



2022

ANNUAL COMPREHENSIVE FINANCIAL REPORT

DELIVERING ON OUR STRATEGIC GOALS



COMMUNITY CHARACTER



INFRASTRUCTURE & MOBILITY



MUNICIPAL EXCELLENCE



RE-IMAGINED GROWTH



THE CITY OF DES PLAINES, ILLINOIS

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the Fiscal Year-Ended
December 31, 2022

Prepared by the Finance Department

Dorothy Wisniewski
Assistant City Manager/Director of Finance

CITY OF DES PLAINES, ILLINOIS
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INTRODUCTORY SECTION
(Unaudited)

June 13, 2023

To the Honorable Mayor, Members of the City Council
Citizens of the City of Des Plaines:

The Annual Comprehensive Financial Report of the City of Des Plaines (City) for the year ended December 31, 2022, is hereby submitted as required by the Illinois Compiled Statutes. State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement.

Management staff assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management staff has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable assurance, rather than absolute assurance, that the financial statements will be free of any material misstatements. As management staff, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Crowe LLP, a firm of independent certified public accountants. The independent auditor concluded that there was a reasonable basis for rendering an unmodified ("clean") opinion on the City of Des Plaines' financial statements for the year ended December 31, 2022. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A and this letter of transmittal should be read in conjunction.

Profile of the City of Des Plaines

The City of Des Plaines, Illinois (the City) was founded in 1835 and incorporated in 1869. The City operates under the City Manager form of government approved by voter referendum on November 2, 2004. It is a home rule municipality as defined by the Illinois Constitution. The City is located in northwestern Cook County and covers an area of approximately 15 square miles. The 2020 U.S. Census reports a population of 60,675, an increase from the 2010 Census population of 58,364. The Chicago Metropolitan Agency for Planning (CMAP) population projection for 2050 is 68,877.

The City is located approximately 17 miles northwest of downtown Chicago with O'Hare International Airport bordering on the south. The combination of superior air transportation, good railroads, and a network of interstate highways continues to foster new development in Des Plaines. O'Hare International Airport provides excellent domestic or international travel opportunities for pleasure, trade, and business. As it has throughout its history, Des Plaines continues to be a central hub for transportation.

The City has an above average residential base that is supplemented by substantial commercial and industrial real estate development. As of December 31, 2022, the City contains 14,995,881 square feet of industrial/manufacturing and over 8,073,096 square feet of commercial, retail and office space, according to CoStar.

The City's governing body is the City Council, consisting of the Mayor and eight Aldermen. This governing body is responsible for passing ordinances, adopting the budget, appointing committees, and other related duties. The Mayor, upon the advice and consent of City Council, appoints the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City and for appointing the City's department heads. The Mayor and the City Clerk are elected at large for four-year terms, while the Aldermen are elected from eight wards for staggered four-year terms.

The City provides a full range of municipal services. These services include police, fire, highways and streets, community development, planning and zoning, engineering and inspection, certain social services, and general administrative services. The City operates its own water system providing Lake Michigan water purchased from the City of Chicago, with sewage treatment provided by the Metropolitan Water Reclamation District. The Des Plaines Park District, a separate governmental entity, primarily provides recreational opportunities. The Mt. Prospect Park District serves a small portion of the City. The Des Plaines Public Library is a component unit of the City and its financial statements are included in this report.

Local Economy

Although building permit volume and construction value decreased slightly from 2021 to 2022, the number of new businesses registering with the City increased from 51 in 2021 to 81 in 2022. Des Plaines' economy continually showed strength throughout the third year of the COVID-19 pandemic. The City's resilience is buoyed by the diversity in the tax base. The City's total equalized assessed valuation (EAV) for the 2021 property tax levy collected in 2022 was \$2,191,255,966. This represents a 4.4 percent decrease from the 2020 EAV. The economic base of Des Plaines is diverse as residential property comprises 35.8% of the City, commercial and industrial property represent 6.7% and 9.7% respectively¹.

Major employers located within the City's boundaries include Rivers Casino, Universal Oil Products, Oakton Community College, Kalavara Inc., Lifesource Blood Service, Sysco Food Services, Acuity Brands Lighting Inc. (Juno Lighting), Family Behavioral Health Clinic, AMITA Holy Family Medical Center, Abbot Molecular Inc., Warehouse Direct, and United Displaycraft. According to the City of Des Plaines Business Registration records, the City has approximately 1,600 retail trade or commercial establishments. According to the December 2022 edition of Where Workers Work (Illinois Department of Employment Security), Des Plaines is comprised of 36,436 private sector jobs; of them, 10.2 percent are in the manufacturing sector, 10.5 percent are in the wholesale sector, 12.6 percent are in the transportation and warehousing sector, 5.3 percent are in the professional and scientific service sector, 6.9 percent are in retail trade and 11.1 percent are in healthcare and social assistance. While COVID-19 affected employment, Des Plaines' workforce has been relatively stable. The City's resident unemployment rate was 5.7 percent in December 2022 compared to 4.0 percent in December 2021 (Bureau of Labor Statistics).

Building permit issuance decreased approximately six percent in 2022, with 3,014 permits issued compared to 3,193 issued in 2021. The declared building permit valuation in 2022 totaled \$104,671,067 representing a decrease from the 2021 valuation of \$127,809,011. However, long-term trends show construction activity significantly higher than it was a decade ago. For each of the past six years, permitted construction value has exceeded \$100 million. For comparison, in 2012 construction valuation was at \$29.9 million. Overall, construction investment signals a very strong local economy and validates that the efficient entitlement process and economic development incentives offered in the City are working.

