

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

As of and for the Year Ended December 31, 2025

And Report of Independent Auditor

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

TABLE OF CONTENTS

INTRODUCTORY SECTION

Letter of Transmittal	1-4
GFOA Certificate of Achievement	5
Organizational Chart	6
Names and Titles of Principal Officials.....	7

FINANCIAL SECTION

Report of Independent Auditor	8-10
Management's Discussion and Analysis	11-20
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position – Governmental Activities	21
Statement of Activities – Governmental Activities	22
Fund Financial Statements	
Balance Sheet – Governmental Funds	23
Reconciliation of Fund Balances of Governmental Funds to Net Position of Governmental Activities	24
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	25
Reconciliation of the Change in Fund Balances of Governmental Funds to the Change in Net Position of Governmental Activities	26
Statement of Revenues, Expenditures, Encumbrances, and Changes in Fund Balances – Budget and Actual – General Fund and Major Special Revenue Fund.....	27-28
Statement of Fiduciary Net Position – Fiduciary Funds	29
Statement of Changes in Fiduciary Net Position – Fiduciary Funds.....	30
Notes to the Basic Financial Statements.....	31-66

REQUIRED SUPPLEMENTARY INFORMATION

Employee Retirement and Postemployment Benefit Plan Information:	
Firefighters' Pension Plan	67-68
Illinois Municipal Retirement Fund	69-71
Postretirement Health Plan	72-74

SUPPLEMENTARY INFORMATION

Combining and Individual Fund Financial Statements and Schedules:	
Major Governmental Funds:	
General Fund:	
Combining Schedule of General Fund Balance Sheet Accounts	75
Combining Schedule of General Fund Revenues, Expenditures, and Changes in Fund Balances.....	76
Corporate Fund	
Balance Sheet.....	77
Schedule of Revenues, Expenditures, Encumbrances, and Changes in Fund Balances – Budget and Actual.....	78-79
Tort Liability Fund:	
Balance Sheet.....	80
Schedule of Revenues, Expenditures, Encumbrances, and Changes in Fund Balances – Budget and Actual.....	81-82

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

TABLE OF CONTENTS (CONTINUED)

SUPPLEMENTARY INFORMATION (CONTINUED)

Emergency Rescue Fund:	
Balance Sheet	83
Schedule of Revenues, Expenditures, Encumbrances, and Changes in Fund	
Balances – Budget and Actual	84-85
Ambulance Fund:	
Balance Sheet.....	86
Schedule of Revenues, Expenditures, Encumbrances, and Changes in Fund	
Balances – Budget and Actual	87-88
Capital Projects Fund:	
Balance Sheet	89
Schedule of Revenues, Expenditures, Encumbrances, and Changes in Fund	
Balances – Budget and Actual	90
Fiduciary Funds:	
Combining Schedule of Fiduciary Net Position	91
Combining Schedule of Changes in Fiduciary Net Position	92
Firefighters' Pension Fund:	
Statement of Fiduciary Net Position	93
Statement of Changes in Fiduciary Net Position	94
Retiree Health Insurance Fund:	
Statement of Fiduciary Net Position	95
Statement of Changes in Fiduciary Net Position	96
Illinois Grant Accountability and Transparency Act Consolidated Year-End Financial Report	97

STATISTICAL SECTION

Statistical Section	98
Net Position by Component	99
Changes in Net Position	100
Fund Balances of Governmental Funds	101
Changes in Fund Balances of Governmental Funds	102
Schedule of Assessed Value and Estimated Actual Value of Taxable Property	103
Schedule of Assessed Valuations, Tax Rates, Extensions, and Collections	104
Property Tax Rates-Direct and Overlapping Governments	105
Principal Property Taxpayers	106
Outstanding Debt by Type	107
Ratios of General Obligation Debt Outstanding	108
Direct and Overlapping Governmental Activities Debt	109
Legal Debt Margin Information	110
Demographic and Economic Statistics	111
Principal Employers	112
Full-time Equivalent District Employees by Type	113
Operating Information	114

COMPLIANCE SECTION

Report of Independent Auditor on Internal Control over Financial Reporting and on	
Compliance and Other Matters Based on an Audit of Financial Statements	
Performed in Accordance with <i>Government Auditing Standards</i>	115-116

INTRODUCTORY SECTION

Board of Trustees:

President Beth Damas Kaspar

Secretary DJ Jeffers

Treasurer Bridget Tolan

Trustee Angela Greenfield

Trustee Tina Zekich

Fire Chief:

John Purtill



Orland Fire Protection District

Administration Center

9790 West 151st Street • Orland Park, IL 60462

708/349-0074 • Fax 708/349-0354

www.orlandfire.org



Internationally
Accredited Agency

Letter of Transmittal

September 9, 2026

To the Board of Trustees and Citizens
of the Orland Fire Protection District, Illinois

We are pleased to present the Annual Comprehensive Financial Report ("ACFR") of the Orland Fire Protection District, Illinois (the "District") for the year ended December 31, 2025. The ACFR includes a complete set of financial statements presented in conformance with United States generally accepted accounting principles. The financial statements and related information contained in this report are intended to provide a comprehensive overview of the District's financial position and results of operations.

This ACFR consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

To provide a reasonable basis for making its representations, management has established a comprehensive internal control framework. This framework is designed to provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition and that account transactions are executed in accordance with management's authorization and properly recorded so the financial statements can be prepared in conformity with generally accepted accounting principles. The objective of the internal control framework is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The District's financial statements have been audited with the goal of providing reasonable assurance that the financial statements of the District for the fiscal year ended December 31, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor's report is presented as the first component of the financial section of this report.

The District's government-wide financial statements reflect the effects of pension and postemployment benefit accounting. At December 31, 2025, the District reported governmental activities net position of \$1,379,514, compared with a net deficit of \$2,712,474 at December 31, 2024. The District's governmental funds reported combined ending fund balances of \$30,870,404, including \$7,989,760 of unassigned fund balance.

The Firefighters' Pension Fund reported year-end fiduciary net position of \$243,133,381, while the Retiree Health Insurance Fund reported year-end fiduciary net position of \$14,444,664. These amounts are reported in the fiduciary financial statements and are not available to fund the District's general governmental activities.

Generally accepted accounting principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). The MD&A immediately follows the Report of Independent Auditor. This transmittal letter is designed to complement the MD&A and should be read in conjunction with it.

Profile of the District

The District was organized in 1969. The District operates under the provisions of the Fire Protection District Act of the State of Illinois and operates under an elected Board of Trustees form of government. The five-member Board of Trustees constitutes the primary policy-making body of the District. The Board of Trustees is responsible for, among other things, determining District policies, adopting the annual budget, levying taxes, adopting ordinances, and authorizing the payment of bills. The Fire Chief is appointed by the Board of Trustees and is responsible for the daily operations and management of the District.

The District provides a full range of services to the residents of the Village of Orland Park, the Village of Orland Hills and the unincorporated areas of Orland Township. These services include fire suppression services, emergency medical services, underwater rescue, hazardous material response, fire prevention and public education.

The District operates six fire stations, one training facility, and two maintenance facilities. The District's operating information reports 12,897 calls in 2025, consisting of 4,223 fire/rescue calls and 8,674 emergency medical service calls.

The District's reporting entity includes general District government and all related organizations for which the District exercises financial accountability as defined by the Governmental Accounting Standards Board. Accordingly, the District includes the financial results of the Orland Firefighters' Pension Fund and the Orland Fire District Retiree Health Insurance Fund in these financial statements.

The President, Board of Trustees, and staff of the District are intent on maintaining the District's strong financial condition while continuing to provide a high level of public services to its residents.

Financial Planning and Budgeting

The District has followed a consistent policy of maintaining strong fund balances in its governmental funds while funding retirement and post-retirement benefit obligations. The annual budget serves as the District's foundation for financial planning and control. The District adopts annual appropriations for the General Fund, Ambulance Fund and Capital Projects Fund, with expenditure control established at the fund level.

For 2025, the adopted appropriations included \$23,810,181 for the Corporate Subfund, \$7,199,412 for the Tort Liability Subfund, \$3,141,215 for the Emergency Rescue Subfund, \$20,869,558 for the Ambulance Fund, and \$2,356,402 for the Capital Projects Fund. The District's budget process includes preparation by management, public hearings, and approval by the Board of Trustees.

Budget-to-actual comparisons are provided in this report for the General and Ambulance Funds, with additional budgetary information for other governmental funds presented in the supplementary information section.

Economic Condition and Outlook

The District is located in southwest Cook County, approximately 22 miles from Downtown Chicago. The District covers approximately 30 square miles and has a population of approximately 72,197. The area has a diverse residential and commercial economic base and benefits from access to major transportation systems and substantial retail, medical and service development.

The District's 2024 tax-year equalized assessed valuation was \$3,358,900,566, compared with \$3,318,075,027 for the 2023 tax year, an increase of approximately 1.2%. Residential property represented approximately 72.8% of the EAV, commercial property approximately 26.3%, and industrial property approximately 0.9%.

The District's financial results in 2025 reflect continued reliance on property tax revenues as its principal general revenue source. Property tax revenue from governmental activities increased to \$37,941,938 in 2025, while charges for services increased to \$10,657,631.

Major Initiatives for 2025

The District continued to provide fire suppression, emergency medical, rescue and related public safety services throughout 2025. District operating records show 12,897 calls during the year, including 8,674 EMS calls and 4,223 fire/rescue calls. The District maintained six fire stations, one training facility and two maintenance facilities.

The District's 2025 financial statements also reflect continued investment in capital assets and debt reduction. Capital outlay in the governmental funds was \$954,498, while outstanding governmental debt decreased during the year. These activities support the District's ongoing ability to provide public safety services and maintain its facilities and equipment.

Major Initiatives for the Future

The District has developed a five-year plan for operations and capital projects. The plan is reviewed as part of the annual budget process. Future financial planning will continue to focus on maintaining adequate staffing, sustaining training and operational capabilities, funding capital needs, and managing long-term pension, postemployment benefit and debt obligations.

The District's financial statements demonstrate a significant improvement in governmental activities net position during 2025, while governmental fund balances remained strong. Management will continue to monitor revenues, expenditures, capital requirements and long-term obligations as part of the annual planning process.

Acknowledgements and Awards

The District's commitment to professional financial management is reflected in its continued preparation of an ACFR and its participation in the Government Finance Officers Association ("GFOA") financial reporting and budget recognition programs. The District has received the GFOA Certificate of Achievement for Excellence in Financial Reporting for its ACFR in prior years.

The timely preparation of the ACFR was made possible by the efficient and dedicated services of the Finance Department, Administration, and other District employees who were instrumental in the successful completion of this report. We sincerely appreciate the support and direction provided by the District's independent auditors and the Board of Trustees for their leadership and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in blue ink, appearing to be "J. H. H.", is positioned above a horizontal line.

Fire Chief



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

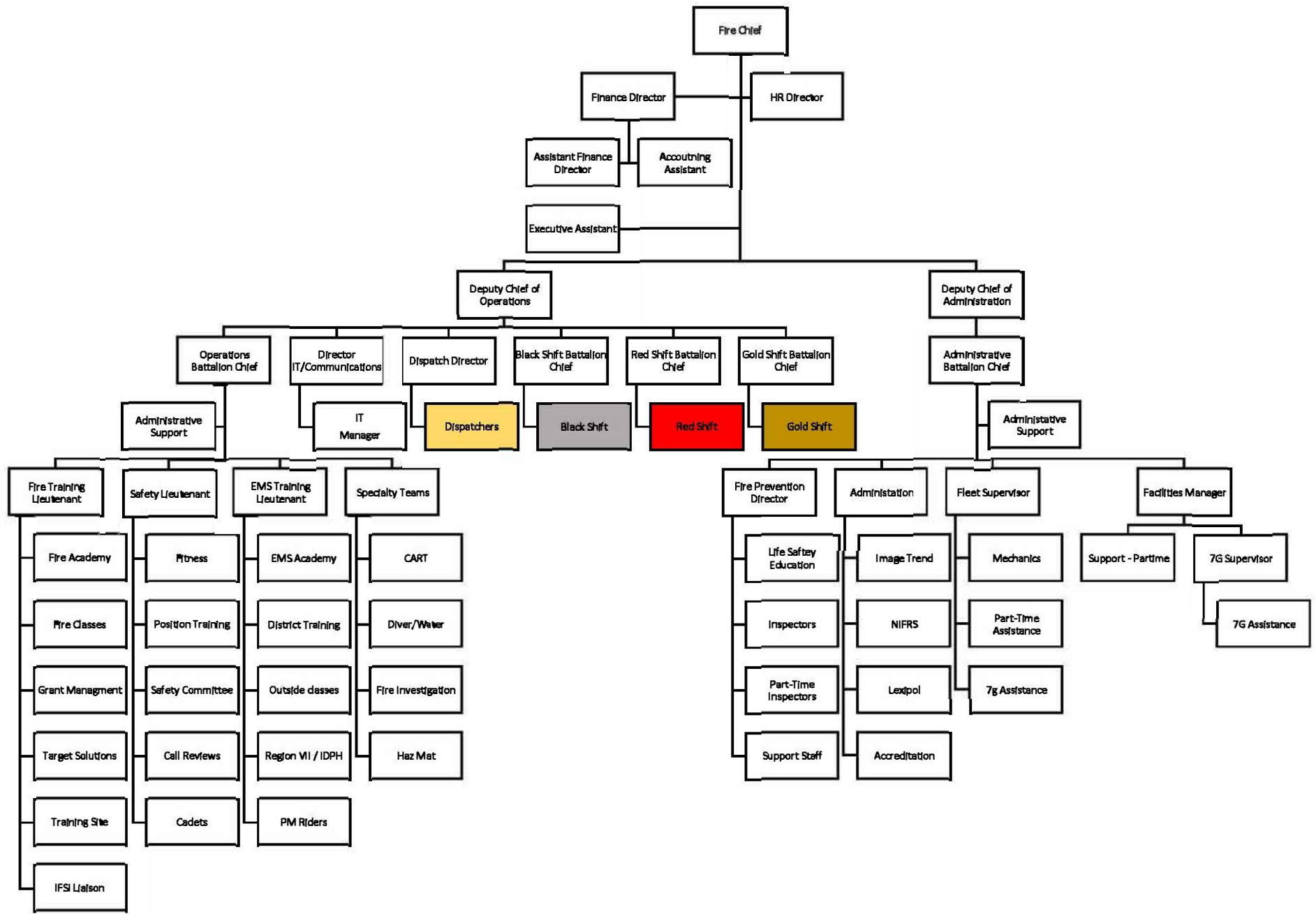
**Orland Fire Protection District
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morill

Executive Director/CEO



**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NAMES AND TITLES OF PRINCIPAL OFFICIALS
DECEMBER 31, 2025**

BOARD OF TRUSTEES

BETH DAMAS KASPAR – PRESIDENT

DJ JEFFERS - SECRETARY

BRIDGET TOLAN – TREASURER

ANGELA GREENFIELD – MEMBER

TINA ZEKICH – MEMBER

FINANCIAL SECTION

Report of Independent Auditor

To the Honorable District President and Board of Trustees
Orland Fire Protection District, Illinois
Orland Park, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Orland Fire Protection District, Illinois (the "District"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the District'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, each major fund, and the aggregate remaining fund information of the District, as of December 31, 2025, and the respective changes in financial position and the respective budgetary comparison for the General Fund and the Ambulance Fund 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe 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 District'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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District'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 District'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 and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules and the Illinois Grant Accountability and Transparency Act Consolidated Year-End Financial Report, 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, the combining and individual fund financial statements and schedules and the Illinois Grant Accountability and Transparency Act Consolidated Year-End Financial Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, the basic financial statements of the District as of December 31, 2024, and our report dated July 16, 2025 expressed an unmodified opinion on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The District's basic financial statements for the year ended December 31, 2024 are not presented with the accompanying financial statements. The individual fund financial statements and schedules for the year ended December 31, 2024, 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 related directly to the underlying accounting and other records used to prepare the 2024 basic financial statements. The information was subjected to the audit procedures applied in the audit of those 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 2024 basic financial statements or to the 2024 basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2024 individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 9, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Orland Park, Illinois
September 9, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

FISCAL YEAR ENDED DECEMBER 31, 2025

As management of the District, we offer readers of the District's Annual Comprehensive Financial Report this narrative and analysis of the financial activities of the District for the fiscal year ended December 31, 2025.

Financial Highlights

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$1,379,514. Of this amount, \$18,845,042 is invested in capital assets and \$2,919,717 is restricted for various purposes and, therefore, these amounts are not available for funding general activities. The District has an unrestricted deficit of (\$20,385,245) at December 31, 2025. The total net position of the District increased by \$4,091,988 during fiscal year 2025.
- For the fiscal year ended December 31, 2025, governmental fund revenues totaled \$48,340,456 and governmental fund expenditures totaled \$47,531,166, resulting in an increase in total governmental fund balances of \$809,290. Property tax revenues increased compared with the prior year, while charges for services also increased. Government-wide charges for services increased to \$10,399,359, reflecting higher service-related revenues. Grant proceeds were \$246,272 in 2025.
- As of December 31, 2025, the District's governmental funds reported combined ending fund balances of \$30,870,404, an increase of \$809,290 from the prior year. Of the total, \$503,432 is considered nonspendable, \$5,162,327 is restricted due to external limitations on its use, \$17,214,885 is assigned for specific purposes, and \$7,989,760 is unassigned and available for spending at the District's discretion.
- At the end of the current fiscal year, unrestricted fund balance (assigned and unassigned components) for the General Fund was \$8,981,946, or approximately 32.9% of total General Fund expenditures. Assigned fund balance for the Ambulance Fund was \$11,336,237, or approximately 61.5% of Ambulance Fund expenditures.
- At December 31, 2025, the Firefighters' Pension Fund had a net position of \$243,133,381, compared with \$213,196,981 at December 31, 2024. The plan's fiduciary net position represented approximately 94.93% of its total pension liability. Firefighters' pension benefits paid in 2025 were \$12,395,282. The District's IMRF net pension asset was \$231,718 at December 31, 2025.
- The District's Retiree Health Insurance Fund had a net position of \$14,444,664 as of December 31, 2025, compared with \$13,068,742 at December 31, 2024. Benefits paid from the Retiree Health Insurance Fund were \$1,095,359 in 2025.
- The District's long-term liabilities at December 31, 2025 were \$45,882,338, compared with \$72,722,799 at December 31, 2024. Of the 2025 balance, approximately 43.6% relates to general obligation debt certificates, 54.7% relates to compensated absences, pension and postemployment benefits, 1.9% relates to lease liabilities, and 0.3% relates to notes payable. The largest reduction was the Firefighters' Pension Fund net pension liability, which decreased from \$33,075,033 to \$12,973,242.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS

FISCAL YEAR ENDED DECEMBER 31, 2025

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. These basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements.

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets, liabilities, and deferred outflows/inflows of resources, with the difference 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 District is improving or deteriorating.

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, unused sick leave).

The government-wide financial statements can be found on pages 21 and 22 of this report.

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 District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the District can be categorized as one of two types: governmental fund or fiduciary fund.

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

The District maintains five individual governmental funds and sub-funds. Information is presented separately for the major governmental funds in the Balance Sheet – Governmental Funds and in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds. The General Fund, Ambulance Fund, and the Capital Projects Fund are considered major funds. The District adopts an annual appropriated budget for its funds. A budgetary comparison statement has been provided for the General and Ambulance Funds to demonstrate compliance with the budget.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS

FISCAL YEAR ENDED DECEMBER 31, 2025

Fund Financial Statements (continued)

The basic fund financial statements can be found on pages 23 through 28 of this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside of the District. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds *are not* available to support the District's own programs. The accounting method used for fiduciary funds is the full accrual basis.

The fiduciary funds utilized by the District are the Firefighters' Pension Fund and the Retiree Health Insurance Fund.

The basic fiduciary fund financial statements can be found on pages 29 and 30 of this report.

Notes to Basic Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 31 through 66 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the District's progress in funding its obligation to provide pension benefits and OPEB to its employees. This information is provided on pages 67 through 74 of the report.

The combining and individual fund financial statements and schedules in connection with the governmental and fiduciary funds are presented immediately following the required supplementary information on pensions and OPEB. These statements and schedules can be found on pages 75 through 96 of this report.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS

FISCAL YEAR ENDED DECEMBER 31, 2025

Government-wide Financial Analysis

Statement of net position – governmental activities

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, the assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$1,379,514.

	2025	2024
ASSETS:		
Current and other assets	\$ 75,307,303	\$ 71,429,581
Capital assets	23,665,501	23,082,244
Total Assets	98,972,804	94,511,825
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred amount on refunding	1,256,209	1,445,826
Deferred outflows of resources related to pensions and OPEB	18,246,117	25,236,432
Total Deferred Outflows of Resources	19,502,326	26,682,258
LIABILITIES:		
Current liabilities	1,092,295	2,327,306
Noncurrent liabilities	46,114,056	72,722,799
Total Liabilities	47,206,351	75,050,105
DEFERRED INFLOWS OF RESOURCES:		
Property taxes levied for future periods	39,584,471	36,979,016
Deferred inflows of resources related to leases	966,753	958,659
Deferred inflows of resources related to pensions and OPEB	28,639,374	10,918,777
Total Deferred Inflows of Resources	69,190,598	48,856,452
NET POSITION (DEFICIT):		
Net investment in capital assets	18,845,042	18,137,113
Restricted	2,919,717	3,287,479
Unrestricted deficit	(20,385,245)	(24,137,066)
Total Net Position (Deficit)	\$ 1,379,514	\$ (2,712,474)

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS

FISCAL YEAR ENDED DECEMBER 31, 2025

Statement of net position – governmental activities (continued)

Assets – Cash, investments, receivables, and prepaid items are current assets. These assets are available to provide resources for the near-term operations of the District. The majority of the current assets are the results of the property tax collection process; the District received 94.4% of the annual property tax assessment for 2024 in 2025. It is expected a similar collection rate will occur for 2025 taxes collected in 2025.

Capital assets are used in the operations of the District. These are land, construction in progress, buildings and improvements, apparatus and vehicles, and equipment. Capital assets are discussed in greater detail in the section titled, "Capital Assets and Debt Administration", elsewhere in this analysis.

An investment of \$23,665,501 in land, construction in progress, buildings and improvements, apparatus and vehicles, and equipment, to provide the services to the District's residents, represents 23.9% of the District's total assets.

Deferred Outflows of Resources – At December 31, 2025, the District reported deferred outflows of resources of \$14,418,064 related to pensions and \$3,828,053 related to other postemployment benefits. The District also reported a deferred charge on refunding of \$1,256,209. These amounts are recognized in future periods in accordance with applicable accounting requirements.

Liabilities – Current and long-term obligations are classified based on anticipated payment date either in the near-term or in the future. Current obligations include accounts payable and accrued salaries and benefits. Long-term obligations, which include the Series 2020 and Series 2020A General Obligation Debt Certificates, a portion of the Series 2012 General Obligation Debt Certificates, Series 2025 General Obligation Debt Certificate – Private Placement, notes payable, compensated absences payable, and the other postemployment benefits liability, will be liquidated from resources that will become available after fiscal year 2025.

Deferred Inflows of Resources – On the government-wide statement of net position, property taxes levied for future periods were \$39,584,471 at year-end. The District also reported \$966,753 of deferred inflows related to leases, \$22,266,105 related to pensions, and \$6,373,269 related to other postemployment benefits. These amounts will be recognized in future periods as the related revenues or expenses are recognized

Net Position – The assets and deferred outflows of resources of the District exceeded liabilities and deferred inflows of resources, resulting in a net position of \$1,379,514. Total net position of the District does not include internal balances.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS **MANAGEMENT’S DISCUSSION AND ANALYSIS**

FISCAL YEAR ENDED DECEMBER 31, 2025

Statement of Activities

The following chart shows the revenue and expenses of the District’s activities during 2025.

