



VILLAGE OF DEERFIELD

# Comprehensive Annual Financial Report

for the year ended **December 31, 2018**



Village of Deerfield, Illinois

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
OF THE  
VILLAGE OF DEERFIELD, ILLINOIS**  
As of and for the Year Ended December 31, 2018

Prepared by Finance Department

Eric L. Burk  
Director of Finance/Treasurer

# VILLAGE OF DEERFIELD

## TABLE OF CONTENTS As of and for the Year Ended December 31, 2018

---

	<u>Page(s)</u>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal	i - iv
Certificate of Achievement for Excellence in Financial Reporting	v
Organization Chart	vi
Principal Officials	vii
<b>FINANCIAL SECTION</b>	
<b><i>INDEPENDENT AUDITORS' REPORT</i></b>	1 - 2
<b><i>REQUIRED SUPPLEMENTARY INFORMATION</i></b>	
<b><i>MANAGEMENT'S DISCUSSION AND ANALYSIS</i></b>	3 - 9
<b><i>BASIC FINANCIAL STATEMENTS</i></b>	
Government-Wide Financial Statements	
Statement of Net Position	10
Statement of Activities	11 - 12
Fund Financial Statements	
Balance Sheet - Governmental Funds	13 - 14
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	15
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	16
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	17
Statement of Net Position - Proprietary Funds	18 - 21
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	22 - 23
Statement of Cash Flows - Proprietary Funds	24 - 27
Statement of Fiduciary Net Position - Fiduciary Funds	28
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	29
Index to Notes to Financial Statements	30
Notes to Financial Statements	31 - 72
<b><i>REQUIRED SUPPLEMENTARY INFORMATION</i></b>	
<b><i>General Fund</i></b>	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	73

# VILLAGE OF DEERFIELD

## TABLE OF CONTENTS (cont.) As of and for the Year Ended December 31, 2018

---

	<u>Page(s)</u>
<b><i>REQUIRED SUPPLEMENTARY INFORMATION (cont.)</i></b>	
<b><i>Historical Pension Information</i></b>	
Illinois Municipal Retirement Fund - Schedule of Changes in the Village's Net Pension Liability and Related Ratios	74 - 76
Illinois Municipal Retirement Fund - Schedule of Employer Contributions	77 - 78
Police Pension Fund - Schedule of Changes in the Village's Net Pension Liability and Related Ratios	79
Police Pension Fund - Schedule of Employer Contributions	80 - 81
Police Pension Fund - Schedule of Investment Returns	82
Retiree Health Plan - Schedule of Changes in Village Total OPEB Liability and Related Ratios	83
Notes to Required Supplementary Information	84
<b><i>SUPPLEMENTARY INFORMATION</i></b>	
<b><i>Major Governmental Funds</i></b>	
Detailed Schedule of Revenues - Budget and Actual - General Fund	85
Detailed Schedule of Expenditures - Budget and Actual - General Fund	86 - 88
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Debt Service Fund	89
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Infrastructure Replacement Fund	90
<b><i>Nonmajor Governmental Funds</i></b>	
Combining Balance Sheet - Nonmajor Governmental Funds	91
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	92
Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual	
Motor Fuel Tax Fund	93
Enhanced 911 Fund	94
2011B Debt Service Sinking Fund	95
Bond Proceeds	96
<b><i>Enterprise Funds</i></b>	
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Water Fund	97
Schedule of Operating Expenses - Budget and Actual - Water Fund	98

# VILLAGE OF DEERFIELD

## TABLE OF CONTENTS (cont.) As of and for the Year Ended December 31, 2018

---

	<u>Page(s)</u>
<b><i>SUPPLEMENTARY INFORMATION (cont.)</i></b>	
Schedule of Capital Assets and Depreciation - Water Fund	99
Schedule of Revenue, Expenses and Changes in Net Position - Budget and Actual - Sewerage Fund	100
Schedule of Operating Expenses - Budget and Actual - Sewerage Fund	101
Schedule of Capital Assets and Depreciation - Sewerage Fund	102
Schedule of Revenues, Expenses and Changes in Net Position - Budget to Actual - Refuse Fund	103
Schedule of Revenues, Expenses and Changes in Net Position - Budget to Actual - Commuter Parking Lot Fund	104
Schedule of Operating Expenses - Budget to Actual - Commuter Parking Lot Fund	105
Schedule of Capital Assets and Depreciation - Commuter Parking Lot Fund	106
<b><i>Internal Service Funds</i></b>	
Combining Statement of Net Position - Internal Services Funds	107
Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds	108
Combining Statement of Cash Flows - Internal Service Funds	109
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Garage Fund	110
Schedule of Operating Expenses - Budget and Actual - Garage Fund	111
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual - Vehicle and Equipment Replacement Fund	112
<b><i>Fiduciary Funds</i></b>	
Statement of Changes in Fiduciary Net Position - Budget and Actual - Police Pension Trust Fund	113
Combining Schedule of Changes in Assets and Liabilities - All Agency Funds	114
<b><i>Long-Term Debt Requirements</i></b>	
General Obligation Bond Series 2010A	115
General Obligation Bond Series 2011A	116
General Obligation Bond Series 2011B	117
General Obligation Bond Series 2012	118
General Obligation Bond Series 2013	119
General Obligation Bond Series 2015	120
General Obligation Bond Series 2017	121

# VILLAGE OF DEERFIELD

## TABLE OF CONTENTS (cont.) As of and for the Year Ended December 31, 2018

---

	<u>Page(s)</u>
<b><i>SUPPLEMENTARY INFORMATION (cont.)</i></b>	
General Obligation Bond Series 2018	122
<b>STATISTICAL SECTION</b>	
Net Position by Component - Last Ten Fiscal Years	123 - 124
Change in Net Position - Last Ten Fiscal Years	125 - 128
Fund Balances of Governmental Funds - Last Ten Fiscal Years	129 - 130
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years	131 - 132
Equalized Assessed Value and Actual Value of Taxable Property	133
Direct and Overlapping Sales Tax Rates - Last Ten Levy Years	134
Principal Property Taxpayers	135
Property Tax Levies and Collections	136
Sales Tax By Category - Last Ten Calendar Years	137 - 138
Direct and Overlapping Sales Tax Rates	139
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	140
Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years	141
Direct and Overlapping Bonded Debt - Governmental Activities	142
Legal Debt Margin Information	143
Demographic and Economic Information - Last Ten Fiscal Years	144
Principal Employers - Current Year and Nine Years Ago	145
Full-Time Equivalent Employees - Last Ten Fiscal Years	146
Operating Indicators - Last Ten Fiscal Years	147
Capital Asset Statistics - Last Ten Fiscal Years	148
<b>OTHER INFORMATION</b>	
Continuing Disclosures	149 - 155



## VILLAGE OF DEERFIELD

June 12, 2019

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, 2018 is submitted herewith. This report represents a comprehensive picture of the Village's financial activities during 2018 and the financial condition of its various funds at December 31, 2018. The Village is required to issue annually a report of its financial position and activity presented in conformance with generally-accepted accounting principles (“GAAP”) and audited in accordance with generally-accepted auditing standards by an independent firm of certified public accountants. Although formally addressed to the elected officials and citizens of Deerfield, this financial report has numerous other users. Foremost among the other users are the bondholders of the Village, financial institutions, educational institutions and other governmental entities.

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

Baker Tilly Virchow Krause, LLP, Certified Public Accountants, have issued an unmodified (“clean”) opinion on the Village of Deerfield's financial statements for the year ended December 31, 2018. The independent auditors' report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent 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 2017 Special Census of 18,779. 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, 2017 the Village's unemployment rate was estimated to be 3.6%, compared to 4.2% for Lake County, 4.9% for the State of Illinois and 4.4% for the United States. Deerfield's estimated unemployment rate decreased to 3.25 % as of December 31, 2018. The unemployment rate for Lake County has increased to 5.5%, the State of Illinois has remained unchanged at 4.4%, while the unemployment rate has decreased to 3.7% for 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 \$120,000 from the amount received in 2017. 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. 2018 receipts from Walgreen National decreased which accounted for the overall decrease. Gross sales tax receipts excluding Walgreen National activity showed a 1.18% increase from 2017.

Median household 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 household income was \$107,194 compared to \$55,735 for the State of Illinois and \$51,914 for the United States. This ranked Deerfield among the wealthiest communities in the State of Illinois. The median family income has increased approximately 28% from the 2000 Census figure.

Commercial and residential construction activity remained relatively consistent with the prior year. Much of the activity was in commercial and residential remodeling. Overall permit revenue totaled \$1,412,526 for the year ending December 31, 2018. Foreclosure rates remained low; with approximately 25 to 35 single family homes out of the Village's 6,500 in this status during the year.

**Long-term Financial Planning.** The Village utilizes a five year Capital Improvement Program ("CIP") to address major capital and infrastructure improvements. For a project to be included in the CIP, it must involve the creation or purchase of a tangible asset with an original cost of at least \$25,000 and a useful life of more than one year. Projects that are programmed for the first year of the CIP (i.e., the upcoming budget year) are most closely scrutinized in the capital planning process because associated funding must be provided in that budget. Until 2008, the Village had primarily followed a "pay-as-you-go" funding strategy for maintenance and replacement of assets and had issued limited debt for new projects. Capital grants are sought at the state and local level for eligible projects. \$5.97 million of debt was issued in 2018. The proceeds are being used to partially fund capital projects in 2018 and 2019.

### **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 two years. The majority of these projects include road reconstruction along with water and sewer utility work. For 2018 -2019, the major funding sources will be balances in the Infrastructure Fund, property tax, state & federal grants, the home rule tax revenue and a bond issue totaling approximately \$6 million.

### **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, 2017. 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-five 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, 2018. 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,

A handwritten signature in blue ink that reads "Eric Burk". The signature is written in a cursive, flowing style.

Eric L. Burk  
Director of Finance/Treasurer



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Village of Deerfield  
Illinois**

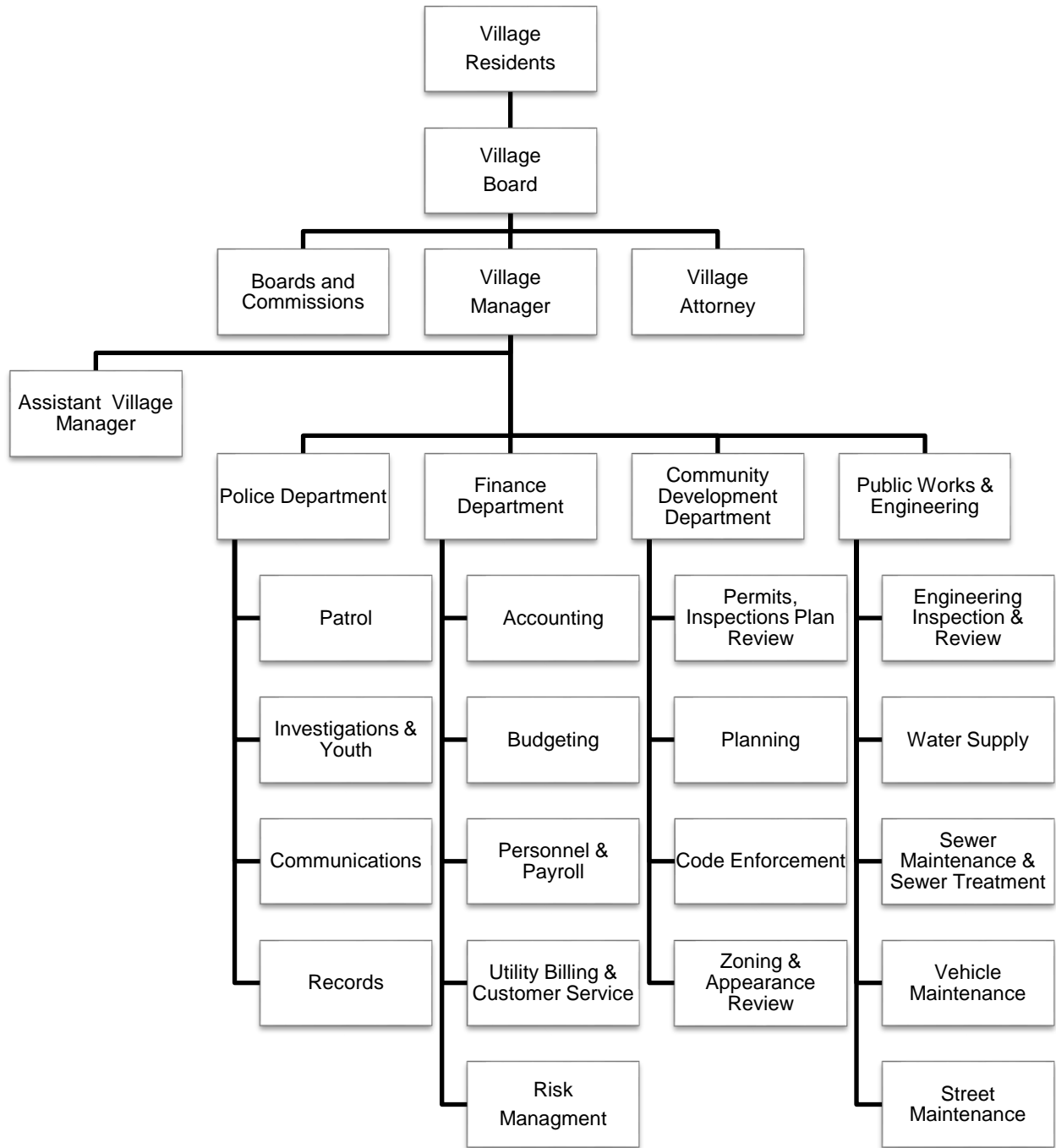
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2017**

*Christopher P. Morill*

Executive Director/CEO

# Village of Deerfield, Illinois Organization Chart



**VILLAGE OF DEERFIELD, ILLINOIS**

**PRINCIPAL OFFICIALS**

**December 31, 2018**

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**LEGISLATIVE**

**VILLAGE BOARD OF TRUSTEES**

Harriet E. Rosenthal, Mayor

Daniel C. Shapiro

Thomas L. Jester

Barbara J. Struthers

William S. Seiden

Robert L. Benton

Mary M. Oppenheim

Kent S. Street, Clerk

**ADMINISTRATIVE**

Kent S. Street, Village Manager

**FINANCE DEPARTMENT**

Eric L. Burk  
Director of Finance/Treasurer

## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Financial Statements**

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, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Village of Deerfield'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.

### ***Auditors' 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 from 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 auditors' 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 over financial reporting relevant to the Village of Deerfield'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 of Deerfield'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, 2018 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

***Emphasis of Matter***

As discussed in Note I, the Village of Deerfield adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective January 1, 2018. Our opinions are 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 required supplementary information as listed in the table of contents 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.

*Supplementary Information*

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

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Deerfield's basic financial statements. The introductory section, statistical section, and other information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has 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 it.

*Baker Tilly Virchow Krause, LLP*

Oak Brook, Illinois  
June 12, 2019

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**VILLAGE OF DEERFIELD, ILLINOIS**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**December 31, 2018**  
**(UNAUDITED)**

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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 i) and the Village's financial statements (beginning on page 10).

**Financial Highlights**

- The Village's General Fund ended the period with total revenues exceeding total expenditures by \$2,819,132. Combined with other financing uses of \$1,955,984, the December 31, 2018 fund balance increased by \$863,148. The 2018 General Fund budget originally showed a decrease of \$906,288. However, revenues exceeded budget due primarily to greater than expected investment income along with hotel/motel tax and building permit receipts. In addition, expenditures were below budget due primarily to retirements and the corresponding lag in employee replacement. See Major Governmental Funds section of MD&A for further details.
- Sales tax and home rule sales tax decreased \$750,529 and \$785,602, respectively in the current year. The decrease was due largely to reduced economic incentive activity in the current year, which also resulted in reduced expenditures in the finance department contractual services. Sales tax net of the economic incentive payments is consistent with the 2016 amount. Gross sales tax excluding economic incentive activity increased by 1.18% from 2017.
- In July of 2017, the State enacted a 2% administrative fee on the Village's home rule sales tax. In addition, the Local Government Distributive Fund (LGDF) was reduced by 10%. The 2% fee was reduced to 1.5% in 2018 and the 10% LGDF reduction was decreased to 5% in 2018. The Village's share of state income tax flows through the LGDF. The LGDF cuts were partially offset by increased State income tax due to a special census performed in 2017. State income tax decreased by \$84,294 in 2017 and increased by \$108,686 in 2018.
- Hotel/motel tax revenue (\$2,159,203) exceeded current year expectation of \$1,900,000; 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 \$1,251,639 from the Electric Utility tax and \$1,368,145 from the Simplified Telecommunications tax. Electric Utility tax increased from the prior year and was consistent with the current year budget. Simplified Telecommunications tax decreased slightly from the prior year and is expected to continue to decrease as use of data driven telecommunications increases.
- The 1% food and beverage tax, which was implemented in March of 2017, totaled \$607,914 for the year. The tax is allocated to the infrastructure replacement fund and exceeded current year expectation and prior year amount.
- The infrastructure maintenance fee of ½ of 1% of the project value, which was implemented in 2012, totaled \$412,690 for the year. This amount exceeded current year expectation and the prior year amount.
- The Village retired \$2,285,000 of general obligation debt and issued \$5,970,000 of new general obligation debt during the period. The new debt issue is being used for capital projects in 2018 and 2019. The total balance of debt outstanding as of December 31, 2018 was \$62,845,000.

**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.

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

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### Government-Wide Financial Statements

The government-wide financial statements (see pages 10 - 12) 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 11 – 12) 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 13 – 17) 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 18 - 27) reported in the fund financial statements are for those services for which the Village charges customers a fee. There are two kinds of proprietary funds, enterprise and internal service. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Enterprise fund services are primarily provided to customers external to the Village organization such as those of the water and sewer utilities, commuter parking lots and refuse collection and disposal. Internal service funds provide services and charge fees to customers within the Village organization such as equipment services (repair and maintenance of Village vehicles). Internal services are to both the governmental and business-type activities of the government-wide financial statements.

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

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

Fiduciary funds (see pages 28 - 29) 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 31 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.	
	2018	2017	2018	2017	2018	2017
<b>Current &amp; Other Assets</b>	61.82	54.91	4.52	4.17	66.34	59.08
<b>Capital Assets</b>	77.20	78.52	60.56	61.32	137.76	139.84
<b>Total Assets</b>	139.02	133.43	65.08	65.49	204.10	198.92
<b>Deferred Outflows of Resources</b>	12.88	10.53	0.28	0.82	13.16	11.35
<b>Total Assets and Deferred Outflows of Resources</b>	151.90	143.96	65.36	66.31	217.26	210.27
<b>Long-Term Liabilities</b>	58.99	44.82	27.75	29.81	86.74	74.63
<b>Other Liabilities</b>	9.31	8.99	1.46	1.64	10.77	10.63
<b>Total Liabilities</b>	68.30	53.83	29.21	31.45	97.51	85.26
<b>Deferred Inflows of Resources</b>	17.97	21.03	0.48	0.03	18.45	21.06
<b>Total Liabilities and Deferred Inflows of Resources</b>	86.27	74.84	29.69	31.48	115.96	106.32
<b>Net Position:</b>						
<b>Net Investment in Capital Assets</b>						
<b>Assets</b>	49.78	56.11	32.55	32.57	82.33	88.68
<b>Restricted</b>	7.46	5.87	-	-	7.46	5.87
<b>Unrestricted</b>	8.39	7.14	3.12	2.26	11.51	9.40
<b>Total Net Position</b>	65.63	69.12	35.67	34.83	101.30	103.95

Current & Other Assets have increased mainly due to increases in Governmental Activities cash and investment balances (remaining bond proceeds, Motor Fuel Tax and Infrastructure Replacement Fund) that will be spent in 2019 as a part of the Capital Improvement Plan. In addition, the 2011 B Debt Service Sinking Fund cash and investment balance will increase each year until the bonds are paid in 2028. Deferred Outflows of Resources increased and Deferred Inflows of Resources decreased in relation to Pension items (See Employee Retirement Systems footnote) in the Governmental Activities. Long-Term Liabilities increased due to increases in the actuarially determined Net Pension Liability and the issuance of \$5.97 million of bonds. Increases in Long-Term Liabilities were partially offset by \$2.28 million of bond principal payments. Net Position for 2018 was also affected by the implementation of GASB Statement #75, which resulted in a restatement and reduction of beginning net position of approximately \$2.37 million. 2017 amounts above do not reflect the restatement.

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

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

	Governmental Activities		Business-type Activities		Total – Primary Govt.	
	2018	2017	2018	2017	2018	2017
<b>Revenues:</b>						
Program Revenues:						
Charges for Service	5.54	4.55	7.99	7.97	13.53	12.52
Operating Grants	0.48	0.47	-	-	0.48	0.47
Capital Grants	0.08	0.95	0.80	1.06	0.88	2.01
General Revenue:						
Property Taxes	7.22	7.21	-	-	7.22	7.21
Other Taxes/ Intergovernmental	17.47	18.71	-	-	17.47	18.71
Other	0.87	1.04	0.25	0.21	1.12	1.25
Total Revenue	31.66	32.93	9.04	9.24	40.70	42.17
<b>Expenses:</b>						
General Government	9.11	10.10	-	-	9.11	10.10
Public Safety	10.80	10.87	-	-	10.80	10.87
Highways and Streets	9.19	13.07	-	-	9.19	13.07
Interest/fiscal charges	1.09	1.00	-	-	1.09	1.00
Water	-	-	4.34	4.10	4.34	4.10
Sewer	-	-	4.65	3.96	4.65	3.96
Refuse	-	-	1.44	1.32	1.44	1.32
Parking Lots	-	-	0.35	0.30	0.35	0.30
Total Expense	30.19	35.04	10.78	9.68	40.97	44.72
Increase(decrease) before transfers	1.47	-2.11	-1.74	-0.44	-0.27	-2.55
Transfer in (out)	-2.78	-2.78	2.78	2.78	-	-
Changes in Net Position	-1.31	4.89	1.04	2.34	-0.27	-2.55
Ending Net Position	65.63	69.12	35.67	34.83	101.30	103.95

**CURRENT YEAR IMPACTS**

**Governmental Activities**

Revenue

Capital grants decreased \$1.13 million due to outside funding for major infrastructure projects in the prior year. Property tax revenue remained consistent as the Village Board abated a portion of the levy in 2018. Other taxes/intergovernmental decreased due largely to reduced economic incentive activity which also resulted in a decrease in expenditures. A local Food & Beverage tax was implemented in March 2017. Increases in Food & Beverage tax resulting from a full year of activity partially offset decreases in economic incentive activity.

Expenses

The Village's Governmental Activities expenses decreased by \$0.99 million due largely to reduced economic incentive activity referenced above. Highway and Streets expense decreased \$3.88 million due to major infrastructure projects that were completed in 2017. In addition, Motor Fuel Tax (MFT) expenses of \$0.50 million were deferred to 2019. Interest and fiscal charges reflect scheduled interest payments adjusted for interest payable and amortization of discounts/premiums. \$5.97 million of debt was incurred in 2018.

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

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**Business-type Activities**

Revenue

A water rate increase of 4.0% was implemented in January, 2018; water sales totaled \$4.24 million, which was less than the budget of \$4.59 million. Sewer user charges of \$2.92 million were also less than the budget of \$3.05 million. The sewer rates were increased 2.5% in January 2018. Water and Sewer charges were below budget due to lower usage demands in the current year. Refuse charge rates increased 2% in 2018 and revenue of \$0.54 million was slightly above the budgeted amount. The daily parking fee was held flat which resulted in revenue of \$0.29 million as expected.

Expenses

Water Fund operating expenses decreased \$0.24 million from the prior year. Wholesale water purchases increased due to a rate increase from the supplier; however, the continued meter change outs and increased leak detection surveys significantly decreased water loss resulting in fewer units of water being purchased. The Village's wholesale water supplier increased its rates on January 1<sup>st</sup> in combination with a series of annual increases to fund the reconstruction of their water treatment plant.

Sewer Fund operating expenses decreased \$0.34 million in comparison to the prior year. The decrease was due largely to year-end accounting adjustments related to Net Pension Liability.

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

**FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS**

**Governmental Funds**

At December 31, 2018, the governmental funds reported a combined fund balance of \$36.08 million which is a 23.3% increase from the beginning of the year (\$29.27 million). The increase is due largely to bond proceeds on hand that will be used to partially fund the 2019 capital improvement plan. The 2011 B sinking fund also contributed to the increase 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 \$16.7 million provides for approximately 275 days of anticipated annual expenditures.

General Fund revenues exceeded the budget of \$22.22 million by \$1.42 million. Hotel/motel tax exceeded budget by approximately \$0.26 million, building permit revenue exceeded budget by approximately \$0.49 million and investment income exceeded budget by approximately \$0.21 million.

General Fund expenditures were \$1.22 million less than the final budget. The budget was amended to accommodate larger than expected economic incentive payments. Retirements in multiple departments and the corresponding lag in employee replacement offset the increased economic incentive payments.

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 73.

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

**General Fund Budget versus Actual  
Fiscal year ended December 31, 2018  
(in millions)**

	<b>Original Budget</b>	<b>Amended Budget</b>	<b>Actual</b>
Revenues			
Taxes	11.97	11.97	12.24
Intergovernmental	6.96	6.96	7.14
Other	3.29	3.29	4.26
Total	<u>22.22</u>	<u>22.22</u>	<u>23.64</u>
Expenditures & Transfers			
Expenditures	21.17	22.04	20.82
Transfers – Net	1.96	1.96	1.96
Total	<u>23.13</u>	<u>24.00</u>	<u>22.78</u>
Change in Fund Balance	<u>-0.91</u>	<u>-1.78</u>	<u>0.86</u>

**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 \$4.40 million for the year. Actual operating expenses, excluding depreciation totaled \$3.83 million. Operating income of \$0.60 million is a result of prior years' emphasis on reducing water loss. Overall, net position increased \$0.46 million, which included depreciation of \$0.51 million and contributions of capital assets of \$0.40 million.

The Sewerage Fund operating expenses were under budget by \$0.40 million due primarily to year-end accounting adjustments related to Net Pension Liability (NPL). The operating revenues exceeded operating expenses excluding depreciation by \$0.24 million. Capital expenses for the foreseeable future in this fund have been transferred to the Infrastructure Fund.

The Refuse Fund operating expenses exceeded operating revenues by \$0.88 million. This Village also transfers a portion of its property tax levy to the refuse collection. Property tax transferred to the Refuse Fund totaled \$0.96 million and the Refuse Fund's net position increased \$0.08 million during the year to \$0.61 million.

**Internal Service Funds**

The Village's combined internal service funds' net position were \$7.48 million as of December 31, 2018, with \$5.8 million of the total available for major equipment purchases in the Vehicle and Equipment Replacement Fund. Total Garage Fund revenues slightly exceeded total expenditures resulting in a small increase in net position.

**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, 2018 was \$77.20 million. The Village's investment in capital assets, net of accumulated depreciation, for business-type activities as of December 31, 2018 was \$60.56 million. Major capital asset additions during the current year included infrastructure improvements, streets and vehicles/equipment. Additional information on capital assets is presented in Note III C to the financial statements.

**Long-term debt**

\$5.97 million of new debt was issued during the year. The new debt is being used to partially fund capital projects in 2018 and 2019. The Village retired \$2.285 million of general obligation debt. At the end of the year, the Village had total bonded debt outstanding of \$62.845 million. As a home rule government, under Illinois law, the Village has no legal debt limit. As of December 31, 2018 the total Village debt represented 4.28% of the 2017 equalized assessed value. Additional information on long-term debt is presented in Note III E to the financial statements.

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

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### **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 2018.

### **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 pay-outs 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. Net of a refuse fund transfer, property taxes total approximately 11% of General Fund revenue.

One of the major retail areas in the Village attracted major tenants during the year. 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 \$2.16 million and exceeded current year budget by \$0.26 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](http://www.deerfield.il.us).

