

At December 31, 2015, membership consisted of:

Retirees and beneficiaries currently receiving benefits	15
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>103</u>
TOTAL	<u><u>118</u></u>
Participating employers	<u>1</u>

d. Funding Policy

The Village is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation

The Village's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligation for the last three years was as follows:

Fiscal Year Ended	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$ 186,180	\$ 108,707	\$ 58.4%	\$ 843,864
2014	186,696	108,707	58.2%	921,853
2015	187,216	108,707	58.1%	1,000,362

The net OPEB obligation as of December 31, 2015 was calculated as follows:

Annual required contribution	\$ 181,070
Interest on net OPEB obligation	36,874
Adjustment to annual required contribution	<u>(30,728)</u>
Annual OPEB cost	187,216
Contributions made	<u>108,707</u>
Increase in net OPEB obligation	78,509
Net OPEB obligation, beginning of year	<u>921,853</u>
NET OPEB OBLIGATION, END OF YEAR	<u><u>\$ 1,000,362</u></u>

Funded Status and Funding Progress - The funded status of the plan as of December 31, 2013 (most recent data available), was as follows:

Actuarial accrued liability (AAL)	\$ 4,168,658
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	4,168,658
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 9,909,624
UAAL as a percentage of covered payroll	42.10%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are

11. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial methods and assumptions - projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the May 1, 2012, actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included 4% investment rate of return and an initial healthcare cost trend rate of 8% with an ultimate healthcare inflation rate of 6%. Both rates include a 3% inflation assumption and 4% wage inflation assumption. The actuarial value of assets was not determined as the Village has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis over a 30 year amortization period. The remaining amortization period at December 30, 2014, was 30 years.

12. EMPLOYEE RETIREMENT SYSTEMS

a. Plan Descriptions

Illinois Municipal Retirement Fund

The Village contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois (other than those covered by the Police Pension Plan). The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2015, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	120
Inactive employees entitled to but not yet receiving benefits	98
Active employees	<u>107</u>
 TOTAL	 <u><u>325</u></u>

The IMRF data included in the table above includes membership of both the Village of Deerfield and the Deerfield Public Library.

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited 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 each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited 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 each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.5% of their annual covered salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended December 31, 2015 was 12.94% of covered payroll.

Actuarial Assumptions

The Village's net pension liability was measured as of December 31, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.75%
Salary increases	3.75% to 14.50%
Interest rate	7.50%
Cost of living adjustments	3.00%
Asset valuation method	Market value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.48%. 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 the 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 Village's fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments of 7.50% was blended with the index rate of 3.57% for tax exempt general obligation municipal bonds rated AA or better at December 31, 2015 to arrive at a discount rate of 7.48% used to determine the total pension liability.

Changes in the Net Pension Liability

	(a)	(b)	(a) - (b)
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
BALANCES AT JANUARY 1, 2015	\$ 46,096,514	\$ 41,014,236	\$ 5,082,278
Changes for the period			
Service cost	818,026	-	818,026
Interest	3,391,973	-	3,391,973
Difference between expected and actual experience	(19,404)	-	(19,404)
Changes in assumptions	56,963	-	56,963
Employer contributions	-	1,004,206	(1,004,206)
Employee contributions	-	347,043	(347,043)
Net investment income	-	202,355	(202,355)
Benefit payments and refunds	(2,437,679)	(2,437,679)	-
Administrative expense	-	-	-
Other (net transfer)	-	679,125	(679,125)
Net changes	1,809,879	(204,950)	2,014,829
BALANCES AT DECEMBER 31, 2015	\$ 47,906,393	\$ 40,809,286	\$ 7,097,107

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Continued)

The table presented on the previous page includes amounts for both the Village and the Library. The Village's proportionate share of the net pension liability at January 1, 2015, the employer contributions, and the net pension liability at December 31, 2015 was \$4,015,000, \$793,113 and \$5,606,715, respectively. The Library's proportionate share of the net pension liability at January 1, 2015, the employer contributions and the net pension liability at December 31, 2015 was \$1,067,278, \$211,093 and \$1,490,392, respectively.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2015, the Village recognized pension expense of \$794,494. At December 31, 2015, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 140,464
Changes in assumption	912,805	-
Net difference between projected and actual earnings on pension plan investments	2,612,305	-
TOTAL	\$ 3,525,110	\$ 140,464

The deferred outflows presented in the table above include amounts for both the Village and the Library. The Village's proportionate share of the deferred outflows and inflows of resources at December 31, 2015 was \$2,784,837 and \$110,967, respectively. The Library's proportionate share of the deferred outflows of resources at December 31, 2015 was \$740,273 and \$29,497, respectively.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

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

<u>Year Ending</u> <u>December 31,</u>	
2016	\$ 824,007
2017	824,007
2018	573,813
2019	452,044
2020	-
Thereafter	-
	<hr/>
TOTAL	<u>\$ 2,673,871</u>

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 net pension liability of the Village calculated using the discount rate of 7.48% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.48%) or 1 percentage point higher (8.48%) than the current rate:

	1% Decrease (6.48%)	Current Discount Rate (7.48%)	1% Increase (8.48%)
	<hr/>		
Net pension liability (Village)	\$ 10,497,219	\$ 5,606,715	\$ 1,642,257
Net pension liability (Library)	2,790,400	1,490,392	436,550
	<hr/>		
Net pension liability (total)	<u>\$ 13,287,619</u>	<u>\$ 7,097,107</u>	<u>\$ 2,078,807</u>

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

Plan Administration

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 contributions levels are governed by Illinois Compiled Statutes (Chapter 40 - Article 5/3) and can be amended only by the Illinois legislature. The Village accounts for the Police Pension Plan as a pension trust fund.

The plan is governed by a five-member pension board. Two members appointed by the Village's Board, one elected by retired pension members and two elected by active members constitute the pension board.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

The Police Pension Plan does not issue a separate financial report.

Plan Membership

At December 31, 2015, the Police Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	37
Inactive plan members but not yet receiving benefits	1
Active plan members	
Vested	24
Nonvested	15
	<hr/>
TOTAL	<u><u>77</u></u>

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided

The following is a summary of the Police Pension Plan as provided for in Illinois Compiled Statutes (ILCS).

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% 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 eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit 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 ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the preceding calendar year.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Contributions

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan and this is the Village's funding policy. The employer contribution for the fiscal year ended December 31, 2015 was 22.89% of covered payroll.

Investment Policy

Permitted Deposits and Investments - Statutes and the Police Pension Fund's (the Fund) investment policy authorize the Fund to make deposits/invest 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 Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds, IMET, 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 Illinois insurance company general and separate accounts, mutual funds and equity securities (not to exceed 65% of the total net position of the Fund) and corporate bonds. During the year, no changes to the investment policy were approved by the Board of Trustees.

The Fund's Board of Trustees established the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Corporate Bonds	34%	1.70%
Domestic Equity	60%	6.10%
U.S. Government	5%	1.00%
Cash	1%	0.00%

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

Long-term expected real returns under GASB reflect the period of time that begins when a plan member begins to provide service to the employer and ends at the point when all benefits to the plan member have been paid. The expected inflation rate is 3% and is included in the long-term rate of return on investments. Long-term rates of return are expected to exhibit geometric properties. Geometric rates of return are equal to arithmetic rates of return when the annual returns exhibit no volatility over time. When arithmetic returns are volatile on a year-to-year basis, the actual realized geometric returns over time will be lower. The higher the volatility, the greater the difference.

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at December 31 for debt securities, equity securities and mutual funds and contract values for any insurance contracts. Investment income is recognized as earned. Gains and losses on sales and exchanges of fixed income securities are recognized on the transaction date.

Investment Rate of Return

For the year ended December 31, 2015, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policies do not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of December 31, 2015:

	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. agency obligations	\$ 4,286	\$ -	\$ -	\$ 4,286	\$ -
U.S. Treasury obligations	2,948,975	-	1,083,357	114,744	1,750,874
Corporate bonds	9,885,696	705,608	6,297,873	2,270,518	611,697
Municipal bonds	674,107	-	120,422	-	553,685
TOTAL	\$ 13,513,064	\$ 705,608	\$ 7,501,652	\$ 2,389,548	\$ 2,916,256

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds not needed within a one year period. The investment policy does not limit the maximum maturity length of investments in the Fund.

Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government bonds and investment grade bonds. The U.S. Treasury and agency obligations are rated by Moody's Aaa, the corporate bonds are rated between Baa3 and Aaa, and the municipal bonds are rated between Aa3 and Aaa. Illinois Funds is rated Aaa by Standard and Poor's. The investment policy is silent on minimum ratings required.

Custodial Credit Risk - Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. Illinois Funds and IMET are not subject to custodial credit risk.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Custodial Credit Risk - Investments (Continued)

Concentration of credit risk - The Fund's investment policy limits the amount of the portfolio that can be invested in any one investment vehicle. With the exception of U.S. Treasury securities and authorized pools, no more than 65% of the Fund's total investment portfolio can be invested in a single security type or with a single financial institution.

The Fund's investment policy does not specifically prohibit the use of or the investment in derivatives.

Net Pension Liability

The components of the net pension liability of the Police Pension Plan as of December 31, 2015 calculated in accordance with GASB Statement No. 67 were as follows:

Total pension liability	\$ 66,716,907
Plan fiduciary net position	40,512,362
Village's net pension liability	26,204,545
Plan fiduciary net position as a percentage of the total pension liability	60.72%

See the schedule of changes in the employer's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fund.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed using the following actuarial methods and assumptions.

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions (Continued)

Actuarial valuation date	December 31, 2015
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	3.00%
Salary increases	4.50%
Interest rate	7.25%
Cost of living adjustments	3.00%
Asset valuation method	Market

Mortality rates were based on the L&A 2016 Illinois Police Table. The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance.

Discount Rate

The discount rate used to measure the total pension liability was 5.63%. 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 the 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 Fund's fiduciary net position was not projected to be available to make all projected future benefit payments of current plan members and, therefore, was blended with the index rate of 3.57% for tax exempt general obligation municipal bonds rated AA or better at December 31, 2015 to arrive at a discount rate of 5.63% used to determine the total pension liability.

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 5.63% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.63%) or 1 percentage point higher (6.63%) than the current rate:

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity (Continued)

	1% Decrease (4.63%)	Current Discount Rate (5.63%)	1% Increase (6.63%)
Net pension liability	\$ 36,693,346	\$ 26,204,545	\$ 17,726,454

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2015	\$ 50,957,374	\$ 41,594,356	\$ 9,363,018
Changes for the period			
Service cost	1,138,463	-	1,138,463
Interest	2,800,129	-	2,800,129
Difference between expected and actual experience	2,088,324	-	2,088,324
Changes in assumptions	12,175,632	-	12,175,632
Employer contributions	-	871,305	(871,305)
Employee contributions	-	517,457	(517,457)
Net investment income	-	(4,524)	4,524
Benefit payments and refunds	(2,443,015)	(2,443,015)	-
Other (net transfer)	-	(23,217)	23,217
Net changes	15,759,533	(1,081,994)	16,841,527
BALANCES AT DECEMBER 31, 2015	\$ 66,716,907	\$ 40,512,362	\$ 26,204,545

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2015, the Village recognized pension expense of \$2,632,333. At December 31, 2015, the Village reported deferred outflows of resources and deferred inflows of resources related to the Police Pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,733,769	\$ -
Changes in assumption	10,108,461	-
Net difference between projected and actual earnings on pension plan investments	2,366,964	-
TOTAL	\$ 14,209,194	\$ -

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

<u>Year Ending December 31,</u>	
2016	\$ 3,013,468
2017	3,013,468
2018	3,013,468
2019	3,013,464
2020	2,155,326
Thereafter	-
TOTAL	\$ 14,209,194

VILLAGE OF DEERFIELD, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. CONTRACTUAL COMMITMENTS

Economic Incentive Agreements

The Village has entered into economic incentive agreements with a commercial entity whereby the Village has agreed to reimburse the commercial entity through sales tax rebates. 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. At December 31, 2015, the Village has accrued an estimated rebate liability of \$527,823 for amounts collected by the state through December 31, 2015 but not yet paid to the commercial entity. To date, the Village has paid \$20,102,520 to the commercial entity. The agreement has no stated maximum.

