

# Orland Fire Protection District



Serving the Village of Orland Park, the Village of Orland Hills, and unincorporated areas of Orland Township in Illinois

## Comprehensive Annual Financial Report For Fiscal Year Ended December 31, 2020



**ORLAND FIRE PROTECTION  
DISTRICT, ILLINOIS**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**YEAR ENDED DECEMBER 31, 2020**

**Submitted by:  
Kerry Sullivan  
Finance Director**

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
ANNUAL COMPREHENSIVE FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2020**

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## **INTRODUCTORY SECTION**



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Board of Trustees:

President Christopher Evoy

Secretary Craig Schmidt

Treasurer Jayne Schirmacher

Trustee John Brudnak Pres. Pro Tem

Trustee James Hickey

Fire Chief:

Michael Schofield



## ORLAND FIRE PROTECTION DISTRICT

Administration Center

9790 West 151st Street • Orland Park, IL 60462

708/349-0074 • Fax 708/349-0354

[www.orlandfire.org](http://www.orlandfire.org)



ISO Class 1



Internationally  
Accredited Agency

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June 14, 2021

Board of Trustees

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, 2020. The ACFR includes a complete set of financial statements presented in conformance with United States generally accepted accounting principles. The financial statements were audited by Mueller & Company, LLP, a firm of independent licensed certified public accountants who conducted the audit in accordance with generally accepted auditing standards.

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 that 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, 2020, 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 concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the year ended December 31, 2020 are fairly presented in conformity

with generally accepted accounting principles. The independent auditor's report is presented as the first component of the financial section of this report.

In 2018, the District had to implement Governmental Accounting Standards Board Statement 75, Accounting and Financial Reporting for Post-Employment Benefits other than Pensions. In 2015, the District had to implement Government Accounting Standards Board Statement 68, Accounting and Financial Reporting for Pensions. With these implementations, the entity-wide statements now reflect the total actuarial pension and retiree health obligations of the District. The implementation of Statements 68 and 75 had a significant impact on the financial statements. It is very important to note that the District's ending fund balance (excluding the Pension Fund and the Retiree Health Trust Fund) as of December 31, 2020 was \$23,437,541, the Firefighter's Pension Fund had year-end net position of \$192,080,693 and the District has set aside \$11,243,597 to fund future retiree health costs.

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 Discussion and Analysis (MD&A). The MD&A immediately follows the Independent Auditor's Report. 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 the District 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 Fire Chief recommends to the Board of Trustees all such matters as may be deemed necessary for the fulfillment of the administrative duties of his office.

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 which were strategically built to minimize response times based on projected populations. The District also operates a vehicle maintenance facility, a regional training center and administrative offices which are adjacent to Fire Station 1.

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 Firefighter's 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 the highest level of public services to its residents.

### **Financial Planning and Budgeting**

The District has followed a consistent policy of maintaining strong fund balances in all funds as well as funding retirement and post-retirement benefit obligations. The result of these actions has allowed the District to lessen the future burden of these obligations as well as continue to provide a high level of service.

The annual budget, which is compiled with consideration of the District's Strategic Plan, serves as the District's foundation for financial planning and control. All programs of the District are required to submit their budget requests to the Fire Chief before July 31<sup>st</sup> of each year. After reviewing the budget requests, the Fire Chief presents a proposed budget to the Board of Trustees, who then hold public meetings to discuss the proposed budget. The tentative budget is made available to the public. The Board of Trustees is required to hold a public hearing on the proposed budget and to adopt the final budget no later than December 31<sup>st</sup> of each year.

The budget is prepared by fund, and includes program budgets with supplemental detail of each line item. Management is authorized to transfer budgeted amounts between departments within any fund; however, the Board of Trustees must approve any revisions that alter the total expenditures of any fund.

Budget to actual comparisons are provided in this report for General and Major Special Revenue Funds. The comparison is presented on pages 8-11 as part of the basic financial statements. For governmental funds other than the General and Ambulance Funds, this comparison is presented in the governmental fund subsection of this report on page 85.

### **Economic Condition and Outlook**

The District's financial position, as reflected in the financial statements presented in this report, is perhaps best understood when it is considered from the broader perspective of the environment within which the District operates.

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 69,500. The number of households within the District is approximately 25,661. The daytime population is higher due to the heavy retail concentration of Orland Park and Orland Hills. The area is easily accessible by O'Hare and Midway Airports, several interstate highways and Metra's commuter rail system.

The District has a diverse composition and economic base. Approximately 69.1% of the District's equalized assessed valuation (EAV) is related to residential development, 29.9% is related to commercial development and 1.0% is related to industrial development. The 2019 tax

year EAV was \$2,488,805,080. In the 2018 tax year, the District's EAV was \$2,492,376,691. This .14% decrease is due to the change in Cook County's equalization factor.

Major employers within the District include Orland School District #135, Jewel/Osco Food Store, Consolidated High School District #230, Darwin Furniture, Lowe's Home Improvement, Target, Lifetime Fitness & Panduit Corporation. The District is the location for much retail development including Orland Square Mall, the Orland Park Place Mall, Orland Crossings, and Orland Towne Center along with numerous smaller retail centers.

In November 2019, Von Maur opened a completely renovated store where Carson's was previously in Orland Square mall. Plans for development of the Sears store are being finalized. In the past few years, there were quite a few newly-constructed businesses in the District included – University of Chicago Medicine Center for Advanced Care, Palos Health South Campus, and Surgical Center, four strip malls, three other office parks, six restaurants and three car dealerships.

### **Major Initiatives for 2020**

The District continues to work within the scope of its projected revenue while continuing to provide quality public services to its residents.

The District staffs a minimum of four engine companies, two truck companies and five ambulance crews daily. During 2020, District firefighters and paramedics responded to 9,816 calls, an 8% decrease from 2019. Approximately 70% of the 2020 calls were for emergency medical services. The number of emergency medical service calls decreased by 428 calls or 5.9%. The decrease in call volume was directly related to the COVID-19 pandemic. Fire /rescue calls decreased 12.5% over 2019 due to a reduction of car accidents during the COVID 19 pandemic.

District staff, under the direction of the Board of Trustees and the Fire Chief, have been involved in a variety of projects during 2020. A number of significant projects are summarized below.

- Firefighter /Paramedics served the community through responding to 9,816 calls.
- Ten Firefighter/Paramedics were hired to replace retired Firefighter/Paramedics.
- Construction of a fleet maintenance facility began and a new fire truck was ordered; both funded by the issuance of debt certificates with a 1.38% interest rate.
- Maintained ISO1 and Accredited Agency status.
- Changes in the District's fleet included a new ambulance, a new fire engine, and an order was placed for a new fire truck.

- Debt certificates which were originally issued in 2012 to fund the actuarial unfunded liability of the pension fund were advance refunded to a 2.3% interest rate from interest rates ranging from 3.65% to 4.95%.
- Numerous grants were received including –
  - Cook County Department of Homeland Security and Emergency Management grant to train emergency responders. In 2020, 802 emergency responders were trained as a result of this grant funding (37,074 training hours).
  - Assistance to Firefighters grant to purchase self contained breathing apparatus equipment.
  - Ward Associates, CC Services, Exxon Mobil, and Illinois American Water Issued grants to the District.
- Training facility improvements were completed.
- Planning and implementing policies as response to the COVID-19 pandemic including procuring personal protective equipment, enhanced decontamination of fleet, facilities, and equipment, quarantining employees, and monitoring staffing levels due to quarantines.

### **Major Initiatives for the Future**

Major initiatives for 2021 include maintaining adequate firefighter staffing levels to meet response benchmarks, continued focus on training and safety and operational efficiencies.

The District has developed a five-year plan both for operations & capital projects. The five-year plans will be reviewed each year during the budget process.

### **Acknowledgements and Awards**

The District recently received recognition from two external organizations for services provided – ranking as ISO Class 1 and achieving Accredited Status from the Center for Public Safety Excellence. The District is now one of 290 fire agencies internationally accredited and one of only 105 fire agencies in the country to be both accredited and with a ISO 1 ranking. These are the highest recognitions in the fire service and are possible only because of the commitment to excellence at every level of the organization.


Over the past several years, Emergency Medical Services has improved and enhanced training, programs and models of care, especially focused on cardiac arrest treatment. The District's paramedics use a high performance CPR model in treating patients and community CPR training has been expanded. In 2020, the save rate for surviving cardiac arrest for District patients was 41%, compared to a national save rate of 33%. Calls were more acute in 2020 as people waited longer to ask for help whether COVID 19 related or not.

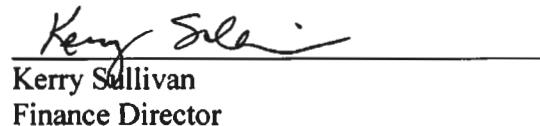
The Government Finance Officers Association (GFOA) has been awarded its Distinguished Budget Presentation Award to the District since 2018. The 2021 budget was submitted for this consideration as well.

GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Annual Comprehensive Financial Report (ACFR) since 2008. A Certificate of Achievement is valid for a period of one year. We believe our current report meets the requirements of the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association and we are submitting it to GFOA to determine its eligibility for this year's award. To be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized ACFR. This report satisfied both generally accepted accounting principles and other applicable requirements.

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 and acknowledge the support and direction provided by the accounting firm of Mueller & Company, LLP, in preparing the District's ACFR. We would also like to express our appreciation to 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,

  
Michael Schofield  
Fire Chief

  
Kerry Sullivan  
Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Orland Fire Protection District  
Illinois**

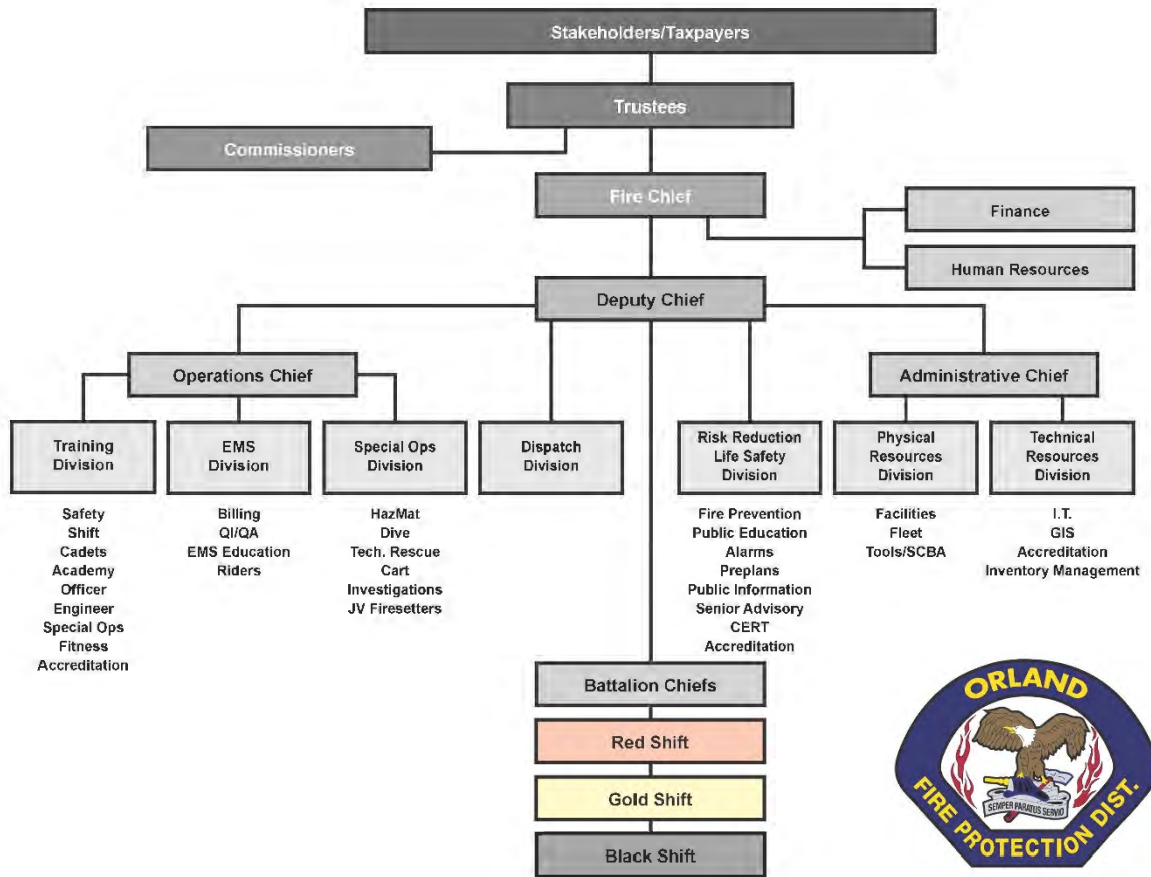
For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

December 31, 2019

*Christopher P. Morrill*

Executive Director/CEO

The District's organizational chart follows.





**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
NAMES AND TITLES OF PRINCIPAL OFFICIALS  
DECEMBER 31, 2020**

**Board of Trustees**

Mr. Christopher G. Evoy - President

Mr. John Brudnak - President Pro Tem

Mr. Craig Schmidt - Secretary

Mrs. Jayne Schirmacher - Treasurer

Mr. James P. Hickey - Member

**Fire Chief**

Michael Schofield

**Finance Director**

Kerry Sullivan

**FINANCIAL SECTION**



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## INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Orland Fire Protection District, Illinois, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of Orland Fire Protection District, Illinois as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Orland Fire Protection District, Illinois, as of December 31, 2020, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund and the major special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages xiii through xxiii and employee retirement and post-employment benefit plan information on pages 56 through 65 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Orland Fire Protection District, Illinois. The introductory section, combining and individual fund financial statements and schedules, Illinois Grant Accountability and Transparency Consolidated Year-End Financial Report and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, Illinois Grant Accountability and Transparency Consolidated Year-End Financial Report, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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, Illinois Grant Accountability and Transparency Consolidated Year-End Financial Report, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of Orland Fire Protection District, Illinois for the year ended December 31, 2019, which are not presented with the accompanying financial statements and we expressed unmodified opinions 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 basic financial statements of Orland Fire Protection District, Illinois as a whole. The individual fund financial statements and schedules for the year ended December 31, 2019 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 2019 basic financial statements. The information has been subjected to the auditing 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 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, and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. In our opinion, the 2019 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 Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2021, on our consideration of Orland Fire Protection District, Illinois' 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 internal control over financial reporting or on compliance of Orland Fire Protection District, Illinois. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Orland Fire Protection District, Illinois' internal control over financial reporting and compliance.

*Muller & Co., LLP*

Orland Park, Illinois  
June 14, 2021

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
as of and for the fiscal year ended December 31, 2020

As management of Orland Fire Protection District, Illinois (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, 2020.

**Financial Highlights**

- The liabilities and the deferred inflows of the District exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$14,983,152 (*net deficit*). Of this amount, \$17,882,490 is invested in capital assets and \$3,301,620 is restricted for various purposes and, therefore, these amounts are not available for funding general activities. The District has an unrestricted deficit of \$36,167,262 at December 31, 2020. The total net position of the District increased by \$5,584,292 during fiscal year 2020.
- For the fiscal year ended December 31, 2020, total governmental revenues and other financing sources exceeded expenditures and other financing uses by \$5,061,804. Revenue increased by 0.5% over the prior year, including a 2.6% increase in property taxes, a 14.3% decrease in charges for services, and a 13.1% increase in grant proceeds. Property taxes billed were 1.9% higher than the prior year and the collection rate was 2.8% greater than the prior year, mainly due to fewer property tax refunds. Charges for services decreased due to decreased ambulance transports due to the COVID-19 pandemic. Grant proceeds increased due to FEMA Public Assistance grants for pandemic expenses and a FEMA Assistance to Firefighters grant for equipment offset by decreased sub-grant agreements from the Cook County Department of Homeland Security and Emergency Management due to pandemic restrictions.
- As of December 31, 2020, the District's governmental funds reported combined ending fund balances of \$23,437,541. Approximately 28.6% of this amount (\$6,709,203) is available for spending at the District's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the *committed*, *assigned* and *unassigned* components of fund balance) for the General Fund was \$7,867,799, or approximately 35.6% of total General Fund expenditures. Unrestricted fund balance for the Ambulance Fund was \$7,286,288, or approximately 57.6% of Ambulance Fund expenditures.
- At December 31, 2020, the Firefighters' Pension Fund had a net position of \$192,080,693 with a funding ratio of 97.1%. Pension benefits paid in 2020 were \$6,977,720. IMRF had a funding ratio of 103.0%.
- The District's Retiree Health Insurance Fund had a net position of \$11,243,597 as of December 31, 2020. Benefits paid from the Retiree Health Insurance Fund were \$751,920 in 2020.
- The District's long-term liabilities at December 31, 2020 totaled \$46,711,260. Of the long-term liabilities, 61.4% is related to debt certificates which were issued to fund the actuarial unfunded liabilities of the pension funds, 11.8% is related to net pension liabilities, 24.1% is related to postemployment benefits and compensated absences, and 2.7% is related to an installment contract and a note payable. A portion of the Series 2012 debt certificates were advance refunded with the proceeds of the Series 2020A debt certificates.

## 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 1 - 2 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 subfunds. 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.

The basic fund financial statements can be found on pages 3 - 11 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 12 - 13 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 14 - 55 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 56 - 67 of the report.

The combining and individual fund financial statements and schedules in connection with the major, non-major 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 68 - 91 of this report.

## 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 liabilities and deferred inflows of the District exceeded its assets and deferred outflows of resources at the close of the most recent fiscal year by \$14,983,152 (*net deficit*).

#### Orland Fire Protection District Statement of Net Position – Governmental Activities as of December 31,

	2020	2019
<b>Assets:</b>		
Current and other assets	\$ 57,263,741	\$ 49,749,355
Capital assets	<u>19,154,375</u>	<u>17,817,590</u>
Total assets	<u>76,418,116</u>	<u>67,566,945</u>
<b>Deferred outflows of resources:</b>		
Deferred amount on refunding	2,204,294	-
Deferred outflows of resources related to pensions and OPEB	<u>14,435,322</u>	<u>13,336,663</u>
Total deferred outflows of resources	<u>16,639,616</u>	<u>13,336,663</u>
<b>Liabilities:</b>		
Current liabilities	2,519,427	1,202,368
Noncurrent liabilities	<u>46,711,260</u>	<u>52,734,103</u>
Total liabilities	<u>49,230,687</u>	<u>53,936,471</u>
<b>Deferred inflows of resources:</b>		
Property taxes levied for future periods	31,151,280	30,174,974
Deferred inflows of resources related to pensions and OPEB	<u>27,658,917</u>	<u>17,359,607</u>
Total deferred inflows of resources	<u>58,810,197</u>	<u>47,534,581</u>
<b>Net position (deficit):</b>		
Invested in capital assets, net of related debt	17,882,490	16,022,439
Restricted	3,301,620	2,808,362
Unrestricted deficit	<u>(36,167,262)</u>	<u>(39,398,245)</u>
Total net position (deficit)	<u>\$ (14,983,152)</u>	<u>\$ (20,567,444)</u>

### 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 95.9% of the annual property tax assessment for 2019 in 2020. It is expected a similar collection rate will occur for 2020 taxes collected in 2021.

Capital assets are used in the operations of the District. These are land, 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 \$19,154,375 in land, buildings and improvements, apparatus and vehicles, and equipment, to provide the services to the District's residents, represents 25.1% of the District's total assets.

### Deferred Outflows of Resources

Deferred outflows of resources related to pensions, which are further explained on pages 34 and 39 of this report (the actuarial effect of changes of assumptions plus the difference between projected and actual earnings on pension investments), were recorded in 2020 in the amount of \$8,476,570. Of this total, \$8,020,361 is related to the Firefighters' Pension Fund and \$456,209 is related to the Illinois Municipal Retirement Fund. Deferred outflows of resources related to OPEB, which are further explained on page 46 of this report (the actuarial effect of changes of assumptions plus the difference between projected and actual earnings on OPEB investments), were recorded in 2020 in the amount of \$5,958,752. The deferred amount on refunding, which is further explained on page 52 of this report, was recorded in 2020 in the amount of \$2,275,400.

### 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 note payable, an installment contract payable, compensated absences payable, net pension liabilities, and the other postemployment benefits liability, will be liquidated from resources that will become available after fiscal year 2021.

### Deferred Inflows of Resources

Unavailable revenue, in the form of assessed 2020 property taxes to be collected after fiscal year 2020, totaled \$31,151,280 at year-end. Deferred inflows of resources related to pensions, which are further explained on pages 34 and 39 of this report and include the difference between actuarial expectation and actual experience, were recorded in 2020 in the amount of \$12,692,997. Of this total, \$11,555,002 is related to the Firefighters' Pension Fund and \$1,137,995 is related to the Illinois Municipal Retirement Fund. Deferred inflows of resources related to OPEB, which are further explained on page 46 of this report and include the difference between actuarial expectation and actual experience, were recorded in 2020 in the amount of \$14,965,920.

### Net Position

The liabilities and deferred inflows of resources of the District exceeded assets and deferred outflows of resources, resulting in a net deficit of \$14,983,152. Total net deficit of the District does not include internal balances.

## Statement of Activities

The following chart shows the revenue and expenses of the District's activities during 2020.

### Orland Fire Protection District Statement of Activities – Governmental Activities as of December 31,

	2020	2019
<b>Revenues:</b>		
Program revenues:		
Charges for services	\$ 4,899,576	\$ 5,716,470
Operating grants and contributions	2,096,662	1,924,478
Capital grants and contributions	517,341	-
General revenues:		
Property taxes	30,072,908	29,313,495
Intergovernmental	49,568	50,011
Investment income	81,461	75,304
Gain on sale of capital assets	-	223,341
Other income	151,816	191,638
<b>Total revenues</b>	<u>37,869,332</u>	<u>37,494,737</u>
<b>Expenses:</b>		
Governmental activities:		
Fire and rescue	14,382,794	16,525,606
Emergency medical service	12,626,420	14,258,062
General government	4,389,179	4,870,253
Interest	886,647	1,053,531
<b>Total expenses</b>	<u>32,285,040</u>	<u>36,707,452</u>
<b>Changes in Net Position</b>	5,584,292	787,285
<b>Net deficit, beginning of year</b>	<u>(20,567,444)</u>	<u>(21,354,729)</u>
<b>Net deficit, end of year</b>	<u>\$ (14,983,152)</u>	<u>\$ (20,567,444)</u>

Governmental activities increased the District's net position by \$5,584,292. Key elements contributing to this net change are summarized below.