# VILLAGE OF DEERFIELD

## STATEMENT OF NET POSITION As of December 31, 2018

	Governmental Activities	Business-Type Activities	Totals
<b>ASSETS</b>			
Cash and investments	\$ 41,249,667	\$ 1,521,992	\$ 42,771,659
Receivables (net)			
Property taxes	7,257,357	-	7,257,357
Accounts	730,193	1,339,461	2,069,654
Accrued interest	79,786	1,391	81,177
Electric utility tax	108,970	-	108,970
Due from other governmental units	12,448,715	-	12,448,715
Note receivable	30,000	-	30,000
Internal balances	(1,390,191)	1,390,191	-
Prepaid items	1,195,559	114,211	1,309,770
Inventory	108,538	147,183	255,721
Capital Assets			
Capital Assets not being depreciated	21,820,225	2,087,984	23,908,209
Capital assets, being depreciated	117,322,316	73,305,948	190,628,264
Less: Accumulated depreciation	<u>(61,937,893)</u>	<u>(14,830,803)</u>	<u>(76,768,696)</u>
Total Assets	<u>139,023,242</u>	<u>65,077,558</u>	<u>204,100,800</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension items - IMRF	858,069	280,920	1,138,989
Pension items - Police Pension	<u>12,020,434</u>	<u>-</u>	<u>12,020,434</u>
Total Deferred Outflows of Resources	<u>12,878,503</u>	<u>280,920</u>	<u>13,159,423</u>
<b>LIABILITIES</b>			
Accounts payable	1,542,542	265,023	1,807,565
Accrued payroll	381,150	71,121	452,271
Contracts payable	4,380,227	-	4,380,227
Deposits payable	-	43,775	43,775
Other payables	23,372	-	23,372
Accrued interest payable	188,909	81,527	270,436
Noncurrent Liabilities			
Due within one year	2,794,640	1,005,148	3,799,788
Due in more than one year	<u>58,990,773</u>	<u>27,748,188</u>	<u>86,738,961</u>
Total Liabilities	<u>68,301,613</u>	<u>29,214,782</u>	<u>97,516,395</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property taxes levied for a future period	7,257,357	-	7,257,357
Pension items - IMRF	2,334,029	439,448	2,773,477
Pension items - Police Pension	8,146,849	-	8,146,849
Other Postemployment Benefits	<u>227,782</u>	<u>39,271</u>	<u>267,053</u>
Total Deferred Inflows of Resources	<u>17,966,017</u>	<u>478,719</u>	<u>18,444,736</u>
<b>NET POSITION</b>			
Net investment in capital assets	49,784,690	32,548,303	82,332,993
Restricted for			
Maintenance of roadways	832,299	-	832,299
Public safety	1,364,908	-	1,364,908
Debt service	5,258,744	-	5,258,744
Unrestricted	<u>8,393,474</u>	<u>3,116,674</u>	<u>11,510,148</u>
<b>TOTAL NET POSITION</b>	<u>\$ 65,634,115</u>	<u>\$ 35,664,977</u>	<u>\$ 101,299,092</u>

See accompanying notes to financial statements.

# VILLAGE OF DEERFIELD

## STATEMENT OF ACTIVITIES For the Year Ended December 31, 2018

<u>Functions/Programs</u>	<u>Expenses</u>	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities</b>				
General government	\$ 9,106,754	\$ 2,808,343	\$ -	\$ -
Public safety	10,796,954	1,465,852	-	-
Public works	9,194,654	575,536	480,661	77,526
Interest and fiscal charges	<u>1,095,898</u>	<u>686,907</u>	-	-
Total Governmental Activities	<u>30,194,260</u>	<u>5,536,638</u>	<u>480,661</u>	<u>77,526</u>
<b>Business-type Activities</b>				
Water	4,339,113	4,241,528	-	404,341
Sewerage	4,648,489	2,917,006	-	393,015
Refuse	1,435,418	538,185	-	-
Commuter parking lot	<u>348,009</u>	<u>294,221</u>	-	-
Total Business-type Activities	<u>10,771,029</u>	<u>7,990,940</u>	<u>-</u>	<u>797,356</u>
Total	<u>\$ 40,965,289</u>	<u>\$ 13,527,578</u>	<u>\$ 480,661</u>	<u>\$ 874,882</u>

**General Revenues**

Taxes

- Property
- Replacement
- Home rule sales
- Local use
- Hotel/motel
- Simplified telecommunications
- Electric utility tax
- Food and beverage

Intergovernmental

- Investment income
- Gain on disposal of assets
- Miscellaneous

Total General Revenues

Transfers

**Change in net position**

NET POSITION - Beginning of Year (as restated)

**NET POSITION - END OF YEAR**

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Net (Expenses) Revenues and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Totals</u>
\$ (6,298,411)	\$ -	\$ (6,298,411)
(9,331,102)	-	(9,331,102)
(8,060,931)	-	(8,060,931)
<u>(408,991)</u>	<u>-</u>	<u>(408,991)</u>
<u>(24,099,435)</u>	<u>-</u>	<u>(24,099,435)</u>
-	306,756	306,756
-	(1,338,468)	(1,338,468)
-	(897,233)	(897,233)
<u>-</u>	<u>(53,788)</u>	<u>(53,788)</u>
<u>-</u>	<u>(1,982,733)</u>	<u>(1,982,733)</u>
<u>(24,099,435)</u>	<u>(1,982,733)</u>	<u>(26,082,168)</u>
7,222,720	-	7,222,720
126,752	-	126,752
3,252,733	-	3,252,733
551,672	-	551,672
2,159,203	-	2,159,203
1,368,145	-	1,368,145
1,251,639	-	1,251,639
607,914	-	607,914
8,152,479	-	8,152,479
759,659	23,967	783,626
(25,284)	-	(25,284)
<u>135,138</u>	<u>213,257</u>	<u>348,395</u>
<u>25,562,770</u>	<u>237,224</u>	<u>25,799,994</u>
<u>(2,778,413)</u>	<u>2,778,413</u>	<u>-</u>
(1,315,078)	1,032,904	(282,174)
<u>66,949,193</u>	<u>34,632,073</u>	<u>101,581,266</u>
<u>\$ 65,634,115</u>	<u>\$ 35,664,977</u>	<u>\$ 101,299,092</u>

See accompanying notes to financial statements.

## VILLAGE OF DEERFIELD

### BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2018

	General	Debt Service	Infrastructure Replacement	Nonmajor Governmental Funds	Totals
<b>ASSETS</b>					
Cash and investments	\$ 16,716,706	\$ 170,823	\$ 8,377,364	\$ 10,174,992	\$ 35,439,885
Receivables					
Taxes	3,535,997	3,721,360	-	-	7,257,357
Accounts	556,252	-	6,200	164,771	727,223
Accrued interest	20,677	1,301	7,705	44,078	73,761
Electric utility tax	108,970	-	-	-	108,970
Due from other governments	2,608,329	8,060,000	1,739,599	40,787	12,448,715
Note receivable	30,000	-	-	-	30,000
Advances to other funds	374,695	-	-	-	374,695
Prepaid items	1,188,498	-	-	-	1,188,498
Inventory	28,516	-	-	-	28,516
<b>TOTAL ASSETS</b>	<b><u>\$ 25,168,640</u></b>	<b><u>\$ 11,953,484</u></b>	<b><u>\$ 10,130,868</u></b>	<b><u>\$ 10,424,628</u></b>	<b><u>\$ 57,677,620</u></b>

See accompanying notes to financial statements.

## VILLAGE OF DEERFIELD

### BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2018

	General	Debt Service	Infrastructure Replacement	Nonmajor Governmental Funds	Totals
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 1,273,492	\$ 825	\$ 223,190	\$ 1,812	\$ 1,499,319
Accrued payroll	373,132	-	-	-	373,132
Contracts payable	-	-	4,380,227	-	4,380,227
Other payables	<u>23,372</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,372</u>
Total Liabilities	<u>1,669,996</u>	<u>825</u>	<u>4,603,417</u>	<u>1,812</u>	<u>6,276,050</u>
Deferred Inflows of Resources					
Unavailable revenues - Library	-	8,060,000	-	-	8,060,000
Property taxes levied for a future period	<u>3,535,997</u>	<u>3,721,360</u>	<u>-</u>	<u>-</u>	<u>7,257,357</u>
Total Deferred Inflows of Resources	<u>3,535,997</u>	<u>11,781,360</u>	<u>-</u>	<u>-</u>	<u>15,317,357</u>
Fund Balances					
Nonspendable for note receivable	30,000	-	-	-	30,000
Nonspendable for inventory	28,516	-	-	-	28,516
Nonspendable for prepaid items	1,188,498	-	-	-	1,188,498
Nonspendable for advance	374,695	-	-	-	374,695
Restricted for maintenance of roadways	-	-	-	832,299	832,299
Restricted for public safety	-	-	-	1,364,908	1,364,908
Restricted for debt service	-	-	-	5,258,744	5,258,744
Assigned to debt service	-	171,299	-	-	171,299
Assigned to capital projects	-	-	5,527,451	2,966,865	8,494,316
Assigned to subsequent year's budget	949,698	-	-	-	949,698
Unassigned	<u>17,391,240</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,391,240</u>
Total Fund Balances	<u>19,962,647</u>	<u>171,299</u>	<u>5,527,451</u>	<u>10,422,816</u>	<u>36,084,213</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u><u>\$ 25,168,640</u></u>	<u><u>\$ 11,953,484</u></u>	<u><u>\$ 10,130,868</u></u>	<u><u>\$ 10,424,628</u></u>	<u><u>\$ 57,677,620</u></u>

See accompanying notes to financial statements.

## VILLAGE OF DEERFIELD

### RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION As of December 31, 2018

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Total Fund Balances - Governmental Funds	\$ 36,084,213
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental funds are not financial resources and, therefore, are not reported in the funds.	77,204,648
Less capital assets used in internal service funds	(1,652,122)

Intergovernmental receivables from the Library is not unavailable revenue on the statement of net position.	8,060,000
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Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.	12,878,503
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Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds	(10,480,878)
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Deferred inflows of resources related to OPEB do not relate to current financial resources and are not reported in the governmental funds	(227,782)
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Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.	
Bonds and notes payable	(34,929,000)
Compensated absences	(1,463,802)
Total other postemployment benefit liability	(3,104,837)
Net pension liability	(21,501,607)
Accrued interest	(188,909)
Unamortized debt discount	53,854
Unamortized debt premium	(840,021)
Less: Internal service fund long-term liabilities	23,946

Internal service funds are reported in the statement of net position as governmental activities.	<u>5,717,909</u>
--	------------------

<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b><u><u>\$ 65,634,115</u></u></b>
--	------------------------------------

## VILLAGE OF DEERFIELD

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

For the Year Ended December 31, 2018

	<u>General</u>	<u>Debt Service</u>	<u>Infrastructure Replacement</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
<b>REVENUES</b>					
Taxes	\$ 12,240,134	\$ 2,967,730	\$ 1,692,158	\$ 725,000	\$ 17,625,022
Licenses and permits	1,877,242	-	-	-	1,877,242
Intergovernmental	7,137,366	489,326	11,905	480,661	8,119,258
Charges for services	828,967	-	-	658,996	1,487,963
Fines and forfeits	277,967	-	-	-	277,967
Contributions	-	727,581	-	-	727,581
Investment income	354,373	23,437	121,172	160,689	659,671
Miscellaneous	923,480	-	414,707	-	1,338,187
Total Revenues	<u>23,639,529</u>	<u>4,208,074</u>	<u>2,239,942</u>	<u>2,025,346</u>	<u>32,112,891</u>
<b>EXPENDITURES</b>					
Current					
General government	8,826,254	-	-	735	8,826,989
Public safety	9,211,164	-	-	247,517	9,458,681
Highway and streets	2,782,979	-	-	-	2,782,979
Capital Outlay	-	-	4,920,762	138,014	5,058,776
Debt Service					
Principal retirement	-	1,460,000	-	-	1,460,000
Interest and other	-	931,609	-	87,450	1,019,059
Total Expenditures	<u>20,820,397</u>	<u>2,391,609</u>	<u>4,920,762</u>	<u>473,716</u>	<u>28,606,484</u>
Excess (deficiency) of revenues over expenditures	<u>2,819,132</u>	<u>1,816,465</u>	<u>(2,680,820)</u>	<u>1,551,630</u>	<u>3,506,407</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	-	-	4,087,145	-	4,087,145
Transfers out	(1,955,984)	(1,822,429)	-	(3,087,145)	(6,865,558)
Issuance of general obligation bonds	-	-	-	5,970,000	5,970,000
Premium on debt issued	-	-	-	120,990	120,990
Total Other Financing Sources (Uses)	<u>(1,955,984)</u>	<u>(1,822,429)</u>	<u>4,087,145</u>	<u>3,003,845</u>	<u>3,312,577</u>
<b>Net Change in Fund Balances</b>	863,148	(5,964)	1,406,325	4,555,475	6,818,984
FUND BALANCES - Beginning of Year	<u>19,099,499</u>	<u>177,263</u>	<u>4,121,126</u>	<u>5,867,341</u>	<u>29,265,229</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 19,962,647</u>	<u>\$ 171,299</u>	<u>\$ 5,527,451</u>	<u>\$ 10,422,816</u>	<u>\$ 36,084,213</u>

See accompanying notes to financial statements.

## VILLAGE OF DEERFIELD

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended December 31, 2018

Net change in fund balances - total governmental funds	\$	6,818,984
Amounts reported for governmental activities in the statement of activities are different because:		
<p>Governmental funds report capital outlays as expenditures. However, in the statement of net position the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities.</p>		
Capital outlay is reported as an expenditure in the fund financial statements but is capitalized in the government-wide financial statements		1,696,194
Less internal service funds		235,808
Depreciation is reported in the government-wide financial statements		(2,715,904)
Net book value of assets retired		(293,220)
<p>Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements.</p>		
		(530,000)
<p>Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p>		
Debt issued		(5,970,000)
Principal repaid		1,460,000
<p>Governmental funds report debt premiums and discounts as other financing sources (uses) or expenditures. However, in the statement of net position, these are reported as additions to or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense.</p>		
Debt premium		(120,990)
Amortization		34,739
<p>Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.</p>		
Compensated absences		41,146
Total other postemployment benefits liability		336,873
Accrued interest on debt		(111,578)
Net pension liability - IMRF		2,922,506
Net pension liability - police pension		(10,816,103)
Deferred outflows of resources related to pensions		2,347,710
Deferred inflows of resources related to pensions		3,292,256
Deferred inflows of resources related to total OPEB liability		(227,782)
Internal service funds portion of compensated absences		2,720
<p>Internal service funds are used by management to charge self insurance costs to individual funds. The change in net position of the internal service fund reported with governmental activities.</p>		
		281,563
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$</b>	<b><u>(1,315,078)</u></b>

See accompanying notes to financial statements.

# VILLAGE OF DEERFIELD

## STATEMENT OF NET POSITION PROPRIETARY FUNDS As of December 31, 2018

	Business-type Activities - Enterprise Funds				Totals
	Water	Sewerage	Refuse	Nonmajor Enterprise - Commuter Parking Lot	
<b>ASSETS</b>					
Current Assets					
Cash and investments	\$ -	\$ 631,347	\$ 615,516	\$ 275,129	\$ 1,521,992
Receivables					
Accounts - billed	189,216	183,693	18,562	-	391,471
Accounts - unbilled	506,739	353,659	87,592	-	947,990
Accrued interest	-	602	473	316	1,391
Prepaid items	47,588	61,404	2,763	2,456	114,211
Inventory	110,602	36,581	-	-	147,183
Total Current Assets	854,145	1,267,286	724,906	277,901	3,124,238
Noncurrent Assets					
Capital Assets					
Capital assets not being depreciated	2,010,484	-	-	77,500	2,087,984
Capital assets being depreciated	23,835,539	47,519,579	-	1,950,830	73,305,948
Less: Accumulated depreciation	(5,984,025)	(7,867,410)	-	(979,368)	(14,830,803)
Total Noncurrent Assets	19,861,998	39,652,169	-	1,048,962	60,563,129
Total Assets	20,716,143	40,919,455	724,906	1,326,863	63,687,367
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension items - IMRF	95,362	185,558	-	-	280,920
Total Deferred Outflows of Resources	95,362	185,558	-	-	280,920

See accompanying notes to financial statements.

---

Governmental  
Activities -  
Internal Service  
Funds

\$ 5,809,782  
2,970  
-  
6,025  
7,061  
80,022  
5,905,860

-

4,795,238

(3,143,116)

1,652,122

7,557,982

-

-

# VILLAGE OF DEERFIELD

## STATEMENT OF NET POSITION PROPRIETARY FUNDS As of December 31, 2018

	Business-type Activities - Enterprise Funds				Totals
	Water	Sewerage	Refuse	Nonmajor Enterprise - Commuter Parking Lot	
<b>LIABILITIES</b>					
Current Liabilities					
Accounts payable	\$ 69,045	\$ 75,052	\$ 112,467	\$ 8,459	\$ 265,023
Accrued payroll	20,740	49,295	-	1,086	71,121
Accrued interest	-	81,527	-	-	81,527
Deposits payable	23,349	20,426	-	-	43,775
Notes payable	-	851,000	-	-	851,000
Compensated absences payable	51,868	100,950	-	1,330	154,148
Total Current Liabilities	165,002	1,178,250	112,467	10,875	1,466,594
Noncurrent Liabilities					
Long-Term Debt					
Advance from other funds	374,695	-	-	-	374,695
Compensated absences payable	3,958	7,703	-	101	11,762
Net pension liability	94,384	183,657	-	-	278,041
Other postemployment benefit payable	180,305	114,254	-	-	294,559
Bonds payable	-	27,163,826	-	-	27,163,826
Total Noncurrent Liabilities	653,342	27,469,440	-	101	28,122,883
Total Liabilities	818,344	28,647,690	112,467	10,976	29,589,477
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension items - IMRF	149,176	290,272	-	-	439,448
OPEB	9,146	30,125	-	-	39,271
Total Deferred Inflows of Resources	158,322	320,397	-	-	478,719
<b>NET POSITION</b>					
Net investment in capital assets	19,861,998	11,637,343	-	1,048,962	32,548,303
Unrestricted	(27,159)	499,583	612,439	266,925	1,351,788
<b>TOTAL NET POSITION</b>	<b>\$ 19,834,839</b>	<b>\$ 12,136,926</b>	<b>\$ 612,439</b>	<b>\$ 1,315,887</b>	33,900,091
Adjustments to reflect the consolidation of internal service funds activities related to enterprise funds.					1,764,886
Net Position Business-type Activities					<b>\$ 35,664,977</b>
Net internal service funds reported in the statement of net position as governmental activities					

See accompanying notes to financial statements.

---

Governmental  
Activities -  
Internal  
Service Funds

\$	43,223
	8,018
	-
	-
	-
	<u>20,850</u>
	<u>72,091</u>
	-
	3,096
	-
	-
	-
	<u>3,096</u>
	<u>75,187</u>
	-
	-
	-
	1,652,122
	<u>5,830,673</u>
	7,482,795
	<u>(1,764,886)</u>
\$	<u><u>5,717,909</u></u>

See accompanying notes to financial statements.

## VILLAGE OF DEERFIELD

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

For the Year Ended December 31, 2018

	Business-type Activities - Enterprise Funds				Totals
	Water	Sewerage	Refuse	Nonmajor Enterprise - Commuter Parking Lot	
<b>OPERATING REVENUES</b>					
Charges for services	\$ 4,241,528	\$ 2,917,006	\$ 538,185	\$ 294,221	\$ 7,990,940
Miscellaneous	158,241	41,465	13,551	-	213,257
Total Operating Revenues	<u>4,399,769</u>	<u>2,958,471</u>	<u>551,736</u>	<u>294,221</u>	<u>8,204,197</u>
<b>OPERATING EXPENSES</b>					
Administration	540,938	331,286	-	-	872,224
Operations	3,288,921	2,384,764	1,440,241	321,272	7,435,198
Capital outlay	-	-	-	-	-
Depreciation	509,488	1,013,199	-	26,737	1,549,424
Total Operating Expenses	<u>4,339,347</u>	<u>3,729,249</u>	<u>1,440,241</u>	<u>348,009</u>	<u>9,856,846</u>
Operating Income (Loss)	<u>60,422</u>	<u>(770,778)</u>	<u>(888,505)</u>	<u>(53,788)</u>	<u>(1,652,649)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Loss on sale of capital assets	-	-	-	-	-
Investment income	-	9,836	8,789	5,342	23,967
Interest and other	-	(985,572)	-	-	(985,572)
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>(975,736)</u>	<u>8,789</u>	<u>5,342</u>	<u>(961,605)</u>
Income (Loss) Before Contributions and Transfers	<u>60,422</u>	<u>(1,746,514)</u>	<u>(879,716)</u>	<u>(48,446)</u>	<u>(2,614,254)</u>
<b>CONTRIBUTIONS AND TRANSFERS</b>					
Contributions	404,341	393,015	-	-	797,356
Transfers in	-	1,822,429	955,984	-	2,778,413
Total Contributions and Transfers	<u>404,341</u>	<u>2,215,444</u>	<u>955,984</u>	<u>-</u>	<u>3,575,769</u>
<b>Change in Net Position</b>	<b>464,763</b>	<b>468,930</b>	<b>76,268</b>	<b>(48,446)</b>	<b>961,515</b>
NET POSITION - Beginning of Year (as restated)	<u>19,370,076</u>	<u>11,667,996</u>	<u>536,171</u>	<u>1,364,333</u>	<u>32,938,576</u>
<b>NET POSITION- END OF YEAR</b>	<u><b>\$ 19,834,839</b></u>	<u><b>\$ 12,136,926</b></u>	<u><b>\$ 612,439</b></u>	<u><b>\$ 1,315,887</b></u>	<u><b>33,900,091</b></u>
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds					71,389
Change in Net Position of Business-type Activities					<u><b>\$ 1,032,904</b></u>

See accompanying notes to financial statements.

---

Governmental  
Activities -  
Internal Service  
Funds

\$ 1,189,914  
9,654  
1,199,568

-  
400,596  
194,294  
326,430  
921,320

278,248

(25,284)  
99,988  
-  
74,704

352,952

-  
-  
-

352,952

7,129,843

\$ 7,482,795

See accompanying notes to financial statements.

# VILLAGE OF DEERFIELD

## STATEMENT OF CASH FLOWS PROPRIETARY FUNDS For the Year Ended December 31, 2018

	Business-type Activities - Enterprise Funds				Totals
	Water	Sewerage	Refuse	Nonmajor Enterprise - Commuter Parking Lot	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Received from customers	\$ 4,288,073	\$ 2,909,963	\$ 540,673	\$ 294,193	\$ 8,032,902
Received from interfund services	-	-	-	-	-
Received from miscellaneous revenues	158,241	41,465	13,551	-	213,257
Payments to suppliers	(3,126,034)	(1,211,102)	(1,365,889)	(276,687)	(5,979,712)
Payments to employees	(1,010,892)	(1,815,078)	(65,771)	(40,235)	(2,931,976)
Net Cash Flows From Operating Activities	<u>309,388</u>	<u>(74,752)</u>	<u>(877,436)</u>	<u>(22,729)</u>	<u>(665,529)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Investment income	-	9,788	8,789	5,344	23,921
Net Cash Flows From Investing Activities	<u>-</u>	<u>9,788</u>	<u>8,789</u>	<u>5,344</u>	<u>23,921</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Interfund loan	(309,388)	-	-	-	(309,388)
Interfund transfer	-	1,822,429	955,984	-	2,778,413
Net Cash Flows From Noncapital Financing Activities	<u>(309,388)</u>	<u>1,822,429</u>	<u>955,984</u>	<u>-</u>	<u>2,469,025</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Capital assets purchased	-	-	-	-	-
Bond principal payments	-	(825,000)	-	-	(825,000)
Bond interest payments	-	(997,879)	-	-	(997,879)
Net Cash Flows From Capital and Related Financing Activities	<u>-</u>	<u>(1,822,879)</u>	<u>-</u>	<u>-</u>	<u>(1,822,879)</u>
<b>Net Change in Cash and Cash Equivalents</b>	-	(65,414)	87,337	(17,385)	4,538
<b>CASH AND CASH EQUIVALENTS - Beginning of Year</b>	<u>-</u>	<u>696,761</u>	<u>528,179</u>	<u>292,514</u>	<u>1,517,454</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 631,347</u>	<u>\$ 615,516</u>	<u>\$ 275,129</u>	<u>\$ 1,521,992</u>

See accompanying notes to financial statements.

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Governmental  
Activities -  
Internal Service  
Funds

\$ -  
1,191,353  
9,654  
(358,367)  
(251,347)  
591,293

99,988

99,988

-  
-

-

(115,906)  
-  
-

(115,906)

575,375

5,234,407

\$ 5,809,782

See accompanying notes to financial statements.

## VILLAGE OF DEERFIELD

### STATEMENT OF CASH FLOWS PROPRIETARY FUNDS For the Year Ended December 31, 2018

	Business-type Activities - Enterprise Funds				Totals
	Water	Sewerage	Refuse	Nonmajor Enterprise - Commuter Parking Lot	
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Operating income (loss)	\$ 60,422	\$ (770,778)	\$ (888,505)	\$ (53,788)	\$ (1,652,649)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities					
Depreciation	509,488	1,013,199	-	26,737	1,549,424
Changes in assets and liabilities					
Receivables	46,546	(7,043)	2,488	(28)	41,963
Prepaid expenses	(299)	(386)	(17)	(15)	(717)
Inventories	6,822	1,379	-	-	8,201
Accounts payable	(105,292)	(5,459)	8,598	3,756	(98,397)
Deposits payable	1,434	1,044	-	-	2,478
Accrued payroll	(5,325)	(4,909)	-	135	(10,099)
Other postemployment benefit payable	(9,925)	(13,760)	-	-	(23,685)
Compensated absences payable	(72,900)	(36,851)	-	474	(109,277)
Pension items	(121,583)	(251,188)	-	-	(372,771)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<u>\$ 309,388</u>	<u>\$ (74,752)</u>	<u>\$ (877,436)</u>	<u>\$ (22,729)</u>	<u>\$ (665,529)</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Contributions of capital assets by other funds	<u>\$ 404,341</u>	<u>\$ 393,015</u>	<u>\$ -</u>	<u>\$ -</u>	

See accompanying notes to financial statements.

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Governmental  
Activities -  
Internal  
Service Funds

\$ 278,248

326,430

1,439  
(44)  
(2,119)  
(15,210)  
-  
(171)

-

2,720

-

\$ 591,293

\$ -

# VILLAGE OF DEERFIELD

## STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS As of December 31, 2018

---

	<u>Pension Trust</u>	<u>Agency Funds</u>
<b>ASSETS</b>		
Cash and investments	\$ 1,785,341	\$ 3,174,503
Investments		
U.S. Treasury obligations	9,674,241	-
Corporate bonds	6,180,987	-
Mutual funds	27,214,415	-
Municipal bonds	44,981	-
Receivables - (net)		
Accrued interest	<u>94,368</u>	<u>200</u>
Total Assets	<u>44,994,333</u>	<u>3,174,703</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 15,417	\$ 9,971
Deposits payable	-	2,963,117
Other payables	-	<u>201,615</u>
Total Liabilities	<u>15,417</u>	<u>3,174,703</u>
<b>NET POSITION</b>		
Restricted for retirement benefits	<u>\$ 44,978,916</u>	

See accompanying notes to financial statements.

# VILLAGE OF DEERFIELD

## STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS For the Year Ended December 31, 2018

---

	<u>Pension Trust</u>
<b>ADDITIONS</b>	
Contributions	
Contributions - employer	\$ 1,100,000
Contributions - employee	<u>418,230</u>
Total Contributions	<u>1,518,230</u>
Investment income	
Net appreciation in fair value of investments	(2,659,485)
Interest and dividends earned on investments	<u>1,064,420</u>
Total Investment Income	(1,595,065)
Less Investment expense	<u>17,980</u>
Net Investment Income	<u>(1,613,045)</u>
Total Additions	<u>(94,815)</u>
<b>DEDUCTIONS</b>	
Pension payments	2,805,095
Administrative	<u>39,371</u>
Total Deductions	<u>2,844,466</u>
<b>Change in Net Position</b>	(2,939,281)
NET POSITION - Beginning of Year	<u>47,918,197</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 44,978,916</u></u>

See accompanying notes to financial statements.