14. CHANGES IN ACCOUNTING PRINCIPLE

With the implementation of GASB Statement No. 68, the Village is required to retroactively record the net pension liability. The Village recorded the following change in accounting principle during the period ended December 31, 2015:

	<u>Increase (Decrease)</u>
CHANGE IN ACCOUNTING PRINCIPLE - GOVERNMENTAL ACTIVITIES	
Change in accounting principle	
To record the IMRF net pension liability	\$ (2,947,721)
To record the Police Pension net pension liability	(10,383,439)
To eliminate the net pension asset	<u>(1,020,421)</u>
TOTAL CHANGE IN ACCOUNTING PRINCIPLE - GOVERNMENTAL ACTIVITIES	<u><u>\$ (14,351,581)</u></u>
	<u>Increase (Decrease)</u>
CHANGE IN ACCOUNTING PRINCIPLE - BUSINESS-TYPE ACTIVITIES	
Change in accounting principle	
To record the IMRF net pension liability	<u>\$ (1,067,278)</u>
TOTAL CHANGE IN ACCOUNTING PRINCIPLE - BUSINESS-TYPE ACTIVITIES	<u><u>\$ (1,067,278)</u></u>

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

December 31, 2015

	Original and Final Budget	Actual
REVENUES		
Taxes	\$ 8,055,000	\$ 8,623,244
Licenses and permits	1,339,500	1,464,015
Intergovernmental	6,654,000	6,772,934
Charges for services	615,000	764,459
Fines and forfeits	275,000	292,284
Investment income	105,000	66,478
Miscellaneous	769,500	913,024
	<hr/>	
Total revenues	17,813,000	18,896,438
	<hr/>	
EXPENDITURES		
General government	7,607,218	6,967,367
Public safety	9,670,567	8,697,581
Highways and streets	2,813,052	2,816,855
	<hr/>	
Total expenditures	20,090,837	18,481,803
	<hr/>	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,277,837)	414,635
	<hr/>	
OTHER FINANCING SOURCES (USES)		
Transfers in	-	22,822
Transfers (out)	(1,200,000)	(1,200,000)
	<hr/>	
Total other financing sources (uses)	(1,200,000)	(1,177,178)
	<hr/>	
NET CHANGE IN FUND BALANCE	<u>\$ (3,477,837)</u>	(762,543)
FUND BALANCE, JANUARY 1		<u>21,694,124</u>
FUND BALANCE, DECEMBER 31		<u><u>\$ 20,931,581</u></u>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFIT PLAN

December 31, 2015

Schedule of Funding Progress

Actuarial Valuation Date	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Percentage Funded (1) / (2)	(4) Unfunded Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll (4) / (5)
April 30, 2011	N/A	N/A	N/A	N/A	N/A	N/A
April 30, 2012	N/A	N/A	N/A	N/A	N/A	N/A
April 30, 2013	\$ -	\$ 4,168,658	0.00%	\$ 4,168,658	\$ 9,909,624	42.07%
December 31, 2013*	-	4,168,658	0.00%	4,168,658	9,909,624	42.07%
December 31, 2014	N/A	N/A	N/A	N/A	N/A	N/A
December 31, 2015	N/A	N/A	N/A	N/A	N/A	N/A

Schedule of Employer Contributions

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
April 30, 2011	\$ 186,725	\$ 328,060	56.92%
April 30, 2012	186,725	328,060	56.92%
April 30, 2013	186,725	328,060	56.92%
December 31, 2013*	108,707	181,070	60.04%
December 31, 2014	108,707	181,070	60.04%
December 31, 2015	108,707	181,070	60.04%

* The Village changed to a December 31 year end for the fiscal year ended December 31, 2013.

N/A - Not available

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2015

BUDGETS

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted (at the fund level) for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, Internal Service and Pension Trust Funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the department level, or, where no departmental segregation of a fund exists, the fund level. 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 balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. No material encumbrances were recorded for 2015

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 must approve any over expenditures of appropriation or transfers of appropriated amounts. During the year, one supplementary appropriation was approved.

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

December 31, 2015

	<u>2015</u>
Actuarially determined contributions	\$ 996,735
Contributions in relation to the actuarially determined contribution	<u>1,004,206</u>
CONTRIBUTION DEFICIENCY (Excess)	<u><u>\$ (7,471)</u></u>
Covered-employee payroll	\$ 7,702,744
Contributions as a percentage of covered-employee payroll	13.0%

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2013	2014	2015
Actuarially determined contribution	\$ 654,414	\$ 698,335	\$ 843,209	\$ 1,202,006	\$ 1,350,132	\$ 860,228	\$ 1,023,006	\$ 895,479	\$ 989,616	\$ 871,305
Contribution in relation to the actuarially determined contribution	654,414	698,335	843,209	1,202,006	1,350,132	860,228	1,023,006	895,479	989,616	871,305
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 3,124,688	\$ 3,192,147	\$ 3,104,786	\$ 3,356,276	\$ 3,216,370	\$ 3,412,049	\$ 3,512,925	\$ 3,591,966	\$ 3,836,746	\$ 3,806,499
Contributions as a percentage of covered-employee payroll	20.94%	21.88%	27.16%	35.81%	41.98%	25.21%	29.12%	24.93%	25.79%	22.89%

* The Village changed to a December 31 year end for the fiscal year ended December 31, 2013.

Notes to Required Supplementary Information

This information directly above is presented in accordance with GASB Statement No. 67. The information presented was determined as part of the actuarial valuations as of January 1. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 25 years; the asset valuation method was at market value; and the significant actuarial assumptions were an investment rate of return of 7.25% annually, after 2012 and 7.5% 2012 and prior, projected salary increase assumption of 4.5% compounded annually and postretirement benefit increases of 3% compounded annually.

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF THE VILLAGE'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
ILLINOIS MUNICIPAL RETIREMENT FUND**

December 31, 2015

	<u>2015</u>
Employer's proportion of net pension liability	79.00%
Employer's proportionate share of net pension liability	5,606,714
Employer's covered-employee payroll	6,085,168
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	92.14%
Plan fiduciary net position as a percentage of the total pension liability	85.40%

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

December 31, 2015

	2014	2015
TOTAL PENSION LIABILITY		
Service cost	\$ 841,716	\$ 1,138,463
Interest	3,358,650	2,800,129
Changes of benefit terms	-	-
Differences between expected and actual experience	-	2,088,324
Changes of assumptions	-	12,175,632
Benefit payments, including refunds of member contributions	(2,447,399)	(2,443,015)
	1,752,967	15,759,533
Net change in total pension liability		
Total pension liability - beginning	49,204,407	50,957,374
	TOTAL PENSION LIABILITY - ENDING	\$ 66,716,907
	\$ 50,957,374	\$ 66,716,907
PLAN FIDUCIARY NET POSITION		
Contributions - employer	\$ 989,616	\$ 871,305
Contributions - member	374,137	517,457
Net investment income	3,637,510	(4,524)
Benefit payments, including refunds of member contributions	(2,447,399)	(2,443,015)
Administrative expense	(20,524)	(23,217)
	2,533,340	(1,081,994)
Net change in plan fiduciary net position		
Plan net position - beginning	39,061,016	41,594,356
	PLAN NET POSITION - ENDING	\$ 40,512,362
	\$ 41,594,356	\$ 40,512,362
EMPLOYER'S NET PENSION LIABILITY	\$ 9,363,018	\$ 26,204,545
Plan fiduciary net position		
as a percentage of the total pension liability	81.6%	60.7%
Covered employee payroll	\$ 3,702,863	\$ 3,806,499
Employer's net pension liability		
as a percentage of covered employee payroll	252.9%	688.4%

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

December 31, 2015

	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return, net of investment expense	(0.02%)	9.54%

(See independent auditor's report.)

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

VILLAGE OF DEERFIELD, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
TAXES		
Property	\$ 30,000	\$ 27,080
Replacement	125,000	148,999
Home rule sales	3,200,000	2,941,572
Local use	300,000	405,359
Electric utility tax	1,250,000	1,251,001
Hotel/motel	1,800,000	2,141,488
Telecommunication	1,350,000	1,707,745
Total taxes	8,055,000	8,623,244
LICENSES AND PERMITS		
Beer/liquor licenses	65,000	67,507
Food licenses	5,000	3,847
Other business licenses	5,500	9,195
Building permits	875,000	1,004,633
Contractor's licenses	7,000	7,350
Nonbusiness licenses and permits	52,000	39,876
Vehicle licenses	330,000	331,607
Total licenses and permits	1,339,500	1,464,015
INTERGOVERNMENTAL		
State grant	-	-
Sales taxes	4,900,000	4,777,330
Income taxes	1,700,000	1,939,199
State highway maintenance	54,000	56,405
Total intergovernmental	6,654,000	6,772,934
CHARGES FOR SERVICES		
Special police services	282,000	309,943
Dispatching services	236,000	245,592
50/50 tree planting	65,000	166,924
Engineering services	32,000	42,000
Total charges for services	615,000	764,459
FINES AND FORFEITS	275,000	292,284
INVESTMENT INCOME	105,000	66,478

(This schedule is continued on the following page.)

VILLAGE OF DEERFIELD, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
MISCELLANEOUS		
False alarms	\$ 27,000	\$ 26,814
Rentals	235,000	265,017
Miscellaneous	125,000	177,119
Sale of equipment	7,500	150
Franchise fees	375,000	443,924
	<hr/>	<hr/>
Total miscellaneous	769,500	913,024
	<hr/>	<hr/>
TOTAL REVENUES	\$ 17,813,000	\$ 18,896,438

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
GENERAL GOVERNMENT		
Finance department		
Personnel services	\$ 1,014,500	\$ 1,003,936
Training and development	8,050	4,982
Contractual services	2,847,775	2,521,307
Commodities	14,500	7,509
Utilities	20,200	14,729
Capital outlay	38,817	38,173
	<hr/>	<hr/>
Total finance department	3,943,842	3,590,636
	<hr/>	<hr/>
Administration		
Personnel services	827,223	812,468
Training and development	14,000	9,796
Contractual services	661,977	578,196
Commodities	4,050	6,009
Utilities	3,000	3,809
Capital outlay	59,350	57,009
	<hr/>	<hr/>
Total administration	1,569,600	1,467,287
	<hr/>	<hr/>
Community development		
Personnel services	1,067,943	1,032,736
Training and development	5,700	7,579
Contractual services	127,612	103,223
Commodities	20,700	8,979
Utilities	8,840	7,443
Capital outlay	10,900	8,502
	<hr/>	<hr/>
Total community development	1,241,695	1,168,462
	<hr/>	<hr/>
Engineering		
Personnel services	459,500	444,295
Training and development	5,000	2,193
Contractual services	350,570	265,092
Commodities	13,500	10,027
Utilities	9,610	6,907
Capital outlay	13,901	12,468
	<hr/>	<hr/>
Total engineering	852,081	740,982
	<hr/>	<hr/>
Total general government	7,607,218	6,967,367
	<hr/>	<hr/>
PUBLIC SAFETY		
Police department		
Administrative services		
Personnel services	763,879	784,192
Training and development	12,225	5,472

(This schedule is continued on the following pages.)

VILLAGE OF DEERFIELD, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
PUBLIC SAFETY (Continued)		
Police department (Continued)		
Administrative services (Continued)		
Contractual services	\$ 688,780	\$ 507,837
Commodities	34,500	19,591
Utilities	20,586	14,992
Capital outlay	169,248	168,037
	<hr/>	<hr/>
Total administrative services	1,689,218	1,500,121
	<hr/>	<hr/>
Communications		
Personnel services	1,004,465	902,872
Training and development	6,600	3,300
Contractual services	500	328
Capital outlay	5,000	3,332
	<hr/>	<hr/>
Total communications	1,016,565	909,832
	<hr/>	<hr/>
Investigations		
Personnel services	935,262	892,273
Training and development	7,500	4,421
Contractual services	7,300	3,963
Commodities	19,100	10,236
Capital outlay	34,700	28,069
	<hr/>	<hr/>
Total investigations	1,003,862	938,962
	<hr/>	<hr/>
Patrol		
Personnel services	5,519,722	5,019,352
Training and development	38,150	35,343
Contractual services	65,400	66,441
Commodities	118,100	60,286
Utilities	4,000	3,869
Capital outlay	19,950	16,049
	<hr/>	<hr/>
Total patrol	5,765,322	5,201,340
	<hr/>	<hr/>
Special detail		
Personnel services	195,600	147,326
	<hr/>	<hr/>
Total special detail	195,600	147,326
	<hr/>	<hr/>
Total public safety	9,670,567	8,697,581
	<hr/>	<hr/>
HIGHWAYS AND STREETS		
Public works department		
Administration		
Personnel services	318,950	296,076
Training and development	5,000	626

(This schedule is continued on the following page.)