	<u>2025</u>	<u>2024</u>
Revenues:		
Program Revenues:		
Charges for services	\$ 10,657,631	\$ 9,559,284
Operating grants and contributions	246,272	891,440
General Revenues:		
Property taxes	37,941,938	35,596,663
Intergovernmental	49,311	81,880
Investment income	1,074,211	1,341,642
Gain on sale of capital assets	-	8,069
Other income	254,251	214,968
Total Revenues	<u>50,223,614</u>	<u>47,693,946</u>
Expenses:		
Governmental Activities:		
Fire and rescue	22,694,909	23,688,835
Emergency medical service	19,340,991	20,670,447
General government	3,417,464	3,512,797
Interest	678,262	733,087
Total Expenses	<u>46,131,626</u>	<u>48,605,166</u>
Changes in net position	4,091,988	(911,220)
Net deficit, beginning of year	<u>(2,712,474)</u>	<u>(1,801,254)</u>
Net position (deficit), end of year	<u>\$ 1,379,514</u>	<u>\$ (2,712,474)</u>

Governmental activities increased the District’s net position by \$4,091,988. Key elements contributing to this net change are summarized below.

Revenue – For the year ended December 31, 2025, total revenue from governmental activities (including program revenues and general revenues) increased by \$2,529,688, or 5.3%. Total revenues were \$50,223,614 in 2025 compared with \$47,693,946 in 2024.

Total program revenues, which include charges for services as well as operating grants and capital grants, increased by \$453,179, or 4.3%. Charges for services increased from \$9,559,284 in 2024 to \$10,657,631 in 2025, while operating grants and contributions decreased from \$891,440 to \$246,272.

General revenues, which include property taxes, personal property replacement taxes, investment income, and other income in the amount of \$39,319,711, increased by \$2,076,489, or 5.6%. Property tax revenues increased to \$37,941,938 from \$35,596,663 in 2024, while investment income decreased to \$1,074,211 from \$1,341,642. Other income increased to \$254,251 from \$214,968.

Expenses – Expenses from governmental activities were \$46,131,626, a decrease of \$2,473,540, or 5.1%, from 2024. Expenses related to fire and rescue and emergency medical service accounted for approximately 91% of total expenses. Fire and rescue expenses decreased to \$22,694,910 from \$23,688,835, while emergency medical service expenses decreased to \$19,340,991 from \$20,670,447.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS

FISCAL YEAR ENDED DECEMBER 31, 2025

Financial Analysis of the District's Funds

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

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

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balance of \$30,870,404, an increase of \$809,290 compared to the prior year. Of the total, \$503,432 is considered nonspendable because it has been used for prepaid items. \$5,162,327, or 16.7%, is restricted due to external limitations on its use. \$17,214,885, or 55.8%, is assigned, meaning there are limitations on its intended use. The remaining \$7,989,760, or 25.9%, is unassigned. The changes in the three major governmental funds are discussed below.

The General Fund is the main operating fund of the District.

General Fund

At the end of the current fiscal year, unassigned fund balance of the General Fund was \$7,989,760, while total fund balance of the General Fund was \$14,132,773. Total General Fund expenditures for 2025 were \$27,278,874. Unassigned fund balance represents approximately 29.3% of General Fund expenditures, while total fund balance represents approximately 51.8% of expenditures.

Budgetary highlights for the General Fund follow.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS **MANAGEMENT'S DISCUSSION AND ANALYSIS**

FISCAL YEAR ENDED DECEMBER 31, 2025

	Budget	Actual	Variance with Budget	Percentage of Actual to Budget
Revenues:				
Property taxes	\$ 27,693,712	\$ 26,162,731	\$ (1,530,981)	94.5%
Charges for services	710,107	1,022,531	312,424	144.0%
Grant proceeds	1,006,000	246,272	(759,728)	24.5%
Intergovernmental	30,793	9,490	(21,303)	30.8%
Investment income	122,173	154,729	32,556	126.6%
Leases	49,289	49,702	413	100.8%
Other	188,924	200,141	11,217	105.9%
	<u>29,800,998</u>	<u>27,845,596</u>	<u>(1,955,402)</u>	93.4%
Expenditures and Encumbrances:				
Personnel	23,693,075	21,852,822	1,840,253	92.2%
Commodities	884,939	1,148,482	(263,543)	129.8%
Contractual	3,005,752	2,030,412	975,340	67.6%
Other	188,387	176,693	11,694	93.8%
Debt service	2,208,535	2,208,535	-	100.0%
Capital Outlay	120,000	552,620	(432,620)	460.5%
	<u>30,100,688</u>	<u>27,969,564</u>	<u>2,131,124</u>	92.9%
Net Change in Fund Balance	<u>\$ (299,690)</u>	<u>\$ (123,968)</u>	<u>\$ 175,722</u>	

General Fund revenues were \$27,845,596 in 2025, which was \$1,955,402, or 6.6%, below the final budget. Property taxes were \$1,530,981 below budget, while charges for services were \$312,424 above budget and investment income was \$32,556 above budget. Grant proceeds were \$759,728 below budget. General Fund expenditures and encumbrances were \$27,969,564, which was \$2,131,124, or 7.1%, below the final budget. The net change in fund balance on the budgetary basis was a decrease of \$123,968; after the accounting principles generally accepted by the United States of America ("U.S. GAAP") adjustment for current-year encumbrances, the General Fund's U.S. GAAP fund balance increased by \$566,722.

Ambulance Fund

At the end of the current fiscal year, assigned fund balance of the Ambulance Fund was \$11,336,237, while total fund balance was \$11,403,024. The Ambulance Fund's fund balance increased by \$1,812,189 during 2025 because revenues of \$20,235,014 exceeded expenditures of \$18,422,825. Charges for services were \$9,376,828 and property taxes were \$9,896,049. The increase in fund balance occurred despite expenditures and encumbrances exceeding the final budget by \$734,240; the over-expenditure was funded by available fund balance.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS

FISCAL YEAR ENDED DECEMBER 31, 2025

Capital Projects Fund

At the end of the current fiscal year, assigned fund balance of the Capital Projects Fund was \$4,886,462, while total fund balance was \$5,334,607. The Capital Projects Fund's fund balance decreased by \$1,569,621 during 2025 because expenditures of \$2,523,299 exceeded investment income of \$259,846. Capital outlay was \$1,144,325 and debt service was \$1,169,052. The decrease in fund balance reflects the District's use of accumulated resources for capital projects and debt service during the year; unlike 2024, the Capital Projects Fund did not receive a transfer from other funds.

Capital Assets

The District's investment in capital assets for its governmental activities as of December 31, 2025 was \$23,665,501, a decrease of \$544,443 from 2024. The decrease resulted from depreciation and amortization expense of \$1,411,832 exceeding capitalized capital outlay expenditures of \$867,389. Capital assets include land, construction in progress, buildings and improvements, apparatus and vehicles, equipment, and right-to-use equipment.

Land	\$ 584,783
Construction in progress	1,127,700
Buildings and improvements	15,401,258
Apparatus and vehicles	3,330,585
Equipment	2,266,874
Right-to-use equipment	954,301
Total Capital Assets	<u>\$ 23,665,501</u>

Additional information on the District's capital assets can be found in the notes to basic financial statements (see pages 43 and 44).

Long-Term Liabilities

At December 31, 2025, the District had \$19,984,460 of general obligation debt certificates outstanding, including \$19,120,000 of general obligation debt certificates and \$864,460 of private placement debt. The District also had \$140,000 of notes payable and \$881,099 of lease liability. The District reduced general obligation debt certificates through scheduled principal payments during 2025. The Firefighters' Pension Fund net pension liability decreased substantially from \$33,075,033 to \$12,973,242, contributing significantly to the overall reduction in long-term liabilities.

Annual debt service payments were made as scheduled for the general obligation bond held by the District.

Debt certificates	\$ 19,984,460
Notes payable	140,000
Lease liability	881,099
Compensated absences	1,260,142
Net pension liabilities	12,973,242
Net other postemployment benefits liability	10,875,113
Total Long-Term Liabilities	<u>\$ 46,114,056</u>

Additional information on the District's long-term liabilities can be found in the notes to basic financial statements (see pages 60 through 66).

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS

FISCAL YEAR ENDED DECEMBER 31, 2025

Economic Factors and Next Year's Budget and Rates

The District's primary revenue source is property taxes. The 2024 tax-year equalized assessed valuation was \$3,358,900,566, an increase of approximately 1.2% from the 2023 tax year. The 2024 levy composition was approximately 72.8% residential, 26.3% commercial, and 0.9% industrial. The Property Tax Extension Limitation Law allows a taxing district to receive a limited inflationary increase in tax extensions on existing property, plus an additional amount for new construction property and voter-approved rate increases.

The District's 2025 operating environment included 12,897 calls, of which 8,674 were EMS calls and 4,223 were fire/rescue calls. The District maintained six fire stations, one training facility, and two maintenance facilities. The District continues to monitor call volume, staffing, facility and apparatus needs, debt service, and other operating requirements when developing its annual budget.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Office of the Finance Director
Orland Fire Protection District
9790 West 151st Street
Orland Park, Illinois 60462

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
STATEMENT OF NET POSITION – GOVERNMENTAL ACTIVITIES

DECEMBER 31, 2025

ASSETS

Cash	\$ 14,828,172
Investments	98,437
Receivables, Net of Allowance for Uncollectibles:	
Property taxes	53,230,561
Accounts, net	5,362,096
Grants	49,385
Leases	1,012,139
Due from fiduciary fund	36,749
Prepaid items	458,046
Net pension asset	231,718
Capital assets not being depreciated	1,712,483
Capital assets, net of accumulated depreciation	21,953,018
Total Assets	98,972,804

DEFERRED OUTFLOWS OF RESOURCES

Deferred charge on refunding	1,256,209
Deferred outflows of resources related to pensions	14,418,064
Deferred outflows of resources related to other postemployment benefits	3,828,053
Total Deferred Outflows of Resources	19,502,326

LIABILITIES

Accounts payable and accrued expenses	1,092,295
Due to fiduciary fund	698,667
Noncurrent Liabilities:	
Due within one year	3,131,924
Due in more than one year	42,982,132
Total Liabilities	47,905,018

DEFERRED INFLOWS OF RESOURCES

Property taxes levied for future period	39,584,471
Deferred inflows of resources related to leases	966,753
Deferred inflows of resources related to pensions	22,266,105
Deferred inflows of resources related to other postemployment benefits	6,373,269
Total Deferred Inflows of Resources	69,190,598

NET POSITION

Net investment in capital assets	18,845,042
Restricted for:	
Tort immunity	2,881,801
Emergency rescue	37,916
Unrestricted deficit	(20,385,245)
Total Net Position	\$ 1,379,514

The accompanying notes to the financial statements are an integral part of these statements.

ORLAND FIRE PROTECTION DISTRICT
STATEMENT OF ACTIVITIES – GOVERNMENTAL ACTIVITIES

YEAR ENDED DECEMBER 31, 2025

		Program Revenues		(Net Expense) Revenue and Change in Net Position (Deficit)
	Expenses	Charges for Service	Operating Grants and Contributions	
Functions/Programs:				
Governmental Activities:				
Fire and rescue	\$ 22,694,909	\$ 257,220	\$ 246,272	\$ (22,191,417)
Emergency medical service	19,340,991	10,044,819	-	(9,296,172)
General government	3,417,464	355,592	-	(3,061,872)
Interest expense	678,262	-	-	(678,262)
Total Governmental Activities	<u>\$ 46,131,626</u>	<u>\$ 10,657,631</u>	<u>\$ 246,272</u>	<u>(35,227,723)</u>
General Revenues:				
Property taxes				37,941,938
Intergovernmental				49,311
Investment income				1,074,211
Other income				254,251
Total General Revenues				<u>39,319,711</u>
Change in net position				4,091,988
Net position (deficit), beginning of year				<u>(2,712,474)</u>
Net position, end of year				<u>\$ 1,379,514</u>

The accompanying notes to the financial statements are an integral part of these statements.

FUND FINANCIAL STATEMENTS

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
BALANCE SHEET – GOVERNMENTAL FUNDS

DECEMBER 31, 2025

	General	Ambulance	Capital Projects	Total Governmental Funds
ASSETS				
Cash	\$ 8,249,796	\$ -	\$ 6,578,376	\$ 14,828,172
Investments	98,437	-	-	98,437
Receivables:				
Property taxes	36,919,244	16,311,317	-	53,230,561
Accounts, net	1,015,243	4,346,853	-	5,362,096
Grants	49,385	-	-	49,385
Leases	213,751	798,388	-	1,012,139
Due from other funds	1,357,459	5,105,601	\$ 104,987	6,568,047
Due from fiduciary fund	36,749	-	-	36,749
Prepaid items	427,421	30,625	-	458,046
Total Assets	48,367,485	26,592,784	6,683,363	81,643,632
LIABILITIES				
Accounts payable	139,913	700,140	3,045	843,098
Accrued expenditures	88,525	140,509	-	229,034
Due to other funds	5,105,601	116,735	1,345,711	6,568,047
Due to fiduciary fund	698,667	-	-	698,667
Total Liabilities	6,032,706	957,384	1,348,756	8,338,846
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for future period	26,979,690	12,604,781	-	39,584,471
Unavailable revenue - property taxes	1,017,789	865,369	-	1,883,158
Lease related	204,527	762,226	-	966,753
Total Deferred Inflows of Resources	28,202,006	14,232,376	-	42,434,382
FUND BALANCES				
Nonspendable	436,645	66,787	-	503,432
Restricted	4,714,182	-	448,145	5,162,327
Assigned	992,186	11,336,237	4,886,462	17,214,885
Unassigned	7,989,760	-	-	7,989,760
Total Fund Balances	14,132,773	11,403,024	5,334,607	30,870,404
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 48,367,485	\$ 26,592,784	\$ 6,683,363	\$ 81,643,632

The accompanying notes to the financial statements are an integral part of these statements.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO NET POSITION
OF GOVERNMENTAL ACTIVITIES

DECEMBER 31, 2025

Fund balances - total governmental funds		\$ 30,870,404
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 as assets in governmental funds.		23,665,501
Deferred charge on refunding is shown as a deferred outflow of resources on the statement of net position.		1,256,209
Certain pension-related assets are not reported in the governmental funds. Accordingly, the net pension asset is reported in the statement of net position.		231,718
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Also, governmental funds report the effect of premiums, discounts, and similar items when the debt is first issued, whereas these amounts are amortized in the statement of activities. Long-term liabilities and related accounts at year-end consist of:		
Leases payable	\$ (881,099)	
Notes payable	(140,000)	
General obligation debt certificates	(19,984,460)	
Compensated absences	(1,260,142)	
Net pension liabilities	(12,973,242)	
Net other postemployment benefits liability	(10,875,113)	
		(46,114,056)
Accrued interest payable was recognized for governmental activities but is not due and payable in the current period and therefore is not reported as a liability in the governmental funds.		(20,163)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds. Deferred outflows and inflows of resources related to pensions at year-end are as follows:		
Deferred outflows related to pensions	14,418,064	
Deferred inflows related to pensions	(22,266,105)	
		(7,848,041)
Deferred outflows and inflows of resources related to other postemployment benefits are applicable to future periods and, therefore, are not reported in the funds. Deferred outflows and inflows of resources related to other postemployment benefits at year-end are as follows:		
Deferred outflows related to other postemployment benefits	3,828,053	
Deferred inflows related to other postemployment benefits	(6,373,269)	
		(2,545,216)
Property taxes that do not provide current financial resources are reported as deferred inflows of resources in the governmental funds.		1,883,158
Net position of governmental activities		\$ 1,379,514

The accompanying notes to the financial statements are an integral part of these statements.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS***YEAR ENDED DECEMBER 31, 2025*

	General	Ambulance	Capital Projects	Total Governmental Funds
Revenues:				
Property taxes	\$ 26,162,731	\$ 9,896,049	\$ -	\$ 36,058,780
Charges for service	1,022,531	9,376,828	-	10,399,359
Grant proceeds	246,272	-	-	246,272
Intergovernmental	9,490	39,821	-	49,311
Investment income	154,729	659,636	259,846	1,074,211
Rental income	49,702	208,570	-	258,272
Other	200,141	54,110	-	254,251
Total Revenues	<u>27,845,596</u>	<u>20,235,014</u>	<u>259,846</u>	<u>48,340,456</u>
Expenditures:				
Current:				
Fire and rescue	12,977,409	8,180,415	-	21,157,824
Emergency medical service	9,642,906	8,601,856	-	18,244,762
General government	2,450,024	1,232,708	-	3,682,732
Debt Service:				
Principal	1,805,000	113,763	1,079,891	2,998,654
Interest	403,535	-	89,161	492,696
Capital Outlay:				
Fire and rescue	-	294,083	277,170	571,253
Emergency medical service	-	-	383,245	383,245
Total Expenditures	<u>27,278,874</u>	<u>18,422,825</u>	<u>1,829,467</u>	<u>47,531,166</u>
Net change in fund balances	566,722	1,812,189	(1,569,621)	809,290
Fund balances, beginning of year	<u>13,566,051</u>	<u>9,590,835</u>	<u>6,904,228</u>	<u>30,061,114</u>
Fund balances, end of year	<u>\$ 14,132,773</u>	<u>\$ 11,403,024</u>	<u>\$ 5,334,607</u>	<u>\$ 30,870,404</u>

The accompanying notes to the financial statements are an integral part of these statements.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**RECONCILIATION OF THE CHANGE IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE CHANGE IN NET POSITION (DEFICIT) OF GOVERNMENTAL ACTIVITIES***YEARS ENDED DECEMBER 31, 2025*

Net change in fund balances - total governmental funds	\$	809,290
--	----	---------

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 these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$1,411,832) exceeded capitalized capital outlay expenditures (\$867,389) in the current period.

	(544,443)
--	-----------

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt uses current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when the debt is first issued, whereas these amounts are amortized in the statement of activities. The net effect of these differences in the treatment of long-term debt and related items is summarized as follows:

Principal repayment of long-term debt	\$	2,884,891	
Principal paid on lease		113,763	
Recognition of deferred amount on refunding		<u>(189,617)</u>	
			2,809,037

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requiring the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The decrease in the accrued interest balance from the previous year results in a decrease in interest expense reported in the statement of activities.

	4,051
--	-------

Long-term compensated absences do not require the use of current financial resources. Therefore, the decrease in compensated absences payable is not reported in the governmental funds.

	1,054,353
--	-----------

The changes in the District's net pension asset (liabilities) and deferred outflows/inflows of resources related to pensions are only reported in the statement of activities.

	(2,715,775)
--	-------------

The changes in the District's total other postemployment benefits liability and deferred outflows/inflows of resources related to other postemployment benefits are only reported in the statement of activities.

	792,317
--	---------

Property tax revenues in the statement of activities that do not provide current financial resources are included in deferred inflows of resources as reported in the governmental funds. This is the amount by which such revenues at the end of the current fiscal year increased from the corresponding amount at the end of the previous fiscal year.

	<u>1,883,158</u>
--	------------------

Change in net position of governmental activities	\$	<u><u>4,091,988</u></u>
---	----	-------------------------

The accompanying notes to the financial statements are an integral part of these statements.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND AND MAJOR SPECIAL REVENUE FUND

YEARS ENDED DECEMBER 31, 2025

	General Fund				Ambulance Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:								
Property taxes	\$ 26,977,415	\$ 27,693,712	\$ 26,162,731	\$ (1,530,981)	\$ 10,090,784	\$ 9,717,577	\$ 9,896,049	\$ 178,472
Charges for service	635,398	710,107	1,022,531	312,424	8,202,041	9,669,719	9,376,828	(292,891)
Grant proceeds	1,006,000	1,006,000	246,272	(759,728)	-	-	-	-
Intergovernmental	30,793	30,793	9,490	(21,303)	129,207	60,421	39,821	(20,600)
Investment income	125,097	122,173	154,729	32,556	524,903	442,274	659,636	217,362
Leases	48,856	49,289	49,702	413	205,000	205,000	208,570	3,570
Other	136,924	188,924	200,141	11,217	19,251	8,075	54,110	46,035
Total Revenues	28,960,483	29,800,998	27,845,596	(1,955,402)	19,171,186	20,103,066	20,235,014	131,948
Expenditures and Encumbrances:								
Current:								
Personnel:								
Compensation and salaries	13,748,057	14,117,755	14,199,622	(81,867)	11,296,766	11,594,031	11,445,730	148,301
Payroll taxes	239,995	239,342	240,593	(1,251)	317,181	314,954	323,796	(8,842)
Education and seminars	879,745	882,228	166,042	716,186	42,703	37,953	62,040	(24,087)
Health and life insurance	2,885,809	3,942,729	2,793,381	1,149,348	2,562,404	2,842,907	2,758,933	83,974
Retirement contribution	4,513,365	4,511,021	4,453,184	57,837	177,568	177,667	176,035	1,632
Commodities:								
Heat, light, and power	82,337	82,155	82,451	(296)	263,662	272,173	245,376	26,797
Operational supplies	399,343	451,006	764,163	(313,157)	404,369	413,321	412,793	528
Postage and printing	962	962	995	(33)	4,038	4,038	2,992	1,046
Protective clothing	185,837	185,837	136,823	49,014	140,193	140,193	103,218	36,975
Repairs and maintenance	179,587	164,979	164,050	929	181,697	181,697	217,775	(36,078)
Contractual:								
Insurance	2,386,582	2,386,582	1,362,668	1,023,914	-	-	-	-
Professional services	495,107	619,170	667,744	(48,574)	877,082	1,003,329	1,079,161	(75,832)
Other	196,101	188,387	176,693	11,694	1,169,800	1,033,712	1,337,105	(303,393)
Debt Service:								
Principal	1,805,000	1,805,000	1,805,000	-	-	-	113,763	(113,763)
Interest	403,535	403,535	403,535	-	-	-	-	-
Capital outlay	120,000	120,000	552,620	(432,620)	290,716	239,474	710,972	(471,498)
Total Expenditures and Encumbrances	28,521,362	30,100,688	27,969,564	2,131,124	17,728,179	18,255,449	18,989,689	(734,240)

The accompanying notes to the financial statements are an integral part of these statements.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL – GENERAL FUND AND MAJOR SPECIAL REVENUE FUND (CONTINUED)

YEARS ENDED DECEMBER 31, 2025

	General Fund				Ambulance Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final Budget
Excess (deficiency) of revenues over expenditures and encumbrances	\$ 439,121	\$ (299,690)	\$ (123,968)	\$ 175,722	\$ 1,443,007	\$ 1,847,617	\$ 1,245,325	\$ (602,292)
Other Financing Sources (Uses):								
Transfers out	(800,000)	-	-	-	(950,000)	-	-	-
Net change in fund balances	(360,879)	(299,690)	(123,968)	175,722	493,007	1,847,617	1,245,325	(602,292)
Fund balances, beginning of year (non-U.S. GAAP budgetary basis)	13,479,966	13,479,966	13,479,966	-	9,504,714	9,504,714	9,504,714	-
Fund balances, end of year (non-U.S. GAAP budgetary basis)	13,119,087	13,180,276	13,355,998	175,722	9,997,721	11,352,331	10,750,039	(602,292)
Adjustment to Generally Accepted Accounting Principles:								
Current year encumbrances included in expenditures	-	-	776,775	776,775	-	-	652,985	652,985
Fund balances, end of year (U.S. GAAP basis)	<u>\$ 13,119,087</u>	<u>\$ 13,180,276</u>	<u>\$ 14,132,773</u>	<u>\$ 952,497</u>	<u>\$ 9,997,721</u>	<u>\$ 11,352,331</u>	<u>\$ 11,403,024</u>	<u>\$ 50,693</u>

The accompanying notes to the financial statements are an integral part of these statements.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION – FIDUCIARY FUNDS
PENSION AND OTHER POSTEMPLOYMENT BENEFITS TRUST FUNDS

DECEMBER 31, 2025

ASSETS

Cash	\$ 1,128,031
Investments:	
Debt Issues:	
Corporate	370,421
Mutual Funds:	
Bonds	1,970,564
Equities	10,791,632
U.S. Treasury notes	565,549
Pooled investments	242,085,413
Due from District	698,667
Prepaid items	11,414
Total Assets	257,621,691

LIABILITIES

Accounts payable	6,897
Due to District	36,749
Total Liabilities	43,646

NET POSITION

Restricted for:	
Pension benefits	243,133,381
Other postemployment benefits	14,444,664
Total Net Position	\$ 257,578,045

The accompanying notes to the financial statements are an integral part of these statements.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – FIDUCIARY FUNDS
PENSION AND OTHER POSTEMPLOYMENT BENEFITS TRUST FUNDS

YEAR ENDED DECEMBER 31, 2025

Additions:	
Contributions:	
Employer	\$ 4,391,000
Employees	1,674,615
Other	<u>667</u>
Total Contributions	<u>6,066,282</u>
Investment income	39,377,295
Less investment expense	<u>(541,928)</u>
Net Investment Income	<u>38,835,367</u>
Total Additions	<u>44,901,649</u>
Deductions:	
Benefit payments and refund	13,490,641
Administrative expenses	<u>98,686</u>
Total Deductions	<u>13,589,327</u>
Increase in net position	31,312,322
Net position, beginning of year	<u>226,265,723</u>
Net position, end of year	<u><u>\$ 257,578,045</u></u>

The accompanying notes to the financial statements are an integral part of these statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 1—Summary of significant accounting policies

Description of Government-wide Financial Statements – The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the Orland Fire Protection District, Illinois (the “District”). All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support. The District does not engage in any business type activities.