# VILLAGE OF DEERFIELD

## INDEX TO NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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<b>NOTE</b>	<b><u>Page</u></b>
I Summary of Significant Accounting Policies	31
A. Reporting Entity	31
B. Government-Wide and Fund Financial Statements	31
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	34
D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity	36
1. Deposits and Investments	36
2. Receivables	39
3. Inventories and Prepaid Items	40
4. Capital Assets	40
5. Deferred Outflows of Resources	41
6. Compensated Absences	41
7. Long-Term Obligations	42
8. Deferred Inflows of Resources	42
9. Equity Classifications	43
10. Interfund Transactions	44
II Stewardship, Compliance, and Accountability	45
A. Excess Expenditures Over Appropriations	45
III Detailed Notes on All Funds	45
A. Deposits and Investments	45
B. Receivables	50
C. Capital Assets	50
D. Interfund Advances and Transfers	52
E. Long-Term Obligations	53
F. Restatement of Net Position	55
IV Other Information	56
A. Employees' Retirement System	56
B. Risk Management	66
C. Commitments and Contingencies	67
D. Joint Ventures	68
E. Other Postemployment Benefits	68
F. Tax Abatement	72
G. Effect of New Accounting Standards on Current-Period Financial Statements	72

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

---

The Village of Deerfield, Illinois (the Village) was incorporated in 1903. The Village is a home-rule municipality, under the 1970 Illinois Constitution, located in Lake County, Illinois. The Village is governed by an elected seven-member board.

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

#### **A. REPORTING ENTITY**

This report includes all of the funds of the Village. The reporting entity for the Village consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The Village has not identified any organizations that meet this criteria.

The Police Pension Employees Retirement System (PPERS) is established for the Village's police employees. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's President, one pension beneficiary elected by the membership, and two police employees elected by the membership constitute the pension board. The Village and the PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. 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 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 and the data for the pension is included in the government's fiduciary fund financial statements. No separate annual financial report is issued for the PPERS.

#### **B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

In June 2015, the GASB issued statement No. 75 - *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended*, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB*. This standard was implemented January 1, 2018.

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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#### ***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

##### ***Government-Wide Financial Statements***

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services. The effect of material interfund activity (except for activities reported in internal service funds) has been eliminated from these statements.

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

##### ***Fund Financial Statements***

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

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

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

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

# VILLAGE OF DEERFIELD

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

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## NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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### ***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

#### ***Fund Financial Statements (cont.)***

The Village reports the following major governmental funds:

- General Fund - accounts for the Village's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- Debt Service Fund - used to account and report the assigned resources for the payment of general long-term debt.
- Infrastructure Replacement Fund - used to account for and report financial resources that are assigned to expenditures for maintaining, repairing and renovating the capital assets of the Village.

The Village reports the following major enterprise funds:

- Water Fund - accounts for operations of the all activity necessary to provide water to the residents of the village including administration, operation, maintenance, financing and related debt service.
- Sewerage Fund - accounts for operations of the all activities necessary to provide sewer service to the residents of the village including administration, construction, maintenance and operations of the sewerage treatment plant and related debt service.
- Refuse Fund - accounts for all revenues and expenses necessary to provide the residents of the Village with refuse service.

The Village reports the following nonmajor governmental and enterprise funds:

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

- Motor Fuel Tax Fund
  - Enhanced E911 Fund

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

- 2011B Debt Service Sinking Fund
  - Bond Proceeds Fund

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

- Commuter Parking Lot Fund

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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#### ***B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)***

##### ***Fund Financial Statements (cont.)***

In addition, the Village reports the following fund types:

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

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.

Pension (and Other Employee Benefit) Trust Fund - used to account for and report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans.

Police Pension Trust Fund

Agency Funds - used to account for and report assets held by the Village in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

Deposit Fund

East Shore Radio Network Fund

#### ***C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION***

##### ***Government-Wide Financial Statements***

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

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

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### *C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)*

##### *Fund Financial Statements*

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Village considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Sales taxes, telecommunications taxes and use taxes use a 90-day period and income taxes use a 120-day period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

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

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

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

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water, sewerage, refuse and commuter parking lot funds are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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#### ***C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)***

##### ***All Financial Statements***

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

#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY***

##### ***1. Deposits and Investments***

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

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

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

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### ***1. Deposits and Investments (cont.)***

The Police Pension Fund's investment policy allows investments in all of the above listed accounts, but does exclude any repurchase agreements. The police pension fund's investment policy, in accordance with Illinois Statutes, establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Corporate Bonds	34%	1.70%
Equity	60%	6.10%
U.S. Government	5%	1.00%
Cash Equivalents	1%	-%

Illinois Compiled Statutes (ILCS) limit the police pension fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

The long-term expected rate of return on the police pension fund's investments was determined using an asset allocation study conducted by the police pension fund's investment management consultant in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the police pension fund's target asset allocation are listed in the table above.

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

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

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

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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### NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### *D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)*

##### *1. Deposits and Investments (cont.)*

#### **Interest Rate Risk**

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

#### **Credit Risk**

State Statutes limit the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The Village's investment policy authorizes investments in any type of security allowed for in Illinois statutes regarding the investment of public funds. The Police Pension Fund limits its exposure to credit risk by investing exclusively in investment grade bonds, or 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 Governments.

#### **Concentration of Credit Risk**

The Village's investment policies require diversification of the investment portfolio to minimize risk of loss resulting from over-concentration in a particular type of security, risk factor, issuer, or maturity, but does not specify maximum amounts that can be invested in any one investment vehicle, maturity, issuer or class of securities. The Police Pension 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 Police Pension Fund's total investment portfolio can be invested in a single security type or with a single financial institution.

#### **Custodial Credit Risk - Deposits**

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

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### ***1. Deposits and Investments (cont.)***

#### **Custodial Credit Risk - Investments**

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

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank statement balance and carrying value is due to outstanding checks and/or deposits in transit.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Fund's share price, the price for which the investments could be sold.

See Note III. A. for further information.

##### ***2. Receivables***

Property taxes for levy year 2018 attaches as an enforceable lien on January 1, 2018, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance).

Tax bills for levy year 2018 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.

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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### **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

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#### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

##### ***2. Receivables (cont.)***

The 2018 property tax levy is recognized as a receivable and deferred inflows in fiscal 2018, net the allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2018, the property taxes receivable and related deferred inflows consisted of the estimated amount collectible from the 2018 levy.

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

In the governmental fund financial statements, advances to other funds are offset equally by a nonspendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation or by a restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

##### ***3. Inventories and Prepaid Items***

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaid items are accounted for on the consumption method.

##### ***4. Capital Assets***

###### ***Government-Wide Statements***

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

# VILLAGE OF DEERFIELD

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

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## NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

#### ***4. Capital Assets (cont.)***

##### ***Government-Wide Statements (cont.)***

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

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

##### ***Fund Financial Statements***

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

#### ***5. Deferred Outflows of Resources***

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

#### ***6. Compensated Absences***

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2018, are determined on the basis of current salary rates and include salary related payments.

# VILLAGE OF DEERFIELD

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

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## **NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

---

### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

#### ***7. Long-Term Obligations***

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

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

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

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

#### ***8. Deferred Inflows of Resources***

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

# VILLAGE OF DEERFIELD

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

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## NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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### *D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)*

#### **9. Equity Classifications**

##### ***Government-Wide Statements***

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

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

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

##### ***Fund Statements***

Governmental fund balances are displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (ordinance) of the Village Board. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Village Board that originally created the commitment.

# VILLAGE OF DEERFIELD

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

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## NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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### ***D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)***

#### ***9. Equity Classifications (cont.)***

##### ***Fund Statements (cont.)***

- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Village Board has, by ordinance, adopted a fund balance policy authorizing the Director of Finance to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

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

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

Fiduciary fund equity is classified as held in trust for on the statement of fiduciary net position. Various donor restrictions apply, including authorizing and spending trust income, and the village believes it is in compliance with all significant restrictions.

#### ***10. 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.

# VILLAGE OF DEERFIELD

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

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## NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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### A. EXCESS EXPENDITURES OVER APPROPRIATIONS

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Commuter Parking Lot	\$ 341,850	\$ 348,009	\$ 6,159
Bond Proceeds	-	87,450	87,450

The Village controls expenditures at the department level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the Village's year-end budget to actual report. The Commuter Parking Lot and Bond Proceeds expenditures are over budget due to the timing of certain expenditures, such as interest payments, depreciation and pension expense.

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## NOTE III - DETAILED NOTES ON ALL FUNDS

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### A. 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 type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments. In addition, investments are separately held by several of the Village's funds. The deposits and investments of the Pension Trust Funds are held separately from those of other funds.

## VILLAGE OF DEERFIELD

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

#### **NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

##### **A. DEPOSITS AND INVESTMENTS (cont.)**

The Village's and the Police Pension's deposits and investments at year end were comprised of the following:

	Carrying Value	Statement Balances	Associated Risks
Deposits	\$ 12,125,607	\$ 12,417,344	Custodial credit risk - deposits
Mutual funds	27,214,415	27,214,415	N/A
U.S. Treasury obligations	9,674,241	9,674,241	Custodial credit risk - investments, interest rate risk
Certificates of deposit (negotiable)	4,737,265	4,737,265	Credit risk, custodial credit risk - investments, concentration of credit risk, interest rate risk
Corporate bonds	6,180,987	6,180,987	Credit risk, custodial credit risk - investments, concentration of credit risk, interest rate risk
Municipal bonds	44,981	44,981	Credit risk, custodial credit risk - investments, concentration of credit risk, interest rate risk
Illinois Funds	17,630,828	17,626,299	Credit risk
U.S. Agency obligations	13,235,403	13,235,403	Credit risk, custodial credit risk - investments, concentration of credit risk, interest rate risk
Petty cash	2,400	-	N/A
Total Deposits and Investments	<b>\$ 90,846,127</b>	<b>\$ 91,130,935</b>	
Reconciliation to financial statements			
Per statement of net position			
Cash and investments	\$ 42,771,659		
Per statement of net position - fiduciary funds			
Cash and investments	4,959,844		
U.S. Treasury obligations	9,674,241		
Corporate bonds	6,180,987		
Mutual funds	27,214,415		
Municipal bonds	44,981		
Total Deposits and Investments	<b>\$ 90,846,127</b>		

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

### **NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

#### **A. DEPOSITS AND INVESTMENTS (cont.)**

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

The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

As of December 31, 2018, the Village utilized the market valuation method for all recurring fair value measurements and investments were measured using the valuation inputs as follows:

<u>Village</u>	December 31, 2018			
Investment Type	Level 1	Level 2	Level 3	Total
U.S. Agency obligations	\$ -	\$ 13,235,403	\$ -	\$ 13,235,403
Certificates of deposit (negotiable)	<u>4,737,265</u>	<u>-</u>	<u>-</u>	<u>4,737,265</u>
Total	<u>\$ 4,737,265</u>	<u>\$ 13,235,403</u>	<u>\$ -</u>	<u>\$ 17,972,668</u>

<u>Police Pension</u>	December 31, 2018			
Investment Type	Level 1	Level 2	Level 3	Total
U.S. Treasury obligations	\$ 9,672,006	\$ 2,235	\$ -	\$ 9,674,241
Corporate bonds	-	6,180,987	-	6,180,987
Mutual funds	27,214,415	-	-	27,214,415
Municipal bonds	<u>-</u>	<u>44,981</u>	<u>-</u>	<u>44,981</u>
Total	<u>\$ 36,886,421</u>	<u>\$ 6,228,203</u>	<u>\$ -</u>	<u>\$ 43,114,624</u>

#### ***Custodial Credit Risk***

##### **Deposits**

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

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

# VILLAGE OF DEERFIELD

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

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## NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

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### A. DEPOSITS AND INVESTMENTS (cont.)

#### **Custodial Credit Risk** (cont.)

##### **Investments**

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

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

#### **Credit Risk**

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

As of December 31, 2018, the Village's investments were rated as follows:

<u>Investment Type</u>	<u>Standard &amp; Poors</u>	<u>Moody's Investors Services</u>
Certificates of deposit (negotiable)	Not rated	Not rated
Corporate bonds	BBB to AA+	Baa3 to AAA
Municipal bonds	AAA	N/A
Illinois Funds	AAAm	N/A
U.S. Agency obligations	AA+	AAA

#### **Concentration of Credit Risk**

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

At December 31, 2018, there were no investments exposed to concentration of credit risk.

## VILLAGE OF DEERFIELD

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

#### A. DEPOSITS AND INVESTMENTS (cont.)

##### *Interest Rate Risk*

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

As of December 31, 2018, the Village's investments were as follows:

##### Village

Investment Type	Fair Value	Maturity			
		Less than 1 Year	1-5 Years	6-10 Years	Greater than 10 Years
Certificates of deposit (negotiable)	\$ 4,737,265	\$ 3,050,315	\$ 1,686,950	\$ -	\$ -
U.S. Agency obligations	13,235,403	3,114,320	4,920,102	5,200,981	-
<b>Totals</b>	<b>\$ 17,972,668</b>	<b>\$ 6,164,635</b>	<b>\$ 6,607,052</b>	<b>\$ 5,200,981</b>	<b>\$ -</b>

##### *Police Pension*

Investment Type	Fair Value	Maturity			
		Less than 1 Year	1-5 Years	6-10 Years	Greater than 10 Years
U.S. treasury obligations	\$ 9,674,241	\$ 997,640	\$ 7,452,451	\$ 1,224,060	\$ -
Corporate bonds	6,180,987	501,339	2,549,372	3,041,905	88,371
Municipal bonds	44,981	-	-	-	44,981
<b>Totals</b>	<b>\$ 15,900,209</b>	<b>\$ 1,498,979</b>	<b>\$ 10,001,823</b>	<b>\$ 4,265,965</b>	<b>\$ 133,352</b>

##### **Money-Weighted Rate of Return**

##### *Police Pension Fund*

For the year ended December 31, 2018, the annual money-weighted rate of return on the police pension plan investments, net of pension plan investment expense, was (3.42)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

See Note I.D.1. for further information on deposit and investment policies.

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

#### **B. RECEIVABLES**

All of the receivables on the balance sheet are expected to be collected within one year.

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 then remits the funds to the Village as the principal and interest payments become due. The Village has recorded a receivable, offset by unavailable revenue, for the amount of debt outstanding, less cash on hand, that the Library will be paying the Village.

#### **C. CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2018, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 5,136,924	\$ -	\$ -	\$ 5,136,924
Land right of way	16,180,188	-	-	16,180,188
Construction in progress	338,879	294,600	130,366	503,113
Total Capital Assets Not Being Depreciated	21,655,991	294,600	130,366	21,820,225
Capital assets being depreciated				
Buildings and improvements	12,580,797	425,378	-	13,006,175
Vehicles, machinery and equipment	5,432,722	131,752	136,673	5,427,801
Infrastructure	99,050,969	974,830	1,137,459	98,888,340
Total Capital Assets Being Depreciated	117,064,488	1,531,960	1,274,132	117,322,316
Total Capital Assets	138,720,479	1,826,560	1,404,498	139,142,541
Less: Accumulated depreciation for				
Buildings and improvements	(4,768,675)	(303,333)	-	(5,072,008)
Vehicles, machinery and equipment	(3,205,461)	(386,560)	95,545	(3,496,476)
Infrastructure	(52,228,765)	(2,026,011)	885,367	(53,369,409)
Total Accumulated Depreciation	(60,202,901)	(2,715,904)	980,912	(61,937,893)
Net Capital Assets Being Depreciated	56,861,587	(1,183,944)	293,220	55,384,423
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 78,517,578	\$ (889,344)	\$ 423,586	\$ 77,204,648

## VILLAGE OF DEERFIELD

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

#### C. CAPITAL ASSETS (cont.)

Depreciation expense was charged to functions as follows:

#### Governmental Activities

General government	\$ 152,204
Public safety	177,480
Highway and streets	<u>2,386,220</u>
 Total Governmental Activities Depreciation Expense	 <u><u>\$ 2,715,904</u></u>

	Beginning Balance	Additions	Deletions	Ending Balance
<b>Business-type Activities</b>				
Capital assets not being depreciation				
Land	\$ 1,955,456	\$ -	\$ -	\$ 1,955,456
Construction in progress	<u>19,641</u>	<u>132,528</u>	<u>19,641</u>	<u>132,528</u>
Total Capital Assets Not Being Depreciation	<u>1,975,097</u>	<u>132,528</u>	<u>19,641</u>	<u>2,087,984</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	18,755,633	291,454	18,161	19,028,926
Sanitary sewer system	<u>6,121,498</u>	<u>393,012</u>	-	<u>6,514,510</u>
Total Capital Assets Being Depreciated	<u>72,639,640</u>	<u>684,466</u>	<u>18,161</u>	<u>73,305,945</u>
Total Capital Assets	<u>74,614,737</u>	<u>816,994</u>	<u>37,802</u>	<u>75,393,929</u>
Less: Accumulated depreciation for				
Buildings and improvements	(7,288,813)	(961,284)	-	(8,250,097)
Parking lot improvements	(952,629)	(26,739)	-	(979,368)
Vehicles, machinery and equipment	(531,209)	(15,882)	-	(547,091)
Water distribution system	(2,852,322)	(405,152)	18,161	(3,239,313)
Sanitary sewer system	<u>(1,674,564)</u>	<u>(140,367)</u>	-	<u>(1,814,931)</u>
Total Accumulated Depreciation	<u>(13,299,537)</u>	<u>(1,549,424)</u>	<u>18,161</u>	<u>(14,830,800)</u>
Net Capital Assets Being Depreciated	<u>59,340,103</u>	<u>(864,958)</u>	-	<u>58,475,145</u>
 Business-type Capital Assets, Net of Accumulated Depreciation	 <u>\$ 61,315,200</u>	 <u>\$ (732,430)</u>	 <u>\$ 19,641</u>	 <u>\$ 60,563,129</u>

**VILLAGE OF DEERFIELD**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

**NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

***D. INTERFUND ADVANCES AND TRANSFERS***

***Advances***

The General Fund is advancing funds to the Water Fund. The amount represents temporary financing of the Water Fund's operation. No repayment schedule has been established.

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Not Due Within One Year
General	Water	374,695	\$ 374,695

The principal purpose of this advance is to fund water operations.

***Transfers***

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
Infrastructure Replacement	General	\$ 1,000,000	To fund capital projects
Refuse Infrastructure Replacement	General	955,984	To subsidize administrative charges
Sewerage	Bond Proceeds	3,087,145	To provide reimbursement for construction project costs
	Debt Service	<u>1,822,429</u>	To fund debt service paid by Sewerage Fund
Total - Fund Financial Statements		6,865,558	
Less: Fund eliminations		<u>(4,087,145)</u>	
Total Transfers - Government-Wide Statement of Activities		<u>\$ 2,778,413</u>	

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

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

#### *E. LONG-TERM OBLIGATIONS*

Long-term obligations activity for the year ended December 31, 2018, was as follows:

	Beginning Balance (as restated)	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<b>Governmental Activities</b>					
Bonds and Notes Payable					
General obligation debt	\$ 30,419,000	\$ 5,970,000	\$ 1,460,000	\$ 34,929,000	\$ 1,634,000
(Discounts)/Premiums	699,916	120,990	34,739	786,167	-
Sub-totals	<u>31,118,916</u>	<u>6,090,990</u>	<u>1,494,739</u>	<u>35,715,167</u>	<u>1,634,000</u>
Other Liabilities					
Vested compensated absences (governmental)	1,483,722	1,130,677	1,174,543	1,439,856	1,139,790
Vested compensated absences (internal service)	21,226	21,202	18,482	23,946	20,850
Total other postemployment benefit liability	3,441,710	-	336,873	3,104,837	-
Net pension liability - IMRF	4,399,262	2,424,045	5,346,551	1,476,756	-
Net pension liability - Police	9,208,748	10,816,103	-	20,024,851	-
Total Other Liabilities	<u>18,554,668</u>	<u>14,392,027</u>	<u>6,876,449</u>	<u>26,070,246</u>	<u>1,160,640</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 49,673,584</u>	<u>\$ 20,483,017</u>	<u>\$ 8,371,188</u>	<u>\$ 61,785,413</u>	<u>\$ 2,794,640</u>
<b>Business-type Activities</b>					
Bonds and Notes Payable					
General obligation debt	\$ 28,741,000	\$ -	\$ 825,000	\$ 27,916,000	\$ 851,000
(Discounts)/Premiums	109,541	-	10,715	98,826	-
Sub-totals	<u>28,850,541</u>	<u>-</u>	<u>835,715</u>	<u>28,014,826</u>	<u>851,000</u>
Other Liabilities					
Vested compensated absences	275,187	146,390	255,667	165,910	154,148
Total other postemployment benefit liability	357,515	-	62,956	294,559	-
Net pension liability - IMRF	1,592,835	-	1,314,794	278,041	-
Total Other Liabilities	<u>2,225,537</u>	<u>146,390</u>	<u>1,633,417</u>	<u>738,510</u>	<u>154,148</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 31,076,078</u>	<u>\$ 146,390</u>	<u>\$ 2,469,132</u>	<u>\$ 28,753,336</u>	<u>\$ 1,005,148</u>

## VILLAGE OF DEERFIELD

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

#### **NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)**

#### ***E. LONG-TERM OBLIGATIONS*** (cont.)

##### ***General Obligation Debt***

All general obligation notes and bonds payable are backed by the full faith and credit of the Village. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

#### **Governmental Activities**

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2018</u>
General Obligation Bond Series 2010A	11/03/2010	12/01/2028	0.80% - 5.00%	\$ 12,500,000	\$ 3,234,000
General Obligation Bond Series 2011A	10/17/2011	12/01/2031	1.00% - 3.25%	9,900,000	7,620,000
General Obligation Bond Series 2013	01/03/2013	12/01/2031	2.00% - 2.25%	9,075,000	4,290,000
General Obligation Bond Series 2015	05/19/2015	12/01/2034	3.00% - 3.25%	9,575,000	8,395,000
General Obligation Bond Series 2017	02/06/2017	12/01/2036	3.00% - 3.75%	5,700,000	5,420,000
General Obligation Bond Series 2018	06/12/2018	12/01/2037	3.00% - 4.00%	5,970,000	<u>5,970,000</u>
Total Governmental Activities - General Obligation Debt					<u>\$ 34,929,000</u>

#### **Business-type Activities**

<u>General Obligation Debt</u>	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance December 31, 2018</u>
General Obligation Bond Series 2010A	11/03/2010	12/01/2028	0.80% - 5.00%	\$ 12,500,000	\$ 4,851,000
General Obligation Bond Series 2011B	10/17/2011	12/01/2028	4.00% - 1.25%	12,500,000	12,480,000
General Obligation Bond Series 2012	01/21/2012	12/01/2031	2.75% - 2.00%	10,000,000	9,865,000
General Obligation Bond Series 2013	01/03/2013	12/01/2031	2.25%	9,075,000	<u>720,000</u>
Total Business-type Activities - General Obligation Debt					<u>\$ 27,916,000</u>

## VILLAGE OF DEERFIELD

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

### NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

#### E. LONG-TERM OBLIGATIONS (cont.)

##### General Obligation Debt (cont.)

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt		Business-type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2019	\$ 1,634,000	\$ 1,193,198	\$ 851,000	\$ 982,151
2020	1,790,000	1,049,838	875,000	962,558
2021	1,849,000	998,179	901,000	940,442
2022	1,910,000	944,283	930,000	915,716
2023	1,978,000	888,029	957,000	888,632
2024-2028	10,818,000	3,471,215	17,582,000	3,964,469
2029-2033	11,160,000	1,594,322	5,820,000	361,772
2034-2037	3,790,000	278,308	-	-
Totals	<u>\$ 34,929,000</u>	<u>\$ 10,417,372</u>	<u>\$ 27,916,000</u>	<u>\$ 9,015,740</u>

#### F. RESTATEMENT OF NET POSITION

Net position has been restated due to the implementation of GASB No. 75. The restatement is necessary to record the prior year total other postemployment liability.

	Governmental Activities	Business-Type Activities
Net position as of December 31, 2017 (as reported)	\$ 69,121,106	\$ 34,831,603
Adjustment to record the total OPEB liability as of December 31, 2017	(3,441,710)	(357,515)
Adjustment to remove prior year net OPEB obligation	<u>1,269,797</u>	<u>157,985</u>
Net position as of December 31, 2017 (as restated)	<u>\$ 66,949,193</u>	<u>\$ 34,632,073</u>
	Water Fund	Sewer Fund
Net position as of December 31, 2017 (as reported)	\$ 19,524,584	\$ 11,713,018
Adjustment to record the total OPEB liability as of December 31, 2017	(199,376)	(158,139)
Adjustment to remove prior year net OPEB obligation	<u>44,868</u>	<u>113,117</u>
Net position as of December 31, 2017 (as restated)	<u>\$ 19,370,076</u>	<u>\$ 11,667,996</u>

# VILLAGE OF DEERFIELD

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

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## NOTE IV - OTHER INFORMATION

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### A. EMPLOYEES' RETIREMENT SYSTEM

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

#### Illinois Municipal Retirement Fund

**Plan description.** All employees (other than those covered by the Police Pension plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF has a two tier plan. Members who first participated in IMRF or an Illinois Reciprocal System prior to January 1, 2011 participate in Tier 1. All other members participate in Tier 2. For Tier 1 participants, pension benefits vest after 8 years of service. Participating members who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with 8 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1-2/3% of their final rate of earnings (average of the highest 48 consecutive months' earnings during the last 10 years) for credited service up to 15 years and 3% for each year thereafter.

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

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

**Plan membership.** At December 31, 2017, the measurement date, membership in the plan was as follows:

Retirees and beneficiaries	129
Inactive, non-retired members	96
Active members	<u>106</u>
Total	<u><u>331</u></u>

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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### NOTE IV - OTHER INFORMATION (cont.)

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#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

**Contributions.** As set by statute, Village and Deerfield Public Library employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The statute requires the Village and Deerfield Public Library to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Village and Deerfield Public Library's actuarially determined contribution rate for calendar year 2017 was 12.02% of annual covered payroll for IMRF. The Village and Deerfield Public Library also contribute for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Net Pension Liability/(Asset).** The net pension liability/(asset) was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

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

**Actuarial Assumptions.** The total pension liability for IMRF was determined by actuarial valuations performed as of December 31, 2017 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Investment Rate of Return	7.50%
Inflation	3.50%
Salary increases	3.39% to 14.25%, including inflation
Price inflation	2.50%

**Mortality.** For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The 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-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

Asset Class	Target Allocation	Projected Returns/Risks	
		One Year Arithmetic	Ten Year Geometric
Equities	37.00%	8.30%	6.85%
International equities	18.00%	8.45%	6.75%
Fixed income	28.00%	3.05%	3.00%
Real estate	9.00%	6.90%	5.75%
Alternatives	7.00%		
Private equity		12.45%	7.35%
Hedge funds		5.35%	5.05%
Commodities		4.25%	2.65%
Cash equivalents	1.00%	2.25%	2.25%

**Discount rate.** The discount rate used to measure the total pension liability for IMRF was 7.50%. The discount rate calculated using the December 31, 2016 measurement date was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between actuarially determined contribution rate and the member rate. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments was applied to all periods of projected benefits to determine the total pension liability.