VILLAGE OF DEERFIELD, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
HIGHWAYS AND STREETS (Continued)		
Public works department (Continued)		
Administration (Continued)		
Contractual services	\$ 193,127	\$ 174,791
Commodities	5,200	6,241
Utilities	8,210	6,753
Capital outlay	152,465	151,078
Total administration	682,952	635,565
Maintenance		
Personnel services	748,500	692,878
Contractual services	112,000	162,866
Commodities	152,000	152,644
Utilities	110,000	111,505
Capital outlay	2,500	1,350
Total maintenance	1,125,000	1,121,243
Snow and ice control		
Personnel services	134,750	143,426
Contractual services	104,000	137,603
Commodities	267,250	278,676
Capital outlay	750	7,720
Total snow and ice control	506,750	567,425
Forestry		
Personnel services	9,600	837
Contractual services	338,000	321,582
Commodities	15,000	13,649
Capital outlay	82,000	108,523
Total forestry	444,600	444,591
Train station maintenance		
Personnel services	10,750	9,628
Contractual services	38,500	35,947
Commodities	4,000	2,129
Utilities	500	327
Total train station maintenance	53,750	48,031
Total highways and streets	2,813,052	2,816,855
TOTAL EXPENDITURES	\$ 20,090,837	\$ 18,481,803

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND**

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
REVENUES		
Taxes		
Property	\$ 2,209,321	\$ 2,240,423
Intergovernmental	498,547	498,784
Contribution from library	732,831	732,831
Investment income	750	3,383
	<hr/>	<hr/>
Total revenues	3,441,449	3,475,421
	<hr/>	<hr/>
EXPENDITURES		
Debt service		
Principal retirement	962,000	962,000
Interest	672,060	672,059
Fiscal charges	4,000	2,800
	<hr/>	<hr/>
Total expenditures	1,638,060	1,636,859
	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,803,389	1,838,562
	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)		
Transfers (out)	(1,806,639)	(1,805,840)
	<hr/>	<hr/>
Total other financing sources (uses)	(1,806,639)	(1,805,840)
	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	\$ (3,250)	32,722
	<hr/>	<hr/>
NET POSITION, JANUARY 1		25,299
		<hr/>
NET POSITION, DECEMBER 31		\$ 58,021
		<hr/>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
INFRASTRUCTURE REPLACEMENT FUND**

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
REVENUES		
Taxes		
Property	\$ 2,361,087	\$ 2,386,075
Home rule sales tax	1,000,000	980,524
Intergovernmental	412,000	384,949
Charges for services	-	6,200
Investment income	2,500	11,532
Miscellaneous	200,000	428,786
Total revenues	<u>3,975,587</u>	<u>4,198,066</u>
EXPENDITURES		
Capital outlay		
Contractual services	1,035,000	1,130,822
Construction	11,870,000	10,827,650
Total expenditures	<u>12,905,000</u>	<u>11,958,472</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(8,929,413)</u>	<u>(7,760,406)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	1,200,000	10,191,142
Total other financing sources (uses)	<u>1,200,000</u>	<u>10,191,142</u>
NET CHANGE IN FUND BALANCE	<u>\$ (7,729,413)</u>	2,430,736
NET POSITION, JANUARY 1		<u>2,276,297</u>
NET POSITION, DECEMBER 31		<u>\$ 4,707,033</u>

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

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

Enhanced 911 Fund - to account for the operation of the E911 emergency response system which is funded by a per line charge on land-based and cellular phones.

2011B Sinking Fund - to accumulate restricted resources for the payment of general long-term debt.

Bond Proceeds Fund - to account for the restricted proceeds of the General Obligation Bonds, Series 2010A, 2011A, 2011B, 2012, 2013, 2015 and related expenditures.

VILLAGE OF DEERFIELD, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2015

	Special Revenue Funds		Debt	Capital	Total
	Motor Fuel Tax	Enhanced 911	Service Fund 2011B Sinking	Project Fund Bond Proceeds	
ASSETS					
Cash and investments	\$ 553,576	\$ 1,141,644	\$ 2,916,999	\$ 696,658	\$ 5,308,877
Receivables					
Accounts	-	88,234	-	-	88,234
Accrued interest	437	578	8,623	-	9,638
Due from other governments	41,132	-	-	-	41,132
TOTAL ASSETS	\$ 595,145	\$ 1,230,456	\$ 2,925,622	\$ 696,658	\$ 5,447,881
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 206,599	\$ 100,163	\$ -	\$ -	\$ 306,762
Total liabilities	206,599	100,163	-	-	306,762
FUND BALANCES					
Restricted for					
Maintenance of roadways	388,546	-	-	-	388,546
Public safety	-	1,130,293	-	-	1,130,293
Debt service	-	-	2,925,622	-	2,925,622
Capital projects	-	-	-	696,658	696,658
Total fund balances	388,546	1,130,293	2,925,622	696,658	5,141,119
TOTAL LIABILITIES AND FUND BALANCES	\$ 595,145	\$ 1,230,456	\$ 2,925,622	\$ 696,658	\$ 5,447,881

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2015

	Special Revenue Funds		Debt	Capital	Total
	Motor	Enhanced	Service Fund	Project Fund	
	Fuel Tax	911	2011B Sinking	Bond Proceeds	
REVENUES					
Property taxes	\$ -	\$ -	\$ 725,000	\$ -	\$ 725,000
Intergovernmental	445,554	-	-	-	445,554
Charges for services	-	343,856	-	-	343,856
Investment income	3,084	3,749	40,731	1,103	48,667
Miscellaneous	-	6,215	-	-	6,215
Total revenues	448,638	353,820	765,731	1,103	1,569,292
EXPENDITURES					
Current					
General government	988,000	-	515	310,638	1,299,153
Public safety	-	438,422	-	-	438,422
Total expenditures	988,000	438,422	515	310,638	1,737,575
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(539,362)	(84,602)	765,216	(309,535)	(168,283)
OTHER FINANCING SOURCES (USES)					
Proceeds from bonds issued at par	-	-	-	9,575,000	9,575,000
Premium on bonds issued	-	-	-	422,335	422,335
Transfers (out)	-	-	(22,822)	(8,991,142)	(9,013,964)
Total other financing sources (uses)	-	-	(22,822)	1,006,193	983,371
NET CHANGE IN FUND BALANCES	(539,362)	(84,602)	742,394	696,658	815,088
NET POSITION, JANUARY 1	927,908	1,214,895	2,183,228	-	4,326,031
NET POSITION, DECEMBER 31	\$ 388,546	\$ 1,130,293	\$ 2,925,622	\$ 696,658	\$ 5,141,119

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
REVENUES		
Intergovernmental		
Allotments earned	\$ 435,000	\$ 445,554
Investment income	1,500	3,084
	<hr/>	<hr/>
Total revenues	436,500	448,638
	<hr/>	<hr/>
EXPENDITURES		
Highways and streets		
Capital outlay	988,000	988,000
	<hr/>	<hr/>
Total expenditures	988,000	988,000
	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (551,500)</u>	(539,362)
NET POSITION, JANUARY 1		<hr/> 927,908
NET POSITION, DECEMBER 31		<hr/> <u>\$ 388,546</u>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
ENHANCED 911 FUND**

For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual
REVENUES			
Charges for services			
Other charges	\$ 335,000	\$ 335,000	\$ 343,856
Investment income	6,000	6,000	3,749
Miscellaneous	-	-	6,215
	<hr/>		
Total revenues	341,000	341,000	353,820
	<hr/>		
EXPENDITURES			
Public safety			
Contractual services	209,281	209,281	137,394
Utilities	51,000	51,000	41,146
Capital outlay	267,270	365,170	259,882
	<hr/>		
Total expenditures	527,551	625,451	438,422
	<hr/>		
NET CHANGE IN FUND BALANCE	<u>\$ (186,551)</u>	<u>\$ (284,451)</u>	(84,602)
NET POSITION, JANUARY 1			<u>1,214,895</u>
NET POSITION, DECEMBER 31			<u>\$ 1,130,293</u>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
2011B SINKING FUND**

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
REVENUES		
Property taxes	\$ 725,000	\$ 725,000
Investment income	15,000	40,731
	<hr/>	<hr/>
Total revenues	740,000	765,731
	<hr/>	<hr/>
EXPENDITURES		
Contractual services	1,200	515
	<hr/>	<hr/>
Total expenditures	1,200	515
	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	738,800	765,216
	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)		
Transfers (out)	-	(22,822)
	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ 738,800</u>	742,394
	<hr/>	<hr/>
NET POSITION, JANUARY 1		2,183,228
		<hr/>
NET POSITION, DECEMBER 31		<u>\$ 2,925,622</u>

(See independent auditor's report.)

MAJOR ENTERPRISE FUNDS

VILLAGE OF DEERFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER FUND

For the Year Ended December 31, 2015

	<u>Original and Final Budget</u>	<u>Actual</u>
OPERATING REVENUES		
Charges for services		
Water sales	\$ 4,180,000	\$ 3,701,281
Miscellaneous		
Permits and fees	40,000	50,789
Penalties	30,000	32,110
Other	33,000	36,959
	<hr/>	<hr/>
Total operating revenues	4,283,000	3,821,139
	<hr/>	<hr/>
OPERATING EXPENSES EXCLUDING DEPRECIATION		
Administration	629,814	472,305
Operations		
Distribution	2,640,800	2,437,260
Maintenance - mains and fire hydrants	603,800	623,893
Maintenance - meters	884,400	562,846
	<hr/>	<hr/>
Total operating expenses excluding depreciation	4,758,814	4,096,304
	<hr/>	<hr/>
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(475,814)	(275,165)
Depreciation	-	420,985
	<hr/>	<hr/>
OPERATING INCOME (LOSS) BEFORE CONTRIBUTIONS OF CAPITAL ASSETS	(475,814)	(696,150)
Contributions of capital assets	-	2,002,495
	<hr/>	<hr/>
CHANGE IN NET POSITION	<u>\$ (475,814)</u>	<u>1,306,345</u>
NET POSITION, JANUARY 1		16,305,782
Change in accounting principle		<u>(355,759)</u>
NET POSITION, JANUARY 1 (RESTATED)		<u>15,950,023</u>
NET POSITION, DECEMBER 31		<u><u>\$ 17,256,368</u></u>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
WATER FUND

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
ADMINISTRATION		
Personnel services	\$ 380,500	\$ 262,434
Training and development	1,850	782
Contractual services	181,865	147,654
Commodities	5,000	4,457
Utilities	9,910	6,858
Capital outlay	50,689	50,120
	<hr/>	<hr/>
Total administration	629,814	472,305
	<hr/>	<hr/>
OPERATIONS		
Distribution		
Personnel services	135,900	145,437
Contractual services	45,000	67,430
Commodities	2,362,400	2,145,125
Utilities	92,500	77,684
Capital outlay	5,000	1,584
	<hr/>	<hr/>
Total distribution	2,640,800	2,437,260
	<hr/>	<hr/>
Main and fire hydrant maintenance		
Personnel services	373,600	360,340
Contractual services	122,000	105,578
Commodities	106,200	155,770
Capital outlay	2,000	2,205
	<hr/>	<hr/>
Total main and fire hydrant maintenance	603,800	623,893
	<hr/>	<hr/>
Meter maintenance		
Personnel services	94,000	84,268
Contractual services	423,000	182,758
Commodities	5,400	2,409
Capital outlay	362,000	293,411
	<hr/>	<hr/>
Total meter maintenance	884,400	562,846
	<hr/>	<hr/>
TOTAL OPERATING EXPENSES	\$ 4,758,814	\$ 4,096,304

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION
WATER FUND**

For the Year Ended December 31, 2015

	Assets			
	Balances December 31, 2014	Additions	Retirements	Balances December 31, 2015
Land	\$ 1,877,956	\$ -	\$ -	\$ 1,877,956
Buildings	4,180,123	-	-	4,180,123
Water system improvements	14,849,333	2,002,494	209,976	16,641,851
Equipment and vehicles	626,490	-	-	626,490
TOTAL	\$ 21,533,902	\$ 2,002,494	\$ 209,976	\$ 23,326,420
	Accumulated Depreciation			
	Balances December 31, 2014	Additions	Retirements	Balances December 31, 2015
Buildings	\$ 1,843,801	\$ 88,455	\$ -	\$ 1,932,256
Water system improvements	2,417,576	314,476	209,976	2,522,076
Equipment and vehicles	477,591	18,054	-	495,645
TOTAL	\$ 4,738,968	\$ 420,985	\$ 209,976	\$ 4,949,977
NET ASSET VALUE				<u>\$ 18,376,443</u>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
SEWERAGE FUND

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
OPERATING REVENUES		
Charges for services		
Sewer charges	\$ 2,775,500	\$ 2,724,235
Miscellaneous		
Permits and fees	15,000	18,650
Penalties	30,000	30,384
Other	5,000	32,004
Total operating revenues	2,825,500	2,805,273
OPERATING EXPENSES EXCLUDING DEPRECIATION		
Administration	566,869	339,816
Operations		
Treatment plant	1,603,213	1,587,392
Cleaning and maintenance	307,000	284,403
Construction	351,450	313,424
Total operating expenses excluding depreciation	2,828,532	2,525,035
OPERATING INCOME (LOSS) BEFORE DEPRECIATION AND AMORTIZATION	(3,032)	280,238
Depreciation and amortization	-	973,048
OPERATING INCOME (LOSS)	(3,032)	(692,810)
NON-OPERATING REVENUES (EXPENSES)		
Investment income	2,000	1,608
Interest expense	(1,048,639)	(1,035,087)
Total non-operating revenues (expenses)	(1,046,639)	(1,033,479)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(1,049,671)	(1,726,289)
Contributions	-	247,246
Transfers	1,806,639	1,805,840
CHANGE IN NET POSITION	\$ 756,968	326,797
NET POSITION, JANUARY 1		10,966,506
Change in accounting principle		(711,519)
NET POSITION, JANUARY 1 (RESTATED)		10,254,987
NET POSITION, DECEMBER 31		\$ 10,581,784