*Revenue:* For the year ended December 31, 2020, total revenue from governmental activities (including program revenues and general revenues) increased by \$374,595, or 1.0%.

Total program revenues, which include charges for services as well as operating grants and capital grants, decreased by \$127,371, or 1.7%. The decrease in program revenues is primarily related to a decrease in ambulance fees due to COVID 19, offset by an 8.9% increase in operating grants from Cook County Department of Homeland Security and Emergency Management and FEMA Public Assistance, and a capital grant from FEMA Assistance to Firefighters to fund equipment.

General revenues, which include property taxes, personal property replacement taxes, investment income, and other income in the amount of \$30,355,753 increased by \$501,964, or 1.7%, due mainly to property tax billings that were greater than the prior year.

Expenses: Expenses from governmental activities were \$32,285,040. Expenses related to fire and rescue and emergency medical service accounted for 83.7% of total expenses.

### **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 \$23,437,541, an increase of \$5,061,804 compared to the prior year. Of the total, \$110,006 is considered nonspendable because it has been used for prepaid items. \$7,059,534, or 30.1%, of the total is restricted due to external limitations on its use. These uses include emergency rescue (\$781,383), tort immunity (\$2,066,102), other general purposes (\$528,062), ambulance services (\$9,313), and capital projects (\$3,674,674). \$9,558,798, or 40.8%, has been assigned, meaning there are limitations on its intended use. The assigned uses include general government (\$466,778), tort immunity purposes (\$352,541), emergency rescue purposes (\$339,277), emergency medical service (\$7,286,288), and capital projects (\$1,113,914). The remaining 28.6%, or \$6,709,203, is unassigned.

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 \$6,709,203, while total fund balance of the General Fund was \$11,331,029. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance and total fund balance to total fund expenditures. Total General Fund expenditures for 2020 were \$22,098,931. Unassigned fund balance represents 30.4% of these General Fund expenditures, while total fund balance represents 51.3% of that same amount.

Budgetary highlights for the General Fund follow.

**Orland Fire Protection District  
General Fund Budgetary Highlights  
For the Fiscal Year Ended December 31, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget</u>	<u>Percentage of Actual to Budget</u>
<b>Revenues</b>				
Property taxes	\$ 21,012,581	\$ 20,973,491	\$ (39,090)	99.8%
Charges for services	599,831	625,605	25,774	104.3%
Grant proceeds	1,222,900	1,707,094	484,194	139.6%
Investment income	23,962	20,565	(3,397)	85.8%
Personal property replacement tax	13,478	14,870	1,392	110.3%
Other	<u>182,488</u>	<u>143,759</u>	<u>(38,729)</u>	78.8%
Total	<u>23,055,240</u>	<u>23,485,384</u>	<u>430,144</u>	101.9%
<b>Expenditures and Encumbrances</b>				
Personnel	17,705,721	16,777,578	928,143	94.8%
Commodities	869,135	993,510	(124,375)	114.3%
Contractual	1,627,612	1,833,857	(206,245)	112.7%
Other	116,822	179,085	(62,263)	153.3%
Debt service	1,938,759	2,018,844	(80,085)	104.1%
Capital outlay	<u>99,470</u>	<u>694,573</u>	<u>(595,103)</u>	698.3%
Total	<u>22,357,519</u>	<u>22,497,447</u>	<u>(139,928)</u>	100.6%
<b>Excess of Revenues over Expenditures</b>	<u>697,721</u>	<u>987,937</u>	<u>290,216</u>	
<b>Other Financing Sources (Uses)</b>				
Issuance of debt certificates	-	21,515,000	21,515,000	
Payment to refunded debt				
Escrow agent	-	(21,320,595)	(21,320,595)	
Transfers out	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>	
Total	<u>(200,000)</u>	<u>(5,595)</u>	<u>194,405</u>	
<b>Net Change in Fund Balance</b>	<u>\$ 497,721</u>	<u>\$ 982,342</u>	<u>\$ 484,621</u>	

General Fund revenues in the amount of \$23,485,384 were 1.9% more than anticipated. Property taxes were 0.2% lower than anticipated. Charges for services were 4.3% higher than anticipated due to rescue fees being more than anticipated. Other revenue was 21.2% less than expected because foreign fire insurance and training facility revenue were less than anticipated. Expenditures were just 0.6% more than budget.

## Capital Assets

The District's investment in capital assets for its governmental activities as of December 31, 2020 amounts to \$19,154,375. The District's investment in capital assets increased by \$1,336,785, due to capital asset additions that exceeded depreciation expense for the year. This investment in capital assets included land, buildings and improvements, apparatus and vehicles, and equipment.

**Orland Fire Protection District  
Capital Assets (net of accumulated depreciation)  
December 31, 2020**

Land	\$ 584,783
Construction in progress	1,030,916
Deposit on apparatus and vehicles	1,199,726
Buildings and improvements	11,439,470
Apparatus and vehicles	3,801,971
Equipment	<u>1,097,509</u>
Total capital assets	<u>\$ 19,154,375</u>

Additional information on the District's capital assets can be found in the notes to basic financial statements (see pages 29 - 30).

## Long-term Liabilities

In December 2012, the District issued taxable debt certificates in the amount of \$26,715,000 to pay the actuarial unfunded liability of its pension funds. The District received an Aa2 rating from Moody's Investors Service for this specific issue. In 2020, the District advance refunded \$19,210,000 of this issue. Also in 2020, the District issued debt certificates of \$5,315,000 to fund construction of a maintenance facility and a new fire truck. Moody's maintained the District's Aa2 rating in 2020. The District has outstanding general obligation debt certificates of \$28,687,375 at the end of the current fiscal year.

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

**Orland Fire Protection District  
Long-term Liabilities  
December 31, 2020**

Debt certificates	\$ 28,687,375
Installment contract	347,625
Note payable	924,260
Compensated absences	1,763,115
Net pension liabilities	5,511,037
Other postemployment benefits liability	<u>9,477,848</u>
Total long-term liabilities	<u>\$ 46,711,260</u>

Additional information on the District's long-term liabilities can be found in the notes to basic financial statements (see pages 48 - 53).

## **Economic Factors and Next Year's Budget and Rates**

The District's primary revenue source is property taxes, representing approximately 79.7% of total revenue. 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, and voter-approved rate increases.

Budgeted revenue for 2021 is \$38,261,786. Property taxes are assumed to increase for existing property by the Consumer Price Index and for new construction property. Other sources of budgeted revenue include fees for ambulance service, grant proceeds, fees for dispatch services provided to other fire departments, and other miscellaneous sources.

Budgeted expenditures for 2021 are \$38,112,340. Expenditures include salaries and benefits to maintain staffing levels, facility expenses to operate and maintain existing buildings, maintenance expenses to maintain existing apparatus, training expenditures funded through grant proceeds, debt payments, and other miscellaneous expenditures. The 2021 budget includes maintaining staffing levels, improving information technology and communications, replacing vehicles, and the purchasing of other specialized equipment.

## **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 151<sup>st</sup> 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, 2020**

**ASSETS**

Cash and investments	\$ 21,236,582
Receivables, net of allowance for uncollectibles:	
Property taxes	31,195,184
Accounts, net	3,216,667
Grants	1,499,446
Due from fiduciary fund	5,856
Prepaid items	110,006
Capital assets not being depreciated	2,815,425
Capital assets, net of accumulated depreciation	<u>16,338,950</u>
Total assets	<u>76,418,116</u>

**DEFERRED OUTFLOWS OF RESOURCES**

Deferred amount on refunding	2,204,294
Deferred outflows of resources related to pensions	8,476,570
Deferred outflows of resources related to other post-employment benefits	<u>5,958,752</u>
Total deferred outflows of resources	<u>16,639,616</u>

**LIABILITIES**

Accounts payable and other current liabilities	2,519,427
Noncurrent liabilities:	
Due within one year	3,021,634
Due in more than one year	<u>43,689,626</u>
Total liabilities	<u>49,230,687</u>

**DEFERRED INFLOWS OF RESOURCES**

Property taxes levied for future period	31,151,280
Deferred inflows of resources related to pensions	12,692,997
Deferred inflows of resources related to other post-employment benefits	<u>14,965,920</u>
Total deferred inflows of resources	<u>58,810,197</u>

**NET POSITION (DEFICIT)**

Net investment in capital assets	17,882,490
Restricted for:	
Tort immunity	2,066,102
Emergency rescue	781,383
Other purposes	454,135
Unrestricted deficit	<u>(36,167,262)</u>
Total net position (deficit)	<u>\$ (14,983,152)</u>

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

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2020**

		<b>Program Revenues</b>			<b>Net (Expense)</b>
		<b>Operating</b>	<b>Capital</b>	<b>Revenue and</b>	
<b>Expenses</b>	<b>Charges for</b>	<b>Grants and</b>	<b>Grants and</b>	<b>Change in</b>	
	<b>Service</b>	<b>Contributions</b>	<b>Contributions</b>	<b>Net Position</b>	
				<b>(Deficit)</b>	
Functions/programs:					
Governmental activities:					
Fire and rescue	\$ 14,382,794	\$ 551,846	\$ 2,096,662	\$ 517,341	\$(11,216,945)
Emergency medical service	12,626,420	4,090,538	-	-	(8,535,882)
General government	4,389,179	257,192	-	-	(4,131,987)
Interest expense	886,647	-	-	-	(886,647)
Total governmental activities	<u>\$ 32,285,040</u>	<u>\$ 4,899,576</u>	<u>\$ 2,096,662</u>	<u>\$ 517,341</u>	<u>(24,771,461)</u>
General revenues:					
Property taxes					30,072,908
Intergovernmental					49,568
Investment income					81,461
Other income					151,816
Total general revenues					<u>30,355,753</u>
Change in net position (deficit)					5,584,292
Net position (deficit) at beginning of year					<u>(20,567,444)</u>
Net position (deficit) at end of year					<u>\$(14,983,152)</u>

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

**FUND FINANCIAL STATEMENTS**

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2020**

	<b>General</b>	<b>Ambulance</b>	<b>Capital Projects</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>				
Cash and investments	\$ 15,338,575	\$ -	\$ 5,898,007	\$ 21,236,582
Receivables:				
Property taxes	22,117,485	9,077,699	-	31,195,184
Accounts, net	485,875	2,730,792	-	3,216,667
Grants	868,924	113,181	517,341	1,499,446
Due from other funds	1,382,521	5,471,588	266,476	7,120,585
Due from fiduciary fund	5,856	-	-	5,856
Prepaid items	87,683	22,323	-	110,006
	<b>\$ 40,286,919</b>	<b>\$ 17,415,583</b>	<b>\$ 6,681,824</b>	<b>\$ 64,384,326</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 380,762	\$ 593,726	\$ 522,463	\$ 1,496,951
Accrued expenditures	545,510	411,525	-	957,035
Due to other funds	5,738,064	11,748	1,370,773	7,120,585
	<b>6,664,336</b>	<b>1,016,999</b>	<b>1,893,236</b>	<b>9,574,571</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes levied for future period	22,082,312	9,068,968	-	31,151,280
Unavailable revenue - grant proceeds	209,242	11,692	-	220,934
	<b>22,291,554</b>	<b>9,080,660</b>	<b>-</b>	<b>31,372,214</b>
<b>FUND BALANCES</b>				
Nonspendable	87,683	22,323	-	110,006
Restricted	3,375,547	9,313	3,674,674	7,059,534
Assigned	1,158,596	7,286,288	1,113,914	9,558,798
Unassigned	6,709,203	-	-	6,709,203
	<b>11,331,029</b>	<b>7,317,924</b>	<b>4,788,588</b>	<b>23,437,541</b>
Total liabilities, deferred inflows of resources, and fund balances	<b>\$ 40,286,919</b>	<b>\$ 17,415,583</b>	<b>\$ 6,681,824</b>	<b>\$ 64,384,326</b>

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

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS  
TO NET POSITION (DEFICIT) OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2020**

Fund balances - total governmental funds \$ 23,437,541

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. 19,154,375

Unamortized loss on refunding is shown as a deferred outflow of resources on the statement of net position. 2,204,294

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 deferred and amortized in the statement of activities. Long-term liabilities and related accounts at year-end consist of:

Notes payable	\$	(924,260)
General obligation debt certificates		(28,715,000)
Unamortized issuance discount		27,625
Installment contract		(347,625)
Compensated absences		(1,763,115)
Net pension liabilities		(5,511,037)
Net other post-employment benefits liability		<u>(9,477,848)</u>

Total (46,711,260)

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. (65,441)  
(continued)

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

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS  
TO NET POSITION (DEFICIT) OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2020**

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	\$ 8,476,570	
Deferred inflows related to pensions	<u>(12,692,997)</u>	
Total		(4,216,427)

Deferred outflows and inflows of resources related to other post-employment benefits are applicable to future periods and, therefore, are not reported in the funds. Deferred outflows and inflows of resources related to other post-employment benefits at year-end are as follows:

Deferred outflows related to other post-employment benefits	\$ 5,958,752	
Deferred inflows related to other post-employment benefits	<u>(14,965,920)</u>	
Total		(9,007,168)

Amounts due from other governmental units for revenues that do not provide current financial resources are reported as deferred inflows of resources in the governmental funds.

		<u>220,934</u>
Net position (deficit) of governmental activities		<u>\$ (14,983,152)</u> (concluded)

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



**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2020**

	<u>General</u>	<u>Ambulance</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>				
Property taxes	\$ 20,973,491	\$ 9,099,417	\$ -	\$ 30,072,908
Charges for service	625,605	4,273,971	-	4,899,576
Grant proceeds	1,707,094	212,328	517,341	2,436,763
Intergovernmental	14,870	34,698	-	49,568
Investment income	20,565	47,988	12,908	81,461
Other	<u>143,759</u>	<u>8,057</u>	<u>-</u>	<u>151,816</u>
Total revenues	<u>23,485,384</u>	<u>13,676,459</u>	<u>530,249</u>	<u>37,692,092</u>
<b>Expenditures:</b>				
<b>Current:</b>				
Fire and rescue	9,628,604	5,734,929	-	15,363,533
Emergency medical service	7,599,171	5,664,430	-	13,263,601
General government	2,470,039	1,090,377	-	3,560,416
<b>Debt service:</b>				
Principal	1,125,000	-	448,635	1,573,635
Interest	699,439	-	88,402	787,841
Debt issuance costs	194,405	-	110,250	304,655
<b>Capital outlay:</b>				
Fire and rescue	382,273	-	1,110,214	1,492,487
Emergency medical service	<u>-</u>	<u>150,044</u>	<u>1,649,700</u>	<u>1,799,744</u>
Total expenditures	<u>22,098,931</u>	<u>12,639,780</u>	<u>3,407,201</u>	<u>38,145,912</u>
Excess (deficiency) of revenues over expenditures	<u>1,386,453</u>	<u>1,036,679</u>	<u>(2,876,952)</u>	<u>(453,820)</u>
<b>Other financing sources (uses):</b>				
Issuance of debt certificates	21,515,000	-	5,315,000	26,830,000
Payment to refunded debt escrow agent	(21,320,595)	-	-	(21,320,595)
Proceeds from sale of capital assets	-	-	6,219	6,219
Transfers in	-	-	1,200,000	1,200,000
Transfers out	<u>(200,000)</u>	<u>(1,000,000)</u>	<u>-</u>	<u>(1,200,000)</u>
Total other financing sources (uses)	<u>(5,595)</u>	<u>(1,000,000)</u>	<u>6,521,219</u>	<u>5,515,624</u>
Net change in fund balances	1,380,858	36,679	3,644,267	5,061,804
Fund balances at beginning of year	<u>9,950,171</u>	<u>7,281,245</u>	<u>1,144,321</u>	<u>18,375,737</u>
Fund balances at end of year	<u>\$ 11,331,029</u>	<u>\$ 7,317,924</u>	<u>\$ 4,788,588</u>	<u>\$ 23,437,541</u>

The accompanying notes are an integral part of the financial 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  
YEAR ENDED DECEMBER 31, 2020**

Net change in fund balances - total governmental funds \$ 5,061,804

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 capitalized capital outlay expenditures (\$3,110,709) exceeded depreciation (\$1,337,406) in the current period. 1,773,303

The net effect of transactions involving dispositions of capital assets was to decrease net position. (436,518)

The issuance of long-term debt (e.g., bonds, capital 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 deferred and 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:

Issuance of debt certificates	\$ (26,830,000)	
Principal repayment of long-term debt	1,573,635	
Payment to refunded debt escrow agent	21,320,595	
Amortization of deferred amount on refunding	(71,106)	
Amortization of issuance discount	<u>(9,680)</u>	
Total		(4,016,556)

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. (18,021)

Long-term compensated absences do not require the use of current financial resources. Therefore, the increase in compensated absences payable is not reported in the governmental funds. (56,472)

The changes in the District's net pension liabilities and deferred outflows/inflows of resources related to pensions are only reported in the statement of activities. 1,390,828

The changes in the District's total other post-employment benefits liability and deferred outflows/inflows of resources related to other postemployment benefits are only reported in the statement of activities. 1,708,686

Grant 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 unavailable grant revenues at the end of the current fiscal year increased from the corresponding amount at the end of the previous fiscal year. 177,238

Change in net position (deficit) of governmental activities \$ 5,584,292

The accompanying notes are an integral part of the financial 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**  
**YEAR ENDED DECEMBER 31, 2020**

	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	\$ 20,762,581	\$ 21,012,581	\$ 20,973,491	\$ (39,090)	\$ 8,700,000	\$ 8,850,000	\$ 9,099,417	\$ 249,417
Charges for service	599,831	599,831	625,605	25,774	4,849,671	4,849,671	4,273,971	(575,700)
Grant proceeds	1,222,900	1,222,900	1,707,094	484,194	-	430,000	212,328	(217,672)
Intergovernmental	13,478	13,478	14,870	1,392	31,522	31,522	34,698	3,176
Investment income	23,962	23,962	20,565	(3,397)	56,038	56,038	47,988	(8,050)
Other	182,488	182,488	143,759	(38,729)	31,862	31,862	8,057	(23,805)
<b>Total revenues</b>	<b>22,805,240</b>	<b>23,055,240</b>	<b>23,485,384</b>	<b>430,144</b>	<b>13,669,093</b>	<b>14,249,093</b>	<b>13,676,459</b>	<b>(572,634)</b>
Expenditures and encumbrances:								
Current:								
Personnel:								
Compensation and salaries	11,085,209	11,085,209	10,875,592	209,617	8,321,999	8,721,999	8,541,612	180,387
Payroll taxes	217,013	217,013	222,184	(5,171)	368,215	368,215	361,955	6,260
Education and seminars	1,280,224	1,280,224	828,019	452,205	53,155	53,155	16,923	36,232
Health and life insurance	2,462,950	2,462,950	2,191,458	271,492	2,072,205	2,072,205	1,846,198	226,007
Pension contribution	2,660,325	2,660,325	2,660,325	-	-	-	-	-
Commodities:								
Heat, light and power	60,515	60,515	66,244	(5,729)	141,385	141,385	154,565	(13,180)
Operational supplies	401,208	401,208	493,948	(92,740)	332,636	762,636	263,244	499,392
Postage and printing	641	641	704	(63)	2,101	2,101	2,304	(203)
Protective clothing	126,133	126,133	148,396	(22,263)	86,617	86,617	97,335	(10,718)
Repairs and maintenance	267,160	267,160	268,096	(936)	320,469	320,469	269,512	50,957
Telephone	13,478	13,478	16,122	(2,644)	31,522	31,522	37,617	(6,095)
Contractual:								
Billing services	-	-	-	-	135,000	135,000	170,133	(35,133)
Facility charge	-	-	85,250	(85,250)	-	-	-	-
Insurance	1,180,382	1,232,382	1,210,775	21,607	-	-	-	-
Professional services	395,230	395,230	537,832	(142,602)	419,876	419,876	407,373	12,503
Other	116,822	116,822	179,085	(62,263)	382,777	382,777	293,182	89,595
Debt service:								
Principal	965,000	965,000	1,125,000	(160,000)	-	-	-	-
Interest	973,759	973,759	699,439	274,320	-	-	-	-
Debt issuance costs	-	-	194,405	(194,405)	-	-	-	-
Capital outlay	99,470	99,470	694,573	(595,103)	325,933	325,933	150,044	175,889
<b>Total expenditures and encumbrances</b>	<b>22,305,519</b>	<b>22,357,519</b>	<b>22,497,447</b>	<b>(139,928)</b>	<b>12,993,890</b>	<b>13,823,890</b>	<b>12,611,997</b>	<b>1,211,893</b>

The accompanying notes are an integral part of the financial 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**  
**YEAR ENDED DECEMBER 31, 2020**

	<u>General Fund</u>				<u>Ambulance Fund</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Excess of revenues over expenditures and encumbrances	499,721	697,721	987,937	290,216	675,203	425,203	1,064,462	639,259
Other financing sources (uses):								
Issuance of debt certificates	-	-	21,515,000	21,515,000	-	-	-	-
Payment to refunded debt escrow agent	-	-	(21,320,595)	(21,320,595)	-	-	-	-
Transfers out	(200,000)	(200,000)	(200,000)	-	(1,000,000)	(1,000,000)	(1,000,000)	-
Total other financing sources (uses)	(200,000)	(200,000)	(5,595)	194,405	(1,000,000)	(1,000,000)	(1,000,000)	-
Net change in fund balances	299,721	497,721	982,342	484,621	(324,797)	(574,797)	64,462	639,259
Fund balances at beginning of year (non-GAAP budgetary basis)	9,856,077	9,856,077	9,856,077	-	7,151,284	7,151,284	7,151,284	-
Fund balances at end of year (non-GAAP budgetary basis)	10,155,798	10,353,798	10,838,419	484,621	6,826,487	6,576,487	7,215,746	639,259
Adjustment to generally accepted accounting principles:								
Current year encumbrances included in expenditures	-	-	492,610	492,610	-	-	102,178	102,178
Fund balances at end of year (GAAP basis)	<u>\$ 10,155,798</u>	<u>\$ 10,353,798</u>	<u>\$ 11,331,029</u>	<u>\$ 977,231</u>	<u>\$ 6,826,487</u>	<u>\$ 6,576,487</u>	<u>\$ 7,317,924</u>	<u>\$ 741,437</u>

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

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS**  
**PENSION AND OTHER POST-EMPLOYMENT BENEFITS TRUST FUNDS**  
**DECEMBER 31, 2020**

**ASSETS**

Cash	\$	5,576,645
Accrued interest receivable		313,335
Contributions receivable		600,000
Investments:		
Debt issues:		
Corporate		33,095,332
Foreign		3,601,117
Municipal		3,308,182
Equities:		
Domestic		10,972,860
Foreign		190,813
Mutual funds:		
Bonds		1,613,725
Equities		104,073,606
Other pooled equity investments		642,173
Other pooled fixed income investments		194,670
Separate account		16,587,489
U.S. government agency obligations		2,305,103
U.S. Treasury notes		20,285,684
Prepaid items		<u>16,426</u>
Total assets		<u>203,377,160</u>

**LIABILITIES**

Accounts payable		47,014
Due to District		<u>5,856</u>
Total liabilities		<u>52,870</u>

**NET POSITION**

Net position restricted for:		
Pension benefits		192,080,693
Other post-employment benefits		<u>11,243,597</u>
Total net position		<u>\$ 203,324,290</u>

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

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS**  
**PENSION AND OTHER POST-EMPLOYMENT BENEFITS TRUST FUNDS**  
**YEAR ENDED DECEMBER 31, 2020**

Additions:	
Contributions:	
Employer	\$ 3,260,325
Employees	<u>1,383,913</u>
Total contributions	<u>4,644,238</u>
Investment income	22,185,690
Less investment expense	<u>(330,604)</u>
Net investment income	<u>21,855,086</u>
Total additions	<u>26,499,324</u>
Deductions:	
Benefit payments	7,729,640
Administrative expenses	<u>90,542</u>
Total deductions	<u>7,820,182</u>
Increase in net position	18,679,142
Net position at beginning of year	<u>184,645,148</u>
Net position at end of year	<u>\$ 203,324,290</u>

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

**NOTES TO BASIC FINANCIAL STATEMENTS**

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. 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 nonfiduciary 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.