## VILLAGE OF DEERFIELD

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

#### NOTE IV - OTHER INFORMATION (cont.)

##### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

**Discount rate sensitivity.** The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents net pension liability/(asset) of the Village calculated using the discount rate of 7.50% as well as what the net pension liability/(asset) would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
<i>Village:</i>			
Total pension liability	\$ 44,656,745	\$ 39,757,177	\$ 35,735,443
Plan fiduciary net pension	38,002,380	38,002,380	38,002,380
Net pension liability/(asset)	<u>\$ 6,654,365</u>	<u>\$ 1,754,797</u>	<u>\$ (2,266,937)</u>
<i>Deerfield Public Library:</i>			
Total pension liability	\$ 11,979,641	\$ 10,665,280	\$ 9,586,408
Plan fiduciary net pension	10,170,852	10,170,852	10,170,852
Net pension liability/(asset)	<u>\$ 1,808,789</u>	<u>\$ 494,428</u>	<u>\$ (584,444)</u>
<i>Total:</i>			
Total pension liability	\$ 56,636,386	\$ 50,422,457	\$ 45,321,851
Plan fiduciary net pension	48,173,232	48,173,232	48,173,232
Net pension liability/(asset)	<u>\$ 8,463,154</u>	<u>\$ 2,249,225</u>	<u>\$ (2,851,381)</u>

**Changes in net pension liability/(asset).** The changes in net pension liability/(asset) for the calendar year ended December 31, 2017 were as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
<i>Village:</i>			
Balances at December 31, 2016	\$ 39,667,423	\$ 33,675,326	\$ 5,992,097
Service cost	630,479	-	630,479
Interest on total pension liability	2,885,733	-	2,885,733
Differences between expected and actual experience of the total pension liability	103,738	-	103,738
Change of assumptions	(1,504,058)	-	(1,504,058)
Benefit payments, including refunds of employee contributions	(2,026,138)	(2,026,138)	-
Contributions - employer	-	754,638	(754,638)
Contributions - employee	-	282,423	(282,423)
Net investment income	-	5,824,071	(5,824,071)
Other (net transfer)	-	(507,940)	507,940
Balances at December 31, 2017	<u>\$ 39,757,177</u>	<u>\$ 38,002,380</u>	<u>\$ 1,754,797</u>

## VILLAGE OF DEERFIELD

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

#### NOTE IV - OTHER INFORMATION (cont.)

##### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(a) - (b)
<i>Deerfield Public Library:</i>			
Balances at December 31, 2016	\$ 10,544,506	\$ 8,951,671	\$ 1,592,835
Service cost	177,642	-	177,642
Interest on total pension liability	813,078	-	813,078
Differences between expected and actual experience of the total pension liability	29,229	-	29,229
Change of assumptions	(328,295)	-	(328,295)
Benefit payments, including refunds of employee contributions	(570,880)	(570,880)	-
Contributions - employer	-	212,625	(212,625)
Contributions - employee	-	79,575	(79,575)
Net investment income	-	1,640,978	(1,640,978)
Other (net transfer)	-	(143,117)	143,117
Balances at December 31, 2017	<u>\$ 10,665,280</u>	<u>\$ 10,170,852</u>	<u>\$ 494,428</u>
<i>Total:</i>			
Balances at December 31, 2016	\$ 50,211,929	\$ 42,626,997	\$ 7,584,932
Service cost	808,121	-	808,121
Interest on total pension liability	3,698,811	-	3,698,811
Differences between expected and actual experience of the total pension liability	132,967	-	132,967
Change of assumptions	(1,832,353)	-	(1,832,353)
Benefit payments, including refunds of employee contributions	(2,597,018)	(2,597,018)	-
Contributions - employer	-	967,263	(967,263)
Contributions - employee	-	361,998	(361,998)
Net investment income	-	7,465,049	(7,465,049)
Other (net transfer)	-	(651,057)	651,057
Balances at December 31, 2017	<u>\$ 50,422,457</u>	<u>\$ 48,173,232</u>	<u>\$ 2,249,225</u>
Plan fiduciary net position as a percentage of the total pension liability			95.54 %

## VILLAGE OF DEERFIELD

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

**Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions.** For the year ended December 31, 2018, the Village recognized pension expense of \$1,548,893. The Village reported deferred outflows and inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<i>Village:</i>		
Difference between expected and actual experience	\$ 272,490	\$ 8,808
Assumption changes	45,211	1,116,321
Net difference between projected and actual earnings on pension plan investments	-	1,648,348
Contributions subsequent to the measurement date	<u>821,288</u>	<u>-</u>
Total	<u>\$ 1,138,989</u>	<u>\$ 2,773,477</u>
<i>Deerfield Public Library:</i>		
Difference between expected and actual experience	\$ 76,776	\$ 2,482
Assumption changes	12,738	314,533
Net difference between projected and actual earnings on pension plan investments	-	464,436
Contributions subsequent to the measurement date	<u>227,318</u>	<u>-</u>
Total	<u>\$ 316,832</u>	<u>\$ 781,451</u>
<i>Total:</i>		
Difference between expected and actual experience	\$ 349,266	\$ 11,290
Assumption changes	57,949	1,430,854
Net difference between projected and actual earnings on pension plan investments	-	2,112,784
Contributions subsequent to the measurement date	<u>1,048,606</u>	<u>-</u>
Total	<u>\$ 1,455,821</u>	<u>\$ 3,554,928</u>

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending December 31, 2019. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$3,147,713) will be recognized in pension expense as follows:

Year Ending December 31,	Village	Deerfield Public Library	Total
2019	\$ (342,287)	\$ (96,443)	\$ (438,730)
2020	(462,544)	(130,326)	(592,870)
2021	(973,753)	(274,364)	(1,248,117)
2022	(677,192)	(190,804)	(867,996)
Total	<u>\$ (2,455,776)</u>	<u>\$ (691,937)</u>	<u>\$ (3,147,713)</u>

#### Police Pension

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

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

*Tier 1* - Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one half of the salary attached to the rank on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

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

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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### NOTE IV - OTHER INFORMATION (cont.)

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#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### Police Pension (cont.)

**Plan membership.** At December 31, 2018, the Police Pension membership consisted of:

Retirees and beneficiaries	39
Inactive, non-retired members	3
Active members	<u>40</u>
Total	<u><u>82</u></u>

**Contributions.** Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011 the Village's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded by the year 2040. The Village's actuarially determined contribution rate for the fiscal year ending December 31, 2018 was 26.06% of annual covered payroll.

**Net Pension Liability/(Asset).** The net pension liability/(asset) was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

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

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

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

### NOTE IV - OTHER INFORMATION (cont.)

#### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### Police Pension (cont.)

**Actuarial Assumptions.** The total pension liability was determined by an actuarial valuation performed as of December 31, 2018 using the following actuarial methods and assumptions:

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value
Actuarial assumptions	
Interest rate	7.25%
Inflation	2.50%
Projected salary increases	4.00% - 8.22%
Cost-of-living adjustments	2.50

Mortality rates were based on the RP-2014 Adjusted for plan status, collar, and Illinois Public Pension Data, as appropriate. The actuarial assumptions were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

**Discount rate.** The discount rate used to measure the total pension liability for the Police Pension Plan was 6.53%. The discount rate calculated using the December 31, 2017 measurement date was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Plan's fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments of 7.25% was blended with the index rate of 4.10% for tax exempt 20-year general obligation municipal bonds with an average AA credit rating as of December 31, 2018 to arrive at a discount rate of 6.53% used to determine the total pension liability. The year ending December 31, 2062 is the last year in the project period for which projected benefit payments are fully funded.

**Discount rate sensitivity.** The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 6.53% as well as what the net pension liability would be if it were to be calculated using a discount rate that is 1 percentage point lower (5.53%) or 1 percentage point higher (7.53%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 74,812,393	\$ 65,003,767	\$ 57,101,410
Plan fiduciary net position	44,978,916	44,978,916	44,978,916
Net pension liability	\$ 29,833,477	\$ 20,024,851	\$ 12,122,494

## VILLAGE OF DEERFIELD

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

#### NOTE IV - OTHER INFORMATION (cont.)

##### A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

##### Police Pension (cont.)

**Changes in net pension liability/(asset).** The Village's changes in net pension liability/(asset) for the calendar year ended December 31, 2018 was as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/Asset
	(a)	(b)	(a) - (b)
Balances at December 31, 2017	\$ 57,126,945	\$ 47,918,196	\$ 9,208,749
Service cost	781,798	-	781,798
Interest on total pension liability	4,040,019	-	4,040,019
Changes in benefit terms	8,204	-	8,204
Change of assumptions	5,851,896	-	5,851,896
Benefit payments, including refunds of employee contributions	(2,805,095)	(2,805,095)	-
Contributions - employer	-	1,100,000	(1,100,000)
Contributions - employee	-	418,230	(418,230)
Net investment income	-	(1,613,044)	1,613,044
Administration	-	(39,371)	39,371
Balances at December 31, 2018	\$ 65,003,767	\$ 44,978,916	\$ 20,024,851

**Pension expense and deferred outflows of resources and deferred inflows of resources related to pensions.** For the year ended December 31, 2018, the Village recognized pension expense of \$2,636,235. The Village reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 748,239	\$ 1,153,527
Assumption changes	8,966,977	6,993,322
Net difference between projected and actual earnings on pension plan investments	2,305,218	-
Total	\$ 12,020,434	\$ 8,146,849

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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### NOTE IV - OTHER INFORMATION (cont.)

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#### **A. EMPLOYEES' RETIREMENT SYSTEM (cont.)**

##### **Police Pension (cont.)**

The amounts reported as deferred outflows and inflows of resources related to pensions (\$3,873,585) will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Amount</u>
2019	\$ 1,619,266
2020	761,132
2021	(1,177,062)
2022	775,039
2023	792,978
Thereafter	<u>1,102,232</u>
Total	<u>\$ 3,873,585</u>

#### **B. RISK MANAGEMENT**

The Village is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The Village participates in a public entity risk pool called Municipal Insurance Cooperative Agency to provide coverage for losses from (torts; theft of, damage to, or destruction of assets; errors and omission; workers compensation; and health care of its employees). However, other risks, such as (torts; theft of, damage to, or destruction of assets; errors and omission; workers compensation; and health care of its employees) are accounted for and financed by the Village in the General Fund.

##### **Public Entity Risk Pool**

##### **Municipal Insurance Cooperative Agency**

The Village participates in the Municipal Insurance Cooperative Agency (MICA). MICA is a public entity risk pool whose members are Illinois municipalities. MICA manages and funds first party property losses, third party liability claims, workers' compensation claims and public officials' liability claims of its members. MICA provides \$2,000,000 of coverage after a \$5,000 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.

The Village had previously participated in the High-Level Excess Liability Pool (HELP). This coverage expired April 30, 2018 and was not renewed. The Village is fully covered under MICA as of May 1, 2018. HELP coverage is in run off in case claims incurred prior to April 30, 2018 are reported.

# VILLAGE OF DEERFIELD

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

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## NOTE IV - OTHER INFORMATION (cont.)

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### **B. RISK MANAGEMENT** (cont.)

#### **Public Entity Risk Pool** (cont.)

##### **Intergovernmental Personnel Benefit Cooperative**

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

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

### **C. COMMITMENTS AND CONTINGENCIES**

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

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

#### **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.

#### **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.

# VILLAGE OF DEERFIELD

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

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## NOTE IV - OTHER INFORMATION (cont.)

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### ***D. JOINT VENTURES***

#### ***Solid Waste Agency of Lake County***

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

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

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

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

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, 2018.

### ***E. OTHER POSTEMPLOYMENT BENEFITS***

#### ***GENERAL INFORMATION ABOUT THE OPEB PLAN***

***Plan description.*** The Village administers a single-employer defined benefit healthcare plan. The plan provides for eligible retirees through the Village's group health insurance plan, which covers both active and retired members. Benefit provisions are established through personnel policy guidelines and collective bargaining agreements. The Retiree Health Plan does not issue a publicly available financial report. The Village's OPEB plan is a single-employer defined benefit OPEB plan administered by the Village. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Village Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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### NOTE IV - OTHER INFORMATION (cont.)

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#### ***E. OTHER POSTEMPLOYMENT BENEFITS*** (cont.)

***Contributions and benefits provided.*** Contribution requirements are established through personnel policy guidelines and collective bargaining agreements and may be amended only through negotiations between the Village and the union. The Village provides pre and post-Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Village's two retirement plans. The Village pays a subsidy of 50% of the cost of the monthly health insurance premiums for the retirees up to a maximum of \$50. The retiree pays the remainder of the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Village's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

***Employees covered by benefit terms.*** At December 31, 2018, the following employees were covered by the benefit terms:

Inactive plan members or beneficiaries currently receiving benefit payments	22
Active plan members	<u>105</u>
Total	<u><u>127</u></u>

#### ***TOTAL OPEB LIABILITY***

The Village's total OPEB liability of \$3,399,396 was measured as of December 31, 2018, and was determined by an actuarial valuation as of that date.

***Actuarial assumptions and other inputs.*** The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Salary increases	2.75%
Healthcare cost trend rates	Initial medical rate for HMO of 1.5%, grading up to 5.00% in 2020 and initial medical rate for PPO of 7.20%, grading down to 5.00% in 2020.

The discount rate was based on the December 27, 2018 Bond Buyer 20-Bond Index, as published by the Federal Reserve.

Active IMRF Mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study. Retiree and Spousal IMRF Mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study, with Blue Collar Adjustment. Active Police Mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study, with Blue Collar Adjustment. Retiree Police Mortality follows the L&A Assumption Study for Police 2016. Disabled Mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study for Disabled Participants, with Blue Collar Adjustment. Police Spouse Mortality follows the Sex Distinct Raw Rates as Developed in the RP-2014 Study.

## VILLAGE OF DEERFIELD

### NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

#### **NOTE IV - OTHER INFORMATION (cont.)**

##### ***E. OTHER POSTEMPLOYMENT BENEFITS (cont.)***

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial valuation date of January 1, 2018.

##### ***CHANGES IN THE TOTAL OPEB LIABILITY***

	Total OPEB Liability
Balances at December 31, 2017	\$ 3,799,225
Changes for the year:	
Service cost	90,149
Interest	127,960
Changes of benefit terms	(202,501)
Changes in assumptions or other inputs	(251,824)
Benefit payments	(163,613)
Net changes	(399,829)
Balances at December 31, 2018	\$ 3,399,396

Changes of benefit terms reflect an increase in the retirees' share of health insurance premiums from a change in plan provisions for IMRF employees and Police Officers. The Village will no longer pay any portion of the cost of coverage for those retired on or after June 2, 2018.

Changes of assumptions and other inputs reflect a change in the discount rate from 3.44% for the reporting period ending December 31, 2017 to 4.10% for the reporting period ending December 31, 2018.

***Sensitivity of the total OPEB liability to changes in the discount rate.*** The following presents the total OPEB liability of the Village, as well as what the Village's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.1 percent) or 1-percentage-point higher (5.1 percent) than the current discount rate:

	1% Decrease (3.1%)	Discount Rate (4.1%)	1% Increase (5.1%)
Total OPEB liability	\$ 3,894,294	\$ 3,399,396	\$ 2,994,630

**VILLAGE OF DEERFIELD**

NOTES TO FINANCIAL STATEMENTS  
As of and for the Year Ended December 31, 2018

**NOTE IV - OTHER INFORMATION (cont.)**

**E. OTHER POSTEMPLOYMENT BENEFITS (cont.)**

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

	1% Decrease (varies)	Healthcare Cost Trend Rates (varies)	1% Increase (varies)
Total OPEB liability	\$ 2,927,925	\$ 3,399,396	\$ 3,986,402

**OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES  
RELATED TO OPEB**

For the year ended December 31, 2018, the Village recognized negative OPEB expense of \$42,026. At December 31, 2018, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources
Changes of assumptions or other inputs	\$ 267,053
Total	\$ 267,053

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

Year Ended December 31,	Total
2019	\$ (31,493)
2020	(31,493)
2021	(31,493)
2022	(31,493)
2023	(31,493)
Thereafter	(109,588)
Total	\$ 267,053

# VILLAGE OF DEERFIELD

## NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2018

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### NOTE IV - OTHER INFORMATION (cont.)

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#### ***F. TAX ABATEMENT***

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

The Village is disclosing all abatement agreements individually.

During the fiscal year 2002, the Village entered into an economic incentive agreement with a commercial entity. The agreement was approved by the Board, in accordance with Illinois Compiled Statutes. The Village has agreed to reimburse the commercial entity 75% of the total sales tax revenue generated for the first six years of the agreement, and 80% of any sales tax revenue generated for the seventh year and all subsequent years. The amount of the rebates is limited to specified time period and are payable over 20 years solely from sales taxes generated by the commercial entity. The rebates are to be paid monthly with the agreement expiring 20 years after commencement. The total amount of home-rule sales tax rebated for the fiscal year ending December 31, 2018 was \$1,648,646. At December 31, 2018, the Village has accrued an estimated home-rule sales tax rebate liability of \$359,673 for amounts collected by the state through December 31, 2017 but not yet paid to the commercial entity. To date, the Village has rebated \$15,829,088 of home-rule sales tax to the commercial entity. The agreement has no stated maximum. The rebate is not subject to recapture, in whole or in part.

#### ***G. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS***

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

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 87, *Leases*
- Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*

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

**REQUIRED SUPPLEMENTARY INFORMATION**

## VILLAGE OF DEERFIELD

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND For the Year Ended December 31, 2018

	Budgeted Amounts		Actual
	Original	Final	
<b>REVENUES</b>			
Taxes	\$ 11,972,997	\$ 11,972,997	\$ 12,240,134
Licenses and permits	1,420,500	1,420,500	1,877,242
Intergovernmental	6,960,000	6,960,000	7,137,366
Charges for services	625,000	625,000	828,967
Fines and forfeits	276,000	276,000	277,967
Investment income	140,000	140,000	354,373
Miscellaneous	829,500	829,500	923,480
Total Revenues	22,223,997	22,223,997	23,639,529
<b>EXPENDITURES</b>			
General government	8,333,077	9,203,077	8,826,254
Public safety	9,964,678	9,964,678	9,211,164
Highway and streets	2,876,546	2,876,546	2,782,979
Total Expenditures	21,174,301	22,044,301	20,820,397
Excess (deficiency) of revenues over (under) expenditures	1,049,696	179,696	2,819,132
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	(1,955,984)	(1,955,984)	(1,955,984)
Total Other Financing Sources (Uses)	(1,955,984)	(1,955,984)	(1,955,984)
<b>Net Change in Fund Balance</b>	<b>\$ (906,288)</b>	<b>\$ (1,776,288)</b>	863,148
FUND BALANCE - Beginning of Year			19,099,499
<b>FUND BALANCE - END OF YEAR</b>			<b>\$ 19,962,647</b>

See independent auditors' report and accompanying notes to required supplementary information.

# VILLAGE OF DEERFIELD

## ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF CHANGES IN THE VILLAGE'S NET PENSION LIABILITY AND RELATED RATIOS Four Most Recent Fiscal Years

	2015		
	Village	Library	Total
<b>Total pension liability</b>			
Service cost	\$ 646,241	\$ 171,785	\$ 818,026
Interest	2,679,659	712,314	3,391,973
Differences between expected and actual experience	(15,329)	(4,075)	(19,404)
Changes of assumptions	45,001	11,962	56,963
Benefit payments, including refunds of member contributions	<u>(1,925,766)</u>	<u>(511,913)</u>	<u>(2,437,679)</u>
<b>Net change in total pension liability</b>	1,429,804	380,075	1,809,879
<b>Total pension liability - beginning</b>	<u>34,986,441</u>	<u>9,300,194</u>	<u>44,286,635</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 36,416,246</u>	<u>\$ 9,680,268</u>	<u>\$ 46,096,514</u>
<b>Plan fiduciary net position</b>			
Employer contributions	\$ 793,323	\$ 210,883	\$ 1,004,206
Employee contributions	274,164	72,879	347,043
Net investment income	159,860	42,495	202,355
Benefit payments, including refunds of member contributions	(1,925,766)	(511,913)	(2,437,679)
Other (net transfer)	<u>536,509</u>	<u>142,616</u>	<u>679,125</u>
<b>Net change in plan fiduciary net position</b>	(161,911)	(43,040)	(204,950)
<b>Plan fiduciary net position - beginning</b>	<u>32,563,157</u>	<u>8,656,029</u>	<u>41,219,186</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 32,401,247</u>	<u>\$ 8,612,990</u>	<u>\$ 41,014,236</u>
<b>Employer's net pension liability - ending (a) - (b)</b>	<u>\$ 4,014,999</u>	<u>\$ 1,067,279</u>	<u>\$ 5,082,278</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>			88.97%
<b>Covered payroll</b>			\$ 6,330,297
<b>Employer's net pension liability as a percentage of covered payroll</b>			80.28%

**Notes to Schedule:**

The Village implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

2016			2017		
Village	Library	Total	Village	Library	Total
\$ 646,241	\$ 171,785	\$ 818,026	\$ 639,717	\$ 170,051	\$ 809,768
2,679,659	712,314	3,391,973	2,783,677	739,965	3,523,642
(15,329)	(4,075)	(19,404)	393,734	104,664	498,398
45,001	11,962	56,963	(93,810)	(24,937)	(118,747)
<u>(1,925,766)</u>	<u>(511,913)</u>	<u>(2,437,679)</u>	<u>(1,901,945)</u>	<u>(505,580)</u>	<u>(2,407,525)</u>
1,429,804	380,075	1,809,879	1,821,373	484,163	2,305,536
<u>36,416,246</u>	<u>9,680,268</u>	<u>46,096,514</u>	<u>37,846,050</u>	<u>10,060,343</u>	<u>47,906,393</u>
<u>\$ 37,846,050</u>	<u>\$ 10,060,343</u>	<u>\$ 47,906,393</u>	<u>\$ 39,667,423</u>	<u>\$ 10,544,506</u>	<u>\$ 50,211,929</u>
\$ 793,323	\$ 210,883	\$ 1,004,206	\$ 802,016	\$ 213,194	\$ 1,015,210
274,164	72,879	347,043	285,554	75,907	361,461
159,860	42,495	202,355	2,246,277	597,112	2,843,389
(1,925,766)	(511,913)	(2,437,679)	(1,901,945)	(505,580)	(2,407,525)
<u>536,509</u>	<u>142,616</u>	<u>679,125</u>	<u>4,088</u>	<u>1,088</u>	<u>5,176</u>
(161,911)	(43,040)	(204,950)	1,435,990	381,721	1,817,711
<u>32,401,247</u>	<u>8,612,990</u>	<u>41,014,236</u>	<u>32,239,336</u>	<u>8,569,950</u>	<u>40,809,286</u>
<u>\$ 32,239,336</u>	<u>\$ 8,569,950</u>	<u>\$ 40,809,286</u>	<u>\$ 33,675,326</u>	<u>\$ 8,951,671</u>	<u>\$ 42,626,997</u>
\$ 5,606,714	\$ 1,490,393	\$ 7,097,107	\$ 5,992,097	\$ 1,592,835	\$ 7,584,932
		85.19%			84.89%
		\$ 6,330,297			\$ 7,943,748
		112.11%			95.48%

See independent auditors' report and accompanying notes to required supplementary information.

# VILLAGE OF DEERFIELD

## ILLINOIS MUNICIPAL RETIREMENT FUND SCHEDULE OF CHANGES IN THE VILLAGE'S NET PENSION LIABILITY AND RELATED RATIOS Four Most Recent Fiscal Years

	<b>2018</b>		
	<b>Village</b>	<b>Library</b>	<b>Total</b>
<b>Total pension liability</b>			
Service cost	\$ 630,479	\$ 177,642	\$ 808,121
Interest	2,885,733	813,078	3,698,811
Differences between expected and actual experience	103,738	29,229	132,967
Changes of assumptions	(1,504,058)	(328,295)	(1,832,353)
Benefit payments, including refunds of member contributions	<u>(2,026,138)</u>	<u>(570,880)</u>	<u>(2,597,018)</u>
<b>Net change in total pension liability</b>	89,754	120,774	210,528
<b>Total pension liability - beginning</b>	<u>39,667,423</u>	<u>10,544,506</u>	<u>50,211,929</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 39,757,177</u>	<u>\$ 10,665,280</u>	<u>\$ 50,422,457</u>
<b>Plan fiduciary net position</b>			
Employer contributions	\$ 754,638	\$ 212,625	\$ 967,263
Employee contributions	282,423	79,575	361,998
Net investment income	5,824,071	1,640,978	7,465,049
Benefit payments, including refunds of member contributions	(2,026,138)	(570,880)	(2,597,018)
Other (net transfer)	<u>(507,940)</u>	<u>(143,117)</u>	<u>(651,057)</u>
<b>Net change in plan fiduciary net position</b>	4,327,054	1,219,181	5,546,235
<b>Plan fiduciary net position - beginning</b>	<u>33,675,326</u>	<u>8,951,671</u>	<u>42,626,997</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 38,002,380</u>	<u>\$ 10,170,852</u>	<u>\$ 48,173,232</u>
<b>Employer's net pension liability - ending (a) - (b)</b>	<u>\$ 1,754,797</u>	<u>\$ 494,428</u>	<u>\$ 2,249,225</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>			95.54%
<b>Covered payroll</b>			\$ 8,044,417
<b>Employer's net pension liability as a percentage of covered payroll</b>			27.96%

**Notes to Schedule:**

The Village implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

**VILLAGE OF DEERFIELD**

**ILLINOIS MUNICIPAL RETIREMENT FUND**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
 Four Most Recent Fiscal Years

	2015			2016		
	Village	Library	Total	Village	Library	Total
Actuarially determined contribution	787,421	209,314	996,735	802,017	213,194	1,015,211
Contributions in relation to the actuarially determined contribution	<u>(793,323)</u>	<u>(210,883)</u>	<u>(1,004,206)</u>	<u>(802,016)</u>	<u>(213,194)</u>	<u>(1,015,210)</u>
Contribution deficiency (excess)	<u>\$ (5,902)</u>	<u>\$ (1,569)</u>	<u>\$ (7,471)</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>
Covered payroll			7,702,244			7,943,748
Contributions as a percentage of covered payroll			13.04%			12.78%

**Notes to Schedule:**

The Village implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

**Valuation date:**

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

**Methods and assumptions used to determine contribution rates:**

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	26 years
Asset valuation method	5-Year Smoothed Market
Inflation	2.75%
Salary increases	3.75% to 14.50% including inflation
Investment rate of return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2014 CHBCA

**Other information:**

There were no benefit changes during the year.