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
SEWERAGE FUND

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
ADMINISTRATION		
Personnel services	\$ 265,750	\$ 65,101
Training and development	2,100	568
Contractual services	217,800	196,864
Commodities	4,800	4,901
Utilities	4,000	3,185
Capital outlay	72,419	69,197
	<hr/>	<hr/>
Total administration	566,869	339,816
	<hr/>	<hr/>
OPERATIONS		
Treatment plant		
Personnel services	964,200	952,740
Training and development	6,880	4,362
Contractual services	220,465	184,487
Commodities	129,000	83,020
Utilities	211,190	296,583
Miscellaneous	20,000	19,680
Capital outlay	51,478	46,520
	<hr/>	<hr/>
Total treatment plant	1,603,213	1,587,392
	<hr/>	<hr/>
Cleaning and maintenance		
Personnel services	235,500	230,247
Contractual services	54,000	41,753
Commodities	17,500	12,403
	<hr/>	<hr/>
Total cleaning and maintenance	307,000	284,403
	<hr/>	<hr/>
Construction		
Personnel services	273,750	235,417
Contractual services	20,500	19,300
Commodities	57,200	58,707
	<hr/>	<hr/>
Total construction	351,450	313,424
	<hr/>	<hr/>
Total operations	2,261,663	2,185,219
	<hr/>	<hr/>
TOTAL OPERATING EXPENSES	\$ 2,828,532	\$ 2,525,035
	<hr/> <hr/>	<hr/> <hr/>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION
SEWERAGE FUND**

For the Year Ended December 31, 2015

	Assets			
	Balances			Balances
	December 31, 2014	Additions	Retirements	December 31, 2015
Construction in progress	\$ -	\$ 7,224	\$ -	\$ 7,224
Sewer system	4,585,564	240,022	11,120	4,814,466
Buildings and improvements	41,005,066	-	-	41,005,066
TOTAL	\$ 45,590,630	\$ 247,246	\$ 11,120	\$ 45,826,756
	Accumulated Depreciation			
	Balances			Balances
	December 31, 2014	Additions	Retirements	December 31, 2015
Sewer system	\$ 1,483,762	\$ 98,439	\$ 11,120	\$ 1,571,081
Buildings and improvements	2,556,265	874,609	-	3,430,874
TOTAL	\$ 4,040,027	\$ 973,048	\$ 11,120	\$ 5,001,955
NET ASSET VALUE				<u>\$ 40,824,801</u>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
REFUSE FUND**

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
OPERATING REVENUES		
Charges for services		
Refuse billing	\$ 505,500	\$ 513,672
Miscellaneous	42,000	17,583
	<hr/>	
Total operating revenues	547,500	531,255
	<hr/>	
OPERATING EXPENSES		
Operations		
Personnel services	92,250	83,069
Contractual services	1,371,500	1,324,639
Commodities	26,200	14,340
Capital outlay	11,649	11,649
	<hr/>	
Total operating expenses	1,501,599	1,433,697
	<hr/>	
OPERATING INCOME (LOSS)	(954,099)	(902,442)
	<hr/>	
NON-OPERATING REVENUES (EXPENSES)		
Investment income	1,200	1,613
Property taxes	955,984	965,948
	<hr/>	
Total non-operating revenues (expenses)	957,184	967,561
	<hr/>	
CHANGE IN NET POSITION	<u>\$ 3,085</u>	65,119
NET POSITION, JANUARY 1		<u>372,940</u>
NET POSITION, DECEMBER 31		<u>\$ 438,059</u>

(See independent auditor's report.)

NONMAJOR ENTERPRISE FUNDS

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
COMMUTER PARKING LOT FUND**

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
OPERATING REVENUES		
Parking lot fees	\$ 218,000	\$ 270,799
Total operating revenues	<u>218,000</u>	<u>270,799</u>
OPERATING EXPENSES		
Operations	366,750	258,052
Depreciation	-	26,737
Total operating expenses	<u>366,750</u>	<u>284,789</u>
OPERATING INCOME (LOSS)	<u>(148,750)</u>	<u>(13,990)</u>
NON-OPERATING REVENUES (EXPENSES)		
Investment income	<u>1,400</u>	<u>834</u>
Total non-operating revenues (expenses)	<u>1,400</u>	<u>834</u>
CHANGE IN NET POSITION	<u><u>\$ (147,350)</u></u>	<u>(13,156)</u>
NET POSITION, JANUARY 1		<u>1,411,940</u>
NET POSITION, DECEMBER 31		<u><u>\$ 1,398,784</u></u>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
COMMUTER PARKING LOT FUND**

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
OPERATIONS		
Parking lots - village and federal funds		
Personnel services	\$ 20,500	\$ 18,814
Contractual services	176,100	119,536
Commodities	750	-
Utilities	3,300	2,814
	<hr/>	<hr/>
Total parking lots - village and federal funds	200,650	141,164
	<hr/>	<hr/>
Parking lots - village construction		
Personnel services	20,500	18,814
Contractual services	138,600	93,588
Commodities	1,000	-
Utilities	6,000	4,486
	<hr/>	<hr/>
Total parking lots - village construction	166,100	116,888
	<hr/>	<hr/>
TOTAL OPERATING EXPENSES	\$ 366,750	\$ 258,052

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION
COMMUTER PARKING LOT FUND**

For the Year Ended December 31, 2015

	Assets			
	Balances December 31, 2014	Additions	Retirements	Balances December 31, 2015
Land	\$ 77,500	\$ -	\$ -	\$ 77,500
Parking lot improvements	1,950,830	-	-	1,950,830
TOTAL	\$ 2,028,330	\$ -	\$ -	\$ 2,028,330

	Accumulated Depreciation			
	Balances December 31, 2014	Additions	Retirements	Balances December 31, 2015
Parking lot improvements	\$ 872,418	\$ 26,737	\$ -	\$ 899,155
NET ASSET VALUE				\$ 1,129,175

(See independent auditor's report.)

INTERNAL SERVICE FUNDS

VILLAGE OF DEERFIELD, ILLINOIS

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

December 31, 2015

	Garage	Vehicle and Equipment Replacement	Total
CURRENT ASSETS			
Cash and investments	\$ -	\$ 4,860,642	\$ 4,860,642
Receivables			
Accounts	5,219	-	5,219
Accrued interest	-	2,417	2,417
Prepaid expenses	5,153	-	5,153
Inventory	148,382	-	148,382
Total current assets	158,754	4,863,059	5,021,813
CAPITAL ASSETS			
Depreciable	-	4,125,686	4,125,686
Accumulated depreciation	-	(2,576,223)	(2,576,223)
Net capital assets	-	1,549,463	1,549,463
Total assets	158,754	6,412,522	6,571,276
CURRENT LIABILITIES			
Accounts payable	15,419	3,634	19,053
Accrued payroll	6,277	-	6,277
Compensated absences payable	1,745	-	1,745
Due to other funds	1,899	-	1,899
Total current liabilities	25,340	3,634	28,974
LONG-TERM LIABILITIES			
Compensated absences payable	15,708	-	15,708
Total long-term liabilities	15,708	-	15,708
Total liabilities	41,048	3,634	44,682
NET POSITION			
Net investment in capital assets	-	1,549,463	1,549,463
Unrestricted	117,706	4,859,425	4,977,131
TOTAL NET POSITION	\$ 117,706	\$ 6,408,888	\$ 6,526,594

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS**

For the Year Ended December 31, 2015

	<u>Garage</u>	<u>Vehicle and Equipment Replacement</u>	<u>Total</u>
OPERATING REVENUES			
Interfund services			
Billings	\$ 348,243	\$ 683,051	\$ 1,031,294
Miscellaneous	10,485	-	10,485
	<hr/>		
Total operating revenues	358,728	683,051	1,041,779
	<hr/>		
OPERATING EXPENSES			
Operations	347,188	-	347,188
Commodities	-	112,300	112,300
	<hr/>		
Total operating expenses	347,188	112,300	459,488
	<hr/>		
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	11,540	570,751	582,291
	<hr/>		
Depreciation	-	328,825	328,825
	<hr/>		
OPERATING INCOME (LOSS)	11,540	241,926	253,466
	<hr/>		
NON-OPERATING REVENUES (EXPENSES)			
Sale of capital assets	-	54,437	54,437
Investment income	-	15,639	15,639
	<hr/>		
Total non-operating revenues (expenses)	-	70,076	70,076
	<hr/>		
CHANGE IN NET POSITION	11,540	312,002	323,542
	<hr/>		
NET POSITION, JANUARY 1	106,166	6,096,886	6,203,052
	<hr/>		
NET POSITION, DECEMBER 31	\$ 117,706	\$ 6,408,888	\$ 6,526,594
	<hr/> <hr/>		

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2015

	Garage	Vehicle and Equipment Replacement	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund services	\$ 344,302	\$ 683,051	\$ 1,027,353
Receipts from miscellaneous revenue	10,485	-	10,485
Payments to suppliers	(177,465)	(108,666)	(286,131)
Payments to employees	(211,141)	-	(211,141)
Payments for interfund services	1,900	-	1,900
Net cash from operating activities	(31,919)	574,385	542,466
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
None	-	-	-
Net cash from noncapital financing activities	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from sale of capital assets	-	54,437	54,437
Capital assets purchased	-	(264,101)	(264,101)
Net cash from capital and related financing activities	-	(209,664)	(209,664)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	8	14,538	14,546
Net cash from investing activities	8	14,538	14,546
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(31,911)	379,259	347,348
CASH AND CASH EQUIVALENTS, JANUARY 1	31,911	4,481,383	4,513,294
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ -	\$ 4,860,642	\$ 4,860,642
RECONCILIATION OF OPERATING INCOME TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income	\$ 11,540	\$ 241,926	\$ 253,466
Adjustments to reconcile operating income to net cash from operating activities			
Depreciation	-	328,825	328,825
(Increase) decrease in			
Accounts receivable	(3,444)	-	(3,444)
Prepaid expenses	(497)	-	(497)
Inventories	(45,844)	-	(45,844)
Increase (decrease) in			
Accounts payable	2,903	3,634	6,537
Interfund payables	1,900	-	1,900
Accrued payroll	(1,752)	-	(1,752)
Compensated absences payable	3,275	-	3,275
NET CASH FROM OPERATING ACTIVITIES	\$ (31,919)	\$ 574,385	\$ 542,466

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
GARAGE FUND**

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
OPERATING REVENUES		
Interfund services		
Billings	\$ 395,000	\$ 348,243
Miscellaneous	10,000	10,485
	<hr/>	<hr/>
Total operating revenues	405,000	358,728
	<hr/>	<hr/>
OPERATING EXPENSES		
Operations	447,915	347,188
	<hr/>	<hr/>
OPERATING INCOME (LOSS)	(42,915)	11,540
	<hr/>	<hr/>
NON-OPERATING REVENUES (EXPENSES)		
Investment income	300	-
	<hr/>	<hr/>
Total non-operating revenues (expenses)	300	-
	<hr/>	<hr/>
CHANGE IN NET POSITION	<u>\$ (42,615)</u>	11,540
NET POSITION, JANUARY 1		<hr/> 106,166
NET POSITION, DECEMBER 31		<hr/> <u>\$ 117,706</u>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
GARAGE FUND**

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
OPERATING EXPENSES		
Public works department		
Personnel services	\$ 227,550	\$ 212,664
Training and development	3,500	470
Contractual services	33,400	20,952
Commodities	122,700	85,549
Utilities	3,800	1,864
Capital outlay	56,965	25,689
TOTAL OPERATING EXPENSES	\$ 447,915	\$ 347,188

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
VEHICLE AND EQUIPMENT REPLACEMENT FUND**

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
OPERATING REVENUES		
Interfund services		
Billings	\$ 683,051	\$ 683,051
Total operating revenues	683,051	683,051
OPERATING EXPENSES		
Capital outlay	738,892	321,964
Less capital assets capitalized	(209,664)	(209,664)
Net operating expenses	529,228	112,300
OPERATING INCOME BEFORE DEPRECIATION	153,823	570,751
Depreciation	-	328,825
OPERATING INCOME	153,823	241,926
NON-OPERATING REVENUES (EXPENSES)		
Sale of capital assets	-	54,437
Investment income	20,000	15,639
Total non-operating revenues (expenses)	20,000	70,076
CHANGE IN NET POSITION	\$ 173,823	312,002
NET POSITION, JANUARY 1		6,096,886
NET POSITION, DECEMBER 31		\$ 6,408,888

(See independent auditor's report.)

