

New Issue

Date of Sale: Thursday, May 9, 2024
Between 11:15 and 11:30 A.M, C.D.T
(Closed Speer Auction)

Investment Rating:
S&P Global Ratings ... AA+ (Stable Outlook)

Official Statement

Subject to compliance by the Village with certain covenants, in the opinion of Chapman and Cutler LLP, Chicago, Illinois (“Bond Counsel”), under present law, interest on the Certificates is excludible from gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals. Interest on the Certificates may affect the corporate alternative minimum tax for certain corporations. Interest on the Certificates is not exempt from present State of Illinois income taxes. See “TAX EXEMPTION” herein for a more complete discussion. The Certificates are “qualified tax-exempt obligations” under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See “QUALIFIED TAX-EXEMPT OBLIGATIONS” herein.



\$1,490,000*

VILLAGE OF INDIAN HEAD PARK

Cook County, Illinois
Debt Certificates, Series 2024

Dated Date of Delivery Bank Qualified Non-Callable Book-Entry Due Serially December 1, 2024-2028

The \$1,490,000* Debt Certificates, Series 2024 (the “Certificates”) are being issued by the Village of Indian Head Park, Cook County, Illinois (the “Village”). Interest is payable semiannually on June 1 and December 1 of each year, commencing December 1, 2024. Interest is calculated based on a 360-day year of twelve 30-day months. The Certificates will be issued using a book-entry system. The Depository Trust Company, New York, New York (“DTC”), will act as securities depository for the Certificates. The ownership of one fully registered Certificate for each maturity will be registered in the name of Cede & Co., as nominee for DTC and no physical delivery of Certificates will be made to purchasers. The Certificates will mature on December 1 in the following years and amounts.

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

Principal Amount*	Due Dec. 1	Interest Rate	Yield	CUSIP Number(1)	Principal Amount*	Due Dec. 1	Interest Rate	Yield	CUSIP Number(1)
\$300,000	2024	_____ %	_____ %	_____	\$305,000	2027	_____ %	_____ %	_____
275,000	2025	_____ %	_____ %	_____	320,000	2028	_____ %	_____ %	_____
290,000	2026	_____ %	_____ %	_____					

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

NO OPTIONAL REDEMPTION

The Certificates are **not** subject to optional redemption prior to maturity.

PURPOSE, LEGALITY AND SECURITY

Certificate proceeds will be used to finance improvements to the Village’s waterworks system and to pay the costs of issuing the Certificates. See “THE PROJECT” herein.

In the opinion of Bond Counsel, the Certificates are valid and legally binding upon the Village and are payable from any funds of the Village legally available for such purpose, except that the rights of the owners of the Certificates and the enforceability of the Certificates may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. There is no statutory authority for the levy of a separate tax in addition to other Village taxes or the levy of a special tax unlimited as to rate or amount to pay the principal and interest due on the Certificates. See “AUTHORIZATION, SECURITY AND GENERAL DESCRIPTION” herein.

This Official Statement is dated April 24, 2024, and has been prepared under the authority of the Village. An electronic copy of this Official Statement is available from the www.speerfinancial.com web site under “Debt Auction Center/Competitive Official Statement Sales Calendar”. Additional copies may be obtained from Gavin Morgan, Village Administrator, Village of Indian Head Park, 201 Acacia Drive, Indian Head Park, Illinois 60525, or from the Municipal Advisor to the Village:



*Subject to change.

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

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

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

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

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

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OFFICIAL BID FORM
OFFICIAL NOTICE OF SALE

CERTIFICATE ISSUE SUMMARY

This Certificate Issue Summary is expressly qualified by the entire Official Statement, including the Official Notice of Sale and the Official Bid Form, which are provided for the convenience of potential investors and which should be reviewed in their entirety by potential investors.

Issuer:	Village of Indian Head Park, Cook County, Illinois (the "Village").
Issue:	\$1,490,000* Debt Certificates, Series 2024 (the "Certificates").
Dated Date:	Date of delivery, expected to be on or about May 23, 2024.
Interest Due:	Each June 1 and December 1, commencing December 1, 2024.
Principal Due:	Serially each December 1, commencing December 1, 2024 through 2028, as detailed on the cover page of this Official Statement.
No Optional Redemption:	The Certificates are not subject to optional redemption prior to maturity.
Authorization:	A certificate ordinance to be adopted by the President and Board of Trustees of the Village on the 9th day of May, 2024 (the "Certificate Ordinance").
Purpose:	Certificate proceeds will be used to finance improvements to the Village's waterworks system and to pay the costs of issuing the Certificates. See " THE PROJECT " herein.
Security:	The Certificates are valid and legally binding upon the Village and are payable from any funds of the Village legally available for such purpose. There is no statutory authority for the levy of a separate tax in addition to other Village taxes or the levy of a special tax unlimited as to rate or amount to pay the principal and interest due on the Certificates. See " AUTHORIZATION, SECURITY AND GENERAL DESCRIPTION " herein.
Investment Rating:	The Certificates have been rated "AA+" (Stable Outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, New York, New York ("S&P"). See " INVESTMENT RATING " herein.
Tax Exemption:	Chapman and Cutler LLP, Chicago, Illinois, will provide an opinion as to the federal tax exemption of the interest on the Certificates as discussed under " TAX EXEMPTION " in this Official Statement. Interest on the Certificates is not exempt from present State of Illinois income taxes.
Bank Qualification:	The Certificates are "qualified tax-exempt obligations" under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. See " QUALIFIED TAX-EXEMPT OBLIGATIONS " herein.
Registrar/Paying Agent:	Amalgamated Bank of Chicago, Chicago, Illinois.
Delivery:	The Certificates are expected to be delivered on or about May 23, 2024.
Book-Entry Form:	The Certificates will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Certificates. See APPENDIX B herein.
Denomination:	\$5,000 or integral multiples thereof.
Municipal Advisor:	Speer Financial, Inc., Chicago, Illinois.

*Subject to change.

VILLAGE OF INDIAN HEAD PARK
Cook County, Illinois

Amy Jo Wittenberg
Village President

Board of Trustees

Eileen Murphy-Donnersberger
Charles Eck

James Gazis
Brenda O’Laughlin

Cristina Saldana
Danielle Svestka

Officials

Gavin Morgan
Village Administrator

INTRODUCTION

The purpose of this Official Statement is to set forth certain information concerning the Village of Indian Head Park, Cook County, Illinois (the “Village”), in connection with the offering and sale of its \$1,490,000* Debt Certificates, Series 2024 (the “Certificates”).

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

AUTHORIZATION, SECURITY AND GENERAL DESCRIPTION

The Certificates are issued pursuant to the Illinois Municipal Code of the State of Illinois, as amended (the “Municipal Code”), and the Local Government Debt Reform Act of the State of Illinois (the “Debt Reform Act”), and all laws amendatory thereof and supplementary thereto, and a certificate ordinance to be adopted by the President and Board of Trustees of the Village (the “Village Board”) on the 9th day of May, 2024 (the “Certificate Ordinance”).

The Certificates, in the opinion of Chapman and Cutler LLP, Chicago, Illinois, Bond Counsel (“Bond Counsel”), are valid and legally binding upon the Village and are payable from any funds of the Village legally available for such purpose, except that the rights of the owners of the Certificates and the enforceability of the Certificates may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. There is no statutory authority for the levy of a separate tax in addition to other Village taxes or the levy of a special tax unlimited as to rate or amount to pay the principal and interest due on the Certificates.

*Subject to change

Proceeds of the Certificate proceeds will be used to finance improvements to the Village’s waterworks system (the “Project”) and to pay the costs of issuing the Certificates. See “**THE PROJECT**” herein.

The Certificates will be dated the date of issuance thereof, will be in fully registered form, without coupons, and will be in denominations of \$5,000 or any integral multiple thereof under a book-entry only system operated by The Depository Trust Company, New York, New York (“DTC”). Principal of and interest on the Certificates will be payable by Amalgamated Bank of Chicago, Chicago, Illinois (the “Registrar”).

The Certificates will mature as shown on the cover page hereof. Interest on the Certificates will be payable each June 1 and December 1, beginning December 1, 2024. The Certificates will bear interest from their dated date, or from the most recent interest payment date to which interest has been paid or provided for, computed on the basis of a 360-day year consisting of twelve 30-day months. The principal of the Certificates will be payable in lawful money of the United States of America upon presentation and surrender thereof at the principal corporate trust office of the Registrar. Interest on each Certificate will be paid by check or draft of the Registrar payable upon presentation in lawful money of the United States of America to the person in whose name such Certificate is registered at the close of business on the 15th day of the month next preceding the interest payment date.

THE PROJECT

Certificate proceeds will be used to pay for a portion of the costs of the Project and to pay the costs of issuing the Certificates. The Project includes the renovation of a pumphouse, and the replacement of existing pumps, valves, piping motor control and vacuum priming system. Total Project costs are expected to be approximately \$2,000,000. The Village expects to also pay for the Project through the use of lawfully available funds of the Village on hand.

SOURCES AND USES

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

SOURCES:	
Principal Amount	\$ _____
Net Original Issue Premium	_____
Total Sources	\$ _____

USES:	
Costs of the Project	\$ _____
Costs of Issuance(1)	_____
Total Uses	\$ _____

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

NO OPTIONAL REDEMPTION

The Certificates are **not** subject to optional redemption prior to maturity.

RISK FACTORS

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

Construction Risks

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

Finances of the State of Illinois

While the finances of the State of Illinois (the "State") have significantly improved in recent years, the State continues to deal with a severe underfunding of its pension systems, which, based on the comprehensive annual financial reports of the State's five retirement systems, have a combined unfunded pension liability of approximately \$140 billion and a combined funded ratio of approximately 44%. Also, despite eight credit rating upgrades since June 2021, the State's long term general obligation Certificates carry the lowest ratings of all states.

The State enacted full budgets for the State fiscal years ending June 30, 2018 (the "Fiscal Year 2018 Budget"), June 30, 2019 (the "Fiscal Year 2019 Budget"), June 30, 2020 (the "Fiscal Year 2020 Budget"), June 30, 2021 (the "Fiscal Year 2021 Budget"), June 30, 2022 (the "Fiscal Year 2022 Budget"), and June 30, 2023 (the "Fiscal Year 2023 Budget"). On June 7, 2023, the Governor signed the State's budget (Public Act 103 006) for the fiscal year ending June 30, 2024 (the "Fiscal Year 2024 Budget"), which included a \$183 million surplus, additional contributions to the State pension system and the State's Budget Stabilization ("rainy day") Fund, which is set to surpass \$2 billion, and the elimination of the State's bill backlog.

Under current law, the State shares a portion of sales tax, income tax, use tax and motor fuel tax revenue with municipalities, including the Village. The State's general fiscal condition and the underfunding of the State's pension systems have materially adversely affected the State's financial condition and may result in decreased or delayed revenues allocated to the Village. In addition, the Fiscal Year 2018 Budget, the Fiscal Year 2019 Budget and the Fiscal Year 2020 Budget contained a provision reducing the amount of income tax revenue to be deposited into the Local Government Distributive Fund for distribution to municipalities, like the Village, by 10% for State Fiscal Year 2018 and by 5% for State Fiscal Year 2019 and State Fiscal Year 2020. Subsequent State budgets have not included any such reduction. The Fiscal Year 2018 Budget, and each budget thereafter also include a service fee for collection and processing of local imposed sales taxes. Such fee was 2% of such sales taxes for State Fiscal Year 2018 and was reduced to 1.5% of such sales taxes for State Fiscal Year 2019 and each State Fiscal Year thereafter.

The Village cannot determine at this time the financial impact of these provisions on its overall financial condition, but such provisions may result in lower income tax revenues and sales tax revenues distributed to the Village. The Village can give no assurance that there will not be additional changes in applicable law modifying the manner in which local revenue sharing is allocated by the State, nor can the Village predict the effect the State's financial problems, including those caused by the Novel Coronavirus 2019 ("COVID 19") or the various governmental or private actions in reaction thereto, may have on the Village's future finances.

Future Pension Plan Funding Requirements

The Village participates in the Illinois Municipal Retirement Plan (the "IMRF Plan"), which is a defined benefit pension plan administered by the Illinois Municipal Retirement Fund ("IMRF"); employer contributions are projected by IMRF to increase over time. Increasing annual required employer contributions for the Village could have a material adverse effect on the finances of the Village. See "**EMPLOYEE RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS**" herein for a more complete discussion.

Cybersecurity

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

Local Economy

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

Declining Equalized Assessed Valuations

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

Loss or Change of Bond Rating

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

Secondary Market for the Certificates

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

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

Limited Continuing Disclosure

A failure by the Village to comply with the Continuing Disclosure Undertaking (the "Undertaking") will not constitute a default under the Certificate Ordinance and beneficial owners of the Certificates are limited to the remedies described in the Undertaking. See **APPENDIX E** herein. The Village must report any failure to comply with the Undertaking in accordance with Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Certificates in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Certificates and their market price.

Suitability of Investment

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

Future Changes in Laws

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

Factors Relating to Tax Exemption

As discussed under “**TAX EXEMPTION**” herein, interest on the Certificates could become includible in gross income for purposes of federal income taxation, retroactive to the date the Certificates were issued, as a result of future acts or omissions of the Village in violation of its covenants in the Certificate Ordinance. Should such an event of taxability occur, the Certificates are not subject to any special redemption.

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

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

Bankruptcy

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

Climate Change Risk

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

THE VILLAGE

Village Information

The Village was incorporated in 1959 and is governed by a Village President and a six-member Village Board, all elected to four-year terms. The Village President is the Chief Executive Officer and the Clerk are responsible for administrative details. The Village Administrator is responsible for handling all of the financial records for the Village.

The Village is located in Lyons Township in Cook County approximately 18 miles west of the Chicago Loop. The Village encompasses an area of approximately one square mile. The Village's 2020 population, according to the U.S. Census, is 4,605. The Village employs a staff of 28, which is comprised of 16 full-time and 12 part-time employees.

Transportation

The Village's location allows for many transportation options for its residents via I-294 running north-south, on the west border of the Village, and I-55 running east-west, on the southern border of the Village. The area is served by passenger rail service, expressways and major highways. Air freight and passenger service are available at O'Hare Airport, within 25 miles and Midway Airport, about 10 miles from the Village via major expressways.

Parks and Recreation

The Pleasant Dale Park District, which covers the Village, maintains approximately 134 acres of park land on approximately 4.5 square miles and has a wide variety of recreational programming for people of all ages. Walker Park (Recreation Center) includes a wide variety of activities including fishing, sand volleyball, tennis courts, ice skating, horseshoes, walking path and much more. Flagg Creek Golf Course is located in nearby Countryside.

Education

Public education is provided through LaGrange Highlands School District Number 106 with total enrollment of approximately 1,000; Pleasant Dale School District Number 107 with approximately 850 students; and Lyons Township High School District 204, which has a current enrollment of approximately 4,000. Higher educational opportunities are available at College of DuPage in Glen Ellyn and Robert Morris College in Naperville.

SOCIOECONOMIC INFORMATION

Employment

Substantial employment is available in surrounding communities and throughout the Chicago metropolitan area. Numerous employers are located within the Village and in surrounding communities.

Following are lists of large employers located in the Village and in the surrounding area.

Major Village Employers(1)

<u>Name</u>	<u>Product/Service</u>	<u>Approximate Employment</u>
Briar Place.....	Nursing Home.....	120
Walgreen's	Drug Store	30
The Village	Municipality.....	28
Wolf's Head Inn	Restaurant.....	20
Oak Pantry & Deli	Grocery Store	15
Studio Suites	Beauty Salon	10
W Trucking Group, Inc.....	Long-Distance Trucking	10
The UPS Store	Shipping, Packing & Business Services	7
Route 66 Global Automotive.....	Automotive Repair	6
7-Eleven	Convenience Store	5

Note: (1) Source: 2024 Illinois Manufacturers Directory, 2024 Illinois Services Directory and a selective telephone survey.

Major Area Employers(I)

<u>Location</u>	<u>Name</u>	<u>Product/Service</u>	<u>Approximate Employment</u>
La Grange	Adventist La Grange Memorial Hospital	General Hospital	1,312
La Grange	Progress Rail Locomotive, Inc.	Railroad Equipment.....	1,300
Willowbrook.....	G4S Secure Solutions (USA), Inc.....	Security Service	950
Burr Ridge.....	CNH Industrial America, LLC	Agriculture & Construction Equipment.....	800
La Grange.....	Lyons Township High School District 204.....	Public High School.....	661
La Grange.....	Grayhill, Inc.....	Corporate Headquarters & Electronic Components	600
Willowbrook.....	Meade Electric Co., Inc.	Corporate Headquarters & Electrical Contractors	400
Burr Ridge.....	TCF National Bank.....	Commercial Bank.....	300
Burr Ridge.....	Mars Chocolate North America	Ice Cream and Frozen Desserts.....	250
Countryside.....	Helping Hand	Company Headquarters & Rehabilitation Programs.....	250
Countryside.....	International Union of Operating Engineers, Local 150.....	Labor Organization.....	250

Note: (1) Source: 2024 Illinois Manufacturers Directory, 2024 Illinois Services Directory and a selective telephone survey.

The following tables show employment by industry and by occupation for the Village, the County, and the State as reported by the U.S. Census Bureau 2018-2022 American Community Survey 5-year estimated values.

Employment By Industry(I)

<u>Classification</u>	<u>The Village</u>		<u>The County</u>		<u>The State</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Agriculture, Forestry, Fishing and Hunting, and Mining.....	23	1.3%	5,098	0.2%	64,950	1.0%
Construction.....	15	0.9%	123,190	4.7%	342,937	5.5%
Manufacturing.....	178	10.4%	242,737	9.3%	731,486	11.6%
Wholesale Trade	77	4.5%	64,144	2.5%	175,238	2.8%
Retail Trade.....	220	12.9%	240,182	9.2%	658,806	10.5%
Transportation and Warehousing, and Utilities.....	282	16.5%	200,420	7.7%	434,186	6.9%
Information	0	0.0%	51,552	2.0%	107,181	1.7%
Finance and Insurance, and Real Estate and Rental and Leasing ...	77	4.5%	217,240	8.4%	463,714	7.4%
Professional, Scientific, and Management, and Administrative and Waste Management Services	288	16.9%	406,184	15.6%	786,872	12.5%
Educational Services and Health Care and Social Assistance	439	25.7%	606,870	23.3%	1,466,053	23.3%
Arts, Entertainment and Recreation and Accommodation and Food Services.....	48	2.8%	225,094	8.7%	527,829	8.4%
Other Services, Except Public Administration	19	1.1%	124,868	4.8%	287,651	4.6%
Public Administration.....	39	2.3%	93,040	3.6%	233,544	3.7%
Total.....	1,705	100.0%	2,600,619	100.0%	6,280,447	100.0%

Note: (1) Source: U.S. Bureau of the Census. American Community Survey, 2018 to 2022 estimates.

Employment By Occupation(I)

<u>Classification</u>	<u>The Village</u>		<u>The County</u>		<u>The State</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
Management, Business, Science and Arts	1,001	58.7%	1,158,970	44.6%	2,614,394	41.6%
Service	81	4.8%	428,545	16.5%	1,018,669	16.2%
Sales and Office	400	23.5%	512,407	19.7%	1,276,600	20.3%
Natural Resources, Construction, and Maintenance	0	0.0%	150,277	5.8%	448,841	7.1%
Production, Transportation, and Material Moving.....	223	13.1%	350,420	13.5%	921,943	14.7%
Total.....	1,705	100.0%	2,600,619	100.0%	6,280,447	100.0%

Note: (1) Source: U.S. Bureau of the Census. American Community Survey, 2018 to 2022 estimates.

Annual Average Unemployment Rates(I)

Calendar Year	The Village	The County	The State
2020(2)	7.7%	10.6%	9.3%
2021	5.0%	6.9%	6.1%
2022	3.3%	5.0%	4.6%
2023	3.7%	4.4%	4.5%
2024(3)	N/A	5.2%	5.3%

- Notes: (1) Source: Illinois Department of Employment Security.
 (2) The increase in unemployment rates is attributed to the COVID-19 pandemic.
 (3) Preliminary rates for the month of February 2024.

Building Permits

Building permits have averaged \$78,712 over the last five fiscal years in the Village, excluding the value of land.

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

Fiscal Year	Number of Permits	Total Value
2019	738	\$ 85,371
2020	1,196	74,055
2021	1,432	77,306
2022	1,129	124,241
2023	1,614	32,589

Note: (1) Source: the Village.

Housing

The U.S. Census Bureau 5-year estimated values reported that the median value of the Village's owner-occupied homes was \$322,400. This compares to \$293,700 for the County and \$239,100 for the State. The following table represents the five year average market value of specified owner-occupied units for the Village, the County and the State at the time of the 2018-2022 American Community Survey.

Home Values(I)

Value	The Village		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$50,000	39	2.5%	40,965	3.4%	180,748	5.5%
\$50,000 to \$99,999	105	6.7%	47,665	4.0%	324,962	9.8%
\$100,000 to \$149,999	17	1.1%	92,280	7.8%	391,156	11.8%
\$150,000 to \$199,999	49	3.1%	131,587	11.1%	435,868	13.2%
\$200,000 to \$299,999	493	31.5%	300,493	25.3%	776,095	23.4%
\$300,000 to \$499,999	526	33.6%	342,666	28.8%	785,156	23.7%
\$500,000 to \$999,999	304	19.4%	181,218	15.2%	339,326	10.2%
\$1,000,000 or more	34	2.2%	52,071	4.4%	79,498	2.4%
Total	1,567	100.0%	1,188,945	100.0%	3,312,809	100.0%

Note: (1) Source: U.S. Bureau of the Census. American Community Survey, 2018 to 2022 estimates.

Mortgage Status(I)

Value	The Village		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Housing Units with a Mortgage	1,010	64.5%	753,292	63.4%	2,054,273	62.0%
Housing Units without a Mortgage	557	35.5%	435,653	36.6%	1,258,536	38.0%
Total	1,567	100.0%	1,188,945	100.0%	3,312,809	100.0%

Note: (1) Source: U.S. Bureau of the Census. American Community Survey, 2018 to 2022 estimates.

Income

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

Ranking	County	2018 to 2022
1.....	DuPage County	\$55,107
2.....	Lake County	53,677
3.....	Monroe County	47,248
4.....	McHenry County	46,322
5.....	Cook County	45,646
6.....	Kane County	44,523
7.....	Will County	44,356
8.....	Grundy County.....	42,192
9.....	Menard County	41,497
10.....	Piatt County	41,429

Note: (1) Source: U.S. Bureau of the Census. 2018-2022 American Community Survey 5-Year Estimates.

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

Ranking of Median Family Income(I)

County	Family Income	Ranking
DuPage County	\$131,901	1
Lake County	126,685	2
Monroe County.....	123,603	3
Will County	119,675	4
McHenry County.....	116,736	5
Kendall County	114,678	6
Kane County	112,260	7
Cook County	97,520	15

Note: (1) Source: U.S. Bureau of the Census. 2018-2022 American Community Survey 5-Year Estimates.

The U.S. Census Bureau 5-year estimated values reported that the Village had a median family income of \$151,974. This compares to \$97,520 for the County and \$99,215 for the State. The following table represents the distribution of family incomes for the Village, the County and the State at the time of the 2018-2022 American Community Survey.