2017			2018		
Village	Library	Total	Village	Library	Total
\$ 759,433	201,875	961,308	\$ 749,992	211,316	961,308
<u>(764,138)</u>	<u>(203,125)</u>	<u>(967,263)</u>	<u>(754,638)</u>	<u>(212,625)</u>	<u>(967,263)</u>
\$ (4,704)	\$ (1,251)	\$ (5,955)	\$ (4,646)	\$ (1,309)	\$ (5,955)
	\$ 8,044,417			\$ 8,355,421	
	12.02%			11.58%	

## VILLAGE OF DEERFIELD

### POLICE PENSION FUND

#### SCHEDULE OF CHANGES IN THE VILLAGE'S NET PENSION LIABILITY AND RELATED RATIOS Last Five Fiscal Years

	2014	2015	2016	2017	2018
<b>Total pension liability</b>					
Service cost	\$ 841,716	\$ 1,138,463	\$ 941,842	\$ 1,002,497	\$ 781,798
Interest	3,358,650	2,800,129	4,212,748	3,862,179	4,040,019
Differences between expected and actual experience	-	2,088,324	(2,314,800)	106,742	8,204
Changes of assumptions	-	12,175,632	(5,531,502)	(6,365,881)	5,851,896
Benefit payments, including refunds of member contributions	<u>(2,447,399)</u>	<u>(2,443,015)</u>	<u>(2,603,139)</u>	<u>(2,900,648)</u>	<u>(2,805,095)</u>
<b>Net change in total pension liability</b>	1,752,967	15,759,533	(5,294,851)	(4,295,111)	7,876,822
<b>Total pension liability - beginning</b>	<u>49,204,407</u>	<u>50,957,374</u>	<u>66,716,907</u>	<u>61,422,056</u>	<u>57,126,945</u>
<b>Total pension liability - ending (a)</b>	<u>\$ 50,957,374</u>	<u>\$ 66,716,907</u>	<u>\$ 61,422,056</u>	<u>\$ 57,126,945</u>	<u>\$ 65,003,767</u>
<b>Plan fiduciary net position</b>					
Employer contributions	\$ 989,616	\$ 871,305	\$ 934,918	\$ 1,100,000	\$ 1,100,000
Employee contributions	374,137	517,457	425,791	390,162	418,230
Net investment income	3,637,510	(4,524)	3,845,026	6,296,845	(1,613,045)
Benefit payments, including refunds of member contributions	(2,447,399)	(2,443,015)	(2,603,139)	(2,900,648)	(2,805,095)
Administration	<u>(20,524)</u>	<u>(23,217)</u>	<u>(41,182)</u>	<u>(41,938)</u>	<u>(39,371)</u>
<b>Net change in plan fiduciary net position</b>	2,533,340	(1,081,994)	2,561,414	4,844,421	(2,939,281)
<b>Plan fiduciary net position - beginning</b>	<u>39,061,016</u>	<u>41,594,356</u>	<u>40,512,362</u>	<u>43,073,776</u>	<u>47,918,197</u>
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 41,594,356</u>	<u>\$ 40,512,362</u>	<u>\$ 43,073,776</u>	<u>\$ 47,918,197</u>	<u>\$ 44,978,916</u>
<b>Village's net pension liability - ending (a) - (b)</b>	<u>\$ 9,363,018</u>	<u>\$ 26,204,545</u>	<u>\$ 18,348,280</u>	<u>\$ 9,208,748</u>	<u>\$ 20,024,851</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	81.63%	60.72%	70.13%	83.88%	69.19%
<b>Covered payroll</b>	\$ 3,702,863	\$ 3,806,499	\$ 3,825,286	\$ 3,949,608	\$ 4,220,281
<b>Village's net pension liability as a percentage of covered payroll</b>	252.86%	688.42%	479.66%	233.16%	474.49%

**Notes to Schedule:**

*Changes of assumptions.* There was a change in assumption related to the discount rate made since the prior measurement date. The discount rate used in the current actuarial valuation, dated December 31, 2017, is 7.25%. The discount rate used in the prior actuarial valuations, dated December 31, 2016, December 31, 2015 and December 31, 2014 was 6.44%, 5.63%, and 7.00%, respectively.

The Pension implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year 2014 is not available.

**VILLAGE OF DEERFIELD**

**POLICE PENSION FUND**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
 Last Ten Fiscal Years

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Actuarially determined contribution	\$ 1,202,006	\$ 1,350,132	\$ 860,228	\$ 1,023,006
Contributions in relation to the actuarially determined contribution	<u>1,202,006</u>	<u>1,350,132</u>	<u>860,228</u>	<u>1,023,006</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 3,356,276	\$ 3,216,370	\$ 3,412,049	\$ 3,512,925
Contributions as a percentage of covered-employee payroll	35.81%	41.98%	25.21%	29.12%

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

**Notes to Schedule:**

The Plan implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year 2014 is derived from actuarial valuations developed in conformity with GASB Statement No. 25 and 27.

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry-age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	23 years
Asset valuation method	Market value
Inflation	2.50%
Salary increases	3.25%, Individual pay increases 4.00% - 8.22%
Investment rate of return	7.25%, net of pension plan investment expense, including inflation
Mortality	L&A 2016 Illinois Police Mortality Rates

<u>2013*</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 895,479	\$ 989,616	\$ 871,305	\$ 934,918	\$ 934,836	\$ 850,587
<u>895,479</u>	<u>989,616</u>	<u>871,305</u>	<u>934,918</u>	<u>1,100,000</u>	<u>1,100,000</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (165,164)</u>	<u>\$ (249,413)</u>
\$ 3,591,966	\$ 3,702,863	\$ 3,806,499	\$ 3,825,286	\$ 3,949,608	\$ 4,220,281
24.93%	26.73%	22.89%	24.44%	27.85%	26.06%

See independent auditors' report and notes to required supplementary information.

**VILLAGE OF DEERFIELD**  
**POLICE PENSION FUND**  
**SCHEDULE OF INVESTMENT RETURNS**  
 Last Five Fiscal Years

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	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
Annual money-weighted rate of return, net of investment expense	9.54%	-0.02%	9.73%	15.08%	-3.42%

**Notes to Schedule:**

The Pension implemented GASB Statement No. 67 in fiscal year 2014. Information prior to fiscal year 2014 is not available.

**VILLAGE OF DEERFIELD**  
**RETIREE HEALTH PLAN**  
SCHEDULE OF CHANGES IN THE VILLAGE'S TOTAL OPEB LIABILITY  
AND RELATED RATIOS  
Most Recent Fiscal Year

	2018
<b>Total OPEB Liability</b>	
Service cost	\$ 90,149
Interest	127,960
Changes of benefit terms	(202,501)
Differences between expected and actual experience	-
Changes of assumptions	(251,824)
Benefit payments	(163,613)
<b>Net Change in Total OPEB Liability</b>	(399,829)
<b>Total OPEB Liability - Beginning</b>	3,799,225
<b>Total OPEB Liability - Ending</b>	\$ 3,399,396
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	0.00%
<b>Covered payroll</b>	\$ 9,522,034
<b>Total OPEB liability as a percentage of covered payroll</b>	35.70%

**Notes to Schedule:**

*Benefit changes.* In 2018, the plan provisions changed for IMRF employees and Police Officers. The Village will no longer pay any portion of the cost of coverage for those retired on or after June 2, 2018.

*Changes of assumptions.* In 2018, the only change in assumptions was the discount rate. The discount rate at the beginning of the year was 3.44% and at the end of the year was 4.10%.

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

# VILLAGE OF DEERFIELD

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended December 31, 2018

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### ***BUDGETARY INFORMATION***

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

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to assign or commit that portion of the applicable appropriation is utilized in the governmental funds. Material encumbrances outstanding at year end, if any, are reported as reservations of fund balance and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. No material encumbrances were recorded for 2018.

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

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

**SUPPLEMENTARY INFORMATION**

## VILLAGE OF DEERFIELD

### DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2018

	Budgeted Amounts		Actual
	Original	Final	
<b>TAXES</b>			
Property	\$ 3,562,997	\$ 3,562,997	\$ 3,529,990
Replacement	130,000	130,000	126,752
Home rule sales	3,250,000	3,250,000	3,252,733
Local use	430,000	430,000	551,672
Electric utility	1,250,000	1,250,000	1,251,639
Hotel/Motel	1,900,000	1,900,000	2,159,203
Telecommunication	1,450,000	1,450,000	1,368,145
Total taxes	<u>11,972,997</u>	<u>11,972,997</u>	<u>12,240,134</u>
<b>LICENSES AND PERMITS</b>			
Beer/liquor licenses	70,000	70,000	56,778
Food licenses	5,000	5,000	6,490
Other business licenses	5,500	5,500	7,014
Building permits	925,000	925,000	1,412,526
Contractor's licenses	7,000	7,000	7,100
Nonbusiness licenses and permits	38,000	38,000	25,214
Vehicle licenses	370,000	370,000	362,120
Total licenses and permits	<u>1,420,500</u>	<u>1,420,500</u>	<u>1,877,242</u>
<b>INTERGOVERNMENTAL</b>			
State grant	-	-	9,498
Sales taxes	5,200,000	5,200,000	5,269,748
Income taxes	1,700,000	1,700,000	1,798,487
State highway maintenance	60,000	60,000	59,633
Total intergovernmental	<u>6,960,000</u>	<u>6,960,000</u>	<u>7,137,366</u>
<b>CHARGES FOR SERVICES</b>			
Billings	220,000	220,000	256,230
Dispatching services	260,000	260,000	250,584
50/50 tree planting	65,000	65,000	159,336
Engineering services	80,000	80,000	162,817
Total charges for services	<u>625,000</u>	<u>625,000</u>	<u>828,967</u>
<b>MISCELLANEOUS</b>			
False alarms	27,000	27,000	22,075
Rentals	265,000	265,000	322,817
Miscellaneous	105,000	105,000	100,597
Sale of capital assets	7,500	7,500	32,524
Franchise fees	425,000	425,000	445,467
Total miscellaneous	<u>829,500</u>	<u>829,500</u>	<u>923,480</u>
Fines and forfeits	276,000	276,000	277,967
Investment income	140,000	140,000	354,373
TOTAL REVENUES	<u>\$ 22,223,997</u>	<u>\$ 22,223,997</u>	<u>\$ 23,639,529</u>

## VILLAGE OF DEERFIELD

### DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2018

	Budgeted Amounts		Actual
	Original	Final	
<b>GENERAL GOVERNMENT</b>			
Finance department			
Personnel services	\$ 967,500	\$ 967,500	\$ 893,730
Training and development	12,050	12,050	6,559
Contractual services	3,071,138	3,491,138	3,555,364
Commodities	10,500	10,500	4,565
Utilities	18,710	18,710	20,096
Capital outlay	6,000	6,000	7,768
Total Finance department	<u>4,085,898</u>	<u>4,505,898</u>	<u>4,488,082</u>
Administration			
Personnel services	1,238,800	1,238,800	1,169,412
Training and development	22,350	22,350	11,105
Contractual services	655,214	1,105,214	1,107,056
Commodities	4,800	4,800	5,634
Utilities	10,510	10,510	9,464
Capital outlay	90,717	90,717	73,104
Total Administration	<u>2,022,391</u>	<u>2,472,391</u>	<u>2,375,775</u>
Community development			
Personnel services	1,170,800	1,170,800	1,105,877
Training and development	8,500	8,500	4,096
Contractual services	129,861	129,861	78,591
Commodities	14,900	14,900	11,889
Utilities	11,985	11,985	9,578
Capital outlay	7,250	7,250	6,250
Total Community development	<u>1,343,296</u>	<u>1,343,296</u>	<u>1,216,281</u>
Engineering			
Personnel services	536,900	536,900	490,025
Training and development	6,100	6,100	2,467
Contractual services	283,305	283,305	209,869
Commodities	10,500	10,500	11,935
Utilities	9,870	9,870	6,417
Capital outlay	34,817	34,817	25,403
Total Engineering	<u>881,492</u>	<u>881,492</u>	<u>746,116</u>
Total general government	<u>8,333,077</u>	<u>9,203,077</u>	<u>8,826,254</u>
<b>PUBLIC SAFETY</b>			
<b>POLICE DEPARTMENT</b>			
Administrative services			
Personnel services	1,098,866	1,098,866	915,704
Training and development	14,190	14,190	7,191
Contractual services	676,225	676,225	598,435
Commodities	23,900	23,900	23,758
Utilities	17,675	17,675	14,190
Capital outlay	206,952	206,952	203,877
Total Administrative services	<u>2,037,808</u>	<u>2,037,808</u>	<u>1,763,155</u>

## VILLAGE OF DEERFIELD

### DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2018

	Budgeted Amounts		Actual
	Original	Final	
Communications			
Personnel services	\$ 1,057,067	\$ 1,057,067	\$ 1,020,580
Training and development	6,800	6,800	4,227
Contractual services	500	500	237
Capital outlay	5,000	5,000	233
Total Communications	<u>1,069,367</u>	<u>1,069,367</u>	<u>1,025,277</u>
Investigations			
Personnel services	1,187,735	1,187,735	982,369
Training and development	11,700	11,700	3,492
Contractual services	6,370	6,370	5,653
Commodities	14,700	14,700	7,388
Capital outlay	10,500	10,500	5,288
Total Investigations	<u>1,231,005</u>	<u>1,231,005</u>	<u>1,004,190</u>
Patrol			
Personnel services	5,318,998	5,318,998	5,121,942
Training and development	46,450	46,450	40,175
Contractual services	45,500	45,500	51,719
Commodities	80,000	80,000	59,975
Utilities	7,000	7,000	7,003
Capital outlay	21,550	21,550	23,369
Total Patrol	<u>5,519,498</u>	<u>5,519,498</u>	<u>5,304,183</u>
Special detail			
Personnel services	107,000	107,000	114,359
Total Special detail	<u>107,000</u>	<u>107,000</u>	<u>114,359</u>
Total public safety	<u>9,964,678</u>	<u>9,964,678</u>	<u>9,211,164</u>
<b>HIGHWAYS AND STREETS</b>			
Administration			
Personnel services	314,950	314,950	355,635
Training and development	4,900	4,900	3,423
Contractual services	233,673	233,673	212,124
Commodities	6,700	6,700	7,650
Utilities	10,265	10,265	7,526
Capital outlay	215,058	215,058	206,394
Total Administration	<u>785,546</u>	<u>785,546</u>	<u>792,752</u>
Maintenance			
Personnel services	767,500	767,500	642,178
Contractual services	159,000	159,000	179,592
Commodities	147,000	147,000	152,289
Utilities	110,000	110,000	97,322
Capital outlay	1,500	1,500	-
Total Maintenance	<u>1,185,000</u>	<u>1,185,000</u>	<u>1,071,381</u>

## VILLAGE OF DEERFIELD

### DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2018

	Budgeted Amounts		Actual
	Original	Final	
Snow and ice control			
Personnel services	\$ 120,750	\$ 120,750	\$ 104,215
Contractual services	114,000	114,000	176,974
Commodities	217,250	217,250	178,038
Capital outlay	750	750	496
Total Snow and ice control	<u>452,750</u>	<u>452,750</u>	<u>459,723</u>
Forestry			
Personnel services	8,600	8,600	1,905
Contractual services	238,000	238,000	259,134
Commodities	10,000	10,000	2,484
Capital outlay	137,000	137,000	138,056
Total Forestry	<u>393,600</u>	<u>393,600</u>	<u>401,579</u>
Train station maintenance			
Personnel services	9,750	9,750	10,060
Contractual services	43,500	43,500	43,726
Commodities	4,000	4,000	2,190
Utilities	2,400	2,400	1,568
Total Train station maintenance	<u>59,650</u>	<u>59,650</u>	<u>57,544</u>
Total highways and streets	<u>2,876,546</u>	<u>2,876,546</u>	<u>2,782,979</u>
<b>TOTAL EXPENDITURES</b>	<u><u>\$ 21,174,301</u></u>	<u><u>\$ 22,044,301</u></u>	<u><u>\$ 20,820,397</u></u>

## VILLAGE OF DEERFIELD

### DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DEBT SERVICE FUND For the Year Ended December 31, 2018

	Budgeted Amounts		Actual
	Original	Final	
<b>REVENUES</b>			
Taxes			
Property	\$ 2,996,360	\$ 2,996,360	\$ 2,967,730
Intergovernmental	487,235	487,235	489,326
Contribution from library	727,581	727,581	727,581
Investment income	4,000	4,000	23,437
Total Revenues	4,215,176	4,215,176	4,208,074
<b>EXPENDITURES</b>			
Debt service			
Principal retirement	1,460,000	1,460,000	1,460,000
Interest and other	927,946	927,946	927,946
Fiscal charges	5,000	5,000	3,663
Total Expenditures	2,392,946	2,392,946	2,391,609
Excess (deficiency) of revenues over (under) expenditures	1,822,230	1,822,230	1,816,465
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	(1,822,431)	(1,822,431)	(1,822,429)
Total Other Financing Sources (Uses)	(1,822,431)	(1,822,431)	(1,822,429)
<b>Net Change in Fund Balance</b>	<b>\$ (201)</b>	<b>\$ (201)</b>	<b>(5,964)</b>
FUND BALANCE - Beginning of Year			177,263
<b>FUND BALANCE - END OF YEAR</b>			<b>\$ 171,299</b>

## VILLAGE OF DEERFIELD

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - INFRASTRUCTURE REPLACEMENT FUND For the Year Ended December 31, 2018

	Budgeted Amounts		Actual
	Original	Final	
<b>REVENUES</b>			
Taxes			
Home rule sales	\$ 1,100,000	\$ 1,100,000	\$ 1,084,244
Food and beverage	500,000	500,000	607,914
Intergovernmental	290,000	290,000	11,905
Investment income	10,000	10,000	121,172
Miscellaneous	300,000	300,000	414,707
Total Revenues	<u>2,200,000</u>	<u>2,200,000</u>	<u>2,239,942</u>
<b>EXPENDITURES</b>			
Capital outlay			
Contractual services	1,292,000	1,292,000	734,522
Construction	4,502,515	4,502,515	4,186,240
Total Expenditures	<u>5,794,515</u>	<u>5,794,515</u>	<u>4,920,762</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,594,515)</u>	<u>(3,594,515)</u>	<u>(2,680,820)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	4,000,000	4,000,000	4,087,145
Total Other Financing Sources (Uses)	<u>4,000,000</u>	<u>4,000,000</u>	<u>4,087,145</u>
<b>Net Change in Fund Balance</b>	<u>\$ 405,485</u>	<u>\$ 405,485</u>	1,406,325
FUND BALANCE - Beginning of Year			<u>4,121,126</u>
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 5,527,451</u>

## VILLAGE OF DEERFIELD

### COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS As of December 31, 2018

	Motor Fuel Tax	Enhanced 911	2011B Debt Service Sinking	Bond Proceeds	Total Nonmajor Governmental Funds
<b>ASSETS</b>					
Cash and investments	\$ 790,902	\$ 1,200,785	\$ 5,216,440	\$ 2,966,865	\$ 10,174,992
Receivables					
Accounts	-	164,771	-	-	164,771
Accrued interest	610	1,164	42,304	-	44,078
Due from other governments	40,787	-	-	-	40,787
<b>TOTAL ASSETS</b>	<b>\$ 832,299</b>	<b>\$ 1,366,720</b>	<b>\$ 5,258,744</b>	<b>\$ 2,966,865</b>	<b>\$ 10,424,628</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ -	\$ 1,812	\$ -	\$ -	\$ 1,812
Total Liabilities	-	1,812	-	-	1,812
Fund Balances					
Restricted for maintenance of roadways	832,299	-	-	-	832,299
Restricted for public safety	-	1,364,908	-	-	1,364,908
Restricted for debt service	-	-	5,258,744	-	5,258,744
Assigned to capital projects	-	-	-	2,966,865	2,966,865
Total Fund Balances	832,299	1,364,908	5,258,744	2,966,865	10,422,816
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 832,299</b>	<b>\$ 1,366,720</b>	<b>\$ 5,258,744</b>	<b>\$ 2,966,865</b>	<b>\$ 10,424,628</b>

## VILLAGE OF DEERFIELD

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
For the Year Ended December 31, 2018

	Motor Fuel Tax	Enhanced 911	2011B Debt Service Sinking	Bond Proceeds	Total Nonmajor Governmental Funds
<b>REVENUES</b>					
Property taxes	\$ -	\$ -	\$ 725,000	\$ -	\$ 725,000
Intergovernmental	480,661	-	-	-	480,661
Charges for services	-	658,996	-	-	658,996
Investment income	11,183	19,978	79,058	50,470	160,689
Total Revenues	<u>491,844</u>	<u>678,974</u>	<u>804,058</u>	<u>50,470</u>	<u>2,025,346</u>
<b>EXPENDITURES</b>					
Current					
General government	-	-	735	-	735
Public safety	-	247,517	-	-	247,517
Capital Outlay	-	138,014	-	-	138,014
Debt Service					
Interest and other	-	-	-	87,450	87,450
Total Expenditures	<u>-</u>	<u>385,531</u>	<u>735</u>	<u>87,450</u>	<u>473,716</u>
Excess (deficiency) of revenues over expenditures	<u>491,844</u>	<u>293,443</u>	<u>803,323</u>	<u>(36,980)</u>	<u>1,551,630</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out	-	-	-	(3,087,145)	(3,087,145)
Issuance of general obligation bonds	-	-	-	5,970,000	5,970,000
Premium on debt issued	-	-	-	120,990	120,990
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,003,845</u>	<u>3,003,845</u>
<b>Net Change in Fund Balances</b>	491,844	293,443	803,323	2,966,865	4,555,475
FUND BALANCES - Beginning of Year	<u>340,455</u>	<u>1,071,465</u>	<u>4,455,421</u>	<u>-</u>	<u>5,867,341</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 832,299</u>	<u>\$ 1,364,908</u>	<u>\$ 5,258,744</u>	<u>\$ 2,966,865</u>	<u>\$ 10,422,816</u>

## VILLAGE OF DEERFIELD

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - MOTOR FUEL TAX FUND For the Year Ended December 31, 2018

	Budgeted Amounts		
	Original	Final	Actual
<b>REVENUES</b>			
<b>Intergovernmental</b>			
Allotments earned	\$ 470,000	\$ 470,000	\$ 480,661
Investment income	2,000	2,000	11,183
Total Revenues	472,000	472,000	491,844
<b>EXPENDITURES</b>			
Highway and Streets			
Total Expenditures	-	-	-
<b>Net Change in Fund Balance</b>	\$ 472,000	\$ 472,000	491,844
FUND BALANCE - Beginning of Year			340,455
<b>FUND BALANCE - END OF YEAR</b>			\$ 832,299

## VILLAGE OF DEERFIELD

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL - ENHANCED 911 FUND  
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual
	Original	Final	
<b>REVENUES</b>			
<b>Charges for Services</b>			
Other charges	\$ 320,000	\$ 320,000	\$ 658,996
Investment income	7,500	7,500	19,978
Total Revenues	327,500	327,500	678,974
<b>EXPENDITURES</b>			
Public Safety			
Contractual services	290,168	290,168	242,292
Utilities	11,250	11,250	5,225
Capital Outlay	148,014	148,014	138,014
Total Expenditures	449,432	449,432	385,531
<b>Net Change in Fund Balance</b>	<b>\$ (121,932)</b>	<b>\$ (121,932)</b>	293,443
FUND BALANCE - Beginning of Year			1,071,465
<b>FUND BALANCE - END OF YEAR</b>			<b>\$ 1,364,908</b>

## VILLAGE OF DEERFIELD

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - 2011B DEBT SERVICE SINKING FUND For the Year Ended December 31, 2018

	Budgeted Amounts		Actual
	Original	Final	
<b>REVENUES</b>			
Property taxes	\$ 725,000	\$ 725,000	\$ 725,000
Investment income	70,000	70,000	79,058
Total Revenues	795,000	795,000	804,058
<b>EXPENDITURES</b>			
General Government:			
Contractual services	1,500	1,500	735
Total Expenditures	1,500	1,500	735
Excess (deficiency) of revenues over (under) expenditures	793,500	793,500	803,323
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	(50,000)	(50,000)	-
Total Other Financing Sources (Uses)	(50,000)	(50,000)	-
<b>Net Change in Fund Balance</b>	<b>\$ 743,500</b>	<b>\$ 743,500</b>	803,323
FUND BALANCE - Beginning of Year			4,455,421
<b>FUND BALANCE - END OF YEAR</b>			<b>\$ 5,258,744</b>

## VILLAGE OF DEERFIELD

### DETAILED SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BOND PROCEEDS For the Year Ended December 31, 2018

	Budgeted Amounts		Actual
	Original	Final	
<b>REVENUES</b>			
Investment income	\$ -	\$ -	\$ 50,470
Total Revenues	<u>-</u>	<u>-</u>	<u>50,470</u>
<b>EXPENDITURES</b>			
Debt Service			
Interest and other	-	-	87,450
Total Expenditures	<u>-</u>	<u>-</u>	<u>87,450</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(36,980)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	(3,000,000)	(3,000,000)	(3,087,145)
Issuance of general obligation bonds	6,000,000	6,000,000	5,970,000
Premium on debt issued	-	-	120,990
Total Other Financing Sources (Uses)	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,003,845</u>
<b>Net Change in Fund Balance</b>	<u>\$ 3,000,000</u>	<u>\$ 3,000,000</u>	2,966,865
FUND BALANCE - Beginning of Year			<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 2,966,865</u>

# VILLAGE OF DEERFIELD

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

For the Year Ended December 31, 2018

	Budgeted Amounts		Total
	Original	Final	
<b>OPERATING REVENUES</b>			
Charges for services			
Water sales	\$ 4,590,000	\$ 4,590,000	\$ 4,241,528
Miscellaneous			
Permits and fees	40,000	40,000	48,656
Penalties	30,000	30,000	35,523
Other	69,500	69,500	74,062
Total operating revenues	4,729,500	4,729,500	4,399,769
<b>OPERATING EXPENSES</b>			
Administration	687,392	687,392	540,938
Operations			
Distribution	2,784,400	2,784,400	2,495,106
Maintenance - mains and fire hydrants	688,700	688,700	554,641
Maintenance - meters	226,900	226,900	239,174
Total operating expenses excluding depreciation	4,387,392	4,387,392	3,829,859
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	342,108	342,108	569,910
Depreciation	-	-	509,488
OPERATING INCOME (LOSS)	342,108	342,108	60,422
<b>CONTRIBUTIONS</b>			
Contributions	-	-	404,341
<b>CHANGE IN NET POSITION</b>	<b>\$ 342,108</b>	<b>\$ 342,108</b>	<b>464,763</b>
NET POSITION - BEGINNING OF YEAR (as restated)			19,370,076
<b>NET POSITION - END OF YEAR</b>			<b>\$ 19,834,839</b>

# VILLAGE OF DEERFIELD

## SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL WATER FUND

For the Year Ended December 31, 2018

	Budgeted Amounts		Actual
	Original	Final	
<b>ADMINISTRATION</b>			
Personnel services	\$ 377,650	\$ 377,650	\$ 246,783
Training and development	2,250	2,250	2,698
Contractual services	218,837	218,837	220,266
Commodities	5,500	5,500	8,564
Utilities	8,215	8,215	6,990
Capital Outlay	74,940	74,940	55,637
Total administration	687,392	687,392	540,938
<b>OPERATIONS</b>			
Distribution			
Personnel services	146,100	146,100	128,953
Contractual services	48,000	48,000	52,879
Commodities	2,492,800	2,492,800	2,235,092
Utilities	92,500	92,500	73,199
Capital Outlay	5,000	5,000	4,983
Total distribution	2,784,400	2,784,400	2,495,106
Main and fire hydrant maintenance			
Personnel services	397,000	397,000	311,916
Contractual services	121,000	121,000	74,610
Commodities	166,200	166,200	164,180
Capital outlay	4,500	4,500	3,935
Total main and fire hydrant maintenance	688,700	688,700	554,641
Meter maintenance			
Personnel services	105,900	105,900	113,508
Contractual services	35,000	35,000	24,107
Commodities	4,000	4,000	1,792
Capital outlay	82,000	82,000	99,767
Total meter maintenance	226,900	226,900	239,174
Total operations	3,700,000	3,700,000	3,288,921
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 4,387,392</b>	<b>\$ 4,387,392</b>	<b>\$ 3,829,859</b>

## VILLAGE OF DEERFIELD

### SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION WATER FUND For the Year Ended December 31, 2018

	Assets			Balances December 31, 2018
	Balances December 31, 2017	Additions	Retirements	
Land	\$ 1,877,956	\$ -	\$ -	\$ 1,877,956
Construction in progress	19,641	132,528	19,641	132,528
Buildings	4,180,123	-	-	4,180,123
Water system improvements	18,755,633	291,454	18,161	19,028,926
Equipment and vehicles	<u>626,490</u>	<u>-</u>	<u>-</u>	<u>626,490</u>
<b>TOTAL</b>	<b><u>\$ 25,459,843</u></b>	<b><u>\$ 423,982</u></b>	<b><u>\$ 37,802</u></b>	<b><u>\$ 25,846,023</u></b>
	Accumulated Depreciation			
	Balances December 31, 2017	Additions	Retirements	Balances December 31, 2018
Buildings	\$ 2,109,165	\$ 88,456	\$ -	\$ 2,197,621
Water system improvements	2,852,322	405,152	18,161	3,239,313
Equipment and vehicles	<u>531,209</u>	<u>15,882</u>	<u>-</u>	<u>547,091</u>
<b>TOTAL</b>	<b><u>\$ 5,492,696</u></b>	<b><u>\$ 509,490</u></b>	<b><u>\$ 18,161</u></b>	<b><u>\$ 5,984,025</u></b>
<b>NET ASSET VALUE</b>				<b><u>\$ 19,861,998</u></b>