FIDUCIARY FUNDS

VILLAGE OF DEERFIELD, ILLINOIS

**SCHEDULE OF CHANGES IN PLAN NET POSITION - BUDGET AND ACTUAL
POLICE PENSION FUND**

For the Year Ended December 31, 2015

	Original and Final Budget	Actual
ADDITIONS		
Contributions - employer	\$ 1,100,000	\$ 871,305
Contributions - employee	385,000	517,457
	<hr/>	<hr/>
Total contributions	1,485,000	1,388,762
	<hr/>	<hr/>
Investment income		
Net appreciation (depreciation) in fair value of investments	500,000	(1,074,312)
Interest and dividends earned on investments	600,000	1,099,476
	<hr/>	<hr/>
Total investment income	1,100,000	25,164
Less investment expense	(30,000)	(29,688)
	<hr/>	<hr/>
Net investment income	1,070,000	(4,524)
	<hr/>	<hr/>
Total additions	2,555,000	1,384,238
	<hr/>	<hr/>
DEDUCTIONS		
Benefits and refunds		
Pension payments	2,500,000	2,402,563
Separation refunds	15,000	40,452
Administrative	30,800	23,217
	<hr/>	<hr/>
Total deductions	2,545,800	2,466,232
	<hr/>	<hr/>
NET INCREASE (DECREASE)	<u>\$ 9,200</u>	(1,081,994)
 NET POSITION HELD IN TRUST FOR PENSION BENEFITS		
January 1		<hr/> 41,594,356
December 31		<hr/> <u>\$ 40,512,362</u>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS

For the Year Ended December 31, 2015

	Balances December 31, 2014		Additions	Deductions	Balances December 31, 2015			
All Funds								
ASSETS								
Cash and investments	\$	2,620,135	\$	304,886	\$	-	\$	2,925,021
Receivables - accrued interest		16		23		16		23
TOTAL ASSETS	\$	2,620,151	\$	304,909	\$	16	\$	2,925,044
LIABILITIES								
Accounts payable	\$	6,420	\$	1,750	\$	2,804	\$	5,366
Deposits payable		2,589,910		537,423		266,337		2,860,996
Other payables		23,821		34,861		-		58,682
TOTAL LIABILITIES	\$	2,620,151	\$	574,034	\$	269,141	\$	2,925,044
Deposit Fund								
ASSETS								
Cash and investments	\$	2,589,910	\$	272,836	\$	-	\$	2,862,746
TOTAL ASSETS	\$	2,589,910	\$	272,836	\$	-	\$	2,862,746
LIABILITIES								
Accounts payable	\$	-	\$	1,750	\$	-	\$	1,750
Deposits payable		2,589,910		537,423		266,337		2,860,996
TOTAL LIABILITIES	\$	2,589,910	\$	539,173	\$	266,337	\$	2,862,746
East Shore Radio Network Fund								
ASSETS								
Cash and investments	\$	30,225	\$	32,050	\$	-	\$	62,275
Receivables - accrued interest		16		23		16		23
TOTAL ASSETS	\$	30,241	\$	32,073	\$	16	\$	62,298
LIABILITIES								
Accounts payable	\$	6,420	\$	-	\$	2,804	\$	3,616
Other payables		23,821		34,861		-		58,682
TOTAL LIABILITIES	\$	30,241	\$	34,861	\$	2,804	\$	62,298

(See independent auditor's report.)

SUPPLEMENTAL DATA

VILLAGE OF DEERFIELD, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES OF 2008**

December 31, 2015

Date of Issue	August 1, 2008
Date of Maturity	December 1, 2028
Authorized Issue	\$5,000,000
Denomination of Bonds	\$5,000
Interest Rates	3.250%, 3.375%, 3.500%, 3.750%, 3.875%, 4.000%, 4.125%, 4.250%
Principal Maturity Date	December 1
Payable at	Amalgamated Bank, Chicago, Illinois

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2015	\$ 220,000	\$ 147,794	\$ 367,794	2016	\$ 73,897	2016	\$ 73,897
2016	225,000	139,544	364,544	2017	69,772	2017	69,772
2017	235,000	131,106	366,106	2018	65,553	2018	65,553
2018	245,000	122,294	367,294	2019	61,147	2019	61,147
2019	255,000	112,800	367,800	2020	56,400	2020	56,400
2020	265,000	102,919	367,919	2021	51,459	2021	51,460
2021	275,000	92,319	367,319	2022	46,159	2022	46,160
2022	290,000	81,319	371,319	2023	40,659	2023	40,660
2023	300,000	69,356	369,356	2024	34,678	2024	34,678
2024	315,000	56,981	371,981	2025	28,491	2025	28,490
2025	330,000	43,987	373,987	2026	21,994	2026	21,993
2026	345,000	29,962	374,962	2027	14,981	2027	14,981
2027	360,000	15,300	375,300	2028	7,650	2028	7,650
	<u>\$ 3,660,000</u>	<u>\$ 1,145,681</u>	<u>\$ 4,805,681</u>		<u>\$ 572,840</u>		<u>\$ 572,841</u>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES OF 2010A**

December 31, 2015

Date of Issue	November 3, 2010
Date of Maturity	December 1, 2030
Authorized Issue	\$12,500,000
Denomination of Bonds	\$5,000
Interest Rates	0.80% to 5.50%
Principal Maturity Date	December 1
Payable at	Depository Trust Company, Chicago, Illinois

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2015	\$ 560,000	\$ 431,335	\$ 991,335	2016	\$ 215,667	2016	\$ 215,668
2016	565,000	418,455	983,455	2017	209,227	2017	209,228
2017	575,000	402,918	977,918	2018	201,459	2018	201,459
2018	585,000	385,380	970,380	2019	192,690	2019	192,690
2019	600,000	364,320	964,320	2020	182,160	2020	182,160
2020	610,000	341,220	951,220	2021	170,610	2021	170,610
2021	625,000	316,210	941,210	2022	158,105	2022	158,105
2022	645,000	289,335	934,335	2023	144,667	2023	144,668
2023	660,000	260,310	920,310	2024	130,155	2024	130,155
2024	680,000	229,290	909,290	2025	114,645	2025	114,645
2025	700,000	195,970	895,970	2026	97,985	2026	97,985
2026	720,000	160,270	880,270	2027	80,135	2027	80,135
2027	735,000	122,830	857,830	2028	61,415	2028	61,415
2028	750,000	83,875	833,875	2029	41,937	2029	41,938
2029	775,000	42,625	817,625	2030	21,312	2030	21,313
	<u>\$ 9,785,000</u>	<u>\$ 4,044,343</u>	<u>\$ 13,829,343</u>		<u>\$ 2,022,169</u>		<u>\$ 2,022,174</u>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES OF 2011A**

December 31, 2015

Date of Issue	October 17, 2011
Date of Maturity	December 1, 2031
Authorized Issue	\$9,900,000
Denomination of Bonds	\$5,000
Interest Rates	1.00% to 3.25%
Principal Maturity Date	December 1
Payable at	Depository Trust Company, Chicago, Illinois

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2015	\$ 280,000	\$ 226,215	\$ 506,215	2016	\$ 113,108	2016	\$ 113,107
2016	295,000	222,715	517,715	2017	111,358	2017	111,357
2017	310,000	218,290	528,290	2018	109,145	2018	109,145
2018	325,000	212,865	537,865	2019	106,433	2019	106,432
2019	340,000	206,365	546,365	2020	103,183	2020	103,182
2020	365,000	199,565	564,565	2021	99,783	2021	99,782
2021	380,000	192,265	572,265	2022	96,133	2022	96,132
2022	400,000	183,715	583,715	2023	91,858	2023	91,857
2023	425,000	174,115	599,115	2024	87,058	2024	87,057
2024	450,000	163,490	613,490	2025	81,745	2025	81,745
2025	475,000	151,340	626,340	2026	75,670	2026	75,670
2026	500,000	138,277	638,277	2027	69,139	2027	69,138
2027	355,000	123,277	478,277	2028	61,639	2028	61,638
2028	1,280,000	112,628	1,392,628	2029	56,314	2029	56,314
2029	1,335,000	74,228	1,409,228	2030	37,114	2030	37,114
2030	990,000	32,175	1,022,175	2031	16,088	2031	16,087
	<u>\$ 8,505,000</u>	<u>\$ 2,631,525</u>	<u>\$ 11,136,525</u>		<u>\$ 1,315,768</u>		<u>\$ 1,315,757</u>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES OF 2011B**

December 31, 2015

Date of Issue	October 17, 2011
Date of Maturity	December 1, 2028
Authorized Issue	\$12,500,000
Denomination of Bonds	\$5,000
Interest Rates	4.00%
Principal Maturity Date	December 1, 2028
Payable at	Depository Trust Company, Chicago, Illinois

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2015	\$ -	\$ 499,200	\$ 499,200	2016	\$ 249,600	2016	\$ 249,600
2016	-	499,200	499,200	2017	249,600	2017	249,600
2017	-	499,200	499,200	2018	249,600	2018	249,600
2018	-	499,200	499,200	2019	249,600	2019	249,600
2019	-	499,200	499,200	2020	249,600	2020	249,600
2020	-	499,200	499,200	2021	249,600	2021	249,600
2021	-	499,200	499,200	2022	249,600	2022	249,600
2022	-	499,200	499,200	2023	249,600	2023	249,600
2023	-	499,200	499,200	2024	249,600	2024	249,600
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>\$ 6,489,600</u>	<u>\$ 18,969,600</u>		<u>\$ 3,244,800</u>		<u>\$ 3,244,800</u>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES OF 2012**

December 31, 2015

Date of Issue	February 21, 2012
Date of Maturity	December 1, 2031
Authorized Issue	\$10,000,000
Denomination of Bonds	\$5,000
Interest Rates	1.25% to 2.75%
Principal Maturity Date	December 1
Payable at	Depository Trust Company, Chicago, Illinois

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2015	\$ -	\$ 234,763	\$ 234,763	2016	\$ 117,381	2016	\$ 117,382
2016	-	234,763	234,763	2017	117,381	2017	117,382
2017	135,000	234,763	369,763	2018	117,381	2018	117,382
2018	440,000	233,075	673,075	2019	116,537	2019	116,538
2019	455,000	227,575	682,575	2020	113,787	2020	113,788
2020	475,000	220,750	695,750	2021	110,375	2021	110,375
2021	495,000	212,438	707,438	2022	106,219	2022	106,219
2022	515,000	203,775	718,775	2023	101,887	2023	101,888
2023	540,000	193,475	733,475	2024	96,737	2024	96,738
2024	555,000	182,674	737,674	2025	91,337	2025	91,337
2025	580,000	170,188	750,188	2026	85,094	2026	85,094
2026	600,000	157,138	757,138	2027	78,569	2027	78,569
2027	455,000	142,138	597,138	2028	71,069	2028	71,069
2028	1,380,000	130,762	1,510,762	2029	65,381	2029	65,381
2029	1,425,000	92,812	1,517,812	2030	46,406	2030	46,406
2030	1,950,000	53,625	2,003,625	2031	26,812	2031	26,813
	<u>\$ 10,000,000</u>	<u>\$ 2,924,714</u>	<u>\$ 12,924,714</u>		<u>\$ 1,462,353</u>		<u>\$ 1,462,361</u>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES OF 2013**

December 31, 2015

Date of Issue	January 3, 2013
Date of Maturity	December 1, 2031
Authorized Issue	\$9,075,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% to 2.25%
Principal Maturity Date	December 1
Payable at	Depository Trust Company, Chicago, Illinois

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2015	\$ 710,000	\$ 145,218	\$ 855,218	2016	\$ 72,609	2016	\$ 72,609
2016	730,000	131,018	861,018	2017	65,509	2017	65,509
2017	615,000	116,418	731,418	2018	58,209	2018	58,209
2018	335,000	104,118	439,118	2019	52,059	2019	52,059
2019	340,000	97,418	437,418	2020	48,709	2020	48,709
2020	345,000	90,618	435,618	2021	45,309	2021	45,309
2021	350,000	83,718	433,718	2022	41,859	2022	41,859
2022	350,000	76,718	426,718	2023	38,359	2023	38,359
2023	355,000	69,718	424,718	2024	34,859	2024	34,859
2024	360,000	62,618	422,618	2025	31,309	2025	31,309
2025	365,000	55,416	420,416	2026	27,708	2026	27,708
2026	375,000	48,118	423,118	2027	24,059	2027	24,059
2027	380,000	40,618	420,618	2028	20,309	2028	20,309
2028	390,000	32,542	422,542	2029	16,271	2029	16,271
2029	390,000	23,962	413,962	2030	11,981	2030	11,981
2030	675,000	15,183	690,183	2031	7,592	2031	7,591
	<u>\$ 7,065,000</u>	<u>\$ 1,193,419</u>	<u>\$ 8,258,419</u>		<u>\$ 596,710</u>		<u>\$ 596,709</u>

(See independent auditor's report.)

VILLAGE OF DEERFIELD, ILLINOIS

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES OF 2015**

December 31, 2015

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

FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2015	\$ 380,000	\$ 290,450	\$ 670,450	2016	\$ 145,225	2016	\$ 145,225
2016	395,000	279,050	674,050	2017	139,525	2017	139,525
2017	405,000	267,200	672,200	2018	133,600	2018	133,600
2018	415,000	255,050	670,050	2019	127,525	2019	127,525
2019	430,000	242,600	672,600	2020	121,300	2020	121,300
2020	440,000	229,700	669,700	2021	114,850	2021	114,850
2021	455,000	216,500	671,500	2022	108,250	2022	108,250
2022	470,000	202,850	672,850	2023	101,425	2023	101,425
2023	485,000	188,750	673,750	2024	94,375	2024	94,375
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>\$ 9,575,000</u>	<u>\$ 3,185,075</u>	<u>\$ 12,760,075</u>		<u>\$ 1,592,537</u>		<u>\$ 1,592,538</u>

(See independent auditor's report.)

STATISTICAL SECTION

This part of the Village of Deerfield's comprehensive annual 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.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	104-113
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	114-115
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue additional debt in the future.	116-119
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	120-121
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	122-124

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

VILLAGE OF DEERFIELD, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2007	2008	2009	2010
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 60,106,127	\$ 60,243,189	\$ 62,619,244	\$ 66,174,872
Restricted	4,088,876	4,979,340	5,899,947	1,698,902
Unrestricted	18,185,786	22,238,210	18,140,003	14,799,887
TOTAL GOVERNMENTAL ACTIVITIES	\$ 82,380,789	\$ 87,460,739	\$ 86,659,194	\$ 82,673,661
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 16,926,626	\$ 19,176,339	\$ 22,289,499	\$ 25,794,886
Unrestricted	4,841,210	3,120,381	2,071,153	1,332,314
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 21,767,836	\$ 22,296,720	\$ 24,360,652	\$ 27,127,200
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 77,032,753	\$ 79,419,528	\$ 84,908,743	\$ 91,969,758
Restricted	4,088,876	4,979,340	5,899,947	1,698,902
Unrestricted	23,026,996	25,358,591	20,211,156	16,132,201
TOTAL PRIMARY GOVERNMENT	\$ 104,148,625	\$ 109,757,459	\$ 111,019,846	\$ 109,800,861

* Eight months ended December 31, 2013

The Village implemented GASB Statement No.68 in 2015, causing a reduction in unrestricted net position.