Family Income(I)

Income	The Village		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000	31	2.8%	43,071	3.6%	92,548	3.0%
\$10,000 to \$14,999	14	1.3%	22,773	1.9%	51,680	1.6%
\$15,000 to \$24,999	12	1.1%	56,701	4.7%	127,333	4.1%
\$25,000 to \$34,999	0	0.0%	71,335	5.9%	160,445	5.1%
\$35,000 to \$49,999	32	2.9%	106,849	8.8%	267,949	8.5%
\$50,000 to \$74,999	97	8.9%	167,778	13.9%	455,252	14.5%
\$75,000 to \$99,999	115	10.6%	149,547	12.4%	423,500	13.5%
\$100,000 to \$149,999	229	21.0%	228,932	18.9%	660,439	21.1%
\$150,000 to \$199,999	110	10.1%	143,577	11.9%	385,443	12.3%
\$200,000 or more	450	41.3%	220,107	18.2%	509,514	16.3%
Total	1,090	100.0%	1,210,670	100.0%	3,134,103	100.0%

Note: (1) Source: U.S. Bureau of the Census. American Community Survey, 2018 to 2022 estimates.

The U.S. Census Bureau 5-year estimated values reported that the Village had a median household income of \$100,455. This compares to \$78,304 for the County and \$78,433 for the State. The following table represents the distribution of household incomes for the Village, the County and the State at the time of the 2018-2022 American Community Survey.

Household Income(I)

Income	The Village		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$10,000	50	2.8%	124,376	6.0%	261,983	5.3%
\$10,000 to \$14,999	14	0.8%	81,221	3.9%	173,630	3.5%
\$15,000 to \$24,999	82	4.6%	140,887	6.8%	332,403	6.7%
\$25,000 to \$34,999	67	3.7%	147,582	7.1%	350,966	7.1%
\$35,000 to \$49,999	230	12.8%	200,137	9.7%	500,799	10.1%
\$50,000 to \$74,999	219	12.2%	301,969	14.6%	766,671	15.4%
\$75,000 to \$99,999	236	13.1%	255,350	12.4%	639,046	12.9%
\$100,000 to \$149,999	301	16.7%	346,116	16.8%	876,255	17.6%
\$150,000 to \$199,999	127	7.1%	191,308	9.3%	467,313	9.4%
\$200,000 or more	474	26.3%	277,302	13.4%	599,695	12.1%
Total	1,800	100.0%	2,066,248	100.0%	4,968,761	100.0%

Note: (1) Source: U.S. Bureau of the Census. American Community Survey, 2018 to 2022 estimates.

Retail Activity

The table below shows the distribution of the municipal portion and Non Home Rule portion of the Retailers' Occupation, Service Occupation and Use Tax ("Sales Tax") collected by the State Department of Revenue from retailers within the Village. The table below indicates the level of retail activity in the Village.

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

Calendar Year	Municipal Sales Tax(2)	Percent Change +/-	Non Home Rule Sales Tax	Percent Change +/-	Total	Percent Change +/-
2019	\$198,562	2.24%	\$ 96,430	6.91%	\$294,992	3.72%(3)
2020	216,569	9.07%	108,550	12.57%	325,119	10.21%
2021	205,219	(5.24%)	106,295	(2.08%)	311,514	(4.18%)
2022	264,951	29.11%	158,923	49.51%	423,874	36.07%
2023	301,047	13.62%	184,145	15.87%	485,192	14.47%
Growth from 2019 to 2023		51.61%		90.96%		64.48%

Notes: (1) Source: Illinois Department of Revenue.

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

(3) Percent changed based on a 2018 total sales tax distribution of \$284,403.

DEFAULT RECORD

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

SHORT-TERM BORROWING

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

DEBT INFORMATION

After issuance of the Certificates, the Village will have outstanding \$2,630,000* principal amount of general obligation debt.

Except for the Certificates, the Village does not intend to issue any debt within the next 12 months.

Village Debt Certificate Debt(1) (Principal Only)

Calendar Year	The Certificates(2) 1-Dec	Cumulative Principal Retired(2)	
		Amount	Percent
2024.....	\$ 300,000	\$ 300,000	20.13%
2025.....	275,000	575,000	38.59%
2026.....	290,000	865,000	58.05%
2027.....	305,000	1,170,000	78.52%
2028.....	<u>320,000</u>	1,490,000	100.00%
Total.....	\$1,490,000		

Notes: (1) Source: the Village.
(2) Subject to change.

Village General Obligation Bonded Debt(1)(2) (Principal Only)

Calendar Year	Series 2014 Bond 1-Dec	Cumulative Principal Retired	
		Amount	Percent
2024.....	\$ 175,000	\$ 175,000	15.35%
2025.....	180,000	355,000	31.14%
2026.....	185,000	540,000	47.37%
2027.....	195,000	735,000	64.47%
2028.....	200,000	935,000	82.02%
2029.....	<u>205,000</u>	1,140,000	100.00%
Total.....	\$1,140,000		

Notes: (1) Source: the Village.
(2) Mandatory redemption amounts are shown for term Bonds.

*Subject to change

Detailed Overlapping Bonded Debt(1) (As of February 22, 2024)

	Outstanding Debt	Applicable to the Village	
		Percent(2)	Amount
Schools:			
School District Number 106	\$ 14,895,000	26.31%	\$3,919,269
High School District Number 204	13,930,000	4.31%	599,841
Community College District Number 502	103,020,000	0.29%	<u>299,725</u>
Total Schools			\$4,818,835
Others:			
Cook County	\$2,093,131,750	0.08%	\$1,685,910
Forest Preserve District of Cook County	98,005,000	0.08%	78,938
Metropolitan Water Reclamation District	2,503,179,075	0.08%	<u>2,049,423</u>
Total Others			\$3,814,271
Total Schools and Others Overlapping Bonded Debt			\$8,633,105

- Notes: (1) Source: Cook County Clerk and the MSRB's Electronic Municipal Market Access website ("EMMA").
(2) Overlapping bonded debt percentages based on 2022 EAV, the most current available.

Statement of Bonded Indebtedness(1)

	Amount Applicable	Ratio To		Per Capita (2020 Census Pop. 4,605)
		Equalized Assessed	Estimated Actual	
2022 Village EAV of Taxable Property	\$148,716,626	100.00%	33.33%	\$ 36,584.66
Estimated Actual Value	\$446,149,878	300.00%	100.00%	\$109,753.97
Net Direct Bonded Debt(2)	\$ 1,140,000	0.77%	0.26%	\$ 280.44
Overlapping Bonded Debt(3)				
Schools	\$ 4,818,835	3.24%	1.08%	\$ 1,185.45
All Others	<u>3,814,271</u>	<u>2.56%</u>	<u>0.85%</u>	<u>938.32</u>
Total Overlapping Bonded Debt	\$ 8,633,105	5.81%	1.94%	\$ 2,123.77
Total Net Direct & Overlapping Bonded Debt(2)	\$ 9,773,105	6.57%	2.19%	\$ 2,404.21

- Notes: (1) Source: Cook County Clerk and the Village.
(2) Excludes the Certificates.
(3) Overlapping bonded debt as of February 22, 2024.

Legal Debt Margin(1)

2022 Village Equalized Assessed Valuation	\$148,716,626		
Statutory Debt Limitation (8.625% of EAV)		\$12,826,809	
Non-Referendum Debt Limitation (0.5% of EAV)			\$743,583

Debt Certificates Debt:

The Certificates(2)	\$ 1,490,000
Total Debt Certificates(2)	\$ 1,490,000

General Obligation Bonded Debt:

Series 2014 Bonds(3)	\$ 1,140,000
Total General Obligation Bonded Debt	\$ 1,140,000

Total Applicable Debt(2)	\$ 2,630,000	\$ 0
Legal Debt Margin(2).....	\$10,196,809	\$743,583

- Notes: (1) Source: Cook County Clerk and the Village.
(2) Subject to change.
(3) Voted Bonds, which do not count against the Village's non-referendum debt limitation.

PROPERTY ASSESSMENT AND TAX INFORMATION

For the 2022 levy year, the Village's EAV was comprised of 90.98% residential, 0.20% industrial, and 8.82% commercial property valuations.

Village Equalized Assessed Valuation(I)

Property Class	Levy Years				
	2018	2019	2020(2)	2021	2022
Residential.....	\$135,241,382	\$134,202,664	\$150,604,231	\$138,587,201	\$135,304,294
Commercial.....	11,719,133	11,594,922	14,710,831	13,466,498	13,112,200
Industrial.....	1,181,723	924,374	1,156,019	1,076,867	300,132
Total.....	\$148,142,238	\$146,721,960	\$166,471,081	\$153,130,566	\$148,716,626
Percent Change +(-).....	(4.52%)(3)	(0.96%)	13.46%	(8.01%)	(2.88%)

- Notes: (1) Source: Cook County Clerk.
 (2) Triennial reassessment year.
 (3) Percentage change based on 2017 EAV of \$155,155,702.

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

Village:	Levy Years					Tax Rate Ceiling
	2018	2019	2020	2021	2022	
Corporate.....	\$0.371	\$0.380	\$0.347	\$0.388	\$0.416	\$0.438
Certificates & Interest.....	0.152	0.151	0.134	0.145	0.150	
I.M.R.F.....	0.068	0.084	0.066	0.065	0.064	
Police Protection.....	0.079	0.083	0.085	0.096	0.127	0.600
Social Security.....	0.056	0.053	0.049	0.069	0.067	
Auditing.....	0.007	0.006	0.004	0.007	0.009	
Liability Insurance.....	0.081	0.079	0.066	0.057	0.054	
Handicapped Fund.....	0.018	0.018	0.016	0.017	0.017	0.040
Levy Adjustment.....	0.000	0.000	0.000	0.003	0.009	
Total Village Rate.....	\$0.833	\$0.853	\$0.766	\$0.846	\$0.913	
Cook County.....	\$0.489	\$0.454	\$0.453	\$0.446	\$0.431	
Consolidated Elections.....	0.000	0.030	0.000	0.019	0.000	
Forest Preserve District of Cook County.....	0.060	0.059	0.058	0.058	0.081	
Lyons Township(2).....	0.201	0.198	0.159	0.174	0.179	
Metropolitan Water Reclamation District of Greater Chicago.....	0.396	0.389	0.378	0.382	0.374	
Des Plaines Valley Mosquito Abatement District.....	0.015	0.014	0.012	0.014	0.015	
Pleasant View Fire Protection District.....	0.787	0.800	0.731	0.829	0.894	
School District Number 106.....	3.174	3.269	2.916	3.216	3.609	
High School District Number 204.....	2.125	2.181	1.962	2.184	2.359	
Community College District Number 502.....	0.265	0.244	0.227	0.252	0.256	
Total Rate(3).....	\$8.345	\$8.491	\$7.662	\$8.420	\$9.111	

- Notes: (1) Source: Cook County Clerk.
 (2) Includes General Assistance, Road and Bridge and Mental Health.
 (3) Representative tax rates for other government units are from Lyons tax code 21089, which represents the largest portion of the Village's 2022 EAV, the most current available.

Tax Extensions and Collections(I)

Levy Year	Coll. Year	Taxes Extended	Total Collections	
			Amount	Percent
2018.....	2019.....	\$1,232,834	\$1,190,442	96.56%
2019.....	2020.....	1,250,145	1,235,305	98.81%
2020.....	2021.....	1,275,272	1,214,414	95.23%
2021.....	2022.....	1,294,873	1,334,341	103.05%
2022.....	2023.....	1,357,783	1,295,681	95.43%

- Note: (1) Source: Cook County Clerk and the Village.

Principal Taxpayers(I)

<u>Taxpayer Name</u>	<u>Description</u>	<u>2022 EAV(2)</u>
Briar Place.....	Nursing Home.....	\$ 5,391,934
Venture One Real Estate, LLC	Real Property.....	1,607,804
Individual.....	Real Property.....	1,517,348
SHG Properties Inc.....	Real Property.....	1,396,461
G. Grant Dixon and Sons.....	Apartments	1,146,991
Walgreens.....	Pharmacy	1,012,615
Studio Suites LLC.....	Beauty Salon	736,638
7-Eleven.....	Convenience Store	578,855
Individual.....	Real Property.....	380,970
Individual.....	Real Property.....	<u>357,992</u>
Total.....		\$14,127,608
Ten Largest Taxpayers as a Percent of the Village's 2022 EAV (\$148,716,626).....		9.50%

- Notes: (1) Source: Cook County Clerk, except for taxpayer descriptions which are based on publicly available information available to the Village.
(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 2022 EAV is the most current available.

REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION PROCEDURES

Summary of Property Assessment, Tax Levy and Collection Procedures

A separate tax to pay the principal of and interest on the Certificates will not be levied by the Village. The Village does levy property taxes for general operating purposes and to pay debt service on its outstanding Certificates. The information under this caption describes the current procedures for real property assessments, tax levies and collections in the County. There can be no assurance that the procedures described herein will not change.

Real Property Assessment

The County Assessor (the “Assessor”) is responsible for the assessment of all taxable real property within the County, including such property located within the boundaries of the Village, except for certain railroad property, pollution control facilities and low sulfur dioxide emission coal-fueled devices, which are assessed directly by the Department. For triennial reassessment purposes, Cook County is divided into three Districts: west and south suburbs (the “South Tri”), north and northwest suburbs (the “North Tri”), and the City of Chicago (the “City Tri”). The Village is located in the South Tri and was last reassessed for the 2020 tax levy year. The Village will next be reassessed for the 2023 levy year.

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

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

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

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

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

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

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

Equalization

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

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

<u>TAX LEVY YEAR</u>	<u>EQUALIZATION FACTOR</u>
2013	2.6621
2014	2.7253
2015	2.6685
2016	2.8032
2017	2.9627
2018	2.9109
2019	2.9160
2020	3.2234
2021	3.0027
2022	2.9237

Exemptions

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

An annual General Homestead Exemption provides that the EAV of certain property owned and used for residential purposes (“Residential Property”) may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$10,000 for tax year 2017 and thereafter.

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

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

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

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

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

The Natural Disaster Homestead Exemption (the "Natural Disaster Exemption") applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster occurring in taxable year 2012 or any taxable year thereafter. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood, earthquake, wind, or storm. The Natural Disaster Exemption is equal to the EAV of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

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

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

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

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

Tax Levy

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

Property Tax Extension Limitation Law

The Property Tax extension Limitation Law, as amended (the "Limitation Law") is applied after the prior year EAV limitation. The Limitation Law limits the annual growth in the amount of property taxes to be extended for certain Illinois non-home rule units, including the Village. The effect of the Limitation Law is to limit the amount of property taxes that can be extended for a taxing body. In addition, general obligation Certificates, notes and installment contracts payable from ad valorem taxes, unlimited as to rate and amount, cannot be issued by the affected taxing bodies unless they are approved by referendum, are alternate Certificates or are for certain refunding purposes.

The use of prior year EAVs to limit the allowable tax levy may reduce tax rates for funds that are at or near their maximum rates in districts with rising EAVs. These reduced rates and all other rates for those funds subject to the Limitation Law are added together, which results in the aggregate preliminary rate. The aggregate preliminary rate is then compared to the limiting rate. If the limiting rate is more than the aggregate preliminary rate, there is no further reduction in rates due to the Limitation Law. If the limiting rate is less than the aggregate preliminary rate, the aggregate preliminary rate is further reduced to the limiting rate. In all cases, taxes are extended using current year EAV under Section 18-140 of the Property Tax Code.

The Village has the authority to levy taxes for many different purposes. See the table entitled “**Representative Tax Rates**” under “**PROPERTY ASSESSMENT AND TAX INFORMATION**” herein. The ceiling at any particular time on the rate at which these taxes may be extended for the Village is either (i) unlimited (as provided by statute), (ii) initially set by statute but permitted to be increased by referendum, (iii) capped by statute, or (iv) limited to the rate approved by referendum. The only ceiling on a particular tax rate is the ceiling set by statute, at which the rate is not permitted to be further increased by referendum or otherwise. Therefore, taxing districts (such as the Village) have flexibility to levy taxes for the purposes for which they most need the money. The total aggregate tax rate for the various purposes subject to the Limitation Law, however, will not be allowed to exceed the Village’s limiting rate computed in accordance with the provisions of the Limitation Law.

In general, the annual growth permitted under the Limitation Law is the lesser of 5% or the percentage increase in the CPI during the calendar year preceding the levy year. Taxes can also be increased due to new construction, referendum approval of tax rate increases, mergers and consolidations. Local governments, including the Village, can issue limited tax Certificates in lieu of general obligation Certificates that have otherwise been authorized by applicable law.

Illinois legislators have introduced several proposals to modify the Limitation Law, including freezing property taxes and extending tax caps to all taxing bodies in the State. The Village cannot predict whether, or in what form, any change to the Limitation Law may be enacted into law, nor can the Village predict the effect of any such change on the Village’s finances.

Extensions

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

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

Collections

Property taxes are collected by the County Collector, who is also the County Treasurer, who remits to each Unit its share of the collections. Taxes levied in one year become payable during the following year in two installments, the first due on March 1 and the second on the later of August 1 or 30 days after the mailing of the tax bills. A payment due is deemed to be paid on time if the payment is postmarked on the due date. Beginning with the first installment payable in 2010, the first installment is equal to 55% of the prior year's tax bill. However, if a Bond of Error is approved by a court or certified on or before November 30 of the preceding year and before the estimated tax bills are prepared, then the first installment is instead based on the certain percentage of the corrected prior year's tax bill. The second installment is for the balance of the current year's tax bill, and is based on the then current tax year levy, assessed value and Equalization Factor, and reflects any changes from the prior year in those factors. The first installment penalty date has historically been the first business day in March. Pursuant to Public Act 102-1112, the first installment penalty date for levy year 2022 was changed from March 1, 2023 to April 1, 2023. The following table sets forth the second installment penalty date for the last ten tax levy years in the County.

<u>TAX LEVY YEAR</u>	<u>SECOND INSTALLMENT PENALTY DATE</u>
2013	August 1, 2014
2014	August 3, 2015
2015	August 1, 2016
2016	August 1, 2017
2017	August 1, 2018
2018	August 1, 2019
2019	October 1, 2020
2020	October 1, 2021
2021	December 30, 2022
2022	December 1, 2023

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

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

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

Truth in Taxation Law

Legislation known as the Truth in Taxation Law (the "Law") limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels.

FINANCIAL INFORMATION

Budgeting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds, except the Road Improvement Bond Fund and the Public Works Facility Fund. Budget amounts are as originally adopted by the Board of Trustees. All annual appropriations lapse at fiscal year-end. The Village is legally required to file an appropriations ordinance within 90 days of its fiscal year.

Prior to April 30, the Village Clerk submits to the village Board a proposed operating budget for the fiscal year commencing May 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to July 31, the budget is legally enacted through passage of an ordinance. Formal budgetary integration is employed as a management control device during the year for the general fund and special revenue funds.

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

Investment Policy

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. The Village has adopted an investment policy. That policy follows the state statute for allowable investments.

Financial Reports

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

No Consent or Updated Information Requested of the Auditor

The tables contained in this "**FINANCIAL INFORMATION**" section (the "Excerpted Financial Information") are from the audited financial statements of the Village, including the audited financial statements for the fiscal year ended April 30, 2023 (the "2023 Audit"), which was approved by formal action of the Village Board and attached to this Official Statement as **APPENDIX A**. The Village has not requested the Auditor to update information contained in the Excerpted Financial Information or the 2023 Audit; nor has the Village requested that the Auditor consent to the use of the Excerpted Financial Information or the 2023 Audit in this Official Statement. Other than as expressly set forth in this Official Statement, the financial information contained in the Excerpted Financial Information and 2023 Audit has not been updated since the date of the 2023 Audit. The inclusion of the Excerpted Financial Information and 2023 Audit in this Official Statement in and of itself is not intended to demonstrate the fiscal condition of the Village since the date of the 2023 Audit. Questions or inquiries relating to financial information of the Village since the date of the 2023 Audit should be directed to the Village.

Summary Financial Information

The following tables are summaries and do not purport to be the complete audits, copies of which are available upon request. See APPENDIX A for the Village's 2023 Audit.

Statement of Net Position Governmental Activities

	Audited as of April 30				
	2019	2020	2021	2022	2023
ASSETS:					
Current Assets:					
Cash and Investments	\$1,211,352	\$1,239,590	\$1,453,215	\$1,976,033	\$ 2,084,777
Receivables - Net of Allowances	1,083,477	1,705,623	1,844,428	850,855	2,175,673
Insurance Deposits	62,432	58,262	57,330	319,615	385,084
Due from Other Governments	0	0	0	464,424	299,088
Prepays	0	0	0	56,702	67,943
Total Current Assets	<u>\$2,357,261</u>	<u>\$3,003,475</u>	<u>\$3,354,973</u>	<u>\$3,667,629</u>	<u>\$ 5,012,565</u>
Noncurrent Assets:					
Nondepreciable	\$ 868,988	\$ 868,988	\$ 868,988	\$1,033,258	\$ 1,196,078
Depreciable (Net of Accumulated Depreciation)	3,269,524	3,087,958	3,077,556	3,183,806	3,321,299
Total Noncurrent Assets	<u>\$4,138,512</u>	<u>\$3,956,946</u>	<u>\$3,946,544</u>	<u>\$4,217,064</u>	<u>\$ 4,517,377</u>
Other Assets:					
Net Pension Asset - IMRF	\$ 0	\$ 0	\$ 0	\$ 333,405	\$ 0
Total Other Assets	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 333,405</u>	<u>\$ 0</u>
Total Assets	<u>\$6,495,773</u>	<u>\$6,960,421</u>	<u>\$7,301,517</u>	<u>\$8,218,098</u>	<u>\$ 9,529,942</u>
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred Items - IMRF	\$ 795,763	\$ 182,922	\$ 210,005	\$ 202,964	\$ 767,996
Deferred Items - OPEB	21,815	25,774	49,814	0	0
Deferred Items - RBP	0	0	0	39,457	62,322
Total Deferred Outflows of Resources	<u>\$ 817,578</u>	<u>\$ 208,696</u>	<u>\$ 259,819</u>	<u>\$ 242,421</u>	<u>\$ 830,318</u>
Total Assets and Deferred Outflows of Resources	<u>\$7,313,351</u>	<u>\$7,169,117</u>	<u>\$7,561,336</u>	<u>\$8,460,519</u>	<u>\$10,360,260</u>
LIABILITIES:(1)					
Current Liabilities:					
Accounts Payable	\$ 73,651	\$ 42,631	\$ 122,468	\$ 105,396	\$ 60,115
Accrued Payroll	61,765	81,067	70,844	87,542	79,605
Accrued Interest	31,684	27,442	21,570	19,570	19,570
Other Payables	0	0	0	67,667	64,306
Current Portion of Long-Term Debt	0	0	0	169,887	178,825
Total Current Liabilities	<u>\$ 167,100</u>	<u>\$ 151,140</u>	<u>\$ 214,882</u>	<u>\$ 450,062</u>	<u>\$ 402,421</u>
Long-Term Liabilities:					
Due Within One Year	\$ 328,510	\$ 325,603	\$ 186,526	\$ 0	\$ 0
Due In More Than One Year	3,833,232	2,820,542	2,158,129	0	0
Total Long-Term Liabilities	<u>\$4,161,742</u>	<u>\$3,146,145</u>	<u>\$2,344,655</u>	<u>\$ 0</u>	<u>\$ 0</u>
Noncurrent Liabilities:					
Compensated Absences Payable	\$ 0	\$ 0	\$ 0	\$ 19,548	\$ 35,301
Net Pension Liability - IMRF	0	0	0	0	1,434,490
Total OPEB Liability - RBP	0	0	0	232,928	251,605
General Obligation Certificates Payable - Net	0	0	0	1,310,000	1,140,000
Total Noncurrent Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$1,562,476</u>	<u>\$ 2,861,396</u>
Total Liabilities	<u>\$4,328,842</u>	<u>\$3,297,285</u>	<u>\$2,559,537</u>	<u>\$2,012,538</u>	<u>\$ 3,263,817</u>
DEFERRED INFLOWS OF RESOURCES:					
Grants	\$ 0	\$ 0	\$ 0	\$ 252,687	\$ 505,736
Property Taxes	645,860	664,569	644,796	613,708	668,602
Leases	0	0	0	0	1,234,639
Deferred Items - IMRF	65,796	297,853	606,589	1,066,774	0
Deferred Items - OPEB	47,299	40,088	72,890	0	0
Deferred Items - RBP	0	0	0	99,956	82,697
Total Deferred Inflows of Resources	<u>\$ 758,955</u>	<u>\$1,002,510</u>	<u>\$1,324,275</u>	<u>\$2,033,125</u>	<u>\$ 2,491,674</u>
Total Liabilities and Deferred Inflows of Resources	<u>\$5,087,797</u>	<u>\$4,299,795</u>	<u>\$3,883,812</u>	<u>\$4,045,663</u>	<u>\$ 5,755,491</u>
NET POSITION:					
Net Investment in Capital Assets	\$1,940,573	\$2,020,946	\$2,311,544	\$2,742,064	\$ 3,207,377
Restricted for:					
Liability Insurance	11,951	26,265	31,855	55,504	41,681
Social Security	22,543	0	0	0	0
Streets and Highways	252,295	302,982	449,741	598,624	727,895
Debt Service	163,393	164,651	163,439	216,817	222,225
Recreational Programs	37,449	38,834	41,672	46,122	48,855
Unrestricted (Deficit)	(202,650)	315,644	679,273	755,725	356,736
Total Net Position	<u>\$2,225,554</u>	<u>\$2,869,322</u>	<u>\$3,677,524</u>	<u>\$4,414,856</u>	<u>\$ 4,604,769</u>

Note: (1) Format change in 2022.