Reporting Entity – The District provides fire, rescue, emergency medical services, and general administrative services. The accompanying financial statements present the District and its component units, entities for which the government is considered to be financially accountable. Fiduciary component units are, in substance, part of the District’s operations, even though they are legally separate entities. Thus, fiduciary component units are appropriately presented as funds of the District.

Fiduciary Component Units – The District’s fiduciary component units consist of the Orland Fire Protection District Firefighters’ Pension Fund (“FPF”) and the Retiree Health Insurance Fund (“RHIF”).

The District’s sworn firefighters participate in the FPF. FPF functions for the benefit of these employees and is governed by a pension board. Although it is legally separate from the District, the FPF is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the District’s sworn firefighters. The District is obligated to fund all FPF costs not funded by the FPF participants based upon actuarial valuations, which creates a financial burden on the District. The state of Illinois is authorized to establish benefit levels and the District is authorized to approve the actuarial assumptions used in the determination of contributions levels, which results in the FPF being fiscally dependent upon the District. The FPF is reported as a pension trust fund.

The District’s sworn firefighters also participate in the RHIF, which provides health insurance coverage for retired employees and their spouse and dependents until they reach age 65. The RHIF is governed by a five member Board of Trustees appointed by the District. The District is obligated to fund all RHIF costs based upon actuarial valuations, which creates a financial burden on the District. Accordingly, the RHIF is reported as an other postemployment benefit trust fund.

Basis of Presentation – Government-wide Financial Statements – While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities incorporate data from governmental funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 1—Summary of significant accounting policies (continued)

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

Basis of Presentation – Fund Financial Statements – The fund financial statements provide information about the District's funds, including its fiduciary component units. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It is comprised of three sub-funds: the Corporate Fund, the Tort Liability Fund, and the Emergency Rescue Fund. The Corporate Fund accounts for the direct costs of fire suppression and an allocation of administration costs. The Tort Liability Fund accounts for all costs of insurance and risk management. The Emergency Rescue Fund is used to account for expenditures funded through property taxes levied for rescue purposes.

The Ambulance Fund accounts for the direct costs of emergency medical services and an allocation of administration costs funded by a tax levy restricted for that purpose and charges for service.

The Capital Projects Fund accounts for financial resources accumulated for the acquisition or construction of capital improvements.

Fiduciary funds are used to account for fiduciary activities (e.g., assets held on behalf of outside parties). The District reports the following fiduciary funds:

The Firefighters' Pension Fund accumulates resources for the benefit of the members of the pension fund.

The Retiree Health Insurance Fund accumulates resources for health insurance benefits for the District's retirees.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated.

Measurement Focus and Basis of Presentation – The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 1—Summary of significant accounting policies (continued)

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of presentation*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Additionally, property taxes are recognized on the current year's levy in conjunction with the amount budgeted by the Board of Trustees for the current year with the unrecognized amount being recorded as unavailable revenue. Expenditures generally are recorded when a liability is included, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, charges for service, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the District.

The pension and other postemployment benefit trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

Budgetary Information – Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America ("U.S. GAAP"), except that in governmental funds encumbrances are recorded as the equivalent of expenditures for budgetary basis purposes.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

The Chief submits to the District Board of Trustees a proposed operating budget for the fiscal year. The operating budget includes proposed expenditures and the means of financing them for the general, special revenue and capital projects funds.

Public hearings are conducted by the District to obtain taxpayer comments.

Excess of Expenditures over Budget – The District had an excess of actual expenditures over the budgeted amount for the year ended June 30, 2025 as follows:

Fund	Budget	Actual	Variance
General Fund sub-fund:			
Emergency Rescue Fund	\$ 2,720,923	\$ 2,807,407	\$ (86,484)
Ambulance Fund	\$ 18,255,449	\$ 18,989,689	\$ (734,240)

The over expenditures in the Emergency Rescue Fund and Ambulance Fund were funded by available fund balance.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 1—Summary of significant accounting policies (continued)

The budget is legally enacted through passage of an ordinance. The budget for the year ended December 31, 2025 was adopted through the passage of ordinance number 2024-04 on November 19, 2024 and was subsequently amended through the passage of ordinance number 2026-01 on February 24, 2026.

With authorization from the Chief, the Finance Director is allowed to transfer appropriated amounts between line items within funds.

The level of control (level at which expenditures may not exceed budget/appropriations) is set at the fund level. Appropriations lapse at the end of the fiscal year.

Budgeted expenditures represent working budget amounts. The appropriations, as adopted for each fund, are as follows:

General Fund:	
Corporate Subfund	\$ 23,810,181
Tort Liability Subfund	7,199,412
Emergency Rescue Subfund	3,141,215
Ambulance Fund	20,869,558
Capital Projects Fund	2,356,402

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed by the District. Outstanding encumbrances at the end of the year are reported in fund balance as restricted, committed, or assigned and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. Encumbrances outstanding at December 31, 2025 were \$4,758,066.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

Investments – Investments are reported at fair value.

Prepaid Items – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as an expense/expenditure when consumed rather than when purchased.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 1—Summary of significant accounting policies (continued)

Capital Assets – Capital assets, which include land, buildings and improvements, apparatus, vehicles, equipment, and right-to-use equipment reported in the government-wide financial statements are defined by the District as assets with an initial, individual cost of more than \$10,000 (amount not rounded) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed (except for intangible right-to-use assets, the measurement of which is discussed in Note 2 below). Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Intangible assets follow the same capitalization policies as tangible capital assets and are reported with tangible assets in the appropriate capital asset class. Buildings and improvements, apparatus, vehicles, right-to-use leased equipment, and equipment are depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	50
Apparatus	10-20
Vehicles	5
Equipment	10
Right-to-use equipment	Term of agreement

Deferred Outflows/Inflows of Resources – In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represent a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for reporting in this category in the government-wide financial statements. They are *deferred outflows of resources related to pensions* (see Note 2 for further discussion of deferred outflows of resources related to pensions), *deferred outflows of resources related to other postemployment benefits* (see Note 2 for further discussion of deferred outflows of resources related to other postemployment benefits), and *deferred amount on refunding*. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and recognized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represent an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has five items that qualify for reporting in this category. One item, included in the government-wide financial statements, is related to *property taxes that are levied for future period*. Two other items, included in the government-wide financial statements, are *deferred inflows of resources related to pensions* (see Note 2 for further discussion of deferred inflows of resources related to pensions) and *deferred inflows of resources related to other postemployment benefits* (see Note 2 for further discussion of deferred inflows of resources related to other postemployment benefits). The fourth item, included in the government-wide financial statements and governmental fund financial statements, is *deferred inflows of resources related to leases benefits* (see Note 2 for further discussion of deferred inflows of resources related to leases). The fifth item, included in the governmental fund financial statements, is related to *unavailable property tax revenues*.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 1—Summary of significant accounting policies (continued)

Long-Term Obligations – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts, as well as gains (losses) on refundings, are amortized over the term of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Gains (losses) on refundings are reported as deferred inflows (outflows) of resources. Bond issuance costs are reported as expenses in the periods in which they are incurred.

In the fund financial statements, governmental fund types report the face amount of the debt issued 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. Debt issuance costs are reported as debt service expenditures.

Net Position Flow Assumption – Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumptions – Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund Balance Policies – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitations imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board of Trustees may by resolution authorize an individual or body to assign fund balance. The Board of Trustees has not adopted such a resolution. The Board of Trustees may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 1—Summary of significant accounting policies (continued)

Leases

Lessee – The District is a lessee for a noncancellable lease of equipment. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of \$10,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor – The District is a lessor for noncancelable ground leases. The District recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts:

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 1—Summary of significant accounting policies (continued)

Revenues and Expenses/Expenditures

Program Revenues – Amounts reported as *program revenues* include 1) charges to individuals or entities that purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes – Property taxes attach as an enforceable lien on January 1 on property values assessed on the same date. Taxes are levied in December by passage of a tax levy ordinance. The tax levy is divided into two billings: the first billing (mailed on or about February 1) is an estimate of the current year's levy based on the prior year's taxes; the second billing (mailed on or about July 1) reflects adjustments to the current year's actual levy. The billings are considered past due 30 days after the respective billing date at which time the applicable property is subject to lien and penalties and interest are assessed. The District receives significant distributions of property tax receipts approximately one month after the due dates.

Compensated Absences – It is the District's policy to permit employees to accumulate earned but unused sick time and compensatory time benefits. The liability for those amounts is recorded in the government-wide financial statements if the leave is attributable to services already rendered and the leave is more-likely-than-not to be used for time off or otherwise paid in cash or settled through noncash means. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

Estimates – Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amount of assets, liabilities, and deferred outflows/inflows of resources; the disclosure of contingent assets and liabilities; and the reported revenues and expenses/expenditures. Significant estimates used in preparing the government-wide financial statements include the assumptions used to determine the net pension asset and the other postemployment benefits liability and the related deferred outflows/inflows of resources. The allowance for uncollectible ambulance receivables is a significant estimate used in preparing both the government-wide financial statements and fund financial statements of the District. It is at least reasonably possible that the significant estimates used will change within the next year.

Adoption of New Accounting Standard - Effective January 1, 2025, the District implemented the provisions of Government Accounting Standards Board ("GASB") Statement No. 102, *Certain Risk Disclosures*. The primary objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. Implementation of GASB Statement No. 102 did not have a substantial impact on the District's financial activities.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds

Deposits and Investments

Deposits – Custodial credit risk for deposits is the risk that, in the event of a bank failure, the deposits of the District, the Firefighters' Pension Fund, and the Retiree Health Insurance Fund might not be recovered. The investment policies of the District and the Retiree Health Insurance Fund require the amount of collateral provided to be at a minimum of 110% of the net amount of deposits. The Firefighters' Pension Fund does not have a deposit policy for custodial credit risk. As of December 31, 2025, bank balances of the Firefighters' Pension Fund and Retiree Health Insurance Fund were fully insured. As of December 31, 2025, \$4,531,965 of the District's bank balances of \$14,994,254 was uninsured and collateralized with securities held by the pledging financial institutions and \$740,543 was uninsured and uncollateralized.

Investments

As of December 31, 2025, the District, Firefighters' Pension Fund, and Retiree Health Insurance Fund had the following investments:

Type of Investment	Fair Value	Average Credit Quality Ratings ⁽¹⁾	Weighted Average Years to Maturity ⁽²⁾
District:			
Other fixed income	\$ 98,437	N/A	0.61
Retiree Health Insurance Fund:			
Debt issues:			
Corporate*	\$ 370,421	A1 - Baa2	3.94
Mutual funds:			
Bonds	1,970,564	N/A	6.54
Equities	10,791,632	N/A	N/A
U.S. Treasury notes	565,549	N/A	3.59
	<u>\$ 13,698,166</u>		
Firefighters' Pension Fund:			
Pooled Investments	<u>\$ 242,085,413</u>	NR	N/A

⁽¹⁾ Ratings are provided where applicable to indicate associated *Credit Risk*. *N/A* indicates not applicable. *NR* indicates not rated.

⁽²⁾ *Interest Rate Risk* is estimated using weighted average years to maturity. *N/A* indicates not applicable.

* Some investments are not rated

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Illinois Firefighters' Pension Investment Fund – Effective January 1, 2020, Illinois Public Act 101-0610 consolidates the assets of the state's more than 650 downstate and suburban public safety pension funds into two consolidated investment funds. The authority of the Illinois Firefighters' Pension Investment Fund ("IFPIF") to manage pension fund assets of Article 4 Pension Funds shall begin when there has been a physical transfer of the pension fund assets to the IFPIF and the assets have been placed in the custody of the IFPIF's custodian or custodians. The District transferred its assets IFPIF during the year ended December 31, 2022 per Article 4. Investments of the Firefighters' Pension Fund are combined in a commingled external investment pool and held by IFPIF.

The Firefighters' Pension Fund retains all of its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the Firefighters' Pension Fund.

For additional information on IFPIF's investments, a copy of the most recent report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, Illinois 60148 or at www.ifpif.org.

Investment Policies

District – The District's investments are subject to the following risks:

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 District manages its exposure to declines in fair value by diversification of investments and maturities. Unless matched to a specific cash flow, the District will not directly invest in securities maturing more than five years from the date of purchase.

Credit risk is the risk that an issuer or other counterparty to air investment will not fulfill its obligations. The District's investment policy seeks to limit investments in securities with higher credit risks. The District's investment program is derived from the terms and provisions of the Illinois Compiled Statutes Public Funds Investment Act (30 ILCS 235) which allows investment in instruments of the United States of America or its agencies, money market mutual funds with a minimum AA rating by at least two of the three standard credit rating agencies, public treasurer's investment pool, and commercial paper with one of the three highest classifications by at least two of the three standard credit rating agencies. Commercial paper cannot exceed 180 days in maturity, 10% of the total outstanding paper of the issuing corporation or one-third of the cost of the portfolio.

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy seeks to limit investments, with the exception of U.S. Treasury securities, to avoid overconcentration in securities from a specific issuer or business sector.

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The District's investment policy requires the amount of collateral provided to be at a minimum of 110% of the fair value of the principal and accrued interest.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Retiree Health Insurance Fund and Firefighters' Pension Fund – The Retiree Health Insurance Fund's and Firefighters' Pension Fund's investments are subject to the same risks as noted above and are addressed in the investment policies as follows:

Interest Rate Risk – An investment time horizon of average duration which is not to vary more than +/- 30% of the duration of the Lehman Brothers Intermediate Government Bond Index, thereby allowing the fund to tolerate moderate interim fluctuations in fair value and rates in order to achieve its long-term objectives.

Credit Risk – The investment programs of the Retiree Health Insurance Fund are derived from the terms and provisions of the Illinois Compiled Statutes Public Funds Investment Act (40 ILCS 5/ 1–113) which allows investment in instruments of the United States of America or its agencies; savings accounts; certificates of deposit; public treasurer's pool; interest bearing bonds of any county, township, or municipal corporation; mutual funds; certain short-term obligations of U.S. corporations; common stocks; and general or separate accounts of life insurance companies authorized to transact business in Illinois. Illinois Compiled Statutes ("ILCS") require the Firefighters' Pension Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the board. During the year, no changes to the investment policy were approved by the Board of Trustees.

Concentration of Credit Risk – Total investments in authorized items of the Retiree Health Insurance Fund are not allowed to exceed 10% of the portfolio's overall allocation in one single security.

Custodial Credit Risk – The investment policy of the Retiree Health Insurance Fund requires the amount of collateral provided to be at a minimum of 110% of investments. The investment policy of the Firefighters' Pension Fund does not specifically define custodial credit risk.

Firefighters' Pension Fund – IFPIF is authorized to invest in all investments allowed by ILCS. The IFPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code. IFPIF's current investment policy was adopted by the Board of Trustees on June 17, 2022.

Fair Value Measurements – The District, Firefighters' Pension Fund, and Retiree Health insurance Fund categorize their fair value measurements within the fair value hierarchy established by U.S. GAAP. 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; and Level 3 inputs are significant unobservable inputs.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

The District, Firefighters' Pension Fund, and Retiree Health Insurance Fund had the following recurring fair value measurements as of December 31, 2025:

Debt Issues, U.S. Treasury Notes, and Other Fixed Income – Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yield currently available on comparable securities of issuers with similar credit ratings.

Mutual Funds – Valued at the daily closing price as reported by the fund. Mutual funds held by the Retiree Health Insurance Fund are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value ("NAV") and to transact at that price. The mutual funds held by the Retiree Health Insurance Fund are deemed to be actively traded.

Pooled Investments – Valued at NAV of units held, which is the price at which the investment could be sold. The estimated fair value is subject to uncertainty and therefore may differ from the value that would have been used had a readily available market for this investment existed, and the difference could be material.

The following table summarizes the investments of the District, Firefighters' Pension Fund, and Retiree Health Insurance Fund for which fair values are determined on a recurring basis as of December 31, 2025:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
District:				
Other fixed income	\$ -	\$ 98,437	\$ -	\$ 98,437
Retiree Health Insurance Fund:				
Debt issues:				
Corporate	\$ -	\$ 370,421	\$ -	\$ 370,421
Mutual funds:				
Bonds	1,970,564	-	-	1,970,564
Equities	10,791,632	-	-	10,791,632
U.S. Treasury notes	-	565,549	-	565,549
Total investments at fair value	\$ 12,762,196	\$ 935,970	\$ -	\$ 13,698,166
Firefighters' Pension Fund:				
Pooled investments*	\$ -	\$ -	\$ -	\$ 242,085,413

* In accordance with U.S. GAAP, the Firefighters' Pension Fund's pooled investments that were measured at NAV per share have not been classified in the fair value hierarchy. The fair value amount presented in this table is intended to permit reconciliation of the fair value hierarchy to the statement of net position – fiduciary funds.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

The pooled investments of the Firefighters' Pension Fund consist of the investments as noted in the target allocation table available at www.ifpif.org. Investments in IFPIF are valued at IFPIF's share price, which is the price at which the investments could be sold. There are no unfunded commitments at December 31, 2025. The Firefighters' Pension Fund may redeem shares by giving notice by 5:00 p.m. central time on the first of each month. Requests properly submitted on or before the first of each month will be processed for redemption by the 14th of the month. Expedited redemptions may be processed at the sole discretion of IFPIF.

Receivables – The allowance for uncollectible ambulance accounts receivable of \$1,263,114 is based on previous collection experience.

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

	Beginning Balance	Increases	Decreases/ Adjustments	Ending Balance
Governmental activities:				
Capital assets not being depreciated/amortized:				
Land	\$ 584,783	\$ -	\$ -	\$ 584,783
Construction in progress	2,619,839	-	(1,492,139)	1,127,700
Total capital assets not being depreciated/amortized	3,204,622	-	(1,492,139)	1,712,483
Capital assets being depreciated/amortized:				
Buildings and improvements	23,399,010	163,302	-	23,562,312
Apparatus and vehicles	10,668,857	211,626	-	10,880,483
Equipment	4,572,820	492,461	1,492,139	6,557,420
Right-to-use equipment	1,244,740	-	-	1,244,740
Total capital assets being depreciated/amortized	39,885,427	867,389	1,492,139	42,244,955
Less accumulated depreciation/amortization for:				
Buildings and improvements	7,693,315	467,739	-	8,161,054
Apparatus and vehicles	6,969,392	580,506	-	7,549,898
Equipment	4,051,433	239,113	-	4,290,546
Right-to-use equipment	165,965	124,474	-	290,439
Total accumulated depreciation/amortization	18,880,105	1,411,832	-	20,291,937
Total capital assets being depreciated/amortized, net	21,005,322	(544,443)	1,492,139	21,953,018
Governmental activities capital assets net	\$ 24,209,944	\$ (544,443)	\$ -	\$ 23,665,501

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Depreciation/amortization expense was charged to functions/programs as follows:

Governmental activities:

Fire and rescue	\$ 692,856
Emergency medical service	654,608
General government	64,368
Total depreciation/amortization expense - governmental activities	<u>\$ 1,411,832</u>

Pension and Postemployment Benefit Obligations – The District maintains the Firefighters' Pension Plan, which covers its qualified sworn employees, and participates in the statewide Illinois Municipal Retirement Fund, which covers substantially all of the remaining qualified District employees. The District also maintains a postemployment benefit plan (Postretirement Health Plan). The information presented in the following notes is the most current information available as of December 31, 2025.

Firefighters' Pension Plan

Description of Plan – The Firefighters' Pension Plan is a single-employer, defined benefit retirement plan that is administered by the Firefighters' Pension Fund's Board of Trustees. The Firefighters' Pension Fund's Board of Trustees consists of five members. Two members are appointed by the president of the Board of Trustees, two members are elected by the active sworn members, and one member is elected by retired and/or disabled participants.

The defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature.

The Firefighters' Pension Plan issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained at the plan's administrative office, located at 9790 West 151st Street, Orland Park, Illinois 60462.

Benefits Provided – The Firefighters' Pension Plan provides retirement benefits, as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75% of such salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. A firefighter's salary for pension purposes is capped at \$106,800, plus the lesser of 1/2 of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 10 years of service may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3% or 1/2 of the change in the Consumer Price Index for the preceding calendar year.

Plan Membership – At December 31, 2025, the Firefighters' Pension Plan's membership consisted of the following:

Inactive employees currently receiving benefits	123
Inactive employees entitled to but not receiving benefits	15
Active employees	128
	<u>266</u>

Contributions – Employees are required by ILCS to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The District is required to contribute the remaining amounts necessary to finance the Firefighters' Pension Plan, as actuarially determined by an enrolled actuary. For the year ended December 31, 2025, the District contributed \$3,791,000 to the plan. Effective January 1, 2011, the District has until the year 2040 to fund 90% the past service cost for the Firefighters' Pension Plan. For the year ended December 31, 2025, the District's contribution was 21.40% of covered payroll.

Net Pension Liability (Asset) – The District's net pension liability (asset) was measured as of December 31, 2025. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2025 using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method:	Entry age normal
Inflation:	2.50%
Salary increases:	4.25% to 12.78%
Investment rate of return:	7.0%, compounded annually, net of pension plan investment expense, including inflation
Asset valuation method:	5-year smoothed fair value

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Mortality rates were based on the PubS-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data. Mortality rates for active employees were based on the PubS-2010 Employee mortality, unadjusted, with generational improvements with the most recent projection scale (currently Scale MP- 2021). 20% of active deaths are assumed to be in the line of duty. Mortality rates for inactive employees were based on the PubS-2010 Healthy Retiree mortality, adjusted by a factor of 1.081 for male retirees and unadjusted for female retirees, with generational improvements with the most recent projection scale (currently Scale MP-2021). Mortality rates for beneficiaries were based on the PubS-2010 Survivor mortality, unadjusted for male beneficiaries and adjusted by a factor of 1.098 for female beneficiaries, with generational improvements with the most recent projection scale (currently Scale MP-2021). Mortality rates for disabled employees were based on the PubS-2010 Disabled mortality, adjusted by a factor of 1.178 for male disabled members and unadjusted for female disabled members, with generational improvements with the most recent projection scale (currently Scale MP-2021).

Retirement rates, disability rates, and termination rates were based on a 2021 experience study performed for the IFPIF.

The IFPIF's investment manager establishes the following target allocation across asset classes:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Illinois Firefighters' Pension Investment Fund	100.0%	7.0%
Cash	0.0%	0.0%
	<u>100.0%</u>	

The long-term expected rate of return on the IFPIF's investments was determined using an asset allocation study conducted by the IFPIF's investment management consultant in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of December 31, 2025 are listed in the table above.