Data Source

Audited Financial Statements

2011	2012	2013	2013*	2014	2015
\$ 64,483,632	\$ 51,392,981	\$ 55,359,465	\$ 59,186,881	\$ 58,835,531	\$ 55,025,274
1,833,178	1,864,620	2,000,978	1,690,206	4,326,031	4,444,461
13,730,019	9,491,193	(3,773,495)	25,298,828	27,077,751	14,539,564
\$ 80,046,829	\$ 62,748,794	\$ 53,586,948	\$ 86,175,915	\$ 90,239,313	\$ 74,009,299
\$ 28,525,266	\$ 47,891,247	\$ 59,834,517	\$ 28,906,421	\$ 28,270,616	\$ 29,869,458
649,610	113,829	140,855	651,661	786,552	(194,463)
\$ 29,174,876	\$ 48,005,076	\$ 59,975,372	\$ 29,558,082	\$ 29,057,168	\$ 29,674,995
\$ 93,008,898	\$ 84,682,839	\$ 86,323,125	\$ 82,313,682	\$ 87,106,147	\$ 84,894,732
1,833,178	1,864,620	2,000,978	1,690,206	4,326,031	4,444,461
14,379,629	24,206,411	25,238,217	31,730,109	27,864,303	14,345,101
\$ 109,221,705	\$ 110,753,870	\$ 113,562,320	\$ 115,733,997	\$ 119,296,481	\$ 103,684,294

VILLAGE OF DEERFIELD, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2007	2008	2009	2010
EXPENSES				
Governmental Activities				
General government	\$ 4,602,570	\$ 4,569,982	\$ 5,228,097	\$ 9,833,315
Public safety	7,154,536	7,232,143	7,715,014	8,543,631
Highways and streets	5,822,340	4,451,069	7,317,060	10,985,018
Interest	295,435	209,430	215,464	193,105
Total governmental activities expenses	<u>17,874,881</u>	<u>16,462,624</u>	<u>20,475,635</u>	<u>29,555,069</u>
Business-Type Activities				
Water	4,264,602	6,224,262	3,993,964	4,103,889
Sewerage	2,450,965	2,735,053	3,040,082	2,643,276
Refuse disposal	1,496,548	1,520,190	1,590,167	1,599,244
Commuter parking	246,153	210,307	282,534	262,458
Total business-type activities expenses	<u>8,458,268</u>	<u>10,689,812</u>	<u>8,906,747</u>	<u>8,608,867</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 26,333,149</u>	<u>\$ 27,152,436</u>	<u>\$ 29,382,382</u>	<u>\$ 38,163,936</u>
PROGRAM REVENUES				
Governmental Activities				
Charges for services				
General government	\$ 1,743,818	\$ 1,480,008	\$ 1,645,678	\$ 1,862,200
Public safety	911,421	935,302	956,468	866,510
Highways and streets	69,216	75,400	59,609	47,219
Operating grants and contributions	544,823	524,423	490,768	474,526
Capital grants and contributions	213,575	1,492,153	894,545	2,195,963
Total governmental activities program revenues	<u>3,482,853</u>	<u>4,507,286</u>	<u>4,047,068</u>	<u>5,446,418</u>
Business-Type Activities				
Charges for services				
Water	4,250,938	4,365,767	3,647,017	3,567,809
Sewerage	2,372,061	2,396,295	2,306,028	2,320,123
Refuse disposal	623,681	624,349	623,738	622,629
Commuter parking	204,177	212,585	218,770	209,165
Capital grants and contributions	1,002,909	441,605	-	-
Total business-type activities program revenues	<u>8,453,766</u>	<u>8,040,601</u>	<u>6,795,553</u>	<u>6,719,726</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 11,936,619</u>	<u>\$ 12,547,887</u>	<u>\$ 10,842,621</u>	<u>\$ 12,166,144</u>
NET (EXPENSE) REVENUE				
Governmental activities	\$ (14,392,028)	\$ (11,955,338)	\$ (16,428,567)	\$ (24,108,651)
Business-type activities	(4,502)	(2,649,211)	(2,111,194)	(1,889,141)
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	<u>\$ (14,396,530)</u>	<u>\$ (14,604,549)</u>	<u>\$ (18,539,761)</u>	<u>\$ (25,997,792)</u>

2011	2012	2013	2013*	2014	2015
\$ 5,477,968	\$ 24,267,281	\$ 18,988,356	\$ 5,755,847	\$ 7,756,784	\$ 8,182,572
8,497,498	8,388,066	8,572,034	6,256,914	9,189,101	11,870,633
7,749,726	6,602,895	5,753,656	6,208,891	6,286,456	8,065,953
393,054	1,098,736	1,791,625	628,554	685,495	1,113,073
22,118,246	40,356,978	35,105,671	18,850,206	23,917,836	29,232,231
4,215,482	4,455,971	4,625,679	3,153,643	4,345,300	4,517,289
2,846,388	2,996,805	3,267,868	3,147,664	4,691,951	4,533,170
1,600,736	1,307,850	1,343,691	953,301	1,440,045	1,433,697
322,431	337,337	352,088	243,017	331,951	284,789
8,985,037	9,097,963	9,589,326	7,497,625	10,809,247	10,768,945
\$ 31,103,283	\$ 49,454,941	\$ 44,694,997	\$ 26,347,831	\$ 34,727,083	\$ 40,001,176
\$ 2,011,535	\$ 1,833,930	\$ 2,290,768	\$ 1,811,306	\$ 3,812,004	\$ 2,214,956
873,947	986,382	1,047,217	783,151	1,167,096	1,218,489
73,968	66,279	263,607	234,034	442,918	606,549
582,734	715,849	1,140,504	890,860	612,569	445,554
360,539	434,225	75,864	58,791	1,306,043	442,690
3,902,723	4,036,665	4,817,960	3,778,142	7,340,630	4,928,238
3,777,700	3,891,387	4,295,580	3,006,491	3,763,753	3,701,281
2,450,088	2,499,701	2,892,170	2,065,472	2,645,264	2,724,235
608,475	461,887	476,926	324,969	500,449	513,672
204,236	201,426	223,381	187,386	226,450	270,799
2,963,996	19,620,003	12,566,460	1,802,087	173,695	2,249,741
10,004,495	26,674,404	20,454,517	7,386,405	7,309,611	9,459,728
\$ 13,907,218	\$ 30,711,069	\$ 25,272,477	\$ 11,164,547	\$ 14,650,241	\$ 14,387,966
\$ (18,215,523)	\$ (36,320,313)	\$ (30,287,711)	\$ (15,072,064)	\$ (16,577,206)	\$ (24,303,993)
1,019,458	17,576,441	10,891,928	(115,808)	(3,514,422)	(1,309,217)
\$ (17,196,065)	\$ (18,743,872)	\$ (19,395,783)	\$ (15,187,872)	\$ (20,091,628)	\$ (25,613,210)

VILLAGE OF DEERFIELD, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2007	2008	2009	2010
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property and replacement	\$ 6,542,142	\$ 6,617,648	\$ 7,093,819	\$ 8,618,052
Home rule sales	1,832,281	1,913,268	2,448,385	2,525,183
Simplified telecommunications	323,358	354,984	347,666	326,528
Other	3,891,356	4,065,091	3,684,318	3,097,643
Intergovernmental	4,533,261	4,552,097	4,438,194	4,995,509
Investment income	1,557,378	1,253,533	486,398	166,844
Miscellaneous	210,116	278,667	260,971	393,359
Contributions	-	-	-	-
Transfers (out)	(1,600,000)	(2,000,000)	(3,132,729)	-
Total governmental activities	17,289,892	17,035,288	15,627,022	20,123,118
Business-Type Activities				
Property taxes	859,502	780,785	807,708	807,968
Investment income	188,864	192,967	49,427	8,304
Miscellaneous	214,481	204,343	185,262	146,400
Transfers in	1,600,000	2,000,000	3,132,729	-
Total business-type activities	2,862,847	3,178,095	4,175,126	962,672
TOTAL PRIMARY GOVERNMENT	\$ 20,152,739	\$ 20,213,383	\$ 19,802,148	\$ 21,085,790
CHANGE IN NET POSITION				
Governmental activities	\$ 2,897,864	\$ 5,079,950	\$ (801,545)	\$ (3,985,533)
Business-type activities	2,858,345	528,884	2,063,932	(926,469)
TOTAL PRIMARY GOVERNMENT	\$ 5,756,209	\$ 5,608,834	\$ 1,262,387	\$ (4,912,002)

* Eight months ended December 31, 2013

Data Source

Audited Financial Statements

	2011	2012	2013	2013*	2014	2015
\$	2,278,574	\$ 2,822,939	\$ 4,410,633	\$ 5,010,070	\$ 5,260,112	\$ 5,527,577
	2,725,330	3,121,749	3,665,374	2,257,183	3,413,920	2,941,572
	644,129	1,752,850	1,430,126	936,501	1,261,799	1,707,745
	4,396,881	4,684,153	3,438,882	2,398,124	3,721,354	3,797,848
	5,281,422	5,968,953	8,474,800	5,396,719	8,316,948	7,697,052
	92,855	115,175	117,770	-	(221,419)	130,060
	169,500	556,459	252,924	279,991	704,909	676,294
	-	-	-	-	-	732,831
	-	-	-	-	(1,817,019)	(1,805,840)
	15,588,691	19,022,278	21,790,509	16,278,588	20,640,604	21,405,139
	832,264	889,586	890,214	906,951	936,361	965,948
	4,530	3,701	3,024	(4,588)	(14,786)	4,055
	191,424	360,472	211,867	174,010	260,128	218,479
	-	-	-	-	1,817,019	1,805,840
	1,028,218	1,253,759	1,105,105	1,076,373	2,998,722	2,994,322
\$	16,616,909	\$ 20,276,037	\$ 22,895,614	\$ 17,354,961	\$ 23,639,326	\$ 24,399,461
\$	(2,626,832)	\$ (17,298,035)	\$ (8,497,202)	\$ 1,206,524	\$ 4,063,398	\$ (2,898,854)
	2,047,676	18,830,200	11,970,296	965,153	(500,914)	1,685,105
\$	(579,156)	\$ 1,532,165	\$ 3,473,094	\$ 2,171,677	\$ 3,562,484	\$ (1,213,749)

VILLAGE OF DEERFIELD, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2007	2008	2009	2010
GENERAL FUND				
Reserved	\$ 3,219,255	\$ 2,233,242	\$ 453,124	\$ 447,892
Unreserved	16,968,193	14,913,911	16,155,829	15,619,459
Nonspendable for				
Note receivable	-	-	-	-
Inventory	-	-	-	-
Prepaid items	-	-	-	-
Advance	-	-	-	-
Unrestricted				
Assigned for debt service	-	-	-	-
Assigned for capital projects	-	-	-	-
Subsequent year's budget	-	-	-	-
Unassigned	-	-	-	-
TOTAL GENERAL FUND	\$ 20,187,448	\$ 17,147,153	\$ 16,608,953	\$ 16,067,351
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	\$ 4,088,876	\$ 4,979,340	\$ 5,899,947	\$ 1,698,902
Unreserved, reported in				
Special Revenue Funds	-	-	-	-
Capital Project Funds	976,571	1,804,245	1,928,286	230,653
Restricted for				
Capital projects	-	-	-	-
Maintenance of roadways	-	-	-	-
Public safety	-	-	-	-
Debt service	-	-	-	-
Unrestricted				
Assigned for				
Debt service	-	-	-	-
Capital projects	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 5,065,447	\$ 6,783,585	\$ 7,828,233	\$ 1,929,555

* Eight months ended December 31, 2013

Note: The Village implemented GASB Statement No. 54 for the year ended April 30, 2012. This resulted in a change in fund balance classification. The Village has not elected to report this change retroactively.