¹ Source: 2015 Chicago Metropolitan Agency for Planning (CMAP) Land Use Inventory

Long-term Financial Planning

The City Council identified four goals and several strategies to achieve those goals that were formalized into the 2022-2026 Strategic Plan adopted by the City Council on March 7, 2022 via Resolution R-55-22.

The following are the primary goals that define the City's long-term financial planning:

1. **Community Character:** Define and establish Des Plaines as friendly, dynamic, contemporary and smart.
2. **Re-imagined growth:** Facilitate creation of a built environment that reflects our character, and attracts the marketplace that will capitalize on our City's assets and opportunities.
3. **Infrastructure and Mobility:** Enhance our infrastructure systems and maximize our transportation assets.
4. **Municipal Excellence:** Maintain focus and stability, lead and serve to create optimal conditions for a flourishing community.

The City utilizes a 5 year Capital Improvement Program (CIP) to address major capital and infrastructure improvements. For a project to be included in the CIP, it must involve the creation or purchase of a tangible asset with an original cost of at least \$25,000 and a useful life of more than one year. Starting with 2011 the City established a funding process necessary to replace the City's vehicles and equipment based on a pre-defined schedule. In addition, capital grants are sought at the state and local level for eligible projects on an on-going basis.

Maintaining a healthy fund balance to insure the City's financial strength remains one of the City Council's long-term financial goals. At the close of the fiscal year 2022, the City's total General Fund balance was \$80.2 million, of which the unassigned fund balance was \$37.5 million or 54.5 percent of the General Fund expenditures.

The Water and Sewer fund is the City's major enterprise fund that accounts for revenues and expenses associated with the sale of water and the sanitary sewer system. Prior to 2021, this fund had been operating in an unbalanced position for several years and, as a result, expenses began outpacing revenues. In an effort to reverse the operating spending deficit, preserve the enterprise fund reserves, provide funding for investment in equipment and infrastructure renewal and improve quality of water and sewer service for the long term, the City Council approved an automatic annual adjustment that matches the City of Chicago annual water rate increase and ensures that the cost of water is covered by user fees. To absorb the increase of the delivery cost that includes operation and maintenance expense as well as capital projects, the City completed construction of an alternative water supply source in 2016 and now purchases the majority of its water supply from the Northwest Water Commission. In addition, City Council also approved changes to the utility rate structure which included two new charge categories (Capital Fees and Fixed Facility Charges) being allocated to the Water and Sewer fund and a 5-year rate increase schedule effective January 1st, 2020. At the end of 2022, the unrestricted net position was a positive \$9.8 million, an increase of \$2.9 million from \$6.9 million in 2021, while the total net position at the end of the year was \$53.3 million.

Despite experiencing a significant decrease in revenue in 2020 due to the effects of the COVID-19 pandemic, the Gaming Tax fund has rebounded in 2022 and continues to provide the City with the additional resources needed for an early debt payoff and infrastructure projects.

Relevant Financial Policies

To help ensure its continual ability to meet immediate and long-term service objectives, the City adopted and adheres to several financial policies. These policies govern the allocation and management of resources. Some of the more prominent policies include the following:

- An investment policy, providing for a high investment return while protecting principal;
- A purchasing policy, setting forth the procedures for ensuring that the best products and services are received at the lowest possible price;
- A policy requiring a monthly review of revenues and expenditures compared to budget, ensuring that the City Council is aware of major variances;
- A capital policy, setting forth the thresholds for capital assets and providing guidelines in formulating and adopting the Capital Improvement Program;
- An operating budget policy, establishing guidelines in formulating and adopting the operating budget and incorporating GFOA practices;
- A fund balance policy, setting forth the benchmark reserve levels to be maintained in the various funds to ensure proper working capital; i.e. rainy-day funds are maintained to protect against unforeseen economic events; and
- A gaming tax policy, restricting use of funds primarily for infrastructure improvements and debt repayment.

Major Initiatives

The collaboration between elected officials and City staff identified opportunities to deliver smart, efficient services to the taxpayers of Des Plaines. During 2022 some of the City's accomplishments included:

- Community Character:
 - ✓ In 2022, the City brought back events like the Taste of Des Plaines and Independence Day Parade after a two-year hiatus due to COVID-19. The events were well attended and reviewed by the community.
 - ✓ The COVID-19 pandemic continued to affect the business community, especially in early 2022. The City deployed pandemic-related business assistance, in the form of Community Development Block Grant (CDBG) CARES Act grants. The City, in partnership with local agency Center of Concern, awarded seven small-business grants totaling approximately \$114,000.
 - ✓ The City provided \$75,000 in CDBG funds to the Des Plaines Park District enabling them to install pickleball courts at Seminole Park totaling \$75,000.
- Re-imagined Growth:
 - ✓ The City provided \$45,000 in Business Assistance Grants, leveraging more than \$200,000 in investment by four businesses to improve their interiors and exteriors.
 - ✓ Bayview-Compasspoint LLC continued construction on the 212-unit, Ellinwood Apartments (branded "The Welkin") with 10,000 square feet of commercial/restaurant space in downtown Des Plaines. Occupancy began in 2022 with temporary certificates of occupancy for residential units, the leasing office, and portions of the parking garage being issued. The construction value of this project is \$45 million.
 - ✓ Construction began at Halston Market by M/I Homes, a 125-townhome development at 1050 E. Oakton Street on a long-vacant 11-acre site. The first unit occupancies are expected by late 2023.
 - ✓ Seefried Industrial nearly completed construction on more than 67,000-square-foot speculative warehouse facility at 190 E. Touhy Ave., a more than \$6 million project.
 - ✓ The City Council also approved support and consent to two new and one renewed Cook County Class 6b Tax Incentives for approximately 970,000 square feet of building and redevelopment improvements.
- Infrastructure and Mobility:
 - ✓ Over \$15 million was invested in 2022 for the improvements of alleys, drainage system, streets, water system, traffic, sewer system and other miscellaneous projects.
 - ✓ The Public Works and Engineering Department oversaw improvements to the Rand Road Sidepath Project, City Hall building renovations, Fire Station #61 building renovations, Public Works building

renovations, municipal parking garage repairs, various LED streetlight retrofits in the downtown, and numerous State and Local Projects.