**B. 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. The District and the FPF participants are obligated to fund all FPF costs based upon actuarial valuations. 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 the contribution levels. 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 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 District funds RHIF costs based upon actuarial valuations. The RHIF is reported as if it were part of the primary government because its sole purpose is to provide health insurance benefits for the District's sworn firefighters. The RHIF is reported as a trust fund.

**C. 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 BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

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

**D. 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 subfunds: 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.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

**E. Measurement Focus and Basis of Accounting**

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.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. 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 incurred, 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 capital 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 so 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 post-employment benefit trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
 YEAR ENDED DECEMBER 31, 2020**

**F. Budgetary Information**

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America, except that in certain governmental funds encumbrances are recorded as the equivalent of expenditures for budgetary basis purposes. Encumbrances are recorded in the Corporate, Tort Liability, Emergency Rescue, Ambulance, and Capital Projects funds.

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

1. 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.
2. Public hearings are conducted by the District to obtain taxpayer comments.
3. The budget is legally enacted through passage of an ordinance. The budget for the year ended December 31, 2020 was adopted through the passage of ordinance number 2019-02 on November 19, 2019 and was subsequently amended through the passage of ordinance number 2021-01 on January 26, 2021.
4. With authorization from the Chief, the Finance Director is allowed to transfer appropriated amounts between line items within funds.
5. The level of control (level at which expenditures may not exceed budget/appropriations) is the line item of appropriation. Appropriations lapse at the end of the fiscal year.
6. Budgeted expenditures represent working budget amounts. The appropriations as adopted for each fund are as follows:

General Fund:	
Corporate Subfund	\$ 19,710,911
Tort Liability Subfund	3,224,446
Emergency Rescue Subfund	2,304,465
Ambulance Fund	15,750,836
Capital Projects Fund	7,429,081

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, 2020 totaled \$4,297,393.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

The following fund had an excess of actual expenditures/encumbrances over the working budget amount for the year ended December 31, 2020:

<u>Fund</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General subfund:			
Corporate Fund	<u>\$ 17,360,166</u>	<u>\$ 17,820,186</u>	<u>\$ 460,020</u>

The overexpenditure in the Corporate Fund was funded by greater than anticipated revenues and available fund balance.

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

**1. Investments**

Investments are reported at fair value.

**2. 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.

**3. Capital Assets**

Capital assets, which include land, buildings and improvements, apparatus, vehicles, and 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. 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.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

Buildings and improvements, apparatus, vehicles, and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	50
Apparatus	10-20
Vehicles	5
Equipment	10

**4. *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*, represents a consumption of net position that applies to a future period 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 Notes II.E.1 and 2 for further discussion of deferred outflows of resources related to pensions), *deferred outflows of resources related to other post-employment benefits* (see Note II.E.4 for further discussion of deferred outflows of resources related to other post-employment 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 amortized 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*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has four items that qualify for reporting in this category. One item, included in the government-wide and fund financial statements, is related to property taxes that are levied for a future period. Two other items, included in the government-wide financial statements, are deferred inflows of resources related to pensions (see Notes II.E.1 and 2 for further discussion of deferred inflows of resources related to pensions) and deferred inflows of resources related to other post-employment benefits (see Note II.E.4 for further discussion of deferred inflows of resources related to other postemployment benefits). The fourth item, unavailable grant proceeds, is reported as deferred inflows of resources in the governmental fund balance sheets.

**5. *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 deferred and 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.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

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. Bond issuance costs are reported as debt service expenditures.

**6. *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.

**7. *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.

**8. *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 limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
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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.

**H. Revenues and Expenses/Expenditures**

**1. 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.

**2. Property Taxes**

Property taxes are levied as of January 1 on property values assessed on the same date. 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.

**3. Compensated Absences**

It is the District's policy to permit employees to accumulate earned but unused sick pay benefits. The liability for sick pay is reported as incurred in the government-wide financial statements. 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.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
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**I. 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 and other post-employment benefits liabilities and the related deferred outflows/inflows of resources. It is at least reasonably possible that the significant estimates used will change within the next year.

**J. Comparative Data**

Comparative data for the prior year have been presented in the combining and individual fund financial statements and schedules in order to provide an understanding of the changes in the financial position and operations of the various funds of the District.

**K. Management's Evaluation of Going Concern**

In accordance with accounting principles generally accepted in the United States of America, management performed an evaluation to determine if adverse conditions or events, considered in the aggregate, raise substantial doubt about the District's ability to continue as a going concern for the one-year period from the date the financial statements were available to be issued. Management's evaluation did not identify any conditions or events that raise substantial doubt about the District's ability to continue as a going concern for the period from June 14, 2021 to June 14, 2022.

**L. Adoption of New Accounting Standard**

Effective January 1, 2020, the District implemented the provisions of GASB Statement No. 84, *Fiduciary Activities*. This statement changes the definition of fiduciary activities, providing more refined guidance on how to determine if an activity is fiduciary in nature and therefore should be reported as such. The statement defines types of fiduciary funds, eliminating agency funds and replacing them with custodial funds. Under this guidance, all fiduciary funds will now report a net position and a statement of changes in net position. Implementation of this guidance resulted in no changes in the reporting of the District's fiduciary activities.



**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
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**M. New Accounting Standard - Leases**

In June 2017, the GASB issued Statement No. 87, *Leases*. The most significant change in the new leasing guidance is the requirement for a lessee to recognize a lease liability and an intangible right-of-use asset, and a lessor to recognize a lease receivable and a deferred inflow of resources. Statement No. 87 is effective for fiscal years beginning after June 15, 2021. The District is currently evaluating the effect the adoption of Statement No. 87 is expected to have on its financial statements and related disclosures.

**II. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS**

**A. 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, 2020, bank balances of the Firefighters' Pension Fund and the Retiree Health Insurance Fund were fully insured. As of December 31, 2020, \$13,230,384 of the District's bank balances of \$21,510,857 was exposed to custodial credit risk and classified as follows:

Uninsured and collateralized with securities held by the pledging financial institutions	\$ 11,224,621
Uninsured and collateralized with securities held by the pledging financial institution's trust department but not in the District's name	<u>2,005,763</u>
Total	<u>\$ 13,230,384</u>

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

***Investments***

As of December 31, 2020, the Firefighters' Pension Fund and the Retiree Health Insurance Fund had the following investments:

<u>Type of Investment</u>	<u>Fair Value</u>	<u>Average Credit Quality Ratings (1)</u>	<u>Weighted Average Years to Maturity (2)</u>
<b>Firefighters' Pension Fund:</b>			
Debt issues:			
Corporate*	\$ 31,725,076	AAA - CCC+ / Aaa - Caa1	5.09
Foreign*	3,601,117	AA- - BBB+ / Aa2 - Baa2	3.81
Municipal*	3,308,182	AAA - A+ / Aaa - A2	9.87
Equities:			
Domestic	10,972,860	N/A	N/A
Foreign	190,813	N/A	N/A
Mutual funds:			
Equities	97,467,137	N/A	N/A
Separate account	16,587,489	N/A	N/A
U.S. government agency obligations*	2,305,103	AA+ / Aaa	7.69
U.S. Treasury notes	<u>20,218,743</u>	N/A	4.60
Total	<u>\$ 186,376,520</u>		
<b>Retiree Health Insurance Fund:</b>			
Debt issues:			
Corporate*	\$ 1,370,256	AAA - A2	0.81
Mutual funds:			
Bonds	1,613,725	N/A	7.62
Equities	6,606,469	N/A	N/A
Other pooled equity investments	642,173	N/A	N/A
Other pooled fixed income investments	194,670	N/A	See (3)
U.S. Treasury note	<u>66,941</u>	N/A	6.29
Total	<u>\$ 10,494,234</u>		

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

(2) *Interest Rate Risk* is estimated using weighted average years to maturity.

(3) Information is not available.

\* Some investments are not rated

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

***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 an 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.

*Firefighters' Pension Fund and Retiree Health Insurance Fund*

The Firefighters' Pension Fund and Retiree Health Insurance 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.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
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Credit risk – the investment programs of the Firefighters' Pension Fund and 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 Firefighters' Pension Fund and 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.

The Firefighters' Pension Fund is also subject to foreign currency risk:

Foreign currency risk - the investment policy of the Firefighters' Pension Fund does not specifically define foreign currency risk. At December 31, 2020, the Firefighters' Pension Fund's investment portfolio contained \$3,601,117 of foreign currency-denominated corporate bonds that were rated between AA- and BBB+ by Standard & Poor's Ratings, and between Aa2 and Baa2 by Moody's Investors Service and \$190,813 of foreign currency-denominated equities.

**B. Fair Value Measurements**

The Firefighters' Pension Fund and Retiree Health Insurance Fund categorize their fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Firefighters' Pension Fund and Retiree Health Insurance Fund had the following recurring fair value measurements as of December 31, 2020:

Debt issues, other pooled equity investments, other pooled fixed income investments, U.S. government agency obligations, and U.S. Treasury notes - 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.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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Equities - Valued at quoted market prices for identical assets in active markets.

Mutual funds - Valued at the daily closing price as reported by the fund. Mutual funds held by the Firefighters' Pension Fund and 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 Firefighters' Pension Fund and Retiree Health Insurance Fund are deemed to be actively traded.

Separate account - Valued at NAV of units held, as reported by the manager of the separate account. The NAV is used as a practical expedient, and 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 Firefighters' Pension Fund and Retiree Health Insurance Fund for which fair values are determined on a recurring basis as of December 31, 2020:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
Firefighters' Pension Fund:				
Debt issues:				
Corporate	\$ -	\$ 31,725,076	\$ -	\$ 31,725,076
Foreign	-	3,601,117	-	3,601,117
Municipal	-	3,308,182	-	3,308,182
Equities:				
Domestic	10,972,860	-	-	10,972,860
Foreign	190,813	-	-	190,813
Mutual funds:				
Equities	97,467,137	-	-	97,467,137
U.S. government agency obligations	-	2,305,103	-	2,305,103
U.S. Treasury notes	-	20,218,743	-	20,218,743
Total investments in the fair value hierarchy	108,630,810	61,158,221	-	169,789,031
Separate account - measured at net asset value (*)	-	-	-	16,587,489
Total investments at fair value	<u>\$ 108,630,810</u>	<u>\$ 61,158,221</u>	<u>\$ -</u>	<u>\$ 186,376,520</u>

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
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	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Fair Value
Retiree Health Insurance Fund:				
Debt issues:				
Corporate	\$ -	\$ 1,370,256	\$ -	\$ 1,370,256
Mutual funds:				
Bonds	1,613,725	-	-	1,613,725
Equities	6,606,469	-	-	6,606,469
Other pooled equity investments	-	642,173	-	642,173
Other pooled fixed income investments	-	194,670	-	194,670
U.S. Treasury note	-	66,941	-	66,941
	<u>\$ 8,220,194</u>	<u>\$ 2,274,040</u>	<u>\$ -</u>	<u>\$ 10,494,234</u>
Total investments at fair value				

\* In accordance with GASB 72, the separate account that was measured at NAV per share has 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.

The Firefighters' Pension Fund's separate account investment is in an open-end, commingled real estate equity account established by Principal Life Insurance Company that invests in a diversified mix of primarily high quality, well-leased real estate properties in the multifamily, industrial, office, retail and hotel sectors. Redemptions are subject to a withdrawal limitation, which was last utilized in 2008.

**C. Receivables**

The allowance for uncollectible ambulance accounts receivable of \$908,381 is based on previous collection experience.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
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**D. Capital Assets**

Capital asset activity for the year ended December 31, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases / Adjustments</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 584,783	\$ -	\$ -	\$ 584,783
Deposits on purchases of apparatus and vehicles	596,298	1,199,726	(596,298)	1,199,726
Construction in progress	<u>38,335</u>	<u>992,581</u>	<u>-</u>	<u>1,030,916</u>
Total capital assets, not being depreciated	<u>1,219,416</u>	<u>2,192,307</u>	<u>(596,298)</u>	<u>2,815,425</u>
Capital assets, being depreciated:				
Buildings and improvements	17,296,164	39,668	-	17,335,832
Apparatus and vehicles	8,687,853	569,103	(682,729)	8,574,227
Equipment	<u>3,856,847</u>	<u>309,631</u>	<u>-</u>	<u>4,166,478</u>
Total capital assets, being depreciated	<u>29,840,864</u>	<u>918,402</u>	<u>(682,729)</u>	<u>30,076,537</u>
Less accumulated depreciation for:				
Buildings and improvements	5,549,646	346,716	-	5,896,362
Apparatus and vehicles	4,942,669	672,096	(842,509)	4,772,256
Equipment	<u>2,750,375</u>	<u>318,594</u>	<u>-</u>	<u>3,068,969</u>
Total accumulated depreciation	<u>13,242,690</u>	<u>1,337,406</u>	<u>(842,509)</u>	<u>13,737,587</u>
Total capital assets, being depreciated, net	<u>16,598,174</u>	<u>(419,004)</u>	<u>159,780</u>	<u>16,338,950</u>
Governmental activities capital assets, net	<u>\$ 17,817,590</u>	<u>\$ 1,773,303</u>	<u>\$ (436,518)</u>	<u>\$ 19,154,375</u>

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
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Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
Fire and rescue	\$ 717,466
Emergency medical service	502,300
General government	<u>117,640</u>
 Total depreciation expense - governmental activities	 <u>\$ 1,337,406</u>

**E. Pension and Post-Employment 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 post-employment benefit plan (Postretirement Health Plan). The information presented in the following notes is the most current information available as of December 31, 2020.

**1. 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**  
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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. 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, 2020, the Firefighters' Pension Plan's membership consisted of the following:

Inactive employees currently receiving benefits	80
Inactive employees entitled to but not receiving benefits	3
Active employees	<u>116</u>
 Total	 <u>199</u>

*Contributions.* Employees are required by Illinois Compiled Statutes (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. 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, 2020, the District's contribution was 18.66% of covered payroll.

*Net Pension Liability.* The District's net pension liability was measured as of December 31, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial cost method - Entry-age normal

Inflation - 2.25%

Salary increases - 4.25% - 32.05%

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**  
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Mortality rates were based on the Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data. Retirement rates were based on 100% of the actuary's 2020 Illinois Firefighters' Retirement Rates capped at age 65, with a 50% rate at 26 years of service. Disability Rates and Termination Rates were based on 100% of the actuary's 2020 Illinois Firefighters' Disability and Termination Rates, respectively.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study for the period January 1, 2020 - December 31, 2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Firefighters' Pension Plan's target asset allocation as of December 31, 2020 (see the discussion of the Firefighters' Pension Plan's investment policy) are summarized in the following table:

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	32.5 %	5.8 %
Fixed income	35.0	2.1
International equity	17.5	6.3
Real estate	10.0	5.5
Global tactical	5.0	3.0
Total	100.0 %	

*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, 2020, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense was 9.60%. 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**  
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*Changes in the Net Pension Liability.* Changes in the District's net pension liability for the year ended December 31, 2020 were as follows:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balances at December 31, 2019	<u>\$ 184,053,143</u>	<u>\$ 174,969,910</u>	<u>\$ 9,083,233</u>
Changes for the year:			
Service cost	3,947,049	-	3,947,049
Interest on the total pension liability	12,918,350	-	12,918,350
Differences between expected and actual experience	3,744,463	-	3,744,463
Changes of assumptions	199,454	-	199,454
Net investment income	-	20,132,307	(20,132,307)
Contributions - employer	-	2,660,325	(2,660,325)
Contributions - employees	-	1,370,561	(1,370,561)
Contributions - other	-	13,352	(13,352)
Benefit payments, including refunds of employee contributions	(6,977,720)	(6,977,720)	-
Administrative expense	-	(88,042)	88,042
Net changes	<u>13,831,596</u>	<u>17,110,783</u>	<u>(3,279,187)</u>
Balances at December 31, 2020	<u>\$ 197,884,739</u>	<u>\$ 192,080,693</u>	<u>\$ 5,804,046</u>

The changes of assumptions amount of \$199,454 was primarily the result of changes in demographic assumptions based on a study of firefighters and fire pension funds in Illinois.

*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:

	<u>1% Lower (6.0%)</u>	<u>Current Discount Rate (7.0%)</u>	<u>1% Higher (8.0%)</u>
District's net pension liability (asset)	<u>\$ 36,069,252</u>	<u>\$ 5,804,046</u>	<u>\$ (18,648,667)</u>

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

*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.

*Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* For the year ended December 31, 2020, the District recognized pension expense of \$1,520,065. At December 31, 2020, the District reported deferred outflows of 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>
Differences between expected and actual experience	\$ 5,145,107	\$ 1,626,619
Changes of assumptions	2,875,254	-
Net difference between projected and actual earnings on Plan investments	<u>-</u>	<u>9,928,383</u>
Total	<u>\$ 8,020,361</u>	<u>\$ 11,555,002</u>

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

2021	\$ (1,668,015)
2022	(126,395)
2023	(3,421,020)
2024	(442,843)
2025	1,181,957
Thereafter	<u>941,675</u>
Total	<u>\$ (3,534,641)</u>

**2. Illinois Municipal Retirement Fund**

*Plan Description.* The District's defined benefit pension plan for employees that are not in positions covered by the Firefighters' Pension Plan provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The District'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](http://www.imrf.org).

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

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 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 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 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

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

*Employees Covered by Benefit Terms.* As of December 31, 2020, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	13
Inactive employees entitled to but not yet receiving benefits	12
Active employees	<u>25</u>
 Total	 <u><u>50</u></u>

*Contributions.* As set by statute, the District's plan members are required to contribute 4.5% 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 District's annual required contribution rate for calendar year 2020 was 8.96%. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
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*Net Pension Liability.* The District's net pension liability was measured as of December 31, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The following are the methods and assumptions used to determine the total pension liability at December 31, 2020:

- The Actuarial Cost Method used was Aggregate Entry Age Normal.
- The Asset Valuation Method used was Five-year Smoothed Fair Value.
- The Inflation Rate was assumed to be 2.50%.
- Salary Increases were expected to be 3.35% to 14.25%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the Experience-based Table of Rates, specific to the type of eligibility condition, last updated for the 2017 valuation according to an experience study from years 2014 to 2016.
- For non-disabled retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience.
- For disabled retirees, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives.
- For active members, an IMRF-specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF-specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.
- 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:

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
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Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	37 %	5.00 %
International equity	18	6.00
Fixed income	28	1.30
Real estate	9	6.20
Alternative investments	7	2.85 - 6.95
Cash equivalents	1	0.70
Total	100 %	

*Single Discount Rate.* A Single Discount Rate of 7.25% was used to measure the total pension liability. 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 District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the District's IMRF 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.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

*Changes in the Net Pension Liability.* Changes in the District's net pension liability for the year ended December 31, 2020 were as follows:

	<u>Increase (Decrease)</u>		
	Total Pension Liability <u>(a)</u>	Plan Fiduciary Net Position <u>(b)</u>	Net Pension Liability (Asset) <u>(a) - (b)</u>
Balances at December 31, 2019	\$ 9,529,540	\$ 8,804,831	\$ 724,709
Changes for the year:			
Service cost	254,929	-	254,929
Interest on the total pension liability	689,960	-	689,960
Differences between expected and actual experience	(243,641)	-	(243,641)
Changes of assumptions	(99,984)	-	(99,984)
Net investment income	-	1,222,336	(1,222,336)
Contributions - employer	-	223,142	(223,142)
Contributions - employees	-	115,790	(115,790)
Benefit payments, including refunds of employee contributions	(280,639)	(280,639)	-
Other changes	<u>-</u>	<u>57,714</u>	<u>(57,714)</u>
Net changes	<u>320,625</u>	<u>1,338,343</u>	<u>(1,017,718)</u>
Balances at December 31, 2020	<u>\$ 9,850,165</u>	<u>\$ 10,143,174</u>	<u>\$ (293,009)</u>

*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 7.25%, as well as what the net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower (6.25%) or 1% higher (8.25%) than the current rate:

	1% Lower <u>(6.25%)</u>	Current Discount Rate <u>(7.25%)</u>	1% Higher <u>(8.25%)</u>
District's net pension liability (asset)	<u>\$ 1,054,823</u>	<u>\$ (293,009)</u>	<u>\$ (1,370,142)</u>



**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

*Plan Fiduciary Net Position.* Detailed information about the Plan’s fiduciary net position is available in the separately issued IMRF financial report.

*Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions.* For the year ended December 31, 2020, the District recognized pension expense (income) of \$(27,427). At December 31, 2020, the District reported deferred outflows of 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>
Differences between expected and actual experience	\$ 309,185	\$ 281,343
Changes of assumptions	147,024	177,674
Net difference between projected and actual earnings on Plan investments	<u>-</u>	<u>678,978</u>
Total	<u>\$ 456,209</u>	<u>\$ 1,137,995</u>

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

2021	\$ (225,619)
2022	(79,468)
2023	(241,060)
2024	(122,580)
2025	<u>(13,059)</u>
Total	<u>\$ (681,786)</u>

**3. 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 Illinois Municipal Retirement Fund (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**  
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Deferred outflows of resources, liabilities, deferred inflows of resources, and pension expense/expenditures are summarized as follows:

	<u>FPP</u>	<u>IMRF</u>	<u>Total</u>
Deferred outflows of resources	\$ 8,020,361	\$ 456,209	\$ 8,476,570
Net pension liability (asset)	5,804,046	(293,009)	5,511,037
Deferred inflows of resources	11,555,002	1,137,995	12,692,997
Pension expense (income)	1,520,065	(27,427)	1,492,638
Pension expenditures	2,660,325	223,142	2,883,467

**4. Postretirement Health Plan**

*Plan Description.* The District's defined benefit other post-employment 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 Illinois Municipal Retirement Fund (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, 2018 - 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.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
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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 – PSEBA who retire on or after January 1, 2018 - 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, 2018 - 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.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
 NOTES TO BASIC FINANCIAL STATEMENTS  
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Retirees- Fire - Non-PSEBA who retire on or after January 1, 2018 - 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.

*Plan Membership.* As of December 31, 2020, Plan membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefit payments	68
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>147</u>
 Total	 <u><u>215</u></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.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
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*Net OPEB Liability.* The District's net OPEB liability was measured as of December 31, 2020. The total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2021, and adjusted to measurement date, 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, 2020:

- The actuarial cost method used was entry age normal.
- Long-term expected rate of return on Plan assets was expected to be 7.00%.
- Salary increases were expected to be 3.25%.
- Healthcare cost trend rate for non-HSA medical was expected to be 8.00% initially, decreasing to 6.00% in year two, and then reduced by decrements to an ultimate rate of 5.00%.
- Healthcare cost trend rate for HSA medical was expected to be 8.00% initially, decreasing to 5.70% in year two, and then reduced by decrements to an ultimate rate of 4.70%.
- Healthcare cost trend rate for dental was expected to be 8.00% initially and then reduced to an ultimate rate of 2.00%.
- Retirement rates - 100% of the L&A Assumption Study Cap Age 65 for Firefighters 2020. IMRF 2017 for IMRF employees.
- Termination rates - 100% of the L&A Assumption Study for Firefighters 2020. IMRF 2017 for IMRF employees.
- Mortality rates - Active firefighter mortality follows the sex distinct raw rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 improvement rates. These rates are improved generationally using MP-2019 improvement rates. Retiree firefighter mortality follows the L&A Assumption Study for Firefighters 2020. These rates are experience weighted with the sex distinct raw rates as developed in the PubS-2010(A) study improved to 2017 using MP-2019 improvement rates. These rates are then improved generationally using MP-2019 improvement rates. Disabled firefighter mortality follows the L&A Assumption Study for Disabled Firefighters 2020. These rates are experience weighted with the sex distinct raw rates as developed in the PubS-2010(A) Study for disabled participants improved to 2017 using MP-2019 improvements rates. These rates are then improved generationally using MP-2019 improvement rates. Firefighter spouse mortality follows the sex distinct raw rates as developed in the PubS-2010(A) Study for contingent survivors. For all rates not provided there (ages 45 and younger), the PubG-2010 Study for general employees was used. Mortality improvement uses MP-2019 improvement rates applied on a fully generational basis. RP-2014 with Blue Collar Adjustments and MP-2016 Improvement, weighted per an IMRF Experience Study dated November 8, 2017 for IMRF Employees.
- Disability rates - 100% of the L&A Assumption Study for Firefighters 2020. IMRF 2017 for IMRF Employees.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
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*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, 2020:

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

*Single Discount Rate.* A Single Discount Rate of 3.73% was used to measure the total OPEB liability. The projection of cash flows used to determine this 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 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 2.12% to arrive at a Single Discount Rate of 3.73% used to determine the total OPEB liability.

For the year ended December 31, 2020, the annual money-weighted rate of return on OPEB investments, net of investment expense was 17.81%. 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**  
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*Changes in the Net OPEB Liability.* Changes in the District's net OPEB liability for the year ended December 31, 2020 were as follows:

	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability (a) - (b)</u>
Balances at December 31, 2019	\$ 27,156,346	\$ 9,675,238	\$ 17,481,108
Changes for the year:			
Service cost	807,637	-	807,637
Interest on the total OPEB liability	865,656	-	865,656
Differences between expected and actual experience	(6,439,244)	-	(6,439,244)
Changes of assumptions	(140,148)	-	(140,148)
Contributions - employer	-	1,376,882	(1,376,882)
Net investment income	-	1,722,779	(1,722,779)
Benefit payments	(1,528,802)	(1,528,802)	-
Administrative expense	-	(2,500)	2,500
Net changes	<u>(6,434,901)</u>	<u>1,568,359</u>	<u>(8,003,260)</u>
Balances at December 31, 2020	<u>\$ 20,721,445</u>	<u>\$ 11,243,597</u>	<u>\$ 9,477,848</u>

The changes of assumptions amount of \$(140,148) was primarily the result of the 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.

*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:

	<u>1% Lower (2.73%)</u>	<u>Current Discount Rate (3.73%)</u>	<u>1% Higher (4.73%)</u>
District's net OPEB liability	<u>\$ 10,745,006</u>	<u>\$ 9,477,848</u>	<u>\$ 8,291,883</u>

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
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*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:

	<u>1% Lower (Varies)</u>	<u>Current Healthcare Cost Trend Rates (Varies)</u>	<u>1% Higher (Varies)</u>
District's net OPEB liability	\$ 7,820,475	\$ 9,477,848	\$ 11,370,167

*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 (Income), Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB.* For the year ended December 31, 2020, the District recognized OPEB income of \$(331,804).

At December 31, 2020, 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	\$ 5,381,812	\$ 5,733,959
Changes of assumptions	576,940	8,176,714
Net difference between projected and actual earnings on Plan investments	<u>-</u>	<u>1,055,247</u>
Total	<u>\$ 5,958,752</u>	<u>\$ 14,965,920</u>

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

2021	\$ (1,330,330)
2022	(1,330,334)
2023	(1,558,776)
2024	(1,333,531)
2025	(1,124,431)
Thereafter	<u>(2,329,766)</u>
Total	<u>\$ (9,007,168)</u>



**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**F. Due from/to Other Funds**

Interfund receivable and payable balances at December 31, 2020 were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund:		
Corporate subfund	Capital Projects Fund	\$ 1,370,773
Tort Liability subfund	Ambulance Fund	5,874
Emergency Rescue subfund	Ambulance Fund	5,874
Ambulance Fund	General Fund:	
	Corporate subfund	5,471,588
Capital Projects Fund	General Fund:	
	General Fund	<u>266,476</u>
Total		<u><u>\$ 7,120,585</u></u>

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.

**G. Interfund Transfers**

<u>Transfer in</u>	<u>Transfer out</u>	<u>Amount</u>
Capital Projects Fund	General Fund:	
Capital Projects Fund	Emergency Rescue subfund	\$ 200,000
	Ambulance Fund	<u>1,000,000</u>
Total		<u><u>\$ 1,200,000</u></u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them in accordance with budgetary authorizations.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

**H. Long-term Liabilities**

Long-term liability activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Additions	Reductions/ Adjustments	Ending Balance	Due Within One Year
Notes payable	\$ 1,036,424	\$ -	\$ (112,164)	\$ 924,260	\$ 114,531
Installment contract payable	474,096	-	(126,471)	347,625	347,625
Debt certificates:					
General obligation debt certificates	22,430,000	26,830,000	(20,545,000)	28,715,000	1,670,000
Unamortized issuance discount	(202,110)	-	174,485	(27,625)	-
Compensated absences	1,706,643	927,117	(870,645)	1,763,115	889,478
Net pension liabilities:					
Firefighters' Pension Fund	9,083,233	1,520,065	(4,799,252)	5,804,046	-
Illinois Municipal Retirement Fund	724,709	(27,427)	(990,291)	(293,009)	-
Other post-employment benefits liability	17,481,108	(331,804)	(7,671,456)	9,477,848	-
Total	<u>\$ 52,734,103</u>	<u>\$ 28,917,951</u>	<u>\$ (34,940,794)</u>	<u>\$ 46,711,260</u>	<u>\$ 3,021,634</u>

The debt service of the notes payable and the installment contract 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.

The schedules of the long-term debt outstanding at December 31, 2020 are as follows:

*Notes Payable*

The District has a note payable to a bank due that is due in annual installments of \$97,771, including interest at 2.95%. The proceeds of the note were used to purchase a new fire truck, in which the bank holds a security interest. Payments under the note payable are due as follows:

Year Ending December 31,	Principal Due	Interest Due	Total Due
2021	\$ 79,531	\$ 18,240	\$ 97,771
2022	81,912	15,859	97,771
2023	84,364	13,407	97,771
2024	86,860	10,911	97,771
2025	89,491	8,280	97,771
2026	92,171	5,600	97,771
2027	94,931	2,840	97,771
Total	<u>\$ 609,260</u>	<u>\$ 75,137</u>	<u>\$ 684,397</u>

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

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>Year Ending December 31,</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2021	\$ 35,000	\$ 5,953	\$ 40,953
2022	35,000	5,292	40,292
2023	35,000	4,630	39,630
2024	35,000	3,969	38,969
2025	35,000	3,308	38,308
2026	35,000	2,646	37,646
2027	35,000	1,985	36,985
2028	35,000	1,323	36,323
2029	<u>35,000</u>	<u>662</u>	<u>35,662</u>
Total	<u>\$ 315,000</u>	<u>\$ 29,768</u>	<u>\$ 344,768</u>

*Installment Contract*

The District entered into an installment contract for two Pierce Impel pumpers. Payments under the contract, including interest at 3.15%, are due as follows:

<u>Year Ending December 31,</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2021	<u>\$ 347,625</u>	<u>\$ 930</u>	<u>\$ 348,555</u>

*General Obligation Debt Certificates*

General obligation debt certificates, Series 2012, which were used to prepay pension and other postemployment benefit obligations, 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 rates	1.00% - 4.95%
Paying agent	The Bank of New York Mellon Trust Co. Chicago, Illinois
Total original issue	\$26,715,000

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

<u>Year Ending December 31,</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2021	\$ 1,070,000	\$ 76,786	\$ 1,146,786
2022	<u>1,185,000</u>	<u>41,476</u>	<u>1,226,476</u>
Total	<u>\$ 2,255,000</u>	<u>\$ 118,262</u>	<u>\$ 2,373,262</u>

General obligation 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.

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>Year Ending December 31,</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2021	\$ 265,000	\$ 491,165	\$ 756,165
2022	270,000	485,070	755,070
2023	1,580,000	478,860	2,058,860
2024	1,695,000	442,520	2,137,520
2025	1,805,000	403,535	2,208,535
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	<u>2,570,000</u>	<u>59,110</u>	<u>2,629,110</u>
Total	<u>\$ 21,355,000</u>	<u>\$ 3,819,150</u>	<u>\$ 25,174,150</u>

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

General obligation debt certificates, 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>Year Ending December 31,</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2021	\$ 335,000	\$ 70,449	\$ 405,449
2022	340,000	65,826	405,826
2023	345,000	61,134	406,134
2024	350,000	56,373	406,373
2025	355,000	51,543	406,543
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	<u>395,000</u>	<u>5,451</u>	<u>400,451</u>
Total	<u>\$ 5,105,000</u>	<u>\$ 542,409</u>	<u>\$ 5,647,409</u>

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

The annual requirements to amortize all outstanding debt as of December 31, 2020 are as follows:

<u>Year Ending December 31,</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total Due</u>
2021	\$ 2,132,156	\$ 663,523	\$ 2,795,679
2022	1,911,912	613,522	2,525,434
2023	2,044,364	558,031	2,602,395
2024	2,166,860	513,773	2,680,633
2025	2,284,491	466,666	2,751,157
2026	2,407,171	416,910	2,824,081
2027	2,519,931	364,361	2,884,292
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	<u>395,000</u>	<u>5,451</u>	<u>400,451</u>
Total	<u>\$ 29,986,885</u>	<u>\$ 4,585,655</u>	<u>\$ 34,572,540</u>

*Advance Refunding of Debt*

The District issued \$21,515,000 of Taxable General Obligation Limited Tax Refunding Debt Certificates, Series 2020A, with an interest rate of 2.30%. The proceeds were used for the advance refunding of \$19,210,000 of outstanding General Obligation Taxable Debt Certificates, Series 2012, which had interest rates ranging from 3.65% to 4.95%. The net proceeds of \$21,320,595 (after payment of issuance costs of \$194,405) were deposited in an irrevocable trust with an escrow agent to provide for the refunding of the Series 2012 debt issue for the principal and interest payments due for years 2023 through 2032. As a result, the liability for the Series 2012 principal and interest payments for the years 2023 through 2032 has been removed from the statement of net position. The District is required to directly pay the principal and interest payments through 2022.

The reacquisition price exceeded the net carrying amount of the old debt by \$2,275,400. This amount is included in the statement of net position as a deferred outflow of resources and is amortized over the remaining life of the refunded bonds. The District's refunding of the Series 2012 Debt Certificates resulted in a decrease in total debt service payments over 12 years of \$1,463,106 and created an economic gain (difference between the present values of debt service payments of the new and old debt) of \$1,361,355.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

*Legal Debt Margin*

The legal debt margin of the District as of December 31, 2020 is determined as follows:

Assessed valuation - 2019 tax year (most current valuation available)	<u>\$ 2,488,805,080</u>
Statutory debt limitation (5.75% of assessed valuation)	\$ 143,106,292
Debt outstanding, net of unamortized issuance discount of \$27,625, subject to limitation	<u>29,959,259</u>
Legal debt margin	<u>\$ 113,147,033</u>

**I. Fund Balances**

As of December 31, 2020, 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	<u>\$ 87,683</u>	<u>\$ 22,323</u>	<u>\$ -</u>	<u>\$ 110,006</u>
Restricted:				
Capital projects	-	-	3,674,674	3,674,674
Emergency rescue	781,383	-	-	781,383
Tort immunity	2,066,102	-	-	2,066,102
Other purposes	<u>528,062</u>	<u>9,313</u>	<u>-</u>	<u>537,375</u>
Total restricted	<u>3,375,547</u>	<u>9,313</u>	<u>3,674,674</u>	<u>7,059,534</u>
Assigned:				
Capital projects	-	-	1,113,914	1,113,914
Emergency medical service	-	7,286,288	-	7,286,288
Emergency rescue	339,277	-	-	339,277
General government	466,778	-	-	466,778
Tort immunity	<u>352,541</u>	<u>-</u>	<u>-</u>	<u>352,541</u>
Total assigned	<u>1,158,596</u>	<u>7,286,288</u>	<u>1,113,914</u>	<u>9,558,798</u>
Unassigned	<u>6,709,203</u>	<u>-</u>	<u>-</u>	<u>6,709,203</u>
Total	<u>\$ 11,331,029</u>	<u>\$ 7,317,924</u>	<u>\$ 4,788,588</u>	<u>\$ 23,437,541</u>

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

**J. 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, 2020, 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:</u>		<u>Total</u>
	<u>Restricted Fund Balance</u>	<u>Assigned Fund Balance</u>	
General Fund	\$ -	\$ 492,610	\$ 492,610
Ambulance Fund	-	102,178	102,178
Capital Projects Fund	<u>3,111,205</u>	<u>591,400</u>	<u>3,702,605</u>
Total	<u>\$ 3,111,205</u>	<u>\$ 1,186,188</u>	<u>\$ 4,297,393</u>

**K. 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.

**L. Tort Immunity Expenditures**

Tort immunity expenditures for the year ended December 31, 2020 are summarized as follows:

Property and liability insurance	\$ 1,210,775
Risk management personnel costs	1,349,318
Professional services	185,628
Other	<u>80,403</u>
Total	<u>\$ 2,826,124</u>



**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
NOTES TO BASIC FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**M. Labor Concentrations**

The sworn personnel of the District are covered by a collective bargaining agreement that expired on December 31, 2020. The District was in negotiations for a new contract as of the date these financial statements were available to be issued.

Certain non-sworn personnel of the District are covered by a collective bargaining agreement that expired on December 31, 2020. The District was in negotiations for a new contract as of the date these financial statements were available to be issued.

**N. Contingent Liabilities**

The District is an intervenor in approximately 80 appeals before the Property Tax Appeal Board filed by property taxpayers within the District's boundaries. If the District is unsuccessful in defending the assessed valuations of the properties, it would have to refund property taxes based on the difference in assessed value for the period that the taxpayer's challenge is granted through. The outcome of these challenges to the assessed valuations of properties within the District is not presently determinable.

**O. Subsequent Events**

Management has evaluated subsequent events through June 14, 2021, which is the date the financial statements were available to be issued.

**P. Impact of COVID-19**

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic. To date, the outbreak has impacted the District's operations in varying degrees. Management continues to actively monitor the situation in order to mitigate any potential future adverse impact on the District's operations.

**REQUIRED SUPPLEMENTARY INFORMATION**

**EMPLOYEE RETIREMENT AND POST-EMPLOYMENT  
BENEFIT PLAN INFORMATION**

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION -  
FIREFIGHTERS' PENSION PLAN  
LAST TEN CALENDAR YEARS  
(SCHEDULES TO BE BUILT PROSPECTIVELY)**

**SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:							
Service cost	\$ 3,947,049	\$ 3,409,684	\$ 3,423,017	\$ 3,530,934	\$ 3,299,938	\$ 3,587,191	\$ 4,557,023
Interest on the total pension liability	12,918,350	11,641,171	11,017,647	10,383,721	9,776,829	9,215,633	8,401,468
Benefit changes	-	936,148	-	-	-	-	-
Differences between expected and actual experience	3,744,463	2,625,940	(59,349)	(227,815)	(929,789)	(4,397,221)	2,655,010
Changes of assumptions	199,454	2,112,320	-	-	653,006	3,493,606	1,448,254
Benefit payments, including refunds of employee contributions	<u>(6,977,720)</u>	<u>(5,949,137)</u>	<u>(4,998,523)</u>	<u>(4,262,980)</u>	<u>(3,997,213)</u>	<u>(3,766,976)</u>	<u>(2,571,284)</u>
Net change in total pension liability	13,831,596	14,776,126	9,382,792	9,423,860	8,802,771	8,132,233	14,490,471
Total pension liability at beginning of year	<u>184,053,143</u>	<u>169,277,017</u>	<u>159,894,225</u>	<u>150,470,365</u>	<u>141,667,594</u>	<u>133,535,361</u>	<u>119,044,890</u>
Total pension liability at end of year	<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>	<u>\$ 141,667,594</u>	<u>\$ 133,535,361</u>
Plan fiduciary net position:							
Contributions - employer	\$ 2,660,325	\$ 2,454,844	\$ 2,645,820	\$ 2,863,555	\$ 2,836,620	\$ 3,293,073	\$ 3,386,334
Contributions - employees	1,370,561	1,337,527	1,282,283	1,223,282	1,181,649	1,150,791	1,214,057
Other	13,352	41,078	599	-	3,912	-	50
Net investment income	20,132,307	25,218,371	(5,908,641)	17,618,172	10,391,898	810,920	7,571,094
Benefit payments, including refunds of employee contributions	(6,977,720)	(5,949,137)	(4,998,523)	(4,262,980)	(3,997,213)	(3,766,976)	(2,571,284)
Administrative expense	<u>(88,042)</u>	<u>(98,185)</u>	<u>(102,275)</u>	<u>(112,531)</u>	<u>(100,280)</u>	<u>(84,706)</u>	<u>(98,752)</u>
Net change in plan fiduciary net position	17,110,783	23,004,498	(7,080,737)	17,329,498	10,316,586	1,403,102	9,501,499
Plan fiduciary net position at beginning of year	<u>174,969,910</u>	<u>151,965,412</u>	<u>159,046,149</u>	<u>141,716,651</u>	<u>131,400,063</u>	<u>129,996,961</u>	<u>120,495,462</u>
Plan fiduciary net position at end of year	<u>\$ 192,080,693</u>	<u>\$ 174,969,910</u>	<u>\$ 151,965,412</u>	<u>\$ 159,046,149</u>	<u>\$ 141,716,651</u>	<u>\$ 131,400,063</u>	<u>\$ 129,996,961</u>
Employer's net pension liability at end of year	<u>\$ 5,804,046</u>	<u>\$ 9,083,233</u>	<u>\$ 17,311,605</u>	<u>\$ 848,076</u>	<u>\$ 8,753,714</u>	<u>\$ 10,267,531</u>	<u>\$ 3,538,400</u>
Plan fiduciary net position as a percentage of total pension liability	<u>97.07 %</u>	<u>95.06 %</u>	<u>89.77 %</u>	<u>99.47 %</u>	<u>94.18 %</u>	<u>92.75 %</u>	<u>97.35 %</u>
Covered payroll	<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>	<u>\$ 12,277,252</u>	<u>\$ 11,338,333</u>
Employer's net pension liability as a percentage of covered payroll	<u>40.70 %</u>	<u>65.25 %</u>	<u>129.78 %</u>	<u>6.66 %</u>	<u>71.02 %</u>	<u>83.63 %</u>	<u>31.21 %</u>

**Notes to Schedule of Changes in the Employer's Net Pension Liability**

The information in the schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 68.

*Changes of Assumptions.* 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, \$653,006 in 2016 and \$3,493,606 in 2015 were primarily the result of changes in demographic assumptions based on a study of firefighters and fire pension funds in Illinois. The change in assumptions amount of \$1,448,254 in 2014 was primarily the result of using the entry age cost method. In 2013, the projected unit credit cost method had been used for the actuarial valuation.