Single Discount Rate – A single discount rate of 7.0% was used to measure the total pension liability. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the Firefighters' Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

For the year ended December 31, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 17.54%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Changes in the Net Pension Liability – Changes in the District's net pension liability for the year ended December 31, 2025 were as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a) - (b)
Balances, December 31, 2024	\$ 246,272,014	\$ 213,196,981	\$ 33,075,033
Changes for the year:			
Service cost	4,020,323	-	4,020,323
Interest on the total pension liability	17,086,629	-	17,086,629
Differences between expected and actual experience	1,122,939	-	1,122,939
Net investment income	-	36,961,727	(36,961,727)
Contributions - employer	-	3,791,000	(3,791,000)
Contributions - employees	-	1,674,615	(1,674,615)
Other	-	667	(667)
Benefit payments, including refunds of employee contributions	(12,395,282)	(12,395,282)	-
Administrative expense	-	(96,327)	96,327
Net changes	9,834,609	29,936,400	(20,101,791)
Balances, December 31, 2025	\$ 256,106,623	\$ 243,133,381	\$ 12,973,242

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the District, calculated using a single discount rate of 7.0%, as well as what the District's net pension liability would be if it were calculated using a single discount rate that is 1% lower (6.0%) or 1% higher (8.0%) than the current rate:

	1% Lower (6.0%)	Current Discount Rate (7.0%)	1% Higher (8.0%)
District's net pension (asset) liability	\$ 48,755,586	\$ 12,973,242	\$ (16,294,390)

Plan Fiduciary Net Position – Detailed information about the plan's fiduciary net position is available in other locations in this report as the plan is reported as a fiduciary fund of the District as well as in a separately issued financial report of the plan.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS **NOTES TO THE BASIC FINANCIAL STATEMENTS**

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Pension Expense (Income), Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – For the year ended December 31, 2025, the District recognized pension expense of \$6,508,477. At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Amounts Related to Pensions	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 13,253,924	\$ (2,320,512)
Changes of assumptions	579,714	-
Net difference between projected and actual earnings on Plan investments	-	(18,923,222)
	<u>\$ 13,833,638</u>	<u>\$ (21,243,734)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense in future periods as follows:

Years Ending December 31,

2026	\$ 3,418,582
2027	(6,850,191)
2028	(2,909,294)
2029	(2,632,265)
2030	1,402,652
Thereafter	160,420
	<u>\$ (7,410,096)</u>

Illinois Municipal Retirement Fund

Plan Description – The District's (employer's) defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and their beneficiaries. The employer's plan is managed by the Illinois Municipal Retirement Fund ("IMRF"), the administrator of an agent multiple-employer, public pension fund. A summary of IMRF's pension benefits is provided in the *Benefits Provided* section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the state of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided – IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan. The Sheriff's Law Enforcement Personnel 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). Employees of the District who are eligible to participate in the plan participate in the Regular Plan.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

All three IMRF benefit plans have two tiers. 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 1⅔% 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 10 years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with 10 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1⅔% 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
- One-half of the increase in the Consumer Price Index of the original pension amount.

Employees Covered by Benefit Terms – As of December 31, 2025, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	19
Inactive plan members entitled to but not yet receiving benefits	17
Active plan members	30
	<u>66</u>

Contributions – As set by statute, the employer's 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. The employer's annual contribution rate for 2025 was 7.63%. For the fiscal year ended December 31, 2025, the employer contributed \$254,384 to the plan. The employer also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability – The employer's net pension liability was measured as of December 31, 2025. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Actuarial Assumptions – The following are the methods and assumptions used to determine the total pension liability as of December 31, 2025:

Actuarial Cost Method:	Entry age normal
Asset Valuation Method:	Fair value of assets
Inflation Rate:	Assumed to be 2.25%
Salary Increases:	Expected to be 2.85% to 13.75%, including inflation
Investment Rate of Return:	Assumed to be 7.25%
Projected Retirement Age:	Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2023 valuation pursuant to an experience study of the period 2020 to 2022.
Mortality – Nondisabled Retirees:	Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021 were used.
Mortality – Disabled Retirees:	Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.
Mortality – Active Members:	Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

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 as of December 31, 2025:

<u>Asset Class</u>	<u>Portfolio Target Percentage</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic equity	33%	7.35%
International equity	18%	7.45%
Fixed income	24%	4.75%
Real estate	10%	6.25%
Alternative investments	14%	3.90-8.50%
Cash equivalents	1%	3.00%
	100%	

Single Discount Rate – A single discount rate of 7.25% was used to measure the total pension liability as of December 31, 2025. The projection of cash flow used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Changes in the Net Pension Liability – Changes in the net pension liability for the year ended December 31, 2025 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances, December 31, 2024	\$ 13,243,380	\$ 12,200,880	\$ 1,042,500
Changes for the year:			
Service cost	318,383	-	318,383
Interest on the total pension liability	952,732	-	952,732
Differences between expected and actual experience of the total pension liability	(396,251)	-	(396,251)
Contributions - employer	-	254,384	(254,384)
Contributions - employees	-	150,200	(150,200)
Net investment income	-	1,809,951	(1,809,951)
Benefit payments, including refunds of employee contributions	(522,878)	(522,878)	-
Other changes	-	(65,453)	65,453
Net changes	351,986	1,626,204	(1,274,218)
Balances, December 31, 2025	\$ 13,595,366	\$ 13,827,084	\$ (231,718)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate – The following presents the plan's net pension liability (asset), calculated using a single discount rate of 7.25%, as well as what the plan's net pension liability (asset) would be if it were calculated using a single discount rate that is 1% lower or 1% higher:

	1% Lower (6.25%)	Current Discount Rate (7.25%)	1% Higher (8.25%)
Net pension liability (asset)	\$ 1,467,846	\$ (231,718)	\$ (1,559,410)

Plan Fiduciary Net Position – Detailed information about the plan's fiduciary net position is available in the separately issued IMRF *Annual Comprehensive Financial Report*.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – For the year ended December 31, 2025, the employer recognized pension expense (income) of \$252,682. At December 31, 2025, the employer reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred amounts to be recognized in pension expense in future periods:		
Differences between expected and actual experience	\$ 576,140	\$ (355,534)
Changes of assumptions	8,286	-
Net difference between projected and actual earnings on pension plan investments	-	(666,837)
Total deferred amounts related to pensions	<u>\$ 584,426</u>	<u>\$ (1,022,371)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in years ending December 31 as follows:

Years Ending December 31,

2026	\$ 297,637
2027	(259,446)
2028	(251,201)
2029	(224,935)
	<u>\$ (437,945)</u>

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

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Deferred outflows of resources, net pension liabilities (assets), deferred inflows of resources, and pension expense/expenditures are summarized as follows:

	FPP	IMRF	Total
Deferred outflows of resources	\$ 13,833,638	\$ 584,426	\$ 14,418,064
Net pension asset (liability)	(12,973,242)	231,718	(12,741,524)
Deferred inflows of resources	(21,243,734)	(1,022,371)	(22,266,105)
Pension expense (income)	6,508,477	252,682	6,761,159
Pension expenditures	3,791,000	254,384	4,045,384

Postretirement Health Plan

Plan Description – The District’s defined benefit other postemployment benefits (“OPEB”) plan, Postretirement Health Plan (“PHP”), provides OPEB for all full-time employees of the district who participate in the Orland Fire Protection District Firefighters’ Pension Plan and the IMRF. PHP is a single-employer, defined benefit OPEB plan administered by the district. The benefit terms and financing requirements for IMRF participants are established under the provisions of ILCS Chapter 215, Article 5, Section 367j. The benefits, benefit levels, employee contributions, and employer contributions for Orland Fire Protection District Firefighters’ Pension Plan participants are governed by the District and can be amended by the District through its personnel manual and union contracts.

The PHP issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained at the Plan’s administrative office, located at 9790 West 151st Street, Orland Park, Illinois 60462.

Benefits Provided – PHP provides medical/prescription, dental and life insurance benefits for eligible retirees and spouses/dependents. Two PPO plans, an HMO plan, an HSA plan, and a Medicare Supplement plan are available for retired employees. The benefit terms are summarized as follows:

Retirees – Fire – PSEBA (a person who qualified for benefits under subsections (a) and (b) of Section 10 of Public Safety Employee Benefits Act) who retire prior to January 1, 2019 – pre-65 and post-65 coverage – The District pays for 100% of the premium regardless of which plan or coverage level is selected. The District continues to pay for 100% of the premium until the retiree reaches Medicare eligibility. Additionally, if the retiree is participating in the HSA plan, the District will provide annual seed money at the rate of half the amount provided to actives until Medicare eligibility. Once Medicare eligible, the retiree is responsible for 100% of the premium cost. If the retiree is not Medicare eligible, but their spouse is, the retiree and the spouse remain on the HMO, PPO, or HSA plan. The spouse is not moved to the Medicare Supplement Plan. If the retiree is Medicare eligible, but their spouse is not, the retiree must join the Medicare Supplement Plan while the spouse remains on the HMO, PPO, or HSA plan.

For dental, the District pays 50% of the premium until the retiree reaches Medicare eligibility. For life insurance, the retiree pays the full cost of coverage. These benefits are not covered under PSEBA. Dental and life insurance may continue past Medicare eligibility with the retiree paying full cost.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Retirees – Fire – PSEBA who retire on or after January 1, 2019 – pre-65 and post-65 coverage – The District pays for 100% of the premium regardless of which plan or coverage level is selected. The District continues to pay for 100% of the premium until the retiree reaches Medicare eligibility. Additionally, if the retiree is participating in the HSA plan, the District will provide annual seed money at the rate of 75% the amount provided to actives until Medicare eligibility. Once Medicare eligible, the retiree is responsible for 100% of the premium cost. If the retiree is not Medicare eligible, but their spouse is, the retiree and the spouse remain on the HMO, PPO, or HSA plan. The spouse is not moved to the Medicare Supplement Plan. If the retiree is Medicare eligible, but their spouse is not, the retiree must join the Medicare Supplement Plan while the spouse remains on the HMO, PPO, or HSA plan.

For dental, the District pays 50% of the premium until the retiree reaches Medicare eligibility. For life insurance, the retiree pays the full cost of coverage. These benefits are not covered under PSEBA. Dental and life insurance may continue past Medicare eligibility with the retiree paying full cost.

Retirees – Fire – Non-PSEBA who retire prior to January 1, 2019 – pre-65 and post-65 coverage:

The District pays for 50% of the premium regardless of which plan or coverage level is selected. The District continues to pay for 50% of the premium until the retiree reaches Medicare eligibility. Additionally, if the retiree is participating in the HSA plan, the District will provide annual seed money at the rate of half the amount provided to actives until Medicare eligibility. Once Medicare eligible, the retiree is responsible for 100% of the premium cost. If the retiree is not Medicare eligible, but their spouse is, the retiree and the spouse remain on the HMO, PPO, or HSA plan. The spouse is not moved to the Medicare Supplement Plan. If the retiree is Medicare eligible, but their spouse is not, the retiree must join the Medicare Supplement Plan while the spouse remains on the HMO, PPO, or HSA plan.

Dental benefits are the same as medical described in the preceding paragraph. For life insurance, the retiree pays the full cost of coverage. Dental and life insurance may continue past Medicare eligibility with the retiree paying full cost.

Retirees – Fire – Non-PSEBA who retire on or after January 1, 2019 – pre-65 and post-65 coverage – Should the retiree elect the HSA plan, the District pays for 50% of the premium regardless of which coverage level is selected until Medicare eligibility. Additionally, the District will provide annual seed money at the rate of 75% the amount provided to actives until Medicare eligibility. Should the retiree elect the HMO plan, the District pays for 50% of the premium regardless of which coverage level is selected until Medicare eligibility. Should the retiree elect the PPO plan, the District pays for 50% of the HSA premium for the equivalent premium level until Medicare eligibility. The retiree is responsible for the remaining premium cost. Once Medicare eligible, the retiree is responsible for 100% of the premium cost. If the retiree is not Medicare eligible, but their spouse is, the retiree and the spouse remain on the HMO, PPO, or HSA plan. The spouse is not moved to the Medicare Supplement Plan. If the retiree is Medicare eligible, but their spouse is not, the retiree must join the Medicare Supplement Plan while the spouse remains on the HMO, PPO, or HSA plan.

Dental benefits are the same as medical described in the preceding paragraph. For life insurance, the retiree pays the full cost of coverage. Dental and life insurance may continue past Medicare eligibility with the retiree paying full cost.

IMRF – The retiree is responsible for the full premium cost at no additional charge to the District. If the retiree is not Medicare eligible, but their spouse is, the retiree and the spouse remain on the HMO, PPO, or HSA plan. The spouse is not moved to the Medicare Supplement Plan. If the retiree is Medicare eligible, but their spouse is not, the retiree must join the Medicare Supplement Plan while the spouse remains on the HMO, PPO, or HSA plan.

For dental and life insurance, the retiree pays full cost of coverage. Dental and life insurance may continue past Medicare eligibility with the retiree paying full cost.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS **NOTES TO THE BASIC FINANCIAL STATEMENTS**

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Plan Membership – As of December 31, 2025, Plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefit payments	74
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	156
	<u>230</u>

Contributions – A formal funding policy exists between the District and the PHP. Per the formal funding policy, the District will contribute \$600,000 per year, with future consideration given to funding based upon an actuarially determined contribution. While the formal funding policy was not effective until the year ended December 31, 2018, the District has been following it since the year ended December 31, 2017.

Net OPEB Liability – The District's net OPEB liability was measured as of December 31, 2025. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2025, based on procedures that conform to generally accepted actuarial principles and practices.

Actuarial Assumptions – The following are the methods and assumptions used to determine the total OPEB liability at December 31, 2025:

Actuarial Cost Method:	Entry age normal.
Long-Term Expected Rate of Return:	Plan assets was expected to be 7.00%.
Salary Increases:	Expected to be 5.00%.
Healthcare Cost Trend Rate for Medical and Dental:	Expected to be 6.75% initially, decreasing to 6.50% in year two, and then reduced by decrements to an ultimate rate of 4.00%.
Retirement Rates:	100% of the L&A Assumption Study Cap Age 65 for Firefighters 2020. IMRF 2020 for IMRF employees.
Termination Rates:	100% of the L&A Assumption Study for Firefighters 2020. IMRF 2020 for IMRF employees.
Mortality Rates:	All mortality rates were based on the Pub-2010 mortality tables with fully generation improvement using Scale MP-2020. Active IMRF employee mortality follows the PubG-2010, Amount-Weighted, below-median income, General Employee, Male and Female tables, with future mortality improvements projected using scale MP-2020. Retired IMRF employee mortality follows the PubG-2010, Amount-Weighted, below-median income, General Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, with future mortality improvements projected using scale MP-2020. Disabled IMRF employee mortality follows the PubG-2010, Amount-Weighted, General Disabled Retiree, Male and Female tables, with future mortality improvements projected using scale MP-2020. Active firefighter mortality follows the PubS-2010 Employee mortality, projected 5 years past the valuation date with Scale MP-2020. Retiree firefighter mortality follows PubS-2010 Healthy Retiree mortality, projected 5 years past the valuation date with Scale MP-2020. Disabled firefighter mortality follows the PubS-2010 Disabled mortality, projected 5 years past the valuation date with Scale MP-2020.
Disability Rates:	100% of the L&A Assumption Study for Firefighters 2020. IMRF 2020 for IMRF Employees.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Investment Policy – The Plan’s policy in regard to the allocation of invested assets is established by the District’s Board of Trustees. It is the policy of the Board to pursue an investment strategy where: (1) investments shall be made solely in the interest of the beneficiaries of the Plan, (2) assets shall be invested with care, skill, prudence and diligence, (3) investment of assets shall be so diversified as to minimize the risk of large losses, (4) one or more investment managers may be employed to attain the objectives of the fund, and (5) cash is to be employed productively at all times, by investment in short-term cash equivalents to provide safety, liquidity and return. The following was the board’s adopted allocation policy as of December 31, 2025:

<u>Asset Class</u>	<u>Portfolio Target Allocation</u>
Equities	70%
Fixed income	30%
	<u>100%</u>

Single Discount Rate – A single discount rate of 5.07% was used to measure the total OPEB liability. The projection of cash flows used to determine this discount rate assumed the plan members’ contributions will be made at the current contribution rate, and employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the plan’s fiduciary net position was projected not to be available to make all projected future benefit payments to current members. Therefore, the long-term expected rate of return on plan assets of 7.00% was blended with the tax-exempt municipal bond rate, based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date, of 4.28% to arrive at a single discount rate of 5.07% used to determine the total OPEB liability.

For the year ended December 31, 2025, the annual money-weighted rate of return on OPEB investments, net of investment expense was 14.34%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Changes in the Net OPEB Liability – Changes in the District's net OPEB liability for the year ended December 31, 2025 were as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balances, December 31, 2024	\$ 25,355,300	\$ 13,068,742	\$ 12,286,558
Changes for the year:			
Service cost	1,196,732	-	1,196,732
Interest on the total OPEB liability	1,220,159	-	1,220,159
Changes of assumptions	(593,948)	-	(593,948)
Contributions - employer	-	1,363,107	(1,363,107)
Net investment income	-	1,873,640	(1,873,640)
Benefit payments	(1,858,466)	(1,858,466)	-
Administrative expense	-	(2,359)	2,359
Net changes	(35,523)	1,375,922	(1,411,445)
Balances, December 31, 2025	\$ 25,319,777	\$ 14,444,664	\$ 10,875,113

The changes of assumptions amount of \$593,948 was primarily the result of the changes in the discount rate, premiums, and health care cost trend rates.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate – The following presents the net OPEB liability of the district, as well as what the District's net OPEB liability would be if it were calculated using a single discount rate that is 1% lower or 1% higher than the current discount rate:

	1% Lower (4.07%)	Current Discount Rate (5.07%)	1% Higher (6.07%)
District's net OPEB liability	\$ 12,869,498	\$ 10,875,113	\$ 9,096,881

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates. – The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates:

	1% Lower (Varies)	Current Healthcare Cost Trend Rates (Varies)	1% Higher (Varies)
District's net OPEB liability	\$ 8,441,982	\$ 10,875,113	\$ 13,725,794

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Plan Fiduciary Net Position – Detailed information about the Plan’s fiduciary net position is available in other locations in this report as the Plan is reported as a fiduciary fund of the District, as well as in a separately issued financial report of the Plan.

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB – For the year ended December 31, 2025, the District recognized OPEB expense of \$570,790.

At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to other postemployment benefits from the following sources:

<u>Deferred Amounts Related to Other Postemployment Benefits</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 1,128,663	\$ (3,320,437)
Changes of assumptions	2,699,390	(1,943,108)
Net difference between projected and actual earnings on Plan investments	-	(1,109,724)
	<u>\$ 3,828,053</u>	<u>\$ (6,373,269)</u>

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

Year Ending December 31,

2026	\$ (842,009)
2027	(783,844)
2028	(684,054)
2029	(161,112)
2030	6,970
Thereafter	(81,167)
	<u>\$ (2,545,216)</u>

Due from/to Other Funds – Interfund receivable and payable balances, net of eliminations, at December 31, 2025 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund:		
Corporate sub-fund	Capital Projects Fund	\$ 1,345,711
Tort Liability sub-fund	Ambulance Fund	5,874
Emergency Rescue sub-fund	Ambulance Fund	5,874
	General Fund:	
Ambulance Fund	Corporate sub-fund	5,105,601
Capital Projects Fund	Ambulance Fund	104,987
		<u>\$ 6,568,047</u>

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

The outstanding balances between funds result mainly from the time lag between the dates that monies are received by the individual funds and the expenditure of funds. The repayment of the balances is expected to be funded by transfers from other funds.

Long-Term Liabilities – Long-term liability activity for the year ended December 31, 2025 was as follows:

	<u>Beginning Balance</u>	<u>Additions/ Adjustments</u>	<u>Reductions/ Adjustments</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Notes payable	\$ 303,100	\$ -	\$ (163,100)	\$ 140,000	\$ 35,000
Debt certificates:					
General obligation debt certificates	21,280,000	-	(2,160,000)	19,120,000	2,280,000
General obligation debt certificate - private placement	1,426,251	-	(561,791)	864,460	574,269
Compensated absences *	2,314,495	-	(1,054,353)	1,260,142	126,015
Net pension liabilities:					
Firefighters' Pension Fund	33,075,033	6,508,477	(26,610,268)	12,973,242	-
Illinois Municipal Retirement Fund	1,042,500	252,682	(1,295,182)	-	-
Net other postemployment benefits liability	12,286,558	570,790	(1,982,235)	10,875,113	-
Lease liability	994,862	-	(113,763)	881,099	116,640
	<u>\$ 72,722,799</u>	<u>\$ 7,331,949</u>	<u>\$ (33,940,692)</u>	<u>\$ 46,114,056</u>	<u>\$ 3,131,924</u>

* Current year activity is netted

The debt service of the notes payable will be made by the Capital Projects Fund with funds transferred in from the General Fund and the Ambulance Fund. The debt service of the other long-term liabilities will generally be paid from the General Fund.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

The schedules of the long-term debt outstanding at December 31, 2025 are as follows:

Note Payable – The District has a note payable to the Illinois Finance Authority that is due in annual installments of \$35,000, plus interest at 1.89%. The proceeds of the note were used to purchase a new fire truck, in which the Illinois Finance Authority holds a security interest. Payments under the note payable are due as follows:

<u>Years Ending December 31,</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2026	\$ 35,000	\$ 2,646	\$ 37,646
2027	35,000	1,985	36,985
2028	35,000	1,323	36,323
2029	35,000	662	35,662
	<u>\$ 140,000</u>	<u>\$ 6,616</u>	<u>\$ 146,616</u>

General Obligation Debt Certificates – General obligation limited tax debt certificates, Series 2020A, which were used to partially refund General Obligation Taxable Debt Certificates, Series 2012, are direct obligations and pledge the full faith and credit of the District. The proceeds from the General Obligation Taxable Debt Certificates, Series 2012 were used to fund the District's net pension liabilities.

Principal due each year:	December 15th
Interest dates:	December 15th and June 15th
Interest rate:	2.30%
Paying agent:	The Bank of New York Mellon Trust Co. Chicago, Illinois
Total original issue:	\$21,515,000

<u>Years Ending December 31,</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2026	\$ 1,920,000	\$ 362,020	\$ 2,282,020
2027	2,030,000	317,860	2,347,860
2028	2,140,000	271,170	2,411,170
2029	2,255,000	221,950	2,476,950
2030	2,360,000	170,085	2,530,085
2031	2,465,000	115,805	2,580,805
2032	2,570,000	59,110	2,629,110
	<u>\$ 15,740,000</u>	<u>\$ 1,518,000</u>	<u>\$ 17,258,000</u>

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

General obligation debt certificates (limited tax), Series 2020, which were used for various capital purchases, are direct obligations and pledge the full faith and credit of the District.

Principal due each year:	December 15th
Interest dates:	December 15th and June 15th
Interest rate:	1.38%
Paying agent:	The Bank of New York Mellon Trust Co. Chicago, Illinois
Total original issue:	\$5,315,000

<u>Years Ending December 31,</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2026	\$ 360,000	\$ 46,644	\$ 406,644
2027	360,000	41,676	401,676
2028	365,000	36,708	401,708
2029	370,000	31,671	401,671
2030	375,000	26,565	401,565
2031	380,000	21,390	401,390
2032	385,000	16,146	401,146
2033	390,000	10,833	400,833
2034	395,000	5,451	400,451
	<u>\$ 3,380,000</u>	<u>\$ 237,084</u>	<u>\$ 3,617,084</u>

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

General Obligation Debt Certificate – Private Placement – During the year ended December 31, 2022, the District issued a private placement general obligation debt certificate (limited tax), Series 2022, in the amount of \$2,500,000. The proceeds from the issuance are being used for the purpose of constructing, updating, and acquiring technology improvements. The debt certificate, which is a direct obligation and pledges the full faith and credit of the District, pays principal and interest monthly at an interest rate of 2.70%.