Data Source

Audited Financial Statements

	2011	2012	2013	2013*	2014	2015
\$	443,532	\$ -	\$ -	\$ -	\$ -	\$ -
	16,566,828	-	-	-	-	-
	-	100,000	90,000	80,000	70,000	60,000
	-	55,190	27,824	54,477	42,968	21,031
	-	441,382	459,247	752,402	713,737	707,640
	-	833,396	818,344	831,850	-	-
	-	1,650,000	1,400,000	1,500,000	1,200,000	1,000,000
	-	-	-	-	-	2,960,593
	-	16,206,557	17,002,357	16,815,607	19,667,419	15,223,752
\$	17,010,360	\$ 19,286,525	\$ 19,797,772	\$ 20,034,336	\$ 21,694,124	\$ 19,973,016
\$	6,927,256	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-
	417,104	-	-	-	-	-
	-	14,581,925	1,515,401	40,280	-	696,658
	-	601,423	633,057	325,768	927,908	388,546
	-	1,263,197	1,367,921	1,364,438	1,214,895	1,130,293
	-	-	-	-	2,183,228	2,925,622
	-	286,753	841,240	1,473,632	25,299	58,021
	-	1,088,012	2,154,351	749,533	2,276,297	4,707,033
\$	7,344,360	\$ 17,821,310	\$ 6,511,970	\$ 3,953,651	\$ 6,627,627	\$ 9,906,173

VILLAGE OF DEERFIELD, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2007	2008	2009	2010
REVENUES				
Taxes	\$ 17,122,400	\$ 17,503,089	\$ 18,012,382	\$ 19,562,915
Licenses and permits	1,454,044	1,161,276	1,271,817	1,366,472
Intergovernmental	762,016	713,470	1,349,486	951,183
Charges for services	239,668	716,522	727,445	654,662
Fines and forfeitures	701,606	261,495	251,680	227,686
Contribution from library	-	-	-	-
Investment income	1,557,378	1,253,533	486,398	166,844
Miscellaneous	514,765	614,796	698,839	821,396
Total revenues	22,351,877	22,224,181	22,798,047	23,751,158
EXPENDITURES				
General government	4,208,961	4,827,462	5,156,342	12,471,646
Public safety	7,114,542	7,273,503	7,656,333	8,322,821
Highways and streets	2,333,709	3,034,841	3,536,206	2,916,045
Capital outlay	8,260,631	4,204,984	6,735,684	6,207,466
Debt service				
Principal	2,000,000	2,000,000	4,000,000	175,000
Interest	302,600	216,600	184,939	193,150
Total expenditures	24,220,443	21,557,390	27,269,504	30,286,128
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,868,566)	666,791	(4,471,457)	(6,534,970)
OTHER FINANCING SOURCES (USES)				
Transfers in	4,702,000	4,216,000	8,629,795	923,389
Transfers (out)	(6,302,000)	(6,216,000)	(8,629,795)	(923,389)
Bonds issued	-	-	5,000,000	-
Premium (discount) on bonds issued	-	-	(30,867)	-
Sale of capital assets	20,870	11,052	8,772	94,690
Total other financing sources (uses)	(1,579,130)	(1,988,948)	4,977,905	94,690
NET CHANGE IN FUND BALANCES	\$ (3,447,696)	\$ (1,322,157)	\$ 506,448	\$ (6,440,280)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	14.43%	12.77%	20.38%	1.53%

* Eight months ended December 31, 2013

Data Source

Audited Financial Statements

	2011	2012	2013	2013*	2014	2015
\$	15,326,336	\$ 18,350,644	\$ 12,220,016	\$ 9,876,878	\$ 14,070,158	\$ 14,955,266
	1,431,793	1,173,799	1,645,735	1,277,977	3,062,263	1,464,015
	944,344	1,152,141	9,692,051	6,342,610	9,599,274	8,102,221
	687,515	709,146	710,049	565,213	1,004,048	1,114,515
	262,542	317,262	342,740	236,390	307,744	292,284
	-	-	763,572	742,476	730,381	732,831
	92,855	115,175	117,770	(164,823)	(221,419)	130,060
	715,868	1,219,949	1,113,205	998,549	1,218,373	1,348,025
	19,461,253	23,038,116	26,605,138	19,875,270	29,770,822	28,139,217
	5,328,331	6,436,048	7,783,224	5,063,339	7,353,449	8,266,520
	8,407,416	8,352,887	8,540,957	6,117,121	8,963,170	9,136,003
	3,032,200	3,091,770	2,806,358	2,326,884	2,924,874	2,816,855
	8,278,643	23,114,852	24,479,003	5,280,135	2,777,322	11,958,472
	180,000	710,000	1,355,000	928,000	935,000	962,000
	237,997	1,180,062	1,770,522	699,324	693,655	674,859
	25,464,587	42,885,619	46,735,064	20,414,803	23,647,470	33,814,709
	(6,003,334)	(19,847,503)	(20,129,926)	(539,533)	6,123,352	(5,675,492)
	7,506,834	22,440,459	14,290,621	3,152,954	2,354,180	10,213,964
	(7,506,834)	(22,440,459)	(14,290,621)	(4,943,562)	(4,171,199)	(12,019,804)
	12,500,000	32,400,000	9,075,000	-	-	9,575,000
	(69,013)	79,791	253,502	-	-	422,335
	30,161	20,827	3,331	8,386	27,431	-
	12,461,148	32,500,618	9,331,833	(1,782,222)	(1,789,588)	8,191,495
\$	6,457,814	\$ 12,653,115	\$ (10,798,093)	\$ (2,321,755)	\$ 4,333,764	\$ 2,516,003
	2.09%	4.75%	7.16%	9.02%	7.35%	6.60%

VILLAGE OF DEERFIELD, ILLINOIS

SALES TAX BY CATEGORY

Last Ten Calendar Years

Calendar Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General merchandise	\$ 217,623	\$ 268,413	\$ 181,355	\$ 215,487	\$ 222,696	\$ 233,408	\$ 222,366	\$ 224,653	\$ 247,348	\$ 208,851
Food	709,999	712,229	656,766	708,194	772,736	798,668	796,940	743,285	870,464	874,095
Drinking and eating places	666,821	749,845	756,872	931,610	932,074	970,059	1,018,539	1,032,833	1,108,407	1,128,992
Apparel	189,351	195,358	178,925	205,112	207,981	240,746	205,856	180,876	210,488	164,410
Furniture and H.H. and radio	836,653	784,397	676,075	644,981	752,175	713,431	473,808	345,052	291,839	288,538
Lumber, building hardware	681,704	614,752	532,637	622,406	610,072	590,742	564,884	583,287	642,214	542,259
Automobile and filling stations	317,435	257,719	283,125	284,289	434,095	513,421	348,318	358,919	510,550	314,993
Drugs and miscellaneous retail	1,899,467	1,877,780	2,184,421	3,211,071	2,625,382	3,625,900	5,476,027	4,692,108	4,937,251	4,069,522
Agriculture and all others	788,059	737,298	711,157	895,708	852,588	1,138,377	1,005,454	966,396	914,323	839,745
Manufacturers	125,147	93,150	143,018	196,451	203,171	214,511	237,039	226,254	251,653	266,575
TOTAL	\$ 6,432,259	\$ 6,290,941	\$ 6,304,351	\$ 7,915,309	\$ 7,612,970	\$ 9,039,263	\$ 10,349,231	\$ 9,353,663	\$ 9,984,537	\$ 8,697,980
Village direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Village home rule rate	0.00%	0.50%	0.50%	0.50%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Data Source

Illinois Department of Revenue

VILLAGE OF DEERFIELD, ILLINOIS

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
2006	0.25%	0.25%	0.25%	0.75%	0.75%	0.50%	1.00%	5.00%
2007	0.25%	0.25%	0.25%	0.75%	0.75%	0.50%	1.00%	5.00%
2008	0.25%	0.75%	0.25%	1.75%	1.00%	0.50%	1.00%	5.00%
2009	0.25%	0.75%	0.25%	1.75%	1.00%	1.00%	1.00%	5.00%
2010	0.25%	0.75%	0.25%	1.25%	1.00%	1.00%	1.00%	5.00%
2011	0.25%	0.75%	0.25%	1.00%	1.00%	1.00%	1.00%	5.00%
2012	0.25%	0.75%	0.25%	0.75%	1.00%	1.00%	1.00%	5.00%
2013	0.25%	0.75%	0.25%	0.75%	1.00%	1.00%	1.00%	5.00%
2014	0.25%	0.75%	0.25%	0.75%	1.00%	1.00%	1.00%	5.00%
2015	0.25%	0.75%	0.25%	0.75%	1.00%	1.00%	1.00%	5.00%

Data Source

Village and County Records

VILLAGE OF DEERFIELD, ILLINOIS

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*
2007	\$ 6,000,000	\$ 2,585,000	\$ 8,585,000	1.25%	\$ 466.07
2008	4,000,000	2,185,000	6,185,000	0.90%	335.78
2009	5,000,000	1,775,000	6,775,000	0.98%	367.81
2010	4,825,000	1,350,000	6,175,000	0.90%	335.23
2011	17,145,000	915,000	18,060,000	2.13%	940.43
2012	48,835,000	465,000	49,300,000	5.86%	2,678.62
2013	56,555,000	-	56,555,000	6.55%	3,063.98
2013**	23,164,958	31,997,146	55,162,104	6.52%	2,989.49
2014	22,223,327	31,230,833	53,454,160	5.97%	2,890.86
2015	31,252,022	30,460,961	61,712,983	5.29%	3,340.17

* See the schedule of Demographic and Economic Statistics on page 120 for personal income and population data.

** Eight months ended December 31, 2013

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, ILLINOIS

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
2007	\$ 6,000,000	\$ 2,585,000	\$ 533,758	\$ 8,051,242	0.20%	\$ 437.09
2008	4,000,000	2,185,000	560,711	5,624,289	0.12%	305.34
2009	5,000,000	1,775,000	472,761	6,302,239	0.13%	342.14
2010	4,825,000	1,350,000	105,915	6,069,085	0.13%	329.48
2011	17,145,000	915,000	101,518	17,958,482	1.18%	935.14
2012	48,835,000	465,000	286,753	49,013,247	3.52%	2,656.26
2013	56,555,000	-	113,074	56,441,926	4.36%	3,058.85
2013**	23,164,958	31,997,146	1,473,632	53,688,472	4.15%	2,895.70
2014*	22,223,327	31,230,833	2,208,527	51,245,633	4.17%	2,770.89
2015	31,252,022	30,460,961	2,983,643	58,729,340	4.78%	3,178.68

* 2014 EAV used as it is the most recent data available

** Eight months ended December 31, 2013

Data Source

(1) Audited Financial Statements

VILLAGE OF DEERFIELD, ILLINOIS

DIRECT AND OVERLAPPING BONDED DEBT -
GOVERNMENTAL ACTIVITIES

December 31, 2015

Governmental Unit	* (1) Gross General Obligation Debt	** (2) Percentage of Debt Applicable to Government	*** Village's Share of Debt
Village of Deerfield	\$ 21,131,000	100.00%	\$ 61,070,000
Lake County (1)	103,460,000	4.84%	5,007,464
Lake County Forest Preserve	281,820,000	4.84%	13,640,088
Cook County	3,553,331,750	0.10%	3,553,332
Cook County Forest Preserve	172,535,000	0.10%	172,535
Deerfield Park District (2)	2,230,000	97.60%	2,176,480
Park District of Highland Park (3)	15,465,000	1.28%	197,952
Northbrook Park District	5,160,000	3.47%	179,052
Lake Elementary School District No. 109 (3)	23,475,000	76.15%	17,876,213
Lake High School District No. 113	99,815,000	29.28%	29,225,832
Cook Northfield Township High School District No. 225	90,740,101	2.87%	2,604,241
Community College of Lake County No. 532	74,320,000	5.11%	3,797,752
Oakton Community College District No. 535	35,370,000	0.68%	240,516
Metropolitan Water Reclamation District of Greater Chicago (4)	2,422,620,000	0.10%	2,422,620
Total gross debt	6,901,472,851		142,164,077
Less Debt Service Fund amount available - Village of Deerfield	2,983,643		2,983,643
TOTAL DIRECT AND OVERLAPPING DEBT	\$ 6,898,489,208		\$ 139,180,434

- (1) Excludes Alternate Revenue Source Bonds.
- (2) Excludes Self-Supporting debt.
- (3) Includes Debt Certificates that are not supported by a property tax levy.
- (4) Includes Illinois Environmental Protection Agency loans.