- ✓ The City completed over half a million dollars in sidewalk and curb repairs throughout the City.

- **Municipal Excellence:**

- ✓ Developed the 2023 Budget document while maintaining a 25% fund balance.
 - ✓ Increased the level of Police and Fire pension funding based on the current actuarial reports.
 - ✓ Received the balance of American Rescue Plan (ARPA) Funds and constructed the Area #4 and Cindy / Forest Area stormwater improvements to alleviate street and yard flooding.
 - ✓ During the 2022 fiscal year, the City renovated Fire Station 61 in order to modernize the current facility.
 - ✓ The Building Division of the Community and Economic Development Department (CED) and Media Services produced several short videos for residents to assist them with applying for the different “over-the-counter” permit types. This combined with continued work to deploy the department’s new online permitting system, EnerGov, will provide residents and contractors with a more streamlined permitting experience.
 - ✓ CED launched a customer satisfaction survey to capture community feedback as it pertains to their interactions with the department’s three divisions.
- The Finance Department, for the tenth straight year, submitted a Popular Annual Financial Report (PAFR) to the certification program and once again received the award for outstanding achievement in popular annual financial reporting for its 2021 PAFR. The PAFR Award Program encourages state and local governments to extract information from their annual financial report and produce a report specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance.
 - For fourteen consecutive years, the City has been a recipient of the Government Finance Officers Association of the United States and Canada’s (GFOA) Distinguished Budget Presentation Award in recognition that the City’s budget document meets or exceeds the guidelines established by the National Advisory Council of State and Local Budgeting and the GFOA’s best practices.

Awards

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Des Plaines for its annual comprehensive financial report for the fiscal year ended December 31, 2021. This was the forty second consecutive year the City has achieved this prestigious award. This award is nationally recognized and represents a significant accomplishment for the City and its management. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current annual comprehensive financial report continues to meet the Certificate of Achievement Program’s requirements and we are submitting it to GFOA to determine eligibility for another certificate.

Acknowledgments

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the Finance Department staff. Timely and fairly presented financial statements and reports are essential to legislative compliance, creditors, financial analysts, the general public and others having need for government financial information. We would like to thank the City Council and Management Staff for their support in planning and conducting the financial operations of the City in a professional and responsible manner.

Respectfully submitted,



Michael G. Bartholomew
City Manager



Dorothy Wisniewski
Assistant City Manager/Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Des Plaines
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO



2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT

DES PLAINES

ELECTED OFFICIALS

Andrew Goczkowski, Mayor
Jessica M. Mastalski, City Clerk

CITY COUNCIL

Mark A. Lysakowski – Ward 1
Colt Moylan – Ward 2
Sean Oskerka – Ward 3
Artur Zadrozny – Ward 4

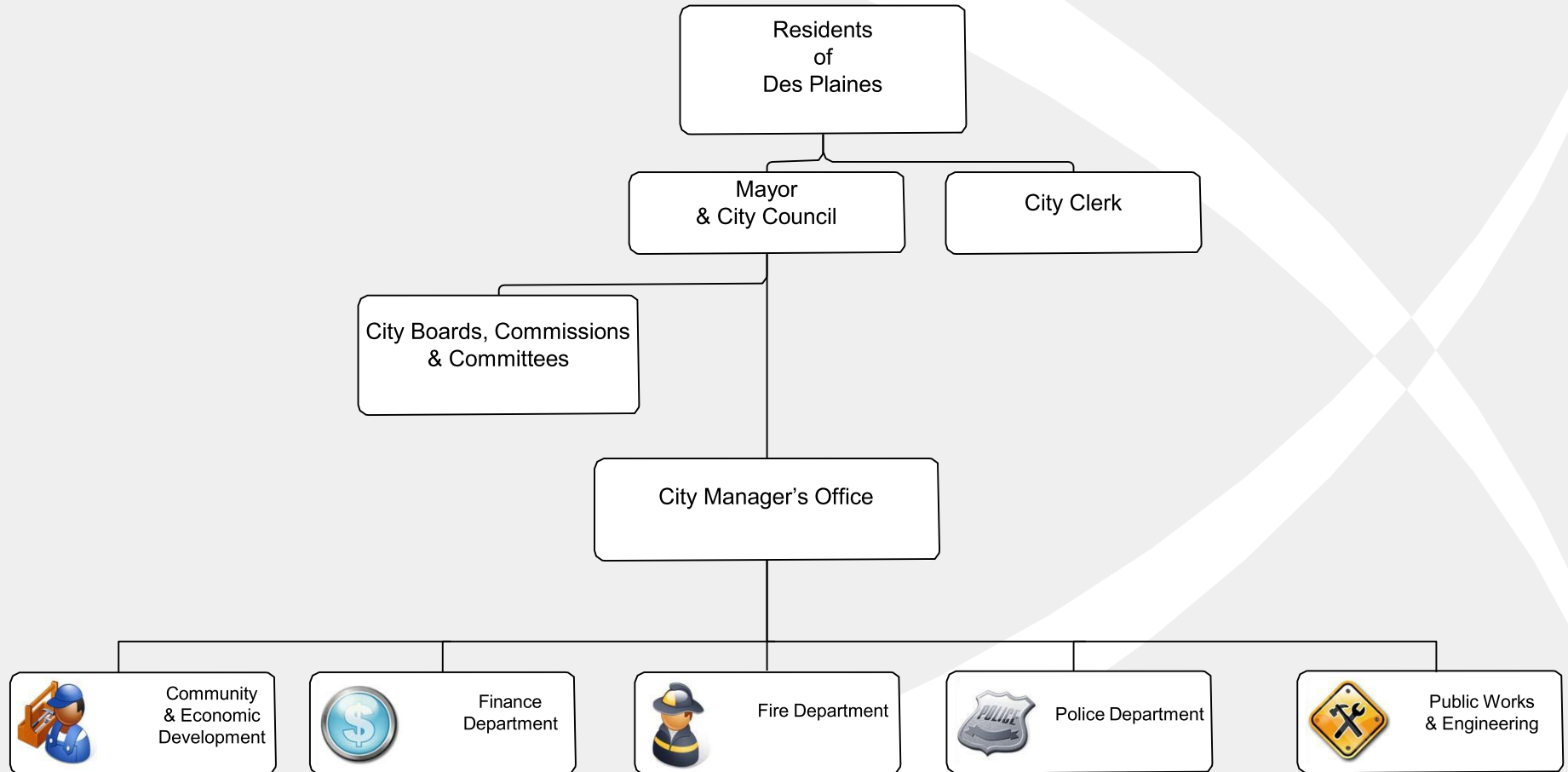
Carla Brookman – Ward 5
Malcolm Chester – Ward 6
Patsy Smith – Ward 7
Shamoon Ebrahimi – Ward 8