<u>Years Ending December 31,</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2026	\$ 574,269	\$ 16,344	\$ 590,613
2027	290,191	2,312	292,503
	<u>\$ 864,460</u>	<u>\$ 18,656</u>	<u>\$ 883,116</u>

The annual requirements to amortize all outstanding debt as of December 31, 2025 are as follows:

<u>Years Ending December 31,</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2026	\$ 2,889,269	\$ 427,654	\$ 3,316,923
2027	2,715,191	363,833	3,079,024
2028	2,540,000	309,201	2,849,201
2029	2,660,000	254,283	2,914,283
2030	2,735,000	196,650	2,931,650
2031	2,845,000	137,195	2,982,195
2032	2,955,000	75,256	3,030,256
2033	390,000	10,833	400,833
2034	395,000	5,451	400,451
	<u>\$ 20,124,460</u>	<u>\$ 1,780,356</u>	<u>\$ 21,904,816</u>

Advance Refunding of Debt – In a prior year, the District defeased debt certificates by placing the proceeds of new debt certificates in an irrevocable trust fund to provide for future debt service payments on the old debt. Accordingly, the trust account assets and the liability for the defeased debt certificates are not included in the District's financial statements. At December 31, 2025, \$14,920,000 of the defeased debt certificates remain outstanding.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Legal Debt Margin – The legal debt margin of the District as of December 31, 2025 is determined as follows:

Assessed valuation - 2024 tax year (most current valuation available)	<u>\$ 3,358,900,566</u>
Statutory debt limitation (5.75% of assessed valuation)	\$ 193,136,783
Debt outstanding	<u>21,005,559</u>
Legal debt margin	<u>\$ 172,131,224</u>

Fund Balances – As of December 31, 2025, fund balances were comprised of the following:

	<u>General Fund</u>	<u>Ambulance Fund</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
Nonspendable:				
Prepaid items	\$ 427,421	\$ 30,625	\$ -	\$ 458,046
Lease related	9,224	36,162	-	45,386
	<u>436,645</u>	<u>66,787</u>	<u>-</u>	<u>503,432</u>
Restricted:				
Capital projects	-	-	448,145	448,145
Emergency rescue	37,916	-	-	37,916
Tort immunity	2,881,801	-	-	2,881,801
Employee benefits	1,794,465	-	-	1,794,465
Total restricted	<u>4,714,182</u>	<u>-</u>	<u>448,145</u>	<u>5,162,327</u>
Assigned:				
Capital projects	-	-	4,886,462	4,886,462
Emergency medical service	-	11,336,237	-	11,336,237
Emergency rescue	53,735	-	-	53,735
General government	460,752	-	-	460,752
Tort immunity	477,699	-	-	477,699
Total assigned	<u>992,186</u>	<u>11,336,237</u>	<u>4,886,462</u>	<u>17,214,885</u>
Unassigned	<u>7,989,760</u>	<u>-</u>	<u>-</u>	<u>7,989,760</u>
	<u>\$ 14,132,773</u>	<u>\$ 11,403,024</u>	<u>\$ 5,334,607</u>	<u>\$ 30,870,404</u>

Lease Receivable – The District, as a lessor, has entered into various ground lease agreements. The total amount of inflows of resources, including lease revenue and interest revenue, recognized during the year ended December 31, 2025 was \$255,775. As of December 31, 2025, the District's receivable for lease payments was \$1,012,139. The District also has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. As of December 31, 2025, the balance of the deferred inflow of resources was \$966,753.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Lease Payable –The District entered into a 10-year lease agreement as lessee for the acquisition and use of cardiac monitors. As of December 31, 2025, the value of the lease liability was \$881,099. The District is required to make annual principal and interest payments of \$138,921. The lease has an interest rate of 2.50%. The equipment has a 10-year estimated useful life. The value of the right-to-use asset as of the end of the current fiscal year was \$954,301 and accumulated amortization was \$290,439.

The future principal and interest lease payments as of December 31, 2025 were as follows:

<u>Years Ending December 31,</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2026	\$ 116,640	\$ 22,282	\$ 138,922
2027	119,589	19,332	138,921
2028	122,614	16,308	138,922
2029	125,714	13,207	138,921
2030	128,893	10,028	138,921
2031-2033	267,649	10,191	277,840
	<u>\$ 881,099</u>	<u>\$ 91,348</u>	<u>\$ 972,447</u>

Encumbrances – Encumbrance accounting is employed as an extension of formal budgetary integration for the General Fund, Ambulance Fund, and Capital Projects Fund. At December 31, 2025, certain amounts which were previously restricted, committed, or assigned for specific purposes have been encumbered in the governmental funds. Significant encumbrances included in governmental fund balances are as follows:

	<u>Included in: Assigned Fund Balance</u>
General Fund	\$ 776,775
Ambulance Fund	652,985
Capital Projects Fund	3,328,306
	<u>\$ 4,758,066</u>

Risk Management – The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injury to employees; employee medical coverage; and natural disasters. In order to protect against such losses, the District has purchased insurance from private insurance companies and has also joined the Illinois Counties Risk Management Trust Fund. The fund currently operates as a common risk management and insurance program entity in the state of Illinois. The District pays annual premiums to the fund for its general insurance coverage. The agreement for formation of the fund provides that it will be self-sustaining through member premiums and will reinsure through commercial companies for losses in excess of various limits established for each type of coverage. The amount of coverage has not decreased nor have the amount of settlements exceeded coverage in the current year or any of the past three years.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2025

Note 2—Detailed notes on all activities and funds (continued)

Tort Immunity Expenditures – Tort immunity expenditures for the year ended December 31, 2025 are summarized as follows:

Property and liability insurance	\$ 1,362,668
Risk management personnel costs	3,666,455
Professional services	199,121
Other	143,438
	<u>\$ 5,371,682</u>

Subsequent Events – Management has evaluated subsequent events through September 9, 2026, which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

**EMPLOYEE RETIREMENT AND POSTEMPLOYMENT
BENEFIT PLAN INFORMATION**

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION – FIREFIGHTERS’ PENSION PLAN

LAST TEN CALENDAR YEARS

Schedule of Changes in the Employer's Net Pension Liability										
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:										
Service cost	\$ 4,020,323	\$ 3,774,792	\$ 3,827,384	\$ 3,843,391	\$ 3,936,437	\$ 3,947,049	\$ 3,409,684	\$ 3,423,017	\$ 3,530,934	\$ 3,299,938
Interest on the total pension liability	17,086,629	15,906,691	15,120,427	13,887,874	13,015,010	12,918,350	11,641,171	11,017,647	10,383,721	9,776,829
Differences between expected and actual experience	1,122,939	8,695,627	2,953,899	8,533,839	(7,952,823)	3,744,463	2,625,940	(59,349)	(227,815)	(929,789)
Changes of assumptions	-	-	-	870,286	-	199,454	2,112,320	-	-	653,006
Benefit payments, including refunds										
of employee contributions	(12,395,282)	(11,137,475)	(10,096,026)	(8,927,004)	(7,865,054)	(6,977,720)	(5,949,137)	(4,998,523)	(4,262,980)	(3,997,213)
Net Change in Total Pension Liability	9,834,609	17,239,635	11,805,684	18,208,386	1,133,570	13,831,596	14,776,126	9,382,792	9,423,860	8,802,771
Total pension liability, beginning of year	246,272,014	229,032,379	217,226,695	199,018,309	197,884,739	184,053,143	169,277,017	159,894,225	150,470,365	141,667,594
Total Pension Liability, End of Year	<u>\$ 256,106,623</u>	<u>\$ 246,272,014</u>	<u>\$ 229,032,379</u>	<u>\$ 217,226,695</u>	<u>\$ 199,018,309</u>	<u>\$ 197,884,739</u>	<u>\$ 184,053,143</u>	<u>\$ 169,277,017</u>	<u>\$ 159,894,225</u>	<u>\$ 150,470,365</u>
Plan Fiduciary Net Position:										
Contributions - employer	\$ 3,791,000	\$ 3,900,000	\$ 3,536,227	\$ 3,399,000	\$ 3,183,000	\$ 2,660,325	\$ 2,454,844	\$ 2,645,820	\$ 2,863,555	\$ 2,836,620
Contributions - employees	1,674,615	1,669,998	1,480,852	1,496,415	1,418,343	1,370,561	1,337,527	1,282,283	1,223,282	1,181,649
Other	667	257	-	-	165,987	13,352	41,078	599	-	3,912
Net investment income	36,961,727	21,389,285	26,556,875	(31,926,364)	23,338,851	20,132,307	25,218,371	(5,908,641)	17,618,172	10,391,898
Benefit payments, including refunds										
of employee contributions	(12,395,282)	(11,137,475)	(10,096,026)	(8,927,004)	(7,865,054)	(6,977,720)	(5,949,137)	(4,998,523)	(4,262,980)	(3,997,213)
Administrative expense	(96,327)	(98,696)	(137,916)	(109,207)	(121,060)	(88,040)	(98,185)	(102,275)	(112,531)	(100,280)
Net Change in Plan Fiduciary Net Position	29,936,400	15,723,369	21,340,012	(36,067,160)	20,120,067	17,110,785	23,004,498	(7,080,737)	17,329,498	10,316,586
Plan fiduciary net position, beginning of year	213,196,981	197,473,612	176,133,600	212,200,760	192,080,693	174,969,908	151,965,410	159,046,147	141,716,649	131,400,063
Plan Fiduciary Net Position, End of Year	<u>\$ 243,133,381</u>	<u>\$ 213,196,981</u>	<u>\$ 197,473,612</u>	<u>\$ 176,133,600</u>	<u>\$ 212,200,760</u>	<u>\$ 192,080,693</u>	<u>\$ 174,969,908</u>	<u>\$ 151,965,410</u>	<u>\$ 159,046,147</u>	<u>\$ 141,716,649</u>
Employer's Net Pension Liability (Asset), End of Year	<u>\$ 12,973,242</u>	<u>\$ 33,075,033</u>	<u>\$ 31,558,767</u>	<u>\$ 41,093,095</u>	<u>\$ (13,182,451)</u>	<u>\$ 5,804,046</u>	<u>\$ 9,083,235</u>	<u>\$ 17,311,607</u>	<u>\$ 848,078</u>	<u>\$ 8,753,716</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	<u>94.93%</u>	<u>86.57%</u>	<u>86.22%</u>	<u>81.08%</u>	<u>106.62%</u>	<u>97.07%</u>	<u>95.06%</u>	<u>89.77%</u>	<u>99.47%</u>	<u>94.18%</u>
Covered Payroll	<u>\$ 17,711,423</u>	<u>\$ 17,662,581</u>	<u>\$ 15,662,105</u>	<u>\$ 15,826,695</u>	<u>\$ 14,848,000</u>	<u>\$ 14,260,469</u>	<u>\$ 13,921,254</u>	<u>\$ 13,339,374</u>	<u>\$ 12,726,064</u>	<u>\$ 12,325,486</u>
Employer's Net Pension Liability (Asset) as a Percentage of Covered Payroll	<u>73.25%</u>	<u>187.26%</u>	<u>201.50%</u>	<u>259.64%</u>	<u>(88.78%)</u>	<u>40.70%</u>	<u>65.25%</u>	<u>129.78%</u>	<u>6.66%</u>	<u>71.02%</u>

Notes to schedule of changes in the employer's net pension liability

Changes of Assumptions – There was no change in assumption in 2025, 2024, 2023, 2021, 2018, or 2017. The change of assumptions amount of \$870,286 in 2022 was primarily the result of changes in pension expense based on a study of firefighters and fire pension funds in Illinois. The change of assumptions amount of \$199,454 in 2020 was primarily the result of changes in marital assumptions based on a study of firefighters and fire pension funds in Illinois. The change of assumptions amounts of \$2,112,320 in 2019 and \$653,006 in 2016 were primarily the result of changes in demographic assumptions based on a study of firefighters and fire pension funds in Illinois.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION – FIREFIGHTERS’ PENSION PLAN (CONTINUED)

LAST TEN CALENDAR YEARS

Schedule of Employer Contributions

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 3,791,000	\$ 3,900,000	\$ 3,536,227	\$ 3,399,000	\$ 3,183,000	\$ 2,660,325	\$ 2,454,844	\$ 2,645,820	\$ 2,863,555	\$ 2,719,249
Contributions in relation to the										
actuarially determined contribution	3,791,000	3,900,000	3,536,227	3,399,000	3,183,000	2,660,325	2,454,844	2,645,820	2,863,555	2,828,543
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (109,294)
Covered payroll	\$ 17,662,581	\$ 17,662,581	\$ 15,662,105	\$ 15,826,695	\$ 14,848,000	\$ 14,260,469	\$ 13,921,254	\$ 13,339,374	\$ 12,726,064	\$ 12,325,486
Contributions as a percentage of covered payroll	21.46%	22.08%	22.58%	21.48%	21.44%	18.66%	17.63%	19.83%	22.50%	22.95%

Notes to Schedule of Employer Contributions

Valuation Date – Actuarially determined contributions are from the January 1, 2024 actuarial report.

Methods and Assumptions used to Determine Contribution Rates:

Actuarial cost method:	Entry age normal
Amortization method:	Level percentage of payroll (closed)
Remaining amortization period:	18 years
Asset valuation method:	5-year smoothed fair value
Inflation:	2.50%
Salary increases:	4.25% to 12.78%
Investment rate of return:	7.0%, compounded annually, net of pension plan investment expense, including inflation
Retirement age:	Based on a 2021 experience study performed for the Illinois Firefighters' Pension Investment Fund
Mortality:	Mortality rates for active employees were based on the PubS-2010 Employee mortality, unadjusted, with generational improvements with the most recent projection scale (currently Scale MP-2021). 20% of active deaths are assumed to be in the line of duty. Mortality rates for inactive employees were based on the PubS-2010 Healthy Retiree mortality, adjusted by a factor of 1.081 for male retirees and unadjusted for female retirees, with generational improvements with the most recent projection scale (currently Scale MP-2021). Mortality rates for beneficiaries were based on the PubS-2010 Survivor mortality, unadjusted for male beneficiaries and adjusted by a factor of 1.098 for female beneficiaries, with generational improvements with the most recent projection scale (currently Scale MP-2021). Mortality rates for disabled employees were based on the PubS-2010 Disabled mortality, adjusted by a factor of 1.178 for male disabled members and unadjusted for female disabled members, with generational improvements with the most recent projection scale (currently Scale MP-2021).

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION – ILLINOIS MUNICIPAL RETIREMENT FUND

LAST TEN CALENDAR YEARS

Schedule of Changes in the Employer's Net Pension Liability

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total Pension Liability:										
Service cost	\$ 318,383	\$ 291,807	\$ 292,394	\$ 272,356	\$ 246,773	\$ 254,929	\$ 255,590	\$ 231,066	\$ 225,691	\$ 230,787
Interest on the total pension liability	952,732	864,966	821,035	696,845	710,708	689,960	620,830	578,645	542,305	523,546
Differences between expected and actual experience	(396,251)	514,852	(110,133)	1,131,190	(796,222)	(243,641)	334,957	(32,031)	200,432	(331,605)
Changes of assumptions	-	-	18,732	-	-	(99,984)	-	289,176	(277,132)	(10,631)
Benefit payments, including refunds of employee contributions	(522,878)	(425,827)	(405,726)	(389,172)	(341,363)	(280,639)	(234,437)	(227,972)	(190,936)	(146,570)
Net Change in Total Pension Liability	351,986	1,245,798	616,302	1,711,219	(180,104)	320,625	976,940	838,884	500,360	265,527
Total pension liability, beginning of year	13,243,380	11,997,582	11,381,280	9,670,061	9,850,165	9,529,540	8,552,600	7,713,716	7,213,356	6,947,829
Total Pension Liability, End of Year	<u>\$ 13,595,366</u>	<u>\$ 13,243,380</u>	<u>\$ 11,997,582</u>	<u>\$ 11,381,280</u>	<u>\$ 9,670,061</u>	<u>\$ 9,850,165</u>	<u>\$ 9,529,540</u>	<u>\$ 8,552,600</u>	<u>\$ 7,713,716</u>	<u>\$ 7,213,356</u>
Plan Fiduciary Net Position:										
Contributions - employer	\$ 254,384	\$ 252,289	\$ 236,019	\$ 228,570	\$ 272,544	\$ 223,142	\$ 197,229	\$ 225,969	\$ 223,567	\$ 173,065
Contributions - employees	150,200	157,027	144,305	132,547	120,121	115,790	115,564	114,753	101,048	92,824
Net investment income	1,809,951	1,108,093	1,106,006	(1,223,109)	1,650,282	1,222,336	1,323,655	(360,306)	1,090,995	428,716
Benefit payments, including refunds of employee contributions	(522,878)	(425,827)	(405,726)	(389,172)	(341,363)	(280,639)	(234,437)	(227,972)	(190,936)	(146,570)
Other	(65,453)	(282,856)	272,408	804,775	(1,359,227)	57,714	(8,011)	1,548	(41,219)	(269,892)
Net Change in Plan Fiduciary Net Position	1,626,204	808,726	1,353,012	(446,389)	342,357	1,338,343	1,394,000	(246,008)	1,183,455	278,143
Plan fiduciary net position, beginning of year	12,200,880	11,392,154	10,039,142	10,485,531	10,143,174	8,804,831	7,410,831	7,656,839	6,473,384	6,195,241
Plan Fiduciary Net Position, End of Year	<u>\$ 13,827,084</u>	<u>\$ 12,200,880</u>	<u>\$ 11,392,154</u>	<u>\$ 10,039,142</u>	<u>\$ 10,485,531</u>	<u>\$ 10,143,174</u>	<u>\$ 8,804,831</u>	<u>\$ 7,410,831</u>	<u>\$ 7,656,839</u>	<u>\$ 6,473,384</u>
Employer's Net Pension Liability (Asset), End of Year	<u>\$ (231,718)</u>	<u>\$ 1,042,500</u>	<u>\$ 605,428</u>	<u>\$ 1,342,138</u>	<u>\$ (815,470)</u>	<u>\$ (293,009)</u>	<u>\$ 724,709</u>	<u>\$ 1,141,769</u>	<u>\$ 56,877</u>	<u>\$ 739,972</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	<u>101.70%</u>	<u>92.13%</u>	<u>94.95%</u>	<u>88.21%</u>	<u>108.43%</u>	<u>102.97%</u>	<u>92.40%</u>	<u>86.65%</u>	<u>99.26%</u>	<u>89.74%</u>
Covered Payroll	<u>\$ 3,333,996</u>	<u>\$ 3,489,471</u>	<u>\$ 3,206,784</u>	<u>\$ 2,945,493</u>	<u>\$ 2,669,382</u>	<u>\$ 2,490,427</u>	<u>\$ 2,568,094</u>	<u>\$ 2,398,818</u>	<u>\$ 2,245,514</u>	<u>\$ 2,062,750</u>
Employer's Net Pension Liability (Asset) as a Percentage of Covered Payroll	<u>-6.95%</u>	<u>29.88%</u>	<u>18.88%</u>	<u>45.57%</u>	<u>-30.55%</u>	<u>-11.77%</u>	<u>28.22%</u>	<u>47.60%</u>	<u>2.53%</u>	<u>35.87%</u>

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION – ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

LAST TEN CALENDAR YEARS

Schedule of Employer Contributions

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 223,711	\$ 252,289	\$ 236,019	\$ 228,570	\$ 272,544	\$ 223,142	\$ 197,229	\$ 225,969	\$ 214,222	\$ 173,065
Contributions in relation to the										
actuarially determined contribution	254,384	252,289	236,019	228,570	272,544	223,142	197,229	225,969	223,567	173,065
Contribution Deficiency (Excess)	\$ (30,673)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (9,345)	\$ -
Covered payroll	\$ 3,333,996	\$ 3,489,471	\$ 3,206,784	\$ 2,945,493	\$ 2,669,382	\$ 2,490,427	\$ 2,568,094	\$ 2,398,818	\$ 2,245,514	\$ 2,062,750
Contributions as a percentage of covered payroll	7.63%	7.23%	7.36%	7.76%	10.21%	8.96%	7.68%	9.42%	9.96%	8.39%

Summary of Actuarial methods and assumptions used in the calculation of the contribution rate

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

Methods and Assumptions used to Determine Contribution Rates:

Actuarial cost method: Aggregate entry age normal

Amortization method: Level percentage of payroll, closed

Remaining amortization period: 18-year closed period

Asset valuation method: Five-year smoothed fair value; 20% corridor

Wage growth: 2.75%

Price inflation: 2.25%

Salary increases: 2.85% to 13.75% including inflation

Investment rate of return: 7.25%

Retirement age: Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION – ILLINOIS MUNICIPAL RETIREMENT FUND (CONTINUED)

LAST TEN CALENDAR YEARS

Summary of Actuarial methods and assumptions used in the calculation of the contribution rate (continued)

Mortality: For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

Other Information:

Notes: There were no benefit changes during the year.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION – POSTRETIREMENT HEALTH PLAN

LAST TEN CALENDAR YEARS
(SCHEDULES TO BE BUILT PROSPECTIVELY)

Schedule of Changes in the Employer's Net OPEB Liability

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability:									
Service cost	\$ 1,196,732	\$ 996,683	\$ 930,047	\$ 1,040,633	\$ 1,007,877	\$ 807,637	\$ 781,356	\$ 1,193,140	\$ 1,151,013
Interest on the total OPEB liability	1,220,159	1,122,699	1,114,884	666,083	750,457	865,656	1,055,873	1,121,416	1,126,873
Difference between expected and actual experience	-	(1,483,865)	-	55,665	-	(6,439,244)	1,382,901	6,420,764	-
Changes of assumptions	(593,948)	2,022,415	194,713	1,011,201	976,166	(140,148)	729,168	(12,057,850)	-
Changes in benefit terms	-	-	-	-	-	-	-	(1,891,516)	-
Benefit payments	(1,858,466)	(1,619,893)	(1,510,390)	(1,437,616)	(1,203,904)	(1,528,802)	(1,518,234)	(1,284,124)	(1,228,880)
Net Change in Total OPEB Liability	(35,523)	1,038,039	729,254	1,335,966	1,530,596	(6,434,901)	2,431,064	(6,498,170)	1,049,006
Total OPEB liability, beginning of year	25,355,300	24,317,261	23,588,007	22,252,041	20,721,445	27,156,346	24,725,282	31,223,452	30,174,446
Total OPEB Liability, End of Year	<u>\$ 25,319,777</u>	<u>\$ 25,355,300</u>	<u>\$ 24,317,261</u>	<u>\$ 23,588,007</u>	<u>\$ 22,252,041</u>	<u>\$ 20,721,445</u>	<u>\$ 27,156,346</u>	<u>\$ 24,725,282</u>	<u>\$ 31,223,452</u>
Plan Fiduciary Net Position:									
Contributions - employer	\$ 1,363,107	\$ 1,161,283	\$ 1,667,086	\$ 1,123,948	\$ 955,470	\$ 1,376,882	\$ 2,282,614	\$ 1,142,531	\$ 1,014,494
Net investment income	1,873,640	1,693,828	1,581,181	(1,886,143)	1,323,895	1,722,779	1,660,634	(588,159)	775,779
Benefit payments	(1,858,466)	(1,619,893)	(1,510,390)	(1,437,616)	(1,203,904)	(1,528,802)	(1,518,234)	(1,284,124)	(1,228,880)
Administrative expense	(2,359)	(7,200)	(5,000)	(4,800)	(6,600)	(2,500)	(4,200)	(4,000)	(1,400)
Net Change in Plan Fiduciary Net Position	1,375,922	1,228,018	1,732,877	(2,204,611)	1,068,861	1,568,359	2,420,814	(733,752)	559,993
Plan fiduciary net position, beginning of year	13,068,742	11,840,724	10,107,847	12,312,458	11,243,597	9,675,238	7,254,424	7,988,176	7,428,183
Plan Fiduciary Net Position, End of Year	<u>\$ 14,444,664</u>	<u>\$ 13,068,742</u>	<u>\$ 11,840,724</u>	<u>\$ 10,107,847</u>	<u>\$ 12,312,458</u>	<u>\$ 11,243,597</u>	<u>\$ 9,675,238</u>	<u>\$ 7,254,424</u>	<u>\$ 7,988,176</u>
Net OPEB Liability, End of Year	<u>\$ 10,875,113</u>	<u>\$ 12,286,558</u>	<u>\$ 12,476,537</u>	<u>\$ 13,480,160</u>	<u>\$ 9,939,583</u>	<u>\$ 9,477,848</u>	<u>\$ 17,481,108</u>	<u>\$ 17,470,858</u>	<u>\$ 23,235,276</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	57.05%	51.54%	48.69%	42.85%	55.33%	54.26%	35.63%	29.34%	25.58%
Covered Payroll	<u>\$ 26,215,547</u>	<u>\$ 24,967,188</u>	<u>\$ 16,422,280</u>	<u>\$ 15,640,267</u>	<u>\$ 17,589,760</u>	<u>\$ 16,517,020</u>	<u>\$ 13,921,254</u>	<u>\$ 15,473,099</u>	<u>\$ 17,339,466</u>
Net OPEB Liability as a Percentage of Covered Payroll	41.48%	49.21%	75.97%	86.19%	56.51%	57.38%	125.57%	112.91%	134.00%

Notes to Schedule:

Changes of Assumptions – The change in assumptions amounts of \$593,948 in 2025 and \$2,022,415 in 2025 were primarily the result of changes in the discount rate, premiums, and healthcare cost trend rates. The change in assumptions amounts of \$194,713 in 2024, \$1,011,201 in 2023, and (\$976,166) in 2022 were primarily the result of changes in the discount rate, changes in demographic assumptions based on a study of firefighters and fire pension funds in Illinois, and a change in the assumed rate on high quality 20 year tax-exempt general obligation bonds. The change in assumptions amount of \$140,148 in 2021 were primarily the result of changes in the discount rate, changes in demographic assumptions based on a study of firefighters and fire pension funds in Illinois, and a change in the assumed rate on high quality 20 year tax-exempt general obligation bonds.