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION -  
FIREFIGHTERS' PENSION PLAN  
LAST TEN CALENDAR YEARS  
(SCHEDULES TO BE BUILT PROSPECTIVELY)**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 2,660,325	\$ 2,454,844	\$ 2,645,820	\$ 2,863,555	\$ 2,719,249	\$ 3,293,073	\$ 3,386,334
Contributions in relation to the actuarially determined contribution	<u>2,660,325</u>	<u>2,454,844</u>	<u>2,645,820</u>	<u>2,863,555</u>	<u>2,828,543</u>	<u>3,293,073</u>	<u>3,386,334</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (109,294)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<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>	<u>\$ 12,277,252</u>	<u>\$ 11,338,333</u>
Contributions as a percentage of covered payroll	<u>18.66 %</u>	<u>17.63 %</u>	<u>19.83 %</u>	<u>22.50 %</u>	<u>22.95 %</u>	<u>26.82 %</u>	<u>29.87 %</u>

**Notes to Schedule of Employer Contributions**

The information in the schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 68.

*Valuation Date* Actuarially determined contributions are from the January 1, 2019 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	22 years
Asset valuation method	5-year smoothed fair value
Inflation	2.50%
Salary increases	4.5% - 32.3%
Investment rate of return	7.0%, compounded annually, net of pension plan investment expense, including inflation
Retirement age	Based on the assumption study prepared by Lauterbach & Amen, LLP in 2016 capped at age 65
Mortality	RP-2014 adjusted for plan status, collar, and Illinois public pension data, as appropriate

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION -  
ILLINOIS MUNICIPAL RETIREMENT FUND  
LAST TEN CALENDAR YEARS  
(SCHEDULES TO BE BUILT PROSPECTIVELY)**

**SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability:							
Service cost	\$ 254,929	\$ 255,590	\$ 231,066	\$ 225,691	\$ 230,787	\$ 224,261	\$ 221,978
Interest on the total pension liability	689,960	620,830	578,645	542,305	523,546	464,765	391,555
Differences between expected and actual experience	(243,641)	334,957	(32,031)	200,432	(331,605)	241,876	302,650
Changes of assumptions	(99,984)	-	289,176	(277,132)	(10,631)	10,077	217,586
Benefit payments, including refunds of employee contributions	<u>(280,639)</u>	<u>(234,437)</u>	<u>(227,972)</u>	<u>(190,936)</u>	<u>(146,570)</u>	<u>(155,769)</u>	<u>(161,790)</u>
Net change in total pension liability	320,625	976,940	838,884	500,360	265,527	785,210	971,979
Total pension liability at beginning of year	<u>9,529,540</u>	<u>8,552,600</u>	<u>7,713,716</u>	<u>7,213,356</u>	<u>6,947,829</u>	<u>6,162,619</u>	<u>5,190,640</u>
Total pension liability at end of year	<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>	<u>\$ 6,947,829</u>	<u>\$ 6,162,619</u>
Plan fiduciary net position:							
Contributions - employer	\$ 223,142	\$ 197,229	\$ 225,969	\$ 223,567	\$ 173,065	\$ 166,856	\$ 161,479
Contributions - employees	115,790	115,564	114,753	101,048	92,824	95,217	87,658
Net investment income	1,222,336	1,323,655	(360,306)	1,090,995	428,716	31,812	357,612
Benefit payments, including refunds of employee contributions	(280,639)	(234,437)	(227,972)	(190,936)	(146,570)	(155,769)	(161,790)
Other	<u>57,714</u>	<u>(8,011)</u>	<u>1,548</u>	<u>(41,219)</u>	<u>(269,892)</u>	<u>(252,130)</u>	<u>45,482</u>
Net change in plan fiduciary net position	1,338,343	1,394,000	(246,008)	1,183,455	278,143	(114,014)	490,441
Plan fiduciary net position at beginning of year	<u>8,804,831</u>	<u>7,410,831</u>	<u>7,656,839</u>	<u>6,473,384</u>	<u>6,195,241</u>	<u>6,309,255</u>	<u>5,818,814</u>
Plan fiduciary net position at end of year	<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>	<u>\$ 6,195,241</u>	<u>\$ 6,309,255</u>
Employer's net pension liability (asset) at end of year	<u>\$ (293,009)</u>	<u>\$ 724,709</u>	<u>\$ 1,141,769</u>	<u>\$ 56,877</u>	<u>\$ 739,972</u>	<u>\$ 752,588</u>	<u>\$ (146,636)</u>
Plan fiduciary net position as a percentage of total pension liability	<u>102.97 %</u>	<u>92.40 %</u>	<u>86.65 %</u>	<u>99.26 %</u>	<u>89.74 %</u>	<u>89.17 %</u>	<u>102.38 %</u>
Covered payroll	<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>	<u>\$ 2,096,190</u>	<u>\$ 1,986,611</u>
Employer's net pension liability (asset) as a percentage of covered payroll	<u>(11.77)%</u>	<u>28.22 %</u>	<u>47.60 %</u>	<u>2.53 %</u>	<u>35.87 %</u>	<u>35.90 %</u>	<u>(7.38)%</u>

Note to schedule:

The information in the schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 68.

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION -  
ILLINOIS MUNICIPAL RETIREMENT FUND  
LAST TEN CALENDAR YEARS  
(SCHEDULES TO BE BUILT PROSPECTIVELY)**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 223,142	\$ 197,229	\$ 225,969	\$ 214,222	\$ 173,065	\$ 166,856	\$ 159,922
Contributions in relation to the actuarially determined contribution	<u>223,142</u>	<u>197,229</u>	<u>225,969</u>	<u>223,567</u>	<u>173,065</u>	<u>166,856</u>	<u>161,479</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,345)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,557)</u>
Covered payroll	<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>	<u>\$ 2,096,190</u>	<u>\$ 1,986,611</u>
Contributions as a percentage of covered payroll	<u>8.96 %</u>	<u>7.68 %</u>	<u>9.42 %</u>	<u>9.96 %</u>	<u>8.39 %</u>	<u>7.96 %</u>	<u>8.13 %</u>

Note to schedule:

The information in the schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 68.

**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	23-year closed period
Asset valuation method	Five-year smoothed fair value; 20% corridor
Wage growth	3.25%
Price inflation	2.50%
Salary increases	3.35% to 14.25% including inflation
Investment rate of return	7.25%

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION -  
ILLINOIS MUNICIPAL RETIREMENT FUND  
LAST TEN CALENDAR YEARS  
(SCHEDULES TO BE BUILT PROSPECTIVELY)**

Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.
Mortality	For non-disabled retirees, an IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, IMRF specific mortality rates were used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

See independent auditor's report.



**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**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB liability:				
Service cost	\$ 807,637	\$ 781,356	\$ 1,193,140	\$ 1,151,013
Interest on the total OPEB liability	865,656	1,055,873	1,121,416	1,126,873
Difference between expected and actual experience	(6,439,244)	1,382,901	6,420,764	-
Changes of assumptions	(140,148)	729,168	(12,057,850)	-
Changes in benefit terms	-	-	(1,891,516)	-
Benefit payments	<u>(1,528,802)</u>	<u>(1,518,234)</u>	<u>(1,284,124)</u>	<u>(1,228,880)</u>
Net change in total OPEB liability	(6,434,901)	2,431,064	(6,498,170)	1,049,006
Total OPEB liability at beginning of year	<u>27,156,346</u>	<u>24,725,282</u>	<u>31,223,452</u>	<u>30,174,446</u>
Total OPEB liability at end of year	<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	\$ 1,376,882	\$ 2,282,614	\$ 1,142,531	\$ 1,014,494
Net investment income	1,722,779	1,660,634	(588,159)	775,779
Benefit payments	(1,528,802)	(1,518,234)	(1,284,124)	(1,228,880)
Administrative expense	<u>(2,500)</u>	<u>(4,200)</u>	<u>(4,000)</u>	<u>(1,400)</u>
Net change in plan fiduciary net position	1,568,359	2,420,814	(733,752)	559,993
Plan fiduciary net position at beginning of year	<u>9,675,238</u>	<u>7,254,424</u>	<u>7,988,176</u>	<u>7,428,183</u>
Plan fiduciary net position at end of year	<u>\$ 11,243,597</u>	<u>\$ 9,675,238</u>	<u>\$ 7,254,424</u>	<u>\$ 7,988,176</u>
Net OPEB liability at end of year	<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	<u>54.26 %</u>	<u>35.63 %</u>	<u>29.34 %</u>	<u>25.58 %</u>
Covered payroll	<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	<u>57.38 %</u>	<u>125.57 %</u>	<u>112.91 %</u>	<u>133.54 %</u>

Notes to Schedule:

*Changes of Assumptions.* The change of assumptions amount of (\$140,148) in 2020 and \$729,168 in 2019 was 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 of assumptions amount of \$(12,057,850) in 2018 was primarily the result of changes in in the discount rate, trend rates, plan election, and post-65 coverage.

The information in the schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 75.

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
REQUIRED SUPPLEMENTARY INFORMATION -  
POSTRETIREMENT HEALTH PLAN  
LAST TEN CALENDAR YEARS  
(SCHEDULES TO BE BUILT PROSPECTIVELY)**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Actuarially determined contribution	\$ N/A	\$ 1,913,745	\$ 1,913,745	\$ 1,313,054
Contributions in relation to the actuarially determined contribution	<u>600,000</u>	<u>1,500,000</u>	<u>600,101</u>	<u>600,000</u>
Contribution deficiency	<u>\$ N/A</u>	<u>\$ 413,745</u>	<u>\$ 1,313,644</u>	<u>\$ 713,054</u>
Covered payroll	<u>\$ 16,517,020</u>	<u>\$ 13,921,254</u>	<u>\$ 15,473,099</u>	<u>\$ 17,399,466</u>
Contributions as a percentage of covered payroll	<u>3.63 %</u>	<u>10.77 %</u>	<u>3.88 %</u>	<u>3.45 %</u>

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 2020.

The information in the schedule will accumulate until a full 10-year trend is presented as required by GASB Statement No. 75.

**NOTES TO SCHEDULE OF CONTRIBUTIONS**

*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 the 2020 Contribution Rate:*

Actuarial cost method	Entry age normal
Amortization method	Straight-line
Remaining amortization period	Actuarial experience - 9.13 years Changes of assumptions - 9.13 years Asset experience - 5.00 years
Asset valuation method	Fair value
Salary increases	3.25%
Healthcare cost trend rates	Non-HSA medical was expected to be 8.00% initially, decreasing to 6.00% in year two, and then reduced by decrements to an ultimate rate of 5.00%.  HSA medical was expected to be 8.00% initially, decreasing to 5.70% in year two, and then reduced by decrements to an ultimate rate of 4.70%.

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
 REQUIRED SUPPLEMENTARY INFORMATION -  
 POSTRETIREMENT HEALTH PLAN  
 LAST TEN CALENDAR YEARS  
 (SCHEDULES TO BE BUILT PROSPECTIVELY)**

	Dental was expected to be 8.00% initially and then reduced to an ultimate rate of 2.00%.
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 2017 for IMRF employees.
Termination	100% of the L&A Assumption Study for Firefighters 2020. IMRF 2017 for IMRF employees.
Mortality	Active firefighter mortality follows the sex distinct raw rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 improvement rates. These rates are improved generationally using MP-2019 improvement rates. Retiree firefighter mortality follows the L&A Assumption Study for Firefighters 2020. These rates are experience weighted with the sex distinct raw rates as developed in the PubS-2010(A) study improved to 2017 using MP-2019 improvement rates. These rates are then improved generationally using MP-2019 improvement rates. Disabled firefighter mortality follows the L&A Assumption Study for Disabled Firefighters 2020. These rates are experience weighted with the sex distinct raw rates as developed in the PubS-2010(A) Study for disabled participants improved to 2017 using MP-2019 improvements rates. These rates are then improved generationally using MP-2019 improvement rates. Firefighter spouse mortality follows the sex distinct raw rates as developed in the PubS-2010(A) Study for contingent survivors. For all rates not provided there (ages 45 and younger), the PubG-2010 Study for general employees was used. Mortality improvement uses MP-2019 improvement rates applied on a fully generational basis. RP-2014 with Blue Collar Adjustments and MP-2016 Improvement, weighted per an IMRF Experience Study dated November 8, 2017 for IMRF Employees.
Disability rates	100% of the L&A Assumption Study for Firefighters 2020. IMRF 2017 for IMRF employees.

See independent auditor's report.

**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, 2020**  
**WITH COMPARATIVE TOTALS FOR DECEMBER 31, 2019**

	<u>Corporate</u>	<u>Tort Liability</u>	<u>Emergency Rescue</u>	<u>Eliminations</u>	<u>Totals</u>	
					<u>2020</u>	<u>2019</u>
<b>ASSETS</b>						
Cash and investments	\$ 15,338,575	\$ -	\$ -	\$ -	\$ 15,338,575	\$ 12,881,913
Receivables:						
Property taxes	15,325,677	4,953,226	1,838,582	-	22,117,485	21,099,435
Accounts	485,875	-	-	-	485,875	880,955
Grant	830,839	19,125	18,960	-	868,924	-
Due from other funds	1,370,773	2,602,001	1,208,488	(3,798,741)	1,382,521	1,041,391
Due from fiduciary fund	5,856	-	-	-	5,856	18,027
Prepaid items	8,484	76,556	2,643	-	87,683	338,215
	<u>8,484</u>	<u>76,556</u>	<u>2,643</u>	<u>-</u>	<u>87,683</u>	<u>338,215</u>
Total assets	<u>\$ 33,366,079</u>	<u>\$ 7,650,908</u>	<u>\$ 3,068,673</u>	<u>\$ (3,798,741)</u>	<u>\$ 40,286,919</u>	<u>\$ 36,259,936</u>
<b>LIABILITIES</b>						
Accounts payable	\$ 328,516	\$ 2,843	\$ 49,403	\$ -	\$ 380,762	\$ 136,791
Accrued expenditures	411,526	66,992	66,992	-	545,510	465,190
Unearned revenue	-	-	-	-	-	4,215
Due to other funds	9,536,805	-	-	(3,798,741)	5,738,064	4,605,514
	<u>9,536,805</u>	<u>-</u>	<u>-</u>	<u>(3,798,741)</u>	<u>5,738,064</u>	<u>4,605,514</u>
Total liabilities	<u>10,276,847</u>	<u>69,835</u>	<u>116,395</u>	<u>(3,798,741)</u>	<u>6,664,336</u>	<u>5,211,710</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property taxes levied for future period	15,307,276	4,947,963	1,827,073	-	22,082,312	21,054,359
Unavailable revenue - grant proceeds	205,410	1,930	1,902	-	209,242	43,696
	<u>205,410</u>	<u>1,930</u>	<u>1,902</u>	<u>-</u>	<u>209,242</u>	<u>43,696</u>
Total deferred inflows of resources	<u>15,512,686</u>	<u>4,949,893</u>	<u>1,828,975</u>	<u>-</u>	<u>22,291,554</u>	<u>21,098,055</u>

See independent auditor's report.

FUND BALANCES	<u>Corporate</u>	<u>Tort Liability</u>	<u>Emergency Rescue</u>	<u>Eliminations</u>	<u>Totals</u>	
					<u>2020</u>	<u>2019</u>
Nonspendable	8,484	76,556	2,643	-	87,683	338,215
Restricted	392,081	2,202,083	781,383	-	3,375,547	2,906,156
Assigned	466,778	352,541	339,277	-	1,158,596	790,823
Unassigned	<u>6,709,203</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,709,203</u>	<u>5,914,977</u>
Total fund balances	<u>7,576,546</u>	<u>2,631,180</u>	<u>1,123,303</u>	<u>-</u>	<u>11,331,029</u>	<u>9,950,171</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 33,366,079</u>	<u>\$ 7,650,908</u>	<u>\$ 3,068,673</u>	<u>\$ (3,798,741)</u>	<u>\$ 40,286,919</u>	<u>\$ 36,259,936</u>



**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**COMBINING SCHEDULE OF GENERAL FUND REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES**  
**YEAR ENDED DECEMBER 31, 2020**  
**WITH COMPARATIVE TOTALS FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>Corporate</u>	<u>Tort Liability</u>	<u>Emergency Rescue</u>	<u>Totals</u>	
				<u>2020</u>	<u>2019</u>
Revenues:					
Property taxes	\$ 15,996,625	\$ 2,926,023	\$ 2,050,843	\$ 20,973,491	\$ 20,306,180
Charges for service	490,761	2,316	132,528	625,605	581,296
Grant proceeds	1,658,593	23,069	25,432	1,707,094	2,154,355
Intergovernmental	10,608	-	4,262	14,870	15,003
Investment income	14,395	-	6,170	20,565	22,591
Other	130,027	13,732	-	143,759	161,703
	<u>18,301,009</u>	<u>2,965,140</u>	<u>2,219,235</u>	<u>23,485,384</u>	<u>23,241,128</u>
Total revenues					
Expenditures:					
Current:					
Personnel:					
Compensation and salaries	8,232,770	1,304,379	1,338,443	10,875,592	11,284,690
Payroll taxes	164,692	7,697	49,795	222,184	223,445
Education and seminars	805,743	20,346	2,827	828,916	840,841
Health and life insurance	1,892,287	16,896	282,275	2,191,458	2,296,655
Pension contribution	2,660,325	-	-	2,660,325	2,454,844
Commodities:					
Heat, light and power	46,961	-	19,283	66,244	68,919
Operational supplies	433,036	39,908	50,018	522,962	436,264
Postage and printing	704	-	-	704	1,042
Protective clothing	75,309	11,853	11,651	98,813	100,091
Repairs and maintenance	130,959	23,668	46,925	201,552	225,898
Telephone	11,501	-	4,621	16,122	17,217
Contractual:					
Facility charge	85,250	-	-	85,250	94,980
Insurance	-	1,210,775	-	1,210,775	1,120,878
Professional services	302,027	185,628	50,177	537,832	325,946
Other	168,740	-	10,345	179,085	109,610
Debt service:					
Principal	1,125,000	-	-	1,125,000	860,000
Interest	699,439	-	-	699,439	997,410
Debt issuance costs	194,405	-	-	194,405	-
Capital outlay	382,273	-	-	382,273	885,775
	<u>17,411,421</u>	<u>2,821,150</u>	<u>1,866,360</u>	<u>22,098,931</u>	<u>22,344,505</u>
Total expenditures					
Excess of revenues over expenditures	<u>889,588</u>	<u>143,990</u>	<u>352,875</u>	<u>1,386,453</u>	<u>896,623</u>

See independent auditor's report.

	<b>Corporate</b>	<b>Tort Liability</b>	<b>Emergency Rescue</b>	<b>Totals</b>	
				<b>2020</b>	<b>2019</b>
Other financing sources (uses):					
Issuance of debt certificates	21,515,000	-	-	21,515,000	-
Payment to refunded debt escrow agent	(21,320,595)	-	-	(21,320,595)	-
Transfers out	-	-	(200,000)	(200,000)	-
Total other financing sources (uses)	194,405	-	(200,000)	(5,595)	-
Net change in fund balances	1,083,993	143,990	152,875	1,380,858	896,623
Fund balances at beginning of year	6,492,553	2,487,190	970,428	9,950,171	9,053,548
Fund balances at end of year	<u>\$ 7,576,546</u>	<u>\$ 2,631,180</u>	<u>\$ 1,123,303</u>	<u>\$ 11,331,029</u>	<u>\$ 9,950,171</u>

**CORPORATE FUND**

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
CORPORATE FUND  
BALANCE SHEET  
DECEMBER 31, 2020  
WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2019**

<b>ASSETS</b>	<u><b>2020</b></u>	<u><b>2019</b></u>
Cash and investments	\$ 15,338,575	\$ 12,881,913
Receivables:		
Property taxes	15,325,677	16,093,841
Accounts	485,875	880,955
Grants	830,839	-
Due from other funds	1,370,773	1,041,391
Due from fiduciary fund	5,856	18,027
Prepaid items	<u>8,484</u>	<u>184,260</u>
Total assets	<u><u>\$ 33,366,079</u></u>	<u><u>\$ 31,100,387</u></u>
<b>LIABILITIES</b>		
Accounts payable	\$ 328,516	\$ 101,843
Accrued expenditures	411,526	351,444
Unearned revenue	-	4,215
Due to other funds	<u>9,536,805</u>	<u>8,038,684</u>
Total liabilities	<u>10,276,847</u>	<u>8,496,186</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes levied for future period	15,307,276	16,067,952
Unavailable revenue - grant proceeds	<u>205,410</u>	<u>43,696</u>
Total deferred inflows of resources	<u>15,512,686</u>	<u>16,111,648</u>
<b>FUND BALANCES</b>		
Nonspendable	8,484	184,260
Restricted	392,081	335,303
Assigned	466,778	58,013
Unassigned	<u>6,709,203</u>	<u>5,914,977</u>
Total fund balances	<u>7,576,546</u>	<u>6,492,553</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 33,366,079</u></u>	<u><u>\$ 31,100,387</u></u>

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
CORPORATE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2020  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>2020</b>				<b>2019</b>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	<b>Actual</b>
Revenues:					
Property taxes	\$ 15,843,230	\$ 16,093,230	\$ 15,996,625	\$ (96,605)	\$ 15,509,138
Charges for service	464,343	464,343	490,761	26,418	449,779
Grant proceeds	1,200,000	1,200,000	1,658,593	458,593	2,121,593
Intergovernmental	9,620	9,620	10,608	988	10,502
Investment income	17,102	17,102	14,395	(2,707)	15,814
Other	150,344	150,344	130,027	(20,317)	130,197
Total revenues	<u>17,684,639</u>	<u>17,934,639</u>	<u>18,301,009</u>	<u>366,370</u>	<u>18,237,023</u>
Expenditures and encumbrances:					
Current:					
Personnel:					
Compensation and salaries	8,273,314	8,273,314	8,232,770	40,544	8,450,831
Payroll taxes	158,527	158,527	164,692	(6,165)	166,612
Education and seminars	1,252,624	1,252,624	805,159	447,465	823,382
Health and life insurance	2,126,587	2,126,587	1,892,287	234,300	1,985,439
Pension contribution	2,660,325	2,660,325	2,660,325	-	2,454,844
Commodities:					
Heat, light and power	42,931	42,931	46,961	(4,030)	48,367
Operational supplies	271,999	271,999	430,117	(158,118)	337,927
Postage and printing	641	641	704	(63)	1,042
Protective clothing	96,047	96,047	113,322	(17,275)	79,251
Repairs and maintenance	161,662	161,662	192,914	(31,252)	145,516
Telephone	9,620	9,620	11,501	(1,881)	12,052
Contractual:					
Facility charge	-	-	85,250	(85,250)	94,980
Professional services	164,642	164,642	302,027	(137,385)	253,028
Other	103,018	103,018	168,740	(65,722)	95,336
Debt service:					
Principal	965,000	965,000	1,125,000	(160,000)	860,000
Interest	973,759	973,759	699,439	274,320	997,410
Debt issuance costs	-	-	194,405	(194,405)	-
Capital outlay	99,470	99,470	694,573	(595,103)	885,775
Total expenditures and encumbrances	<u>17,360,166</u>	<u>17,360,166</u>	<u>17,820,186</u>	<u>(460,020)</u>	<u>17,691,792</u>

See independent auditor's report.