ADMINISTRATION

City Manager
General Counsel
Assistant City Manager/Director of Finance
Chief of Police
Fire Chief
Director of Public Works & Engineering
Director of Community & Economic Development

Michael G. Bartholomew
Peter Friedman, Elrod Friedman LLP
Dorothy Wisniewski
David Anderson
Daniel Anderson
Timothy Oakley
John Carlisle

City of Des Plaines



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor
and Members of the City Council
City of Des Plaines, Illinois
Des Plaines, Illinois 60016

Report on the Audit of the Financial Statements***Opinions***

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Des Plaines, Illinois ("City"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2022, 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (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 City, 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.

Emphasis of Matter

As discussed in Note 4 to the financial statements, the City has adopted GASB Statement No. 87, *Leases* as of January 1, 2022. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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, 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 City'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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS 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 City'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 City'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 schedules of revenues, expenditures and changes in fund balance – budget and actual for the General Fund, TIF #6 (Mannheim/Higgins) Fund, and Gaming Tax Fund, and the historical pension and retirees' health plan information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit for the year ended December 31, 2022 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and schedules and other supplementary schedules for the year ended December 31, 2022 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 for the year ended December 31, 2022 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and other supplementary schedules for the year ended December 31, 2022 are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The accompanying combining and individual fund financial statements and schedules and other supplementary schedules for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, statistical section, and Continuing Disclosure – Annual Financial Information, 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 June 13, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City'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 City's internal control over financial reporting and compliance.


Crowe LLP

Oak Brook, Illinois
June 13, 2023

**REQUIRED SUPPLEMENTARY INFORMATION:
MANAGEMENT'S DISCUSSION AND ANALYSIS**

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2022

The following is a discussion and analysis of the City of Des Plaines' (the "City") financial performance for the fiscal year ended December 31, 2022. Use this section in conjunction with the City's basic financial statements. Comparative data is available and presented for this 2022 report.

FINANCIAL HIGHLIGHTS

Government-Wide

The assets and deferred outflows of resources of the City of Des Plaines exceeded its liabilities and deferred inflows of resources by \$262.6 million (*net position*) as of December 31, 2022. The net position is comprised of \$303.6 million in net investment in capital assets, \$9.2 million in restricted for street and highways, public safety, and economic development, offset by a negative \$50.2 million in unrestricted net position.

Fund Level

Governmental Funds: As of December 31, 2022, the City's governmental funds reported a combined ending fund balance of \$123.5 million, an increase of \$28.9 million from fiscal 2021. The City reported an unassigned fund balance of \$12.6 million in fiscal 2022.

- The City's General Fund ended the year with total revenues exceeding total expenditures by \$12.8 million. Combined with other financing net uses of \$1.8 million, the December 31, 2022 fund balance increased by \$11.0 million.
- Local government state shared revenues, i.e. state income, municipal sales and personal property replacement tax increased by \$5.0 million.
- The City received \$29.2 million in taxes generated from the revenues at Rivers Casino, \$2.8 million in admission tax (\$1 per admission) and \$26.4 million in wagering tax (5 percent of all wagering activities), an increase of \$4.0 million or 14 percent in gaming revenue alone. Pursuant to the contractual agreement with Midwest Gaming, the City is required and has distributed \$10.0 million of the total gaming tax revenue to the State of Illinois with an additional \$7.7 million (40 percent of the total revenue over \$10 million) amongst the 10 benefiting communities named in the agreement. The remaining amount of \$11.5 million in gaming tax revenue will be discussed by the City Council as part of the 2024 Budget process and allocated towards expenditures approved in the gaming tax revenue and expenditure policy such as capital infrastructure projects and early debt payoff. The fund balance increased by \$7.9M due to funds being saved for future projects anticipated by the City.
- Grant funded projects increased from a negative \$8.3 million to a negative \$3.0 million primarily due to funds received for the reimbursement of various grant funded projects, in particular the IDOT River Road project which has been fully completed.
- The Capital projects fund is also showing an increase of \$2.5 million as a result of higher than projected revenues offset by lower expenditures.