The information in the schedule will accumulate until a full 10-year trend is presented as required by U.S. GAAP.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

REQUIRED SUPPLEMENTARY INFORMATION – POSTRETIREMENT HEALTH PLAN (CONTINUED)

LAST TEN CALENDAR YEARS
(SCHEDULES TO BE BUILT PROSPECTIVELY)

Schedule of Employer Contributions

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Actuarially determined contribution	N/A	N/A	N/A	N/A	N/A	N/A	\$ 1,913,745	\$ 1,913,745	\$ 1,313,054
Contributions in relation to the actuarially determined contribution	\$ 600,000	\$ 600,000	\$ 1,200,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 1,500,000	\$ 600,101	\$ 600,101
Contribution deficiency	N/A	N/A	N/A	N/A	N/A	N/A	\$ 413,745	\$ 1,313,644	\$ 712,953
Covered payroll	\$ 26,215,547	\$ 24,967,188	\$ 16,422,280	\$ 15,640,267	\$ 17,589,760	\$ 16,517,020	\$ 13,921,254	\$ 15,473,099	\$ 17,399,466
Contributions as a percentage of covered payroll	2.29%	2.40%	7.31%	3.84%	3.41%	3.63%	10.77%	3.88%	3.45%

Notes to schedule:

Since the District has elected to not separately determine an actuarially determined contribution (“ADC”) for funding purposes, there is no applicable ADC for 2025, 2024, 2023, 2021, or 2020.

The information in the schedule will accumulate until a full 10-year trend is presented as required by U.S. GAAP.

Notes to schedule of contributions

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

Methods and Assumptions used to Determine Contribution Rates:

Actuarial cost method:	Entry age normal
Amortization method:	Straight-line
Remaining amortization period:	Actuarial experience – 8 years Changes of assumptions – 8 years Asset experience – 5 years
Asset valuation method:	Fair value

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION – POSTRETIREMENT HEALTH PLAN (CONTINUED)

LAST TEN CALENDAR YEARS
(SCHEDULES TO BE BUILT PROSPECTIVELY)

Notes to schedule of contributions(continued)

Salary increases:	5.00%
Healthcare cost trend rates:	Medical and dental was expected to be 6.75% initially, decreasing to 6.50% in year two, and then reduced by decrements to an ultimate rate of 4.00%.
Investment rate of return:	7.00%, net of investment expense
Retirement age:	100% of the L&A Assumption Study Cap Age 65 for Firefighters 2020. IMRF 2020 for IMRF employees.
Termination:	100% of the L&A Assumption Study Cap Age 65 for Firefighters 2020. IMRF 2020 for IMRF employees.
Mortality:	All mortality rates were based on the Pub-2010 mortality tables with fully generation improvement using Scale MP-2020. Active IMRF employee mortality follows the PubG-2010, Amount-Weighted, below-median income, General Employee, Male and Female tables, with future mortality improvements projected using scale MP-2021. Retired IMRF employee mortality follows the PubG-2010, Amount-Weighted, below-median income, General Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, with future mortality improvements projected using scale MP-2021. Disabled IMRF employee mortality follows the PubG-2010, Amount-Weighted, General Disabled Retiree, Male and Female tables, with future mortality improvements projected using scale MP-2021. Active firefighter mortality follows the PubS-2010 Employee mortality, projected 5 years past the valuation date with Scale MP-2021. Retiree firefighter mortality follows PubS-2010 Healthy Retiree mortality, projected 5 years past the valuation date with Scale MP-2021. Disabled firefighter mortality follows the PubS-2010 Disabled mortality, projected 5 years past the valuation date with Scale MP-2021.
Disability rates:	100% of the L&A Assumption Study for Firefighters 2020. IMRF 2020 for IMRF employees.

SUPPLEMENTARY INFORMATION

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

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

ORLAND FIRE PROTECTION DISTRICT ILLINOIS
COMBINING SCHEDULE OF GENERAL FUND
BALANCE SHEET ACCOUNTS

DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2024)

	Corporate	Tort Liability	Emergency Rescue	Eliminations	Total	
					2025	2024
ASSETS						
Cash	\$ 8,249,796	\$ -	\$ -	\$ -	\$ 8,249,796	\$ 6,541,605
Investments	98,437	-	-	-	98,437	12,822,450
Receivables:						
Property taxes	24,722,002	8,302,396	3,894,846	-	36,919,244	26,930,309
Accounts	1,015,243	-	-	-	1,015,243	754,460
Grants	49,385	-	-	-	49,385	183,827
Leases	178,880	-	34,871	-	213,751	214,270
Due from other funds	1,345,711	1,831,224	5,874	(1,825,350)	1,357,459	753,947
Due from fiduciary fund	36,749	-	-	-	36,749	12,601
Prepaid items	28,309	399,112	-	-	427,421	395,576
Total Assets	35,724,512	10,532,732	3,935,591	(1,825,350)	48,367,485	48,609,045
LIABILITIES						
Accounts payable	89,416	50,497	-	-	139,913	353,683
Accrued expenditures	19,304	44,068	25,153	-	88,525	801,861
Unearned revenue	-	-	-	-	-	153,111
Due to other funds	6,430,706	-	500,245	(1,825,350)	5,105,601	6,616,241
Due to fiduciary fund	698,667	-	-	-	698,667	-
Total Liabilities	7,238,093	94,565	525,398	(1,825,350)	6,032,706	7,924,896
DEFERRED INFLOWS OF RESOURCES						
Property taxes levied for future period	17,697,967	6,184,455	3,097,268	-	26,979,690	26,915,111
Unavailable revenue -						
property taxes	336,286	495,100	186,403	-	1,017,789	-
Lease related	171,142	-	33,385	-	204,527	202,987
Total Deferred Inflows	18,205,395	6,679,555	3,317,056	-	28,202,006	27,118,098
FUND BALANCES						
Nonspendable	36,047	399,112	1,486	-	436,645	406,859
Restricted	1,794,465	2,881,801	37,916	-	4,714,182	4,349,401
Assigned	460,752	477,699	53,735	-	992,186	776,853
Unassigned	7,989,760	-	-	-	7,989,760	8,032,938
Total Fund Balances	10,281,024	3,758,612	93,137	-	14,132,773	13,566,051
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 35,724,512	\$ 10,532,732	\$ 3,935,591	\$ (1,825,350)	\$ 48,367,485	\$ 48,609,045

ORLAND FIRE PROTECTION DISTRICT ILLINOIS
COMBINING SCHEDULE OF GENERAL FUND
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

YEAR ENDED DECEMBER 31, 2025

	Corporate	Tort Liability	Emergency Rescue	Total	
				2025	2024
Revenues:					
Property taxes	\$ 18,399,390	\$ 5,661,777	\$ 2,101,564	\$ 26,162,731	\$ 25,688,687
Charges for service	921,382	41,974	59,175	1,022,531	590,531
Grant proceeds	246,272	-	-	246,272	946,738
Intergovernmental	7,793	-	1,697	9,490	15,759
Investment income (loss)	124,083	-	30,646	154,729	149,453
Rental income	40,819	-	8,883	49,702	40,664
Other	197,835	-	2,306	200,141	207,536
Total Revenues	19,937,574	5,703,751	2,204,271	27,845,596	27,639,368
Expenditures:					
Current:					
Personnel:					
Compensation and salaries	8,568,727	3,581,038	2,049,857	14,199,622	13,137,141
Payroll taxes	201,204	7,484	31,905	240,593	234,404
Education and seminars	107,950	40,996	1,084	150,030	678,989
Health and life insurance	2,298,895	30,094	464,392	2,793,381	2,179,797
Retirement contribution	4,437,238	6,843	9,103	4,453,184	4,323,105
Commodities:					
Heat, light, and power	61,731	10,696	10,024	82,451	70,623
Operational supplies	572,024	68,834	32,364	673,222	455,446
Postage and printing	866	-	129	995	1,522
Protective clothing	92,851	40,964	21,847	155,662	256,268
Repairs and maintenance	83,205	22,944	16,553	122,702	177,278
Contractual:					
Facility charge	-	-	-	-	20,335
Insurance	-	1,362,668	-	1,362,668	2,482,496
Professional services	413,308	199,121	55,315	667,744	542,836
Other	152,659	-	15,426	168,085	157,971
Debt service:					
Principal	1,805,000	-	-	1,805,000	1,695,000
Interest	403,535	-	-	403,535	442,520
Capital outlay	-	-	-	-	138,395
Total Expenditures	19,199,193	5,371,682	2,707,999	27,278,874	26,994,126
Excess (Deficiency) of Revenues Over Expenditures	738,381	332,069	(503,728)	566,722	645,242
Other Financing Uses:					
Transfers out	-	-	-	-	(750,000)
Net change in fund balances	738,381	332,069	(503,728)	566,722	(104,758)
Fund balances, beginning of year	9,542,643	3,426,543	596,865	13,566,051	13,670,809
Fund balances, end of year	\$ 10,281,024	\$ 3,758,612	\$ 93,137	\$ 14,132,773	\$ 13,566,051

CORPORATE FUND

ORLAND FIRE PROTECTION DISTRICT ILLINOIS
CORPORATE FUND
BALANCE SHEET

DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2024)

	2025	2024
ASSETS		
Cash	\$ 8,249,796	\$ 6,541,605
Investments	98,437	12,822,450
Receivables:		
Property taxes	24,722,002	19,022,355
Accounts	1,015,243	754,460
Grants	49,385	183,827
Leases	178,880	179,316
Due from other funds	1,345,711	742,199
Due from fiduciary fund	36,749	12,601
Prepaid items	28,309	263,088
Total Assets	35,724,512	40,521,901
LIABILITIES		
Accounts payable	89,416	62,930
Accrued expenditures	19,304	139,457
Unearned revenue	-	153,111
Due to other funds	6,430,706	11,442,293
Due to fiduciary fund	698,667	-
Total Liabilities	7,238,093	11,797,791
DEFERRED INFLOWS OF RESOURCES		
Property taxes levied for future period	17,697,967	19,011,620
Unavailable revenue - property taxes	336,286	-
Lease related	171,142	169,847
Total Deferred Inflows of Resources	18,205,395	19,181,467
FUND BALANCES		
Nonspendable	36,047	272,557
Restricted	1,794,465	1,172,489
Assigned	460,752	62,845
Unassigned	7,989,760	8,034,752
Total Fund Balances	10,281,024	9,542,643
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 35,724,512	\$ 40,521,901

ORLAND FIRE PROTECTION DISTRICT ILLINOIS**CORPORATE FUND****SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL***YEAR ENDED DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2024)*

	2025			2024	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues:					
Property taxes	\$ 18,944,076	\$ 19,846,783	\$ 18,399,390	\$ (1,447,393)	\$ 17,879,806
Charges for service	546,831	485,387	921,382	435,995	502,320
Grant proceeds	976,000	976,000	246,272	(729,728)	919,512
Intergovernmental	25,285	25,285	7,793	(17,492)	12,940
Investment income (loss)	102,722	106,971	124,083	17,112	(76,928)
Rental income	40,117	40,550	40,819	269	33,203
Other	136,580	188,580	197,835	9,255	207,220
Total Revenues	20,771,611	21,669,556	19,937,574	(1,731,982)	19,478,073
Expenditures and Encumbrances:					
Current:					
Personnel:					
Compensation and salaries	8,295,641	8,407,735	8,568,727	(160,992)	7,912,079
Payroll taxes	200,047	199,992	201,204	(1,212)	195,414
Education and seminars	841,794	844,027	117,501	726,526	639,774
Health and life insurance	2,442,126	3,426,471	2,298,895	1,127,576	1,841,003
Retirement contribution	4,498,575	4,496,231	4,437,238	58,993	4,259,435
Commodities:					
Heat, light, and power	51,598	55,638	61,731	(6,093)	46,955
Operational supplies	265,895	312,028	624,561	(312,533)	346,148
Postage and printing	790	790	866	(76)	1,079
Protective clothing	110,850	110,850	81,614	29,236	115,881
Repairs and maintenance	134,450	120,917	95,991	24,926	137,898
Contractual:					
Facility charge	-	-	-	-	20,335
Professional services	289,198	360,583	413,308	(52,725)	302,376
Other	170,140	170,140	157,297	12,843	134,124
Debt Service:					
Principal	1,805,000	1,805,000	1,805,000	-	1,695,000
Interest	403,535	403,535	403,535	-	442,520
Capital outlay	120,000	120,000	329,633	(209,633)	115,950
Total Expenditures and Encumbrances	19,629,639	20,833,937	19,597,101	1,236,836	18,205,971

**ORLAND FIRE PROTECTION DISTRICT ILLINOIS
CORPORATE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (CONTINUED)**

DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2024)

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Excess of Revenues Over (Under) Expenditures and Encumbrances	\$ 1,141,972	\$ 835,619	\$ 340,473	\$ (495,146)	\$ 1,272,102
Other Financing Uses:					
Transfers out	(800,000)	-	-	-	(750,000)
Net Change in Fund Balances	341,972	835,619	340,473	(495,146)	522,102
Fund balances, beginning of year (non-U.S. GAAP budgetary basis)	9,479,798	9,479,798	9,479,798	-	8,957,696
Fund balances, end of year (non-U.S. GAAP budgetary basis)	9,821,770	10,315,417	9,820,271	(495,146)	9,479,798
Adjustment to Generally Accepted Accounting Principles:					
Current-year encumbrances included in expenditures	-	-	460,753	460,753	62,845
Fund balances, end of year (U.S. GAAP Basis)	<u>\$ 9,821,770</u>	<u>\$ 10,315,417</u>	<u>\$ 10,281,024</u>	<u>\$ (34,393)</u>	<u>\$ 9,542,643</u>

TORT LIABILITY FUND

ORLAND FIRE PROTECTION DISTRICT ILLINOIS
TORT LIABILITY FUND
BALANCE SHEET

DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2024)

	2025	2024
ASSETS		
Receivables:		
Property taxes	\$ 8,302,396	\$ 5,742,567
Due from other funds	1,831,224	4,248,346
Prepaid items	399,112	88,565
Total Assets	<u>10,532,732</u>	<u>10,079,478</u>
LIABILITIES		
Accounts payable	50,497	278,316
Accrued expenditures	44,068	635,293
Total Liabilities	<u>94,565</u>	<u>913,609</u>
DEFERRED INFLOWS OF RESOURCES		
Property taxes levied for future period	6,184,455	5,739,326
Unavailable revenue - property taxes	495,100	-
Total Deferred Inflows of Resources	<u>6,679,555</u>	<u>5,739,326</u>
FUND BALANCES		
Nonspendable	399,112	88,565
Restricted	2,881,801	2,898,961
Assigned	477,699	439,017
Total Fund Balances	<u>3,758,612</u>	<u>3,426,543</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 10,532,732</u>	<u>\$ 10,079,478</u>

ORLAND FIRE PROTECTION DISTRICT ILLINOIS**TORT LIABILITY FUND****SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL***DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2024)*

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues:					
Property taxes	\$ 5,752,393	\$ 5,735,139	\$ 5,661,777	\$ (73,362)	\$ 5,661,311
Charges for service	25,000	27,825	41,974	14,149	26,553
Grant proceeds	30,000	30,000	-	(30,000)	27,226
Investment income	-	-	-	-	173,647
Total Revenues	<u>5,807,393</u>	<u>5,792,964</u>	<u>5,703,751</u>	<u>(89,213)</u>	<u>5,888,737</u>
Expenditures and Encumbrances:					
Current:					
Personnel:					
Compensation and salaries	3,554,538	3,641,945	3,581,038	60,907	3,414,822
Payroll taxes	7,640	7,640	7,484	156	7,528
Education and seminars	36,220	36,220	45,210	(8,990)	36,227
Health and life insurance	49,737	49,678	30,094	19,584	42,301
Retirement contribution	7,221	7,221	6,843	378	7,272
Commodities:					
Heat, light, and power	19,500	15,000	10,696	4,304	13,440
Operational supplies	114,360	118,560	95,322	23,238	58,636
Protective clothing	48,905	48,905	36,006	12,899	51,126
Repairs and maintenance	25,000	25,000	42,350	(17,350)	30,787
Contractual:					
Insurance	2,386,582	2,386,582	1,362,668	1,023,914	2,482,496
Professional services	161,162	209,077	199,121	9,956	196,244
Other	4,000	-	2,798	(2,798)	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>145,426</u>	<u>(145,426)</u>	<u>22,445</u>
Total Expenditures and Encumbrances	<u>6,414,865</u>	<u>6,545,828</u>	<u>5,565,056</u>	<u>980,772</u>	<u>6,363,324</u>

ORLAND FIRE PROTECTION DISTRICT ILLINOIS**TORT LIABILITY FUND****SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (CONTINUED)***DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2024)*

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Net change in fund balances	\$ (607,472)	\$ (752,864)	\$ 138,695	\$ 891,559	\$ (474,587)
Fund balances, beginning of year (non-U.S. GAAP budgetary basis)	3,415,203	3,415,203	3,415,203	-	3,889,790
Fund Balances, End of Year (Non-U.S. GAAP Budgetary Basis)	2,807,731	2,662,339	3,553,898	891,559	3,415,203
Adjustment to Generally Accepted Accounting Principles: Current year encumbrances included in expenditures	-	-	204,714	204,714	11,340
Fund balances, end of year (U.S. GAAP Basis)	<u>\$ 2,807,731</u>	<u>\$ 2,662,339</u>	<u>\$ 3,758,612</u>	<u>\$ 1,096,273</u>	<u>\$ 3,426,543</u>

EMERGENCY RESCUE FUND

**ORLAND FIRE PROTECTION DISTRICT ILLINOIS
EMERGENCY RESCUE FUND
BALANCE SHEET**

DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2024)

	2025	2024
ASSETS		
Receivables:		
Property taxes	\$ 3,894,846	\$ 2,165,387
Leases	34,871	34,954
Due from other funds	5,874	589,454
Prepaid items	-	43,923
Total Assets	3,935,591	2,833,718
LIABILITIES		
Accounts payable	-	12,437
Accrued expenditures	25,153	27,111
Due to other funds	500,245	-
Total Liabilities	525,398	39,548
DEFERRED INFLOWS OF RESOURCES		
Property taxes levied for future period	3,097,268	2,164,165
Unavailable revenue - property taxes	186,403	-
Lease related	33,385	33,140
Total Deferred Inflows of Resources	3,317,056	2,197,305
FUND BALANCES		
Nonspendable	1,486	45,737
Restricted	37,916	277,951
Assigned	53,735	273,177
Total Fund Balances	93,137	596,865
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 3,935,591	\$ 2,833,718

ORLAND FIRE PROTECTION DISTRICT ILLINOIS**EMERGENCY RESCUE FUND****SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL***DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2024)*

	2025			2024	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues:					
Property taxes	\$ 2,280,946	\$ 2,111,790	\$ 2,101,564	\$ (10,226)	\$ 2,147,570
Charges for service	63,567	196,895	59,175	(137,720)	61,658
Intergovernmental	5,508	5,508	1,697	(3,811)	2,819
Investment income	22,375	15,202	30,646	15,444	52,734
Rental income	8,739	8,739	8,883	144	7,461
Other	344	344	2,306	1,962	316
Total Revenues	<u>2,381,479</u>	<u>2,338,478</u>	<u>2,204,271</u>	<u>(134,207)</u>	<u>2,272,558</u>
Expenditures and Encumbrances:					
Current:					
Personnel:					
Compensation and salaries	1,897,878	2,068,075	2,049,857	18,218	1,810,240
Payroll taxes	32,308	31,710	31,905	(195)	31,462
Education and seminars	1,731	1,981	3,331	(1,350)	2,637
Health and life insurance	393,946	466,580	464,392	2,188	296,493
Retirement contribution	7,569	7,569	9,103	(1,534)	56,398
Commodities:					
Heat, light, and power	11,239	11,517	10,024	1,493	10,228
Operational supplies	19,088	20,418	44,280	(23,862)	29,519
Postage and printing	172	172	129	43	443
Protective clothing	26,082	26,082	19,203	6,879	27,267
Repairs and maintenance	20,137	19,062	25,709	(6,647)	22,666
Contractual:					
Professional services	44,747	49,510	55,315	(5,805)	44,216
Other	21,961	18,247	16,598	1,649	25,447
Capital Outlay	<u>-</u>	<u>-</u>	<u>77,561</u>	<u>(77,561)</u>	<u>-</u>
Total Expenditures and Encumbrances	<u>2,476,858</u>	<u>2,720,923</u>	<u>2,807,407</u>	<u>(86,484)</u>	<u>2,357,016</u>

**ORLAND FIRE PROTECTION DISTRICT ILLINOIS
EMERGENCY RESCUE FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (CONTINUED)**

DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2024)

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Net change in fund balances	\$ (95,379)	\$ (382,445)	\$ (603,136)	\$ (220,691)	\$ (84,458)
Fund balances, beginning of year (non-U.S. GAAP budgetary basis)	584,965	584,965	584,965	-	669,423
Fund balances, end of year (non-U.S. GAAP Budgetary Basis)	489,586	202,520	(18,171)	(220,691)	584,965
Adjustment to Generally Accepted Accounting Principles:					
Current year encumbrances included in expenditures	-	-	111,308	111,308	11,900
Fund balances, end of year (U.S. GAAP Basis)	<u>\$ 489,586</u>	<u>\$ 202,520</u>	<u>\$ 93,137</u>	<u>\$ (109,383)</u>	<u>\$ 596,865</u>

AMBULANCE FUND

ORLAND FIRE PROTECTION DISTRICT ILLINOIS
AMBULANCE FUND
BALANCE SHEET

DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2024)