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

	Audited Fiscal Year Ended April 30				
	2019	2020	2021	2022	2023
GOVERNMENT ACTIVITIES(1):					
General Government.....	\$ (249,444)	\$ (225,762)	\$ (167,400)	\$ (163,570)	\$ (676,566)
Public Safety	(1,469,259)	(1,595,836)	(1,064,597)	(1,663,971)	(1,634,766)
Public Works	(430,161)	(373,910)	(653,787)	(455,418)	(639,623)
Parks and Recreation.....	(30,613)	(30,959)	(29,266)	(27,566)	(26,363)
Interest on Long-Term Debt.....	(85,830)	(73,078)	(60,439)	(50,245)	(47,445)
Total Governmental Activities	<u>\$ (2,265,307)</u>	<u>\$ (2,299,545)</u>	<u>\$ (1,975,489)</u>	<u>\$ (2,360,770)</u>	<u>\$ (3,024,763)</u>
GENERAL REVENUES:					
Taxes:					
Property Taxes	\$ 1,190,442	\$ 1,235,305	\$ 1,214,414	\$ 1,334,341	\$ 1,295,681
Sales Taxes	197,214	199,698	223,438	264,951	304,272
Local Use Taxes.....	113,584	135,510	171,356	154,070	164,884
Non-Home Rule Sales Taxes	87,116	110,303	106,295	158,923	182,889
Telecommunication Taxes.....	153,055	154,726	116,939	0	0
Utility Taxes.....	255,098	243,389	247,895	200,818	214,573
Other Taxes	0	803	77,871	168,741	189,028
Intergovernmental - Unrestricted:					
Income Taxes.....	369,812	412,835	436,653	0	0
Personal Property Replacement Taxes	1,143	1,504	1,418	0	0
State Income Taxes.....	0	0	0	563,993	656,816
Other	0	0	0	58,964	57,371
Interest Income.....	6,936	9,815	785	1,105	70,302
Miscellaneous.....	93,314	171,290	130,825	192,196	78,860
Gain on sale of capital asset.....	0	510,000	0	0	0
Transfers In (Out).....	40,903	(241,865)	0	0	0
Total General Revenues	<u>\$ 2,508,617</u>	<u>\$ 2,943,313</u>	<u>\$ 2,727,889</u>	<u>\$ 3,098,102</u>	<u>\$ 3,214,676</u>
Change in Net Position.....	\$ 243,310	\$ 643,768	\$ 752,400	\$ 737,332	\$ 189,913
NET POSITION, BEGINNING OF YEAR	<u>1,982,244(2)</u>	<u>2,225,554</u>	<u>2,925,124(2)</u>	<u>3,677,524</u>	<u>4,414,856</u>
NET POSITION, END OF YEAR	<u>\$ 2,225,554</u>	<u>\$ 2,869,322</u>	<u>\$ 3,677,524</u>	<u>\$ 4,414,856</u>	<u>\$ 4,604,769</u>

Notes: (1) Expenses net of Charges for Services; Operating Grants and Contributions; and Capital Grants and Contributions.
(2) As restated.

General Fund Balance Sheet

	Audited as of April 30				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
ASSETS:					
Cash and Investments	\$ 549,930	\$ 729,497	\$ 806,467	\$ 244,313	\$ 534,081
Receivables - Net of Allowances:					
Property Taxes	486,290	504,686	536,098	699,033	761,796
Leases	0	0	0	0	1,253,004
Other Taxes	132,835	121,943	156,271	18,299	17,636
Deposits	332,756	948,351	480,493	0	0
Insurance Deposits	0	0	0	464,424	385,084
Due from Other Funds	0	0	453,779	839,570	923,697
Prepays	62,432	58,262	57,330	56,702	67,943
Total Assets	<u>\$1,564,243</u>	<u>\$2,362,739</u>	<u>\$2,490,438</u>	<u>\$2,322,341</u>	<u>\$3,943,241</u>
LIABILITIES:					
Accounts Payable	\$ 39,634	\$ 29,405	\$ 30,053	\$ 33,449	\$ 40,126
Accrued Payroll	61,765	81,067	70,844	87,542	79,605
Other Payables	0	0	0	65,346	60,827
Total Liabilities	<u>\$ 101,399</u>	<u>\$ 110,472</u>	<u>\$ 100,897</u>	<u>\$ 186,337</u>	<u>\$ 180,558</u>
DEFERRED INFLOWS OF RESOURCES:					
Property Taxes	\$ 523,134	\$ 545,364	\$ 535,529	\$ 499,960	\$ 549,512
IRMA Insurance	205,931	276,832	270,298	252,860	173,520
Leases	0	0	0	0	1,234,639
Other	0	0	44,769	0	0
Total Deferred Inflows of Resources	<u>\$ 729,065</u>	<u>\$ 822,196</u>	<u>\$ 850,596</u>	<u>\$ 752,820</u>	<u>\$1,957,671</u>
Total Liabilities and Deferred Inflows of Resources	<u>\$ 830,464</u>	<u>\$ 932,668</u>	<u>\$ 951,493</u>	<u>\$ 939,157</u>	<u>\$2,138,229</u>
FUND BALANCES:					
Nonspendable	\$ 62,432	\$ 58,262	\$ 57,330	\$ 56,702	\$ 67,943
Restricted	34,494	26,265	31,855	55,504	41,681
Unassigned	636,853	1,345,544	1,449,760	1,270,978	1,695,388
Total Fund Balances	<u>\$ 733,779</u>	<u>\$1,430,071</u>	<u>\$1,538,945</u>	<u>\$1,383,184</u>	<u>\$1,805,012</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$1,564,243</u>	<u>\$2,362,739</u>	<u>\$2,490,438</u>	<u>\$2,322,341</u>	<u>\$3,943,241</u>

General Fund Revenues and Expenditures

	Audited Fiscal Year Ended April 30				
	2019	2020	2021	2022	2023
REVENUES:					
Taxes	\$1,662,843	\$1,745,132	\$1,755,940	\$1,585,416	\$1,604,805
Intergovernmental	370,955	414,339	627,500	1,044,633	1,185,263
Licenses and Permits	316,855	322,351	314,973	373,707	296,098
Charges for Services	9,825	11,195	6,890	10,953	11,095
Reimbursements	16,671	33,121	6,296	0	0
Fines and Forfeitures	88,288	54,729	60,418	61,138	38,946
Interest Income	6,474	9,523	742	912	70,302
Miscellaneous	26,761	66,857	137,359	192,196	158,200
Total Revenues	<u>\$2,498,672</u>	<u>\$2,657,247</u>	<u>\$2,910,118</u>	<u>\$3,268,955</u>	<u>\$3,364,709</u>
EXPENDITURES:					
General Government	\$ 704,999	\$ 666,783	\$ 671,908	\$ 689,268	\$ 794,021
Public Safety	1,446,763	1,461,931	1,630,775	1,698,284	1,644,281
Public Works	255,438	280,204	248,032	343,814	408,596
Capital Outlay	0	0	0	99,271	95,983
Debt Service:					
Principal Retirement	77,448	0	0	0	0
Interest and Fiscal Charges	4,358	0	0	0	0
Total Expenditures	<u>\$2,489,006</u>	<u>\$2,408,918</u>	<u>\$2,550,715</u>	<u>\$2,830,637</u>	<u>\$2,942,881</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 9,666	\$ 248,329	\$ 359,403	\$ 438,318	\$ 421,828
OTHER FINANCING SOURCES (USES):					
Proceeds From Sale of Capital Assets	\$ 99,875	\$ 510,000	\$ 0	\$ 0	\$ 0
Transfers In	40,903	14,000	14,000	0	0
Transfers (Out)	(11,460)	(76,037)	(320,331)	(594,079)	0
Total Other Financing Sources (Uses)	<u>\$ 129,318</u>	<u>\$ 447,963</u>	<u>\$ (306,331)</u>	<u>\$ (594,079)</u>	<u>\$ 0</u>
Net Change in Fund Balances	\$ 138,984	\$ 696,292	\$ 53,072	\$ (155,761)	\$ 421,828
Fund Balance, Beginning	\$ 594,795	\$ 733,779	\$1,485,873(1)	\$1,538,945	\$1,383,184
Fund Balance, Ending	<u>\$ 733,779</u>	<u>\$1,430,071</u>	<u>\$1,538,945</u>	<u>\$1,383,184</u>	<u>\$1,805,012</u>

Note: (1) As restated.

**General Fund
Budget Financial Information(1)**

	Adopted Budget Fiscal Year Ending <u>4/30/2024</u>	Estimated Fiscal Year Ending <u>4/30/2024</u>	Proposed Budget Fiscal Year Ending <u>4/30/2025</u>
REVENUES:			
Property Taxes	\$1,093,000	\$1,093,000	\$1,186,467
Utility Taxes	324,700	302,466	318,750
State Income Tax	633,672	668,433	671,375
State Sales Tax	278,000	311,128	280,000
Local Use Tax.....	156,387	146,896	163,332
Personal Property Tax	3,000	3,601	3,000
Cannabis State Sales Tax	6,300	6,073	6,016
Non Home Rule Sales Tax	173,000	184,478	180,000
Video Gaming Tax.....	135,000	169,241	140,000
Permits, Licenses, Fines and Fees	281,150	281,516	469,650
Interest	55,000	54,365	55,000
Grants/Reimbursements.....	1,028,018	370,346	1,829,236
Miscellaneous.....	<u>85,800</u>	<u>84,706</u>	<u>84,000</u>
Total Revenues	\$4,253,027	\$3,676,248	\$5,386,826
EXPENDITURES:			
President and Village Board	\$ 19,250	\$ 15,486	\$ 17,250
Administration.....	639,198	673,119	701,727
Public Works	546,020	401,101	555,878
Police	2,128,328	1,926,013	2,288,879
Capital Outlay	661,994	661,994	1,189,988
Community Economic Development	35,700	44,831	90,600
Fire and Police Commission	<u>15,475</u>	<u>6,933</u>	<u>14,000</u>
Total Expenditures.....	\$4,045,965	\$3,729,477	\$4,858,322
Excess (Deficiency) of Revenues Over (Under) Expenditures.....	\$ 207,062	\$ (53,229)	\$ 528,504

Note: (1) Source: the Village.

EMPLOYEE RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS

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

REGISTRATION, TRANSFER AND EXCHANGE

See also **APPENDIX B** for information on registration, transfer and exchange of book-entry Certificates. The Certificates will be initially issued as book-entry Certificates.

The Village shall cause books (the “Register”) for the registration and for the transfer of the Certificates to be kept at the principal corporate trust office of the Registrar in Chicago, Illinois. The Village will authorize to be prepared, and the Registrar shall keep custody of multiple Certificate blanks executed by the Village for use in the transfer and exchange of Certificates.

Any Certificate may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in the Certificate Ordinance. Upon surrender for transfer or exchange of any Certificate at the principal corporate trust office of the Registrar, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Registrar and duly executed by the registered owner or such owner’s attorney duly authorized in writing, the Village shall execute and the Registrar shall authenticate, date and deliver in the name of the registered owner, transferee or transferees (as the case may be) a new fully registered Certificate or Certificates of the same maturity and interest rate of authorized denominations, for a like aggregate principal amount.

The execution by the Village of any fully registered Certificate shall constitute full and due authorization of such Certificate, and the Registrar shall thereby be authorized to authenticate, date and deliver such Certificate, provided, however, the principal amount of outstanding Certificates of each maturity authenticated by the Registrar shall not exceed the authorized principal amount of Certificates for such maturity less Certificates previously paid.

The Registrar shall not be required to transfer or exchange any Certificate beginning at the close of business on the fifteenth day of the month next preceding any interest payment date on such Certificate (known as the record date) and ending at the opening of business on such interest payment date.

The person in whose name any Certificate shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on any Certificates shall be made only to or upon the order of the registered owner thereof or such owner's legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Certificate to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Certificates, but the Village or the Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Certificates.

TAX EXEMPTION

Federal tax law contains a number of requirements and restrictions which apply to the Certificates, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of bond proceeds and the facilities financed therewith, and certain other matters. The Village has covenanted to comply with all requirements that must be satisfied in order for the interest on the Certificates to be excludible from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Certificates to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the Certificates.

Subject to the Village's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Certificates is excludible from the gross income of the owners thereof for federal income tax purposes and is not includible as an item of tax preference in computing the federal alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the "Code"). Interest on the Certificates may affect the corporate alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the Village with respect to certain material facts within the Village's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

Ownership of the Certificates may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Certificates should consult their tax advisors as to applicability of any such collateral consequences.

The issue price for original issue discount (as further discussed below) and market discount purposes (the “OID Issue Price”) for each maturity of the Certificates is the price at which a substantial amount of such maturity of the Certificates is first sold to the public (excluding bond houses and brokers and similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The OID Issue Price of a maturity of the Certificates may be different from the prices set forth, or the prices corresponding to the yields set forth, on the cover page hereof.

If the OID Issue Price of a maturity of the Certificates is less than the principal amount payable at maturity, the difference between the OID Issue Price of each such maturity, if any, of the Certificates (the “OID Certificates”) and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Bond in the initial public offering at the OID Issue Price for such maturity and who holds such OID Bond to its stated maturity, subject to the condition that the Village complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Bond constitutes interest which is excludible from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Bond at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code; and (d) the accretion of original issue discount in each year may result in certain collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Based upon the stated position of the Department under State income tax law, accreted original issue discount on such OID Certificates is subject to taxation as it accretes, even though there may not be a corresponding cash payment until a later year. Owners of OID Certificates should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Certificates.

Owners of Certificates who dispose of Certificates prior to the stated maturity (whether by sale, redemption or otherwise), purchase Certificates in the initial public offering, but at a price different from the OID Issue Price or purchase Certificates subsequent to the initial public offering should consult their own tax advisors.

If a Certificate is purchased at any time for a price that is less than the Certificate’s stated redemption price at maturity or, in the case of an OID Bond, its OID Issue Price plus accreted original issue discount (the “Revised Issue Price”), the purchaser will be treated as having purchased a Certificate with market discount subject to the market discount rules of the Code (unless a statutory de minimis rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Certificate is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser’s election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Bond for a price that is less than its Revised Issue Price. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Certificate. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Certificates.

An investor may purchase a Certificate at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as “bond premium” and must be amortized by an investor on a constant yield basis over the remaining term of the Certificate in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized bond premium relating to a tax-exempt obligation. The amortized bond premium is treated as a reduction in the tax-exempt interest received. As bond premium is amortized, it reduces the investor’s basis in the Certificate. Investors who purchase a Certificate at a premium should consult their own tax advisors regarding the amortization of bond premium and its effect on the Certificate’s basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Certificate.

There are or may be pending in Congress legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Certificates. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to obligations issued prior to enactment. Prospective purchasers of the Certificates should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Service has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Certificates. If an audit is commenced, under current procedures the Service may treat the Village as a taxpayer and the Certificateholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Certificates until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Certificates, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Certificate owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Certificate owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

Interest on the Certificates is not exempt from present State income taxes. Ownership of the Certificates may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Certificates. Prospective purchasers of the Certificates should consult their tax advisors regarding the applicability of any such state and local taxes.

QUALIFIED TAX-EXEMPT OBLIGATIONS

Subject to the Village's compliance with certain covenants, in the opinion of Bond Counsel, the Certificates are "qualified tax-exempt obligations" under the small issuer exception provided under Section 265(b)(3) of the Code, which affords banks and certain other financial institutions more favorable treatment of their deduction for interest expense than would otherwise be allowed under Section 265(b)(2) of the Code.

LIMITED CONTINUING DISCLOSURE

Because at the time of the delivery of the Certificates the Village will be an "obligated person" (as such term is defined in Rule 15c2-12 (the "Rule")) with respect to less than \$10,000,000 in aggregate amount of outstanding municipal securities, including the Certificates, the Village is required to provide to the Municipal Securities Rulemaking Board (the "MSRB"), as specified in the Rule, annual financial information or operating data regarding the Village which annual financial information and operating data shall include, at a minimum, that annual financial information and operating data which is customarily prepared by the Village and is publicly available. Consequently, pursuant to the Rule, the Village will enter into a Continuing Disclosure Undertaking (the "Undertaking") for the benefit of the beneficial owners of the Certificates to send the financial information to the MSRB for purposes of the Rule and to provide notice of certain events to the MSRB pursuant to the requirements of Section (b)(5) of the Rule. No person, other than the Village, has undertaken or is otherwise expected, to provide continuing disclosure with respect to the Certificates. The financial information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a statement of other terms of the Undertaking, including termination, amendment, and remedies, are set forth in the form of the Undertaking, attached hereto as **APPENDIX E**.

A failure by the Village to comply with the Undertaking will not constitute a default under the Certificate Ordinance and beneficial owners of the Certificates are limited to the remedies described in the Undertaking. The Village must report any failure to comply with the Undertaking in accordance with the Rule. Any broker, dealer or municipal securities dealer must consider such report before recommending the purchase or sale of the Certificates in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Certificates and their market price.

LITIGATION

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

CERTAIN LEGAL MATTERS

Certain legal matters incident to the authorization, issuance and sale of the Certificates are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois, as Bond Counsel (“Bond Counsel”), who has been retained by, and acts as, Bond Counsel to the Village. Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Certificates and assumes no responsibility for the statements or information contained in or incorporated by reference in this Official Statement, except that in its capacity as Bond Counsel, Chapman and Cutler LLP has, at the request of the Village, reviewed only those portions of this Official Statement involving the description of the Certificates, the security for the Certificates (excluding forecasts, projections, estimates or any other financial or economic information in connection therewith), the description of the federal tax exemption of the interest on the Certificates and the “bank-qualified” status of the Certificates, if any. This review was undertaken solely at the request and for the benefit of the Village and did not include any obligation to establish or confirm factual matters set forth herein.

OFFICIAL STATEMENT AUTHORIZATION

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

INVESTMENT RATING

The Certificates have been rated “AA+” (Stable Outlook) by S&P. The Village has supplied certain information and material concerning the Certificates and the Village to the rating service shown on the cover page, including certain information and materials which may not have been included in this Official Statement, as part of its application for an investment rating on the Certificates. A rating reflects only the views of the rating agency assigning such rating and an explanation of the significance of such rating may be obtained from such rating agency. Generally, such rating service bases its rating on such information and material, and also on such investigations, studies and assumptions that it may undertake independently. There is no assurance that such rating will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating service if, in its judgment, circumstances so warrant. Any such downward change in or withdrawal of such rating may have an adverse effect on the secondary market price of the Certificates. Except as may be required by the Undertaking described in “**LIMITED CONTINUING DISCLOSURE**”, the form of which is attached hereto as **APPENDIX E**, neither the Village nor the Underwriter undertakes responsibility to bring to the attention of the owners of the Certificates any proposed change in or withdrawal of the rating or to oppose any such revision or withdrawal. An explanation of the significance of the investment rating may be obtained from the rating agency: S&P Global Ratings, 55 Water Street, New York, New York 10041, telephone 212-438-2000. The Village will provide appropriate periodic credit information to the rating service to maintain a rating on the Certificates.

UNDERWRITING

The Certificates were offered for sale by the Village at a public, competitive sale on May 9, 2024. The best bid submitted at the sale was submitted by _____ (the “Underwriter”). The Village awarded the contract for sale of the Certificates to the Underwriter at a price of \$ _____ (reflecting the par amount of \$ _____, plus a net reoffering premium of \$ _____, and less an Underwriter’s discount of \$ _____). The Underwriter has represented to the Village that the Certificates have been subsequently re-offered to the public initially at the yields set forth on the cover of the Final Official Statement.

MUNICIPAL ADVISOR

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

CERTIFICATION

I have examined this Official Statement dated April 24, 2024 for the \$1,490,000* Debt Certificates, Series 2024, believe it to be true and correct and will provide to the purchaser of the Certificates at the time of delivery a certificate confirming to the purchaser that to the best of my knowledge and belief information in the Official Statement was at the time of acceptance of the bid for the Certificates and, including any addenda thereto, was at the time of delivery of the Certificates true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

/s/

Village Administrator
VILLAGE OF INDIAN HEAD PARK
Cook County, Illinois

*Subject to change.

APPENDIX A

**VILLAGE OF INDIAN HEAD PARK
COOK COUNTY, ILLINOIS**


FISCAL YEAR 2023 AUDITED FINANCIAL STATEMENTS

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
APRIL 30, 2023

201 Acacia Drive
Indian Head Park, IL 60525
Phone: 708.246.3080
www.indianheadpark-il.us



VILLAGE OF INDIAN HEAD PARK, ILLINOIS

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FINANCIAL SECTION

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

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Other Supplementary Information

Supplemental Schedule

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

September 26, 2023

The Honorable President
Member of the Board of Trustees
Village of Indian Head Park, Illinois

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Indian Head Park, Illinois, as of and for the year ended April 30, 2023, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Indian Head Park, Illinois, as of April 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

This Management's Discussion and Analysis (MD&A) provides the reader with a narrative overview and analysis of the overall financial position and results of operations for the year ended April 30, 2023, for the Village of Indian Head Park. Please read it in conjunction the Village's financial statements, which can be found in the basic financial statements section of this report.

FINANCIAL HIGHLIGHTS

- The Village's net position increased as a result of this year's operations. While net position of business-type activities increased by \$13,807, or 0.4 percent, net position of the governmental activities also increased by \$189,913, or 4.3 percent.
- During the year, government-wide revenues for the primary government totaled \$5,790,497, while expenses totaled \$5,586,777, resulting in an increase to net position of \$203,720.
- The Village's net position totaled \$7,977,835 on April 30, 2023, which includes \$5,577,168 net investment in capital assets, \$1,040,656 subject to external restrictions, and a surplus of \$1,360,011 in unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported an increase this year of \$421,828, resulting in ending fund balance of \$1,805,012, an increase of 30.5 percent.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the Village as a whole and present a longer-term view of the Village's finances. Fund financial statements can be found in the financial section of this report. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide statements by providing information about the Village's most significant funds. The remaining statements provide financial information about activities for which the Village acts solely as a trustee or agent for the benefit of those outside of the government.

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village's finances, in a matter similar to a private-sector business. The government wide financial statements which can be found in the financial section of this report.