(See independent auditor's report)

CITY OF DES PLAINES, ILLINOIS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 December 31, 2022

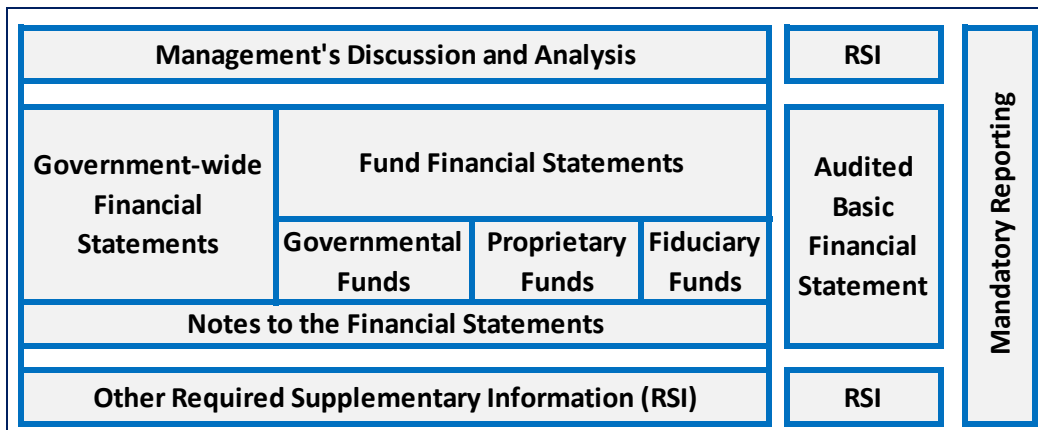
Proprietary Funds: The proprietary funds reported a net position of \$74.5 million as of December 31, 2022, an increase of \$17.8 million from fiscal 2021. This increase was driven by a \$14.2 million capital contribution from the City’s governmental activities.

Debt Service: The City’s total bonds outstanding decreased by \$3.0 million or 24.2 percent during fiscal 2022. This amount represents the payments made of debt during the year.

More detailed information regarding the government-wide, fund level and long-term debt activities can be found in the debt administration section of this management’s discussion and analysis (MD&A).

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic depicts the flow of components in the Annual Comprehensive Financial Report.



In accordance with generally accepted accounting principles (GAAP), the City presents its financial statements so as to offer two perspectives of its financial position and results of operations. The government-wide perspective presents financial information for the government as a whole. The fund perspective involves the presentation of financial information for individual accounting entities established by the City for specific purposes. The Financial Section of this annual report presents the City’s financial position and activities in four parts:

- Management Discussion and Analysis (MD&A)
- The Basic Financial Statements
- Required Supplementary Information other than MD&A
- Other Supplementary Information presenting combining statements and schedules

The report also includes statistical and economic data. The basic financial statements include government-wide financial statements, fund financial statements and notes to financial statements, which provide more detailed information to supplement the basic financial statements.

(See independent auditor's report)

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2022

Reporting the City as a Whole

The government-wide financial statements are designed to present an overall picture of the financial position of the City. These statements consist of the *Statement of Net Position* and the *Statement of Activities*, which are prepared using the economic resources measurement focus and the accrual basis of accounting. This means that all the current year's revenues and expenses are included, regardless of when cash is received or paid, producing a view of the financial position similar to that presented by most private sector companies.

The *Statement of Net Position* combines and consolidates governmental funds' current financial resources with capital assets and long-term obligations. This statement includes all of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net position represents one measure of the City's financial health.

Other indicators of the City's financial health include the condition of its roads and streets (infrastructure) and economic trends affecting the City's future revenues.

The *Statement of Activities* focuses on both the gross and net cost of various activities (including governmental, business-type and component unit). These costs are paid by the City's general taxes and other revenues. This statement summarizes the cost of providing (or the subsidy provided by) specific government services and includes all current year revenues and expenses.

The government-wide *Statement of Net Position* and the *Statement of Activities* divide the City's activities into the following three types:

- *Governmental Activities* – The City's basic services are reported here, including the police, fire, public works, and general administration. Taxes, fees as well as state and federal grants finance most of these activities.
- *Business-type Activities* – The City charges a fee to customers to help it cover all or most of the cost of certain services it provides. The City's water/sewer system and parking facilities are reported here.
- *Component Unit* – The Des Plaines Public Library is the City's only discretely presented component unit. Although legally separate, this "component unit" is important because the City is financially accountable for its operations.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2022

Reporting the City's Most Significant Funds

Fund financial statements provide additional detail about the City's financial position and activities. Some information presented in the fund financial statements differs from the government-wide statements due to the perspective and basis of accounting used. Funds are presented on the fund-level statements as major and non-major based on criteria set by the Governmental Accounting Standards Board (GASB).

A fund is a separate accounting entity with a self-balancing set of accounts. The City uses funds to keep track of sources of funding and spending related to specific activities. All of the City's funds are divided into three categories: *governmental funds, proprietary funds, and fiduciary funds.*

- *Governmental Funds* – A majority of the City's activity is reported in governmental funds. Reporting of these funds focuses on the flow of money into and out of the funds and amounts remaining at fiscal year-end for future spending. Governmental funds are accounted for using the modified accrual basis of accounting, which measures cash and other assets that can be readily converted to cash.

The governmental fund financial statements provide a detailed short-term view of the City's general governmental operations and the basic services it provides. This information helps determine the level of resources available for the City's programs. The reconciliations following the fund financial statements explain the differences between the governmental activities column reported on the government-wide statement of net position and the government-wide statement of activities, and the governmental funds reported on the fund financial statements.