	<u>2025</u>	<u>2024</u>
ASSETS		
Receivables:		
Property taxes	\$ 16,311,317	\$ 10,069,590
Accounts, net	4,346,853	3,507,968
Due from other funds	5,105,601	6,616,241
Leases	798,388	800,597
Prepaid items	30,625	379,099
Total Assets	<u>26,592,784</u>	<u>21,373,495</u>
LIABILITIES		
Accounts payable	700,140	777,053
Accrued expenditures	140,509	174,282
Due to other funds	116,735	11,748
Total Liabilities	<u>957,384</u>	<u>963,083</u>
DEFERRED INFLOWS OF RESOURCES		
Property taxes levied for future period	12,604,781	10,063,905
Unavailable revenue - property taxes	865,369	-
Lease related	762,226	755,672
Total Deferred Inflows of Resources	<u>14,232,376</u>	<u>10,819,577</u>
FUND BALANCES		
Nonspendable	66,787	424,024
Assigned	11,336,237	9,166,811
Total Fund Balances	<u>11,403,024</u>	<u>9,590,835</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 26,592,784</u>	<u>\$ 21,373,495</u>

ORLAND FIRE PROTECTION DISTRICT ILLINOIS**AMBULANCE FUND****SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**

*YEAR ENDED DECEMBER 31, 2025 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR
ENDED DECEMBER 31, 2024)*

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues:					
Property taxes	\$ 10,090,784	\$ 9,717,577	\$ 9,896,049	\$ 178,472	\$ 9,907,976
Charges for service	8,202,041	9,669,719	9,376,828	(292,891)	8,758,063
Intergovernmental	129,207	60,421	39,821	(20,600)	66,121
Investment income	524,903	442,274	659,636	217,362	903,888
Rental income	205,000	205,000	208,570	3,570	170,026
Other	19,251	8,075	54,110	46,035	7,432
Total Revenues	19,171,186	20,103,066	20,235,014	131,948	19,813,506
Expenditures And Encumbrances:					
Current:					
Personnel:					
Compensation and salaries	11,296,766	11,594,031	11,445,730	148,301	11,009,309
Payroll taxes	317,181	314,954	323,796	(8,842)	314,549
Education and seminars	42,703	37,953	62,040	(24,087)	64,271
Health and life insurance	2,562,404	2,842,907	2,758,933	83,974	1,996,669
Retirement contribution	177,568	177,667	176,035	1,632	441,548
Commodities:					
Heat, light, and power	263,662	272,173	245,376	26,797	239,943
Operational supplies	404,369	413,321	412,793	528	210,955
Postage and printing	4,038	4,038	2,992	1,046	5,458
Protective clothing	140,193	140,193	103,218	36,975	146,558
Repairs and maintenance	181,697	181,697	217,775	(36,078)	211,464
Contractual:					
Professional services	877,082	1,003,329	1,079,161	(75,832)	850,893
Other	1,169,800	1,033,712	1,337,105	(303,393)	1,131,936
Debt Service:					
Principal	-	-	113,763	(113,763)	110,957
Capital Outlay	290,716	239,474	710,972	(471,498)	241,911
Total Expenditures and Encumbrances	17,728,179	18,255,449	18,989,689	(734,240)	16,976,421

ORLAND FIRE PROTECTION DISTRICT ILLINOIS
AMBULANCE FUND

**SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL (CONTINUED)**

*YEAR ENDED DECEMBER 31, 2025 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR
ENDED DECEMBER 31, 2024)*

	2025				2024
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Excess of revenues over expenditures and encumbrances	\$ 1,443,007	\$ 1,847,617	\$ 1,245,325	\$ (602,292)	\$ 2,837,085
Other Financing Uses:					
Transfers out	(950,000)	-	-	-	(1,750,000)
Net change in fund balances	493,007	1,847,617	1,245,325	(602,292)	1,087,085
Fund balances, beginning of year (non-U.S. GAAP budgetary basis)	9,504,714	9,504,714	9,504,714	-	8,417,629
Fund balances, end of year (non-U.S. GAAP budgetary basis)	9,997,721	11,352,331	10,750,039	(602,292)	9,504,714
Adjustment to Generally Accepted Accounting Principles:					
Current year encumbrances included in expenditures	-	-	652,985	652,985	86,121
Fund balances, end of year (U.S. GAAP Basis)	<u>\$ 9,997,721</u>	<u>\$ 11,352,331</u>	<u>\$ 11,403,024</u>	<u>\$ 50,693</u>	<u>\$ 9,590,835</u>

CAPITAL PROJECTS FUND

ORLAND FIRE PROTECTION DISTRICT ILLINOIS
CAPITAL PROJECTS FUND
BALANCE SHEET

DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2024)

	2025	2024
ASSETS		
Cash	\$ 6,578,376	\$ 7,689,529
Due from other funds	104,987	-
Total Assets	6,683,363	7,689,529
LIABILITIES		
Accounts payable	3,045	43,102
Due to other funds	1,345,711	742,199
Total Liabilities	1,348,756	785,301
FUND BALANCES		
Restricted	448,145	466,360
Assigned	4,886,462	6,437,868
Total Fund Balances	5,334,607	6,904,228
Total Liabilities and Fund Balances	\$ 6,683,363	\$ 7,689,529

ORLAND FIRE PROTECTION DISTRICT ILLINOIS**CAPITAL PROJECTS FUND****SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**

YEAR ENDED DECEMBER 31, 2025 (WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2024)

	2025			2024	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues:					
Investment income	\$ -	\$ -	\$ 259,846	\$ 259,846	\$ 288,301
Expenditures and Encumbrances:					
Current:					
Commodities:					
Repairs and maintenance	106,500	207,483	209,922	(2,439)	78,301
Debt Service:					
Principal	1,077,088	1,077,088	1,079,891	(2,803)	1,053,944
Interest	89,632	89,632	89,161	471	113,267
Capital Outlay	600,000	767,981	1,144,325	(376,344)	526,519
Total Expenditures and Encumbrances	1,873,220	2,142,184	2,523,299	(381,115)	1,772,031
Deficiency of Revenues Over Expenditures and Encumbrances	(1,873,220)	(2,142,184)	(2,263,453)	(121,269)	(1,483,730)
Other Financing Sources:					
Proceeds from sale of capital assets	-	-	-	-	8,069
Transfers in	1,750,000	-	-	-	2,500,000
Total Other Financing Sources	1,750,000	-	-	-	2,508,069
Net change in fund balances	(123,220)	(2,142,184)	(2,263,453)	(121,269)	1,024,339
Fund balances, beginning of year (non-U.S. GAAP budgetary basis)	4,269,754	4,269,754	4,269,754	-	3,245,415
Fund balances, end of year (non-U.S. GAAP Budgetary Basis)	4,146,534	2,127,570	2,006,301	(121,269)	4,269,754
Adjustment to Generally Accepted Accounting Principles:					
Current-year encumbrances included in expenditures	-	-	3,328,306	3,328,306	2,634,474
Fund balances, end of year (U.S. GAAP Basis)	\$ 4,146,534	\$ 2,127,570	\$ 5,334,607	\$ 3,207,037	\$ 6,904,228

FIDUCIARY FUNDS

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
COMBINING SCHEDULE OF FIDUCIARY NET POSITION PENSION AND
OTHER POSTEMPLOYMENT BENEFITS TRUST FUNDS

DECEMBER 31, 2025

	Firefighters' Pension	Retiree Health Insurance	Total
ASSETS			
Cash	\$ 344,784	\$ 783,247	\$ 1,128,031
Investments:			
Debt Issues:			
Corporate	-	370,421	370,421
Mutual Funds:			
Bonds	-	1,970,564	1,970,564
Equities	-	10,791,632	10,791,632
U.S. Treasury notes	-	565,549	565,549
Pooled investments	242,085,413	-	242,085,413
Due from District	698,667	-	698,667
Prepaid items	11,414	-	11,414
Total Assets	243,140,278	14,481,413	257,621,691
LIABILITIES			
Accounts payable	6,897	-	6,897
Due to District	-	36,749	36,749
Total Liabilities	6,897	36,749	43,646
NET POSITION			
Net Position Restricted for:			
Pension benefits	243,133,381	-	243,133,381
Other postemployment benefits	-	14,444,664	14,444,664
Total Net Position	\$ 243,133,381	\$ 14,444,664	\$ 257,578,045

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION PENSION AND
OTHER POSTEMPLOYMENT BENEFITS TRUST FUNDS***YEAR ENDED DECEMBER 31, 2025*

	Firefighters' Pension	Retiree Health Insurance	Total
Additions:			
Contributions:			
Employer	\$ 3,791,000	\$ 600,000	\$ 4,391,000
Employees	1,674,615	-	1,674,615
Other	667	-	667
Total Contributions	5,466,282	600,000	6,066,282
Investment income	37,418,505	1,958,790	39,377,295
Less investment expense	(456,778)	(85,150)	(541,928)
Net investment income	36,961,727	1,873,640	38,835,367
Total Additions	42,428,009	2,473,640	44,901,649
Deductions:			
Benefit payments and refund of contributions	12,395,282	1,095,359	13,490,641
Administrative expenses	96,327	2,359	98,686
Total Deductions	12,491,609	1,097,718	13,589,327
Change in net position	29,936,400	1,375,922	31,312,322
Net position, beginning of year	213,196,981	13,068,742	226,265,723
Net position, end of year	<u>\$ 243,133,381</u>	<u>\$ 14,444,664</u>	<u>\$ 257,578,045</u>

FIREFIGHTERS' PENSION FUND

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
FIREFIGHTERS' PENSION FUND
STATEMENT OF FIDUCIARY NET POSITION

DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2024)

	2025	2024
ASSETS		
Cash	\$ 344,784	\$ 412,253
Investments:		
Pooled investments	242,085,413	212,789,662
Due from District	698,667	-
Prepaid items	11,414	11,254
Total Assets	243,140,278	213,213,169
LIABILITIES		
Accounts payable	6,897	3,587
Due to District	-	12,601
Total Liabilities	6,897	16,188
NET POSITION		
Net Position Restricted for Pension Benefits	\$ 243,133,381	\$ 213,196,981

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
FIREFIGHTERS' PENSION FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2024)

	2025	2024
Additions:		
Contributions:		
Employer	\$ 3,791,000	\$ 3,900,000
Employees	1,674,615	1,669,998
Other	667	257
Total Contributions	<u>5,466,282</u>	<u>5,570,255</u>
Investment income	37,418,505	21,646,465
Less investment expense	<u>(456,778)</u>	<u>(257,180)</u>
Net Investment Income	<u>36,961,727</u>	<u>21,389,285</u>
Total Additions	<u>42,428,009</u>	<u>26,959,540</u>
Deductions:		
Benefit payments and refund of contributions	12,395,282	11,137,475
Administrative expenses	<u>96,327</u>	<u>98,696</u>
Total Deductions	<u>12,491,609</u>	<u>11,236,171</u>
Change in net position	29,936,400	15,723,369
Net position, beginning of year	<u>213,196,981</u>	<u>197,473,612</u>
Net position, end of year	<u><u>\$ 243,133,381</u></u>	<u><u>\$ 213,196,981</u></u>

RETIREE HEALTH INSURANCE FUND

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
RETIREE HEALTH INSURANCE FUND
STATEMENT OF FIDUCIARY NET POSITION

DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2024)

	2025	2024
ASSETS		
Cash	\$ 783,247	\$ 605,064
Investments:		
Debt Issues:		
Corporate	370,421	406,799
Mutual Funds:		
Bonds	1,970,564	1,991,082
Equities	10,791,632	9,561,860
U.S. Treasury notes	565,549	503,937
Total Assets	14,481,413	13,068,742
LIABILITIES		
Due to District	36,749	-
NET POSITION		
Net position restricted for other postemployment benefits	<u>\$ 14,444,664</u>	<u>\$ 13,068,742</u>

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
RETIREE HEALTH INSURANCE FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

YEAR ENDED DECEMBER 31, 2025 (WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2024)

	2025	2024
Additions:		
Employer contributions	\$ 600,000	\$ 600,000
Investment income	1,958,790	1,770,063
Less investment expense	(85,150)	(76,235)
Net investment income	1,873,640	1,693,828
Total Additions	2,473,640	2,293,828
Deductions:		
Benefit payments and refund of contributions	1,095,359	1,058,610
Administrative expenses	2,359	7,200
Total Deductions	1,097,718	1,065,810
Change in net position	1,375,922	1,228,018
Net position, beginning of year	13,068,742	11,840,724
Net position, end of year	\$ 14,444,664	\$ 13,068,742

**ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY
ACT CONSOLIDATED YEAR-END FINANCIAL REPORT**

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR-END FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2025

CSFA #	Program Name	State	Federal	Other	Total
	Other grant programs and activities	\$ -	\$ 365,584	\$ -	\$ 365,584
	All other costs not allocated	-	-	47,165,582	47,165,582
		<u>\$ -</u>	<u>\$ 365,584</u>	<u>\$ 47,165,582</u>	<u>\$ 47,531,166</u>

STATISTICAL SECTION

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

STATISTICAL SECTION

DECEMBER 31, 2025

This part of the District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health. The section is divided into five sections as follows:

Financial Trends – These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

	<u>Page</u>
Net Position by Component	99
Changes in Net Position	100
Fund Balances of Governmental Funds	101
Changes in Fund Balances of Governmental Funds	102

Revenue Capacity – These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

	<u>Page</u>
Schedule of Assessed Value and Estimated Actual Value of Taxable Property	103
Schedule of Assessed Valuations, Tax Rates, Extensions, and Collections	104
Property Tax Rates – Direct and Overlapping Governments	105
Principal Property Taxpayers	106

Debt Capacity – These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

	<u>Page</u>
Outstanding Debt by Type	107
Ratios of General Obligation Debt Outstanding	108
Direct and Overlapping Governmental Activities Debt	109
Legal Debt Margin Information	110

Demographic and Economic Information – These schedules contain demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

	<u>Page</u>
Demographic and Economic Statistics	111
Principal Employers	112

Operating Information – These schedules contain service data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

	<u>Page</u>
Full-time Equivalent District Employees by Type	113
Operating Information	114

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Governmental Activities:										
Net investment in capital assets	\$ 18,845,042	\$ 18,137,113	\$ 16,496,746	\$ 15,965,414	\$ 16,726,880	\$ 17,882,490	\$ 16,022,439	\$ 15,495,343	\$ 16,316,884	\$ 16,986,770
Restricted	2,919,717	3,287,479	4,995,342	3,863,438	3,208,169	3,301,620	2,808,362	2,636,279	3,667,785	2,696,270
Unrestricted	(20,385,245)	(24,137,066)	(23,089,094)	(24,381,152)	(25,115,012)	(36,167,262)	(39,398,245)	(39,486,351)	(22,381,879)	(22,069,217)
Total Governmental Activities Net Position (Deficit)	<u>\$ 1,379,514</u>	<u>\$ (2,712,474)</u>	<u>\$ (1,597,006)</u>	<u>\$ (4,552,300)</u>	<u>\$ (5,179,963)</u>	<u>\$ (14,983,152)</u>	<u>\$ (20,567,444)</u>	<u>\$ (21,354,729)</u>	<u>\$ (2,397,210)</u>	<u>\$ (2,386,177)</u>

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS **CHANGES IN NET POSITION**

LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses:										
Governmental Activities:										
Fire and rescue	\$ 22,694,909	\$ 23,688,835	\$19,805,874	\$20,110,912	\$ 13,894,002	\$ 14,382,794	\$ 16,525,606	\$ 16,091,329	\$ 15,562,510	\$ 16,145,307
Emergency medical service	19,340,991	20,670,447	17,513,468	17,456,450	11,599,119	12,626,420	14,258,062	13,774,228	12,825,268	12,703,385
General government	3,417,464	3,512,797	4,929,588	4,043,945	4,372,166	4,389,179	4,870,253	3,914,160	3,467,056	3,099,171
Interest expense	678,262	733,087	810,143	820,629	830,695	886,647	1,053,531	1,077,808	1,079,167	1,119,872
Total Primary Government Expenses	46,131,626	48,605,166	43,059,073	42,431,936	30,695,982	32,285,040	36,707,452	34,857,525	32,934,001	33,067,735
Program Revenues:										
Governmental Activities:										
Charges for Service:										
Fire and rescue	257,220	854,871	867,909	818,307	638,666	551,846	530,241	518,359	500,384	549,943
Emergency medical service	10,044,819	8,493,723	7,654,035	8,228,439	5,669,206	4,090,538	4,931,679	4,565,428	3,449,542	3,527,863
General government	355,592	210,690	206,054	249,049	261,433	257,192	254,550	223,984	211,979	228,178
Operating grants and contributions	246,272	891,440	1,463,143	1,355,476	1,408,924	2,096,662	1,924,478	1,079,665	529,886	240,494
Capital grants and contributions	-	-	-	-	750,000	517,341	-	-	-	-
Total Primary Government Program Revenues	10,903,903	10,450,724	10,191,141	10,651,271	8,728,229	7,513,579	7,640,948	6,387,436	4,691,791	4,546,478
Net (Expense) Revenue:										
Total primary government net expense	(35,227,723)	(38,154,442)	(32,867,932)	(31,780,665)	(21,967,753)	(24,771,461)	(29,066,504)	(28,470,089)	(28,242,210)	(28,521,257)
General Revenues and Other										
Changes in Net Position:										
Governmental Activities:										
Property taxes	37,941,938	35,596,663	34,484,727	31,889,478	31,106,058	30,072,908	29,313,495	28,047,908	27,887,864	27,922,833
Gain on sale of capital assets	-	8,069	20,000	-	16,727	-	223,341	-	-	-
Intergovernmental	49,311	81,880	161,100	176,065	90,157	49,568	50,011	44,988	46,462	62,650
Investment income	1,074,211	1,341,642	985,717	125,731	28,031	81,461	75,304	81,710	27,928	29,929
Other income	254,251	214,968	171,682	217,054	529,969	151,816	191,638	220,003	268,923	231,708
Total Primary Government General Revenues	39,319,711	37,243,222	35,823,226	32,408,328	31,770,942	30,355,753	29,853,789	28,394,609	28,231,177	28,247,120
Change in Net Position:										
Total primary government	\$ 4,091,988	\$ (911,220)	\$ 2,955,294	\$ 627,663	\$ 9,803,189	\$ 5,584,292	\$ 787,285	\$ (75,480)	\$ (11,033)	\$ (274,137)

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
General Fund:										
Nonspendable	\$ 436,645	\$ 395,576	\$ 273,422	\$ 175,668	\$ 289,174	\$ 87,683	\$ 338,215	\$ 598,802	\$ 182,835	\$ 68,764
Restricted	4,714,182	4,349,401	4,891,684	4,044,465	3,331,561	3,375,547	2,843,149	2,648,214	3,667,785	2,697,454
Assigned	992,186	776,853	710,015	587,701	573,594	1,158,596	790,823	594,949	760,646	629,168
Unassigned	7,989,760	8,044,221	7,795,688	7,085,063	8,592,548	6,709,203	5,462,856	5,211,583	4,481,763	5,555,772
Total General Fund	<u>\$ 14,132,773</u>	<u>\$ 13,566,051</u>	<u>\$ 13,670,809</u>	<u>\$ 11,892,897</u>	<u>\$ 12,786,877</u>	<u>\$ 11,331,029</u>	<u>\$ 9,435,043</u>	<u>\$ 9,053,548</u>	<u>\$ 9,093,029</u>	<u>\$ 8,951,158</u>
All Other Governmental Funds:										
Nonspendable	\$ 66,787	\$ 379,099	\$ 140,383	\$ 54,095	\$ 76,475	\$ 22,323	\$ 166,738	\$ 349,347	\$ 1,335	\$ -
Restricted	448,145	466,360	959,024	1,606,334	446,655	3,683,987	12,587	-	2,318	33,728
Assigned	16,222,699	15,649,604	13,969,149	14,138,073	8,792,529	8,400,202	8,246,241	8,273,755	7,457,161	7,134,671
Total All Other Governmental Funds	<u>\$ 16,737,631</u>	<u>\$ 16,495,063</u>	<u>\$ 15,068,556</u>	<u>\$ 15,798,502</u>	<u>\$ 9,315,659</u>	<u>\$ 12,106,512</u>	<u>\$ 8,425,566</u>	<u>\$ 8,623,102</u>	<u>\$ 7,460,814</u>	<u>\$ 7,168,399</u>

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS

CHANGES TO FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenues:										
Property taxes	\$ 36,058,780	\$ 35,596,663	\$ 34,484,727	\$ 31,889,478	\$ 31,106,058	\$ 30,072,908	\$ 29,313,495	\$ 28,047,908	\$ 27,887,864	\$ 27,922,833
Charges for service	10,399,359	9,348,594	8,521,944	9,046,746	6,569,305	4,899,576	5,716,470	5,307,771	4,161,905	4,305,984
Grant proceeds	246,272	946,738	1,446,780	1,521,926	2,174,473	2,436,763	2,154,355	806,092	529,886	240,494
Intergovernmental	49,311	81,880	161,100	176,065	90,157	49,568	75,304	44,988	46,462	62,650
Investment income	1,074,211	1,341,642	985,717	125,731	28,031	81,461	50,011	81,710	27,928	29,929
Leases	258,272	210,690	206,054	249,049	-	-	-	-	-	-
Other	254,251	214,968	171,682	217,054	529,969	151,816	191,638	220,003	248,923	231,710
Total Revenues	48,340,456	47,741,175	45,978,004	43,226,049	40,497,993	37,692,092	37,501,273	34,508,472	32,902,968	32,793,600
Expenditures:										
Current:										
Personnel:										
Compensation and salaries	25,645,352	24,146,450	22,270,458	21,032,789	20,335,871	19,417,204	19,582,558	18,571,683	17,730,666	16,965,949
Payroll taxes	564,389	548,953	497,852	656,340	663,818	584,139	567,592	559,920	536,520	457,393
Education and seminars	212,070	743,260	989,219	975,706	835,946	846,799	883,342	673,274	306,402	90,588
Health and life insurance	5,552,314	4,176,466	4,019,377	4,268,114	4,000,723	4,037,656	5,094,610	3,907,986	4,412,428	3,551,798
Pension contribution	4,629,219	4,764,653	4,972,481	3,399,000	3,183,000	2,660,325	2,454,844	2,645,820	2,863,555	2,828,543
Commodities:										
Heat, light, and power	327,827	310,566	312,827	292,914	250,011	220,809	229,732	227,178	190,577	193,723
Operational supplies	954,279	711,058	708,893	614,312	699,505	878,673	769,608	803,177	1,166,137	550,086
Postage and printing	3,987	6,980	3,931	4,985	4,033	3,008	4,516	2,761	1,903	885
Protective clothing	273,092	449,592	237,859	269,747	210,161	166,203	167,457	202,858	146,770	91,931
Repairs and maintenance	119,155	816,435	591,500	654,869	447,985	435,365	510,072	614,187	663,240	780,135
Telephone	-	-	-	52,569	56,593	53,739	57,392	83,127	79,933	65,256
Contractual:										
Billing services	-	-	-	245,188	183,600	170,133	182,798	169,238	129,945	87,000
Facility charge	-	20,335	85,769	98,997	100,520	85,250	94,980	89,189	-	-
Insurance	1,362,668	2,482,496	1,601,412	1,580,882	1,632,290	1,210,775	1,120,878	1,069,546	1,006,865	1,014,198
Professional services	1,746,905	1,406,726	1,383,098	914,780	996,009	945,205	804,146	776,369	755,783	618,507
Other	1,387,344	1,283,091	941,330	683,634	553,986	472,267	384,479	477,265	376,154	235,851
Debt Service:										
Principal	2,998,654	2,859,901	2,750,317	1,948,754	2,168,440	1,573,635	1,057,585	956,661	795,235	1,866,716
Interest	492,696	555,787	615,098	618,078	660,725	787,841	1,038,982	1,063,649	1,056,939	1,118,163
Debt issuance costs and fees	-	-	-	-	-	304,655	-	-	-	-
Capital outlay	1,261,215	1,144,746	4,213,357	1,825,528	4,874,782	3,292,231	2,418,827	496,852	1,103,828	1,406,165
Total Expenditures	47,531,166	46,427,495	46,194,778	40,137,186	41,857,998	38,145,912	37,424,398	33,390,740	33,322,880	31,922,887
Excess (Deficiency) of Revenues Over Expenditures	809,290	1,313,680	(216,774)	3,088,863	(1,360,005)	(453,820)	76,875	1,117,732	(419,912)	870,713
Other Financing Sources (Uses):										
Issuance of debt / note payable	-	-	-	2,500,000	-	26,830,000	-	-	834,198	-
Issuance of installment contract	-	-	-	-	-	-	350,000	-	-	-
Lease (as lessee)	-	-	1,244,740	-	-	-	-	-	-	-
Payment to refunded debt escrow agent	-	-	-	-	-	(21,320,595)	-	-	-	-
Proceeds from sale of capital assets	-	8,069	20,000	-	25,000	6,219	272,212	5,075	20,000	-
Transfers in	-	2,500,000	2,700,000	3,700,000	2,350,000	1,200,000	900,000	461,246	1,020,906	1,206,000
Transfers out	-	(2,500,000)	(2,700,000)	(3,700,000)	(2,350,000)	(1,200,000)	(900,000)	(461,246)	(1,020,906)	(1,206,000)
Total Other Financing Sources (Uses)	-	8,069	1,264,740	2,500,000	25,000	5,515,624	622,212	5,075	854,198	-
Net Change in Fund Balances	\$ 809,290	\$ 1,321,749	\$ 1,047,966	\$ 5,588,863	\$ (1,335,005)	\$ 5,061,804	\$ 699,087	\$ 1,122,807	\$ 434,286	\$ 870,713
Debt service as a percentage of non-capital expenditures	7.48%	7.55%	7.75%	6.65%	7.49%	6.74%	5.84%	6.14%	5.60%	9.69%