# VILLAGE OF DEERFIELD

## SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL SEWERAGE FUND For the Year Ended December 31, 2018

	Budgeted Amounts		Total
	Original	Final	
<b>OPERATING REVENUES</b>			
Charges for services			
Sewer charges	\$ 3,051,500	\$ 3,051,500	\$ 2,917,006
Miscellaneous			
Miscellaneous	-	-	-
Permits and fees	15,000	15,000	10,200
Penalties	30,000	30,000	30,682
Other	5,000	5,000	583
Total operating revenues	3,101,500	3,101,500	2,958,471
<b>OPERATING EXPENSES</b>			
Administration	650,707	650,707	331,286
Operations			
Treatment plant	1,717,560	1,717,560	1,671,567
Cleaning and maintenance	371,100	371,100	317,402
Construction	379,000	379,000	395,795
Total operating expenses excluding depreciation	3,118,367	3,118,367	2,716,050
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(16,867)	(16,867)	242,421
Depreciation	-	-	1,013,199
OPERATING INCOME (LOSS)	(16,867)	(16,867)	(770,778)
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	3,500	3,500	9,836
Interest and other	(999,431)	(999,431)	(985,572)
Total non-operating revenues (expenses)	(995,931)	(995,931)	(975,736)
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	(1,012,798)	(1,012,798)	(1,746,514)
<b>CONTRIBUTIONS AND TRANSFERS</b>			
Transfers in	1,822,431	1,822,431	1,822,429
Contributions	-	-	393,015
Net contributions and transfers	1,822,431	1,822,431	2,215,444
<b>CHANGE IN NET POSITION</b>	<b>\$ 809,633</b>	<b>\$ 809,633</b>	468,930
NET POSITION - BEGINNING OF YEAR (as restated)			11,667,996
<b>NET POSITION - END OF YEAR</b>			<b>\$ 12,136,926</b>

# VILLAGE OF DEERFIELD

## SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL SEWERAGE FUND

For the Year Ended December 31, 2018

	Budgeted Amounts		Actual
	Original	Final	
<b>ADMINISTRATION</b>			
Personnel services	\$ 272,950	\$ 272,950	\$ (16,395)
Training and development	2,500	2,500	860
Contractual services	272,050	272,050	250,665
Commodities	5,050	5,050	6,247
Utilities	4,225	4,225	3,691
Capital outlay	<u>93,932</u>	<u>93,932</u>	<u>86,218</u>
Total administration	<u>650,707</u>	<u>650,707</u>	<u>331,286</u>
<b>OPERATIONS</b>			
Treatment plant			
Personnel services	944,525	944,525	974,434
Training and development	11,400	11,400	5,600
Contractual services	269,607	269,607	206,878
Commodities	111,000	111,000	93,956
Utilities	304,985	304,985	320,209
Miscellaneous	19,000	19,000	19,000
Capital Outlay	<u>57,043</u>	<u>57,043</u>	<u>51,490</u>
Total treatment plant	<u>1,717,560</u>	<u>1,717,560</u>	<u>1,671,567</u>
Cleaning and maintenance			
Personnel services	254,600	254,600	231,605
Contractual services	99,000	99,000	70,363
Commodities	<u>17,500</u>	<u>17,500</u>	<u>15,434</u>
Total cleaning and maintenance	<u>371,100</u>	<u>371,100</u>	<u>317,402</u>
Construction			
Personnel services	301,300	301,300	318,726
Contractual services	20,500	20,500	25,084
Commodities	57,200	57,200	51,985
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total construction	<u>379,000</u>	<u>379,000</u>	<u>395,795</u>
Total operations	<u>2,467,660</u>	<u>2,467,660</u>	<u>2,384,764</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>\$ 3,118,367</u>	<u>\$ 3,118,367</u>	<u>\$ 2,716,050</u>

## VILLAGE OF DEERFIELD

### SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION SEWERAGE FUND For the Year Ended December 31, 2018

	Assets			
	Balances December 31, 2017	Additions	Retirements	
Sewer system	\$ 6,121,498	\$ 393,015	\$ -	\$ 6,514,513
Buildings and improvements	<u>41,005,066</u>	<u>-</u>	<u>-</u>	<u>41,005,066</u>
<b>TOTAL</b>	<u>\$ 47,126,564</u>	<u>\$ 393,015</u>	<u>\$ -</u>	<u>\$ 47,519,579</u>
	Accumulated Depreciation			
	Balances December 31, 2017	Additions	Retirements	Balances December 31, 2018
Sewer system	\$ 1,674,564	\$ 140,370	\$ -	\$ 1,814,934
Buildings and improvements	<u>5,179,648</u>	<u>872,828</u>	<u>-</u>	<u>6,052,476</u>
<b>TOTAL</b>	<u>\$ 6,854,212</u>	<u>\$ 1,013,198</u>	<u>\$ -</u>	<u>7,867,410</u>
<b>NET ASSET VALUE</b>				<u>\$ 39,652,169</u>

# VILLAGE OF DEERFIELD

## SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL REFUSE FUND For the Year Ended December 31, 2018

	Budgeted Amounts		
	Original	Final	Total
<b>OPERATING REVENUES</b>			
Charges for services			
Refuse billing	\$ 525,850	\$ 525,850	\$ 538,185
Miscellaneous	<u>17,000</u>	<u>17,000</u>	<u>13,551</u>
Total operating revenues	<u>542,850</u>	<u>542,850</u>	<u>551,736</u>
<b>OPERATING EXPENSES</b>			
Operations			
Personnel services	115,250	115,250	65,771
Contractual services	1,353,900	1,353,900	1,344,893
Commodities	24,700	24,700	15,829
Capital outlay	<u>13,748</u>	<u>13,748</u>	<u>13,748</u>
Total operating expenses excluding depreciation	<u>1,507,598</u>	<u>1,507,598</u>	<u>1,440,241</u>
OPERATING INCOME (LOSS)	<u>(964,748)</u>	<u>(964,748)</u>	<u>(888,505)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	<u>1,700</u>	<u>1,700</u>	<u>8,789</u>
Total non-operating revenues (expenses)	<u>1,700</u>	<u>1,700</u>	<u>8,789</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(963,048)</u>	<u>(963,048)</u>	<u>(879,716)</u>
<b>TRANSFERS</b>			
Transfers in	<u>955,984</u>	<u>955,984</u>	<u>955,984</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ (7,064)</u>	<u>\$ (7,064)</u>	76,268
NET POSITION - BEGINNING OF YEAR			<u>536,171</u>
<b>NET POSITION - END OF YEAR</b>			<u>\$ 612,439</u>

# VILLAGE OF DEERFIELD

## SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL COMMUTER PARKING LOT FUND For the Year Ended December 31, 2018

	Budgeted Amounts		Total
	Original	Final	
<b>OPERATING REVENUES</b>			
Charges for services			
Parking lot fees	\$ 288,000	\$ 288,000	\$ 294,221
Total operating revenues	<u>288,000</u>	<u>288,000</u>	<u>294,221</u>
<b>OPERATING EXPENSES</b>			
Operations	341,850	341,850	321,272
Depreciation	<u>-</u>	<u>-</u>	<u>26,737</u>
Total operating expenses	<u>341,850</u>	<u>341,850</u>	<u>348,009</u>
OPERATING INCOME (LOSS)	<u>(53,850)</u>	<u>(53,850)</u>	<u>(53,788)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>			
Investment income	<u>2,000</u>	<u>2,000</u>	<u>5,342</u>
Total non-operating revenues (expenses)	<u>2,000</u>	<u>2,000</u>	<u>5,342</u>
<b>CHANGE IN NET POSITION</b>	<u>\$ (51,850)</u>	<u>\$ (51,850)</u>	<u>(48,446)</u>
NET POSITION - BEGINNING OF YEAR			<u>1,364,333</u>
NET POSITION - END OF YEAR			<u>\$ 1,315,887</u>

## VILLAGE OF DEERFIELD

### SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL COMMUTER PARKING LOT FUND For the Year Ended December 31, 2018

	Budgeted Amounts		Actual
	Original	Final	
<b>OPERATIONS</b>			
Parking lots - village and federal funds			
Personnel services	\$ 23,000	\$ 23,000	\$ 20,422
Contractual services	178,400	178,400	165,194
Commodities	750	750	-
Utilities	3,300	3,300	2,445
Total parking lots - village and federal funds	205,450	205,450	188,061
Parking lots - village construction			
Personnel services	23,000	23,000	20,422
Contractual services	107,400	107,400	109,959
Commodities	1,000	1,000	-
Utilities	5,000	5,000	2,830
Total treatment plant	136,400	136,400	133,211
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 341,850</b>	<b>\$ 341,850</b>	<b>\$ 321,272</b>

## VILLAGE OF DEERFIELD

### SCHEDULE OF CAPITAL ASSETS AND DEPRECIATION COMMUTER PARKING LOT FUND For the Year Ended December 31, 2018

	Assets			Balances December 31, 2018
	Balances December 31, 2017	Additions	Retirements	
Land	\$ 77,500	\$ -	\$ -	\$ 77,500
Parking lot improvements	<u>1,950,830</u>	<u>-</u>	<u>-</u>	<u>1,950,830</u>
<b>TOTAL</b>	<u>\$ 2,028,330</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,028,330</u>
	Accumulated Depreciation			Balances December 31, 2018
	Balances December 31, 2017	Additions	Retirements	
Parking lot improvements	\$ 952,629	\$ 26,739	\$ -	\$ 979,368
<b>TOTAL</b>	<u>\$ 952,629</u>	<u>\$ 26,739</u>	<u>\$ -</u>	<u>979,368</u>
<b>NET ASSET VALUE</b>				<u>\$ 1,048,962</u>

## VILLAGE OF DEERFIELD

### COMBINING STATEMENT OF NET POSITION INTERNAL SERVICE FUNDS As of December 31, 2018

	Garage Fund	Vehicle & Equipment Replacement	Totals
<b>ASSETS</b>			
Current Assets			
Cash and investments	\$ 484	\$ 5,809,298	\$ 5,809,782
Receivables			
Accounts - billed	2,970	-	2,970
Accrued interest	-	6,025	6,025
Prepaid items	7,061	-	7,061
Inventory	80,022	-	80,022
Total Current Assets	90,537	5,815,323	5,905,860
Noncurrent Assets			
Capital assets			
Property and equipment	-	4,795,238	4,795,238
Less: Accumulated depreciation	-	(3,143,116)	(3,143,116)
Total Noncurrent Assets	-	1,652,122	1,652,122
Total Assets	90,537	7,467,445	7,557,982
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	15,948	27,275	43,223
Accrued payroll	8,018	-	8,018
Compensated absences payable	20,850	-	20,850
Total Current Liabilities	44,816	27,275	72,091
Noncurrent Liabilities			
Compensated absences payable	3,096	-	3,096
Total Noncurrent Liabilities	3,096	-	3,096
Total Liabilities	47,912	27,275	75,187
<b>NET POSITION</b>			
Net investment in capital assets	-	1,652,122	1,652,122
Unrestricted	42,625	5,788,048	5,830,673
<b>TOTAL NET POSITION</b>	\$ 42,625	\$ 7,440,170	\$ 7,482,795

## VILLAGE OF DEERFIELD

COMBINING STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN NET POSITION  
INTERNAL SERVICE FUNDS  
For the Year Ended December 31, 2018

	Garage Fund	Vehicle & Equipment Replacement	Totals
<b>OPERATING REVENUES</b>			
Billings	\$ 392,043	\$ 797,871	\$ 1,189,914
Miscellaneous	<u>9,654</u>	<u>-</u>	<u>9,654</u>
Total Operating Revenues	<u>401,697</u>	<u>797,871</u>	<u>1,199,568</u>
<b>OPERATING EXPENSES</b>			
Operations	400,596	-	400,596
Capital outlay	<u>-</u>	<u>194,294</u>	<u>194,294</u>
Total Operating Expenses	<u>400,596</u>	<u>194,294</u>	<u>594,890</u>
Operating Income (Loss) Before Depreciation	1,101	603,577	604,678
Depreciation	<u>-</u>	<u>326,430</u>	<u>326,430</u>
Operating Income (Loss)	<u>1,101</u>	<u>277,147</u>	<u>278,248</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Loss on sale of capital assets	-	(25,284)	(25,284)
Investment income	<u>-</u>	<u>99,988</u>	<u>99,988</u>
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>74,704</u>	<u>74,704</u>
Income (Loss) Before Contributions	<u>1,101</u>	<u>351,851</u>	<u>352,952</u>
<b>Change in net position</b>	1,101	351,851	352,952
NET POSITION - Beginning of Year	<u>41,524</u>	<u>7,088,319</u>	<u>7,129,843</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 42,625</u></u>	<u><u>\$ 7,440,170</u></u>	<u><u>\$ 7,482,795</u></u>

## VILLAGE OF DEERFIELD

### COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS For the Year Ended December 31, 2018

	Garage Fund	Vehicle & Equipment Replacement	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from interfund services	\$ 393,880	\$ 797,473	\$ 1,191,353
Receipts from miscellaneous revenue	9,654	-	9,654
Payments to suppliers	(157,324)	(201,043)	(358,367)
Payments to employees	(251,347)	-	(251,347)
Net Cash Flows From Operating Activities	(5,137)	596,430	591,293
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income	-	99,988	99,988
Net Cash Flows From Investing Activities	-	99,988	99,988
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and construction of capital assets	-	(115,906)	(115,906)
Net Cash Flows From Capital and Related Financing Activities	-	(115,906)	(115,906)
<b>Net Change in Cash and Cash Equivalents</b>	(5,137)	580,512	575,375
CASH AND CASH EQUIVALENTS - Beginning of Year	5,621	5,228,786	5,234,407
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 484	\$ 5,809,298	\$ 5,809,782
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 1,101	\$ 277,147	\$ 278,248
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities			
Depreciation	-	326,430	326,430
Changes in assets and liabilities			
Accounts receivable	1,837	(398)	1,439
Prepaid expenses	(44)	-	(44)
Inventories	(2,119)	-	(2,119)
Accounts payable	(8,461)	(6,749)	(15,210)
Accrued payroll	(171)	-	(171)
Compensated absences payable	2,720	-	2,720
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	\$ (5,137)	\$ 596,430	\$ 591,293
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
None			

## VILLAGE OF DEERFIELD

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

For the Year Ended December 31, 2018

	Budgeted Amounts		Actual
	Original	Final	
<b>OPERATING REVENUES</b>			
Interfund services			
Billings	\$ 395,000	\$ 395,000	\$ 392,043
Miscellaneous	<u>10,000</u>	<u>10,000</u>	<u>9,654</u>
Total Operating Revenues	<u>405,000</u>	<u>405,000</u>	<u>401,697</u>
<b>OPERATING EXPENSES</b>			
Operations	<u>408,550</u>	<u>408,550</u>	<u>400,596</u>
Total Operating Expenses	<u>408,550</u>	<u>408,550</u>	<u>400,596</u>
Operating Income	<u>(3,550)</u>	<u>(3,550)</u>	<u>1,101</u>
<b>NON-OPERATING REVENUES</b>			
Investment income	<u>100</u>	<u>100</u>	<u>-</u>
Total Non-Operating Revenues	<u>100</u>	<u>100</u>	<u>-</u>
Change in net position	<u>\$ (3,450)</u>	<u>\$ (3,450)</u>	1,101
NET POSITION - Beginning of Year			<u>41,524</u>
NET POSITION - END OF YEAR			<u>\$ 42,625</u>

# VILLAGE OF DEERFIELD

## SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL GARAGE FUND For the Year Ended December 31, 2018

	Budgeted Amounts		
	Original	Final	Actual
<b>OPERATING EXPENSES</b>			
Public works department			
Personnel services	\$ 254,500	\$ 254,500	\$ 253,896
Training and development	3,000	3,000	761
Contractual services	37,700	37,700	28,343
Commodities	104,800	104,800	112,723
Utilities	4,350	4,350	3,173
Capital Outlay	<u>4,200</u>	<u>4,200</u>	<u>1,700</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>\$ 408,550</u>	<u>\$ 408,550</u>	<u>\$ 400,596</u>

## VILLAGE OF DEERFIELD

### SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL VEHICLE & EQUIPMENT REPLACEMENT FUND For the Year Ended December 31, 2018

	Budgeted Amounts		Actual
	Original	Final	
<b>OPERATING REVENUES</b>			
Interfund services			
Billings	\$ <u>797,871</u>	\$ <u>797,871</u>	\$ <u>797,871</u>
Total Operating Revenues	<u>797,871</u>	<u>797,871</u>	<u>797,871</u>
<b>OPERATING EXPENSES</b>			
Capital outlay	617,625	617,625	310,201
Less capital assets capitalized	-	-	(115,907)
Depreciation	<u>-</u>	<u>-</u>	<u>326,430</u>
Total Operating Expenses	<u>617,625</u>	<u>617,625</u>	<u>520,724</u>
Operating Income	<u>180,246</u>	<u>180,246</u>	<u>277,147</u>
<b>NON-OPERATING REVENUES</b>			
Loss on sale of capital assets	-	-	(25,284)
Investment income	<u>35,000</u>	<u>35,000</u>	<u>99,988</u>
Total Non-Operating Revenues	<u>35,000</u>	<u>35,000</u>	<u>74,704</u>
Change in net position	<u>\$ 215,246</u>	<u>\$ 215,246</u>	351,851
NET POSITION - Beginning of Year			<u>7,088,319</u>
NET POSITION - END OF YEAR			<u>\$ 7,440,170</u>

**VILLAGE OF DEERFIELD**  
**SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION - BUDGET AND ACTUAL**  
**POLICE PENSION TRUST FUND**

For the Year Ended December 31, 2018

	2018		
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<b>Additions</b>			
Contributions			
Contributions - employer	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000
Contributions - employee	<u>395,000</u>	<u>395,000</u>	<u>418,230</u>
Total contributions	<u>1,495,000</u>	<u>1,495,000</u>	<u>1,518,230</u>
Investment Income			
Net appreciation in fair value of investments	500,000	500,000	(2,659,485)
Interest and dividends earned on investments	<u>700,000</u>	<u>700,000</u>	<u>1,064,420</u>
Total investment income	1,200,000	1,200,000	(1,595,065)
Less Investment expense	<u>32,000</u>	<u>32,000</u>	<u>17,980</u>
Net investment income	<u>1,168,000</u>	<u>1,168,000</u>	<u>(1,613,045)</u>
Total additions	<u>2,663,000</u>	<u>2,663,000</u>	<u>(94,815)</u>
<b>Deductions</b>			
Pension payments	3,105,000	3,105,000	2,805,095
Separation refunds	15,000	15,000	-
Administrative	<u>47,500</u>	<u>47,500</u>	<u>39,371</u>
Total deductions	<u>3,167,500</u>	<u>3,167,500</u>	<u>2,844,466</u>
Change in net position	<u><u>\$ (504,500)</u></u>	<u><u>\$ (504,500)</u></u>	<u>(2,939,281)</u>
Net position, beginning of year			<u>47,918,197</u>
Net position, end of year			<u><u>\$ 44,978,916</u></u>

# VILLAGE OF DEERFIELD

## COMBINING SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES

### AGENCY FUNDS

For the Year Ended December 31, 2018

	Balance December 31, 2017	Additions	Deletions	Balance December 31, 2018
<b>All Funds</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 2,630,929	\$ 1,234,943	\$ 691,369	\$ 3,174,503
Receivables - accounts	2,500	-	2,500	-
Receivables - accrued interest	165	35	-	200
Total assets	<u>\$ 2,633,594</u>	<u>\$ 1,234,978</u>	<u>\$ 693,869</u>	<u>\$ 3,174,703</u>
<b>Liabilities</b>				
Accounts payable	\$ 8,749	\$ 704,050	\$ 702,828	\$ 9,971
Deposits payable	2,462,016	1,172,517	671,416	2,963,117
Other payables	162,829	53,610	14,824	201,615
Total liabilities	<u>\$ 2,633,594</u>	<u>\$ 1,930,177</u>	<u>\$ 1,389,068</u>	<u>\$ 3,174,703</u>
<b>Deposit Fund</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 2,467,216	\$ 1,181,651	\$ 675,780	\$ 2,973,087
Receivables - accounts	2,500	-	2,500	-
Total assets	<u>\$ 2,469,716</u>	<u>\$ 1,181,651</u>	<u>\$ 678,280</u>	<u>\$ 2,973,087</u>
<b>Liabilities</b>				
Accounts payable	\$ 7,700	\$ 689,695	\$ 687,425	\$ 9,970
Deposits payable	2,462,016	1,172,517	671,416	2,963,117
Total liabilities	<u>\$ 2,469,716</u>	<u>\$ 1,862,212</u>	<u>\$ 1,358,841</u>	<u>\$ 2,973,087</u>
<b>East Shore Radio Network Fund</b>				
<b>Assets</b>				
Cash and cash equivalents	\$ 163,713	\$ 53,292	\$ 15,589	\$ 201,416
Receivables - accrued interest	165	35	-	200
Total assets	<u>\$ 163,878</u>	<u>\$ 53,327</u>	<u>\$ 15,589</u>	<u>\$ 201,616</u>
<b>Liabilities</b>				
Accounts payable	\$ 1,049	\$ 14,355	\$ 15,403	\$ 1
Other payables	162,829	53,610	14,824	201,615
Total liabilities	<u>\$ 163,878</u>	<u>\$ 67,965</u>	<u>\$ 30,227</u>	<u>\$ 201,616</u>

## **LONG-TERM DEBT REQUIREMENTS**

# VILLAGE OF DEERFIELD

## LONG-TERM DEBT REQUIREMENTS GENERAL OBLIGATION BOND SERIES 2010A As of December 31, 2018

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
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>\$ 8,085,000</u>	<u>\$ 2,791,635</u>	<u>\$ 10,876,635</u>		<u>\$ 1,395,816</u>		<u>\$ 1,395,819</u>

# VILLAGE OF DEERFIELD

## LONG-TERM DEBT REQUIREMENTS GENERAL OBLIGATION BOND SERIES 2011A As of December 31, 2018

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
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>\$ 7,620,000</u>	<u>\$ 1,964,305</u>	<u>\$ 9,584,305</u>		<u>\$ 982,157</u>		<u>\$ 982,148</u>

# VILLAGE OF DEERFIELD

## LONG-TERM DEBT REQUIREMENTS GENERAL OBLIGATION BOND SERIES 2011B As of December 31, 2018

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

### FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
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	<u>12,480,000</u>	<u>499,200</u>	<u>12,979,200</u>	2028	<u>249,600</u>	2028	<u>249,600</u>
	<u>\$ 12,480,000</u>	<u>\$ 4,992,000</u>	<u>\$ 17,472,000</u>		<u>\$ 2,496,000</u>		<u>\$ 2,496,000</u>

# VILLAGE OF DEERFIELD

## LONG-TERM DEBT REQUIREMENTS GENERAL OBLIGATION BOND SERIES 2012 As of December 31, 2018

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
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>\$ 9,865,000</u>	<u>\$ 2,220,425</u>	<u>\$ 12,085,425</u>		<u>\$ 1,110,210</u>		<u>\$ 1,110,215</u>

# VILLAGE OF DEERFIELD

## LONG-TERM DEBT REQUIREMENTS GENERAL OBLIGATION BOND SERIES 2013

As of December 31, 2018

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
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>\$ 5,010,000</u>	<u>\$ 800,765</u>	<u>\$ 5,810,765</u>		<u>\$ 400,383</u>		<u>\$ 400,382</u>

# VILLAGE OF DEERFIELD

## LONG-TERM DEBT REQUIREMENTS GENERAL OBLIGATION BOND SERIES 2015 As of December 31, 2018

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
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>\$ 8,395,000</u>	<u>\$ 2,348,375</u>	<u>\$ 10,743,375</u>		<u>\$ 1,174,187</u>		<u>\$ 1,174,188</u>

# VILLAGE OF DEERFIELD

## LONG-TERM DEBT REQUIREMENTS GENERAL OBLIGATION BOND SERIES 2017 As of December 31, 2018

Date of Issue	February 28, 2017
Date of Maturity	December 1, 2036
Authorized Issue	\$5,700,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% to 4.003.75
Principal Maturity Date	December 1
Payable at	U.S. Bank National Association, Chicago, Illinois.

### FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2018	\$ 255,000	\$ 179,238	\$ 434,238	2019	\$ 89,619	2019	\$ 89,619
2019	265,000	171,588	436,588	2020	85,794	2020	85,794
2020	270,000	163,638	433,638	2021	81,819	2021	81,819
2021	280,000	155,538	435,538	2022	77,769	2022	77,769
2022	290,000	147,138	437,138	2023	73,569	2023	73,569
2023	300,000	138,438	438,438	2024	69,219	2024	69,219
2024	310,000	129,438	439,438	2025	64,719	2025	64,719
2025	320,000	120,138	440,138	2026	60,069	2026	60,069
2026	330,000	110,538	440,538	2027	55,269	2027	55,269
2027	345,000	99,812	444,812	2028	49,906	2028	49,906
2028	-	88,600	88,600	2029	44,300	2029	44,300
2029	-	88,600	88,600	2030	44,300	2030	44,300
2030	-	88,600	88,600	2031	44,300	2031	44,300
2031	455,000	88,600	543,600	2032	44,300	2032	44,300
2032	475,000	73,812	548,812	2033	36,906	2033	36,906
2033	490,000	57,188	547,188	2034	28,594	2034	28,594
2034	510,000	38,812	548,812	2035	19,406	2035	19,406
2035	525,000	19,683	544,683	2036	9,842	2036	9,841
	<u>\$ 5,420,000</u>	<u>\$ 1,959,399</u>	<u>\$ 7,379,399</u>		<u>\$ 979,700</u>		<u>\$ 979,699</u>

# VILLAGE OF DEERFIELD

## LONG-TERM DEBT REQUIREMENTS GENERAL OBLIGATION BOND SERIES 2018 As of December 31, 2018

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

### FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy			Interest Due on			
	Principal	Interest	Total	June 1	Amount	December 1	Amount
2018	\$ 130,000	\$ 306,423	\$ 436,423	2019	\$ 202,158	2019	\$ 104,265
2019	235,000	203,330	438,330	2020	101,665	2020	101,665
2020	245,000	193,930	438,930	2021	96,965	2021	96,965
2021	255,000	184,130	439,130	2022	92,065	2022	92,065
2022	265,000	173,930	438,930	2023	86,965	2023	86,965
2023	275,000	163,330	438,330	2024	81,665	2024	81,665
2024	285,000	152,330	437,330	2025	76,165	2025	76,165
2025	295,000	140,930	435,930	2026	70,465	2026	70,465
2026	310,000	129,130	439,130	2027	64,565	2027	64,565
2027	320,000	119,830	439,830	2028	59,915	2028	59,915
2028	325,000	110,230	435,230	2029	55,115	2029	55,115
2029	335,000	100,480	435,480	2030	50,240	2030	50,240
2030	350,000	90,096	440,096	2031	45,048	2031	45,048
2031	360,000	79,246	439,246	2032	39,623	2032	39,623
2032	370,000	67,364	437,364	2033	33,682	2033	33,682
2033	385,000	55,154	440,154	2034	27,577	2034	27,577
2034	395,000	42,450	437,450	2035	21,225	2035	21,225
2035	410,000	29,020	439,020	2036	14,510	2036	14,510
2036	425,000	14,875	439,875	2037	7,437	2037	7,438
	<u>\$ 5,970,000</u>	<u>\$ 2,356,208</u>	<u>\$ 8,326,208</u>		<u>\$ 1,227,050</u>		<u>\$ 1,129,158</u>

## Statistical Section

This part of the Village of Deerfield, Illinois' 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</u>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have changed over time.	123 - 132
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the Village's most significant local revenue source, property tax. Additionally, the Village presents information to help readers assess the Village's most significant revenue source, the sales tax.	133 - 139
<b>Debt Capacity</b> 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.	140 - 143
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within the Village's financial activities take place.	144 - 146
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the Village's financial report relates to the services the Village provides and the activities it performs.	147 - 148

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

# VILLAGE OF DEERFIELD

## NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
Net investment in capital assets	\$ 66,174,872	\$ 64,483,632	\$ 51,392,981	\$ 55,359,465
Restricted	1,698,902	1,833,178	1,864,620	2,000,978
Unrestricted	<u>14,799,887</u>	<u>13,730,019</u>	<u>9,491,193</u>	<u>(3,773,495)</u>
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b><u>\$ 82,673,661</u></b>	<b><u>\$ 80,046,829</u></b>	<b><u>\$ 62,748,794</u></b>	<b><u>\$ 53,586,948</u></b>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Net investment in capital assets	\$ 25,794,886	\$ 28,525,266	\$ 47,891,247	\$ 59,834,517
Unrestricted	<u>1,332,314</u>	<u>649,610</u>	<u>113,829</u>	<u>140,855</u>
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b><u>\$ 27,127,200</u></b>	<b><u>\$ 29,174,876</u></b>	<b><u>\$ 48,005,076</u></b>	<b><u>\$ 59,975,372</u></b>
<b>PRIMARY GOVERNMENT</b>				
Net investment in capital assets	\$ 91,969,758	\$ 93,008,898	\$ 84,682,839	\$ 86,323,125
Restricted	1,698,902	1,833,178	1,864,620	2,000,978
Unrestricted	<u>16,132,201</u>	<u>14,379,629</u>	<u>24,206,411</u>	<u>25,238,217</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<b><u>\$ 109,800,861</u></b>	<b><u>\$ 109,221,705</u></b>	<b><u>\$ 110,753,870</u></b>	<b><u>\$ 113,562,320</u></b>

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

\* Eight months ended December 31, 2013.