	2020			2019	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Excess of revenues over expenditures and encumbrances	<u>324,473</u>	<u>574,473</u>	<u>480,823</u>	<u>(93,650)</u>	<u>545,231</u>
Other financing sources (uses):					
Issuance of debt certificates	-	-	21,515,000	21,515,000	-
Payment to refunded debt escrow agent	<u>-</u>	<u>-</u>	<u>(21,320,595)</u>	<u>(21,320,595)</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>194,405</u>	<u>194,405</u>	<u>-</u>
Net change in fund balances	324,473	574,473	675,228	100,755	545,231
Fund balances at beginning of year (non-GAAP budgetary basis)	<u>6,434,540</u>	<u>6,434,540</u>	<u>6,434,540</u>	<u>-</u>	<u>5,889,309</u>
Fund balances at end of year (non-GAAP budgetary basis)	6,759,013	7,009,013	7,109,768	100,755	6,434,540
Adjustment to generally accepted accounting principles:					
Current year encumbrances included in expenditures	<u>-</u>	<u>-</u>	<u>466,778</u>	<u>466,778</u>	<u>58,013</u>
Fund balances at end of year (GAAP basis)	<u>\$ 6,759,013</u>	<u>\$ 7,009,013</u>	<u>\$ 7,576,546</u>	<u>\$ 567,533</u>	<u>\$ 6,492,553</u>

**TORT LIABILITY FUND**

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
TORT LIABILITY FUND  
BALANCE SHEET  
DECEMBER 31, 2020  
WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2019**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Receivables:		
Property taxes	\$ 4,953,226	\$ 2,911,975
Grants	19,125	-
Due from other funds	2,602,001	2,429,562
Prepaid items	<u>76,556</u>	<u>127,158</u>
Total assets	<u>\$ 7,650,908</u>	<u>\$ 5,468,695</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 2,843	\$ 17,332
Accrued expenditures	<u>66,992</u>	<u>56,873</u>
Total liabilities	<u>69,835</u>	<u>74,205</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes levied for future period	4,947,963	2,907,300
Unavailable revenue - grant proceeds	<u>1,930</u>	<u>-</u>
Total deferred inflows of resources	<u>4,949,893</u>	<u>2,907,300</u>
<b>FUND BALANCES</b>		
Nonspendable	76,556	127,158
Restricted	2,202,083	2,023,539
Assigned	<u>352,541</u>	<u>336,493</u>
Total fund balances	<u>2,631,180</u>	<u>2,487,190</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 7,650,908</u>	<u>\$ 5,468,695</u>

See independent auditor's report.



**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
TORT LIABILITY FUND  
SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2020  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>2020</b>				<b>2019</b>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	<b>Actual</b>
<b>Revenues:</b>					
Property taxes	\$ 2,900,000	\$ 2,900,000	\$ 2,926,023	\$ 26,023	\$ 2,835,359
Charges for service	7,000	7,000	2,316	(4,684)	2,049
Grant proceeds	20,000	20,000	23,069	3,069	32,762
Other	30,000	30,000	13,732	(16,268)	28,989
Total revenues	<u>2,957,000</u>	<u>2,957,000</u>	<u>2,965,140</u>	<u>8,140</u>	<u>2,899,159</u>
<b>Expenditures and encumbrances:</b>					
<b>Current:</b>					
<b>Personnel:</b>					
Compensation and salaries	1,409,204	1,409,204	1,304,379	104,825	1,350,158
Payroll taxes	10,198	10,198	7,697	2,501	9,713
Education and seminars	21,425	21,425	20,346	1,079	5,612
Health and life insurance	20,615	20,615	16,896	3,719	16,719
<b>Commodities:</b>					
Operational supplies	69,090	69,090	39,097	29,993	57,392
Protective clothing	15,156	15,156	17,638	(2,482)	12,181
Repairs and maintenance	24,425	24,425	23,668	757	18,367
<b>Contractual:</b>					
Insurance	1,180,382	1,232,382	1,210,775	21,607	1,120,878
Professional services	178,935	178,935	185,628	(6,693)	9,993
Total expenditures and encumbrances	<u>2,929,430</u>	<u>2,981,430</u>	<u>2,826,124</u>	<u>155,306</u>	<u>2,601,013</u>

See independent auditor's report.

	2020			2019	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Excess (deficiency) of revenues over expenditures and encumbrances	27,570	(24,430)	139,016	163,446	298,146
Fund balances at beginning of year (non-GAAP budgetary basis)	<u>2,481,189</u>	<u>2,481,189</u>	<u>2,481,189</u>	<u>-</u>	<u>2,183,043</u>
Fund balances at end of year (non-GAAP budgetary basis)	2,508,759	2,456,759	2,620,205	163,446	2,481,189
Adjustment to generally accepted accounting principles:					
Current year encumbrances included in expenditures	<u>-</u>	<u>-</u>	<u>10,975</u>	<u>10,975</u>	<u>6,001</u>
Fund balances at end of year (GAAP basis)	<u>\$ 2,508,759</u>	<u>\$ 2,456,759</u>	<u>\$ 2,631,180</u>	<u>\$ 174,421</u>	<u>\$ 2,487,190</u>

**EMERGENCY RESCUE FUND**

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
EMERGENCY RESCUE FUND  
BALANCE SHEET  
DECEMBER 31, 2020  
WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2019**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Receivables:		
Property taxes	\$ 1,838,582	\$ 2,093,619
Grants	18,960	-
Due from other funds	1,208,488	1,003,608
Prepaid items	<u>2,643</u>	<u>26,797</u>
Total assets	<u>\$ 3,068,673</u>	<u>\$ 3,124,024</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 49,403	\$ 17,616
Accrued expenditures	<u>66,992</u>	<u>56,873</u>
Total liabilities	<u>116,395</u>	<u>74,489</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes levied for future period	1,827,073	2,079,107
Unavailable revenue - grant proceeds	<u>1,902</u>	<u>-</u>
Total deferred inflows of resources	<u>1,828,975</u>	<u>2,079,107</u>
<b>FUND BALANCES</b>		
Nonspendable	2,643	26,797
Restricted	781,383	547,314
Assigned	<u>339,277</u>	<u>396,317</u>
Total fund balances	<u>1,123,303</u>	<u>970,428</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,068,673</u>	<u>\$ 3,124,024</u>

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
EMERGENCY RESCUE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2020  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<u>2020</u>			<u>2019</u>
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues:				
Property taxes	\$ 2,019,351	\$ 2,050,843	\$ 31,492	\$ 1,961,683
Charges for service	128,488	132,528	4,040	129,468
Grant proceeds	2,900	25,432	22,532	-
Intergovernmental	3,858	4,262	404	4,501
Investment income	6,860	6,170	(690)	6,777
Other	2,144	-	(2,144)	2,517
	<u>2,163,601</u>	<u>2,219,235</u>	<u>55,634</u>	<u>2,104,946</u>
Total revenues				
Expenditures and encumbrances:				
Current:				
Personnel:				
Compensation and salaries	1,402,691	1,338,443	64,248	1,483,701
Payroll taxes	48,288	49,795	(1,507)	47,120
Education and seminars	6,175	2,514	3,661	5,259
Health and life insurance	315,748	282,275	33,473	294,497
Commodities:				
Heat, light and power	17,584	19,283	(1,699)	20,552
Operational supplies	60,119	24,734	35,385	77,209
Protective clothing	14,930	17,436	(2,506)	12,151
Repairs and maintenance	81,073	51,514	29,559	64,131
Telephone	3,858	4,621	(763)	5,165
Contractual:				
Professional services	51,653	50,177	1,476	62,925
Other	13,804	10,345	3,459	13,374
	<u>2,015,923</u>	<u>1,851,137</u>	<u>164,786</u>	<u>2,086,084</u>
Total expenditures and encumbrances				
Excess of revenues over expenditures and encumbrances	147,678	368,098	220,420	18,862
Other financing uses:				
Transfers out	(200,000)	(200,000)	-	-

See independent auditor's report.

	2020		2019	
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Net change in fund balances	(52,322)	168,098	220,420	18,862
Fund balances at beginning of year (non-GAAP budgetary basis)	<u>940,348</u>	<u>940,348</u>	<u>-</u>	<u>921,486</u>
Fund balances at end of year (non-GAAP budgetary basis)	888,026	1,108,446	220,420	940,348
Adjustment to generally accepted accounting principles: Current year encumbrances included in expenditures	<u>-</u>	<u>14,857</u>	<u>14,857</u>	<u>30,080</u>
Fund balances at end of year (GAAP basis)	<u>\$ 888,026</u>	<u>\$ 1,123,303</u>	<u>\$ 235,277</u>	<u>\$ 970,428</u>

**AMBULANCE FUND**

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
 AMBULANCE FUND  
 BALANCE SHEET  
 DECEMBER 31, 2020  
 WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2019**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Receivables:		
Property taxes	\$ 9,077,699	\$ 9,123,879
Accounts, net	2,730,792	2,997,345
Grants	113,181	-
Due from other funds	5,471,588	4,605,514
Prepaid items	<u>22,323</u>	<u>166,738</u>
Total assets	<u>\$ 17,415,583</u>	<u>\$ 16,893,476</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 593,726	\$ 142,256
Accrued expenditures	411,525	349,360
Due to other funds	<u>11,748</u>	<u>-</u>
Total liabilities	<u>1,016,999</u>	<u>491,616</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property taxes levied for future period	9,068,968	9,120,615
Unavailable revenue - grant proceeds	<u>11,692</u>	<u>-</u>
Total deferred inflows of resources	<u>9,080,660</u>	<u>9,120,615</u>
<b>FUND BALANCES</b>		
Nonspendable	22,323	166,738
Restricted	9,313	12,587
Assigned	<u>7,286,288</u>	<u>7,101,920</u>
Total fund balances	<u>7,317,924</u>	<u>7,281,245</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 17,415,583</u>	<u>\$ 16,893,476</u>

See independent auditor's report.



**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**AMBULANCE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**YEAR ENDED DECEMBER 31, 2020**  
**WITH COMPARATIVE ACTUAL AMOUNTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2019**

	2020				2019
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues:					
Property taxes	\$ 8,700,000	\$ 8,850,000	\$ 9,099,417	\$ 249,417	\$ 9,007,315
Charges for service	4,849,671	4,849,671	4,273,971	(575,700)	5,135,174
Grant proceeds	-	430,000	212,328	(217,672)	-
Intergovernmental	31,522	31,522	34,698	3,176	35,008
Investment income	56,038	56,038	47,988	(8,050)	51,019
Other	31,862	31,862	8,057	(23,805)	29,935
Total revenues	<u>13,669,093</u>	<u>14,249,093</u>	<u>13,676,459</u>	<u>(572,634)</u>	<u>14,258,451</u>
Expenditures and encumbrances:					
Current:					
Personnel:					
Compensation and salaries	8,321,999	8,721,999	8,541,612	180,387	8,297,868
Payroll taxes	368,215	368,215	361,955	6,260	344,147
Education and seminars	53,155	53,155	16,923	36,232	43,441
Health and life insurance	2,072,205	2,072,205	1,846,198	226,007	2,797,955
Commodities:					
Heat, light and power	141,385	141,385	154,565	(13,180)	160,813
Operational supplies	332,636	762,636	263,244	499,392	418,633
Postage and printing	2,101	2,101	2,304	(203)	3,474
Protective clothing	86,617	86,617	97,335	(10,718)	72,804
Repairs and maintenance	320,469	320,469	269,512	50,957	289,107
Telephone	31,522	31,522	37,617	(6,095)	40,175
Contractual:					
Billing services	135,000	135,000	170,133	(35,133)	182,798
Professional services	419,876	419,876	407,373	12,503	478,200
Other	382,777	382,777	293,182	89,595	274,869
Capital outlay	325,933	325,933	150,044	175,889	219,694
Total expenditures and encumbrances	<u>12,993,890</u>	<u>13,823,890</u>	<u>12,611,997</u>	<u>1,211,893</u>	<u>13,623,978</u>

See independent auditor's report.

	2020				2019
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Excess of revenues over expenditures and encumbrances	675,203	425,203	1,064,462	639,259	634,473
Other financing uses:					
Transfers out	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>-</u>	<u>(900,000)</u>
Net change in fund balances	(324,797)	(574,797)	64,462	639,259	(265,527)
Fund balances at beginning of year (non-GAAP budgetary basis)	<u>7,151,284</u>	<u>7,151,284</u>	<u>7,151,284</u>	<u>-</u>	<u>7,416,811</u>
Fund balances at end of year (non-GAAP budgetary basis)	6,826,487	6,576,487	7,215,746	639,259	7,151,284
Adjustment to generally accepted accounting principles:					
Current year encumbrances included in expenditures	<u>-</u>	<u>-</u>	<u>102,178</u>	<u>102,178</u>	<u>129,961</u>
Fund balances at end of year (GAAP basis)	<u>\$ 6,826,487</u>	<u>\$ 6,576,487</u>	<u>\$ 7,317,924</u>	<u>\$ 741,437</u>	<u>\$ 7,281,245</u>

**CAPITAL PROJECTS FUND**

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
CAPITAL PROJECTS FUND  
BALANCE SHEET  
DECEMBER 31, 2020  
WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2019**

	<u>2020</u>	<u>2019</u>
<b>ASSETS</b>		
Cash and investments	\$ 5,898,007	\$ 2,242,847
Grants receivable	517,341	-
Due from other funds	<u>266,476</u>	<u>-</u>
Total assets	<u>\$ 6,681,824</u>	<u>\$ 2,242,847</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 522,463	\$ 57,135
Due to other funds	<u>1,370,773</u>	<u>1,041,391</u>
Total liabilities	<u>1,893,236</u>	<u>1,098,526</u>
<b>FUND BALANCES</b>		
Restricted	3,674,674	-
Assigned	<u>1,113,914</u>	<u>1,144,321</u>
Total fund balances	<u>4,788,588</u>	<u>1,144,321</u>
Total liabilities and fund balances	<u>\$ 6,681,824</u>	<u>\$ 2,242,847</u>

See independent auditor's report.

**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, 2020  
WITH COMPARATIVE ACTUAL AMOUNTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

	<b>2020</b>			<b>2019</b>	
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget</b>	<b>Actual</b>
Revenues:					
Grant proceeds	\$ -	\$ 567,000	\$ 517,341	\$ (49,659)	\$ -
Investment income	-	-	12,908	12,908	1,694
Total revenues	<u>-</u>	<u>567,000</u>	<u>530,249</u>	<u>(36,751)</u>	<u>1,694</u>
Expenditures and encumbrances:					
Debt service:					
Principal	-	330,000	448,635	(118,635)	197,585
Interest	-	-	88,402	(88,402)	41,572
Bond issuance costs	-	-	110,250	(110,250)	-
Capital outlay	683,615	6,423,710	6,032,525	391,185	1,376,165
Total expenditures and encumbrances	<u>683,615</u>	<u>6,753,710</u>	<u>6,679,812</u>	<u>73,898</u>	<u>1,615,322</u>
Deficiency of revenues over expenditures and encumbrances	<u>(683,615)</u>	<u>(6,186,710)</u>	<u>(6,149,563)</u>	<u>37,147</u>	<u>(1,613,628)</u>
Other financing sources:					
Issuance of debt certificates	-	5,322,000	5,315,000	(7,000)	350,000
Proceeds from sale of capital assets	-	-	6,219	6,219	272,212
Transfers in	1,200,000	1,200,000	1,200,000	-	900,000
Total other financing sources	<u>1,200,000</u>	<u>6,522,000</u>	<u>6,521,219</u>	<u>(781)</u>	<u>1,522,212</u>
Net change in fund balances	516,385	335,290	371,656	36,366	(91,416)
Fund balances at beginning of year (non-GAAP budgetary basis)	<u>714,327</u>	<u>714,327</u>	<u>714,327</u>	<u>-</u>	<u>805,743</u>
Fund balances at end of year (non-GAAP budgetary basis)	1,230,712	1,049,617	1,085,983	36,366	714,327
Adjustment to generally accepted accounting principles:					
Current year encumbrances included in expenditures	<u>-</u>	<u>-</u>	<u>3,702,605</u>	<u>3,702,605</u>	<u>429,994</u>
Fund balances at end of year (GAAP basis)	<u>\$ 1,230,712</u>	<u>\$ 1,049,617</u>	<u>\$ 4,788,588</u>	<u>\$ 3,738,971</u>	<u>\$ 1,144,321</u>

See independent auditor's report.

**FIDUCIARY FUNDS**

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
 COMBINING SCHEDULE OF FIDUCIARY NET POSITION  
 PENSION AND OTHER POST-EMPLOYMENT BENEFITS TRUST FUNDS  
 DECEMBER 31, 2020**

<b>ASSETS</b>	<b>Firefighters' Pension</b>	<b>Retiree Health Insurance</b>	<b>Total</b>
Cash	\$ 5,427,282	\$ 149,363	\$ 5,576,645
Accrued interest receivable	313,335	-	313,335
Contributions receivable	-	600,000	600,000
Investments:			
Debt issues:			
Corporate	31,725,076	1,370,256	33,095,332
Foreign	3,601,117	-	3,601,117
Municipal	3,308,182	-	3,308,182
Equities:			
Domestic	10,972,860	-	10,972,860
Foreign	190,813	-	190,813
Mutual funds:			
Bonds	-	1,613,725	1,613,725
Equities	97,467,137	6,606,469	104,073,606
Other pooled equity investments	-	642,173	642,173
Other pooled fixed income investments	-	194,670	194,670
Separate account	16,587,489	-	16,587,489
U.S. government agency obligations	2,305,103	-	2,305,103
U.S. Treasury notes	20,218,743	66,941	20,285,684
Prepaid items	16,426	-	16,426
	<u>192,133,563</u>	<u>11,243,597</u>	<u>203,377,160</u>
<b>LIABILITIES</b>			
Accounts payable	47,014	-	47,014
Due to District	5,856	-	5,856
	<u>52,870</u>	<u>-</u>	<u>52,870</u>
<b>NET POSITION</b>			
Net position restricted for:			
Pension benefits	192,080,693	-	192,080,693
Other post-employment benefits	-	11,243,597	11,243,597
	<u>\$ 192,080,693</u>	<u>\$ 11,243,597</u>	<u>\$ 203,324,290</u>

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
 COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION  
 PENSION AND OTHER POST-EMPLOYMENT BENEFITS TRUST FUNDS  
 YEAR ENDED DECEMBER 31, 2020**

	<u>Firefighters' Pension</u>	<u>Retiree Health Insurance</u>	<u>Total</u>
Additions:			
Contributions:			
Employer	\$ 2,660,325	\$ 600,000	\$ 3,260,325
Employees	<u>1,383,913</u>	<u>-</u>	<u>1,383,913</u>
Total contributions	<u>4,044,238</u>	<u>600,000</u>	<u>4,644,238</u>
Investment income	20,404,118	1,781,572	22,185,690
Less investment expense	<u>(271,811)</u>	<u>(58,793)</u>	<u>(330,604)</u>
Net investment income	<u>20,132,307</u>	<u>1,722,779</u>	<u>21,855,086</u>
Total additions	<u>24,176,545</u>	<u>2,322,779</u>	<u>26,499,324</u>
Deductions:			
Benefit payments	6,977,720	751,920	7,729,640
Administrative expenses	<u>88,042</u>	<u>2,500</u>	<u>90,542</u>
Total deductions	<u>7,065,762</u>	<u>754,420</u>	<u>7,820,182</u>
Increase in net position	17,110,783	1,568,359	18,679,142
Net position at beginning of year	<u>174,969,910</u>	<u>9,675,238</u>	<u>184,645,148</u>
Net position at end of year	<u>\$ 192,080,693</u>	<u>\$ 11,243,597</u>	<u>\$ 203,324,290</u>

See independent auditor's report.



**FIREFIGHTERS' PENSION FUND**

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
 FIREFIGHTERS' PENSION FUND  
 STATEMENT OF FIDUCIARY NET POSITION  
 DECEMBER 31, 2020  
 WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2019**

<b>ASSETS</b>	<u>2020</u>	<u>2019</u>
Cash	\$ 5,427,282	\$ 7,932,888
Accrued interest receivable	313,335	360,182
Investments:		
Debt issues:		
Corporate	31,725,076	28,306,098
Foreign	3,601,117	1,570,181
Municipal	3,308,182	2,442,066
Equities:		
Domestic	10,972,860	10,223,772
Foreign	190,813	136,893
Mutual funds:		
Equities	97,467,137	85,981,620
Separate account	16,587,489	17,314,340
U.S. government agency obligations	2,305,103	3,525,405
U.S. Treasury notes	20,218,743	17,220,878
Prepaid items	<u>16,426</u>	<u>16,560</u>
Total assets	<u>192,133,563</u>	<u>175,030,883</u>
<b>LIABILITIES</b>		
Accounts payable	47,014	42,946
Due to District	<u>5,856</u>	<u>18,027</u>
Total liabilities	<u>52,870</u>	<u>60,973</u>
<b>NET POSITION</b>		
Net position restricted for pension benefits	<u>\$ 192,080,693</u>	<u>\$ 174,969,910</u>

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
FIREFIGHTERS' PENSION FUND  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
YEAR ENDED DECEMBER 31, 2020  
WITH COMPARATIVE AMOUNTS FOR THE  
YEAR ENDED DECEMBER 31, 2019**

	<b>2020</b>	<b>2019</b>
Additions:		
Contributions:		
Employer	\$ 2,660,325	\$ 2,454,844
Employees	<u>1,383,913</u>	<u>1,378,605</u>
Total contributions	<u>4,044,238</u>	<u>3,833,449</u>
Investment income	20,404,118	25,508,073
Less investment expense	<u>(271,811)</u>	<u>(289,702)</u>
Net investment income	<u>20,132,307</u>	<u>25,218,371</u>
Total additions	<u>24,176,545</u>	<u>29,051,820</u>
Deductions:		
Benefit payments	6,977,720	5,949,137
Administrative expenses	<u>88,042</u>	<u>98,185</u>
Total deductions	<u>7,065,762</u>	<u>6,047,322</u>
Increase in net position	17,110,783	23,004,498
Net position at beginning of year	<u>174,969,910</u>	<u>151,965,412</u>
Net position at end of year	<u><u>\$ 192,080,693</u></u>	<u><u>\$ 174,969,910</u></u>

See independent auditor's report.