* 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, ILLINOIS

LEGAL DEBT MARGIN INFORMATION

December 31, 2015

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 - 2014*	\$ 1,227,301,586
Non-Home Rule Legal Debt Limit - 8.625%	105,854,762
Amount of debt applicable to limit:	
General Obligation Bonds Series 2008	3,660,000
General Obligation Bonds Series 2010A	9,785,000
General Obligation Bonds Series 2011A	8,505,000
General Obligation Bonds Series 2011B	12,480,000
General Obligation Bonds Series 2012	10,000,000
General Obligation Bonds Series 2013	7,065,000
General Obligation Bonds Series 2015	9,575,000
	<hr/>
Total amount of debt applicable to limit:	61,070,000
	<hr/>
NON-HOME RULE LEGAL DEBT MARGIN	\$ 44,784,762
	<hr/> <hr/>

* Most Recent EAV Available

VILLAGE OF DEERFIELD, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year		Population	Per Capita Personal Income	Median Household Income	Unemployment Rate
2007	*	18,420	\$ 37,361	\$ 107,194	2.80%
2008	*	18,420	37,361	107,194	3.40%
2009	*	18,420	37,361	107,194	4.90%
2010	*	18,420	37,361	107,194	7.10%
2011	**	19,204	44,127	131,585	5.60%
2012	***	18,405	45,703	131,534	5.75%
2013	****	18,458	46,782	132,785	5.30%
2013	*****	18,452	45,823	129,187	5.85%
2014	*****	18,408	48,431	135,881	5.05%
2015	*****	18,476	63,190	135,754	4.20%

Data Sources

- * U.S. Census Bureau "Census 2000 Summary Files" and U.S. Bureau of Labor Statistics
- ** U.S. Census Bureau "2005-2009 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics
- *** U.S. Census Bureau "2006-2010 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics
- **** U.S. Census Bureau, "2007-2011 American Community Survey 5-Yr. Estimates"
- ***** U.S. Census Bureau, "2008-2012 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics
- ***** U.S. Census Bureau, "2009-2013 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics
- ***** U.S. Census Bureau, "2010-2014 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics

VILLAGE OF DEERFIELD, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

Employer	2015			2006		
	Employees	Rank	% of Total Village Population	Employees	Rank	% of Total Village Population
Walgreen Co.	9,600	1	51.96%	2,500	1	13.57%
Baxter International Inc	4,000	2	21.65%	1,000	2	5.43%
Takeda Pharmaceuticals North	1,700	3	9.20%			
Mondelez International, Inc.	1,200	4	6.49%			
Essendant Inc (formerly United Stationers	600	5	3.25%			
Deerfield Park District	500	6	2.71%			
Deerfield School District 109	500	7	2.71%	400	6	2.17%
Siemens Healthcare	310	8	1.68%			
Beam Suntory Inv (formerly Beam Inc.)	260	9	1.41%	250	8	1.36%
Meridian Group Intl Inc	255	10	1.38%			
Hewitt Associates			0.00%	800	3	4.34%
Illinois Student Assistance Commission			0.00%	515	4	2.80%
Fujisawa USA Incorporated			0.00%	450	5	2.44%
Wm M. Mercer Inc.			0.00%	250	7	1.36%
Township High School District 113				246	9	1.34%
Shand Morahan			0.00%	240	10	1.30%
TOTAL	18,925		102.43%	6,651		36.11%
Village population			18,476			18,420

Data Source

Lake County Partners

VILLAGE OF DEERFIELD, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2013*	2014	2015
GENERAL GOVERNMENT										
Village Manager	3	3	3	3	2	4	5	5	5	5
Finance	10	10	10	10	10	8	8	8	8	8
Engineering	3	3	3	3	2	2	2	2	2	3
Community Development	7	7	7	7	7	7	7	7	8	8
PUBLIC WORKS										
Administration	4	4	4	4	4	4	4	4	4	4
Street Maintenance	7	7	7	7	7	7	7	7	7	7
Utilities Maintenance	14	15	15	15	14	14	14	14	14	13
Sewage Treatment Plant	8	8	8	8	8	8	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	8	8
Investigations/Youth	7	7	7	7	7	7	7	7	7	7
Patrol	31	31	31	31	31	31	33	33	34	34
TOTAL	111	112	112	112	109	109	111	111	113	113

* Eight months ended December 31, 2013

Data Source

Village budget office

VILLAGE OF DEERFIELD, ILLINOIS

OPERATING INDICATORS

Last Ten Calendar Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
PUBLIC SAFETY										
Police										
Physical arrests	532	587	568	415	575	513	485	367	337	336
Parking violations	2,625	2,690	2,385	1,656	1,509	1,343	2,628	2,307	2,560	1,709
Traffic violations	4,119	4,278	4,255	3,703	3,106	3,391	3,367	3,550	3,452	3,765
PUBLIC WORKS										
Street resurfacing (miles)	3.18	3.21	3.14	0.89	0.86	1.83	2.80	1.76	1.96	6.45
WATER										
Water main breaks	62	77	47	59	76	75	78	108	56	61
Average daily consumption (gallons)	2,998,220	3,128,000	2,566,000	2,630,000	2,683,526	2,522,061	2,805,124	2,730,295	2,571,000	2,380,000
Peak daily consumption (gallons)	4,476,210	5,894,000	5,279,000	4,510,000	5,009,819	5,502,196	5,482,125	5,069,827	3,903,000	3,800,000
WASTEWATER										
Average daily treatment (gallons)	3,204,822	2,963,972	3,324,536	3,313,068	2,930,000	3,530,000	2,395,000	2,761,000	3,452,000	3,180,000

Data Source

Various village departments

VILLAGE OF DEERFIELD, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2013*	2014	2015
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Number of Police Officers	41	41	41	41	41	41	42	43	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	68
Traffic signals	10	10	10	10	10	10	10	10	10	10
WATER										
Water mains (miles)	84	84	84	88	90	90	90	90	90	90
Fire hydrants	1,203	1,203	1,203	1,212	1,217	1,208	1,220	1,205	1,208	1,206
Storage capacity (gallons)	8,000,000	8,000,000	8,000,000	8,000,000	8,200,850	8,200,850	8,200,850	8,200,850	8,200,850	8,200,850
WASTEWATER										
Sewers (miles)	80	80	80	80	80	80	80	80	80	80
Treatment capacity (gallons)	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000

* Eight months ended December 31, 2013

Data Source

Various village departments

Debt Information

Direct Debt :

General Obligation Bonds \$61,070,000

	<u>Gross General Obligation Debt</u>	<u>Percent Applicable</u>	<u>Village's Share of Debt</u>
Overlapping Debt :			
Lake County (1)	103,460,000	4.840%	5,007,464
Lake County Forest Preserve	281,820,000	4.840%	13,640,088
Cook County	3,553,331,750	0.100%	3,553,332
Cook County Forest Preserve	172,535,000	0.100%	172,535
Deerfield Park District (2)	2,230,000	97.600%	2,176,480
Park District of Highland Park (3)	15,465,000	1.280%	197,952
Northbrook Park District	5,160,000	3.470%	179,052
Lake School District No. 109 (3)	23,475,000	76.150%	17,876,213
Lake High School District No. 113	99,815,000	29.280%	29,225,832
Cook High School District No. 225	90,740,101	2.870%	2,604,241
Community College No. 532	74,320,000	5.110%	3,797,752
Community College No. 535	35,370,000	0.680%	240,516
Metro Water Reclamation District ⁽⁴⁾	2,422,620,000	0.100%	2,422,620
Total Overlapping Debt			<u>\$81,094,077</u>
Total Direct and Overlapping Debt			<u><u>\$142,164,077</u></u>

Source: Lake and Cook County Clerk's Offices.

(1) Excludes Alternate Revenue Bonds.

(2) Excludes Self-Supporting debt.

(3) Includes Debt Certificates that are not supported by a property tax levy.

(4) Includes Illinois Environmental Protection Agency loans.

Statement of Indebtedness

	<u>Amount Applicable</u>	<u>% of EAV</u>	<u>% of Estimated True Value</u>	<u>Per Capita*</u>
2014 Equalized Assessed Valuation ⁽¹⁾	\$ 1,227,301,586	100.00%	33.33%	66,427
Estimated True Value	3,681,904,758	300.00%	100.00%	199,280
Direct Debt	61,070,000	4.98%	1.66%	3,305
Overlapping Debt	81,094,077	6.61%	2.20%	4,389
Direct and Overlapping Debt	142,164,077	11.58%	3.86%	7,695

**Population of 18,476 based on 2015 CAFR.*

(1) Reflects 2014 Lake County EAV and 2014 Cook County EAV.

Equalized Assessed Valuation

	2010	2011	2012	2013	2014
Residential	\$1,108,117,369	\$1,012,534,720	\$938,649,978	\$ 898,117,390	\$ 909,922,822
Commerical	397,215,326	364,721,276	340,275,838	316,522,689	311,130,618
Industrial	17,827,124	15,266,443	14,338,152	13,777,096	6,248,146
Total	<u>\$1,523,159,819</u>	<u>\$1,392,522,439</u>	<u>\$1,293,263,968</u>	<u>\$1,228,417,175</u>	<u>\$1,227,301,586</u>

Source: Offices of Lake and Cook County Clerk.

Lake County

Residential	\$1,107,301,252	\$1,011,816,893	\$937,972,021	\$ 897,492,359	\$ 909,334,162
Farm	-	-	-	-	-
Commerical	210,585,916	220,050,035	207,908,753	191,692,037	184,960,326
Industrial	2,723,342	2,713,600	2,562,167	2,460,043	2,481,937
Total	<u>\$1,320,610,510</u>	<u>\$1,234,580,528</u>	<u>\$1,148,442,941</u>	<u>\$ 1,091,644,439</u>	<u>\$ 1,096,776,425</u>

Cook County

Residential	\$ 816,117	\$ 717,827	\$ 677,957	\$ 625,031	\$ 588,660
Farm	-	-	-	-	-
Commerical	186,629,410	144,671,241	132,367,085	124,830,652	126,170,292
Industrial	15,103,782	12,552,843	11,775,985	11,317,053	3,766,209
Total	<u>\$202,549,309</u>	<u>\$ 157,941,911</u>	<u>\$ 144,821,027</u>	<u>\$ 136,772,736</u>	<u>\$ 130,525,161</u>

Tax Rates Per \$100 of Assessed Valuation

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Bonds and Interest	0.034	0.098	0.159	0.175	0.251
Corporate	0.143	0.154	0.164	0.184	0.000
Garbage	0.059	0.064	0.071	0.077	0.080
All Other	0.003	0.004	0.063	0.067	0.199
Total Village	0.239	0.320	0.457	0.503	0.530
County Including Forest Preserve	0.703	0.755	0.820	0.881	0.893
Deerfield Elementary Dist. 109	2.665	2.892	3.254	3.424	3.401
High School District 113	1.921	2.167	2.178	2.364	2.421
Community College (Lake County) Dist. 532	0.218	0.240	0.272	0.296	0.306
Deerfield Park District	0.460	0.503	0.546	0.585	0.599
Deerfield-Bannockburn Fire Protection Dist.	0.486	0.529	0.593	0.637	0.650
Library	0.204	0.237	0.262	0.290	0.364
All Other	0.065	0.073	0.053	0.048	0.053
Total	6.961	7.716	8.435	9.028	9.217
Village as a Percent of Total	3.4%	4.1%	5.4%	5.6%	5.8%

Source: Office of Lake County Clerk.

Tax Extensions and Collections

LAKE COUNTY

Levy Year	Collection Year	Taxes Extended	Total Collections	
			Amount	Percent
2003	2004	3,677,468	3,671,745	99.84%
2004	2005	3,980,792	3,958,956	99.45%
2005	2006	4,723,411	4,706,769	99.65%
2006	2007	4,290,135	4,287,885	99.95%
2007	2008	4,700,551	4,690,657	99.79%
2008	2009	4,838,606	4,829,011	99.80%
2009	2010	5,106,445	5,098,946	99.85%
2010	2011	5,850,305	5,838,131	99.79%
2011	2012	7,469,212	7,470,033	100.01%
2012	2013	8,257,305	8,247,653	99.88%
2013	2014	8,558,492	8,550,030	99.90%
2014	2015	9,602,672	9,586,819	99.83%

Source: Lake County Clerk's Office.

COOK COUNTY

Levy Year	Collection Year	Taxes Extended	Total Collections		
			Amount	Percent	
2003	2004	255,507	255,507	100.00%	
2004	2005	258,537	261,462	101.13%	
2005	2006	444,012	457,708	103.08%	
2006	2007	420,514	416,589	99.07%	
2007	2008	409,907	410,137	100.06%	
2008	2009	414,860	407,960	98.34%	
2009	2010	399,022	402,287	100.82%	
2010	2011	445,248	452,011	101.52%	
2011	2012	521,208	520,642	99.89%	
2012	2013	593,766	595,080	100.22%	
2013	2014	607,271	608,961	100.28%	
2014	2015	691,783	691,424	99.95%	

Source: Cook County Clerk's Office.

Total

Levy Year	Collection Year	Taxes Extended	Total Collections	
			Amount	Percent
2003	2004	3,932,975	3,927,252	99.85%
2004	2005	4,239,329	4,220,418	99.55%
2005	2006	5,167,423	5,164,477	99.94%
2006	2007	4,710,649	4,704,474	99.87%
2007	2008	5,110,458	5,100,794	99.81%
2008	2009	5,253,466	5,236,971	99.69%
2009	2010	5,505,467	5,501,233	99.92%
2010	2011	6,295,553	6,290,142	99.91%
2011	2012	7,990,420	7,990,675	100.00%
2012	2013	8,851,071	8,842,733	99.91%
2013	2014	9,165,763	9,158,991	99.93%
2014	2015	10,294,455	10,278,243	99.84%

Source: Lake and Cook County Clerk's Office.
Lake County and Cook County as of 5/31/2016.

Principal Taxpayers within the Village

Taxpayer	Taxable Assessed Value	% of Total Taxable Assessed Valuation
Arden Realty, Inc.	\$32,347,420	0.88%
Scott Dressing, Sr Mgr Taxation	28,038,811	0.76%
Walgreen Co.	16,773,971	0.46%
CRM Properties Group	14,000,889	0.38%
JBC Funds Parkway North LLC	13,676,063	0.37%
Wells Core REIT - Four Parkway North LLC	6,895,057	0.19%
MLQ MB Hotels 2011 LLC	5,793,668	0.16%
RREEF America Reit Agent Corner Partners	5,686,868	0.15%
Colliers International	4,949,667	0.13%
RT Parkway LLC	4,441,922	0.12%
Total	\$132,604,336	3.61%

Data Source: Lake & Cook County Clerk's & Assessor's Offices.