Data Source

Audited Financial Statements

2013*	2014	2015	2016	2017	2018
\$ 59,186,881	\$ 58,835,531	\$ 55,025,274	\$ 55,732,838	\$ 56,110,035	\$ 49,784,690
1,690,206	4,326,031	4,467,283	5,129,514	5,867,341	7,455,951
<u>25,298,828</u>	<u>27,077,751</u>	<u>14,516,742</u>	<u>13,144,539</u>	<u>7,143,730</u>	<u>8,393,474</u>
<u>\$ 86,175,915</u>	<u>\$ 90,239,313</u>	<u>\$ 74,009,299</u>	<u>\$ 74,006,891</u>	<u>\$ 69,121,106</u>	<u>\$ 65,634,115</u>
\$ 28,906,421	\$ 28,270,616	\$ 29,869,458	\$ 32,118,523	\$ 32,574,200	\$ 32,548,303
<u>651,661</u>	<u>786,552</u>	<u>(194,463)</u>	<u>376,014</u>	<u>2,257,403</u>	<u>3,116,674</u>
<u>\$ 29,558,082</u>	<u>\$ 29,057,168</u>	<u>\$ 29,674,995</u>	<u>\$ 32,494,537</u>	<u>\$ 34,831,603</u>	<u>\$ 35,664,977</u>
\$ 82,313,682	\$ 87,106,147	\$ 84,894,732	\$ 87,851,361	\$ 88,684,235	\$ 82,332,993
1,690,206	4,326,031	4,467,283	5,129,514	5,867,341	7,455,951
<u>31,730,109</u>	<u>27,864,303</u>	<u>14,322,279</u>	<u>13,520,553</u>	<u>9,401,133</u>	<u>11,510,148</u>
<u>\$ 115,733,997</u>	<u>\$ 119,296,481</u>	<u>\$ 103,684,294</u>	<u>\$ 106,501,428</u>	<u>\$ 103,952,709</u>	<u>\$ 101,299,092</u>

# VILLAGE OF DEERFIELD

## CHANGE IN NET POSITION Last Ten Fiscal Years

Fiscal Year	2010	2011	2012	2013
<b>EXPENSES</b>				
Governmental Activities				
General government	\$ 9,833,315	\$ 5,477,968	\$ 24,267,281	\$ 18,988,356
Public safety	8,543,631	8,497,498	8,388,066	8,572,034
Highways and streets	10,985,018	7,749,726	6,602,895	5,753,656
Interest and fiscal charges	193,105	393,054	1,098,736	1,791,625
Total governmental activities expenses	<u>29,555,069</u>	<u>22,118,246</u>	<u>40,356,978</u>	<u>35,105,671</u>
Business-Type Activities				
Water	4,103,889	4,215,482	4,455,971	4,625,679
Sewerage	2,643,276	2,846,388	2,996,805	3,267,868
Refuse disposal	1,599,244	1,600,736	1,307,850	1,343,691
Commuter Parking	262,458	322,431	337,337	352,088
Total Business-type Activities Expenses	<u>8,608,867</u>	<u>8,985,037</u>	<u>9,097,963</u>	<u>9,589,326</u>
<b>TOTAL PRIMARY GOVERNMENT EXPENSES</b>	<u><b>\$ 38,163,936</b></u>	<u><b>\$ 31,103,283</b></u>	<u><b>\$ 49,454,941</b></u>	<u><b>\$ 44,694,997</b></u>
<b>PROGRAM REVENUES</b>				
Governmental Activities				
Charges for Services				
General government	\$ 1,862,200	\$ 2,011,535	\$ 1,833,930	\$ 2,290,768
Public Safety	866,510	873,947	986,382	1,047,217
Highways and streets	47,219	73,968	66,279	263,607
Interest	-	-	-	-
Operating grants and Contributions	474,526	582,734	715,849	1,140,504
Capital Grants and Contributions	2,195,963	360,539	434,225	75,864
Total Governmental Activities Program Revenues	<u>5,446,418</u>	<u>3,902,723</u>	<u>4,036,665</u>	<u>4,817,960</u>
Business-Type Activities				
Charges for Services				
Water	3,567,809	3,777,700	3,891,387	4,295,580
Sewerage	2,320,123	2,450,088	2,499,701	2,892,170
Refuse disposal	622,629	608,475	461,887	476,926
Commuter parking	209,165	204,236	201,426	223,381
Capital grants and contributions	-	2,963,996	19,620,003	12,566,460
Total Business-Type Activities Program Revenues	<u>6,719,726</u>	<u>10,004,495</u>	<u>26,674,404</u>	<u>20,454,517</u>
<b>TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES</b>	<u><b>\$ 12,166,144</b></u>	<u><b>\$ 13,907,218</b></u>	<u><b>\$ 30,711,069</b></u>	<u><b>\$ 25,272,477</b></u>
<b>NET REVENUE (EXPENSE)</b>				
Governmental Activities	\$ (24,108,651)	\$ (18,215,523)	\$ (36,320,313)	\$ (30,287,711)
Business-Type Activities	<u>(1,889,141)</u>	<u>1,019,458</u>	<u>17,576,441</u>	<u>10,865,191</u>
<b>TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)</b>	<u><b>\$ (25,997,792)</b></u>	<u><b>\$ (17,196,065)</b></u>	<u><b>\$ (18,743,872)</b></u>	<u><b>\$ (19,422,520)</b></u>

2013*	2014	2015	2016	2017	2018
\$ 5,755,847	\$ 7,756,784	\$ 8,182,572	\$ 8,938,512	\$ 10,097,910	\$ 9,106,754
6,256,914	9,189,101	11,870,633	11,516,466	10,868,594	10,796,954
6,208,891	6,286,456	8,065,953	12,905,603	13,068,419	9,194,654
628,554	685,495	1,113,073	918,603	1,008,199	1,095,898
<u>18,850,206</u>	<u>23,917,836</u>	<u>29,232,231</u>	<u>34,279,184</u>	<u>35,043,122</u>	<u>30,194,260</u>
3,153,643	4,345,300	4,517,289	4,405,066	4,098,233	4,339,113
3,147,664	4,691,951	4,533,170	4,996,664	3,960,118	4,648,489
953,301	1,440,045	1,433,697	1,449,954	1,322,473	1,435,418
243,017	331,951	284,789	306,583	301,514	348,009
<u>7,497,625</u>	<u>10,809,247</u>	<u>10,768,945</u>	<u>11,158,267</u>	<u>9,682,338</u>	<u>10,771,029</u>
<u>\$ 26,347,831</u>	<u>\$ 34,727,083</u>	<u>\$ 40,001,176</u>	<u>\$ 45,437,451</u>	<u>\$ 44,725,460</u>	<u>\$ 40,965,289</u>
\$ 1,811,306	\$ 3,812,004	\$ 2,214,956	\$ 2,706,969	\$ 2,538,758	\$ 2,808,343
783,151	1,167,096	1,218,489	1,221,896	1,127,634	1,465,852
234,034	442,918	606,549	417,398	301,855	575,536
-	-	-	711,369	586,016	686,907
890,860	612,569	445,554	464,020	472,113	480,661
58,791	1,306,043	442,690	6,853,567	949,252	77,526
<u>3,778,142</u>	<u>7,340,630</u>	<u>4,928,238</u>	<u>12,375,219</u>	<u>5,975,628</u>	<u>6,094,825</u>
3,006,491	3,763,753	3,701,281	4,058,510	4,211,302	4,241,528
2,065,472	2,645,264	2,724,235	2,853,730	2,936,590	2,917,006
324,969	500,449	513,672	515,496	526,418	538,185
187,386	226,450	270,799	277,048	292,829	294,221
1,802,087	173,695	2,249,741	2,922,849	1,058,155	797,356
<u>7,386,405</u>	<u>7,309,611</u>	<u>9,459,728</u>	<u>10,627,633</u>	<u>9,025,294</u>	<u>8,788,296</u>
<u>\$ 11,164,547</u>	<u>\$ 14,650,241</u>	<u>\$ 14,387,966</u>	<u>\$ 23,002,852</u>	<u>\$ 15,000,922</u>	<u>\$ 14,883,121</u>
\$ (15,072,064)	\$ (16,577,206)	\$ (24,303,993)	\$ (21,903,965)	\$ (29,067,494)	\$ (24,099,435)
(111,220)	(3,499,636)	(1,309,217)	(530,634)	(657,044)	(1,982,733)
<u>\$ (15,183,284)</u>	<u>\$ (20,076,842)</u>	<u>\$ (25,613,210)</u>	<u>\$ (22,434,599)</u>	<u>\$ (29,724,538)</u>	<u>\$ (26,082,168)</u>

# VILLAGE OF DEERFIELD

## CHANGE IN NET POSITION (cont.) Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>GENERAL REVENUES AND OTHER</b>				
<b>CHANGES IN NET POSITION</b>				
Governmental Activities				
Taxes				
Property and replacement	\$ 8,618,052	\$ 2,278,574	\$ 2,822,939	\$ 4,410,633
Home rule sales	2,525,183	2,725,330	3,121,749	3,665,374
Simplified telecommunications	326,528	644,129	1,752,850	1,430,126
Other	3,097,643	4,396,881	4,684,153	3,438,882
Intergovernmental	4,995,509	5,281,422	5,968,953	8,474,800
Investment Income	166,844	92,855	115,175	117,770
Miscellaneous	393,359	169,500	556,459	252,924
Contributions	-	-	-	-
Transfers (out)	-	-	-	-
	<u>20,123,118</u>	<u>15,588,691</u>	<u>19,022,278</u>	<u>21,790,509</u>
Business-Type Activities				
Property taxes	807,968	832,264	889,586	890,214
Investment Income	8,304	4,530	3,701	3,024
Miscellaneous	146,400	191,424	360,472	211,867
Transfers in	-	-	-	-
	<u>962,672</u>	<u>1,028,218</u>	<u>1,253,759</u>	<u>1,105,105</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 21,085,790</u>	<u>\$ 16,616,909</u>	<u>\$ 20,276,037</u>	<u>\$ 22,895,614</u>
<b>CHANGE IN NET POSITION</b>				
Governmental Activities	\$ (3,985,533)	\$ (2,626,832)	\$ (17,298,035)	\$ (8,497,202)
Business-Type Activities	<u>(926,469)</u>	<u>2,047,676</u>	<u>18,830,200</u>	<u>11,970,296</u>
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ (4,912,002)</u>	<u>\$ (579,156)</u>	<u>\$ 1,532,165</u>	<u>\$ 3,473,094</u>

\* Eight months ended December 31, 2013.

Data Source

Audited Financial Statements

2013*	2014	2015	2016	2017	2018
\$ 5,010,070	\$ 5,260,112	\$ 5,527,577	\$ 7,335,510	\$ 7,350,802	\$ 7,349,472
2,257,183	3,413,920	2,941,572	3,484,806	3,841,934	3,252,733
936,501	1,261,799	1,707,745	1,722,295	1,370,180	1,368,145
2,398,124	3,721,354	3,797,848	3,817,963	4,363,655	4,570,428
5,396,719	8,316,948	7,697,052	8,350,115	8,990,723	8,152,479
-	(221,419)	130,060	191,929	393,675	759,659
279,991	704,909	676,294	431,172	646,776	109,854
-	-	732,831	-	-	-
-	(1,817,019)	(1,805,840)	(2,770,464)	(2,776,036)	(2,778,413)
<u>16,278,588</u>	<u>20,640,604</u>	<u>21,405,139</u>	<u>22,563,326</u>	<u>24,181,709</u>	<u>22,784,357</u>
906,951	936,361	965,948	22	-	-
(4,588)	(14,786)	4,055	4,753	10,848	23,967
174,010	260,128	218,479	226,012	207,226	213,257
-	1,817,019	1,805,840	2,770,464	2,776,036	2,778,413
<u>1,076,373</u>	<u>2,998,722</u>	<u>2,994,322</u>	<u>3,001,251</u>	<u>2,994,110</u>	<u>3,015,637</u>
<u>\$ 17,354,961</u>	<u>\$ 23,639,326</u>	<u>\$ 24,399,461</u>	<u>\$ 25,564,577</u>	<u>\$ 27,175,819</u>	<u>\$ 25,799,994</u>
\$ 1,206,524	\$ 4,063,398	\$ (2,898,854)	\$ 659,361	\$ (4,885,785)	\$ (1,315,078)
965,153	(500,914)	1,685,105	2,470,617	2,337,066	1,032,904
<u>\$ 2,171,677</u>	<u>\$ 3,562,484</u>	<u>\$ (1,213,749)</u>	<u>\$ 3,129,978</u>	<u>\$ (2,548,719)</u>	<u>\$ (282,174)</u>

# VILLAGE OF DEERFIELD

## FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<b>GENERAL FUND</b>				
Reserved	\$ 447,892	\$ 443,532	\$ -	\$ -
Unreserved	15,619,459	16,566,828	-	-
Nonspendable for				
Note receivable	-	-	100,000	90,000
Inventory	-	-	55,190	27,824
Prepaid items	-	-	441,382	459,247
Advance	-	-	-	-
Unrestricted				
Assigned for debt service	-	-	833,396	818,344
Assigned for capital projects	-	-	1,650,000	1,400,000
Subsequent year's budget	-	-	-	-
Unassigned	-	-	16,206,557	17,002,357
<b>TOTAL GENERAL FUND</b>	<b><u>\$ 16,067,351</u></b>	<b><u>\$ 17,010,360</u></b>	<b><u>\$ 19,286,525</u></b>	<b><u>\$ 19,797,772</u></b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>				
Reserved	\$ 1,698,902	\$ 6,927,256	\$ -	\$ -
Unreserved, reported in				
Capital Project Funds	230,653	417,104	-	-
Restricted for				
Capital projects	-	-	14,581,925	1,515,401
Maintenance of roadways	-	-	601,423	633,057
Public safety	-	-	1,263,197	1,367,921
Debt service	-	-	-	-
Unrestricted				
Assigned for				
Debt service	-	-	286,753	841,240
Capital projects	-	-	1,088,012	2,154,351
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b><u>\$ 1,929,555</u></b>	<b><u>\$ 7,344,360</u></b>	<b><u>\$ 17,821,310</u></b>	<b><u>\$ 6,511,970</u></b>

\*Eight months ended December 31, 2013.

resulted in a change in fund balance classification. The Village has not elected to report this change retroactively.

Data Source  
Audited Financial Statements

2013*	2014	2015	2016	2017	2018
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
80,000	70,000	60,000	50,000	40,000	30,000
54,477	42,968	21,031	26,643	26,844	28,516
752,402	713,737	707,640	904,041	1,180,641	1,188,498
-	-	-	1,075,689	684,083	374,695
831,850	-	-	-	-	-
1,500,000	1,200,000	1,000,000	1,300,000	-	-
-	-	2,960,593	2,117,018	606,765	949,698
<u>16,815,607</u>	<u>19,667,419</u>	<u>15,200,930</u>	<u>14,963,328</u>	<u>16,561,166</u>	<u>17,391,240</u>
<u>\$ 20,034,336</u>	<u>\$ 21,694,124</u>	<u>\$ 19,950,194</u>	<u>\$ 20,436,719</u>	<u>\$ 19,099,499</u>	<u>\$ 19,962,647</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
40,280	-	696,658	-	-	-
325,768	927,908	388,546	360,593	340,455	832,299
1,364,438	1,214,895	1,130,293	1,124,743	1,071,465	1,364,908
-	2,183,228	2,948,444	3,644,178	4,455,421	5,258,744
1,473,632	25,299	58,021	111,920	177,263	171,299
<u>749,533</u>	<u>2,276,297</u>	<u>4,707,033</u>	<u>5,935,979</u>	<u>4,121,126</u>	<u>8,494,316</u>
<u>\$ 3,953,651</u>	<u>\$ 6,627,627</u>	<u>\$ 9,928,995</u>	<u>\$ 11,177,413</u>	<u>\$ 10,165,730</u>	<u>\$ 16,121,566</u>

# VILLAGE OF DEERFIELD

## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

Fiscal Year	2010	2011	2012	2013
<b>REVENUES</b>				
Taxes	\$ 19,562,915	\$ 15,326,336	\$ 18,350,644	\$ 12,220,016
Licenses and permits	1,366,472	1,431,793	1,173,799	1,645,735
Intergovernmental	951,183	944,344	1,152,141	9,692,051
Charges for services	654,662	687,515	709,146	710,049
Fines and forfeitures	227,686	262,542	317,262	342,740
Contribution from library	-	-	-	763,572
Investment income	166,844	92,855	115,175	117,770
Miscellaneous	821,396	715,868	1,219,949	1,113,205
<b>Total revenues</b>	<b><u>23,751,158</u></b>	<b><u>19,461,253</u></b>	<b><u>23,038,116</u></b>	<b><u>26,605,138</u></b>
<b>EXPENDITURES</b>				
General government	12,471,646	5,328,331	6,436,048	7,783,224
Public Safety	8,322,821	8,407,416	8,352,887	8,540,957
Highways and streets	2,916,045	3,032,200	3,091,770	2,806,358
Capital Outlay	6,207,466	8,278,643	23,114,852	24,479,003
Debt Service				
Principal	175,000	180,000	710,000	1,355,000
Interest	193,150	237,997	1,180,062	1,770,522
<b>Total expenditures</b>	<b><u>30,286,128</u></b>	<b><u>25,464,587</u></b>	<b><u>42,885,619</u></b>	<b><u>46,735,064</u></b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b><u>(6,534,970)</u></b>	<b><u>(6,003,334)</u></b>	<b><u>(19,847,503)</u></b>	<b><u>(20,129,926)</u></b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	923,389	7,506,834	22,440,459	14,290,621
Transfers (out)	(923,389)	(7,506,834)	(22,440,459)	(14,290,621)
Bonds issued	-	12,500,000	32,400,000	9,075,000
Premium (discount) on bonds issued	-	(69,013)	79,791	253,502
Payment to refunded bonds escrow agent	-	-	-	-
Sale of capital assets	94,690	30,161	20,827	3,331
<b>Total Other Financing Sources (Uses)</b>	<b><u>94,690</u></b>	<b><u>12,461,148</u></b>	<b><u>32,500,618</u></b>	<b><u>9,331,833</u></b>
<b>NET CHANGE IN FUND BALANCES</b>	<b><u>\$ (6,440,280)</u></b>	<b><u>\$ 6,457,814</u></b>	<b><u>\$ 12,653,115</u></b>	<b><u>\$ (10,798,093)</u></b>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>	1.53%	2.09%	4.75%	7.16%

\*Eight months ended December 31, 2013.

Data Source  
Audited Financial Statements

2013*	2014	2015	2016	2017	2018
\$ 9,876,878	\$ 14,070,158	\$ 14,955,266	\$ 17,522,177	\$ 18,207,216	\$ 17,625,022
1,277,977	3,062,263	1,464,015	1,958,108	1,784,230	1,877,242
6,342,610	9,599,274	8,102,221	15,007,986	9,628,692	8,119,258
565,213	1,004,048	1,114,515	971,304	849,759	1,487,963
236,390	307,744	292,284	286,981	264,926	277,967
742,476	730,381	732,831	730,131	726,706	727,581
(164,823)	(221,419)	130,060	191,929	344,598	659,671
998,549	1,218,373	1,348,025	1,555,393	1,572,755	1,338,187
<u>19,875,270</u>	<u>29,770,822</u>	<u>28,139,217</u>	<u>38,224,009</u>	<u>33,378,882</u>	<u>32,112,891</u>
5,063,339	7,353,449	8,266,520	8,906,902	9,406,290	8,826,989
6,117,121	8,963,170	9,136,003	9,054,499	9,336,602	9,458,681
2,326,884	2,924,874	2,816,855	2,749,322	2,985,820	2,782,979
5,280,135	2,777,322	11,958,472	11,652,625	11,362,494	5,058,776
928,000	935,000	962,000	1,369,000	1,441,000	1,460,000
699,324	693,655	674,859	944,819	1,032,016	1,019,059
<u>20,414,803</u>	<u>23,647,470</u>	<u>33,814,709</u>	<u>34,677,167</u>	<u>35,564,222</u>	<u>28,606,484</u>
<u>(539,533)</u>	<u>6,123,352</u>	<u>(5,675,492)</u>	<u>3,546,842</u>	<u>(2,185,340)</u>	<u>3,506,407</u>
3,152,954	2,354,180	10,191,142	4,241,596	6,367,905	4,087,145
(4,943,562)	(4,171,199)	(11,996,982)	(7,012,060)	(9,143,941)	(6,865,558)
-	-	9,575,000	-	5,700,000	5,970,000
-	-	422,335	-	240,732	120,990
-	-	-	-	(3,328,259)	-
8,386	27,431	-	-	-	-
<u>(1,782,222)</u>	<u>(1,789,588)</u>	<u>8,191,495</u>	<u>(2,770,464)</u>	<u>(163,563)</u>	<u>3,312,577</u>
<u>\$ (2,321,755)</u>	<u>\$ 4,333,764</u>	<u>\$ 2,516,003</u>	<u>\$ 776,378</u>	<u>\$ (2,348,903)</u>	<u>\$ 6,818,984</u>
9.02%	7.35%	6.60%	7.67%	8.42%	9.21%

**VILLAGE OF DEERFIELD**

EQUALIZED ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
Last Ten Levy Years

Fiscal Year	Residential Property	Farm Property	Commercial Property	Industrial Property	Total	Railroad	Total Assessed Value	Total Actual Value	Total Direct Tax Rate
2009	\$ 1,122,337,249	-	\$ 374,399,228	\$ 19,959,312	\$ 1,516,695,789	\$ -	\$ 1,516,695,789	\$ 4,550,087,367	0.1830
2010	1,152,038,203	-	397,882,340	19,601,642	1,569,522,185	-	1,569,522,185	4,708,566,555	0.1820
2011	1,170,079,592	-	412,939,520	23,884,106	1,606,903,218	-	1,606,903,218	4,820,709,654	0.1890
2012	1,108,117,369	-	397,215,326	17,827,124	1,523,159,819	-	1,523,159,819	4,569,479,457	0.2390
2013	938,649,978	-	340,275,838	14,338,152	1,293,263,968	-	1,293,263,968	3,879,791,904	0.4570
2014	898,117,390	-	316,522,689	13,777,096	1,228,417,175	-	1,228,417,175	3,685,251,525	0.5030
2015	909,922,822	-	311,130,618	6,248,146	1,227,301,586	-	1,227,301,586	3,681,904,758	0.5300
2016	984,948,931	-	327,995,985	6,125,472	1,319,070,388	-	1,319,070,388	3,957,211,164	0.8920
2017	1,052,928,225	-	348,028,112	6,556,025	1,407,512,362	-	1,407,512,362	4,222,537,086	0.8580
2018	1,098,197,935	-	363,288,977	6,754,542	1,468,241,454	-	1,468,241,454	4,404,724,362	0.8340

Data Source: Lake County Clerk & Cook County Clerk

## VILLAGE OF DEERFIELD

### DIRECT AND OVERLAPPING PROPERTY TAX RATES Last Ten Levy Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>DIRECT VILLAGE RATE</b>										
Bonds & Interest	0.000	0.010	0.034	0.098	0.159	0.175	0.251	0.278	0.316	0.305
Corporate	0.127	0.123	0.143	0.154	0.164	0.184	0.000	0.261	0.249	0.239
Garbage	0.052	0.053	0.059	0.064	0.071	0.077	0.080	0.000	0.000	0.000
Library	0.177	0.180	0.003	0.004	0.063	0.067	0.199	0.353	0.293	0.290
Village	0.356	0.366	0.239	0.320	0.457	0.503	0.530	0.892	0.858	0.834
<b>OVERLAPPING RATES</b>										
Lake County including Forest Preserve	0.650	0.660	0.703	0.755	0.820	0.881	0.893	0.871	0.825	0.809
Deerfield Elementary Dist 109	2.346	2.455	2.665	2.892	3.254	3.424	3.401	3.211	3.070	3.049
High School District 113	1.660	1.748	1.921	2.167	2.178	2.364	2.421	2.309	2.187	2.164
Community College District 532	0.196	0.200	0.218	0.240	0.272	0.296	0.306	0.299	0.285	0.281
Deerfield Park District	0.419	0.431	0.460	0.503	0.546	0.585	0.599	0.552	0.542	0.535
Deerfield-Bannockburn Fire Prot Dist	0.426	0.447	0.486	0.529	0.593	0.637	0.650	0.624	0.612	0.608
All Other (1)	0.047	0.048	0.065	0.073	0.053	0.048	0.053	0.049	0.059	0.045
<b>TOTAL DIRECT AND OVERLAPPING TAX RATE</b>	<b>6.100</b>	<b>6.355</b>	<b>6.757</b>	<b>7.479</b>	<b>8.173</b>	<b>8.738</b>	<b>8.853</b>	<b>8.807</b>	<b>8.438</b>	<b>8.325</b>

\*Rates are per \$100 of Assessed Value

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

Data Source: Office of the Lake County Clerk

**VILLAGE OF DEERFIELD**

PRINCIPAL PROPERTY TAXPAYERS  
Current Year and Nine Years Ago

Taxpayer	2017 Assessed Value	Rank	Percentage of Total Assessed Value	2008 Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Walgreen Co.	\$ 45,707,187	1	3.11%	\$ 9,836,968	3	0.62%
Marvin F Poer & Co.	32,537,387	2	2.22%	2,373,259	8	0.15%
Takeda Pharmaceuticals North America, Inc	27,302,061	3	1.86%	8,865,517	4	0.56%
MidAmerica Asset Management	25,636,607	4	1.75%			
Fulcrum Asset Advisors	20,543,752	5	1.40%			
CRM Properties Group	15,211,098	6	1.04%	6,060,160	5	0.38%
James Campbell Co. LLC	14,744,691	7	1.00%			
LO Deerfield Operating	13,028,808	8	0.89%			
LPF Woodview LLC	11,604,372	9	0.79%			
North Parkway One Investment LLC	11,046,770	10	0.75%			
Ardeen Realty, Inc.				15,751,870	1	1.00%
JBC Funds Parkway North LLC				13,550,486	2	0.86%
RREEF America Reit Agent				3,050,597	6	0.19%
%Deloitte PTS				2,382,813	7	0.15%
MJH Deerfield, LLC				2,285,233	9	0.14%
Hyatt Equities, LLC				1,953,023	10	0.12%
	<u>\$ 217,362,733</u>		<u>14.80%</u>	<u>\$ 66,109,926</u>		<u>4.17%</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible some parcels and their valuations have been overlooked. The 2017 EAV is the most current available.