**RETIREE HEALTH INSURANCE FUND**

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
RETIREE HEALTH INSURANCE FUND  
STATEMENT OF FIDUCIARY NET POSITION  
DECEMBER 31, 2020  
WITH COMPARATIVE AMOUNTS FOR DECEMBER 31, 2019**

<b>ASSETS</b>	<u><b>2020</b></u>	<u><b>2019</b></u>
Cash	\$ 149,363	\$ 446,503
Contributions receivable	600,000	-
Investments:		
Debt issues:		
Corporate	1,370,256	1,112,744
Mutual funds:		
Bonds	1,613,725	1,416,019
Equities	6,606,469	5,977,247
Other pooled equity investments	642,173	416,930
Other pooled fixed income investments	194,670	243,544
U.S. Treasury note	<u>66,941</u>	<u>62,251</u>
Total assets	<u><u>\$ 11,243,597</u></u>	<u><u>\$ 9,675,238</u></u>
<b>NET POSITION</b>		
Net position restricted for other post-employment benefits	<u><u>\$ 11,243,597</u></u>	<u><u>\$ 9,675,238</u></u>

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
RETIREE HEALTH INSURANCE FUND  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
YEAR ENDED DECEMBER 31, 2020  
WITH COMPARATIVE AMOUNTS FOR THE  
YEAR ENDED DECEMBER 31, 2019**

	<u>2020</u>	<u>2019</u>
Additions:		
Employer contributions	\$ 600,000	\$ 1,500,010
Investment income	1,781,572	1,711,640
Less investment expense	<u>(58,793)</u>	<u>(51,006)</u>
Net investment income	<u>1,722,779</u>	<u>1,660,634</u>
Total additions	<u>2,322,779</u>	<u>3,160,644</u>
Deductions:		
Benefit payments	751,920	735,630
Administrative expenses	<u>2,500</u>	<u>4,200</u>
Total deductions	<u>754,420</u>	<u>739,830</u>
Increase in net position	1,568,359	2,420,814
Net position at beginning of year	<u>9,675,238</u>	<u>7,254,424</u>
Net position at end of year	<u>\$ 11,243,597</u>	<u>\$ 9,675,238</u>

See independent auditor's report.

**SUPPLEMENTARY INFORMATION**

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



**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
CONSOLIDATED YEAR-END FINANCIAL REPORT  
YEAR ENDED DECEMBER 31, 2020**

CSFA #	Program Name	\$ State	\$ Federal	\$ Other	\$ Total
420-00-0505	Grants Management Program	26,771	-	-	26,771
	Other grant programs and activities	-	2,064,825		2,064,825
	All other costs not allocated	-	-	36,054,316	36,054,316
	Totals:	26,771	2,064,825	36,054,316	38,145,912

See independent auditor's report.

**STATISTICAL SECTION**

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**STATISTICAL SECTION**  
**DECEMBER 31, 2020**

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	93-94
Changes in Net Position	95-96
Fund Balances of Governmental Funds	97-98
Changes in Fund Balances of Governmental Funds	99-100

**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	101-102
Schedule of Assessed Valuations, Tax Rates, Extensions and Collections	103-104
Property Tax Rates - Direct and Overlapping Governments	105-106
Principal Property Taxpayers	107-108

**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	109-110
Ratios of General Obligation Debt Outstanding	111
Direct and Overlapping Governmental Activities Debt	112
Legal Debt Margin Information	113-114

**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	115-116
Principal Employers	117-118

**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	119-120
Operating Information	121-122

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Governmental activities:										
Net investment in capital assets	\$ 17,882,490	\$ 16,022,439	\$ 15,495,343	\$ 16,316,884	\$ 16,986,770	\$ 15,620,884	\$ 14,581,762	\$ 13,719,919	\$ 12,577,376	\$ 12,313,750
Restricted	3,301,620	2,808,362	2,636,279	3,667,785	2,696,270	2,415,372	1,962,414	1,996,258	2,118,736	2,252,121
Unrestricted	<u>(36,167,262)</u>	<u>(39,398,245)</u>	<u>(39,486,351)</u>	<u>(22,381,879)</u>	<u>(22,069,217)</u>	<u>(20,148,296)</u>	<u>9,264,348</u>	<u>9,357,299</u>	<u>9,980,960</u>	<u>9,967,417</u>
Total governmental activities net position (deficit)	<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>	<u>\$ (2,112,040)</u>	<u>\$ 25,808,524</u>	<u>\$ 25,073,476</u>	<u>\$ 24,677,072</u>	<u>\$ 24,533,288</u>

Note: The District adopted GASB 68 during 2015 and GASB 75 during 2018. Prior years are not restated to reflect retrospective adoption of these statements.

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Expenses</b>										
Governmental activities:										
Fire and rescue	\$ 14,382,794	\$ 16,525,606	\$ 16,091,329	\$ 15,562,510	\$ 16,145,307	\$ 15,789,071	\$ 14,474,684	\$ 14,125,007	\$ 14,444,780	\$ 13,933,133
Emergency medical service	12,626,420	14,258,062	13,774,228	12,825,268	12,703,385	12,633,953	11,756,488	11,371,042	11,520,507	10,759,192
General government	4,389,179	4,870,253	3,914,160	3,467,056	3,099,171	3,028,790	2,805,863	2,732,841	3,729,040	3,855,197
Interest expense	886,647	1,053,531	1,077,808	1,079,167	1,119,872	1,178,919	1,226,969	1,229,493	204,252	251,746
Total primary government expenses	<u>32,285,040</u>	<u>36,707,452</u>	<u>34,857,525</u>	<u>32,934,001</u>	<u>33,067,735</u>	<u>32,630,733</u>	<u>30,264,004</u>	<u>29,458,383</u>	<u>29,898,579</u>	<u>28,799,268</u>
<b>Program revenues</b>										
Governmental activities:										
Charges for service:										
Fire and rescue	551,846	530,241	518,359	500,384	549,943	438,758	406,948	363,134	347,549	354,354
Emergency medical service	4,090,538	4,931,679	4,565,428	3,449,542	3,527,863	2,920,777	2,795,513	2,789,402	2,237,371	2,053,625
General government	257,192	254,550	223,984	211,979	228,178	217,282	177,663	165,695	216,431	151,561
Operating grants and contributions	2,096,662	1,924,478	1,079,665	529,886	240,494	10,006	78,912	64,944	164,190	79,036
Capital grants and contributions	517,341	-	-	-	-	-	-	20,000	-	-
Total primary government program revenues	<u>7,513,579</u>	<u>7,640,948</u>	<u>6,387,436</u>	<u>4,691,791</u>	<u>4,546,478</u>	<u>3,586,823</u>	<u>3,459,036</u>	<u>3,403,175</u>	<u>2,965,541</u>	<u>2,638,576</u>
<b>Net (expense) revenue</b>										
Total primary government net expense	<u>(24,771,461)</u>	<u>(29,066,504)</u>	<u>(28,470,089)</u>	<u>(28,242,210)</u>	<u>(28,521,257)</u>	<u>(29,043,910)</u>	<u>(26,804,968)</u>	<u>(26,055,208)</u>	<u>(26,933,038)</u>	<u>(26,160,692)</u>
<b>General revenues and other changes in net position</b>										
Governmental activities:										
Property taxes	30,072,908	29,313,495	28,047,908	27,887,864	27,922,833	27,391,827	27,304,943	26,170,143	26,611,660	25,919,259
Gain on sale of capital assets	-	223,341	-	-	-	-	-	-	-	-
Intergovernmental	49,568	50,011	44,988	46,462	62,650	43,937	43,351	53,633	36,696	49,442
Investment income	81,461	75,304	81,710	27,928	29,929	26,420	25,432	42,090	47,768	47,636
Other income	151,816	191,638	220,003	268,923	231,708	285,166	166,290	185,746	551,891	530,155
Total primary government general revenues	<u>30,355,753</u>	<u>29,853,789</u>	<u>28,394,609</u>	<u>28,231,177</u>	<u>28,247,120</u>	<u>27,747,350</u>	<u>27,540,016</u>	<u>26,451,612</u>	<u>27,248,015</u>	<u>26,546,492</u>
<b>Change in net position</b>										
Total primary government	<u>\$ 5,584,292</u>	<u>\$ 787,285</u>	<u>\$ (75,480)</u>	<u>\$ (11,033)</u>	<u>\$ (274,137)</u>	<u>\$ (1,296,560)</u>	<u>\$ 735,048</u>	<u>\$ 396,404</u>	<u>\$ 314,977</u>	<u>\$ 385,800</u>

Note: The District adopted GASB 68 during 2015 and GASB 75 during 2018. Prior years are not restated to reflect retrospective adoption of these statements.

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
FUND BALANCES OF GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
General Fund:										
Nonspendable	\$ 87,683	\$ 338,215	\$ 598,802	\$ 182,835	\$ 68,764	\$ 108,434	\$ 177,149	\$ 157,416	\$ 5,315	\$ 458,540
Restricted	3,375,547	2,843,149	2,648,214	3,667,785	2,697,454	2,176,794	1,937,709	1,681,296	1,810,994	2,082,129
Assigned	1,158,596	790,823	594,949	760,646	629,168	455,190	375,449	1,197,863	684,302	837,788
Unassigned	<u>6,709,203</u>	<u>5,462,856</u>	<u>5,211,583</u>	<u>4,481,763</u>	<u>5,555,772</u>	<u>5,565,198</u>	<u>6,271,207</u>	<u>5,792,567</u>	<u>6,804,456</u>	<u>6,305,163</u>
Total General Fund	<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>	<u>\$ 8,305,616</u>	<u>\$ 8,761,514</u>	<u>\$ 8,829,142</u>	<u>\$ 9,305,067</u>	<u>\$ 9,683,620</u>
All other governmental funds:										
Nonspendable	\$ 22,323	\$ 166,738	\$ 349,347	\$ 1,335	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	3,683,987	12,587	-	2,318	33,728	20,130	24,705	22,420	-	-
Assigned	<u>8,400,202</u>	<u>8,246,241</u>	<u>8,273,755</u>	<u>7,457,161</u>	<u>7,134,671</u>	<u>6,923,098</u>	<u>6,651,877</u>	<u>7,398,484</u>	<u>8,101,238</u>	<u>6,717,040</u>
Total all other governmental funds	<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>	<u>\$ 6,943,228</u>	<u>\$ 6,676,582</u>	<u>\$ 7,420,904</u>	<u>\$ 8,101,238</u>	<u>\$ 6,717,040</u>

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Revenues:											
Property taxes	\$ 30,072,908	\$ 29,313,495	\$ 28,047,908	\$ 27,887,864	\$ 27,922,833	\$ 27,391,827	\$ 27,304,943	\$ 26,170,143	\$ 26,611,660	\$ 25,919,259	\$ 24,473,283
Charges for service	4,899,576	5,716,470	5,307,771	4,161,905	4,305,984	3,576,817	3,380,124	3,318,231	2,801,351	2,559,540	2,459,966
Grant proceeds	2,436,763	2,154,355	806,092	529,886	240,494	9,506	77,662	84,944	164,190	79,036	169,462
Intergovernmental	49,568	75,304	44,988	46,462	62,650	43,937	43,351	53,633	36,696	49,442	48,831
Investment income	81,461	50,011	81,710	27,928	29,929	26,420	25,432	42,090	47,768	47,636	61,362
Other	151,816	191,638	220,003	248,923	231,710	285,666	167,540	185,746	551,891	530,155	753,952
Total revenues	<u>37,692,092</u>	<u>37,501,273</u>	<u>34,508,472</u>	<u>32,902,968</u>	<u>32,793,600</u>	<u>31,334,173</u>	<u>30,999,052</u>	<u>29,854,787</u>	<u>30,213,556</u>	<u>29,185,068</u>	<u>27,966,856</u>
Expenditures:											
Current:											
Personnel:											
Compensation and salaries	19,417,204	19,582,558	18,571,683	17,730,666	16,965,949	16,761,793	17,369,632	15,830,084	16,880,527	15,683,055	14,382,321
Payroll taxes	584,139	567,592	559,920	536,520	457,393	451,791	448,998	435,550	448,110	422,376	385,472
Education and seminars	846,799	883,342	673,274	306,402	90,588	79,986	58,366	97,058	76,483	59,741	75,123
Health and life insurance	4,037,656	5,094,610	3,907,986	4,412,428	3,551,798	3,129,463	2,759,945	4,175,191	3,889,503	3,335,869	4,568,289
Pension contribution	2,660,325	2,454,844	2,645,820	2,863,555	2,828,543	3,293,073	3,386,334	2,719,548	29,075,713	3,763,590	3,030,592
Commodities:											
Heat, light, and power	220,809	229,732	227,178	190,577	193,723	118,681	125,532	99,074	85,622	148,303	129,751
Operational supplies	878,673	769,608	803,177	1,166,137	550,086	625,399	672,367	627,651	663,404	479,043	448,580
Postage and printing	3,008	4,516	2,761	1,903	885	7,385	7,453	6,236	10,830	8,834	31,880
Protective clothing	166,203	167,457	202,858	146,770	91,931	155,085	213,293	138,365	224,558	157,547	113,170
Repairs and maintenance	435,365	510,072	614,187	663,240	780,135	627,729	624,681	890,085	433,251	456,367	875,240
Telephone	53,739	57,392	83,127	79,933	65,256	60,650	57,241	49,400	50,684	64,144	62,008
Vehicle maintenance	-	-	-	-	-	116,931	128,406	142,410	137,943	123,953	123,402
Contractual:											
Billing services	170,133	182,798	169,238	129,945	87,000	106,033	144,013	116,816	95,871	88,753	92,959
Facility charge	85,250	94,980	89,189	-	-	-	-	-	-	-	-
Insurance	1,210,775	1,120,878	1,069,546	1,006,865	1,014,198	1,131,280	1,027,019	1,128,657	1,181,120	977,041	1,377,183
Professional services	945,205	804,146	776,369	755,783	618,507	735,902	804,890	724,519	669,776	478,999	367,445
Other	472,267	384,479	477,265	376,154	235,851	370,071	353,277	279,739	222,812	304,954	276,883
Debt service:											
Principal	1,573,635	1,057,585	956,661	795,235	1,866,716	1,743,305	1,534,998	1,325,000	860,000	1,858,330	850,554
Interest	787,841	1,038,982	1,063,649	1,056,939	1,118,163	1,174,494	1,222,763	1,188,476	198,850	258,440	298,333
Debt issuance costs and fees	304,655	-	-	-	-	-	-	-	452,153	-	-
Capital outlay	3,292,231	2,418,827	496,852	1,103,828	1,406,165	834,374	2,027,616	1,037,187	265,701	3,516,503	2,103,439
Total expenditures	<u>38,145,912</u>	<u>37,424,398</u>	<u>33,390,740</u>	<u>33,322,880</u>	<u>31,922,887</u>	<u>31,523,425</u>	<u>32,966,824</u>	<u>31,011,046</u>	<u>55,922,911</u>	<u>32,185,842</u>	<u>29,592,624</u>
Excess (deficiency) of revenues over expenditures	<u>(453,820)</u>	<u>76,875</u>	<u>1,117,732</u>	<u>(419,912)</u>	<u>870,713</u>	<u>(189,252)</u>	<u>(1,967,772)</u>	<u>(1,156,259)</u>	<u>(25,709,355)</u>	<u>(3,000,774)</u>	<u>(1,625,768)</u>
Other financing sources (uses):											
Issuance of debt/note payable	26,830,000	-	-	834,198	-	-	-	-	26,715,000	-	-
Issuance of installment contract	-	350,000	-	-	-	-	1,155,822	-	-	-	-
Payment to refunded debt escrow agent	(21,320,595)	-	-	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	6,219	272,212	5,075	20,000	-	-	-	-	-	-	-
Transfers in	1,200,000	900,000	461,246	1,020,906	1,206,000	1,706,000	1,125,000	2,071,600	2,812,425	130,000	2,575,975
Transfers out	(1,200,000)	(900,000)	(461,246)	(1,020,906)	(1,206,000)	(1,706,000)	(1,125,000)	(2,071,600)	(2,812,425)	(130,000)	(2,575,975)
Total other financing sources (uses)	<u>5,515,624</u>	<u>622,212</u>	<u>5,075</u>	<u>854,198</u>	<u>-</u>	<u>-</u>	<u>1,155,822</u>	<u>-</u>	<u>26,715,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ 5,061,804</u>	<u>\$ 699,087</u>	<u>\$ 1,122,807</u>	<u>\$ 434,286</u>	<u>\$ 870,713</u>	<u>\$ (189,252)</u>	<u>\$ (811,950)</u>	<u>\$ (1,156,259)</u>	<u>\$ 1,005,645</u>	<u>\$ (3,000,774)</u>	<u>\$ (1,625,768)</u>
Debt service as a percentage of non-capital expenditures	<u>6.74 %</u>	<u>5.84 %</u>	<u>6.14 %</u>	<u>5.60 %</u>	<u>9.69 %</u>	<u>9.49 %</u>	<u>8.90 %</u>	<u>8.39 %</u>	<u>2.71 %</u>	<u>7.38 %</u>	<u>4.18 %</u>

See independent auditor's report.

**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			
2019	\$ 1,718,123,170	\$ 745,545,423	\$ 24,376,047	\$ 331,833	\$ 428,067	\$ 2,488,805,080	\$ 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
2014	1,493,185,102	676,117,190	20,584,951	325,376	485,658	2,190,698,277	8,806,607,074	1.2693
2013	1,535,459,711	597,040,566	114,982,236	349,582	386,107	2,248,218,202	9,037,837,172	1.2374
2012	1,624,500,909	631,662,905	121,650,047	369,854	408,498	2,378,592,213	9,561,940,696	1.1263
2011	1,761,730,402	685,022,544	131,926,418	401,097	443,006	2,579,523,467	10,369,684,337	1.0497
2010	2,061,365,996	801,531,367	154,364,500	469,316	518,352	3,018,249,531	12,133,363,115	0.8782

Source:  
Office of the Cook County Assessor

See independent auditor's report.



**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
SCHEDULE OF ASSESSED VALUATIONS, TAX RATES,  
EXTENSIONS AND COLLECTIONS  
DECEMBER 31, 2020**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Assessed valuation (1)	\$ 2,488,805,080	\$ 2,492,376,691	\$ 2,557,130,691	\$ 2,235,879,473	\$ 2,129,625,597	\$ 2,190,698,277	\$ 2,248,218,202	\$ 2,378,592,213	\$ 2,579,523,467	\$ 3,018,249,531
Tax rates:										
Corporate	0.4675	0.4620	0.4300	0.4742	0.5000	0.4729	0.4590	0.5000	0.4980	0.4192
Ambulance	0.3671	0.3641	0.3414	0.3776	0.4000	0.3880	0.3686	0.3000	0.2710	0.2190
Tort liability	0.1209	0.1173	0.1103	0.1097	0.1509	0.1439	0.1418	0.0879	0.0666	0.0653
Firefighters' pension	0.1857	0.1747	0.1726	0.2081	0.2107	0.1943	0.1989	0.1635	0.1361	0.1131
Illinois Municipal Retirement	0.0105	0.0093	0.0091	0.0083	0.0085	0.0069	0.0068	0.0087	0.0129	0.0070
Social Security	0.0169	0.0162	0.0156	0.0173	0.0179	0.0161	0.0158	0.0149	0.0139	0.0110
Audit	0.0018	0.0014	0.0015	0.0014	0.0015	0.0014	0.0014	0.0013	0.0012	0.0007
Fire and rescue	0.0846	0.0810	0.0795	0.0949	0.0532	0.0458	0.0451	0.0500	0.0500	0.0429
Total	<u>1.2550</u>	<u>1.2260</u>	<u>1.1600</u>	<u>1.2915</u>	<u>1.3427</u>	<u>1.2693</u>	<u>1.2374</u>	<u>1.1263</u>	<u>1.0497</u>	<u>0.8782</u>
Tax extensions:										
Corporate	\$ 11,630,186	\$ 11,504,810	\$ 10,995,662	\$ 10,602,540	\$ 10,648,128	\$ 10,359,812	\$ 10,319,321	\$ 11,892,961	\$ 12,845,375	\$ 12,652,502
Ambulance	9,136,403	9,074,743	8,730,044	8,442,680	8,518,502	8,499,909	8,286,932	7,135,777	6,990,274	6,609,966
Tort liability	3,008,965	2,923,557	2,820,515	2,452,759	3,213,600	3,152,414	3,187,973	2,089,876	1,717,675	1,970,916
Firefighters' pension	4,620,632	4,354,829	4,413,608	4,652,277	4,487,017	4,256,526	4,471,782	3,889,256	3,512,470	3,413,153
Illinois Municipal Retirement	261,324	231,791	232,699	185,577	180,250	151,158	152,878	206,000	333,755	211,277
Social Security	420,608	403,765	398,912	386,807	381,100	352,702	152,878	355,350	358,921	332,007
Audit	44,798	34,893	38,357	31,302	30,900	30,669	355,218	29,870	30,591	21,127
Fire and rescue	2,105,529	2,018,825	2,032,919	2,121,849	1,133,000	1,003,339	1,013,946	1,189,296	1,289,762	1,294,829
Total	<u>\$ 31,228,445</u>	<u>\$ 30,547,213</u>	<u>\$ 29,662,716</u>	<u>\$ 28,875,791</u>	<u>\$ 28,592,497</u>	<u>\$ 27,806,529</u>	<u>\$ 27,940,928</u>	<u>\$ 26,788,386</u>	<u>\$ 27,078,823</u>	<u>\$ 26,505,777</u>
Collections:										
Current	\$ 29,950,555	\$ 29,228,732	\$ 27,981,703	\$ 27,749,469	\$ 27,556,585	\$ 27,227,022	\$ 26,987,031	\$ 25,898,953	\$ 26,193,587	\$ 25,578,918
Subsequent	-	111,813	70,045	25,258	138,395	398,086	226,278	392,789	201,981	420,904
Total	<u>\$ 29,950,555</u>	<u>\$ 29,340,545</u>	<u>\$ 28,051,748</u>	<u>\$ 27,774,727</u>	<u>\$ 27,694,980</u>	<u>\$ 27,625,108</u>	<u>\$ 27,213,309</u>	<u>\$ 26,291,742</u>	<u>\$ 26,395,568</u>	<u>\$ 25,999,822</u>
Percent collected:										
Current	95.91 %	95.68 %	94.33 %	96.10 %	96.38 %	97.92 %	96.59 %	96.68 %	96.73 %	96.50 %
Subsequent	0.00	0.37	0.24	0.09	0.48	1.44	0.81	1.47	0.75	1.59
Total	<u>95.91 %</u>	<u>96.05 %</u>	<u>94.57 %</u>	<u>96.19 %</u>	<u>96.86 %</u>	<u>99.36 %</u>	<u>97.40 %</u>	<u>98.15 %</u>	<u>97.48 %</u>	<u>98.09 %</u>

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

(2) 2019 is the most current information available.