The Statement of Net Position reports information on all of the Village's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Village is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the Village's property tax base and the condition of the Village's infrastructure, is needed to assess the overall health of the Village.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

Government-Wide Financial Statements - Continued

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, public works, and parks and recreation. The business-type activities of the Village include water and sewer.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Village, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Village can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Village's near-term financing requirements.

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

The Village maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Motor Fuel Tax, American Rescue Plan, and Capital Improvements Fund, which are considered major funds. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual appropriated budget for all of the governmental funds, except for the American Rescue Plan Fund and Bond Fund. A budgetary comparison statement for these funds has been provided to demonstrate compliance with this budget.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

OVERVIEW OF THE FINANCIAL STATEMENTS - Continued

Proprietary Funds

The Village maintains one proprietary fund type: enterprise. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Village utilizes enterprise funds to account for its water and sewer operations.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund, which is considered to be a major fund of the Village.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's I.M.R.F pension obligations, the Village's other post-employment benefit obligation, and budgetary comparison schedules for the General Fund and major special revenue fund.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management’s Discussion and Analysis

April 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table represents the net position as of April 30, 2023. Net position serves over time as a useful indicator of a government’s financial position. The following tables show that assets/deferred outflows exceeded liabilities/deferred inflows by \$7,977,835.

	Net Position					
	Governmental		Business-Type		Totals	
	Activities	Activities	Activities	Activities	2023	2022
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 5,012,565	4,001,034	1,474,340	1,544,599	6,486,905	5,545,633
Capital Assets	4,517,377	4,217,064	2,592,857	2,617,555	7,110,234	6,834,619
Total Assets	9,529,942	8,218,098	4,067,197	4,162,154	13,597,139	12,380,252
Deferred Outflows	830,318	242,421	231,999	90,450	1,062,317	332,871
Total Assets/Deferred Outflows	10,360,260	8,460,519	4,299,196	4,252,604	14,659,456	12,713,123
Long-Term Liabilities	2,861,396	1,562,476	670,530	354,106	3,531,926	1,916,582
Other Liabilities	402,421	450,062	221,909	256,961	624,330	707,023
Total Liabilities	3,263,817	2,012,538	892,439	611,067	4,156,256	2,623,605
Deferred Inflows	2,491,674	2,033,125	33,691	282,278	2,525,365	2,315,403
Total Liabilities/Deferred Inflows	5,755,491	4,045,663	926,130	893,345	6,681,621	4,939,008
Net Position						
Net Investment in Capital Assets	3,207,377	2,742,064	2,369,791	2,373,060	5,577,168	5,115,124
Restricted	1,040,656	917,067	—	—	1,040,656	917,067
Unrestricted	356,736	755,725	1,003,275	986,199	1,360,011	1,741,924
Total Net Position	4,604,769	4,414,856	3,373,066	3,359,259	7,977,835	7,774,115

A large portion of the Village’s net position, \$5,577,168, reflects its investment in capital assets (for example, land, construction in progress, buildings and improvements, land improvements, equipment, vehicles, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens. Although the Village’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$1,040,656 of the Village’s net position represents resources that are subject to external restrictions on how they may be used. The remaining \$1,360,011 represents unrestricted net assets and may be used to meet the government’s ongoing obligations to citizens and creditors.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	Change in Net Position					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
Revenues						
Program Revenues						
Charges for Services	\$ 525,345	686,013	1,674,264	1,600,733	2,199,609	2,286,746
Operating Grants/Contrib.	43,758	21,849	—	—	43,758	21,849
Capital Grants/Contrib.	327,889	511,235	—	—	327,889	511,235
General Revenues						
Taxes						
Property Taxes	1,295,681	1,334,341	—	—	1,295,681	1,334,341
Non Home Rule Taxes	182,889	158,923	—	—	182,889	158,923
Utility Taxes	214,573	200,818	—	—	214,573	200,818
Other Taxes	189,028	168,741	—	—	189,028	168,741
Intergovernmental						
Sales Taxes	304,272	264,951	—	—	304,272	264,951
State Income Taxes	656,816	563,993	—	—	656,816	563,993
Use Taxes	164,884	154,070	—	—	164,884	154,070
Other	57,371	58,964	—	—	57,371	58,964
Other General Revenues	149,162	193,301	4,565	18,339	153,727	211,640
Total Revenues	4,111,668	4,317,199	1,678,829	1,619,072	5,790,497	5,936,271
Expenses						
General Government	974,584	475,450	—	—	974,584	475,450
Public Safety	1,684,807	1,736,062	—	—	1,684,807	1,736,062
Public Works	1,188,556	1,290,544	—	—	1,188,556	1,290,544
Parks and Recreation	26,363	27,566	—	—	26,363	27,566
Interest	47,445	50,245	—	—	47,445	50,245
Water and Sewer	—	—	1,665,022	1,426,158	1,665,022	1,426,158
Total Expenses	3,921,755	3,579,867	1,665,022	1,426,158	5,586,777	5,006,025
Change in Net Position	189,913	737,332	13,807	192,914	203,720	930,246
Net Position - Beginning	4,414,856	3,677,524	3,359,259	3,166,345	7,774,115	6,843,869
Net Position - Ending	4,604,769	4,414,856	3,373,066	3,359,259	7,977,835	7,774,115

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Net position of the Village's governmental activities increased by 4.3 percent (\$4,604,769 in 2023 compared to \$4,414,856 in 2022). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled \$356,736 at April 30, 2023.

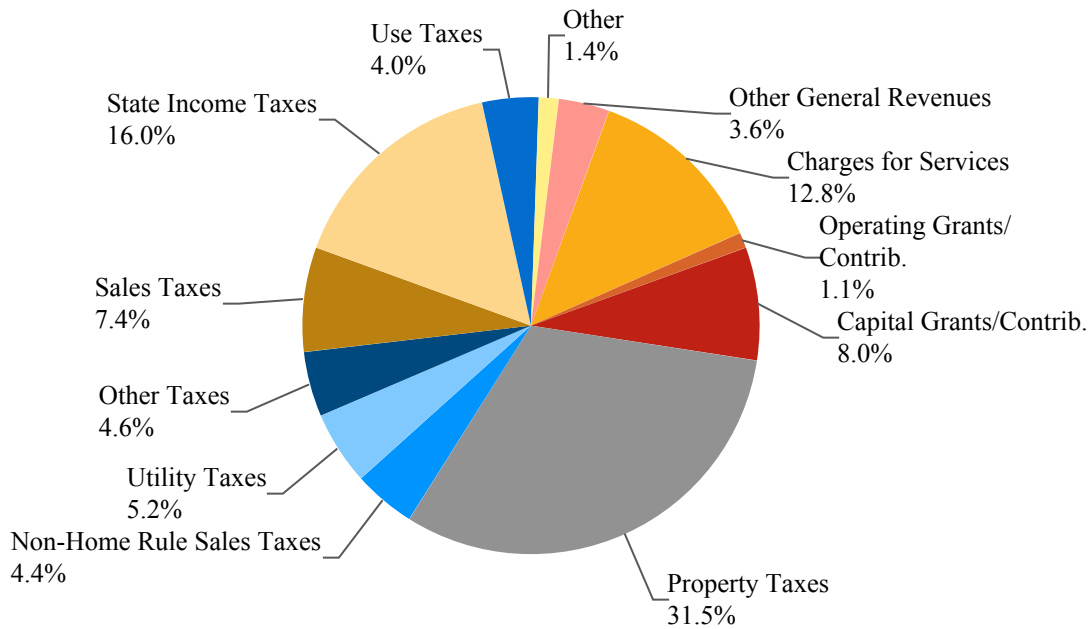
Net position of business-type activities increased by 0.4 percent (\$3,373,066 in 2023 compared to \$3,359,259 in 2022).

Governmental Activities

Revenues for governmental activities totaled \$4,111,668, while the cost of all governmental functions totaled \$3,921,755, this results in a surplus of \$189,913. In 2022, revenues of \$4,317,199 exceeded expenses of \$3,579,867, resulting in a surplus of \$737,332. The surplus in 2023 was due in large part to grant reimbursements.

The following table graphically depicts the major revenue sources of the Village. It depicts very clearly the reliance of property taxes fund governmental activities. It also clearly identifies the less significant percentage the Village receives from state income taxes.

Revenue by Source - Governmental Activities



VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis

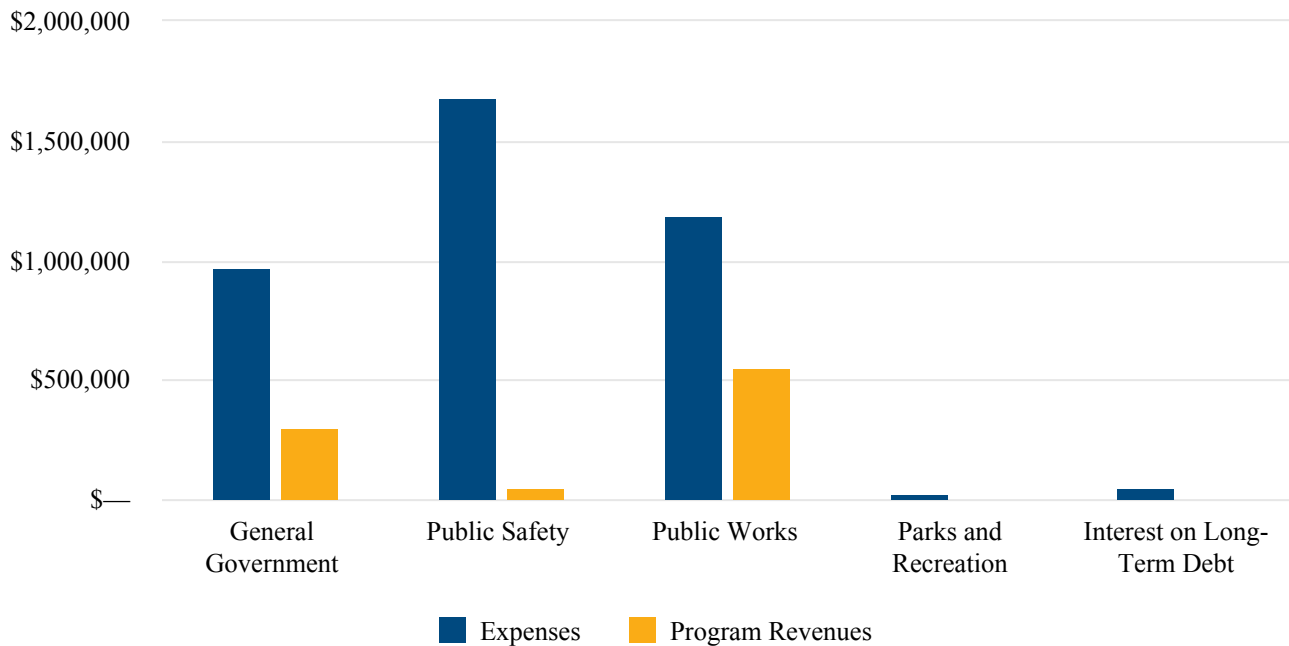
April 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities - Continued

The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues.

Expenses and Program Revenues - Governmental Activities



As depicted in the chart above, public safety, public works, and parks and recreation expenses far exceed any directly allocated revenues. The general government function had a slight surplus due primarily to decrease in the pension liabilities in the current year. Unlike the Water and Sewer Fund that is supported by user fees, these activities are substantially tax supported.

Business-Type Activities

Business-Type activities posted total revenues of \$1,678,829, while the cost of all business-type activities totaled \$1,665,022, this results in a surplus of \$13,807. In 2022, revenues of \$1,619,072 exceeded expenses of \$1,426,158, resulting in a surplus of \$192,914. The surplus in 2023 was due to unspent business capital.

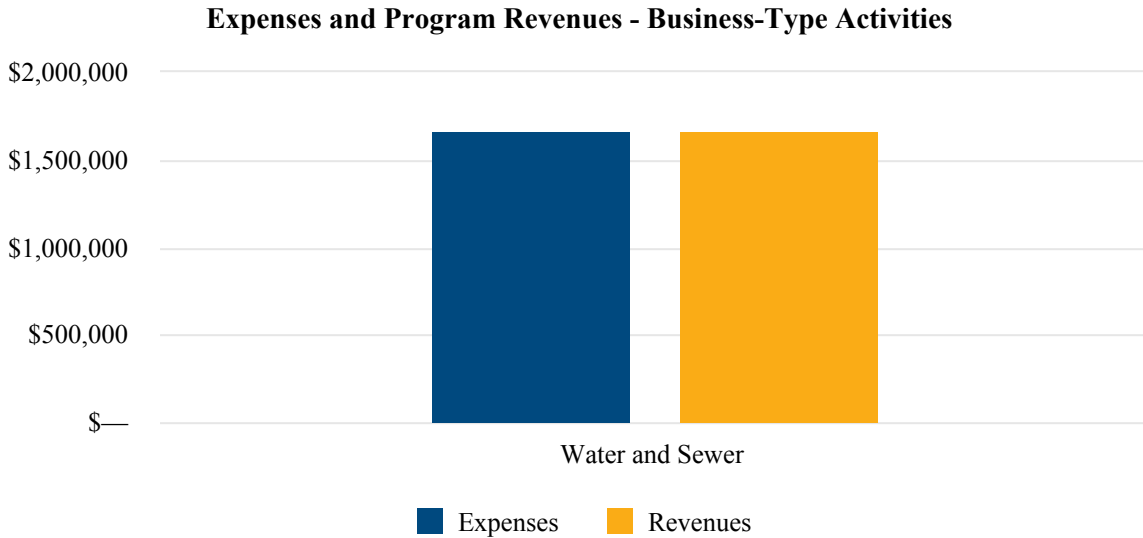
VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management’s Discussion and Analysis

April 30, 2023

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Business-Type Activities - Continued



The above graph compares program revenues to expenses for the water and sewer operations.

FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

As noted earlier, the Village uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Village’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

The Village’s governmental funds reported combining ending fund balances of \$2,226,042, which is a \$61,727, or 2.7%, decrease compared to prior year’s total of \$2,287,769. Of the \$2,226,042 total, \$1,097,873, or approximately 49.3%, of the fund balance constitutes unassigned fund balance.

The General Fund is the main operating fund of the Village. As mentioned earlier, the General Fund reported an increase in fund balance for the year of \$421,828, which is an increase of 30.5 percent. This was due to higher than expected revenue.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS - Continued

Governmental Funds - Continued

Unassigned fund balance in the General Fund was \$1,695,388, which represents 93.9% of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 57.6% of total General Fund expenditures.

The Motor Fuel Tax Fund reported an increase in fund balance of \$129,2713. This increase is due to revenue exceeding expenditures.

The American Rescue Plan Fund reported no change in fund balance from the prior year as no related activity occurred.

The Capital Improvements Fund reported a decrease in fund balance of \$620,967. This decrease is due to timing of grant reimbursements.

Proprietary Funds

The Village's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

The Village reports the Water and Sewer Fund as a major proprietary fund. The Water and Sewer Fund accounts for all financial activities associated with the municipal water and sewer service. The Village intends to run the fund at a breakeven rate. Periodically, there will be an annual surplus or draw down due to timing of capital projects. The surplus in the Water Fund during the current fiscal year was \$13,807. Prior year's operations resulted in a surplus of 192,914. Unrestricted net position in the Water Fund totaled \$1,003,275 at April 30, 2023. This year's surplus is due to the Village saving for future pump house repairs.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Village did not make any amendments to the budget for the General Fund during the year. General Fund actual revenues for the year totaled \$3,364,709, compared to budgeted revenues of \$3,025,026. Revenues for taxes, intergovernmental, charges for services, and interest were slightly higher than budgeted.

General Fund actual expenditures for the year were \$46,865 lower than budgeted (\$2,942,881 actual compared to \$2,989,746 budgeted).

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management’s Discussion and Analysis

April 30, 2023

CAPITAL ASSETS

The Village’s investment in capital assets for its governmental and business type activities as of April 30, 2023 was \$7,110,234 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, equipment, infrastructure, vehicles, well houses, and water and distribution systems.

	Capital Assets - Net of Depreciation					
	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Land	\$ 868,988	868,988	—	—	868,988	868,988
Construction in Progress	327,090	164,270	—	—	327,090	164,270
Land Improvements	767,003	486,966	—	—	767,003	486,966
Buildings and Improvements	855,856	895,728	—	—	855,856	895,728
Equipment	21,787	26,978	72,492	60,311	94,279	87,289
Infrastructure	1,492,825	1,626,060	142,761	43,953	1,635,586	1,670,013
Vehicles	183,828	148,074	—	—	183,828	148,074
Water and Distribution System	—	—	2,377,604	2,513,291	2,377,604	2,513,291
Totals	4,517,377	4,217,064	2,592,857	2,617,555	7,110,234	6,834,619

This year’s major additions included:

Construction in Progress	\$ 162,820
Land Improvements	309,766
Equipment	50,263
Vehicles	65,516
Infrastructure	118,089
	<u>706,454</u>

Additional information on the Village’s capital assets can be found in Note 3 of this report.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Management's Discussion and Analysis

April 30, 2023

DEBT ADMINISTRATION

As of April 30, 2023, the Village had total outstanding debt of \$1,533,066 as compared to \$1,719,495 the previous year, a decrease of 10.8 percent. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	2023	2022	2023	2022	2023	2022
General Obligation Bonds	\$ 1,310,000	1,475,000	—	—	1,310,000	1,475,000
IEPA Loans	—	—	223,066	244,495	223,066	244,495
	1,310,000	1,475,000	223,066	244,495	1,533,066	1,719,495

The Village maintains an AA+ rating from Moody's for general obligation debt. This rating has not changed in the past five years. State statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 8.625 percent of its total assessed valuation. The current debt limit for the Village is \$13,207,511.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The Village's elected and appointed officials considered many factors when planning the 2024 budget, including tax rates, fees, and utility rates for its governmental and business-type activities. In addition to reduced unemployment, indicators of economic recovery occurred in Indian Head Park in 2023.

REQUESTS FOR INFORMATION

This financial report is designed provide citizens, customers, investors and creditors and for all those with an interest in the government's finances, a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to the Office of the Finance Manager, Village of Indian Head Park, 201 Acacia Drive, Indian Head Park, IL 60525.

BASIC FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

Fund Financial Statements

Governmental Funds

Proprietary Fund

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Statement of Net Position

April 30, 2023

See Following Page

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Statement of Net Position

April 30, 2023

	Primary Government		Totals
	Governmental Activities	Business-Type Activities	
ASSETS			
Current Assets			
Cash and Investments	\$ 2,084,777	1,112,369	3,197,146
Receivables - Net of Allowances	2,175,673	280,108	2,455,781
Insurance Deposits	385,084	73,922	459,006
Due from Other Governments	299,088	—	299,088
Prepays	67,943	7,941	75,884
Total Current Assets	5,012,565	1,474,340	6,486,905
Noncurrent Assets			
Capital Assets			
Nondepreciable	1,196,078	—	1,196,078
Depreciable	6,690,750	6,557,955	13,248,705
Accumulated Depreciation	(3,369,451)	(3,965,098)	(7,334,549)
Total Noncurrent Assets	4,517,377	2,592,857	7,110,234
Total Assets	9,529,942	4,067,197	13,597,139
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Items - IMRF	767,996	179,216	947,212
Deferred Items - RBP	62,322	25,391	87,713
Deferred Items - ARO	—	27,392	27,392
Total Deferred Outflows of Resources	830,318	231,999	1,062,317
Total Assets and Deferred Outflows of Resources	10,360,260	4,299,196	14,659,456

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

	Primary Government		Totals
	Governmental Activities	Business-Type Activities	
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 60,115	24,887	85,002
Accrued Payroll	79,605	5,492	85,097
Accrued Interest	19,570	—	19,570
Deposits Payable	—	167,580	167,580
Other Payables	64,306	—	64,306
Current Portion of Long-Term Debt	178,825	23,950	202,775
Total Current Liabilities	402,421	221,909	624,330
Noncurrent Liabilities			
Compensated Absences Payable	35,301	3,330	38,631
Net Pension Liability - IMRF	1,434,490	334,746	1,769,236
Total OPEB Liability - RBP	251,605	102,505	354,110
General Obligation Bonds Payable - Net	1,140,000	—	1,140,000
IEPA Loans Payable	—	199,949	199,949
Asset Retirement Obligation	—	30,000	30,000
Total Noncurrent Liabilities	2,861,396	670,530	3,531,926
Total Liabilities	3,263,817	892,439	4,156,256
DEFERRED INFLOWS OF RESOURCES			
Grants	505,736	—	505,736
Property Taxes	668,602	—	668,602
Leases	1,234,639	—	1,234,639
Deferred Items - RBP	82,697	33,691	116,388
Total Deferred Inflows of Resources	2,491,674	33,691	2,525,365
Total Liabilities and Deferred Inflows of Resources	5,755,491	926,130	6,681,621
NET POSITION			
Net Investment in Capital Assets	3,207,377	2,369,791	5,577,168
Restricted			
Liability Insurance	41,681	—	41,681
Streets and Highways	727,895	—	727,895
Debt Service	222,225	—	222,225
Recreational Programs	48,855	—	48,855
Unrestricted	356,736	1,003,275	1,360,011
Total Net Position	4,604,769	3,373,066	7,977,835

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Statement of Activities

For the Fiscal Year Ended April 30, 2023

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 974,584	296,098	1,920	—
Public Safety	1,684,807	50,041	—	—
Public Works	1,188,556	179,206	41,838	327,889
Parks and Recreation	26,363	—	—	—
Interest on Long-Term Debt	47,445	—	—	—
Total Governmental Activities	3,921,755	525,345	43,758	327,889
Business-Type Activities				
Water and Sewer	1,665,022	1,674,264	—	—
Total Primary Government	5,586,777	2,199,609	43,758	327,889

General Revenues

Taxes

Property Taxes

Non-Home Rule Sales Taxes

Utility Taxes

Other Taxes

Intergovernmental - Unrestricted

Sales Taxes

State Income Taxes

Use Taxes

Other

Interest Income

Miscellaneous

Change in Net Position

Net Position - Beginning

Net Position - Ending

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

Net (Expenses), Revenues and Changes in Net Position		
Governmental Activities	Business-Type Activities	Totals
(676,566)	—	(676,566)
(1,634,766)	—	(1,634,766)
(639,623)	—	(639,623)
(26,363)	—	(26,363)
(47,445)	—	(47,445)
(3,024,763)	—	(3,024,763)
—	9,242	9,242
(3,024,763)	9,242	(3,015,521)
1,295,681	—	1,295,681
182,889	—	182,889
214,573	—	214,573
189,028	—	189,028
304,272	—	304,272
656,816	—	656,816
164,884	—	164,884
57,371	—	57,371
70,302	—	70,302
78,860	4,565	83,425
3,214,676	4,565	3,219,241
189,913	13,807	203,720
4,414,856	3,359,259	7,774,115
4,604,769	3,373,066	7,977,835

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Balance Sheet - Governmental Funds

April 30, 2023

	<u>General</u>
ASSETS	
Cash and Investments	\$ 534,081
Receivables - Net of Allowances	
Taxes	761,796
Leases	1,253,004
Other	17,636
Insurance Deposits	385,084
Due from Other Governments	—
Due from Other Funds	923,697
Prepays	67,943
	<u>3,943,241</u>
LIABILITIES	
Accounts Payable	40,126
Accrued Payroll	79,605
Due to Other Funds	—
Other Payables	60,827
Total Liabilities	<u>180,558</u>
DEFERRED INFLOWS OF RESOURCES	
Grants	—
Property Taxes	549,512
IRMA Insurance	173,520
Leases	1,234,639
Total Deferred Inflows of Resources	<u>1,957,671</u>
Total Liabilities and Deferred Inflows of Resources	<u>2,138,229</u>
FUND BALANCES	
Nonspendable	67,943
Restricted	41,681
Unassigned	1,695,388
Total Fund Balances	<u>1,805,012</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>3,943,241</u>