Data Source: Office of the Lake County Clerk

## VILLAGE OF DEERFIELD

### PROPERTY TAX LEVIES AND COLLECTIONS Last Ten Levy Years

Fiscal Year Ended Dec 31	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009*	\$ 5,489,659	\$ 5,450,691	99.29%	\$ -	\$ 5,450,691	99.29%
2010*	5,653,369	5,609,999	99.23%	-	5,609,999	99.23%
2011*	5,888,285	5,851,862	99.38%	-	5,851,862	99.38%
2012*	6,675,642	6,624,625	99.24%	-	6,624,625	99.24%
2013	9,328,980	9,266,916	99.33%	-	9,266,916	99.33%
2014	9,658,145	9,596,025	99.36%	-	9,596,025	99.36%
2015	10,783,925	10,725,053	99.45%	-	10,725,053	99.45%
2016	11,821,939	11,772,386	99.58%	-	11,772,386	99.58%
2017	12,088,181	12,045,734	99.65%	-	12,045,734	99.65%
2018	12,289,037	12,270,843	99.85%	-	12,270,843	99.85%

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

\* Represent years ended 04/30 prior to switching to 12/31 fiscal years

## VILLAGE OF DEERFIELD

### SALES TAX BY CATEGORY Last Ten Calendar Years

Calendar Year	2009	2010	2011	2012
General merchandise	\$ 215,487	\$ 222,696	\$ 233,408	\$ 222,366
Food	708,194	772,736	798,668	796,940
Drinking and eating places	931,610	932,074	970,059	1,018,539
Apparel	205,112	207,981	240,746	205,856
Furniture and H.H. and radio	644,981	752,175	713,431	473,808
Lumber, building hardware	622,406	610,072	590,742	564,884
Automobile and filling stations	284,289	434,095	513,421	348,318
Drugs and miscellaneous retail	3,211,071	2,625,382	3,625,900	5,476,027
Agriculture and all others	895,708	852,588	1,138,377	1,005,454
Manufacturers	<u>196,451</u>	<u>203,171</u>	<u>214,511</u>	<u>237,039</u>
<b>TOTAL</b>	<b><u>\$ 7,915,309</u></b>	<b><u>\$ 7,612,970</u></b>	<b><u>\$ 9,039,263</u></b>	<b><u>\$ 10,349,231</u></b>
Village direct sales tax rate	1.00%	1.00%	1.00%	1.00%
Village home rule rate	0.50%	1.00%	1.00%	1.00%

Data Source

Illinois Department of Revenue

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$	224,653	\$ 247,348	\$ 208,851	\$ 195,293	\$ 210,058	\$ 213,577
	743,285	870,464	874,095	746,457	764,304	853,120
	1,032,833	1,108,407	1,128,992	1,036,096	1,123,950	1,151,138
	180,876	210,488	164,410	150,231	112,184	103,293
	345,052	291,839	288,538	279,964	264,646	427,117
	583,287	642,214	542,259	507,057	545,393	554,529
	358,919	510,550	314,993	347,603	332,391	323,516
	4,692,108	4,937,251	4,069,522	5,664,948	6,818,569	5,171,319
	966,396	914,323	839,745	910,728	852,451	678,301
	<u>226,254</u>	<u>251,653</u>	<u>266,575</u>	<u>220,430</u>	<u>183,720</u>	<u>191,992</u>
\$	<u>9,353,663</u>	<u>\$ 9,984,537</u>	<u>\$ 8,697,980</u>	<u>\$ 10,058,807</u>	<u>\$ 11,207,666</u>	<u>\$ 9,667,902</u>
	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

## VILLAGE OF DEERFIELD

### DIRECT AND OVERLAPPING SALES TAX RATES Last Ten Fiscal Years

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<u>Calendar Year</u>	<u>Lake County Rate</u>	<u>RTA Lake County Rate</u>	<u>Cook County Rate</u>	<u>Cook County Home Rule Rate</u>	<u>RTA Cook County Rate</u>	<u>Village Home Rule Rate</u>	<u>Village Direct Rate</u>	<u>State Rate</u>
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%
2016	0.25%	0.75%	0.25%	0.75%	1.00%	1.00%	1.00%	5.00%
2017	0.25%	0.75%	0.25%	1.75%	1.00%	1.00%	1.00%	5.00%
2018	0.25%	0.75%	0.25%	1.75%	1.00%	1.00%	1.00%	5.00%

Data Source

Village and County Records

# VILLAGE OF DEERFIELD

## RATIOS OF OUTSTANDING DEBT BY TYPE Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities General Obligation Bonds	Business-Type Activities General Obligation Bonds	Total Primary Government	Percentage of Personal Income*	Per Capita*
2010	\$ 4,825,000	\$ 1,350,000	\$ 6,175,000	0.57%	\$ 335
2011	17,145,000	915,000	18,060,000	1.62%	981.26
2012	48,835,000	465,000	49,300,000	4.26%	2,670.93
2013	56,555,000	-	56,555,000	4.91%	3,064.98
2013 **	23,164,958	31,997,146	55,162,104	4.79%	2,989.49
2014	22,223,327	31,230,833	53,454,160	4.63%	2,903.85
2015	31,252,022	30,460,961	61,712,983	5.29%	3,340.17
2016	29,859,606	29,667,530	59,527,136	4.87%	3,202.45
2017	31,118,917	28,850,541	59,969,458	4.69%	3,193.43
2018	35,715,167	28,014,826	63,729,993	4.66%	3,372.67

\* See the schedule of Demographic and Economic Statistics 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

## 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
2010	\$ 4,825,000	\$ 1,350,000	\$ 105,915	\$ 6,069,085	0.38%	\$ 329.48
2011	17,145,000	915,000	101,518	17,958,482	1.20%	975.74
2012	48,835,000	465,000	286,753	49,013,247	3.52%	2,655.39
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%	2,909.63
2014	22,223,327	31,230,833	2,208,527	51,245,633	4.17%	2,783.88
2015	31,252,022	30,460,961	2,983,643	58,729,340	4.79%	3,178.68
2016	29,859,606	29,667,530	3,756,098	55,771,038	4.23%	3,000.38
2017	31,118,917	28,850,541	4,632,684	55,336,774	3.93%	2,946.74
2018	35,715,167	28,014,826	5,430,043	58,299,950	3.97%	3,085.31

\* Eight months ended December 31, 2013

Data Source

(1) Audited Financial Statements

## VILLAGE OF DEERFIELD

### DIRECT AND OVERLAPPING BONDED DEBT - GOVERNMENTAL ACTIVITIES December 31, 2018

<u>Governmental Unit</u>	* (1) Gross General Obligation Debt	** (2) Percentage of Debt Applicable to Government	*** Village's Share of Debt
<b>Direct Debt:</b>			
Village of Deerfield	\$ 34,929,000	100.00%	\$ 34,929,000
	<b>Total Direct Debt:</b>		<b>34,929,000</b>
<b>Overlapping Debt:</b>			
Lake County	174,530,000	5.16%	9,005,748
Lake County Forest Preserve	240,155,000	5.16%	12,391,998
Cook County	2,950,121,750	0.10%	2,950,122
Cook County Forest Preserve	129,615,000	0.10%	129,615
Deerfield Park District	1,140,000	97.66%	1,113,324
Park District of Highland Park	8,430,000	1.35%	113,805
Northbrook Park District	9,435,000	2.97%	280,220
Lake Elementary School District No. 109	18,245,000	77.23%	14,090,614
Lake High School District No. 113	84,480,000	29.93%	25,284,864
Cook Northfield Township High School District No. 225	72,951,131	2.72%	1,984,271
Community College of Lake County No. 532	58,645,000	5.21%	3,055,405
Oakton Community College District No. 535	32,130,000	0.65%	208,845
Metropolitan Water Reclamation District of Greater Chicago	2,359,823,061	0.10%	2,359,823
	<b>Total Overlapping Debt:</b>		<b>72,968,654</b>
<b>Total Gross Debt &amp; Total Direct and Overlapping Debt</b>	<b>6,174,629,942</b>		<b>107,897,654</b>
Less Debt Service Fund Amount Available - Village of Deerfield	5,430,043		5,430,043
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>	<b>\$ 6,169,199,899</b>		<b>\$ 102,467,611</b>

\* Most recent data available.

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

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

#### Data Sources

Lake and Cook County Clerk's Offices

# VILLAGE OF DEERFIELD

## LEGAL DEBT MARGIN INFORMATION

December 31, 2018

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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:

<b>EQUALIZED ASSESSED VALUATION - 2017*</b>	\$ 1,468,241,454
Non-Home Rule Legal Debt Limit - 8.625%	126,635,825
Amount of debt applicable to limit:	
General Obligation Bonds Series 2010A	3,234,000
General Obligation Bonds Series 2011A	7,620,000
General Obligation Bonds Series 2013	4,290,000
General Obligation Bonds Series 2015	8,395,000
General Obligation Bonds Series 2017	5,420,000
General Obligation Bonds Series 2018	<u>5,970,000</u>
Total amount of debt applicable to limit:	<u>34,929,000</u>
<b>NON-HOME RULE LEGAL DEBT MARGIN</b>	<u>\$ 91,706,825</u>

\* Most Recent EAV Available

# VILLAGE OF DEERFIELD

## DEMOGRAPHIC AND ECONOMIC INFORMATION Last Ten Fiscal Years

<u>Fiscal Year</u>		<u>Population</u>	<u>Per Capita Personal Income</u>	<u>Median Household Income</u>	<u>Unemployment Rate</u>
2010	(a)	18,420	58,338	131,585	7.10%
2011	(b)	18,405	60,582	131,534	5.60%
2012	(c)	18,458	62,631	132,785	5.75%
2013	(d)	18,452	62,405	129,187	5.30%
2013*	(e)	18,452	62,405	129,187	5.85%
2014	(f)	18,408	62,731	135,881	5.05%
2015	(g)	18,476	63,190	135,754	4.20%
2016	(h)	18,588	65,757	137,423	4.40%
2017	(i)	18,779	68,101	143,729	3.60%
2018	(j)	18,896	72,334	142,621	3.25%

\* Eight months ended December 31, 2013

### Data Sources

- (a) U.S. Census Bureau "2005-2009 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics
- (b) U.S. Census Bureau "2006-2010 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics
- (c) U.S. Census Bureau, "2007-2011 American Community Survey 5-Yr. Estimates" U.S. Bureau of Labor Statistics
- (d) U.S. Census Bureau, "2008-2012 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics
- (e) U.S. Census Bureau, "2008-2012 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics
- (f) U.S. Census Bureau, "2009-2013 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics
- (g) U.S. Census Bureau, "2010-2014 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics
- (h) U.S. Census Bureau, "2011-2015 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics
- (i) U.S. Census Bureau, "2012-2016 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics and Special Census
- (j) U.S. Census Bureau, "2013-2017 American Community Survey 5-Yr. Estimates" and U.S. Bureau of Labor Statistics

## VILLAGE OF DEERFIELD

### PRINCIPAL EMPLOYERS Current Year and Nine Years Ago

Employer	2018			2009		
	Employees	Rank	% of Total Village Population	Employees	Rank	% of Total Village Population
Walgreen Boots Alliance Inc	5,000	1	26.46%	2,400	2	0.00%
Baxter International Inc	1,900	2	10.06%	4,500	1	24.43%
Takeda Pharmaceuticals USA Inc	1,700	3	9.00%	2,300	3	12.49%
Mondelez International Inc	700	4	3.70%	-		0.00%
Essendant Inc	600	5	3.18%	-		0.00%
Deerfield Park District	500	6	2.65%	-		0.00%
Illinois Student Assistance Commission	499	7	2.64%	550	6	0.00%
Siemens Healthcare Diagnostics	310	8	1.64%	-		0.00%
Lundbeck Inc	260	9	1.38%	-		0.00%
Deerfield High School	250	10	1.32%	500	7	0.00%
Astellas Pharma US Inc	-		0.00%	1,200	4	6.51%
Fortune Brands	-		0.00%	905	5	4.91%
United Stationers Supply	-		0.00%	500	8	2.71%
Sears, Roebuck & Co	-		0.00%	380	9	2.06%
Thompson Financial LLC	-		0.00%	350	10	1.90%
<b>TOTAL</b>	<b>11,719</b>		<b>62.02%</b>	<b>13,585</b>		<b>55.02%</b>
Village population			18,896			18,420

Data Source

2018 Illinois Manufacturers Directory and 2018 Illinois Services Directory

# VILLAGE OF DEERFIELD

## FULL-TIME EQUIVALENT EMPLOYEES Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013	2013*	2014	2015	2016	2017	2018
<b>GENERAL GOVERNMENT</b>										
Village Manager	3	2	4	5	5	5	5	5	6	8
Finance	10	10	8	8	8	8	8	8	8	7
Engineering	3	2	2	2	2	2	3	3	3	3
Community Development	7	7	7	7	7	8	8	8	8	8
<b>PUBLIC WORKS</b>										
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	15	14	14	14	14	14	13	13	13	13
Sewage Treatment Plant	8	8	8	7	7	7	7	7	7	7
Garage	2	2	2	2	2	2	2	2	2	2
<b>PUBLIC SAFETY</b>										
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	33	33	34	34	34	34	34
<b>TOTAL</b>	<u>112</u>	<u>109</u>	<u>109</u>	<u>111</u>	<u>111</u>	<u>113</u>	<u>113</u>	<u>113</u>	<u>114</u>	<u>115</u>

\* Eight months ended December 31, 2013

Data Source

Village budget office

## VILLAGE OF DEERFIELD

### OPERATING INDICATORS Last Ten Calendar Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>PUBLIC SAFETY</b>										
Police										
Physical arrests	415	575	513	485	367	337	336	426	346	452
Parking violations	1,656	1,509	1,343	2,628	2,307	2,560	1,709	1,598	2,452	2,160
Traffic violations	3,703	3,106	3,391	3,367	3,550	3,452	3,765	3,463	2,858	3,725
<b>PUBLIC WORKS</b>										
Street resurfacing (miles)	0.89	0.86	1.83	2.80	1.76	1.96	6.45	0.36	0.74	1.77
<b>WATER</b>										
Water main breaks	59	76	75	78	108	56	61	53	52	32
Average daily consumption (gallons)	2,630,000	2,683,526	2,522,061	2,805,124	2,730,295	2,571,000	2,380,000	2,306,605	2,228,298	2,145,000
Peak daily consumption (gallons)	4,510,000	5,009,819	5,502,196	5,482,125	5,069,827	3,903,000	3,800,000	4,363,018	5,127,763	3,911,685
<b>WASTEWATER</b>										
Average daily treatment (gallons)	3,313,068	2,930,000	3,530,000	2,395,000	2,761,000	3,452,000	3,180,000	2,680,000	2,740,000	2,850,000

Data Source

Various village departments

# VILLAGE OF DEERFIELD

## CAPITAL ASSET STATISTICS Last Ten Fiscal Years

Function/Program	2010	2011	2012	2013	2013*	2014	2015	2016	2017	2018
<b>PUBLIC SAFETY</b>										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Number of Police Officers	41	41	41	42	43	40	40	40	40	40
<b>PUBLIC WORKS</b>										
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
<b>WATER</b>										
Water mains (miles)	88	90	90	90	90	90	90	90	90	90
Fire hydrants	1,212	1,217	1,208	1,220	1,205	1,208	1,206	1,267	1,260	1,260
Storage capacity (gallons)	8,000,000	8,200,850	8,200,850	8,200,850	8,200,850	8,200,850	8,200,850	8,200,850	8,200,850	8,200,850
<b>WASTEWATER</b>										
Sewers (miles)	80	80	80	80	80	80	80	80	80	80
Treatment capacity (gallons)	8,000,000	8,000,000	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000	9,200,000

\* Eight months ended December 31, 2013

Data Source

Various village departments

**OTHER INFORMATION**

**VILLAGE OF DEERFIELD**  
Village General Obligation Bonded Debt (1)  
(Principal Only)

Calendar Year	Taxable Series	Series	Taxable Series	Series	Series	Series	Series	The	Total	Cumulative		
	2010A (BABs)	2011A	2011B (QSEB) (2)	2012	2013	2015	2016	Bonds	Principal	All G.O. Bonds	Principal Retired	
	(12/1)	(12/1)	(12/1)	(12/1)	(12/1)	(12/1)	(12/1)	(12/1)			Amount	Percent
2019	\$ 585,000	\$ 325,000	\$ -	\$ 440,000	\$ 335,000	\$ 415,000	\$ 255,000	\$ 130,000	\$ 2,485,000	\$ 2,485,000	3.95%	
2020	600,000	340,000	-	455,000	340,000	430,000	265,000	235,000	2,665,000	5,150,000	8.19%	
2021	610,000	365,000	-	475,000	345,000	440,000	270,000	245,000	2,750,000	7,900,000	12.57%	
2022	625,000	380,000	-	495,000	350,000	455,000	280,000	255,000	2,840,000	10,740,000	17.08%	
2023	645,000	400,000	-	515,000	350,000	470,000	290,000	265,000	2,935,000	13,675,000	21.75%	
2024	660,000	425,000	-	540,000	355,000	485,000	300,000	275,000	3,040,000	16,715,000	26.59%	
2025	680,000	450,000	-	555,000	360,000	495,000	310,000	285,000	3,135,000	19,850,000	31.58%	
2026	700,000	475,000	-	580,000	365,000	510,000	320,000	295,000	3,245,000	23,095,000	36.74%	
2027	720,000	500,000	-	600,000	375,000	530,000	330,000	310,000	3,365,000	26,460,000	42.09%	
2028	735,000	355,000	12,500,000	455,000	380,000	545,000	345,000	320,000	15,635,000	42,095,000	66.96%	
2029	750,000	1,280,000	-	1,380,000	390,000	560,000	-	325,000	4,685,000	46,780,000	74.41%	
2030	775,000	1,335,000	-	1,425,000	390,000	575,000	-	335,000	4,835,000	51,615,000	82.10%	
2031	-	990,000	-	1,950,000	675,000	595,000	-	350,000	4,560,000	56,175,000	89.36%	
2032	-	-	-	-	610,000	610,000	455,000	360,000	1,425,000	57,600,000	91.62%	
2033	-	-	-	-	-	630,000	475,000	370,000	1,475,000	59,075,000	93.97%	
2034	-	-	-	-	-	650,000	490,000	385,000	1,525,000	60,600,000	96.40%	
2035	-	-	-	-	-	-	510,000	395,000	905,000	61,505,000	97.84%	
2036	-	-	-	-	-	-	525,000	410,000	935,000	62,440,000	99.32%	
2037	-	-	-	-	-	-	-	425,000	425,000	62,865,000	100.00%	
<b>Total</b>	<b>\$ 8,085,000</b>	<b>\$ 7,620,000</b>	<b>\$ 12,500,000</b>	<b>\$ 9,865,000</b>	<b>\$ 5,010,000</b>	<b>\$ 8,395,000</b>	<b>\$ 5,420,000</b>	<b>\$ 5,970,000</b>	<b>\$ 62,865,000</b>			

Notes: (1) Source: The Village.

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

## VILLAGE OF DEERFIELD

### Detailed Overlapping Bonded Debt(1)

(As of May 28, 2019)

	Outstanding Debt (2)	Percent (3)	Applicable to Village Amount
Schools:			
Elementary School District 109	\$ 18,245,000	77.23%	\$ 14,090,614
High School District Number 113	84,480,000	29.93%	25,284,864
High School District Number 225	72,951,131	2.72%	1,984,271
Community College District Number 532	58,645,000	5.21%	3,055,405
Community College District Number 535	32,130,000	0.65%	208,845
Total Schools			\$ 44,623,998
Others:			
Lake County	\$ 174,530,000	5.16%	\$ 9,005,748
Lake County Forest Preserve District	240,155,000	5.16%	12,391,998
Cook County	2,950,121,750	0.10%	2,950,122
Cook County Forest Preserve District	129,615,000	0.10%	129,615
Metropolitan Water Reclamation District of Greater Chicago	2,359,823,061	0.10%	2,359,823
Deerfield Park District	1,140,000	97.66%	1,113,324
Northbrook Park District	9,435,000	2.97%	280,220
Park District of Highland Park	8,430,000	1.35%	113,805
Total Others			\$ 28,344,654
Total Schools and Others Overlapping Bonded Debt			\$ 72,968,652

Note: (1) Source: Cook County Clerk.

(2) Includes original principal amounts of capital appreciation bonds and alternate revenue bonds. Excludes debt certificates.

(3) Percentages are based on 2018 Equalized Assessed Valuations for Lake County and the 2017 Equalized Assessed Valuations for Cook County, the most recent available.

## VILLAGE OF DEERFIELD

### Statement of Bonded Indebtedness (1)

		Ratio to			
	<u>Amount Applicable</u>	<u>EAV</u>	<u>Estimated Actual</u>	<u>PER CAPITA</u> <u>(2017 Census - 18,779)</u>	
Assessed Valuation of Taxable Property, 2017	\$1,468,241,454	100.00%	33.33%	\$78,185.28	
Estimated Actual Value, 2017	\$4,404,724,362	300.00%	100.00%	\$234,555.85	
Village Direct Bonded Debt	\$62,865,000	4.28%	1.43%	\$3,347.62	
Overlapping Debt: (2)					
Schools	\$ 44,623,998	3.04%	1.01%	\$2,376.27	
All Others	28,344,654	1.93%	0.64%	1,509.38	
Total Overlapping Bonded Debt	<u>\$ 72,968,652</u>	<u>4.97%</u>	<u>1.66%</u>	<u>\$3,885.65</u>	
Total Net Direct & Overlapping Debt	<u>\$ 135,833,652</u>	<u>9.25%</u>	<u>3.08%</u>	<u>\$7,233.27</u>	

Notes: (1) Source: The Village.  
(2) As of May 28, 2019.

## VILLAGE OF DEERFIELD

Equalized Assessed Valuation (1)

<u>Property Class</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018 (3)</u>	
Residential	\$1,108,117,369	\$1,012,534,720	\$938,649,978	\$898,117,390	\$909,922,822	\$984,948,931	\$1,052,928,225	\$1,098,197,935	\$1,088,960,101	
Farm						-	-			
Commercial	397,215,326	364,721,276	340,275,838	316,522,689	311,130,618	327,995,985	348,028,112	363,288,977	224,313,021	
Industrial	17,827,124	15,266,443	14,338,152	13,777,096	6,248,146	6,125,472	6,556,025	6,754,542	2,705,095	
Railroad										
<b>Total</b>	<b>\$1,523,159,819</b>	<b>\$1,392,522,439</b>	<b>\$1,293,263,968</b>	<b>\$1,228,417,175</b>	<b>\$1,227,301,586</b>	<b>\$1,319,070,388</b>	<b>\$1,407,512,362</b>	<b>\$1,468,241,454</b>	<b>\$1,315,978,217</b>	
<b>County</b>										
Lake County	\$1,320,610,510	\$1,234,580,528	\$1,148,442,941	\$1,091,644,439	\$1,096,776,425	\$1,190,201,367	\$1,265,022,355	\$1,320,319,691	\$1,315,978,217	
Cook County	\$202,549,309	\$157,941,911	\$144,821,027	\$136,772,736	\$130,525,161	\$128,869,021	\$142,490,007	\$147,921,763	Not Available	
<b>Total</b>	<b>\$1,523,159,819</b>	<b>\$1,392,522,439</b>	<b>\$1,293,263,968</b>	<b>\$1,228,417,175</b>	<b>\$1,227,301,586</b>	<b>\$1,319,070,388</b>	<b>\$1,407,512,362</b>	<b>\$1,468,241,454</b>	<b>\$1,315,978,217</b>	
Percent change +/-	(2)	-5.21%	-8.58%	-7.13%	-5.01%	-0.09%	7.48%	6.70%	4.31%	NA

Notes:

- (1) Source: Lake and Cook County Clerks' Offices.
- (2) Percentage based on 2009 EAV of \$1,606,903,218.
- (3) Values for Lake County only.

## VILLAGE OF DEERFIELD

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

	Levy Years								
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Village Rates:									
Bond and Interest	\$ 0.0340	\$0.098	\$0.159	\$0.175	\$0.251	\$0.278	\$0.316	\$0.305	\$0.305
Corporate	0.1430	0.154	0.164	0.184	0.000	0.261	0.249	0.239	0.242
Garbage	0.0590	0.064	0.071	0.077	0.080	0.000	0.000	0.000	0.000
Library	0.0030	0.004	0.063	0.067	0.199	0.353	0.293	0.290	0.300
Total Village Rate	\$ 0.2390	\$ 0.320	\$ 0.457	\$ 0.503	\$ 0.530	\$ 0.892	\$ 0.858	\$ 0.834	\$ 0.847
Lake County (Including Forest Preserve)	0.7030	0.755	0.820	0.881	0.893	0.871	0.825	0.809	0.794
Deerfield Elementary Dist. 109	2.6650	2.892	3.254	3.424	3.401	3.211	3.070	3.049	3.069
High School District 113	1.9210	2.167	2.178	2.364	2.421	2.309	2.187	2.164	2.222
Community College District Number 532	0.2180	0.240	0.272	0.296	0.306	0.299	0.285	0.281	0.282
Deerfield Park District	0.4600	0.503	0.546	0.585	0.599	0.552	0.542	0.535	0.552
Deerfield-Bannockburn Fire Protection District	0.4860	0.529	0.593	0.637	0.650	0.624	0.612	0.608	0.625
All Other (2)	0.0650	0.073	0.053	0.048	0.053	0.049	0.059	0.045	0.045
Total (4)	\$ 6.7570	\$ 7.479	\$ 8.173	\$ 8.738	\$ 8.853	\$ 8.807	\$ 8.438	\$ 8.325	\$ 8.436

Notes: (1) Source: Cook County Clerk

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

(4) Representative tax rate is for Lake County Tax Code 17004 which represents the largest tax code of the Village's 2018 EAV; the latest data available.

## VILLAGE OF DEERFIELD

### Village Tax Extensions and Collections (1)

<u>Levy Year</u>	<u>Collection Year</u>	<u>Lake County Extensions</u>	<u>Cook County Extension</u>	<u>Total Tax Extensions</u>	<u>Total Collected</u>	<u>Percent</u>
2006	2007	\$ 4,290,135	\$ 789,938	\$ 5,080,074	\$ 5,045,257	99.31%
2007	2008	4,699,890	789,769	5,489,659	5,450,691	99.29%
2008	2009	4,837,032	816,337	5,653,369	5,609,999	99.23%
2009	2010	5,106,445	781,840	5,888,285	5,851,862	99.38%
2010	2011	5,850,305	825,338	6,675,642	6,624,625	99.24%
2011	2012	7,469,212	987,137	8,456,349	8,407,192	99.42%
2012	2013	8,257,305	1,071,676	9,328,980	9,266,916	99.33%
2013	2014	8,558,492	1,099,653	9,658,145	9,596,025	99.36%
2014	2015	9,602,672	1,181,253	10,783,925	10,725,053	99.45%
2015	2016	10,633,807	1,188,132	11,821,939	11,772,386	99.58%
2016	2017	10,839,968	1,248,212	12,088,181	12,045,734	99.65%
2017	2018	11,005,076	1,283,961	12,289,037	12,270,843	99.85%

Notes: (1) Source: the Village

## VILLAGE OF DEERFIELD

### Principal Taxpayers (1)

Taxpayer Name	Business/Service	2017
Walgreen Co.	Pharmacy, Company Headquarters	\$45,707,187
Marvin F Poer & Co.	Real Property	32,537,387
TAKEDA PHARMACEUTICALS NORTH AMERICA, INC	Pharmaceuticals	27,302,061
MidAmerica Asset Management	Real Property	25,636,607
Fulcrum Asset Advisors	Real Property	20,543,752
CRM Properties Group	Real Property	15,211,098
James Campbell Co LLC	Real Property	14,744,691
LO Deerfield Operating	Real Property	13,028,808
LPF Woodview LLC	Real Property	11,604,372
North Parkway One Investment LLC	Real Property	11,046,770
	Total	<u>\$217,362,733</u>
	10 Largest Taxpayers as Percent of Total	<u>14.80%</u>

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

(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2017 EAV is the most current available.