Data Source  
Office of the Cook County Clerk

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN YEARS**

Levy year	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Overlapping governments:										
Cook County	0.454	0.489	0.496	0.533	0.552	0.568	0.560	0.531	0.462	0.423
Cook County Forest Preserve District	0.059	0.060	0.062	0.063	0.069	0.069	0.069	0.063	0.058	0.051
Consolidated Elections	0.030	0.000	0.031	0.000	0.034	0.000	0.031	0.000	0.025	0.000
Bremen Township	0.088	0.086	0.081	0.087	0.089	0.085	0.078	0.070	0.061	0.051
Bremen General Assistance	0.020	0.019	0.018	0.019	0.019	0.018	0.016	0.014	0.012	0.009
Bremen Road and Bridge	0.058	0.056	0.053	0.057	0.058	0.055	0.050	0.045	0.039	0.032
Orland Township	0.073	0.071	0.066	0.072	0.075	0.073	0.070	0.066	0.061	0.052
Orland General Assistance	0.006	0.006	0.006	0.006	0.007	0.006	0.007	0.007	0.007	0.006
Orland Road and Bridge	0.038	0.037	0.035	0.039	0.041	0.040	0.039	0.037	0.034	0.029
South Cook Mosquito Abatement District	0.018	0.017	0.016	0.017	0.017	0.017	0.016	0.014	0.012	0.010
Metropolitan Water Reclamation District	0.389	0.396	0.402	0.406	0.426	0.430	0.417	0.370	0.320	0.274
Village of Orland Hills	0.676	0.591	0.480	0.423	0.433	0.418	0.400	0.369	0.331	0.279
Village of Orland Hills SSA #1	0.000	0.000	0.000	0.000	0.000	0.000	0.250	0.235	0.237	0.250
Village of Orland Park	0.609	0.609	0.595	0.679	0.714	0.693	0.675	0.638	0.589	0.498
Village of Orland Park Library Fund	0.286	0.296	0.307	0.345	0.355	0.339	0.303	0.279	0.255	0.212
Acorn Public Library District	0.237	0.229	0.217	0.237	0.243	0.233	0.202	0.192	0.168	0.000
Orland Hills Public Library District	0.168	0.164	0.156	0.173	0.176	0.170	0.162	0.149	0.133	0.110
Mokena Community Park Bond 2005	0.000	0.000	0.000	0.000	0.000	0.000	0.051	0.049	0.046	0.056
Tinley Park Park District	0.420	0.498	0.475	0.522	0.534	0.521	0.493	0.455	0.411	0.359
School District 135	3.315	3.155	2.979	3.318	3.425	3.286	3.187	3.212	2.874	2.467
School District 140	4.877	4.736	4.488	5.119	5.304	5.135	4.779	4.399	3.910	3.710
School District 146	5.893	5.749	5.474	5.943	6.125	5.906	5.456	5.041	4.558	3.742
Consolidated High School 230	2.488	2.425	2.287	2.778	2.879	2.770	2.641	2.438	2.180	1.812
Moraine Valley Comm. College 524	<u>0.393</u>	<u>0.384</u>	<u>0.365</u>	<u>0.406</u>	<u>0.419</u>	<u>0.403</u>	<u>0.375</u>	<u>0.346</u>	<u>0.311</u>	<u>0.256</u>
Total overlapping governments	20.595	20.073	19.089	21.242	21.994	21.235	20.327	19.019	17.094	14.688
Orland Fire Protection District	<u>1.255</u>	<u>1.226</u>	<u>1.160</u>	<u>1.292</u>	<u>1.343</u>	<u>1.269</u>	<u>1.237</u>	<u>1.126</u>	<u>1.050</u>	<u>0.878</u>
Totals	<u>21.850</u>	<u>21.299</u>	<u>20.249</u>	<u>22.534</u>	<u>23.337</u>	<u>22.504</u>	<u>21.564</u>	<u>20.145</u>	<u>18.144</u>	<u>15.566</u>

Source of information - Cook County Clerk's Office

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
PRINCIPAL PROPERTY TAXPAYERS\*  
DECEMBER 31, 2020**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2019</u>		<u>2010</u>			
		<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>		
Simon Property Group	Orland Square Mall (includes smaller stores)	\$ 82,190,338	1	3.30 %	\$ 143,761,114	1	4.76 %
IRC LLC	Shopping centers and one-story store	49,266,869	2	1.98	61,557,939	2	2.04
Village of Orland Park	Two-or-three-story buildings containing part or all retail and/or commercial space	46,084,075	3	1.85	-	-	-
Lakeview Plaza (Orland)	Shopping center	24,852,027	4	1.00	-	-	-
Metra Triangle LLC	Special rental structure	13,058,670	5	0.52	-	-	-
Constance Oswald	Commercial buildings, 2 or more stories	12,202,504	6	0.49	14,202,477	4	0.47
B & G Realty Legal Dept	One story public garage/cinema	11,330,742	7	0.46	9,466,862	9	0.31
Edwards Realty Co.	One, two or three story building containing retail and commercial space	11,002,242	8	0.44	-	-	-
Res of Orland Crossing	Apartment buildings	8,912,976	9	0.36	-	-	-
Cambridge Realty Cap	Special commercial improvements	8,553,829	10	0.34	9,404,987	10	0.31
J.C. Penney Co., Inc.	Department store	-	-	-	13,745,206	5	0.46
Albertsons	Jewel supermarkets and Osco drugs	-	-	-	14,274,180	3	0.47
St. George Corp	Commercial building over three stories	-	-	-	12,385,052	6	0.41
Sears	Department store	-	-	-	11,294,544	7	0.37
MCRIL LLC	Shopping center	-	-	-	10,108,514	8	0.33
<b>Total</b>		<b>\$ 267,454,272</b>		<b>10.74 %</b>	<b>\$ 300,200,875</b>		<b>9.93 %</b>

\* 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

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>General Obligation Debt Certificates</u>	<u>Installment Contract</u>	<u>Notes Payable</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
2020	\$ -	\$ 28,687,375	\$ 347,625	\$ 924,259	\$ 29,959,259	1.08 %	\$ 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
2015	1,171,375	25,065,938	942,519	-	27,179,832	1.07	413
2014	2,295,233	25,570,450	1,050,824	-	28,916,507	1.19	439
2013	3,289,091	26,000,737	-	-	29,289,828	1.22	445
2012	4,202,949	26,405,249	-	-	30,608,198	1.12	408
2011	5,071,807	-	-	-	5,071,807	0.19	68

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

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
RATIOS OF GENERAL OBLIGATION DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>General Obligation Debt</u>	<u>Less Amount Available in Debt Service Fund</u>	<u>Total</u>	<u>Percentage of Estimated Actual Taxable Value of Property (1)</u>
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
2015	26,237,313	-	26,237,313	0.30
2014	27,865,683	-	27,865,683	0.31
2013	29,289,828	-	29,289,828	0.32
2012	30,608,198	-	30,608,198	0.30
2011	5,071,807	-	5,071,807	0.04

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.

See independent auditor's report.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**DECEMBER 31, 2020**

	<b>2019 Equalized Assessed Valuation</b>	<b>Outstanding Debt</b>	<b>Applicable to District</b>	
			<b>Percent</b>	<b>Amount</b>
Overlapping agencies:				
Cook County	\$ 166,489,741,908	\$ 2,663,661,750	1.495 %	\$ 39,821,743
Cook County Forest Preserve	166,489,741,908	130,450,000	1.495	1,950,228
Metropolitan Water Reclamation District	163,646,982,697	2,694,934,289 (1)	1.521	40,989,951
Municipalities:				
Village of Homer Glen	985,737,455	3,305,000	0.017	562
Village of Orland Park and Library	2,277,096,993	50,025,000	96.558	48,303,140
Park District:				
Tinley Park Park District	1,361,057,341	2,061,800	5.354	110,389
Schools:				
School District #135	2,162,800,154	8,330,000 (2)	99.802	8,313,507
School District #146	634,491,822	19,010,000	26.995	5,131,750
High School District #230	4,839,084,913	26,035,000	51.422	13,387,718
Community College #524	10,120,385,779	42,140,000 (3)	24.588	<u>10,361,383</u>
Total overlapping governmental activities debt				168,370,371
Direct debt:				
Orland Fire Protection District	2,488,805,080	29,959,259	100.000	<u>29,959,259</u>
Total direct and overlapping governmental activities debt				<u>\$ 198,329,630</u>

(1) Includes IEPA Revolving Loan Fund Bonds.

(2) Excludes outstanding debt certificates.

(3) 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.

See independent auditor's report.

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

**Legal Debt Margin Calculation for December 31, 2020**

Assessed value	<u>\$ 2,488,805.080</u>
Debt limit (5.75% of assessed value)	143,106,292
Total net debt applicable to limit	<u>29,959,259</u>
Legal debt margin	<u>\$ 113,147,033</u>
Total net debt applicable to the limit as a percentage of debt limit	<u>20.9350 %</u>

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Debt limit	\$ 143,311,660	\$ 147,035,015	\$ 128,563,070	\$ 122,453,472	\$ 125,965,151	\$ 129,272,547	\$ 136,769,052	\$ 148,322,599	\$ 173,549,348
Total net debt applicable to limit	<u>23,738,410</u>	<u>24,430,507</u>	<u>25,371,680</u>	<u>25,317,229</u>	<u>27,179,832</u>	<u>28,916,507</u>	<u>29,289,828</u>	<u>30,608,198</u>	<u>5,071,807</u>
Legal debt margin	<u>\$ 119,573,250</u>	<u>\$ 122,604,508</u>	<u>\$ 103,191,390</u>	<u>\$ 97,136,243</u>	<u>\$ 98,785,319</u>	<u>\$ 100,356,040</u>	<u>\$ 107,479,224</u>	<u>\$ 117,714,401</u>	<u>\$ 168,477,541</u>
Total net debt applicable to the limit as a percentage of the debt limit	<u>16.5642 %</u>	<u>16.6154 %</u>	<u>19.7348 %</u>	<u>20.6750 %</u>	<u>21.5773 %</u>	<u>22.3686 %</u>	<u>21.4155 %</u>	<u>20.6362 %</u>	<u>2.9224 %</u>

See independent auditor's report.

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

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (in thousands)</u>	<u>Per Capita Income (1)</u>	<u>Unemployment Rate</u>	<u>Median Age (1)</u>	<u>Education Level in Years of Formal Schooling (1)</u>	<u>School Enrollment (2)</u>
2020	69,545	\$ 2,981,881	\$ 42,877	3.30 %	46.5	14	8,042
2019	68,500	2,920,703	42,638	3.30	46.5	14	7,989
2018	65,394	2,710,254	41,445	3.30	46.2	14	7,986
2017	66,046	2,645,876	40,061	3.30	46.2	14	8,041
2016	66,046	2,617,469	39,631	4.40	46.1	14	8,134
2015	65,868	2,548,960	38,698	5.00	45.0	14	8,313
2014	65,879	2,427,444	36,847	5.60	45.0	14	8,468
2013	65,879	2,396,283	36,374	6.70	45.0	14	8,602
2012	75,000	2,728,050	36,374	7.30	45.0	14	8,793
2011	75,000	2,728,050	36,374	8.20	45.0	14	8,956

Data Sources:

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

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

See independent auditor's report.



**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
PRINCIPAL EMPLOYERS  
DECEMBER 31, 2020**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2019</u>			<u>2010</u>		
		<u>Approximate Number Employed</u>	<u>Rank</u>	<u>Percentage of Total District Employment</u>	<u>Approximate Number Employed</u>	<u>Rank</u>	<u>Percentage of Total District Employment</u>
School District 135	Elementary schools	716	1	2.50 %	785	2	2.70 %
Village of Orland Park	Village government including recreation	542	2	1.90	-	-	-
Consolidated School District 230	High schools	538	3	1.90	927	1	3.20
Jewel/Osco Food Store	Retail grocery and pharmacy (2 stores)	500	4	1.70	540	3	1.80
Darvin Furniture	Retail furniture, mattress and clearance center	300	5	1.00	266	7	0.90
Lowe's	Home improvement center	300	5	1.00	-	-	-
Panduit (Orland Park location)	Mfg. electronic component products, software	300	5	1.00	382	4	1.30
Robert Morris University	Private University	300	5	1.00	-	-	-
Georgios Banquets & Hotel	Events & hotel accommodations	275	6	0.90	-	-	-
Lifetime Fitness	Health club	250	7	0.90	-	-	-
The Horton Group	Insurance agents, brokers & service	200	8	0.70	-	-	-
Home Depot	Home improvement center	200	8	0.70	-	-	-
Carson Pirie Scott	Retail department store	-	-	-	320	5	1.10
J.C. Penney	Retail department store	-	-	-	305	6	1.00
Palos Primary Care	Healthcare services	-	-	-	235	8	0.80
Macy's/Marshall Fields	Retail department store	-	-	-	230	9	0.80
Target	Discount store	-	-	-	210	10	0.70

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

Note: 2019 is the most current information available.

Source: Phone survey

See independent auditor's report.

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Sworn Personnel - Full-time:</b>										
Chief Officers	7	7	6	5	5	6	6	6	6	7
Program Supervisor Lieutenants	3	3	3	3	3	3	3	3	3	3
Lieutenants/Paramedics	24	24	24	24	23	23	24	26	26	27
Lieutenants/EMT-Bs	-	-	-	-	1	1	4	4	4	4
Engineers/Paramedics	24	24	24	24	24	24	29	30	30	30
Firefighters/Paramedics	60	60	59	59	55	56	50	44	38	38
Firefighters/EMT-Bs	1	1	1	1	2	2	3	3	2	2
<b>Total Sworn Personnel - Full-Time</b>	<u>119</u>	<u>119</u>	<u>117</u>	<u>116</u>	<u>113</u>	<u>115</u>	<u>119</u>	<u>116</u>	<u>109</u>	<u>111</u>
<b>Sworn Personnel - Fill-in:</b>										
Sworn Personnel - Fill-In	<u>5</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>7</u>	<u>5</u>	<u>15</u>	<u>14</u>
<b>Total Sworn Personnel</b>	<u>124</u>	<u>126</u>	<u>124</u>	<u>123</u>	<u>120</u>	<u>122</u>	<u>126</u>	<u>121</u>	<u>124</u>	<u>125</u>
<b>Support Services and Overtime:</b>										
Administration	6	8	9	9	8	9	8	8	8	7
Fire Prevention and Public Education	3	4	4	4	4	4	4	3	5	5
Communications	14	14	12	11	14	14	14	15	15	15
Training and Safety	1	3	4	2	2	2	1	2	2	1
EMS	1	1	1	1	1	1	1	1	1	1
Specialty Teams	1	1	1	1	2	1	1	2	1	1
Maintenance	4	4	5	5	5	5	5	4	4	4
<b>Total Support Services and Overtime</b>	<u>30</u>	<u>35</u>	<u>36</u>	<u>33</u>	<u>36</u>	<u>36</u>	<u>34</u>	<u>35</u>	<u>36</u>	<u>34</u>
<b>Total</b>	<u>154</u>	<u>161</u>	<u>160</u>	<u>156</u>	<u>156</u>	<u>158</u>	<u>160</u>	<u>156</u>	<u>160</u>	<u>159</u>

Source: District records

See independent auditor's report.

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
<b>Operating Indicators:</b>										
Call volume activity:										
Fire/Rescue	2,941	3,363	3,249	3,673	3,917	3,855	3,931	3,643	2,599	3,173
EMS	<u>6,875</u>	<u>7,303</u>	<u>6,470</u>	<u>6,170</u>	<u>6,043</u>	<u>5,408</u>	<u>5,185</u>	<u>4,856</u>	<u>5,794</u>	<u>4,942</u>
Total	<u>9,816</u>	<u>10,666</u>	<u>9,719</u>	<u>9,843</u>	<u>9,960</u>	<u>9,263</u>	<u>9,116</u>	<u>8,499</u>	<u>8,393</u>	<u>8,115</u>
<b>Information on Capital Assets:</b>										
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>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>

Source: District records

See independent auditor's report.

**SINGLE AUDIT SECTION**



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**INDEPENDENT AUDITOR'S REPORT 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***

Honorable District President and Board of Directors of Trustees  
Orland Fire Protection District, 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, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements of Orland Fire Protection District, Illinois, and have issued our report thereon dated June 14, 2021.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Orland Fire Protection District, Illinois' 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 Orland Fire Protection District, Illinois' internal control. Accordingly, we do not express an opinion on the effectiveness of Orland Fire Protection District, Illinois' 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 may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Orland Fire Protection District, Illinois' 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Muller & Co., LLP*

Orland Park, Illinois  
June 14, 2021

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH  
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

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

**Report on Compliance for Each Major Federal Program**

We have audited Orland Fire Protection District, Illinois' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Orland Fire Protection District, Illinois' major federal programs for the year ended December 31, 2020. Orland Fire Protection District, Illinois' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Orland Fire Protection District, Illinois' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Orland Fire Protection District, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Orland Fire Protection District, Illinois' compliance.



### ***Opinion on Each Major Federal Program***

In our opinion, Orland Fire Protection District, Illinois complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

### **Report on Internal Control over Compliance**

Management of Orland Fire Protection District, Illinois is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Orland Fire Protection District, Illinois' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Orland Fire Protection District, Illinois' internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Muller & Co., LLP*

Orland Park, Illinois  
June 14, 2021

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2020**

<u>Federal Grantor/ Pass-through Grantor/ Program or Cluster Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
<b>U.S. Department of Homeland Security</b>				
<i>Passed through Cook County Homeland Security Grant Program</i>				
2017 UASI Training Programs (M)	97.067	2017OFPD	\$ -	\$ 1,131,422
2018 UASI Training Programs (M)	97.067	2018OFPD	-	<u>496,650</u>
Total UASI Training Programs			-	<u>1,628,072</u>
<i>Direct Award</i>				
COVID 19 - Disaster Grants - Public Assistance	97.036	N/A	-	111,890
COVID 19 - Disaster Grants - Public Assistance	97.036	N/A	-	<u>111,391</u>
Total Disaster Grants - Public Assistance			-	<u>223,281</u>
Total U.S. Department of Homeland Security			-	<u>1,851,353</u>
<b>U.S. Department of Health and Human Services</b>				
<i>Direct Award</i>				
COVID 19 - Provider Relief Fund	93.498	N/A	-	<u>77,272</u>
Total U.S. Department of Health and Human Services			-	<u>77,272</u>
<b>U.S. Department of the Treasury</b>				
<i>Passed through Cook County, Illinois</i>				
COVID-19 - Coronavirus Relief Fund	20.019	OFD001	-	<u>136,200</u>
Total U.S Department of the Treasury			-	<u>136,200</u>
Total expenditures of federal awards			<u>\$ -</u>	<u>\$ 2,064,825</u>

(M) - Major program

See independent auditor's report and notes to schedule of expenditures of federal awards.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2020**

**NOTE 1. BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes the federal award grant activity of Orland Fire Protection District, Illinois (OFPD) under programs of the federal government for the year ended December 31, 2020. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule differ from amounts presented in, or used in the preparation of, the basic financial statements.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**NOTE 3. INDIRECT COST RATE**

The OFPD has elected to use the 10-percent de minimis cost rate.

**NOTE 4. LOANS OR LOAN GUARANTEES**

During the year ended December 31, 2020, OFPD received no loans, loan guarantees or other federal assistance for the purpose of administering federal programs.

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2020**

**Section I - Summary of Auditor's Results**

***Financial Statements***

Type of auditor's report issued: UNMODIFIED

Internal control over financial reporting:

- Material weaknesses identified?  Yes  None reported
- Significant deficiencies identified that are not considered to be material weaknesses?  Yes  None reported
- Noncompliance noted?  Yes  No

***Federal Awards***

Internal control over major programs:

- Material weaknesses identified?  Yes  None reported
- Significant deficiencies identified that are not considered to be material weaknesses?  Yes  None reported

Type of auditor's report issued on compliance for major programs: UNMODIFIED

Any audit findings disclosed that are required to be reported in accordance with §200.516 (a)?  Yes  No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
97.067	UASI Training Programs

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?  Yes  No



**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDING DECEMBER 31, 2020**

---

1. FINDING NUMBER:       NONE            2. THIS FINDING IS:     New       Repeat from Prior year?  
Year originally reported? \_\_\_\_\_

---

3. Federal Program Name and Year: \_\_\_\_\_

4. Project No.: \_\_\_\_\_      5. CFDA No.: \_\_\_\_\_

6. Passed Through: \_\_\_\_\_

7. Federal Agency: \_\_\_\_\_

---

8. Criteria or specific requirement (including statutory, regulatory, or other citation)

---

9. Condition

---

10. Questioned Costs

---

11. Context

---

12. Effect

---

13. Cause

---

14. Recommendation

---

15. Management's response

ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDING DECEMBER 31, 2020

Finding Number

Condition

Current Status

NONE

**ORLAND FIRE PROTECTION DISTRICT, ILLINOIS  
CORRECTIVE ACTION PLAN FOR CURRENT YEAR AUDIT FINDINGS  
YEAR ENDING DECEMBER 31, 2020**

**Corrective Action Plan**

Finding No.:        NONE

Condition:

Plan:

Anticipated Date of Completion:

Name of Contact Person:

Management Response: