VILLAGE OF SCHAUMBURG, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED APRIL 30, 2025

Prepared by:

Department of Finance

Lisa Petersen, Director of Finance

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the Village of Schaumburg, Illinois including:

List of Principal Officials

Organizational Chart

Letter of Transmittal

Certificate of Achievement for Excellence in Financial Reporting

List of Principal Officials
April 30, 2025

LEGISLATIVE

VILLAGE BOARD OF TRUSTEES

Tom Dailly, President

Jamie Clar	Esha Patel
Brian Bieschke	Mark Madej
Michael LaRosa	Jack Sullivan

Jane Lentino, Clerk

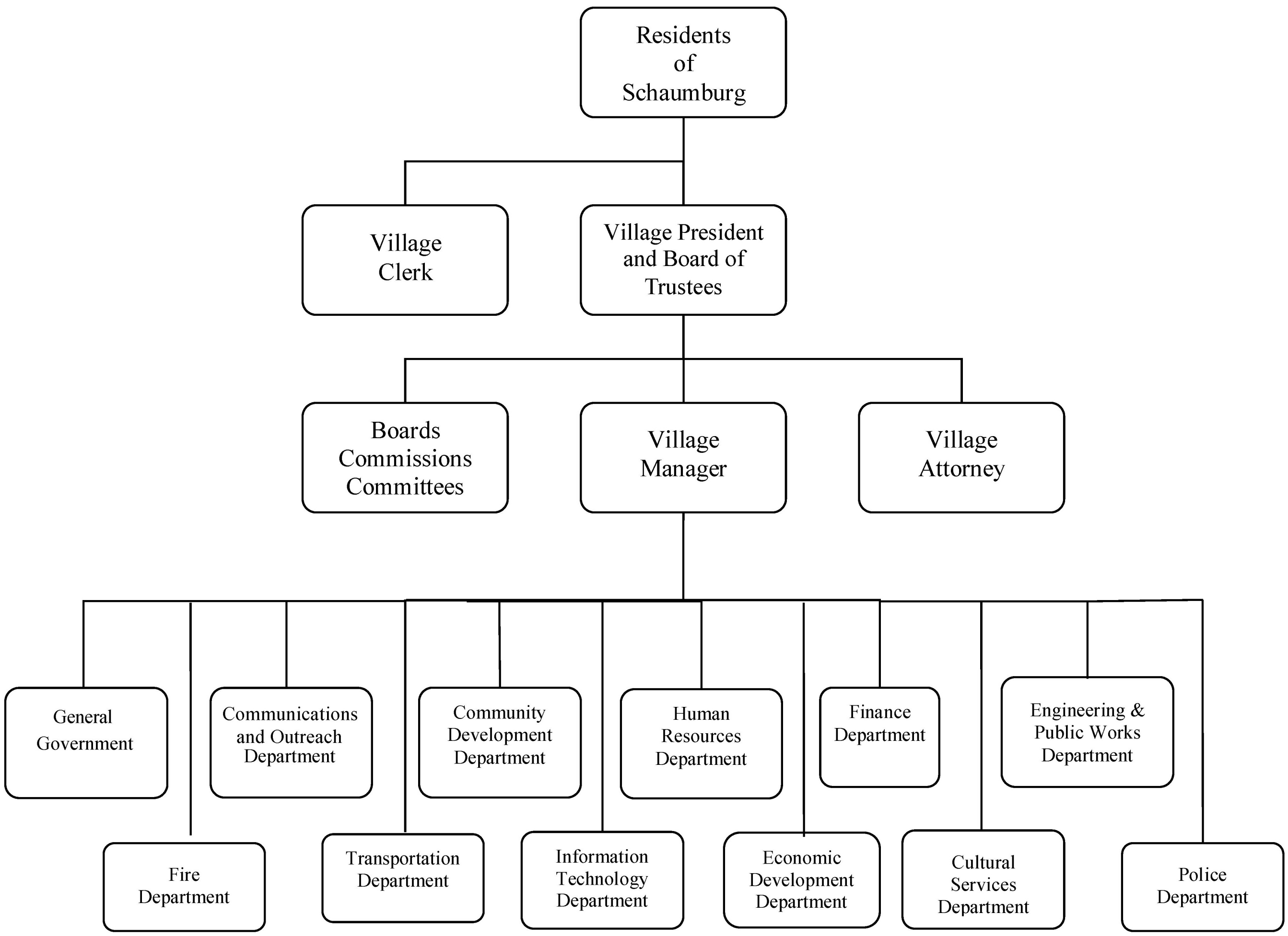
ADMINISTRATION

Brian Townsend, Village Manager

DEPARTMENT OF FINANCE

Lisa Petersen, Director of Finance

Organizational Chart
April 30, 2025



VILLAGE OF SCHAUMBURG
PROGRESS THROUGH THOUGHTFUL PLANNING

October 8, 2025

The Honorable Tom Dailly, Village President
Members of the Board of Trustees
Citizens of the Village of Schaumburg, Illinois

The Finance Department is pleased to submit herewith the Annual Comprehensive Financial Report (Annual Report) of the Village of Schaumburg, Illinois (the Village) for the fiscal year ended April 30, 2025. This report provides a broad view of the Village's financial activities for the 2025 fiscal year and its financial position at April 30, 2025. Although addressed to the elected officials and citizens of the Village, this report has a number of other users. Foremost among these other users are bondholders of the Village, financial institutions, credit rating agencies, educational institutions, and other government entities. Illinois statutes require that Illinois municipalities publish financial statements on an annual basis that are prepared in accordance with generally accepted accounting principles and are audited by independent accountants. In producing an Annual Report, the Village of Schaumburg has chosen to provide financial information that is significantly greater than that which is required under state law.

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

Lauterbach & Amen, LLP (Certified Public Accountants) has issued an unmodified ("clean") opinion on the Village's financial statements for the fiscal year ended April 30, 2025. The independent auditors' report is located at the front of the financial section of this report.

Management of the Village has established a system of internal control that is designed to assure that the assets of the Village are safeguarded against loss, theft, or misuse. The system of internal control also assures that the accounting system compiles reliable financial data for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that these objectives will be met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of the costs and benefits requires estimates and judgments by management.

This letter of transmittal should be read in conjunction with Management's Discussion and Analysis (MD&A) to obtain the most complete assessment of the Village's current financial status and its future prospects.

Profile of the Village of Schaumburg

The Village of Schaumburg was incorporated on March 7, 1956, and is located approximately 26 miles northwest of downtown Chicago. The Village is bordered by Interstate 290 on the east, and Interstate 90 runs near its northern border. More than 99% of the Village is located in Cook County, with a small portion located within DuPage County. The Village currently has a land area of 19.2 square miles and serves a population of 78,723. The Village is a home-rule community as defined by the Illinois Constitution, meaning that it has no tax rate or debt limits, nor is it required to conduct a referendum to authorize additional debt or to raise taxes.

The Village operates under the council-manager form of government. Policy-making and legislative authority are vested in the Village Board, which consists of a Village President and six trustees elected at large. A Village Manager is hired by the Village Board to carry out the policies and ordinances of the Board and to oversee the day-to-day operations of the Village. The Village provides a full range of municipal services, including public safety, roadway maintenance, public improvements, planning and zoning, inspections, water and sewer services, cultural and other social services, transportation, and general administrative services. The Village also operates a convention center and 500-room hotel, a regional airport, and baseball stadium that houses an independent league professional team.

Additional demographic information about the Village can be found in the statistical section of this report.

The Reporting Entity

This report includes all activities and functions of the Village that are under the jurisdiction of the Board of Trustees, as set forth in state and local law. There are two blended component units included in this report, those being the Police Pension Fund and the Firefighters' Pension Fund. These two pension plans are governed by separate boards, but the Village is obligated to fund the two plans based on actuarial valuations.

The Village's Hotel and Convention Center operates on a different fiscal year than other Village operations. The Hotel and Convention Center Fund is reported on a fiscal year ending December 31st of each year. This report includes the financial position of the hotel and convention center as of December 31, 2024, and the results of operations for the year beginning January 1, 2024 and ending December 31, 2024.

Accounting System and Budgetary Control

The accounts of the Village are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues, and expenditures. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The Village's accounting records are generally maintained on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when measurable and available to liquidate obligations of the current period and expenditures are recorded when a liability is incurred that is expected to draw upon current financial resources. The modified accrual accounting records are the basis for assessing budgetary compliance. After the end of the year, the Village's management makes certain adjustments to the accounting records to permit the preparation of certain financial statements on the accrual basis of accounting to comply with generally accepted accounting principles. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when incurred.

The annual budget serves as the foundation for the Village's financial planning and control. It also serves as the legal authority to spend public funds. The Village Board has adopted the Budget Act for purposes of legally appropriating public funds. The Village Manager has been designated by the Village Board as the Budget Officer. All departments submit their budget requests to the Village Manager on or before January 1st. The Director of Finance prepares an estimate of revenues to be received during the fiscal year. The Village Manager, Director of Finance, and appropriate staff review all budget requests and revenue estimates and develop a proposed budget. The Village Manager presents his proposed budget to the Village Board and public at least two weeks prior to a formal public hearing in April. By state law, the annual budget must be adopted by the Village Board prior to the first day of the fiscal year.

The hotel and convention center budget is prepared each year by the Director of Finance and the management of Renaissance Hotel Management Company LLC. The proposed hotel budget is then presented to the Village Board. The hotel budget is adopted by the Village Board.

The Budget Officer may approve the transfer of budgeted funds from one account to another, provided the two accounts are within the same object class and within the same department and fund. Any other amendments or increases to the annual budget may be done only by a two-thirds vote of the Village Board.

Factors Affecting Economic Condition

Local Economy: The Village of Schaumburg is the largest center of economic development in the State of Illinois, outside the City of Chicago. Within the Village's corporate boundaries, there is in excess of 9.5 million square feet of retail and restaurant space, over 12 million square feet of office space and 13.5 million square feet of industrial space. Located in the Village is the 2.7 million square foot Woodfield Mall. The Village is the third largest generator of retail sales in the State of Illinois. Retail sales totaled over $4.3 billion in the fiscal year ended April 30, 2025, a slight increase of 1.97% from the same period last year.

During fiscal year 2025 Schaumburg's local economy experienced sustained consumer spending and effects of inflation that resulted in record high revenues. Sales tax, home rule sales tax, hotel tax, food and beverage tax, and income tax brought in an additional $8.7 million above the original budget. These top Village revenue sources generally account for 60% of the Village's General Fund and are directly related to the local economy.

The Village's continued support of local business development has also contributed to the revenue increase. A variety of new businesses in Schaumburg opened their doors during fiscal year 2025 including Wheels Inc., Cloos Robotic Welding, and Steinhafels. The relocation of major companies, including Wheels Inc. and ADP into vacant portions of the Zurich Headquarters building, as well as Mizkan America's move to 150 & 200 N Martingale Road, will contribute to the occupancy of over 800,000 square feet of vacant office space. These new business additions reinforce the Village's position as a vibrant commercial hub in the State of Illinois.

Long-term Financial Planning. The Village uses a number of processes and resultant planning documents to accomplish its financial planning. As discussed above, the Village adopts an annual budget to set the financial course and define service priorities. Village departments in conjunction with the Village Manager have established goals and programs of work to accomplish key initiatives. The Finance Department maintains a five-year financial forecast for all funds, which are updated regularly. These forecasts project revenues, expenditures, fund balance levels, and cash and investment levels. The forecasts are used for purposes of monitoring the long-term financial outlook of the Village, determining available funding for the Capital Improvement Plan, and assisting the Village Manager in setting initial budget goals for the organization.

The Village prepares a comprehensive multi-year Capital Improvement Plan (CIP) which lays out in detail all planned capital projects and major capital expenditures for the current fiscal year and four subsequent fiscal years. The CIP is reviewed and adjusted to reflect expected available resources. The CIP is reviewed by the Village Manager and presented to the Village Board prior to the annual budget being prepared.

Financial Policies. The Village has established several specific policies to guide its financial operations. These policies help ensure that the Village is in a position to continue meeting immediate and long-term service objectives. Some of the more significant policies include:

- An investment policy, providing for market investment returns while protecting principal;
- A purchasing policy, setting forth the procedures for ensuring that the best products and services are received at the lowest responsible price;
- A policy requiring a six-month review of revenues and expenditures compared to budget, ensuring that the Village Board is aware of major variances;
- A capital policy, setting forth the thresholds for capitalizing capital assets; and
- A fund balance policy, setting forth the benchmark reserve levels to be maintained in the various funds to ensure proper working capital; rainy-day funds are maintained to protect against unforeseen economic events.

Tax Abatements. As of April 30, 2025, the Village has enacted incentives for businesses through two programs. The Class 6B and 7B incentive programs are offered by Cook County and is designed to encourage industrial and commercial development throughout Cook County by offering a property tax incentive for the development of new facilities, reutilization of abandoned buildings, and rehabilitation of existing structures. The Village Board endorses Class 6B and 7B incentives for Schaumburg businesses; however, final approval is granted by the Cook County Board of Commissioners. Additionally, the Village has active Tax Increment Financing economic incentive agreements with Motorola Solutions, Inc. (MSI), Zurich American Insurance Company (Zurich), Kensington Development Partners, and Urban Street Group (USG). The agreements were set up to address the extraordinary measures, which must be undertaken to accomplish redevelopment and induce private investment. The expected long-term benefit of both property tax incentive programs is expanding job opportunities and capital investment throughout Cook County by attracting new businesses and retaining existing industry.

Major Accomplishments and Initiatives

The fiscal year ended April 30, 2025, saw many accomplishments and major initiatives come to fruition, including:

- Schaumburg remains one of only 20 municipalities in Illinois to hold Standard & Poor's highest AAA rating, reflecting strong financial health.
- The Village's FY 24/25 Annual Budget received the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA).
- The Village created a new tax increment financing district south of Wise Road.
- Used the Rebuild Illinois grant funds to construct the Metra access road to Rodenburg Road through the Experior property.
- Reconstructed 3.35 miles of streets and resurfaced 3.91 miles, alongside $1.6 million in watermain improvements.
- Completed the National Parkway roundabout with $5 million in federal funds and the Rodenburg Road joint project with over $2.8 million in federal funding.
- Replaced storm sewers near Gray Farm Marsh, reducing flooding in Strathmore.
- Completed the new Village Hall design, moved to a temporary facility, demolished Atcher Municipal Center, and replaced the roof at the Vehicle Maintenance Facility.
- Partnered with IDOT to enhance signal interconnectivity at 21 traffic signals, including 13 Village-operated signals.
- Secured $4.6 million in grant funding for three Vital Streets projects.
- Facilitated zoning, reviews, and inspections for key projects, including Lurie Children's Hospital, Wise Commons, and the first residential project in the Woodfield HUB.
- Approved 260 rowhomes, added 66 more, and began Andretti Racing and The District construction.
- Over 5,000 permits have been processed through OpenGov, improving efficiency and customer access.
- Developed design guidelines for the former Frankly Yours site, promoting restaurant and retail use.
- Expanded the Real Time Information Center with new cameras, surpassing 1,000 successful uses in crime-solving and public safety.
- Deployed cameras issuing warning citations to identify chronic speeders and guide enforcement efforts.
- Hired an additional therapist-qualified social worker and expanded the mobile mental health crisis response team, earning an ICMA Program of Excellence Award.
- Implemented new 2" standpipe hose packs, improving firefighter and resident safety in large buildings.
- Launched Engage Schaumburg, an online platform for public feedback, and produced over 40 videos to highlight Village events and initiatives.
- Schaumburg Youth Choir went on the first international tour since 2013 visiting Scotland and Ireland, performing for 250 people per show.
- All Shook Up drew 1,436 attendees, making it the highest-grossing production in Schaumburg Summer Theater's 34-year history.
- The main lobby of the Al Larson Prairie Center for the Arts was renovated and enhanced the visitor experience. Diverse cultural programming was expanded, and rental revenue increased by 20%.

In 2024, the Village conducted a National Community Survey (NCS) and used the results to help develop and prioritize initiatives on which to focus. Some of the more significant initiatives planned for the 2025/26 fiscal year are as follows:

- **Improve Mobility**. The FY 25/26 budget includes targeted investments to enhance mobility, improve traffic flow, and maintain high-quality infrastructure for residents and visitors. The annual $8 million Street Repair & Reconstruction Program investment has allowed the Village to achieve its initial goal of having 5% or less of the roadway network in need of reconstruction by the end of the upcoming fiscal year. The budget also marks the start of an annual investment to improve pedestrian crossings throughout the Village. This initiative will replace aging crosswalks with updated S-pattern designs, that will enhance pedestrian visibility and encourage traffic calming, ultimately improving safety for all roadway users. Funding has also been reserved for the installation of two speed warning cameras designed to enhance traffic safety by issuing warning citations to vehicles exceeding a designated speed threshold. The FY 25/26 budget also includes strategic investments to enhance traffic signal efficiency and overall mobility throughout the Village. Two new intersections-Progress/Veridian and Martingale/Corporate Crossing-will be equipped with VDI technology to improve signal performance. These locations will also utilize VantageLive software to track pedestrian and bike activity, allowing staff to monitor usage and adjust signal programming as needed. Additionally, fiber installation along Meacham Road will enhance VDI reliability, ensuring more responsive traffic management.
- **Enhance Housing Affordability.** The FY 25/26 budget includes funding to conduct a special census ahead of the 2030 Census. This is a strategic first step in addressing affordability, as it will provide the Village with updated and accurate population and demographic data to better understand household economics. In FY 25/26, staff will begin implementing the Village's Community Health Improvement Plan (CHIP). A key initiative is establishing a service provider collaborative to enhance information sharing and ensure residents can access essential health and support services, particularly in areas with affordability challenges.
- **Promote Public Safety**. A Fire Department Station Location Study has been budgeted for FY 25/26. This comprehensive study will assess the current stations, evaluate ongoing operations, and potential reconfigurations to enhance the efficiency of the Fire Department’s response times. The budget also includes a pilot pedestrian safety project with the installation of four solar powered LED-embedded stop and school crossing signs to improve driver compliance. The FY 25/26 budget also includes the purchase of Tablet Command to streamline incident command. By improving situational awareness and response efficiency, Tablet Command will support faster, more effective decision-making during emergencies.
- **Advance Reliable Utilities**. The Village has budgeted $2.9 million in FY 25/26 to implement remote monitoring for the pumps and controls at the Walnut Lane Lift Station. This improvement will enhance operational efficiency, allow for real-time system monitoring, and improve stormwater management, helping to mitigate flooding and ensure reliable service for residents. The Village has also allocated $1.8 million for the rehabilitation of an existing sanitary force main to ensure reliable and continuous sewer service for homes upstream of the Bode Road Lift Station basin. This critical infrastructure improvement will enhance system efficiency and prevent potential service disruptions for residents in the area. To enhance system reliability, the village has budgeted $1.7 million for the replacement of Automatic Transfer Switches (ATS) at Stations 20 and 21, providing critical backup power redundancy. Additionally, generators will be installed at Stations 3, 12, and 19 to provide permanent backup power, ensuring continuous water system operation during outages while ComEd remains the primary electricity supplier.
- **Encourage Economic Development**. While Schaumburg has a strong track record of attracting businesses, the FY 25/26 budget includes funding for research, market analysis, website enhancements, and media planning to further support economic development. This initiative will drive a comprehensive marketing campaign to attract new businesses and connect them with essential resources for long-term success. Additionally, the program will focus on promoting the Village’s 90 North District to attract further development in the area, along with other key business corridors. The Community Development Department continues to improve the permitting and inspection process by making it more efficient and user-friendly. To support this effort, the FY 25/26 budget includes funding for two new full-time positions: an Associate Planner and a Permit Navigator to help in this area. The FY 25/26 budget also includes continued efforts for PCA rebranding, with funds allocated to collaborate with a consultant in establishing a new name and visual identity for the facility.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Schaumburg for its Annual Comprehensive Financial Report (Annual Report) for the fiscal year ended April 30, 2024. This represented the fortieth consecutive year that the Village has received this prestigious award. In order to be awarded a Certificate of Achievement, the Village must publish an easily readable and efficiently organized Annual Report that satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that this Annual Report continues to meet the requirements of the Certificate of Achievement Program and are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. In particular, we would like to acknowledge the work of Franceska Fabyan, Accounting Manager; Emily Bedard; and Sam Najjarpour. We would like to express our appreciation to the accounting firm Lauterbach & Amen, LLP for their expertise, professionalism, and assistance in the preparation of this report.

The Village President and Board of Trustees are also acknowledged and thanked for providing effective leadership and allocating resources responsibly to meet the needs of the Village.

Respectfully submitted,

Brian A. Townsend
Village Manager

Lisa Petersen
Director of Finance/Village Treasurer

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Schaumburg
Illinois

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

April 30, 2024

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION

This section includes:

- Independent Auditor's Report
- Management’s Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information
- Supplemental Schedules

INDEPENDENT AUDITOR'S REPORT

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

Lauterbach & Amen
668 N. River Road
Naperville, IL 60563
630.393.1483
lauterbachamen.com

INDEPENDENT AUDITOR'S REPORT

October 8, 2025

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

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Schaumburg (the Village), Illinois, as of and for the year ended April 30, 2025, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Schaumburg, Illinois, as of April 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 8, 2025, on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of the Village of Schaumburg (the Village), Illinois' financial performance provides an overview of the Village's financial activities for the fiscal year ended April 30, 2025. The amounts presented for the Schaumburg Hotel and Convention Center are for the fiscal year ended December 31, 2024. Please read it in conjunction with the transmittal letter, which can be found in the introductory section of this report and the Village's financial statements, which can be found in the basic financial statements section of this report.

FINANCIAL HIGHLIGHTS

- The Village's net position increased as a result of this year's operations. Net position of the governmental activities increased by $52,353,969, or 68.0 percent and net position of business-type activities decreased by $7,852,894, or 6.0 percent.

- During the year, government-wide revenues for the primary government totaled $296,050,025, while expenses totaled $258,680,330, resulting in an increase to net position of $37,369,695 prior to transfers in of $7,131,380 from the Schaumburg Hotel and Convention Center due to a difference in reporting periods.

- The Village's net position totaled $251,634,698 on April 30, 2025, which includes $166,200,601 net investment in capital assets, $25,261,919 subject to external restrictions, and $60,172,178 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.

- The General Fund reported a decrease this year of $1,211,628 or 1.6 percent, resulting in an ending balance of $73,822,367.

USING THIS ANNUAL REPORT

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

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the Village's finances, in a matter similar to a private-sector business.

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

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

USING THIS ANNUAL REPORT - Continued

Government-Wide Financial Statements - Continued

Both of the government-wide financial statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, highways and streets, health and welfare, and culture and recreation. The business-type activities of the Village include water, sewer, hotel and convention center, baseball stadium, and commuter parking lot operations.

Fund Financial Statements

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

Governmental Funds

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

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

The Village maintains seventeen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and North Schaumburg TIF Fund, which are considered major funds. Data from the other fifteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The Village adopts an annual appropriated budget for all of the governmental funds, except for the 390 West Gateway TIF Fund due to it being a new fund. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

USING THIS ANNUAL REPORT - Continued

Proprietary Funds

The Village maintains two proprietary fund types: enterprise and internal service. Enterprise funds are used to report the same functions presented as business-type activities in the government–wide financial statements. The Village utilizes enterprise funds to account for its water, sewer, hotel and convention center, airport, baseball stadium, and commuter parking lot operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Village's various functions.

The Village uses internal service funds to account for its vehicles, equipment, buildings, and risk management. These services benefit both governmental and business-type functions, and therefore, have been included within the appropriate functions in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Waterworks and Sewerage Fund and Schaumburg Hotel and Convention Center Fund, which are considered to be major funds of the Village. Data from the other three proprietary funds are combined into a single, aggregated presentation. Individual fund data for each of these proprietary funds is provided in the form of combining statements elsewhere in this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Village's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's I.M.R.F., police and fire employee pension obligations, post-employment retirement benefit obligations and a budgetary comparison schedule for the General Fund. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions.

FINANCIAL SUMMARY

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the Village, assets/deferred outflows exceeded liabilities/deferred inflows by $251,634,698.

	Net Position					
	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Current Assets	$ 276,835,262	255,083,469	91,300,984	114,028,358	368,136,246	369,111,827
Capital Assets	180,129,901	159,970,955	249,975,385	243,248,740	430,105,286	403,219,695
Total Assets	456,965,163	415,054,424	341,276,369	357,277,098	798,241,532	772,331,522
Deferred Outflows	37,760,289	45,341,505	11,535,997	13,149,967	49,296,286	58,491,472
Total Assets/Deferred Outflows	494,725,452	460,395,929	352,812,366	370,427,065	847,537,818	830,822,994
Long-Term Liabilities	297,914,332	302,290,130	209,157,998	216,261,874	507,072,330	518,552,004
Other Liabilities	42,753,794	52,265,813	18,826,005	21,366,242	61,579,799	73,632,055
Total Liabilities	340,668,126	354,555,943	227,984,003	237,628,116	568,652,129	592,184,059
Deferred Inflows	24,658,034	28,794,663	2,592,957	2,710,649	27,250,991	31,505,312
Total Liabilities/Deferred Inflows	365,326,160	383,350,606	230,576,960	240,338,765	595,903,120	623,689,371
Net Position						
Net Investment in Capital Assets	118,568,643	89,132,532	47,631,958	35,045,460	166,200,601	124,177,992
Restricted	25,261,919	41,971,204	—	—	25,261,919	41,971,204
Unrestricted (Deficit)	(14,431,270)	(54,058,413)	74,603,448	95,042,840	60,172,178	40,984,427
Total Net Position	129,399,292	77,045,323	122,235,406	130,088,300	251,634,698	207,133,623

A portion of the Village's net position, $166,200,601 or 66.1 percent, reflects its investment in capital assets (for example, land, land right of way, construction in progress, buildings, land improvements, machinery and equipment, roads, bridges, water systems, furniture and fixtures, wells and water mains, and assets of the internal service funds), less any related debt used to acquire those assets that is still outstanding. The Village uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, $25,261,919 or 10.0 percent, of the Village's net position represents resources that are subject to external restrictions on how they may be used. The remaining $60,172,178 or 23.9 percent represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors.

FINANCIAL SUMMARY - Continued

	Changes in Net Position					
	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues						
Charges for Services	$ 18,548,200	14,223,273	89,978,642	81,798,516	108,526,842	96,021,789
Operating Grants/Contributions	6,483,944	4,854,131	4,870	107,901	6,488,814	4,962,032
Capital Grants/Contributions	3,804,905	5,458,694	454,248	45,759	4,259,153	5,504,453
General Revenues						
Property Tax	40,369,034	35,136,105	—	—	40,369,034	35,136,105
Sales Tax	69,043,760	66,034,598	405,978	379,394	69,449,738	66,413,992
Food and Beverage Tax	9,711,540	9,545,311	3,600,493	3,515,320	13,312,033	13,060,631
Hotel and Motel Tax	6,174,377	5,243,883	3,590,991	3,391,701	9,765,368	8,635,584
Amusement Tax	—	—	2,618,509	2,221,916	2,618,509	2,221,916
Income Tax	13,682,673	12,888,100	—	—	13,682,673	12,888,100
Other Taxes/Intergovernmental	11,486,621	9,694,036	4,831	3,167	11,491,452	9,697,203
Other General Revenues	12,158,279	8,446,744	3,928,130	3,946,000	16,086,409	12,392,744
Total Revenues	191,463,333	171,524,875	104,586,692	95,409,674	296,050,025	266,934,549
Expenses						
General Government	60,012,096	45,944,409	—	—	60,012,096	45,944,409
Public Safety	70,183,119	67,789,203	—	—	70,183,119	67,789,203
Highways and Streets	35,378,640	29,468,269	—	—	35,378,640	29,468,269
Health and Welfare	3,332,526	2,724,643	—	—	3,332,526	2,724,643
Culture and Recreation	3,237,184	2,880,500	—	—	3,237,184	2,880,500
Interest on Long-Term Debt	1,405,119	1,535,805	—	—	1,405,119	1,535,805
Waterworks and Sewerage	—	—	33,313,110	26,625,804	33,313,110	26,625,804
Schaumburg Hotel and Convention Center	—	—	49,290,953	48,888,337	49,290,953	48,888,337
Schaumburg Regional Airport	—	—	1,008,160	859,711	1,008,160	859,711
Schaumburg Baseball Stadium	—	—	1,328,344	1,459,415	1,328,344	1,459,415
Commuter Parking Lot	—	—	191,079	199,205	191,079	199,205
Total Expenses	173,548,684	150,342,829	85,131,646	78,032,472	258,680,330	228,375,301
Change in Net Position Before Transfers	17,914,649	21,182,046	19,455,046	17,377,202	37,369,695	38,559,248
Transfers	34,439,320	807,940	(27,307,940)	(1,939,320)	7,131,380	(1,131,380)
Change in Net Position	52,353,969	21,989,986	(7,852,894)	15,437,882	44,501,075	37,427,868
Net Position - Beginning	77,045,323	55,055,337	130,088,300	114,650,418	207,133,623	169,705,755
Net Position - Ending	129,399,292	77,045,323	122,235,406	130,088,300	251,634,698	207,133,623

FINANCIAL ANALYSIS OF GOVERNMENTAL ACTIVITIES

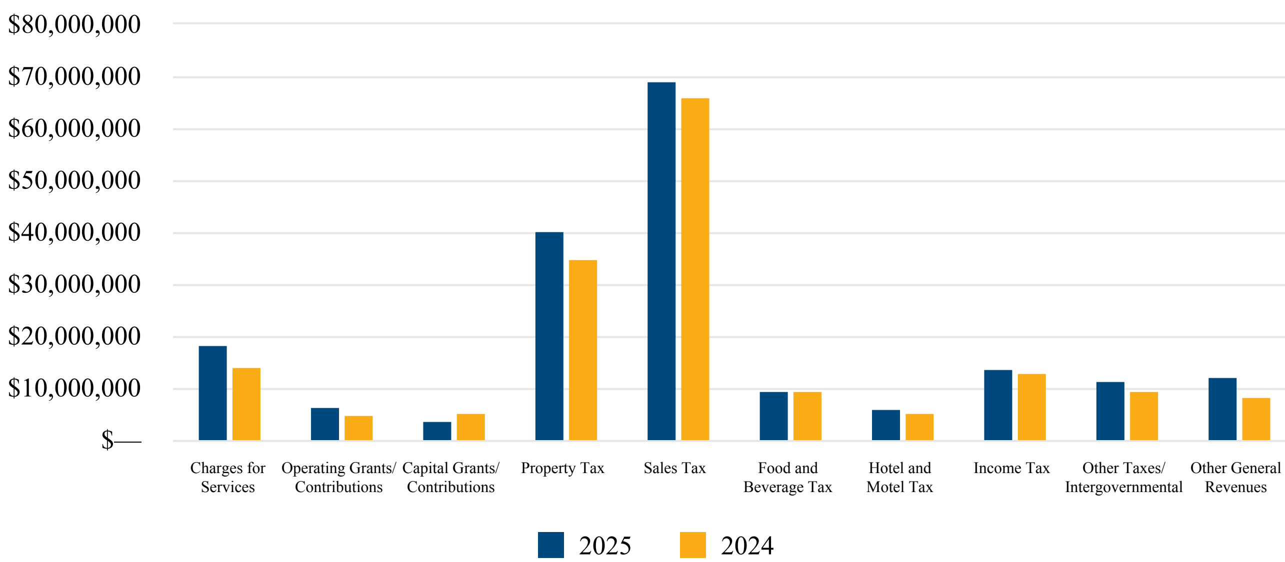
Net position of the Village’s governmental activities increased by 68.0 percent ($129,399,292 in 2025 compared to $77,045,323 in 2024). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled a deficit of $14,431,270 at April 30, 2025. Revenues for governmental activities totaled $191,463,333, while the cost of all governmental functions totaled $173,548,684. This results in an increase of $17,914,649, prior to transfers in of $34,439,320. In 2024, revenues of $171,524,875 exceeded expenses of $150,342,829, resulting in an increase of $21,182,046, prior to transfers in of $807,940. The increase in 2025 can be mainly attributed to appreciable increases in sales taxes, the new electric utility tax that is allocated to the CIP fund, an increase in property taxes in the North Schaumburg TIF Fund. Revenue increases coupled with measured and controlled spending are the main reasons for the increase in net position.

Governmental Activity Revenues

The Village's governmental activities reported total revenues of $191,463,333 for the current fiscal year, this represents an increase of $19,938,458, or 11.6 percent, from the prior year's total amount of $171,524,875. As is typical for activities of local governments, program revenues cover a very small percentage of program expenses, with general revenues covering the majority of expenses. For fiscal year ended April 30, 2025, governmental program expenses of $173,548,684 exceeded program revenues of $28,837,049 by $144,711,635. General revenues of $162,626,284 made up all the deficiency.

The following table graphically depicts the distribution of revenue sources of the Village's governmental activities for fiscal years ended April 30, 2025 and April 30, 2024. It depicts very clearly the reliance of sales taxes and property taxes to fund governmental activities. It also clearly identifies the less significant amounts the Village receives from other sources.

Comparison of Revenues - Governmental Activities



FINANCIAL ANALYSIS OF GOVERNMENTAL ACTIVITIES - Continued

Governmental Activity Revenues - Continued

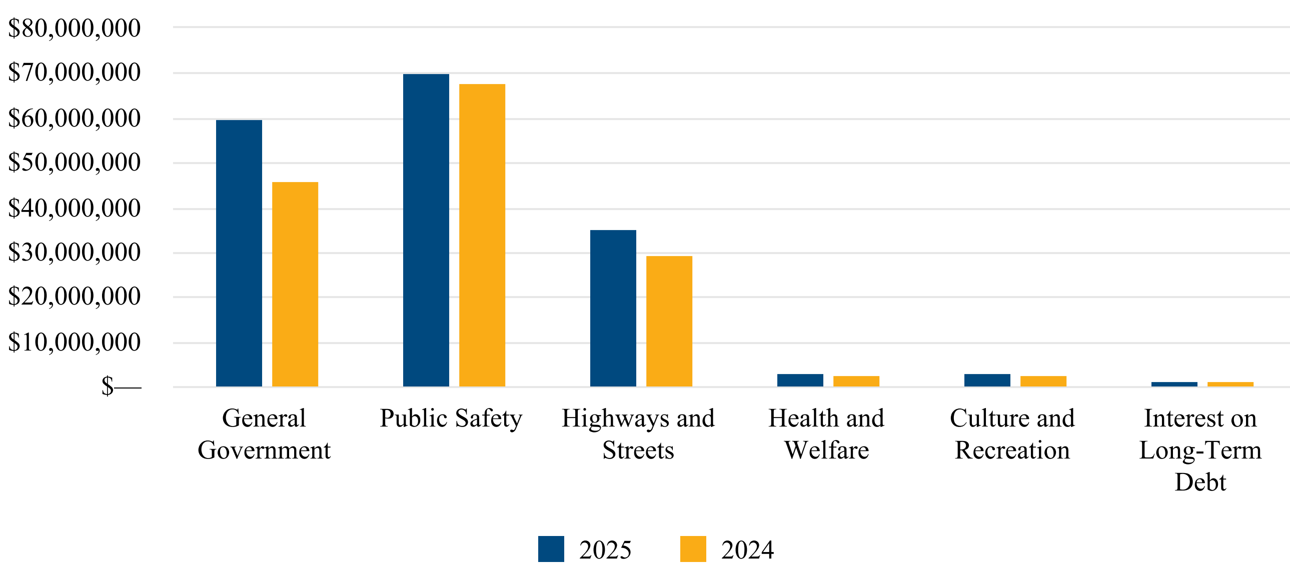
Significant changes of the Village's governmental activities' revenues from the prior year include the following:

Ambulance fees increased $1.7 million or 25.8 percent, the $918,141 charge to the Water fund for administrative services (HR, IT, General Government, and Communications) was recategorized as a charge for service in the General Fund. Building rental fees of the Al Larson Prairie Center for the Arts are up $48,671 or 36.6 percent. The $5 million increase in property taxes is solely attributed to the property taxes collected in the North Schaumburg TIF fund as the Village's property tax levy did not change. Sales and home rule sales taxes continue to be strong, up 3.7 percent and 6.1 percent, respectively. Hotel taxes continue to rebound realizing an increase of $930,494 or 17.7 percent.

Governmental Activity Expenses

The Village's governmental activities reported total expenses of $173,548,684 for the current fiscal year, this represents an increase of $23,205,855, or 15.4 percent, from the prior year's total amount of $150,342,829. The following table graphically depicts the expenses of the Village's governmental activities for fiscal years ended April 30, 2025 and April 30, 2024.

Comparison of Expenses - Governmental Activities



Significant changes of the Village's governmental activity expenses from the prior year include the following:

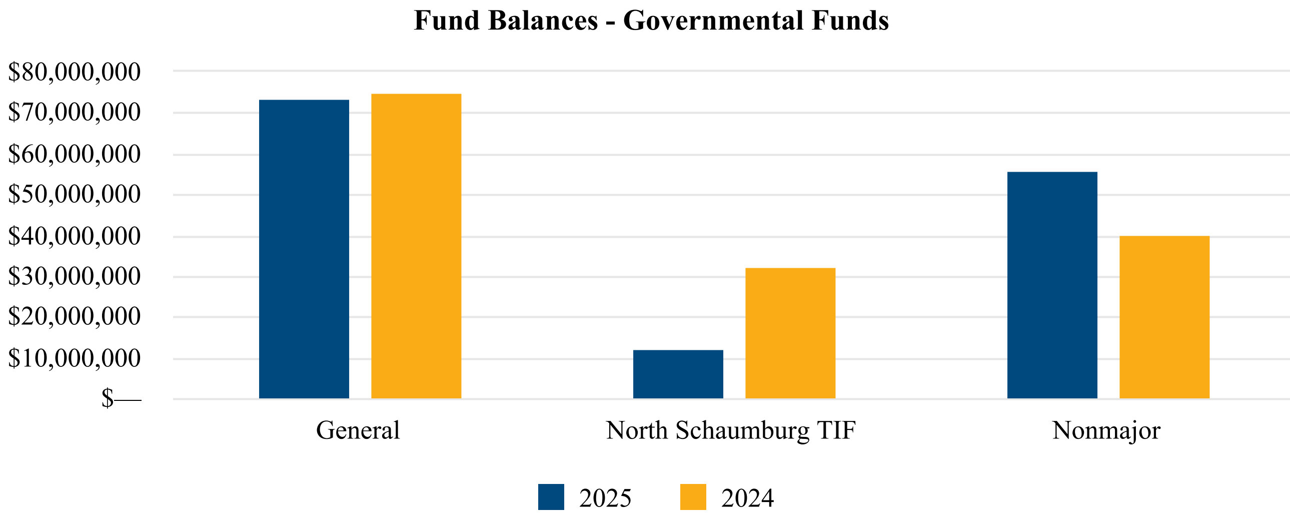
A $10 million increase in expenses for redevelopment agreements in the North Schaumburg TIF District. Salary and benefits increased $3.5 million from FY 2024 to FY 2025. There was a $2.5 million increase in pension expenses, a $1.6 million increase in bad debt expense related to ambulance bills, and $1.4 million increase in expenses for building improvements in the Building Replacement Fund. Contributions to the Police and Fire Pension Funds also increased.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

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

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

The Village's governmental funds reported combining ending fund balances of $142,359,975, which is $5,143,755, or 3.5 percent, lower than last year's total of $147,503,730. Of the $142,359,975 total, $64,868,562, or approximately 45.6 percent, of the fund balance constitutes unassigned fund balance.



The General Fund is the chief operating fund of the Village. At April 30, 2025, unassigned fund balance in the General Fund was $65,599,138, which represents 88.9 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 55.5 percent of total General Fund expenditures. The Village's fund balance policy states that the General Fund's unassigned fund balance benchmark is 40 percent of the subsequent year's budgeted expenditures and other financing uses (OFU). As of April 30, 2025, the Village's unassigned fund balance represents 51.4 percent of FY26 expenditures and OFU. The Village uses a conservative benchmark due to heavy reliance on elastic revenue sources to fund General Fund operations.

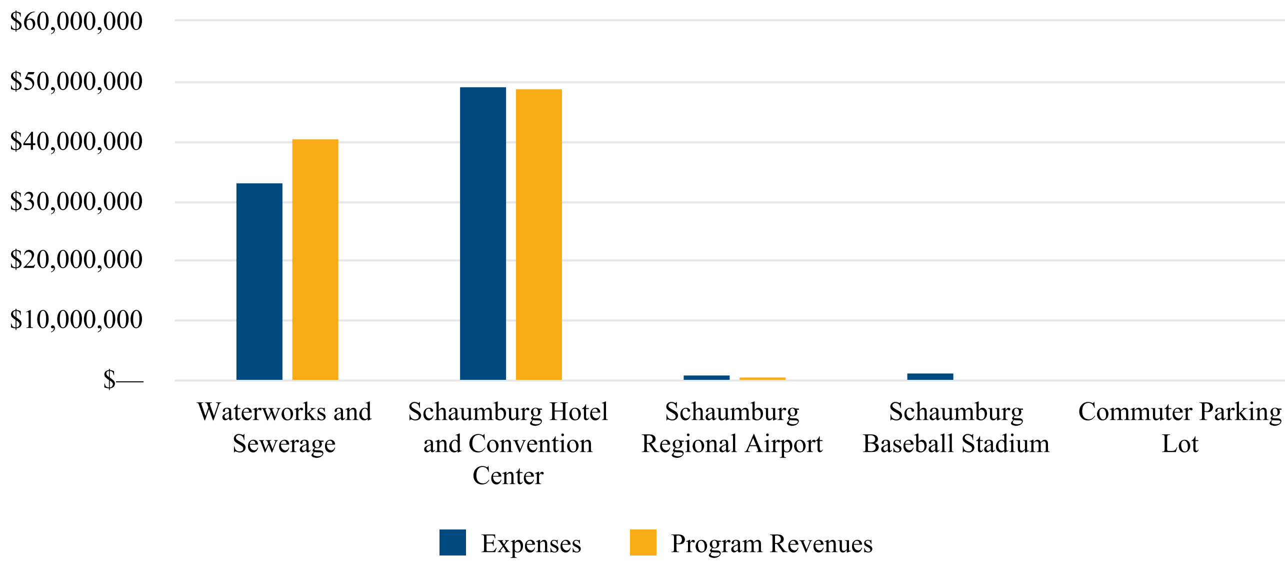
The General Fund concluded the fiscal year with a balance of $73,822,367, reflecting a 1.6 percent decrease from the previous year's balance of $75,033,995. This $1,211,628 decrease is due to a tactical draw down of excess reserves per the fund balance policy. Excess reserves were used for contributions to the public safety pension funds and transferred to the Vital Streets Program Fund and the Building Replacement fund as per policy.

The North Schaumburg TIF Fund concluded the fiscal year with a balance of $12,369,883, reflecting a 61.7 percent decrease from the previous year's balance of $32,266,902. This $19,897,019 decrease is due to construction of public and roadway improvements in the district and payments to developers as part of approved redevelopment agreements.

FINANCIAL ANALYSIS OF BUSINESS-TYPE ACTIVITIES AND RELATED FUNDS

Business-type activities posted total revenues of $104,586,692, while the cost of all business-type activities totaled $85,131,646. This results in an increase of $19,455,046, prior to transfers out of $27,307,940 In 2024, revenues of $95,409,674 exceeded expenses of $78,032,4727, resulting in an increase of $17,377,202, prior to transfers out of $1,939,320. The decrease in the current year is primarily due to capital transfers out of the Hotel and Convention Center Fund for the guest room renovation and funds that were accumulated for a potential performing arts center. The Village Board decided against moving forward with a performing arts center so the funds were transferred to the Building Replacement Fund.

Expenses and Program Revenues - Business-Type Activities



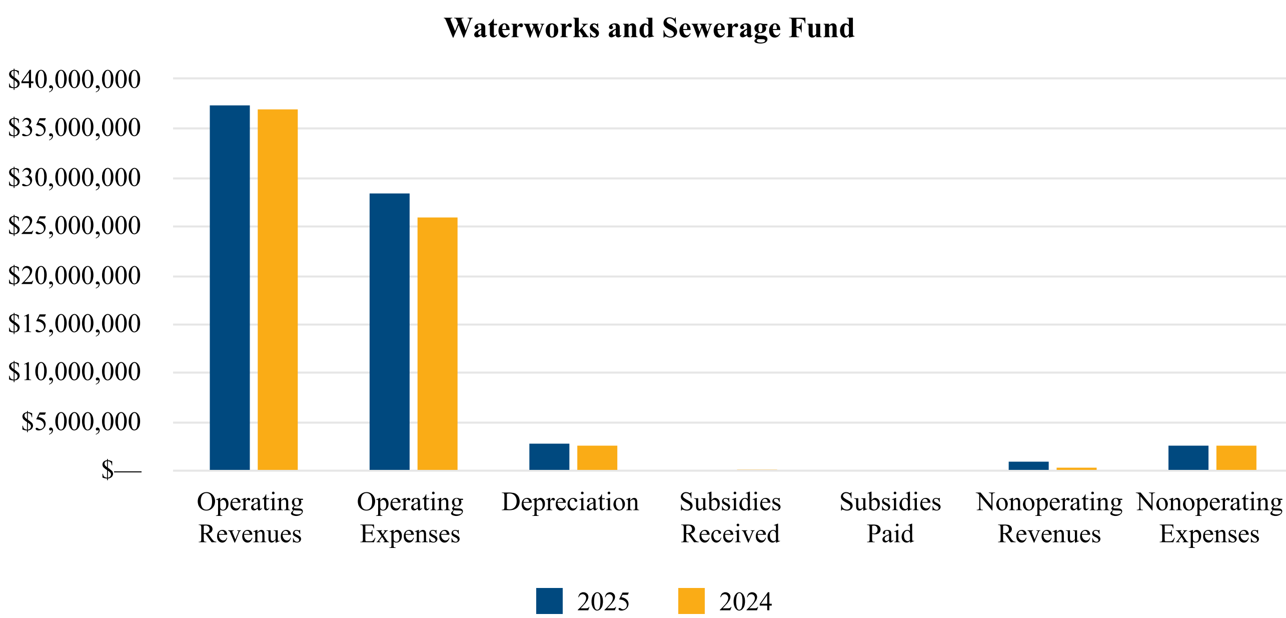
FINANCIAL ANALYSIS OF BUSINESS-TYPE ACTIVITIES AND RELATED FUNDS - Continued

Proprietary Funds

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

The Village reports the Waterworks and Sewerage Fund and Schaumburg Hotel and Convention Center Fund as major proprietary funds. The Village intends to run the funds at a breakeven rate. Periodically, there will be an annual surplus or draw down due to timing of capital projects.

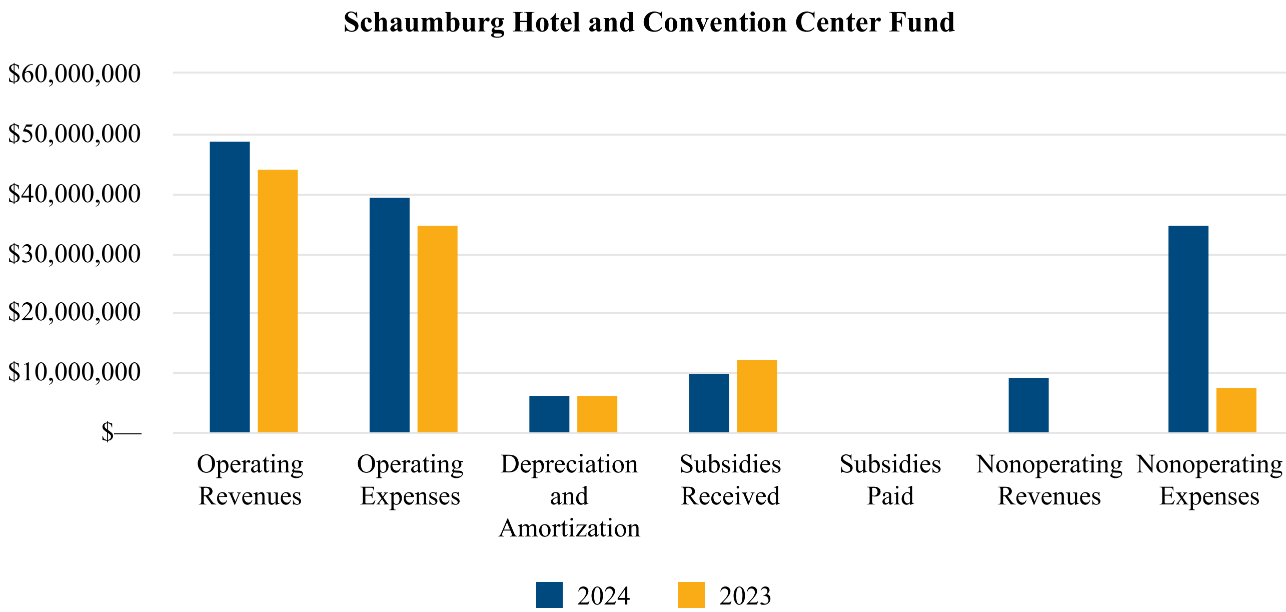
The Waterworks and Sewerage Fund concluded the fiscal year with a balance of $70,589,217, reflecting a 6.9 percent increase from the previous year's balance of $66,031,687. Unrestricted net position in the Waterworks and Sewerage Fund totaled $14,856,496 at April 30, 2025. This $4,557,530 increase is due to an increase in rates, a reduction in the cost to purchase water from JAWA than originally projected, and delayed capital projects.



FINANCIAL ANALYSIS OF BUSINESS-TYPE ACTIVITIES AND RELATED FUNDS - Continued

Proprietary Funds - Continued

The Schaumburg Hotel and Convention Center Fund concluded the fiscal year with a balance of $17,046,740, reflecting a 41.8 percent decrease from the previous year's balance of $29,270,340. Unrestricted net position in the Schaumburg Hotel and Convention Center Fund totaled $53,289,748 at April 30, 2025. This $12,223,600 decrease is due to a transfer out of funds that were accumulated for a performing arts center, which is no longer a feasible project. Therefore, the Village Board directed the accumulated funds be transferred to the Building Replacement Fund for funding future needs.



Fiduciary Funds

The Village’s two single-employer pension plans experienced very good investment results in FY25. The Police Pension Fund reported an increase in net position of $8,035,106. Net investment income was $12,218,610, with contributions of $8,544,878 and $1,329,179 from the Village and employees, respectively. The Firefighters’ Pension Fund reported an increase in net position of $8,507,582 on net investment income of $13,018,320, with contributions of $7,328,007 and $1,326,080 from the Village and employees, respectively. In accordance with Illinois Public Act 101-0610, investments of the Firefighters’ Pension Fund were transferred to the state-wide consolidated pension investment fund in October 2021. Police Pension Fund investments were transferred to the State-wide consolidated Police Investment fund in December 2022.

CAPITAL ASSETS

The Village's investment in capital assets for its governmental and business type activities as of April 30, 2025 was $430,105,286 (net of accumulated depreciation). This investment in capital assets includes land, land right of way, construction in progress, buildings, land improvements, machinery and equipment, roads, bridges, water systems, furniture and fixtures, wells and water mains, and assets of the internal service funds.

	Capital Assets - Net of Depreciation					
	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Land	$ 14,751,016	14,751,016	29,023,317	29,650,866	43,774,333	44,401,882
Land Right of Way	36,345,070	36,199,727	—	—	36,345,070	36,199,727
Construction in Progress	14,513,596	5,872,603	18,749,198	20,171,450	33,262,794	26,044,053
Internal Service Land	3,486,002	—	—	—	3,486,002	—
Internal Service Construction in Progress	5,172,132	204,815	130,243	70,650	5,302,375	275,465
Buildings	15,637,804	16,322,761	150,793,475	155,869,382	166,431,279	172,192,143
Land Improvements	2,315,624	1,854,639	1,089,313	1,281,866	3,404,937	3,136,505
Machinery and Equipment	2,170,309	1,882,008	3,834,780	3,326,036	6,005,089	5,208,044
Roads	68,053,050	67,995,520	—	—	68,053,050	67,995,520
Bridges	2,462,598	2,589,432	—	—	2,462,598	2,589,432
Water Systems	985,439	1,016,755	—	—	985,439	1,016,755
Furniture and Fixtures	—	—	924,410	1,073,473	924,410	1,073,473
Wells and Water Mains	—	—	42,973,046	29,635,974	42,973,046	29,635,974
Internal Service	14,237,261	11,281,679	2,457,603	2,169,043	16,694,864	13,450,722
Totals	180,129,901	159,970,955	249,975,385	243,248,740	430,105,286	403,219,695

This year's major additions included:

Land Right of Way	$ 145,343
Construction in Progress	20,985,846
Internal Service Land	3,486,002
Internal Service Construction in Progress	6,134,914
Buildings	2,191,133
Land Improvements	673,609
Machinery and Equipment	1,944,346
Roads	3,539,393
Wells and Water Mains	1,384,020
Internal Service	5,376,570
	45,861,176

Additional information on the Village's capital assets can be found in Note 2 of this report.

LONG-TERM DEBT

At year-end, the Village had total outstanding debt of $266,657,000 as compared to $282,535,000 the previous year, a decrease of 5.6 percent. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding					
	Governmental Activities		Business-Type Activities		Totals	
	2025	2024	2025	2024	2025	2024
General Obligation Bonds Payable	$ 41,075,000	48,853,015	207,445,000	213,681,985	248,520,000	262,535,000
Line of Credit	18,137,000	20,000,000	—	—	18,137,000	20,000,000
Total	59,212,000	68,853,015	207,445,000	213,681,985	266,657,000	282,535,000

The Village maintains an AAA rating from Standard and Poor’s for general obligation debt. This rating has not changed in the past five years.

Additional information on the Village’s long-term debt can be found in Note 2 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The fiscal year ended April 30, 2025, was a successful year for the Village. Despite inflation and the unpredictability of the economy due to political changes, revenues were strong. As evidenced by the financial results included herein, the Village is poised to maintain its position as the third largest producer of retail sales in the State of Illinois. Development of the 90 North Entertainment District is well underway and attracting world-class establishments.

As an Illinois home-rule community, the Village is not subject to any debt limitation. Standard and Poor’s Rating service has assigned the Village’s debt the AAA/Stable credit rating citing Schaumburg’s:

- Resilient local economy that participates in Chicago’s broad and diverse metropolitan statistical area, with favorable prospects for continued residential, commercial, and industrial growth and development.
- Strong and proactive management, with good financial policies and practices, including robust long-term financial and capital planning, and strong institutional framework.
- A large but manageable debt and contingent liability profile, with debt service and pension expense accounting for roughly 20% of the total budget.
- The Village’s environmental, social, and governance risks are neutral.

The Fiscal Year 2025/26 (FY26) budget was adopted by the Village Board on April 22, 2025. The budget accounts for the ongoing effects of inflation while recognizing its continued stabilization. As a result, the budget maintains a conservative outlook. While still above historical averages, inflation has moderated enabling more predictable financial planning and improved expenditure control. Even still, the future economic environment remains challenging to predict and thus, staff is diligent in monitoring activities and is ready to recommend actions necessary to minimize the impact on the financial plan. The Finance Department prepares a monthly financial report that is presented to the Finance, Legal, Administrative, and General Government Committee and approved by the Village Board to support ongoing oversight, accountability, and transparency.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET - Continued

The Village's property tax levy for tax year 2024 was the same as 2023: $19,479,582. The tax levy is used to: (1) fund Police and Fire pension fund obligations, and (2) support Police and Fire/EMS operations in the General Fund. The Village's 2024 extended levy resulted in a tax rate of $0.4751 per $100 of equalized assessed valuation. The 2024 equalized assessed value, published by Cook County was $4,181,254,161, a decrease of 0.7% compared to the 2023 EAV of $4,210,898,524.

The Village's FY26 budget is a balanced financial plan with Revenues and Other Financing Sources of $369.8 million and Expenditures and Other Financing Uses of $369.5 million. The budget projects an increase in Net Position of $334,386. The FY26 financial plan continues the Village's long-standing commitment to its principles of delivering efficient municipal service through thoughtful planning, fiscal responsibility, and proactive leadership. Per policy, recommendations for budget adjustments are made after six months of the fiscal year and mid-year amendments are presented to the Village Board for consideration in November. In August 2025, budget amendments to the capital plan were presented and approved by the Village Board. These adjustments assist with capital project tracking and help ensure projects don't go over budget.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional information should be directed to Lisa Petersen, Director of Finance, Village of Schaumburg, 101 Schaumburg Court, Schaumburg, IL 60193.

BASIC FINANCIAL STATEMENTS

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

- Government-Wide Financial Statements
- Fund Financial Statements
  - Governmental Funds
  - Proprietary Funds
  - Fiduciary Funds

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

Statement of Net Position
April 30, 2025

See Following Page