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
SCHEDULE OF ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN LEVY YEARS

Levy Year	Assessed Value					Total Assessed Value	Estimated Actual Value	Total Direct Rate
	Residential Property	Commercial Property	Industrial Property	Farm Property	Railroad Property			
2024	\$ 2,444,332,679	\$ 882,969,953	\$ 30,703,127	\$ 363,846	\$ 530,961	\$ 3,358,900,566	\$ 13,502,780,275	\$ 1.1377
2023	2,445,806,544	841,541,059	29,743,186	387,355	596,883	3,318,075,027	13,338,661,609	1.1073
2022	1,745,914,395	752,070,261	26,238,375	318,280	577,814	2,525,119,125	10,150,978,883	1.3920
2021	1,763,880,786	756,469,715	26,746,569	332,447	444,397	2,547,873,914	10,242,453,138	1.2918
2020	1,914,315,259	839,356,479	30,061,592	334,009	444,397	2,784,511,736	11,193,737,179	1.1473
2019	1,718,123,170	745,545,423	24,376,047	331,833	428,067	2,488,804,540	10,004,996,422	1.2550
2018	1,732,175,786	734,179,671	25,233,910	334,268	453,056	2,492,376,691	10,019,354,298	1.2260
2017	1,742,946,298	789,209,557	24,028,142	379,800	566,894	2,557,130,691	10,279,665,378	1.1600
2016	1,523,980,712	690,061,503	21,009,497	332,086	495,675	2,235,879,473	8,988,235,481	1.2915
2015	1,451,557,819	657,268,274	20,011,080	316,305	472,119	2,129,625,597	8,561,094,900	1.3427

Source: Office of the Cook County Assessor

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
SCHEDULE OF ASSESSED VALUATIONS, TAX RATES, EXTENSIONS, AND COLLECTIONS

DECEMBER 31, 2025

	2024 ⁽²⁾	2023	2022	2021	2020	2019	2018	2017	2016	2015
Assessed valuation ⁽¹⁾	\$ 3,358,900,566	\$ 3,318,075,027	\$ 10,150,978,883	\$ 2,547,873,915	\$ 2,784,511,736	\$ 2,488,805,080	\$ 2,492,376,691	\$ 2,557,130,691	\$ 2,235,879,473	\$ 2,129,625,597
Tax Rates:										
Corporate	0.3798	0.3660	0.4575	0.3991	0.3614	0.4675	0.4620	0.4300	0.4742	0.5000
Ambulance	0.2958	0.2972	0.3741	0.3474	0.3221	0.3671	0.3641	0.3414	0.3776	0.4000
Tort liability	0.1745	0.1748	0.2244	0.2151	0.1822	0.1209	0.1173	0.1103	0.1097	0.1509
Firefighters' pension	0.1972	0.1794	0.2212	0.2154	0.1869	0.1857	0.1747	0.1726	0.2081	0.2107
Illinois Municipal Retirement	0.0072	0.0069	0.0107	0.0110	0.0103	0.0105	0.0093	0.0091	0.0083	0.0085
Social Security	0.0169	0.0156	0.0202	0.0190	0.0173	0.0169	0.0162	0.0156	0.0173	0.0179
Audit	0.0018	0.0015	0.0019	0.0018	0.0016	0.0018	0.0014	0.0015	0.0014	0.0015
Fire and rescue	0.0643	0.0659	0.0820	0.0830	0.0655	0.0846	0.0810	0.0795	0.0949	0.0532
Total	1.1377	1.1073	1.3920	1.2918	1.1473	1.2550	1.2260	1.1600	1.2915	1.3427
Tax Extensions:										
Corporate	\$ 12,757,667	\$ 12,143,627	\$ 11,550,995	\$ 10,169,704	\$ 10,063,931	\$ 11,630,186	\$ 11,504,810	\$ 10,995,662	\$ 10,602,540	\$ 10,648,128
Ambulance	9,937,164	9,862,485	9,445,641	8,852,413	8,967,839	9,136,403	9,074,743	8,730,044	8,442,680	8,518,502
Tort liability	5,862,927	5,798,886	5,666,867	5,480,555	5,074,752	3,008,965	2,923,557	2,820,515	2,452,759	3,213,600
Firefighters' pension	6,622,637	5,952,697	5,585,520	5,488,667	5,203,624	4,620,632	4,354,829	4,413,608	4,652,277	4,487,017
Illinois Municipal Retirement	243,460	229,125	268,988	280,988	287,744	261,324	231,791	232,699	185,577	180,250
Social Security	566,418	518,900	509,526	484,640	481,346	420,608	403,765	398,912	386,807	381,100
Audit	61,610	50,542	49,142	46,401	45,821	44,798	34,893	38,357	31,302	30,900
Fire and rescue	2,161,333	2,186,796	2,071,730	2,113,854	1,823,751	2,105,529	2,018,825	2,032,919	2,121,849	1,133,000
Total	\$ 38,213,216	\$ 36,743,058	\$ 35,148,409	\$ 32,917,222	\$ 31,948,808	\$ 31,228,445	\$ 30,547,213	\$ 29,662,716	\$ 28,875,791	\$ 28,592,497
Collections:										
Current	\$ 36,052,431	\$ 35,267,235	\$ 34,199,967	\$ 31,797,639	\$ 30,991,467	\$ 29,998,896	\$ 29,228,732	\$ 27,981,703	\$ 27,749,469	\$ 27,556,585
Subsequent	-	69,509	329,192	284,996	91,900	114,591	63,472	70,045	25,258	138,395
Total	\$ 36,052,431	\$ 35,336,744	\$ 34,529,159	\$ 32,082,635	\$ 31,083,367	\$ 30,113,487	\$ 29,292,204	\$ 28,051,748	\$ 27,774,727	\$ 27,694,980
Percent Collected:										
Current	94.35%	95.98%	97.30%	96.60%	97.00%	96.06%	95.68%	94.33%	96.10%	96.38%
Subsequent	0.00%	0.19%	0.94%	0.87%	0.29%	0.37%	0.21%	0.24%	0.09%	0.48%
Total	94.35%	96.17%	98.24%	97.47%	97.29%	96.43%	95.89%	94.57%	96.19%	96.86%

(1) Assessed valuation is as of the year preceding the fiscal year in which the taxes are levied.

(2) 2024 is the most current information available.

Data Source
Office of the Cook County Clerk

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN YEARS

Levy Year	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Overlapping Governments:										
Cook County	0.390	0.386	0.431	0.446	0.453	0.454	0.489	0.496	0.533	0.552
Cook County Forest Preserve District	0.069	0.075	0.081	0.058	0.058	0.059	0.060	0.062	0.063	0.069
Consolidated Elections	0.000	0.032	0.000	0.019	0.000	0.030	0.000	0.031	0.000	0.034
Bremen Township	0.069	0.075	0.099	0.090	0.079	0.088	0.086	0.081	0.087	0.089
Bremen General Assistance	0.019	0.018	0.023	0.021	0.018	0.020	0.019	0.018	0.019	0.019
Bremen Road and Bridge	0.051	0.048	0.064	0.058	0.052	0.058	0.056	0.053	0.057	0.058
Orland Township	0.064	0.065	0.083	0.076	0.067	0.073	0.071	0.066	0.072	0.075
Orland General Assistance	0.005	0.005	0.006	0.006	0.006	0.006	0.006	0.006	0.006	0.007
Orland Road and Bridge	0.030	0.029	0.039	0.038	0.035	0.038	0.037	0.035	0.039	0.041
South Cook Mosquito Abatement District	0.017	0.017	0.021	0.019	0.017	0.018	0.017	0.016	0.017	0.017
Metropolitan Water Reclamation District	0.340	0.345	0.374	0.382	0.378	0.389	0.396	0.402	0.406	0.426
Village of Orland Hills	0.774	0.719	1.004	0.802	0.623	0.676	0.591	0.480	0.423	0.433
Village of Orland Park	0.446	0.462	0.625	0.603	0.528	0.609	0.609	0.595	0.679	0.714
Village of Orland Park Library Fund	0.239	0.233	0.291	0.315	0.264	0.286	0.296	0.307	0.345	0.355
Acorn Public Library District	0.202	0.190	0.258	0.210	0.210	0.237	0.229	0.217	0.237	0.243
Orland Hills Public Library District	0.142	0.136	0.183	0.176	0.157	0.168	0.164	0.156	0.173	0.176
Tinley Park Park District	0.365	0.357	0.467	0.430	0.394	0.420	0.498	0.475	0.522	0.534
School District 135	3.141	3.038	3.697	3.417	3.039	3.315	3.155	2.979	3.318	3.425
School District 140	3.699	3.832	5.461	5.114	4.603	4.877	4.736	4.488	5.119	5.304
School District 146	4.580	4.423	5.651	5.424	5.187	5.893	5.749	5.474	5.943	6.125
Consolidated High School 230	2.244	2.168	2.781	2.570	2.295	2.488	2.425	2.287	2.778	2.879
Moraine Valley Comm. College 524	0.348	0.334	0.425	0.394	0.351	0.393	0.384	0.365	0.406	0.419
Total Overlapping Governments	17.234	16.987	22.064	20.668	18.814	20.595	20.073	19.089	21.242	21.994
Orland Fire Protection District	1.138	1.107	1.392	1.293	1.147	1.255	1.226	1.160	1.292	1.343
Totals	18.372	18.094	23.456	21.961	19.961	21.850	21.299	20.249	22.534	23.337

Source of information – Cook County Clerk's Office

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
PRINCIPAL PROPERTY TAXPAYERS

DECEMBER 31, 2025

Taxpayer	Type of Business	2024		Percentage of Total District Taxable Assessed Value	2015		Percentage of Total District Taxable Assessed Value
		Taxable Assessed Value	Rank		Taxable Assessed Value	Rank	
Simon Property Group	Shopping centers, commercial building	\$ 75,321,619	1	2.24	\$ 109,966,913	1	5.16
IRC LLC	Shopping centers and one-story store	59,284,917	2	1.77	46,200,957	2	2.17
Jacobson Lormax Orland	Rented modern row houses	30,566,395	3	0.91	-	-	-
Lakeview Plaza (Orland)	Shopping center	29,600,933	4	0.88	-	-	-
Metra Triangle LLC	Special rental structure	16,421,560	5	0.49	11,414,511	3	0.54
Res of Orland Crossing	Apartment buildings	15,287,084	6	0.46	-	-	-
Constance Oswald	Commercial buildings, 2 or more stories	13,814,698	7	0.41	10,662,246	5	0.50
Edwards Realty Co.	Retail and commercial space	12,433,670	8	0.37	11,156,337	4	0.52
B & G Realty Legal Dept	One story public garage/cinema	12,304,336	9	0.37	8,034,856	8	0.38
Orland Towne Cntr 106	Shopping center	12,113,306	10	0.36	-	-	-
St. George Corp	Commercial building over three stories	-	-	-	8,770,930	6	0.41
Supervalu Inc / New Albertsons	Supermarket	-	-	-	8,232,411	7	0.39
J.C. Penney Co., Inc.	Department store	-	-	-	7,637,946	9	0.36
Cambridge Realty Cap	Special commercial improvements	-	-	-	7,296,496	10	0.34
		<u>\$ 277,148,518</u>		<u>8.26</u>	<u>\$ 229,373,603</u>		<u>10.77</u>

The figures above are totals of parcels with equalized assessed valuation of \$100,000 and over as recorded in the County Assessor's office. They were compiled from a meticulous page by page search of such records. It is possible, however, that certain parcels have been overlooked.

Source: Office of the Cook County Clerk

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Debt Certificates	General Obligation Debt Certificates - Private Placement	Leases	Installment Contract	Notes Payable	Total Primary Government	Percentage of Personal Income	Per Capita
2025	\$ 19,120,000	\$ 864,460	\$ 881,099	\$ -	\$ 140,000	\$ 21,005,559	0.65%	\$ 291
2024	21,280,000	1,426,251	994,862	-	303,100	24,004,213	0.74	332
2023	23,325,000	1,970,365	1,105,819	-	462,930	26,864,114	0.87	357
2022	25,250,000	2,500,000	-	-	619,691	28,369,691	0.88	393
2021	27,032,862	-	-	-	773,445	27,806,307	0.93	390
2020	28,687,375	-	-	347,625	924,260	29,959,260	1.00	431
2019	22,227,890	-	-	474,096	1,036,424	23,738,410	0.81	347
2018	23,072,402	-	-	596,704	761,401	24,430,507	0.90	374
2017	23,821,914	-	-	715,568	834,198	25,371,680	0.96	384
2016	24,486,426	-	-	830,803	-	25,317,229	0.97	383

Note: Details regarding the District's outstanding debt can be found in the notes to basic financial statements.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
RATIOS OF GENERAL OBLIGATION DEBT OUTSTANDING

LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Debt	Less Amount Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property ⁽¹⁾
2025	\$ 19,984,460	\$ -	\$ 19,984,460	0.15%
2024	22,706,251	-	22,706,251	0.17
2023	25,295,365	-	25,295,365	0.25
2022	27,750,000	-	27,750,000	0.27
2021	27,032,862	-	27,032,862	0.24
2020	28,687,375	-	28,687,375	0.29
2019	22,227,890	-	22,227,890	0.22
2018	23,072,402	-	23,072,402	0.22
2017	23,821,914	-	23,821,914	0.27
2016	24,486,426	-	24,486,426	0.29

Note: Details regarding the District's outstanding debt can be found in the notes to basic financial statements.

⁽¹⁾ See the Schedule of Assessed Valuations, Tax Rates, Extensions, and Collections for property value data.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

DECEMBER 31, 2025

	2024 Equalized Assessed Valuation	Outstanding Debt	Applicable to District	
			Percent	Amount
Overlapping Agencies:				
Cook County	\$ 208,865,973,594	\$ 1,760,191,750	1.61%	\$ 28,303,883
Cook County Forest Preserve	208,865,973,594	70,975,000	1.61%	1,141,278
Metropolitan Water Reclamation District	205,447,558,453	2,607,379,954 ⁽¹⁾	1.64%	42,630,662
Municipalities:				
Village of Orland Park and Library	3,055,500,032	127,510,000	96.79%	123,415,654
Schools:				
School District #135	2,877,364,793	17,160,000	99.83%	17,131,000
School District #146	854,206,941	14,680,000	27.83%	4,085,591
High School District #230	6,554,524,686	22,945,000	51.25%	11,758,395
Community College #524	14,081,038,391	8,440,000 ⁽²⁾	23.85%	2,013,278
Total Overlapping Governmental Activities Debt				230,479,741
Direct Debt:				
Orland Fire Protection District	3,358,900,566	21,005,559	100.00%	21,005,559
Total Direct and Overlapping Governmental Activities Debt				<u>\$ 251,485,300</u>

⁽¹⁾ Includes IEPA Revolving Loan Fund Bonds.

⁽²⁾ Excludes outstanding principal amounts of General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation.

Note: Overlapping governments are those that coincide at least in part, with the geographic boundaries of the District. The schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and, therefore, responsible for repaying the debt, of each overlapping government.

Source: Office of the Cook County Clerk, Cook County Department of Revenue, and Treasurer of the Metropolitan Water Reclamation District of Greater Chicago.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

DECEMBER 31, 2025

Legal Debt Margin Calculation for December 31, 2025

Assessed Value	\$ 3,358,900,566
Debt limit (5.75% of assessed value)	193,136,783
Total net debt applicable to limit	21,005,559
Legal Debt Margin	\$ 172,131,224
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	10.876%

	2024	2023	2022	2021	2019	2018	2017	2016	2015
Debt limit	\$ 190,789,314	\$ 145,194,350	\$ 146,502,750	\$ 160,109,425	\$ 143,311,660	\$ 147,035,015	\$ 128,563,070	\$ 122,453,472	\$ 125,965,151
Total net debt applicable to limit	24,004,213	25,758,295	28,369,691	27,806,307	23,738,410	24,430,507	25,371,680	25,317,229	27,179,832
Legal Debt Margin	\$ 166,785,101	\$ 119,436,055	\$ 118,133,059	\$ 132,303,118	\$ 119,573,250	\$ 122,604,508	\$ 103,191,390	\$ 97,136,243	\$ 98,785,319
Total Net Debt Applicable to the Limit as a Percentage of the Debt Limit	12.582%	17.741%	19.365%	17.367%	16.564%	16.615%	19.735%	20.675%	21.577%

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

DECEMBER 31, 2025

Fiscal Year	Population (1)	Personal Income (in thousands)	Per Capita Income (1)	Unemployment Rate	Median Age (1)	Education Level in Years of Formal Schooling ⁽¹⁾	School Enrollment ⁽²⁾
2025	72,197	\$ 3,231,137	\$ 44,754	4.20%	46.80	14	7,898
2024	72,197	3,249,243	45,005	4.40	47.50	14	7,990
2023	72,197	3,103,352	42,985	3.40	47.30	14	8,000
2022	72,197	3,208,400	44,440	3.30	46.50	14	8,030
2021	71,320	3,003,071	42,107	3.30	46.50	14	7,775
2020	69,545	2,981,881	42,877	3.30	46.50	14	8,042
2019	68,500	2,920,703	42,638	3.30	46.50	14	7,989
2018	65,394	2,710,254	41,445	3.30	46.20	14	7,986
2017	66,046	2,645,876	40,061	3.30	46.20	14	8,041
2016	66,046	2,617,469	39,631	4.40	46.10	14	8,134

Data Sources:

(1) Derived from the U.S. Census Bureau (most recent data).

(2) Derived from Illinois State Board of Education School Report Cards.

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
PRINCIPAL EMPLOYERS

DECEMBER 31, 2025

Taxpayer	Type of Business	Approximate Number Employed	2025 Rank	Percentage of Total District Employment	Approximate Number Employed	2016 Rank	Percentage of Total District Employment
Consolidated High School District 230	High schools	1,024	1	1.77%	345	4	0.61%
Village of Orland Park	Village government including recreation	902	2	1.56%	677	2	1.20%
Orland School District 135	Elementary schools	788	3	1.36%	725	1	1.28%
Darvin Furniture	Retail furniture, mattress, and clearance center	300	4	0.52%	301	6	0.53%
Panduit (Orland Park location)	Mfg. electronic component products, software	290	5	0.50%	300	8	0.53%
Jewel/Osco	Retail grocery and pharmacy (2 stores)	250	6	0.43%	550	3	0.97%
Lowes	Home improvement center	232	7	0.40%	300	9	0.53%
CTF Illinois	Not-for-profit	220	8	0.38%	-	-	-
Lifetime Fitness	Fitness club	196	9	0.34%	250	10	0.44%
Mueller Co.	Professional services	150	10	0.26%	-	-	-
The Horton Group	Insurance agents, brokers, and service	-	-	-	330	5	0.58%
Lexington Health Care	Health Care	-	-	-	301	7	0.53%

Note: Percentage of total District employment is based on amounts reported by Illinois Department of Employment Security.

Note: Percentage of total District employment is based on amounts reported by Illinois Department of Employment Security.

Source: Phone survey

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
LAST TEN FISCAL YEARS

DECEMBER 31, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Sworn Personnel - Full-time:										
Chief Officers	7	7	7	7	7	7	7	6	5	5
Program Supervisor Lieutenants	3	3	3	3	3	3	3	3	3	3
Lieutenants/Paramedics	27	27	24	24	24	24	24	24	24	23
Lieutenants/EMT-Bs	-	-	-	-	-	-	-	-	-	1
Engineers/Paramedics	24	24	24	24	24	24	24	24	24	24
Firefighters/Paramedics	63	67	62	60	65	60	60	59	59	55
Firefighters/EMT-Bs	-	-	1	1	1	1	1	1	1	2
Total Sworn Personnel - Full-Time	124	128	121	119	124	119	119	117	116	113
Sworn Personnel - Fill-in:										
Sworn Personnel - Fill-In	10	10	10	10	7	5	7	7	7	7
Total Sworn Personnel	134	138	131	129	131	124	126	124	123	120
Support Services and Overtime:										
Administration	5	6	8	8	8	6	8	9	9	8
Fire Prevention and Public Education	3	4	3	3	3	3	4	4	4	4
Communications	16	16	15	15	14	14	14	12	11	14
Training and Safety	3	3	3	3	3	1	3	4	2	2
EMS	1	1	1	2	1	1	1	1	1	1
Specialty Teams	1	1	1	1	1	1	1	1	1	2
Maintenance	5	6	6	5	6	4	4	5	5	5
Total Support Services and Overtime	34	37	37	37	36	30	35	36	33	36
	168	175	168	166	167	154	161	160	156	156

Source: District records

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS
OPERATING INFORMATION
LAST TEN FISCAL YEARS

DECEMBER 31, 2025

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Operating Indicators:										
Call volume activity:										
Fire/Rescue	4,223	3,755	4,020	4,132	3,803	2,941	3,363	3,249	3,673	3,917
EMS	<u>8,674</u>	<u>8,619</u>	<u>8,677</u>	<u>8,437</u>	<u>7,344</u>	<u>6,875</u>	<u>7,303</u>	<u>6,470</u>	<u>6,170</u>	<u>6,043</u>
	<u>12,897</u>	<u>12,374</u>	<u>12,697</u>	<u>12,569</u>	<u>11,147</u>	<u>9,816</u>	<u>10,666</u>	<u>9,719</u>	<u>9,843</u>	<u>9,960</u>
Information on Capital Assets:										
Number of fire stations	6	6	6	6	6	6	6	6	6	6
Training facilities	1	1	1	1	1	1	1	1	1	1
Maintenance facilities	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>

Source: District records

COMPLIANCE SECTION

**Report of Independent Auditor on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed In Accordance with Government Auditing Standards**

To the Honorable District President and Board of Trustees
Orland Fire Protection District, Illinois
Orland Park, Illinois

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Orland Fire Protection District, Illinois (the "District"), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements of the District, and have issued our report thereon dated September 9, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting ("internal control") as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cherry Bekaert LLP

Orland Park, Illinois
September 9, 2026