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

Special Revenue		Capital Projects		
Motor Fuel Tax	American Rescue Plan	Capital Improvements	Nonmajor	Totals
710,561	505,736	—	334,399	2,084,777
24,147	—	—	119,090	905,033
—	—	—	—	1,253,004
—	—	—	—	17,636
—	—	—	—	385,084
—	—	299,088	—	299,088
—	—	—	—	923,697
—	—	—	—	67,943
734,708	505,736	299,088	453,489	5,936,262
3,334	—	16,655	—	60,115
—	—	—	—	79,605
—	—	879,948	43,749	923,697
3,479	—	—	—	64,306
6,813	—	896,603	43,749	1,127,723
—	505,736	—	—	505,736
—	—	—	119,090	668,602
—	—	—	—	173,520
—	—	—	—	1,234,639
—	505,736	—	119,090	2,582,497
6,813	505,736	896,603	162,839	3,710,220
—	—	—	—	67,943
727,895	—	—	290,650	1,060,226
—	—	(597,515)	—	1,097,873
727,895	—	(597,515)	290,650	2,226,042
734,708	505,736	299,088	453,489	5,936,262

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

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

April 30, 2023

Total Governmental Fund Balances	\$ 2,226,042
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in Governmental Activities are not financial resources and therefore, are not reported in the funds.	4,517,377
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	767,996
Deferred Items - RBP	(20,375)
Certain revenues that are deferred in the governmental funds are recognized as revenue in the governmental activities.	173,520
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(44,126)
Net Pension Liability - IMRF	(1,434,490)
Total OPEB Liability - RBP	(251,605)
General Obligation Bonds Payable	(1,310,000)
Accrued Interest Payable	(19,570)
Net Position of Governmental Activities	<u><u>4,604,769</u></u>

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2023**

See Following Page

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended April 30, 2023

	<u>General</u>
Revenues	
Taxes	\$ 1,604,805
Intergovernmental	1,185,263
Licenses and Permits	296,098
Charges for Services	11,095
Fines and Forfeitures	38,946
Interest Income	70,302
Miscellaneous	158,200
Total Revenues	<u>3,364,709</u>
Expenditures	
General Government	794,021
Public Safety	1,644,281
Public Works	408,596
Parks and Recreation	—
Capital Outlay	95,983
Debt Service	
Principal Retirement	—
Interest and Fiscal Charges	—
Total Expenditures	<u>2,942,881</u>
Net Change in Fund Balances	421,828
Fund Balances - Beginning	<u>1,383,184</u>
Fund Balances - Ending	<u><u>1,805,012</u></u>

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

Special Revenue		Capital Projects		
Motor Fuel Tax	American Rescue Plan	Capital Improvements	Nonmajor	Totals
34,306	—	—	243,060	1,882,171
204,298	—	165,429	—	1,554,990
—	—	—	—	296,098
—	—	179,206	—	190,301
—	—	—	—	38,946
—	—	—	—	70,302
—	—	—	—	158,200
238,604	—	344,635	243,060	4,191,008
—	—	—	—	794,021
—	—	—	—	1,644,281
109,333	—	3,669	—	521,598
—	—	—	22,474	22,474
—	—	961,933	—	1,057,916
—	—	—	165,000	165,000
—	—	—	47,445	47,445
109,333	—	965,602	234,919	4,252,735
129,271	—	(620,967)	8,141	(61,727)
598,624	—	23,452	282,509	2,287,769
727,895	—	(597,515)	290,650	2,226,042

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the
Governmental Funds to the Statement of Activities - Governmental Activities
For the Fiscal Year Ended April 30, 2023**

Net Change in Fund Balances - Total Governmental Funds	\$ (61,727)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Capital Outlays	538,102
Depreciation Expense	(237,789)
The net effect of deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Change in Deferred Items - IMRF	1,631,806
Change in Deferred Items - RBP	40,124
A deduction to certain revenues recognized as revenue only in the governmental funds.	(79,340)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.	
Change in Compensated Absences	(19,691)
Change in Net Pension Liability/(Asset) - IMRF	(1,767,895)
Change in Total OPEB Liability - RBP	(18,677)
Retirement of Debt	165,000
Changes in Net Position of Governmental Activities	189,913

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Statement of Net Position - Proprietary Fund

April 30, 2023

See Following Page

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Statement of Net Position - Proprietary Fund

April 30, 2023

	<u>Water and Sewer</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 1,112,369
Receivables - Net of Allowances	
Accounts	269,680
Other	10,428
Insurance Deposits	73,922
Prepays	7,941
Total Current Assets	<u>1,474,340</u>
Noncurrent Assets	
Capital Assets	
Depreciable	6,557,955
Accumulated Depreciation	<u>(3,965,098)</u>
Total Noncurrent Assets	<u>2,592,857</u>
Total Assets	<u>4,067,197</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	179,216
Deferred Items - RBP	25,391
Deferred Items - ARO	27,392
Total Deferred Outflows of Resources	<u>231,999</u>
Total Assets and Deferred Outflows of Resources	<u>4,299,196</u>

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

	<u>Water and Sewer</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 24,887
Accrued Payroll	5,492
Deposits Payable	167,580
Current Portion of Long-Term Debt	23,950
Total Current Liabilities	<u>221,909</u>
Noncurrent Liabilities	
Compensated Absences Payable	3,330
Total OPEB Liability - RBP	102,505
IEPA Loans Payable	199,949
Asset Retirement Obligation	30,000
Total Noncurrent Liabilities	<u>670,530</u>
Total Liabilities	892,439
DEFERRED INFLOWS OF RESOURCES	
Deferred Items - RBP	33,691
Total Liabilities and Deferred Inflows of Resources	<u>926,130</u>
NET POSITION	
Net Investment in Capital Assets	2,369,791
Unrestricted	<u>1,003,275</u>
Total Net Position	<u><u>3,373,066</u></u>

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund
For the Fiscal Year Ended April 30, 2023

	<u>Water and Sewer</u>
Operating Revenues	
Charges for Services	<u>\$ 1,674,264</u>
Operating Expenses	
Operations	1,393,741
Depreciation and Amortization	<u>193,702</u>
Total Operating Expenses	<u>1,587,443</u>
Operating Income	<u>86,821</u>
Nonoperating Revenues (Expenses)	
Other Income	4,565
Investment Expense	<u>(77,579)</u>
	<u>(73,014)</u>
Change in Net Position	13,807
Net Position - Beginning	<u>3,359,259</u>
Net Position - Ending	<u><u>3,373,066</u></u>

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Statement of Cash Flows - Proprietary Fund
For the Fiscal Year Ended April 30, 2023

	<u>Water and Sewer</u>
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 1,611,193
Payments to Employees	(290,249)
Payments to Suppliers	<u>(1,049,278)</u>
	<u>271,666</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(168,352)
Retirement of Debt	(21,429)
Interest Expense	<u>(77,579)</u>
	<u>(267,360)</u>
Net Change in Cash and Cash Equivalents	4,306
Cash and Cash Equivalents - Beginning	<u>1,108,063</u>
Cash and Cash Equivalents - Ending	<u><u>1,112,369</u></u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income	86,821
Adjustments to Reconcile Operating Income to Net Income to Net Cash	
Provided by (Used in) Operating Activities	
Depreciation and Amortization	193,702
Other Income	4,565
(Increase) Decrease in Current Assets	(67,636)
Increase (Decrease) in Current Liabilities	<u>54,214</u>
Net Cash Provided by Operating Activities	<u><u>271,666</u></u>

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Indian Head Park, Illinois (the Village) is a non-home rule municipality, under the 1970 Illinois Constitution. The Village was incorporated in 1959. The Village operates under a President-Board form of government and provides the following services: public safety (police protection), highways and streets, sanitation (water and sewer), health and social services, public improvements, planning and zoning, and administrative services.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the Village's accounting policies established in GAAP and used by the Village are described below.

REPORTING ENTITY

The Village's financial reporting entity comprises the following:

Primary Government:	Village of Indian Head Park
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In determining the financial reporting entity, the Village complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus - an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the Village. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Statements

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

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The Village's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The Village first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (general government, public safety, public works, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, non-home rule sales tax, intergovernmental revenues, interest income, etc.).

The Village does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

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

Fund Financial Statements

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

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The Village electively added funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is a primary operating fund of the Village or meets the following criteria:

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

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

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Governmental Funds

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

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

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Village maintains one major special revenue fund. The Motor Fuel Tax Fund is used to account for state allotments restricted to fund the street maintenance approved by the State of Illinois. The American Recovery Plan Fund, also a major fund, is used to account for revenue and eligible spending of funds received from the Federal Government for COVID relief. Additionally, the Village maintains one nonmajor special revenue fund.

Debt Service Funds are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Village maintains one nonmajor debt service fund.

Capital Projects Fund is used to account for all financial resources used for the acquisition or construction of major capital facilities, equipment, and capital asset replacement (other than those financed by business-type/proprietary funds). The Capital Improvements is a major fund and accounts for the resources assigned for capital outlays, including acquisition or construction of capital facilities and other capital assets. Additionally, the Village maintains one nonmajor capital projects fund.

Proprietary Funds

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

Enterprise Funds are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Water and Sewer Fund, a major fund, accounts for the operations of the Village's water and sewer department.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

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

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

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

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

Basis of Accounting

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

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

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Basis of Accounting - Continued

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Village's enterprise funds and of the Village's internal service funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

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

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

Interfund Receivables, Payables and Activity

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

Receivables

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Prepays

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

Capital Assets

Capital assets purchased or acquired with an original cost of \$5,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the Village as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation basis for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated acquisition value on the date donated.

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

Land Improvements	50 Years
Buildings and Improvements	50 Years
Equipment	8-12 Years
Infrastructure	20-67 Years
Water and Distribution System	20-67 Years
Well Houses	20-67 Years
Vehicles	8-12 Years

Deferred Outflows/Inflows of Resources

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

Compensated Absences

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement.

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

Long-Term Obligations

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

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

Net Position

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

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

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

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with GAAP for the general, special revenue, debt service, capital projects and enterprise funds. All annual budgets lapse at the fiscal year end.

All departments of the Village submit requests for budgeted amount to the Village Administrator so that a budget may be prepared. The budget is prepared for all funds, except the American Rescue Plan Fund, by fund, department and division and includes information on the past year, current year estimates and requested budgeted amounts for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from or change the budget, but may not change the form of the budget. The budget may be amended by the governing body through a budget amendment.

The Board of Trustees approves transfers between departments within a fund and transfers between funds. Expenditures may not legally exceed budgeted amounts at the department level. During the current fiscal year, no budget amendment was made.

EXCESS OF ACTUAL EXPENDITURES OVER BUDGET IN INDIVIDUAL FUNDS

The following fund had an excess of actual expenditures over budget for the fiscal year:

Fund	Excess
Special Parks	\$ 22,474

DEFICIT FUND BALANCE

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

Fund	Deficit
Capital Improvements	\$ 597,515

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Permitted Deposits and Investments - Illinois Statutes authorizes the Village to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services.

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office 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. Investments in Illinois Funds are valued at the share price, which is the price for which the investment could be sold.

Village - Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration of Credit Risk

Deposits. At year-end, the carrying amount of the Village's deposits for governmental and business-type totaled \$1,147,876 and the bank balances totaled \$1,366,013.

Investments. The Village has the following investment fair values and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10
U.S. Treasury Securities	\$ 1,799,021	1,799,021	—	—	—
Illinois Funds	250,249	250,249	—	—	—
Totals	2,049,270	2,049,270	—	—	—

The Village has the following recurring fair value measurements as of year-end:

- U.S. Treasury Securities of \$1,799,021 are valued using quoted market prices (Level 1 inputs)
- Illinois Funds of \$250,249 are valued using the net asset value

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. 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 one-year period.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village limits its exposure by investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. At year-end, the Village's investments in Illinois Funds were rated AAAM by Standard & Poor's.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Village - Interest Rate Risk, Credit Risk, Custodial Credit Risk, and Concentration of Credit Risk - Continued

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires that all deposits not covered by the Federal Deposit Insurance Corporation (FDIC) insurance be collateralized with collateral in an amount of 105% of the uninsured deposits with the collateral held by a third party acting as the agent of the Village. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Village limits its exposure to custodial credit risk by utilizing an independent, third party institution, selected by the Village, to act as a custodian for its securities and collateral.

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

PROPERTY TAXES

Property taxes for 2022 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, usually the beginning of March and August. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy, to reflect actual collection experience.

INTERFUND BALANCES

Interfund balances result from the time lag between when transactions are recorded in the accounting system and payments between funds are made. The composition of interfund balances are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Nonmajor Governmental	\$ 43,749
General	Capital Improvements	<u>879,948</u>
		<u><u>923,697</u></u>

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LEASES RECEIVABLE

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

Lease	Term	Start Date	Payments	Interest
American Tower	452 Months	5/01/2022	\$3,513 per Month	4.00%
Crown Castle	254 Months	5/01/2022	\$2,419 per Month	3.00%

During the fiscal year, the Village has recognized \$25,003 of lease revenue.

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

Fiscal Year	Governmental Activities			Total Lease Payment
	Principal	Interest		
2024	\$ 25,862	45,322		71,184
2025	26,750	44,434		71,184
2026	27,669	43,515		71,184
2027	28,620	42,564		71,184
2028	29,604	41,580		71,184
2029 - 2033	164,052	191,868		355,920
2034 - 2038	194,428	161,492		355,920
2039 - 2043	230,560	125,360		355,920
2044 - 2048	125,234	92,495		217,729
2049 - 2053	144,460	66,320		210,780
2054 - 2058	176,385	34,395		210,780
2059 - End	79,380	3,194		82,574
Totals	1,253,004	892,539		2,145,543

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 868,988	—	—	868,988
Construction in Progress	164,270	162,820	—	327,090
	<u>1,033,258</u>	<u>162,820</u>	<u>—</u>	<u>1,196,078</u>
Depreciable Capital Assets				
Land Improvements	845,795	309,766	—	1,155,561
Buildings and Improvements	2,024,237	—	—	2,024,237
Equipment	247,539	—	—	247,539
Infrastructure	2,697,902	—	—	2,697,902
Vehicles	499,995	65,516	—	565,511
	<u>6,315,468</u>	<u>375,282</u>	<u>—</u>	<u>6,690,750</u>
Less Accumulated Depreciation				
Land Improvements	358,829	29,729	—	388,558
Buildings and Improvements	1,128,509	39,872	—	1,168,381
Equipment	220,561	5,191	—	225,752
Infrastructure	1,071,842	133,235	—	1,205,077
Vehicles	351,921	29,762	—	381,683
	<u>3,131,662</u>	<u>237,789</u>	<u>—</u>	<u>3,369,451</u>
Total Net Depreciable Capital Assets	<u>3,183,806</u>	<u>137,493</u>	<u>—</u>	<u>3,321,299</u>
Total Net Capital Assets	<u>4,217,064</u>	<u>300,313</u>	<u>—</u>	<u>4,517,377</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 46,230
Public Safety	40,526
Public Works	147,144
Culture and Recreation	<u>3,889</u>
	<u>237,789</u>

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS - Continued

Business-Type Activities

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

	Beginning Balances	Increases	Decreases	Ending Balances
Depreciable Capital Assets				
Well Houses	481,000	—	—	481,000
Water and Distribution System	4,309,055	—	—	4,309,055
Equipment	425,794	50,263	—	476,057
Infrastructure	1,173,754	118,089	—	1,291,843
	<u>6,389,603</u>	<u>168,352</u>	<u>—</u>	<u>6,557,955</u>
Less Accumulated Depreciation				
Well Houses	481,000	—	—	481,000
Water and Distribution System	1,795,764	135,687	—	1,931,451
Equipment	365,483	38,082	—	403,565
Infrastructure	1,129,801	19,281	—	1,149,082
	<u>3,772,048</u>	<u>193,050</u>	<u>—</u>	<u>3,965,098</u>
 Total Net Capital Assets	 <u>2,617,555</u>	 <u>(24,698)</u>	 <u>—</u>	 <u>2,592,857</u>

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

Water and Sewer \$ 193,050

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT

General Obligation Bonds

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

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$2,500,000 General Obligation Bonds of 2014, due in annual installments of \$115,000 to \$205,000 plus interest at 2.00% to 3.50% through December 1, 2029.	Debt Service	\$ 1,475,000	—	165,000	<u>1,310,000</u>

IEPA Loan Payable

The Village has entered into loan agreements with the IEPA to provide low interest financing for waterworks and sewerage improvements. IEPA loans currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
Illinois Environmental Protection Agency (IEPA) Loan Payable of 2020, due in annual installments of \$26,122 including interest at 1.38% through May 21, 2032.	Water and Sewer	\$ 244,495	—	21,429	<u>223,066</u>

Asset Retirement Obligation

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells and demolition of the Village's water towers and stand pipes at the end of their estimated useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells are 43 years.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liabilities Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 24,435	39,382	19,691	44,126	8,825
Net Pension Liability/(Asset) - IMRF	(333,405)	1,767,895	—	1,434,490	—
Total OPEB Liability - RBP	232,928	18,677	—	251,605	—
General Obligation Bonds	1,475,000	—	165,000	1,310,000	170,000
	<u>1,398,958</u>	<u>1,825,954</u>	<u>184,691</u>	<u>3,040,221</u>	<u>178,825</u>
Business-Type Activities					
Compensated Absences	2,368	3,590	1,795	4,163	833
Net Pension Liability/(Asset) - IMRF	(74,925)	409,671	—	334,746	—
Total OPEB Liability - RBP	99,145	3,360	—	102,505	—
IEPA Loans Payable	244,495	—	21,429	223,066	23,117
Asset Retirement Obligation	30,000	—	—	30,000	—
	<u>301,083</u>	<u>416,621</u>	<u>23,224</u>	<u>694,480</u>	<u>23,950</u>

For the governmental activities, payments on the compensated absences, the net pension liability/(asset), and the total OPEB liability are made by the General Fund. Payments on general obligation bonds are liquidated by the Debt Service Fund.

Additionally, for business-type activities, the compensated absences, net pension liability/(asset), total OPEB liability, IEPA loans, and asset retirement obligation are liquidated by the Water and the Sewer Fund.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Debt Service Requirements to Maturity

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

Fiscal Year	Governmental Activities		Business-Type Activities	
	General Obligation		IEPA	
	Bonds		Loans	
	Principal	Interest	Principal	Interest
2024	\$ 170,000	42,018	23,117	3,005
2025	175,000	36,918	23,437	2,685
2026	180,000	31,668	23,761	2,361
2027	185,000	26,044	24,090	2,032
2028	195,000	20,262	24,424	1,698
2029	200,000	13,926	24,762	1,360
2030	205,000	7,176	25,105	1,017
2031	—	—	25,453	669
2032	—	—	25,805	317
2033	—	—	3,112	26
Totals	<u>1,310,000</u>	<u>178,012</u>	<u>223,066</u>	<u>15,170</u>

Legal Debt Margin

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

Assessed Valuation - 2021*	<u>\$ 153,130,566</u>
Legal Debt Limit - 8.625% of Equalized Assessed Value	13,207,511
Amount of Debt Applicable to Limit	<u>1,310,000</u>
Legal Debt Margin	<u>11,897,511</u>

*As of the date of this report, the 2022 Assessed Valuation is not available.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of April 30, 2023:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 4,517,377
Less Capital Related Debt:	
General Obligation Bonds	<u>(1,310,000)</u>
Net Investment in Capital Assets	<u>3,207,377</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	2,592,857
Less Capital Related Debt:	
IEPA Loans	<u>(223,066)</u>
Net Investment in Capital Assets	<u>2,369,791</u>

FUND BALANCE CLASSIFICATIONS

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

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

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

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

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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

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

	General	Special Revenue Motor Fuel Tax	Capital Projects Capital Improvements	Nonmajor	Totals
Fund Balances					
Nonspendable					
Prepays	\$ 67,943	—	—	—	67,943
Restricted					
Liability Insurance	41,681	—	—	—	41,681
Streets and Highways	—	727,895	—	—	727,895
Debt Service	—	—	—	241,795	241,795
Recreational Programs	—	—	—	48,855	48,855
	41,681	727,895	—	290,650	1,060,226
Unassigned	1,695,388	—	(597,515)	—	1,097,873
Total Fund Balances	1,805,012	727,895	(597,515)	290,650	2,226,042

NOTE 4 - OTHER INFORMATION

RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the Village’s employees. The Village has purchased insurance from private insurance companies. Risks covered included certain types of liabilities and bonds. Premiums have been displayed as expenditures/expenses in appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Intergovernmental Personnel Benefit Cooperative (IPBC)

Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years experience factor for premiums. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

Intergovernmental Risk Management Agency (IRMA)

The Village also participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperations Statute to pool its risk management needs.

The agency administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers' compensation claim administration/litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in appropriate funds. Each member assumes the first \$2,500 of each occurrence, and IRMA has a mix of self-insurance and commercial insurance at various amounts about that level. Each member appoints one delegate, along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of the Agency beyond its representation on the Board of Directors. Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits.

CONTINGENT LIABILITIES

Litigation

The Village is not a defendant in any lawsuits. .

Grants

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

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

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

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

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

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

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Plan Membership. As of December 31, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	27
Inactive Plan Members Entitled to but not yet Receiving Benefits	18
Active Plan Members	<u>22</u>
Total	<u>67</u>

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2023, the Village's contribution was 12.27% of covered payroll.

Net Pension Liability/(Asset). The Village's net pension liability/(asset) was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2022, using the following actuarial methods and assumptions:

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued. For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	25.50%	4.90%
Domestic Equities	35.50%	6.50%
International Equities	18.00%	7.60%
Real Estate	10.50%	6.20%
Blended	9.50%	6.25% - 9.90%
Cash and Cash Equivalents	1.00%	4.00%

Discount Rate

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 2,875,952	1,769,236	862,475

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2021	\$ 10,417,400	10,825,730	(408,330)
Changes for the Year:			
Service Cost	166,367	—	166,367
Interest on the Total Pension Liability	740,907	—	740,907
Difference Between Expected and Actual Experience of the Total Pension Liability	162,075	—	162,075
Changes of Assumptions	—	—	—
Contributions - Employer	—	223,432	(223,432)
Contributions - Employees	—	76,576	(76,576)
Net Investment Income	—	(1,423,535)	1,423,535
Benefit Payments, Including Refunds of Employee Contributions	(562,366)	(562,366)	—
Other (Net Transfer)	—	15,310	(15,310)
Net Changes	506,983	(1,670,583)	2,177,566
Balances at December 31, 2022	10,924,383	9,155,147	1,769,236

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended April 30, 2023, the Village recognized pension expense of \$381,741. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources	Totals
Difference Between Expected and Actual Experience	\$ 139,042	—	139,042
Change in Assumptions	—	—	—
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	753,316	—	753,316
	<u>892,358</u>	—	<u>892,358</u>
Pension Contributions Made Subsequent to the Measurement Date	54,854	—	54,854
	<u>947,212</u>	—	<u>947,212</u>
Total Deferred Amounts Related to IMRF	<u>947,212</u>	—	<u>947,212</u>

\$54,854 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2024	\$ 44,073
2025	162,566
2026	245,830
2027	439,889
2028	—
Thereafter	—
Totals	<u>892,358</u>

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

Benefits Provided. RBP provides healthcare, dental and vision for retirees. Eligibility is based on the IMRF and Police Officers plans. Coverage ends when the retiree stops paying for it. Spouses and dependents of eligible retirees are also eligible for benefits at 100% of the premium costs. Coverage ends at the same time as the retiree.

Plan Membership. As of April 30, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	5
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>19</u>
Total	<u><u>24</u></u>

Total OPEB Liability

The Village's total OPEB liability was measured as of April 30, 2023, and was determined by an actuarial valuation as of April 30, 2023.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the April 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary Increases	4.00%
Discount Rate	4.14%
Healthcare Cost Trend Rates	Starting at 5.00% with an ultimate rate of 4.50% for 2028 and later.
Retirees' Share of Benefit-Related Costs	100% of the Blended Cost of Coverage

The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index as of April 30, 2023.

Mortality rates were based on the PubG.H-2010 Mortality Table - General with Mortality, improvement using scale MP-2019.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at April 30, 2022	\$ 332,073
Changes for the Year:	
Service Cost	674
Interest on the Total OPEB Liability	12,487
Difference Between Expected and Actual Experience	49,481
Changes of Assumptions or Other Inputs	(3,925)
Benefit Payments	(36,680)
Net Changes	22,037
Balance at April 30, 2023	354,110

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

The discount rate used to measure the total pension liability was 4.14%, while the prior valuation used 3.98%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (3.14%)	Current Discount Rate (4.14%)	1% Increase (5.14%)
Total OPEB Liability	\$ 386,186	354,110	327,386

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

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

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 327,164	354,110	385,831

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

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

For the year ended April 30, 2023, the Village recognized OPEB expense of \$1,142. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 41,867	(48,228)	(6,361)
Change in Assumptions	45,846	(68,160)	(22,314)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Deferred Amounts Related to OPEB	<u>87,713</u>	<u>(116,388)</u>	<u>(28,675)</u>

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2024	\$ (12,020)
2025	(12,020)
2026	(8,166)
2027	(6,682)
2028	6,719
Thereafter	<u>3,494</u>
Total	<u>(28,675)</u>

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability
Retiree Benefit Plan
- Budgetary Comparison Schedules
General Fund
Motor Fuel Tax - Special Revenue Fund

Notes to the Required Supplementary Information

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
April 30, 2023**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 165,412	\$ 165,412	\$ —	\$ 1,404,516	11.78%
2017	151,873	151,873	—	1,318,773	11.52%
2018	155,927	155,927	—	1,277,655	12.20%
2019	179,948	179,948	—	1,357,228	13.26%
2020	177,208	177,208	—	1,297,964	13.65%
2021	201,524	201,524	—	1,323,791	15.22%
2022	234,987	234,987	—	1,507,629	15.59%
2023	209,318	209,318	—	1,705,882	12.27%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	21 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.85% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Note:

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Illinois Municipal Retirement Fund

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

April 30, 2023

	<u>12/31/15</u>
Total Pension Liability	
Service Cost	\$ 150,833
Interest	516,423
Differences Between Expected and Actual Experience	(187,363)
Change of Assumptions	9,464
Benefit Payments, Including Refunds of Member Contributions	<u>(234,785)</u>
Net Change in Total Pension Liability	254,572
Total Pension Liability - Beginning	<u>6,936,810</u>
 Total Pension Liability - Ending	 <u><u>7,191,382</u></u>
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 172,475
Contributions - Members	64,283
Net Investment Income	31,353
Benefit Payments, Including Refunds of Member Contributions	<u>(234,785)</u>
Other (Net Transfer)	<u>(89,367)</u>
Net Change in Plan Fiduciary Net Position	(56,041)
Plan Net Position - Beginning	<u>6,269,594</u>
 Plan Net Position - Ending	 <u><u>6,213,553</u></u>
 Employer's Net Pension Liability/(Asset)	 <u><u>\$ 977,829</u></u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 86.40%
 Covered Payroll	 \$ 1,404,516
 Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	 69.62%

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017.

12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22
148,700	144,853	129,198	147,943	133,978	139,376	166,367
538,198	590,230	609,545	645,880	664,664	705,775	740,907
227,719	88,475	280,678	(8,284)	330,864	180,625	162,075
(19,395)	(191,817)	223,465	—	(24,805)	—	—
(141,141)	(296,317)	(436,452)	(505,218)	(533,691)	(547,028)	(562,366)
754,081	335,424	806,434	280,321	571,010	478,748	506,983
7,191,382	7,945,463	8,280,887	9,087,321	9,367,642	9,938,652	10,417,400
7,945,463	8,280,887	9,087,321	9,367,642	9,938,652	10,417,400	10,924,383
160,327	150,497	177,622	172,796	202,293	220,156	223,432
59,137	58,941	58,696	60,697	60,728	76,546	76,576
397,971	1,111,060	(437,150)	1,400,798	1,210,884	1,645,365	(1,423,535)
(141,141)	(296,317)	(436,452)	(505,218)	(533,691)	(547,028)	(562,366)
(158,289)	(46,253)	253,828	2,211	244,514	(11,351)	15,310
318,005	977,928	(383,456)	1,131,284	1,184,728	1,383,688	(1,670,583)
6,213,553	6,531,558	7,509,486	7,126,030	8,257,314	9,442,042	10,825,730
6,531,558	7,509,486	7,126,030	8,257,314	9,442,042	10,825,730	9,155,147
1,413,905	771,401	1,961,291	1,110,328	496,610	(408,330)	1,769,236
82.20%	90.68%	78.42%	88.15%	95.00%	103.92%	83.80%
1,404,516	1,309,804	1,301,357	1,301,357	1,349,512	1,399,594	1,701,693
100.67%	58.89%	150.71%	85.32%	36.80%	(29.17%)	103.97%

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

April 30, 2023

	4/30/19	4/30/20	4/30/21	4/30/22	4/30/23
Total OPEB Liability					
Service Cost	\$ 1,207	1,322	411	483	674
Interest	18,767	14,746	12,859	7,556	12,487
Difference Between Expected and Actual Experience	(72,889)	—	(46,945)	—	49,481
Change of Assumptions or Other Inputs	16,713	12,292	27,627	(72,723)	(3,925)
Benefit Payments	(34,767)	(37,062)	(33,566)	(32,291)	(36,680)
Other Changes	14,493	(543)	—	—	—
Net Change in Total OPEB Liability	(56,476)	(9,245)	(39,614)	(96,975)	22,037
Total OPEB Liability - Beginning	534,383	477,907	468,662	429,048	332,073
Total OPEB Liability - Ending	477,907	468,662	429,048	332,073	354,110
Covered-Employee Payroll	\$ 1,099,728	1,102,420	1,102,420	1,215,049	1,408,677
Total OPEB Liability as a Percentage of Covered-Employee Payroll	43.46%	42.51%	38.92%	27.33%	25.14%

Notes:

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

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

Changes of Assumptions. Change of assumption related to the discount rate were made in 2019 through 2023.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

General Fund

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

For the Fiscal Year Ended April 30, 2023

	2023			2022
	Original Budget	Final Budget	Actual	Actual
Revenues				
Taxes	\$ 1,514,700	1,514,700	1,604,805	1,585,416
Intergovernmental	1,021,271	1,021,271	1,185,263	1,044,633
Licenses and Permits	326,700	326,700	296,098	373,707
Charges for Services	1,000	1,000	11,095	10,953
Fines and Forfeitures	70,750	70,750	38,946	61,138
Interest Income	—	—	70,302	912
Miscellaneous	90,605	90,605	158,200	192,196
Total Revenues	<u>3,025,026</u>	<u>3,025,026</u>	<u>3,364,709</u>	<u>3,268,955</u>
Expenditures				
General Government	737,653	737,653	794,021	689,268
Public Safety	1,754,798	1,754,798	1,644,281	1,698,284
Public Works	365,795	365,795	408,596	343,814
Capital Outlay	131,500	131,500	95,983	99,271
Total Expenditures	<u>2,989,746</u>	<u>2,989,746</u>	<u>2,942,881</u>	<u>2,830,637</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	35,280	35,280	421,828	438,318
Other Financing (Uses)				
Transfers Out	—	—	—	(594,079)
Net Change in Fund Balance	<u>35,280</u>	<u>35,280</u>	421,828	(155,761)
Fund Balance - Beginning			<u>1,383,184</u>	<u>1,538,945</u>
Fund Balance - Ending			<u>1,805,012</u>	<u>1,383,184</u>

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Motor Fuel Tax - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	2023		Actual	2022
	Original Budget	Final Budget		Actual
Revenues				
Taxes				
Local Gas Taxes	\$ 31,000	31,000	34,306	30,900
Intergovernmental				
Motor Fuel Tax Allotments	167,354	167,354	162,460	151,845
Grants	—	—	41,838	83,676
Total Revenues	<u>198,354</u>	<u>198,354</u>	238,604	266,421
Expenditures				
Public Works				
Outside Services	165,854	165,854	109,333	117,538
Net Change in Fund Balance	<u>32,500</u>	<u>32,500</u>	129,271	148,883
Fund Balance - Beginning			<u>598,624</u>	<u>449,741</u>
Fund Balance - Ending			<u>727,895</u>	<u>598,624</u>

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds
- Budgetary Comparison Schedule - Major Enterprise Fund

INDIVIDUAL FUND DESCRIPTIONS

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for state allotments restricted to fund the street maintenance approved by the State of Illinois.

American Rescue Plan Fund

The American Recovery Plan Fund is used to account for revenue and eligible spending of funds received from the Federal Government for COVID relief.

Special Parks

The Special Parks Fund is used to account for the South East Association for Special Parks and Recreation (SEASPAR) activity. SEASPAR is a special recreation association that enriches lives through recreation. The Village levies special property taxes for the Village's participation in the regional SEASPAR recreation program. This participation was approved by voter referendum..

DEBT SERVICE FUND

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

CAPITAL PROJECTS FUNDS

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

Capital Improvements

The Capital Improvements Fund is used to account the resources assigned for capital outlays, including acquisition or construction of capital facilities and other capital assets.

Bond Fund

The Bond Fund is used to used to account for the accumulation of resources for, and the payment of capital related long-term debt principal and interest.

INDIVIDUAL FUND DESCRIPTIONS - Continued

ENTERPRISE FUND

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

Water and Sewer Fund

The Water and Sewer Fund is used to account for the revenues and expenses related to the sale of water and sewer collection services to the Village's residents and other customers.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual

For the Fiscal Year Ended April 30, 2023

	2023			2022
	Original Budget	Final Budget	Actual	Actual
Taxes				
Property Tax	\$ 1,072,000	1,072,000	1,052,621	1,087,834
Non-Home Rule Sales Tax	152,000	152,000	182,889	158,923
Utility Tax	167,700	167,700	214,573	200,818
Other Taxes	123,000	123,000	154,722	137,841
	<u>1,514,700</u>	<u>1,514,700</u>	<u>1,604,805</u>	<u>1,585,416</u>
Intergovernmental				
Sales Taxes	250,000	250,000	304,272	264,951
State Income Taxes	537,403	537,403	656,816	563,993
Use Taxes	152,325	152,325	164,884	154,070
Telecommunications Taxes	50,000	50,000	46,651	49,520
Replacement Taxes	1,122	1,122	4,320	3,295
Cannabis Taxes	7,921	7,921	6,400	6,149
Grants	22,500	22,500	1,920	2,655
	<u>1,021,271</u>	<u>1,021,271</u>	<u>1,185,263</u>	<u>1,044,633</u>
Licenses, Permits, and Fees				
Business Licenses	136,000	136,000	145,699	127,948
Liquor Licenses	24,600	24,600	25,250	24,600
Alarm Licenses	1,100	1,100	200	800
Building Permit Fees	70,000	70,000	32,589	124,241
Franchise Fees	95,000	95,000	92,360	96,118
	<u>326,700</u>	<u>326,700</u>	<u>296,098</u>	<u>373,707</u>
Charges for Services				
Health Inspections	—	—	2,200	2,300
Smoke Signals Advertisements	1,000	1,000	3,190	2,338
Elevator Inspections	—	—	5,705	6,315
	<u>1,000</u>	<u>1,000</u>	<u>11,095</u>	<u>10,953</u>
Fines and Forfeitures				
Court and Traffic Fines	70,750	70,750	38,946	61,138
Interest Income	—	—	70,302	912

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

General Fund

Schedule of Revenues - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2023

	2023			2022
	Original Budget	Final Budget	Actual	Actual
Miscellaneous				
Reimbursements	\$ —	—	(4,075)	61,284
Donations	—	—	8,400	7,495
Other	90,605	90,605	153,875	123,417
	<u>90,605</u>	<u>90,605</u>	<u>158,200</u>	<u>192,196</u>
 Total Revenues	 <u>3,025,026</u>	 <u>3,025,026</u>	 <u>3,364,709</u>	 <u>3,268,955</u>

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended April 30, 2023

	2023			2022
	Original Budget	Final Budget	Actual	Actual
General Government				
President and Village Board				
Outside Services	\$ 17,250	17,250	12,147	14,245
Equipment	2,000	2,000	6,239	180
	<u>19,250</u>	<u>19,250</u>	<u>18,386</u>	<u>14,425</u>
Administration				
Personnel Services	356,577	356,577	356,336	331,980
Outside Services	77,200	77,200	66,845	58,149
Materials and Supplies	5,300	5,300	6,115	5,408
	<u>439,077</u>	<u>439,077</u>	<u>429,296</u>	<u>395,537</u>
Building and Grounds				
Outside Services	79,000	79,000	116,792	63,205
Materials and Supplies	25,000	25,000	17,399	10,617
	<u>104,000</u>	<u>104,000</u>	<u>134,191</u>	<u>73,822</u>
Building Department				
Outside Services	34,700	34,700	35,287	40,422
Fire and Police Commission				
Outside Services	2,375	2,375	3,395	956
Planning and Zoning				
Outside Services	1,000	1,000	604	486
Materials and Supplies	—	—	—	24
	<u>1,000</u>	<u>1,000</u>	<u>604</u>	<u>510</u>
Other				
Outside Services	137,251	137,251	172,862	163,596
Total General Government	<u>737,653</u>	<u>737,653</u>	<u>794,021</u>	<u>689,268</u>

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual - Continued

For the Fiscal Year Ended April 30, 2023

	2023			2022
	Original Budget	Final Budget	Actual	Actual
Public Safety				
Police				
Personnel Services	\$ 1,543,047	1,543,047	1,439,005	1,522,434
Outside Services	135,051	135,051	130,528	108,279
Materials and Supplies	76,700	76,700	74,748	67,571
Total Public Safety	1,754,798	1,754,798	1,644,281	1,698,284
Public Works				
Personnel Services	196,795	196,795	185,005	182,596
Outside Services	127,800	127,800	180,366	130,950
Materials and Supplies	41,200	41,200	43,225	30,268
Total Public Works	365,795	365,795	408,596	343,814
Capital Outlay	131,500	131,500	95,983	99,271
Total Expenses	2,989,746	2,989,746	2,942,881	2,830,637

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Capital Improvements - Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2023

	2023			2022
	Original Budget	Final Budget	Actual	Actual
Revenues				
Intergovernmental				
Grants	\$ 1,475,000	1,475,000	165,429	359,390
Charges for Services	—	—	179,206	175,997
Miscellaneous	550,000	550,000	—	—
Total Revenues	<u>2,025,000</u>	<u>2,025,000</u>	<u>344,635</u>	<u>535,387</u>
Expenditures				
Public Works				
Materials and Supplies	175,000	175,000	3,669	3,030
Capital Outlay	1,736,592	1,736,592	961,933	1,108,348
Total Expenditures	<u>1,911,592</u>	<u>1,911,592</u>	<u>965,602</u>	<u>1,111,378</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	113,408	113,408	(620,967)	(575,991)
Other Financing Sources				
Transfers In	—	—	—	594,079
Net Change in Fund Balance	<u>113,408</u>	<u>113,408</u>	(620,967)	18,088
Fund Balance - Beginning			<u>23,452</u>	<u>5,364</u>
Fund Balance - Ending			<u>(597,515)</u>	<u>23,452</u>

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**Nonmajor Governmental Funds
Combining Balance Sheet
April 30, 2023**

	Special Revenue	Debt Service Bond	Capital Projects Bond	Totals
	Special Parks	Debt Service		
ASSETS				
Cash and Investments	\$ 92,604	177,384	64,411	334,399
Receivables - Net of Allowances				
Taxes	12,561	106,529	—	119,090
Total Assets	105,165	283,913	64,411	453,489
LIABILITIES				
Due to Other Funds	43,749	—	—	43,749
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	12,561	106,529	—	119,090
Total Liabilities and Deferred Inflows of Resources	56,310	106,529	—	162,839
FUND BALANCES				
Restricted	48,855	177,384	64,411	290,650
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	105,165	283,913	64,411	453,489

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

For the Fiscal Year Ended April 30, 2023

	Special Revenue <u>Special Parks</u>	Debt Service <u>Bond Debt Service</u>	Capital Projects <u>Bond</u>	Totals
Revenues				
Taxes	\$ 25,207	217,853	—	243,060
Expenditures				
Parks and Recreation	22,474	—	—	22,474
Debt Service				
Principal Retirement	—	165,000	—	165,000
Interest and Fiscal Charges	—	47,445	—	47,445
Total Expenditures	22,474	212,445	—	234,919
Net Change in Fund Balances	2,733	5,408	—	8,141
Fund Balances - Beginning	46,122	171,976	64,411	282,509
Fund Balances - Ending	48,855	177,384	64,411	290,650

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Special Parks - Special Revenue Fund

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

For the Fiscal Year Ended April 30, 2023

	2023		Actual	2022
	Original Budget	Final Budget		Actual
Revenues				
Taxes				
Property Tax	\$ 25,000	25,000	25,207	25,725
Expenditures				
Parks and Recreation				
Outside Services	—	—	22,474	21,275
Net Change in Fund Balance	<u>25,000</u>	<u>25,000</u>	2,733	4,450
Fund Balance - Beginning			<u>46,122</u>	<u>41,672</u>
Fund Balance - Ending			<u>48,855</u>	<u>46,122</u>

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Bond Debt Service - Debt Service Fund

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

For the Fiscal Year Ended April 30, 2023

	2023		Actual	2022
	Original Budget	Final Budget		Actual
Revenues				
Taxes	\$ 215,000	215,000	217,853	220,782
Expenditures				
Debt Service				
Principal Retirement	150,000	150,000	165,000	160,000
Interest and Fiscal Charges	63,319	63,319	47,445	52,245
Total Expenditures	213,319	213,319	212,445	212,245
Net Change in Fund Balance	1,681	1,681	5,408	8,537
Fund Balance - Beginning			171,976	163,439
Fund Balance - Ending			177,384	171,976

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Bond - Capital Projects Fund

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

For the Fiscal Year Ended April 30, 2023

	2023			2022
	Original Budget	Final Budget	Actual	Actual
Revenues				
Charges for Services	\$ —	—	—	64,218
Interest	—	—	—	193
Total Revenues	—	—	—	64,411
Expenditures	—	—	—	—
Net Change in Fund Balance	—	—	—	64,411
Fund Balance - Beginning			64,411	—
Fund Balance - Ending			64,411	64,411

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Water and Sewer - Enterprise Fund

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

For the Fiscal Year Ended April 30, 2023

	2023			2022
	Original Budget	Final Budget	Actual	Actual
Operating Revenues				
Water Charges	\$ 1,507,731	1,507,731	1,406,891	1,360,403
Sewer Charges	256,502	256,502	267,373	240,330
Total Operating Revenues	1,764,233	1,764,233	1,674,264	1,600,733
Operating Expenses				
Operations				
Water				
Personnel Services	245,238	245,238	306,847	134,637
Outside Services	179,350	179,350	168,649	164,379
Materials and Supplies	578,994	578,994	566,802	566,704
Capital Outlay	518,000	518,000	117,208	9,542
Sewer				
Personnel Services	146,958	146,958	140,370	131,323
Outside Services	124,051	124,051	62,775	82,464
Materials and Supplies	—	—	2,673	2,257
Capital Outlay	180,000	180,000	28,417	40,295
Depreciation and Amortization	2,800	2,800	193,702	163,078
Total Operating Expenses	1,975,391	1,975,391	1,587,443	1,294,679
Operating Income (Loss)	(211,158)	(211,158)	86,821	306,054
Nonoperating Revenues (Expenses)				
Disposal of Capital Assets	—	—	—	(18,890)
Other Income	1,515,000	1,515,000	4,565	18,339
Investment Expense	(1,400,000)	(1,400,000)	(77,579)	(112,589)
	115,000	115,000	(73,014)	(113,140)
Change in Net Position	(96,158)	(96,158)	13,807	192,914
Net Position - Beginning			3,359,259	3,166,345
Net Position - Ending			3,373,066	3,359,259

SUPPLEMENTAL SCHEDULE

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**Schedule of Assessed Valuations, Tax Rates, and Extensions - Last Ten Tax Levy Years
April 30, 2023**

See Following Page

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**Schedule of Assessed Valuations, Tax Rates, and Extensions - Last Ten Tax Levy Years
April 30, 2023**

Tax Levy Year	2013	2014	2015
Total Assessed Valuation	\$ 124,584,548	123,631,035	123,631,035
Tax Rates			
Corporate	0.4375	0.3957	0.3947
IMRF	0.1215	0.1479	0.1601
Social Security	0.0931	0.1109	0.1200
Audit	0.0243	0.0296	0.0320
Police Protection	—	—	—
Liability Insurance	0.0486	0.0592	0.0640
Debt Service	—	0.1803	0.1861
Special Parks	0.0248	0.0200	0.0214
Total Tax Rates	0.7498	0.9436	0.9783
Tax Extensions			
Corporate	\$ 545,057	489,250	475,155
IMRF	151,342	182,854	192,734
Social Security	116,029	137,136	144,460
Audit	30,269	36,571	38,522
Police Protection	—	—	—
Liability Insurance	60,537	73,141	77,045
Debt Service	—	222,912	223,995
Special Parks	30,900	24,720	25,750
Total Tax Extensions	934,134	1,166,584	1,177,661

*As of the date of this report, the 2022 Assessed Valuation has not been issued.

2016	2017	2018	2019	2020	2021	2022
125,433,381	155,155,702	148,142,238	146,721,960	166,471,081	153,130,566	*
0.4202	0.3499	0.3706	0.3796	0.3468	0.3904	*
0.1379	0.0712	0.0676	0.0840	0.0662	0.0653	*
0.0992	0.0563	0.0564	0.0525	0.0486	0.0686	*
0.0212	0.0070	0.0073	0.0056	0.0042	0.0065	*
—	0.0572	0.0790	0.0826	0.0849	0.0958	*
0.0679	0.0754	0.0814	0.0785	0.0662	0.0568	*
0.1761	0.1438	0.1520	0.1513	0.1336	0.1453	*
0.0205	0.0166	0.0179	0.0181	0.0155	0.0168	*
0.9430	0.7774	0.8322	0.8522	0.7660	0.8455	*
527,109	542,922	549,036	556,919	577,373	597,742	*
172,916	110,475	100,112	123,277	110,263	100,060	*
124,430	87,396	83,581	77,004	80,912	105,063	*
26,583	10,822	10,753	8,175	7,017	10,006	*
—	88,720	116,975	121,141	141,337	146,633	*
85,167	116,925	120,609	115,116	110,263	87,052	*
220,940	223,145	225,245	221,990	222,357	222,567	*
25,750	25,750	26,523	26,523	25,750	25,750	*
1,182,895	1,206,155	1,232,834	1,250,145	1,275,272	1,294,873	*

APPENDIX B

DESCRIBING BOOK-ENTRY ONLY ISSUANCE

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

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

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

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

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

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

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

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

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

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

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

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

APPENDIX C

PROPOSED FORM OF OPINION OF BOND COUNSEL

PROPOSED FORM OF OPINION OF BOND COUNSEL

[LETTERHEAD OF CHAPMAN AND CUTLER LLP]

[TO BE DATED CLOSING DATE]

Village of Indian Head Park
Cook County, Illinois

We hereby certify that we have examined certified copy of the proceedings (the “*Proceedings*”) of the President and Board of Trustees of the Village of Indian Head Park, Cook County, Illinois (the “*Village*”), passed preliminary to the issue by the Village of its fully registered Debt Certificates, Series 2024 (the “*Certificates*”), to the amount of \$ _____, dated _____, 2024, due serially on December 1 of the years and in the amounts and bearing interest as follows:

2024	\$	%
2025		%
2026		%
2027		%
2028		%

and we are of the opinion that the Proceedings show lawful authority for said issue under the laws of the State of Illinois now in force.

We further certify that we have examined the form of certificate prescribed for said issue and find the same in due form of law, and in our opinion said issue, to the amount named, is valid and legally binding upon the Village, and the Certificates are payable from any funds of the Village legally available for such purpose, except that the rights of the owners of the Certificates and the enforceability of the Certificates may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors’ rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion. There is no statutory authority for the levy of a separate tax in addition to other Village taxes or the levy of a special tax unlimited as to rate or amount to pay the principal and interest due on the Certificates. We express no opinion as to (a) the ability or the likelihood of the Village to make such payments when due or (b) the validity or feasibility of any future financings that the Village may undertake in order to provide funds to make such payments.

It is our opinion that, subject to the Village’s compliance with certain covenants, under present law, interest on the Certificates is excludible from gross income of the owners thereof for

federal income tax purposes and is not includible as an item of tax preference in computing the alternative minimum tax for individuals under the Internal Revenue Code of 1986, as amended (the “Code”). Interest on the Certificates may affect the corporate alternative minimum tax for certain corporations. Failure to comply with certain of such Village covenants could cause interest on the Certificates to be includible in gross income for federal income tax purposes retroactively to the date of issuance of the Certificates. Ownership of the Certificates may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Certificates.

It is also our opinion that the Certificates are “qualified tax-exempt obligations” pursuant to Section 265(b)(3) of the Code.

We express no opinion herein as to the accuracy, adequacy or completeness of any information furnished to any person in connection with any offer or sale of the Certificates.

In rendering this opinion, we have relied upon certifications of the Village with respect to certain material facts within the Village’s knowledge. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion and is not a guarantee of a result. This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

APPENDIX D

**VILLAGE OF INDIAN HEAD PARK
COOK COUNTY, ILLINOIS**

**EXCERPTS OF FISCAL YEAR 2023 AUDITED FINANCIAL STATEMENTS
RELATING TO THE VILLAGE'S PENSION PLAN**

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

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

Illinois Municipal Retirement Fund (IMRF)

Plan Descriptions

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

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

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

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

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Plan Membership. As of December 31, 2022, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	27
Inactive Plan Members Entitled to but not yet Receiving Benefits	18
Active Plan Members	<u>22</u>
Total	<u>67</u>

Contributions. As set by statute, the Village's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2023, the Village's contribution was 12.27% of covered payroll.

Net Pension Liability/(Asset). The Village's net pension liability/(asset) was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2022, using the following actuarial methods and assumptions:

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued. For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	25.50%	4.90%
Domestic Equities	35.50%	6.50%
International Equities	18.00%	7.60%
Real Estate	10.50%	6.20%
Blended	9.50%	6.25% - 9.90%
Cash and Cash Equivalents	1.00%	4.00%

Discount Rate

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 2,875,952	1,769,236	862,475

Changes in the Net Pension Liability/(Asset)

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability/ (Asset) (A) - (B)
Balances at December 31, 2021	\$ 10,417,400	10,825,730	(408,330)
Changes for the Year:			
Service Cost	166,367	—	166,367
Interest on the Total Pension Liability	740,907	—	740,907
Difference Between Expected and Actual Experience of the Total Pension Liability	162,075	—	162,075
Changes of Assumptions	—	—	—
Contributions - Employer	—	223,432	(223,432)
Contributions - Employees	—	76,576	(76,576)
Net Investment Income	—	(1,423,535)	1,423,535
Benefit Payments, Including Refunds of Employee Contributions	(562,366)	(562,366)	—
Other (Net Transfer)	—	15,310	(15,310)
Net Changes	506,983	(1,670,583)	2,177,566
Balances at December 31, 2022	10,924,383	9,155,147	1,769,236

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

For the year ended April 30, 2023, the Village recognized pension expense of \$381,741. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred (Inflows) of Resources	Totals
Difference Between Expected and Actual Experience	\$ 139,042	—	139,042
Change in Assumptions	—	—	—
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	753,316	—	753,316
	<u>892,358</u>	<u>—</u>	<u>892,358</u>
Pension Contributions Made Subsequent to the Measurement Date	54,854	—	54,854
	<u>54,854</u>	<u>—</u>	<u>54,854</u>
Total Deferred Amounts Related to IMRF	<u>947,212</u>	<u>—</u>	<u>947,212</u>

\$54,854 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2024. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows of Resources
2024	\$ 44,073
2025	162,566
2026	245,830
2027	439,889
2028	—
Thereafter	—
Totals	<u>892,358</u>

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

Benefits Provided. RBP provides healthcare, dental and vision for retirees. Eligibility is based on the IMRF and Police Officers plans. Coverage ends when the retiree stops paying for it. Spouses and dependents of eligible retirees are also eligible for benefits at 100% of the premium costs. Coverage ends at the same time as the retiree.

Plan Membership. As of April 30, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	5
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>19</u>
Total	<u><u>24</u></u>

Total OPEB Liability

The Village's total OPEB liability was measured as of April 30, 2023, and was determined by an actuarial valuation as of April 30, 2023.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the April 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	3.00%
Salary Increases	4.00%
Discount Rate	4.14%
Healthcare Cost Trend Rates	Starting at 5.00% with an ultimate rate of 4.50% for 2028 and later.
Retirees' Share of Benefit-Related Costs	100% of the Blended Cost of Coverage

The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index as of April 30, 2023.

Mortality rates were based on the PubG.H-2010 Mortality Table - General with Mortality, improvement using scale MP-2019.

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Change in the Total OPEB Liability

	Total OPEB Liability
Balance at April 30, 2022	\$ 332,073
Changes for the Year:	
Service Cost	674
Interest on the Total OPEB Liability	12,487
Difference Between Expected and Actual Experience	49,481
Changes of Assumptions or Other Inputs	(3,925)
Benefit Payments	(36,680)
Net Changes	22,037
Balance at April 30, 2023	354,110

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

The discount rate used to measure the total pension liability was 4.14%, while the prior valuation used 3.98%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (3.14%)	Current Discount Rate (4.14%)	1% Increase (5.14%)
Total OPEB Liability	\$ 386,186	354,110	327,386

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

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

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 327,164	354,110	385,831

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Notes to the Financial Statements

April 30, 2023

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

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

For the year ended April 30, 2023, the Village recognized OPEB expense of \$1,142. At April 30, 2023, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 41,867	(48,228)	(6,361)
Change in Assumptions	45,846	(68,160)	(22,314)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	—	—	—
Total Deferred Amounts Related to OPEB	<u>87,713</u>	<u>(116,388)</u>	<u>(28,675)</u>

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2024	\$ (12,020)
2025	(12,020)
2026	(8,166)
2027	(6,682)
2028	6,719
Thereafter	<u>3,494</u>
Total	<u>(28,675)</u>

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability
Retiree Benefit Plan
- Budgetary Comparison Schedules
General Fund
Motor Fuel Tax - Special Revenue Fund

Notes to the Required Supplementary Information

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
April 30, 2023**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 165,412	\$ 165,412	\$ —	\$ 1,404,516	11.78%
2017	151,873	151,873	—	1,318,773	11.52%
2018	155,927	155,927	—	1,277,655	12.20%
2019	179,948	179,948	—	1,357,228	13.26%
2020	177,208	177,208	—	1,297,964	13.65%
2021	201,524	201,524	—	1,323,791	15.22%
2022	234,987	234,987	—	1,507,629	15.59%
2023	209,318	209,318	—	1,705,882	12.27%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	21 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.85% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	See the Notes to the Financial Statements
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Note:

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

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Illinois Municipal Retirement Fund

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

April 30, 2023

	<u>12/31/15</u>
Total Pension Liability	
Service Cost	\$ 150,833
Interest	516,423
Differences Between Expected and Actual Experience	(187,363)
Change of Assumptions	9,464
Benefit Payments, Including Refunds of Member Contributions	<u>(234,785)</u>
Net Change in Total Pension Liability	254,572
Total Pension Liability - Beginning	<u>6,936,810</u>
 Total Pension Liability - Ending	 <u><u>7,191,382</u></u>
 Plan Fiduciary Net Position	
Contributions - Employer	\$ 172,475
Contributions - Members	64,283
Net Investment Income	31,353
Benefit Payments, Including Refunds of Member Contributions	<u>(234,785)</u>
Other (Net Transfer)	<u>(89,367)</u>
Net Change in Plan Fiduciary Net Position	(56,041)
Plan Net Position - Beginning	<u>6,269,594</u>
 Plan Net Position - Ending	 <u><u>6,213,553</u></u>
 Employer's Net Pension Liability/(Asset)	 <u><u>\$ 977,829</u></u>
 Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	 86.40%
 Covered Payroll	 \$ 1,404,516
 Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	 69.62%

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in 2015 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017.

12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22
148,700	144,853	129,198	147,943	133,978	139,376	166,367
538,198	590,230	609,545	645,880	664,664	705,775	740,907
227,719	88,475	280,678	(8,284)	330,864	180,625	162,075
(19,395)	(191,817)	223,465	—	(24,805)	—	—
(141,141)	(296,317)	(436,452)	(505,218)	(533,691)	(547,028)	(562,366)
754,081	335,424	806,434	280,321	571,010	478,748	506,983
7,191,382	7,945,463	8,280,887	9,087,321	9,367,642	9,938,652	10,417,400
7,945,463	8,280,887	9,087,321	9,367,642	9,938,652	10,417,400	10,924,383
160,327	150,497	177,622	172,796	202,293	220,156	223,432
59,137	58,941	58,696	60,697	60,728	76,546	76,576
397,971	1,111,060	(437,150)	1,400,798	1,210,884	1,645,365	(1,423,535)
(141,141)	(296,317)	(436,452)	(505,218)	(533,691)	(547,028)	(562,366)
(158,289)	(46,253)	253,828	2,211	244,514	(11,351)	15,310
318,005	977,928	(383,456)	1,131,284	1,184,728	1,383,688	(1,670,583)
6,213,553	6,531,558	7,509,486	7,126,030	8,257,314	9,442,042	10,825,730
6,531,558	7,509,486	7,126,030	8,257,314	9,442,042	10,825,730	9,155,147
1,413,905	771,401	1,961,291	1,110,328	496,610	(408,330)	1,769,236
82.20%	90.68%	78.42%	88.15%	95.00%	103.92%	83.80%
1,404,516	1,309,804	1,301,357	1,301,357	1,349,512	1,399,594	1,701,693
100.67%	58.89%	150.71%	85.32%	36.80%	(29.17%)	103.97%

VILLAGE OF INDIAN HEAD PARK, ILLINOIS

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

April 30, 2023

	4/30/19	4/30/20	4/30/21	4/30/22	4/30/23
Total OPEB Liability					
Service Cost	\$ 1,207	1,322	411	483	674
Interest	18,767	14,746	12,859	7,556	12,487
Difference Between Expected and Actual Experience	(72,889)	—	(46,945)	—	49,481
Change of Assumptions or Other Inputs	16,713	12,292	27,627	(72,723)	(3,925)
Benefit Payments	(34,767)	(37,062)	(33,566)	(32,291)	(36,680)
Other Changes	14,493	(543)	—	—	—
Net Change in Total OPEB Liability	(56,476)	(9,245)	(39,614)	(96,975)	22,037
Total OPEB Liability - Beginning	534,383	477,907	468,662	429,048	332,073
Total OPEB Liability - Ending	477,907	468,662	429,048	332,073	354,110
Covered-Employee Payroll	\$ 1,099,728	1,102,420	1,102,420	1,215,049	1,408,677
Total OPEB Liability as a Percentage of Covered-Employee Payroll	43.46%	42.51%	38.92%	27.33%	25.14%

Notes:

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

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

Changes of Assumptions. Change of assumption related to the discount rate were made in 2019 through 2023.

APPENDIX E

FORM OF CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING
FOR THE PURPOSE OF PROVIDING
CONTINUING DISCLOSURE INFORMATION
UNDER SECTION (b)(5) OF RULE 15c2-12

This Continuing Disclosure Undertaking (this “*Agreement*”) is executed and delivered by the Village of Indian Head Park, Cook County, Illinois (the “*Village*”), in connection with the issuance of \$_____ Debt Certificates, Series 2024 (the “*Certificates*”). The Certificates are being issued pursuant to an ordinance adopted by the President and Board of Trustees of the Village on the 9th day of May, 2024 (the “*Ordinance*”).

In consideration of the issuance of the Certificates by the Village and the purchase of such Certificates by the beneficial owners thereof, the Village covenants and agrees as follows:

1. PURPOSE OF THIS AGREEMENT; CERTIFICATIONS. This Agreement is executed and delivered by the Village as of the date set forth below, for the benefit of the beneficial owners of the Certificates and in order to assist the Participating Underwriters in complying with the requirements of the Rule (as defined below). This Agreement is prepared in compliance with paragraph (d)(2) of the Rule.

The Village represents that:

(a) it will be the only obligated person with respect to the Certificates at the time the Certificates are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Certificates; and

(b) at the time of the delivery of the Certificates to the Participating Underwriters, the Village will be an “obligated person” (as such term is defined in the Rule) with respect to less than \$10,000,000 in aggregate amount of outstanding municipal securities, including the Certificates and excluding municipal securities that were offered in a transaction exempt from the Rule pursuant to paragraph (d)(1) of the Rule.

2. DEFINITIONS. The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

Commission means the Securities and Exchange Commission.

Dissemination Agent means any agent designated as such in writing by the Village and which has filed with the Village a written acceptance of such designation, and such agent’s successors and assigns.

EMMA means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

Exchange Act means the Securities Exchange Act of 1934, as amended.

Financial Information means the financial information and operating data described in *Exhibit I*.

Financial Information Disclosure means the dissemination of disclosure concerning Financial Information as set forth in Section 4.

Financial Obligation of the Village means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

MSRB means the Municipal Securities Rulemaking Board.

Official Statement means the Official Statement, dated _____, 2024, and relating to the Certificates.

Participating Underwriter means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Certificates.

Reportable Event means the occurrence of any of the Events with respect to the Certificates set forth in *Exhibit II*.

Reportable Events Disclosure means dissemination of a notice of a Reportable Event as set forth in Section 5.

Rule means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

State means the State of Illinois.

Undertaking means the obligations of the Village pursuant to Sections 4 and 5.

3. CUSIP NUMBERS. The CUSIP Numbers of the Certificates are set forth in *Exhibit III*. All filings required under this Agreement will be filed on EMMA under these CUSIP Numbers. If the Certificates are refunded after the date hereof, the Village will also make all filings required under this Agreement under any new CUSIP Numbers assigned to the Certificates as a result of such refunding, to the extent the Village remains legally liable for the payment of such Certificates; *provided, however*, that the Village will not be required to make such filings under new CUSIP Numbers unless the Village has been notified in writing by the Participating Underwriter or the Village’s financial advisor that new CUSIP Numbers have been assigned to the Certificates. The Village will not make any filings pursuant to this Agreement under new CUSIP Numbers assigned to any of the Certificates after the date hereof for any reason other than a refunding, as described in the previous sentence, including, but not limited to, new CUSIP Numbers assigned to the Certificates as a result of a holder of the Certificates obtaining a bond insurance policy or other

credit enhancement with respect to some or all of the outstanding Certificates in the secondary market.

4. FINANCIAL INFORMATION DISCLOSURE. Subject to Section 8 of this Agreement, the Village hereby covenants that it will disseminate its Financial Information at least annually to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

5. REPORTABLE EVENTS DISCLOSURE. Subject to Section 8 of this Agreement, the Village hereby covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. References to “material” in Exhibit II refer to materiality as it is interpreted under the Exchange Act. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Certificates or defeasance of any Certificates need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Certificateholders pursuant to the Ordinance.

6. CONSEQUENCES OF FAILURE OF THE VILLAGE TO PROVIDE INFORMATION. In the event of a failure of the Village to comply with any provision of this Agreement, the beneficial owner of any Certificate may seek mandamus or specific performance by court order, to cause the Village to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed a default under the Ordinance, and the sole remedy under this Agreement in the event of any failure of the Village to comply with this Agreement shall be an action to compel performance.

7. AMENDMENTS; WAIVER. Notwithstanding any other provision of this Agreement, the Village by resolution authorizing such amendment or waiver, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including without limitation, pursuant to a “no-action” letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the Village, or type of business conducted;

(b) This Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver does not materially impair the interests of the beneficial owners of the Certificates, as determined by parties unaffiliated with the Village (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Financial Information Disclosure or Reportable Events Disclosure to be made to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the Village shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending this Agreement.

8. TERMINATION OF UNDERTAKING. The Undertaking of the Village shall be terminated hereunder if the Village shall no longer have any legal liability for any obligation on or relating to repayment of the Certificates under the Ordinance.

9. FUTURE CHANGES TO THE RULE. As set forth in Section 1 of this Agreement, the Village has executed and delivered this Agreement solely and only to assist the Participating Underwriters in complying with the requirements of the Rule. Therefore, notwithstanding anything in this Agreement to the contrary, in the event the Commission, the MSRB or other regulatory authority shall approve or require changes to the requirements of the Rule, the Village shall be permitted, but shall not be required, to unilaterally modify the covenants in this Agreement, without complying with the requirements of Section 7 of this Agreement, in order to comply with, or conform to, such changes. In the event of any such modification of this Agreement, the Village shall file a copy of this Agreement, as revised, on EMMA in a timely manner.

10. DISSEMINATION AGENT. The Village may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

11. ADDITIONAL INFORMATION. Nothing in this Agreement shall be deemed to prevent the Village from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Financial Information Disclosure or notice of occurrence of a Reportable Event, in addition to that which is required by this Agreement. If the Village chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by this Agreement, the Village shall have no obligation under this Agreement to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

12. BENEFICIARIES. This Agreement has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the Village, the Dissemination Agent, if any, and the beneficial owners of the Certificates, and shall create no rights in any other person or entity.

13. RECORDKEEPING. The Village shall maintain records of all Financial Information Disclosure and Reportable Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

14. ASSIGNMENT. The Village shall not transfer its obligations under the Ordinance unless the transferee agrees to assume all obligations of the Village under this Agreement or to execute an Undertaking under the Rule.

15. CONTACT INFORMATION. Specific questions or inquiries relating to Financial Information Disclosure and Reportable Events Disclosure should be directed to:

Gavin Morgan
Village Administrator
Village of Indian Head Park
201 Acacia Drive
Indian Head Park, Illinois 60525
(708) 246-3080

16. GOVERNING LAW. This Agreement shall be governed by the laws of the State.

VILLAGE OF INDIAN HEAD PARK,
COOK COUNTY, ILLINOIS

By _____
President

Date: _____, 2024

EXHIBIT I
FINANCIAL INFORMATION

“*Financial Information*” means the Village’s annual audited financial statements prepared in accordance with accounting principles generally accepted in the United States of America. The Financial Information will be submitted to EMMA by 210 days after the last day of the Village’s fiscal year (currently April 30), beginning with the fiscal year ending April 30, 2024. If audited financial statements are not available when the Financial Information is required to be filed, the Village will submit the Financial Information to EMMA within 30 days after availability to the Village. There shall be specified the date as of which such information was prepared. All or a portion of the Financial Information may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in an Official Statement, the Official Statement must be available on EMMA; the Official Statement need not be available from the Commission. The Village shall clearly identify each such item of information included by reference.

EXHIBIT II
EVENTS WITH RESPECT TO THE CERTIFICATES FOR WHICH
REPORTABLE EVENTS DISCLOSURE IS REQUIRED

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

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

EXHIBIT III
CUSIP NUMBERS

YEAR OF MATURITY	CUSIP NUMBER (454244)
2024	
2025	
2026	
2027	
2028	

OFFICIAL BID FORM
(Closed Speer Auction)

Village of Indian Head Park
201 Acacia Drive
Indian Head Park, Illinois 60525

May 9, 2024
Speer Financial, Inc.

President and Board of Trustees:

For the \$1,490,000* Debt Certificates, Series 2024 (the "Certificates"), of the Village of Indian Head Park, Cook County, Illinois (the "Village"), as described in the annexed Official Notice of Sale, which is expressly made a part of this bid, we will pay you \$_____ (no less than \$1,475,100). The Certificates are dated the date of delivery, expected to be on or about May 23, 2024. The Certificates will bear interest as follows (each rate a multiple of 1/8 or 1/100 of 1%). **The premium or discount, if any, is subject to adjustment allowing the same \$_____ gross spread per \$1,000 Certificate as bid herein.**

MATURITIES* - DECEMBER 1

\$300,000	2024	\$305,000.....	2027
275,000	2025	320,000.....	2028
290,000	2026		

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

The Certificates are to be executed and delivered to us in accordance with the terms of this bid accompanied by the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois. The Village will pay for the legal opinion. The underwriter agrees to **apply for CUSIP numbers within 24 hours** and pay the fee charged by the CUSIP Service Bureau and will accept the Certificates with the CUSIP numbers as entered on the Certificates.

As evidence of our good faith, if we are the winning bidder, we will wire transfer the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time to the Village's good faith bank and under the terms provided in the Official Notice of Sale for the Certificates. Alternatively, we have wire transferred or enclosed herewith a check payable to the order of the Treasurer of the Village in the amount of the Deposit under the terms provided in the Official Notice of Sale for the Certificates.

Form of Deposit (Check One)

Prior to Bid Opening:
Certified/Cashier's Check
Wire Transfer

Within **TWO hours** of Bidding:
Wire Transfer

Amount: \$29,800

Account Manager Information

Name _____
Address _____
By _____
City _____ State/Zip _____
Direct Phone (____) _____
FAX Number (____) _____
E-Mail Address _____

Bidders Option Insurance

<p>We have purchased insurance from: <u>Name of Insurer</u> <i>(Please fill in)</i></p> <p>_____</p> <p>Premium: _____</p> <p>Maturities: (Check One) <input type="checkbox"/> _____ Years <input type="checkbox"/> All</p>

The foregoing bid was accepted and the Certificates sold by ordinance of the Village on May 9, 2024, and receipt is hereby acknowledged of the good faith Deposit which is being held in accordance with the terms of the annexed Official Notice of Sale.

VILLAGE OF INDIAN HEAD PARK, COOK COUNTY, ILLINOIS

*Subject to change.

Village President

----- **NOT PART OF THE BID** -----
(Calculation of true interest cost)

	Bid	Post Sale Revision
Gross Interest	\$	
Less Premium/Plus Discount	\$	
True Interest Cost	\$	
True Interest Rate	%	
TOTAL BOND YEARS	\$3,828.11	
AVERAGE LIFE	2.569 Years	

OFFICIAL NOTICE OF SALE

\$1,490,000*

**Village of Indian Head Park
Cook County, Illinois
Debt Certificates, Series 2024**

(Closed Speer Auction)

The Village of Indian Head Park, Cook County, Illinois (the "Village"), will receive electronic bids on the SpeerAuction ("*SpeerAuction*") website address "www.SpeerAuction.com" for its \$1,490,000* Debt Certificates, Series 2024 (the "Certificates"), on an all or none basis between 11:15 A.M. and 11:30 A.M., C.D.T., Thursday, May 9, 2024. To bid, bidders must have: (1) completed the registration form on the SpeerAuction website, and (2) requested and received admission to the Village's sale (as described below). Award will be made or all bids rejected at a meeting of the Village on that date. The Village reserves the right to change the date or time for receipt of bids. Any such change shall be made not less than twenty-four (24) hours prior to the revised date and time for receipt of the bids for the Certificates and shall be communicated by publishing the changes in the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

The Certificates are valid and legally binding upon the Village and are payable from any funds of the Village legally available for such purpose. There is no statutory authority for the levy of a separate tax in addition to other Village taxes or the levy of a special tax unlimited as to rate or amount to pay the principal and interest due on the Certificates.

Method of bidding: All-or-none bids must be submitted via internet address www.SpeerAuction.com. **No telephone, telefax or personal delivery bids will be accepted.** The use of SpeerAuction shall be at the bidder's risk and expense and the Village shall have no liability with respect thereto, including (without limitation) liability with respect to incomplete, late arriving and non-arriving bids.

To bid via the SpeerAuction webpage, bidders must first visit the SpeerAuction webpage where, if they have not previously registered with either SpeerAuction, Grant Street Group (the "Auction Administrator") or any other website administered by the Auction Administrator, they may register and then request admission to bid on the Certificates. Bidders will be notified prior to the scheduled bidding time of their eligibility to bid. Only FINRA registered broker-dealers and dealer banks with DTC clearing arrangements will be eligible to bid.

The "Rules" of the SpeerAuction bidding process may be viewed on the SpeerAuction webpage and are incorporated herein by reference. Bidders must comply with the Rules of SpeerAuction in addition to the requirements of the Village's Official Notice of Sale. In the event the Rules of SpeerAuction and this Official Notice of Sale conflict, this Official Notice of Sale shall be controlling.

All bids must be submitted on the SpeerAuction webpage. Bidders may change and submit bids as many times as they choose during the sale period but may not delete a submitted bid. The last bid submitted by a bidder before the deadline for receipt of bids will be compared to all other final bids to determine the winning bidder. During the bidding, no bidder will see any other bidder's bid nor the status of their bid relative to other bids (*e.g.*, whether their bid is a leading bid). The bidder bears all risk of transmission failure. Any questions regarding bidding on the SpeerAuction website should be directed to Grant Street Group at (412) 391-5555 x370.

Establishment of Issue Price

- (a) The winning bidder shall assist the Village in establishing the issue price of the Certificates and shall execute and deliver to the Village at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the Public or the sales price or prices of the Certificates, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as **Exhibit A** to this Official Notice of Sale, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Village and >>> ("Bond Counsel"). All actions to be taken by the Village under this Official Notice of Sale to establish the issue price of the Certificates may be taken on behalf of the Village by the Village's municipal advisor and any notice or report to be provided to the Village may be provided to Speer Financial, Inc., Chicago, Illinois ("*Speer*").
- (b) The Village intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Certificates) will apply to the initial sale of the Certificates (the "competitive sale requirements") because:

**Subject to change.*

- (i) the Village shall disseminate this Official Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
- (ii) all bidders shall have an equal opportunity to bid;
- (iii) the Village may receive bids from at least three Underwriters of municipal Certificates who have established industry reputations for underwriting new issuances of municipal Certificates; and
- (iv) the Village anticipates awarding the sale of the Certificates to the bidder who submits a firm offer to purchase the Certificates at the lowest true interest cost, as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Certificates, as specified in the bid.

- (c) In the event that the competitive sale requirements are not satisfied, the Village shall so advise the winning bidder. **The Village will not require bidders to comply with the “hold-the-offering-price rule” and therefore does not intend to use the initial offering price to the Public as of the Sale Date of any maturity of the Certificates as the issue price of that maturity, though the winning bidder may elect to apply the “hold the offering price rule” (as described below). Bids will not be subject to cancellation in the event that the competitive sale requirements are not satisfied. Unless a bidder intends to apply the “hold-the-offering-price rule” as described below, bidders should prepare their bids on the assumption that all of the maturities of the Certificates will be subject to the 10% test (as described below) in order to establish the issue price of the Certificates.** If the competitive sale requirements are not satisfied, the 10% test shall apply to determine the issue price of each maturity of the Certificates unless the winning bidder shall request that the “hold-the-offering-price rule” (as described below) shall apply. The winning bidder must notify Speer of its intention to apply the “hold-the-offering-price rule” at or prior to the time the Certificates are awarded.

- (i) If the winning bidder does not request that the “hold-the-offering-price rule” apply to determine the issue price of the Certificates, the following two paragraphs shall apply:

The Village shall treat the first price at which 10% of a maturity of the Certificates (the “10% test”) is sold to the Public as the issue price of that maturity, applied on a maturity-by-maturity basis. The winning bidder shall advise the Village if any maturity of the Certificates satisfies the 10% test as of the date and time of the award of the Certificates.

Until the 10% test has been satisfied as to each maturity of the Certificates, the winning bidder agrees to promptly report to the Village the prices at which the unsold Certificates of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to the Certificates of that maturity or until all Certificates of that maturity have been sold to the Public. In addition, if the 10% test has not been satisfied with respect to any maturity of the Certificates prior to closing, then the purchaser shall provide the Village with a representation as to the price of prices, as of the date of closing, at which the purchaser reasonably expects to sell the remaining Certificates of such maturity.

- (ii) If the winning bidder does request that the “hold-the-offering-price rule” apply to determine the issue price of the Certificates, the following three paragraphs shall apply:

The Village may determine to treat (i) pursuant to the 10% test, the first price at which 10% of a maturity of the Certificates is sold to the Public as the issue price of that maturity and/or (ii) the initial offering price to the Public as of the Sale Date of any maturity of the Certificates as the issue price of that maturity (the “hold-the-offering-price rule”), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the Village if any maturity of the Certificates satisfies the 10% test as of the date and time of the award of the Certificates. The Village shall promptly advise the winning bidder, at or before the time of award of the Certificates, which maturities of the Certificates shall be subject to the 10% test or shall be subject to the hold-the-offering-price rule or both. Bids will *not* be subject to cancellation in the event that the Village determines to apply the hold-the-offering-price rule to any maturity of the Certificates.

By submitting a bid, the winning bidder shall (i) confirm that the Underwriters have offered or will offer the Certificates to the Public on or before the date of award at the offering price or prices (the “*initial offering price*”), and (ii) agree, on behalf of the Underwriters participating in the purchase of the Certificates, that the Underwriters will neither offer nor sell unsold Certificates of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the Public during the period starting on the Sale Date and ending on the earlier of the following:

- (1) the close of the fifth business day after the Sale Date; or
- (2) the date on which the Underwriters have sold at least 10% of that maturity of the Certificates to the Public at a price that is no higher than the initial offering price to the Public.

- (d) The Village acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each Underwriter to comply with the hold-the-offering-price rule, as set forth in an agreement among Underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Certificates to the Public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Certificates to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The Village further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement to comply with its corresponding agreement regarding the hold-the-offering-price applicable to the Certificates.
- (e) By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each retail distribution agreement (to which the bidder is a party) relating to the initial sale of the Certificates to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (a) report the prices at which it sells to the Public the unsold Certificates of each maturity allotted to it until it is notified by the winning bidder that either the 10% test has been satisfied as to the Certificates of that maturity or all Certificates of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires which shall be at least until the 10% test has been satisfied as to the Certificates of that maturity or until the close of the fifth business day following the date of the award, and (ii) any agreement among Underwriters relating to the initial sale of the Certificates to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Certificates to the Public to require each broker-dealer that is a party to such retail distribution agreement to (a) report the prices at which it sells to the Public the unsold Certificates of each maturity allotted to it until it is notified by the winning bidder or such Underwriter that either the 10% test has been satisfied as to the Certificates of that maturity or all Certificates of that maturity have been sold to the Public and (b) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder or such Underwriter and as set forth in the related pricing wires, which shall be at least until the 10% test has been satisfied as to the Certificates of that maturity or until the close of the fifth business day following the date of the award.
- (f) Sales of any Certificates to any person that is a Related Party to an Underwriter shall not constitute sales to the Public for purposes of this Official Notice of Sale. Further, for purposes of this Official Notice of Sale:

- (i) “Public” means any person other than an Underwriter or a Related Party,
- (ii) “Underwriter” means (A) any person that agrees pursuant to a written contract with the Village (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the public including, specifically, the purchaser, and (b) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Certificates to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Certificates to the Public),
- (iii) a purchaser of any of the Certificates is a “Related Party” to an Underwriter if the Underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) “Sale Date” means the date that the Certificates are awarded by the Village to the winning bidder.

The Village reserves the right to reject all bids, to reject any bid not conforming to this Official Notice of Sale, and to waive any irregularity or informality with respect to any bid. Additionally, the Village reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Certificates and any such modification or amendment will be announced on the Amendments Page of the SpeerAuction webpage and through *Thomson Municipal News*.

The Certificates will be in fully registered form in the denominations of \$5,000 and integral multiples thereof in the name of Cede & Co. as nominee of The Depository Trust Company, New York, New York (“DTC”), to which principal and interest payments on the Certificates will be paid. Individual purchases will be in book-entry only form. Interest on each Certificate shall be paid by check or draft of the Registrar (as hereinafter defined) to the person in whose name such Certificate is registered at the close of business on the fifteenth day of the month next preceding any interest payment date. The principal of the Certificates shall be payable in lawful money of the United States of America at the principal office maintained for the purpose by the Registrar in Chicago, Illinois. Semiannual interest is due June 1 and December 1 of each year commencing December 1, 2024, and is payable by Amalgamated Bank of Chicago, Chicago, Illinois (the “Registrar”). The Certificates are dated the date of delivery, expected to be on or about May 23, 2024.

If the winning bidder is not a direct participant of DTC and does not have clearing privileges with DTC, the Certificates will be issued as Registered Certificates in the name of the purchaser. At the request of such winning bidder, the Village will assist in the timely conversion of the Registered Certificates into book-entry Certificates with DTC as described herein.

MATURITIES* - DECEMBER 1

\$300,000	2024	\$305,000.....	2027
275,000	2025	320,000.....	2028
290,000	2026		

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

The Certificates are **not** subject to optional redemption prior to maturity.

All interest rates must be in multiples of one-eighth or one one-hundredth of one percent (1/8 or 1/100 of 1%), and not more than one rate for a single maturity shall be specified. The differential between the highest rate bid and the lowest rate bid shall not exceed three percent (3%). No coupon shall exceed five percent (5%). All bids must be for all of the Certificates, must be for not less than \$1,475,100.

*Subject to change.

Award of the Certificates: The Certificates will be awarded on the basis of true interest cost, determined in the following manner. True interest cost shall be computed by determining the annual interest rate (compounded semi-annually) necessary to discount the debt service payments on the Certificates from the payment dates thereof to the dated date and to the bid price. For the purpose of calculating true interest cost, the Certificates shall be deemed to become due in the principal amounts and at the times set forth in the table of maturities set forth above. In the event two or more qualifying bids produce the identical lowest true interest cost, the winning bid shall be the bid that was submitted first in time on the SpeerAuction webpage.

The Certificates will be awarded to the bidder complying with the terms of this Official Notice of Sale whose bid produces the lowest true interest cost rate to the Village as determined by the Village's Municipal Advisor, which determination shall be conclusive and binding on all bidders; *provided*, that the Village reserves the right to reject all bids or any non-conforming bid and reserves the right to waive any informality in any bid. Bidders should verify the accuracy of their final bids and compare them to the winning bids reported on the SpeerAuction Observation Page immediately after the bidding.

The premium or discount, if any, is subject to pro rata adjustment if the maturity amounts of the Certificates are changed, allowing the same dollar amount of profit per \$1,000 bond as submitted on the Official Bid Form. The dollar amount of profit must be written on the Official Bid Form for any adjustment to be allowed and is subject to verification.

The true interest cost of each bid will be computed by SpeerAuction and reported on the Observation Page of the SpeerAuction webpage immediately following the date and time for receipt of bids. These true interest costs are subject to verification by the Village's Municipal Advisor, will be posted for information purposes only and will not signify an actual award of any bid or an official declaration of the winning bid. The Village or its Municipal Advisor will notify the bidder to whom the Certificates will be awarded, if and when such award is made.

The winning bidder will be required to make the standard filings and maintain the appropriate records routinely required pursuant to MSRB Rules G-8, G-11 and G-32. The winning bidder will be required to pay the standard MSRB charge for Certificates purchased. In addition, the winning bidder who is a member of the Securities Industry and Financial Markets Association ("SIFMA") will be required to pay SIFMA's standard charge per bond.

The winning bidder is required to wire transfer from a solvent bank or trust company to the Village's good faith bank the amount of **TWO PERCENT OF PAR** (the "Deposit") **WITHIN TWO HOURS** after the bid opening time as evidence of the good faith of the bidder. Alternatively, a bidder may submit its Deposit upon or prior to the submission of its bid in the form of a certified or cashier's check on, or a wire transfer from, a solvent bank or trust company for **TWO PERCENT OF PAR** payable to the Treasurer of the Village. The Village reserves the right to award the Certificates to a bidder whose wire transfer is initiated but not received within such two hour time period provided that such bidder's federal wire reference number has been received. In the event the Deposit is not received as provided above, the Village may award the Certificates to the bidder submitting the next best bid provided such bidder agrees to such award.

The Deposit of the successful bidder will be retained by the Village pending delivery of the Certificates and all others, if received, will be promptly returned. Should the successful bidder fail to take up and pay for the Certificates when tendered in accordance with this Official Notice of Sale and said bid, said Deposit shall be retained as full and liquidated damages to the Village caused by failure of the bidder to carry out the offer of purchase. Such Deposit will otherwise be applied on the purchase price upon delivery of the Certificates. No interest on the Deposit will accrue to the purchaser.

If a wire transfer is used for the Deposit, it must be sent according to the following wire instructions:

Amalgamated Bank of Chicago
Corporate Trust
30 North LaSalle Street
38th Floor
Chicago, IL 60602
ABA (for wires only) # 071003405
Credit To: 3281 Speer Bidding Escrow
RE: Village of Indian Head Park, Cook County, Illinois
Bid for \$1,490,000* Debt Certificates, Series 2024

Contemporaneously with such wire transfer, the winning bidder shall send an email to biddingscrow@aboc.com with the following information: (1) indication that a wire transfer has been made, (2) the amount of the wire transfer, (3) the issue to which it applies, and (4) the return wire instructions if such bidder is not awarded the Certificates. The Village and any bidder who chooses to wire the Deposit hereby agree irrevocably that Speer Financial, Inc. (“Speer”) shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: (i) if the bid is not accepted, Speer shall, at its expense, promptly return the Deposit amount to such bidder; (ii) if the bid is accepted, the Deposit shall be forwarded to the Village; (iii) Speer shall bear all costs of maintaining the escrow account and returning the funds to the bidder; (iv) Speer shall not be an insurer of the Deposit amount and shall have no liability except if it willfully fails to perform, or recklessly disregards, its duties specified herein; and (v) no interest on the Deposit will accrue to the winning bidder.

The Village covenants and agrees to enter into a written agreement or contract, constituting an undertaking (the “Undertaking”) to provide ongoing disclosure about the Village for the benefit of the beneficial owners of the Certificates on or before the date of delivery of the Certificates as required under Section (b)(5) of Rule 15c2-12 (the “Rule”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. Because at the time of delivery of the Certificates the Village will be an “obligated person” (as such term is defined in the Rule) with respect to less than \$10,000,000 in aggregate amount of outstanding municipal securities, including the Certificates, the Village is required to provide to the Municipal Securities Rulemaking Board (the “MSRB”), as specified in the Rule, annual financial information or operating data regarding the Village which annual financial information and operating data shall include, at a minimum, that annual financial information and operating data which is customarily prepared by the Village and is publicly available. The Undertaking shall be as described in the Official Statement, with such changes as may be agreed in writing by the Underwriter.

The Underwriter’s obligation to purchase the Certificates shall be conditioned upon the Village delivering the Undertaking on or before the date of delivery of the Certificates.

The winning bidder shall provide a certificate, in form as set forth in **Exhibit A**, in form as drafted by or acceptable to Bond Counsel, to evidence the issue price of each maturity of the Certificates, form of which certificate is available upon request.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the Village in the Bond transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel arising from any adverse position to the Village in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

Certificates will be delivered to the successful purchaser against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be on or about May 23, 2024. Should delivery be delayed beyond sixty (60) days from the date of sale for any reason beyond the control of the Village except failure of performance by the purchaser, the Village may cancel the award or the purchaser may withdraw the good faith deposit and thereafter the purchaser’s interest in and liability for the Certificates will cease.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts, and interest rates of the Certificates, and any other information required by law or deemed appropriate by the Village, shall constitute a “Final Official Statement” of the Village with respect to the Certificates, as that term is defined in the Rule. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Certificates and other information may be included in a separate document entitled “Final Official Statement” rather than through supplementing the Official Statement by an addendum or addenda. By awarding the Certificates to any underwriter or underwriting syndicate, the Village agrees that, no more than seven (7) business days after the date of such award, it shall provide, without cost to the senior managing underwriter of the syndicate to which the Certificates are awarded, up to 50 copies of the Final Official Statement to permit each “Participating Underwriter” (as that term is defined in the Rule) to comply with the provisions of such Rule. The Village shall treat the senior managing underwriter of the syndicate to which the Certificates are awarded as its designated agent for purposes of distributing copies of the Final Official Statement to each Participating Underwriter. Any underwriter executing and delivering an Official Bid Form with respect to the Certificates agrees thereby that if its bid is accepted by the Village it shall enter into a contractual relationship with all Participating Underwriters of the Certificates for purposes of assuring the receipt by each such Participating Underwriter of the Final Official Statement.

By submission of its bid, the senior managing underwriter of the successful bidder agrees to supply all necessary pricing information and any Participating Underwriter identification necessary to complete the Official Statement within 24 hours after award of the Certificates. Additional copies of the Final Official Statement may be obtained by Participating Underwriters from the printer at cost.

The Village will, at its expense, deliver the Certificates to the purchaser in New York, New York, through the facilities of DTC and will pay for Bond Counsel’s opinion. At the time of closing, the Village will also furnish to the purchaser the following documents, each dated as of the date of delivery of the Certificates: (1) the unqualified opinion of Bond Counsel, that the Certificates are lawful and enforceable obligations of the Village in accordance with their terms; the opinion of said attorneys that the interest on the Certificates is exempt from federal income taxes as and to the extent set forth in the Official Statement for the Certificates; and (3) a no litigation certificate of the Village.

The Village intends to designate the Certificates as “qualified tax-exempt obligations” pursuant to the small issuer exception provided by Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

The Village has authorized the printing and distribution of an Official Statement containing pertinent information relative to the Village and the Certificates. Copies of such Official Statement or additional information may be obtained from Gavin Morgan, Village Administrator, Village of Indian Head Park, 201 Acacia Drive, Indian Head Park, Illinois 60525 or an electronic copy of this Official Statement is available from the www.speerfinancial.com web site under “Debt Auction Center/Competitive Sales Calendar” from the Municipal Advisor to the Village, Speer Financial, Inc., 230 W. Monroe Street, Suite 2630, Chicago, Illinois 60606, telephone (312) 346-3700.

/s/ **GAVIN MORGAN**
Village Administrator
VILLAGE OF INDIAN HEAD PARK
Cook County, Illinois

**Subject to change.*

Exhibit A
Example Issue Price Certificate

CERTIFICATE OF PURCHASER

The undersigned, on behalf of _____, _____, _____ (the “Purchaser”), hereby certifies as set forth below with respect to the sale and issuance of the \$_____ Debt Certificates, Series 2024 (the “Certificates”), of the Village of Indian Head Park, Cook County, Illinois (the “Village”).

I. General

On the Sale Date the Purchaser purchased the Certificates from the Village by submitting electronically an “Official Bid Form” responsive to an “Official Notice of Sale” and having its bid accepted by the Village. The Purchaser has not modified the terms of the purchase since the Sale Date.

II. Price

[3 Bids Received – Reasonably Expected Initial Offering Price.]

1. As of the Sale Date, the reasonably expected initial offering prices of the Certificates to the Public by the Purchaser are the prices listed in *Schedule A* (the “Expected Offering Prices”). The Expected Offering Prices are the prices for the Maturities of the Certificates used by the Purchaser in formulating its bid to purchase the Certificates. Attached as *Schedule B* is a true and correct copy of the bid provided by the Purchaser to purchase the Certificates.

2. The Purchaser was not given an exclusive opportunity to review other bids prior to submitting its bid.

3. The bid submitted by the Purchaser constituted a firm offer to purchase the Certificates.

[3 Bids Not Received – 10% Test.]

1. As of the date of this certificate, for each Maturity of the Certificates, the first price at which at least 10% of such Maturity of the Certificates was sold to the Public is the respective price listed in *Schedule A*.

[2. With respect to each of the _____ Maturities of the Certificates:

(a) As of the date of this certificate, the Purchaser has not sold at least 10% of the Certificates of this Maturity at any price.

(b) As of the date of this certificate, the Purchaser reasonably expects that the first sale to the Public of an amount of Certificates of this Maturity equal to 10% or more of this Maturity will be at or below the Expected Sale Price listed on the attached *Schedule A* (the “Expected First Sale Price”).]

[3 Bids Not Received – Hold-the-Offering-Price Rule Elected.]

3. Hold-the-Offering-Price Maturities

(a) The Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in *Schedule A* (the “*Initial Offering Prices*”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Certificates is attached to this certificate as *Schedule B*.

(b) As set forth in the Official Notice of Sale and bid award, the Purchaser agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Certificates of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “*Hold-the-Offering-Price Rule*”), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement would contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the Hold-the-Offering-Price Rule.

(c) No Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity during the Holding Period.

III. Defined Terms

[1. *General Rule Maturities* means those Maturities of the Certificates not listed in *Schedule A* hereto as the “Hold-the-Offering-Price Maturities.”]

[2. *Hold-the-Offering-Price Maturities* means those Maturities of the Certificates listed in *Schedule A* hereto as the “Hold-the-Offering-Price Maturities.”]

[3. *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (_____, 2024), or (ii) the date on which the Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

4. *Maturity* means Certificates with the same credit and payment terms. Certificates with different maturity dates, or Certificates with the same maturity date but different stated interest rates, are treated as separate maturities.

5. *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter.

6. A person is a “*Related Party*” to an Underwriter if the Underwriter and the person are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

7. *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Certificates. The Sale Date of the Certificates is _____, 2024.

8. *Underwriter* means (i) any person that agrees pursuant to a written contract with the Village (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the Public, including, specifically, the Purchaser, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Certificates to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Certificates to the Public).

IV. Use of Representations

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Village with respect to certain of the representations set forth in its documents and with respect to compliance with the federal income tax rules affecting the Certificates, and by Chapman and Cutler LLP in connection with rendering its opinion concerning interest on the Certificates, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Village from time to time relating to the Certificates.

IN WITNESS WHEREOF, I hereunto affix my signature, this _____ day of _____, 2024.

_____,
_____, _____

By: _____

Title: _____

SCHEDULE A

HOLD- THE- OFFERING PRICE MATURITY IF MARKED (*)	YEAR (DEC. 1)	PRINCIPAL AMOUNT (\$)	INTEREST RATE (%)	EXPECTED OFFERING PRICE (% OF PAR)	FIRST SALE PRICE OF AT LEAST 10% (% OF PAR)	EXPECTED		TOTAL ISSUE PRICE (\$)
						FIRST SALE PRICE (% OF PAR)	INITIAL OFFERING PRICE (% OF PAR)	
	2024							
	2025							
	2026							
	2027							
	2028							
	Total							

SCHEDULE B

[PURCHASER'S BID]

[PRICING WIRE OR EQUIVALENT COMMUNICATION]