The General fund, TIF #6 fund, Gaming Tax fund, Grant Projects fund, and Capital Projects fund are reported as major governmental funds.

- *Proprietary Funds* - When the City charges customers for services it provides, these activities are generally reported in proprietary funds. Services provided to outside (non-governmental) customers are reported in enterprise funds, a component of proprietary funds, and are accounted for using the economic resources measurement focus and the accrual basis of accounting. These are the same business-type activities reported in the government-wide financial statements, but are reported here to provide information at the fund level.

The Risk Management fund and Health Benefits fund are reported as *internal service funds* and provide services on a cost reimbursement basis to other agencies of the financial reporting entity. Water/Sewer System fund and Parking System funds are reported as major proprietary funds.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2022

- *Fiduciary Funds* – The City is the trustee or fiduciary for the Police Pension fund and the Firefighters Pension fund. It is also responsible for other assets that can be used only for trust beneficiaries. All City fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. The activities are reported separately from other financial activities because the City cannot use the assets to finance its operations. The City's fiduciary responsibilities include ensuring that the assets reported in these funds are used for their intended purposes.
- *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 City's progress in funding its obligation to provide pension benefits to its employees.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2022

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position: The following analysis reviewed the net position and expenses of governmental activities and business-type activities separately. The table below represents a condensed Statement of Net Position. For comparison purposes, the prior fiscal year is provided. The total net position of governmental activities increased by \$14.5 million from \$173.1 million in fiscal year 2021 to \$187.6 million in fiscal year 2022 and the business-type activities increased by \$18.0 million to \$75.0 million.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
ASSETS						
Current & Other Assets	\$ 189,153,206	\$ 171,792,374	\$ 17,120,568	\$ 15,900,307	\$ 206,273,774	\$ 187,692,681
Capital Assets	251,345,822	261,504,797	64,710,989	48,671,109	316,056,811	310,175,906
Total Assets	440,499,028	433,297,171	81,831,557	64,571,416	522,330,585	497,868,587
DEFERRED OUTFLOWS OF RESOURCES	45,483,397	21,098,366	2,898,364	517,665	48,381,761	21,616,031
LIABILITIES						
Current Liabilities	27,786,555	27,205,975	2,610,670	2,127,062	30,397,225	29,333,037
Noncurrent Liabilities	231,301,043	192,342,429	3,290,863	1,963,953	234,591,906	194,306,382
Total Liabilities	259,087,598	219,548,404	5,901,533	4,091,015	264,989,131	223,639,419
DEFERRED INFLOWS OF RESOURCES	39,293,499	61,757,184	3,844,430	4,017,529	43,137,929	65,774,713
NET POSITION						
Net Investment in Capital Assets	240,095,840	247,582,879	63,520,256	48,560,097	303,616,096	296,142,976
Restricted	9,179,708	8,558,590	-	-	9,179,708	8,558,590
Unrestricted	(61,674,220)	(83,051,520)	11,463,702	8,420,440	(50,210,518)	(74,631,080)
Total Net Position	\$ 187,601,328	\$ 173,089,949	\$ 74,983,958	\$ 56,980,537	\$ 262,585,286	\$ 230,070,486

The increase in net position of governmental activities was primarily attributable to an increase in Total Assets of \$7.2 million and a decrease in deferred inflows of \$22.5 million. Total assets of the City as of December 31, 2022, were \$522.3 million, an increase of \$24.4 million or 4.9 percent. Total liabilities as of December 31, 2022, were \$265.0 million, an increase of \$41.3 million or 18.5 percent. Fluctuations to these amounts are explained in further detail below.

Of the City's net position, \$303.6 million was net investment in capital assets, while \$9.2 million was restricted by the source of funding or other legal requirements and was not available to finance day-to-day operations of the City. Unrestricted net position increased \$24.4 million to negative \$50.2 million primarily due to an increase in unrestricted net position within governmental activities in the amount of \$21.4 million, and an increase in business type activities unrestricted net position of \$3.0 million.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2022

Changes in Net Position: The following table shows the revenue and expenses of the City's activities and their impact on the change in net position:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program Revenues:						
Fees, Fines & Charges for Services	\$ 10,210,272	\$ 9,900,945	\$ 18,894,213	\$ 18,323,334	\$ 29,104,485	\$ 28,224,279
Operating Grants & Contributions	3,904,920	3,340,557	5,534	4,114	3,910,454	3,344,671
Capital Grants & Contributions	13,784,449	4,520,797	-	-	13,784,449	4,520,797
Total Program Revenues	<u>27,899,641</u>	<u>17,762,299</u>	<u>18,899,747</u>	<u>18,327,448</u>	<u>46,799,388</u>	<u>36,089,747</u>
General Revenues:						
Property Taxes	29,417,542	36,322,212	-	-	29,417,542	36,322,212
Other Taxes	84,053,193	72,709,050	-	-	84,053,193	72,709,050
Investment Income	529,740	52,240	-	-	529,740	52,240
Miscellaneous Revenue	1,077,832	1,801,770	41	19,746	1,077,873	1,821,516
Total General Revenues	<u>115,078,307</u>	<u>110,885,272</u>	<u>41</u>	<u>19,746</u>	<u>115,078,348</u>	<u>110,905,018</u>
Total Revenues	<u>142,977,948</u>	<u>128,647,571</u>	<u>18,899,788</u>	<u>18,347,194</u>	<u>161,877,736</u>	<u>146,994,765</u>
EXPENSES						
General Government	33,400,641	27,319,744	-	-	33,400,641	27,319,744
Public Safety	58,197,033	46,365,424	-	-	58,197,033	46,365,424
Public Works	7,654,523	6,217,512	-	-	7,654,523	6,217,512
Streets and Highways	12,849,537	13,366,970	-	-	12,849,537	13,366,970
Economic Development	1,753,998	2,760,028	-	-	1,753,998	2,760,028
Interest	385,263	493,259	-	-	385,263	493,259
Water/Sewer	-	-	14,097,709	13,254,080	14,097,709	13,254,080
Parking System	-	-	1,024,232	931,256	1,024,232	931,256
Emergency Comm. System	-	-	-	-	-	-
Total Expenses	<u>114,240,995</u>	<u>96,522,937</u>	<u>15,121,941</u>	<u>14,185,336</u>	<u>129,362,936</u>	<u>110,708,273</u>
Excess (Deficiency) Before Transfers						
	<u>28,736,953</u>	<u>32,124,634</u>	<u>3,777,847</u>	<u>4,161,858</u>	<u>32,514,800</u>	<u>36,286,492</u>
Transfers	<u>(14,225,574)</u>	<u>505,000</u>	<u>14,225,574</u>	<u>(505,000)</u>	<u>-</u>	<u>-</u>
Changes in Net Position	<u>14,511,379</u>	<u>32,629,634</u>	<u>18,003,421</u>	<u>3,656,858</u>	<u>32,514,800</u>	<u>36,286,492</u>
Net Position, Beginning Balance	<u>173,089,949</u>	<u>140,460,315</u>	<u>56,980,537</u>	<u>53,323,679</u>	<u>230,070,486</u>	<u>193,783,994</u>
Change in Accounting Principle	-	-	-	-	-	-
Net Position, As Restated	<u>173,089,949</u>	<u>140,460,315</u>	<u>56,980,537</u>	<u>53,323,679</u>	<u>230,070,486</u>	<u>193,783,994</u>
Net Position, Ending Balance	<u>\$ 187,601,328</u>	<u>\$ 173,089,949</u>	<u>\$ 74,983,958</u>	<u>\$ 56,980,537</u>	<u>\$ 262,585,286</u>	<u>\$ 230,070,486</u>

The City's net position as of December 31, 2022, increased by \$32.5 million. The City earned program revenues of \$46.8 million and general revenues of \$115.1 million, for total revenues of \$161.8 million, an increase of \$14.8 million or 10.1 percent from fiscal year 2021. The expenses of the City were \$129.4 million, an increase of \$18.7 million or 16.8 percent from fiscal year 2021.

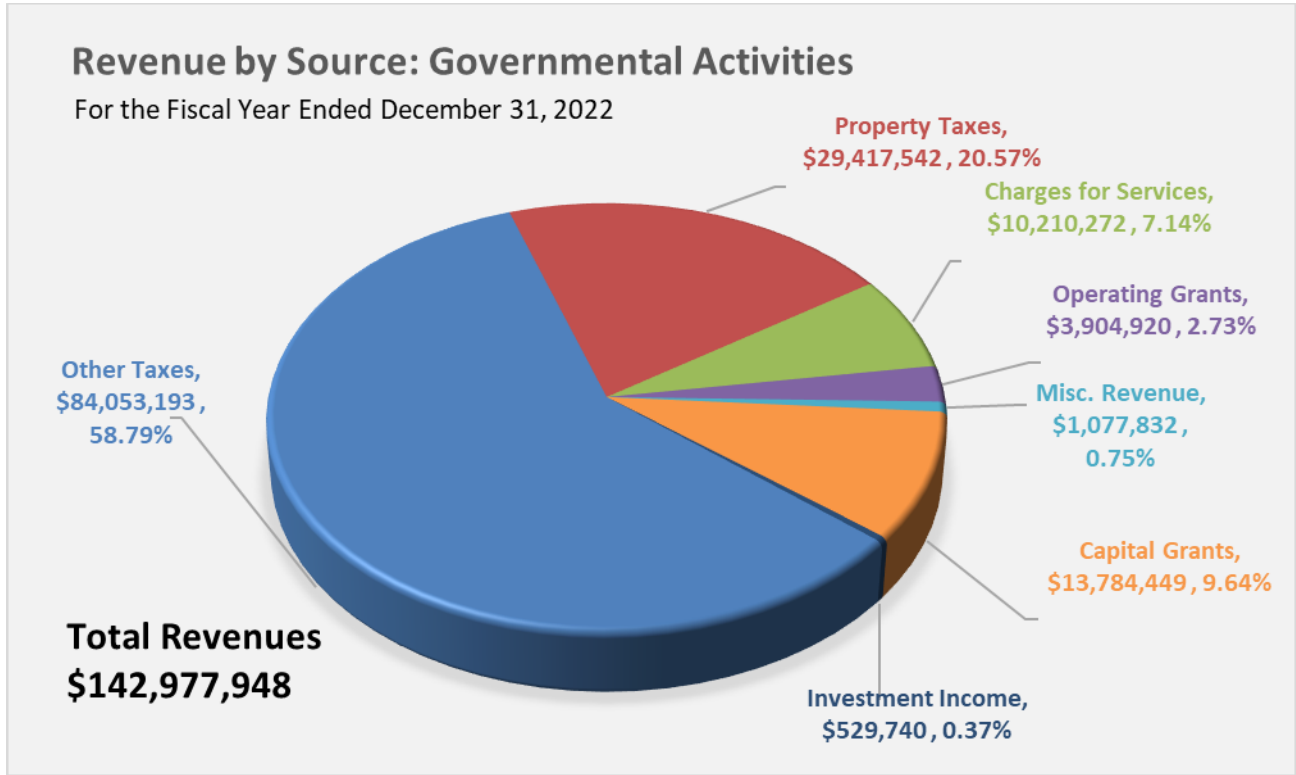
The major component of the City's net position increase is primarily attributable to an \$11.3 million increase in other taxes and a \$9.2 million increase in capital grants and contributions in addition to an overall surplus of revenues over the expenditures for 2022.

Governmental Activities: The governmental activities program revenue was \$27.9 million, including charges for services of \$10.2 million, operating grants and contributions of \$3.9 million and capital grants and contributions of \$13.8 million. This is an increase of \$9.3 million over the prior year primarily related to capital grant funding.

(See independent auditor's report)

CITY OF DES PLAINES, ILLINOIS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 December 31, 2022

The general revenue was \$115.1 million, including property taxes of \$29.4 million and other taxes revenue of \$84.1 million. The general revenue increased \$4.2 million due to an increase in gaming taxes, state shared revenues and local taxes including sales tax. The following chart represents revenues from governmental activities by source.



The 2021 equalized assessed value (EAV) decreased by 4.4 percent from the 2020 EAV as the result of a lower 2021 final equalization factor of 3.0027 compared to 2020 equalization factor of 3.2234 to ensure that the total (EAV) of real property in all counties in Illinois equals 33.33% of the fair market value (process of inter-county equalization).

Equalized Assessed Valuation (EAV)	Tax Levy 2021	Tax Levy 2020	Increase / (Decrease)	Change (%)
	\$ 2,191,255,966	\$ 2,292,781,709	\$ (101,525,743)	-4.4%

The *General Fund* state per-capita shared revenues from *income tax* and *use tax* increased by 15.3 percent mainly driven by an increase in state income tax and an economic recovery that improved income and sales tax collections above the anticipated levels.

(See independent auditor's report)

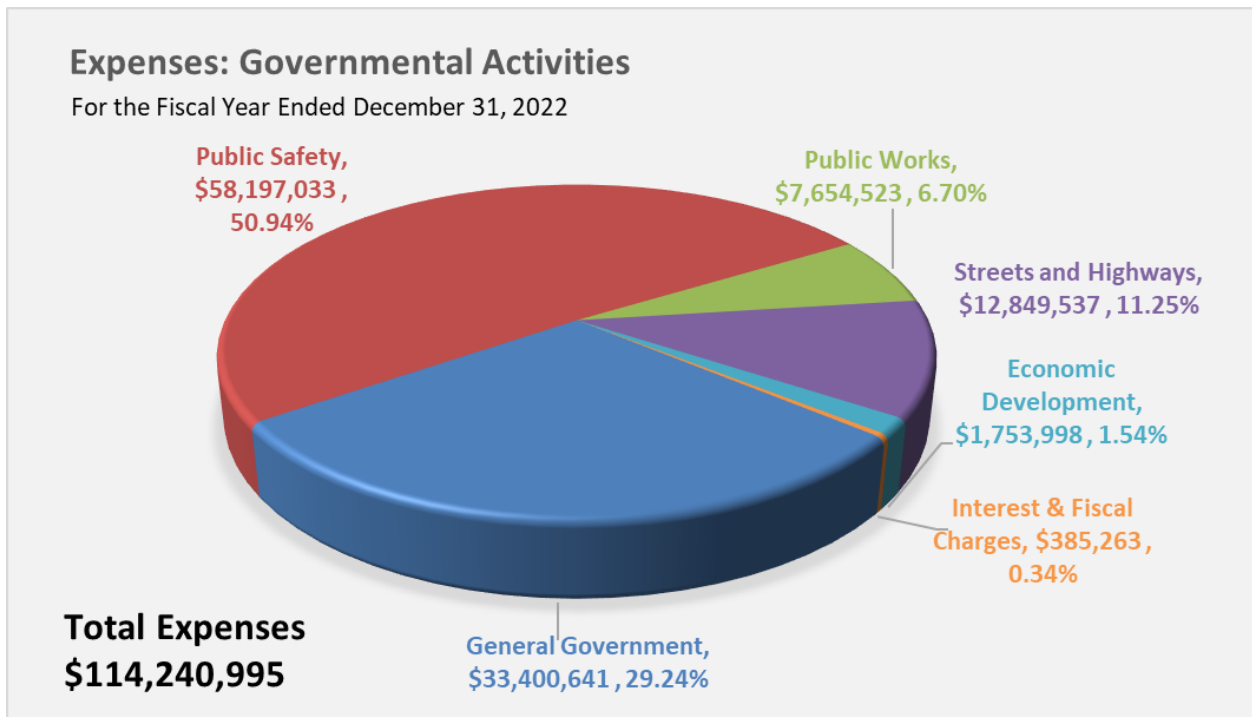
CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2022

Illinois State Shared Tax Revenue	Fiscal Year 2022	Fiscal Year 2021	Increase / (Decrease)	Change (%)
State Income Tax	\$ 9,825,188	\$ 8,311,489	\$ 1,513,699	18.2%
Use Tax	2,554,563	2,429,271	125,291	5.2%
Total	\$ 12,379,751	\$ 10,740,760	\$ 1,638,990	15.3%

The City's *municipal sales tax* revenue (one percent share of the State collected tax, not including home rule tax) increased by \$867 thousand or approximately 6.2 percent from the previous year. This is a result of increased spending during 2022.

	Fiscal Year 2022	Fiscal Year 2021	Increase / (Decrease)	Change (%)
Municipal Sales Tax Revenue	\$ 14,798,322	\$ 13,931,164	\$ 867,158	6.2%

The following chart represents expenses from governmental activities.



(See independent auditor's report)

CITY OF DES PLAINES, ILLINOIS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 December 31, 2022

Governmental activities expenses were \$114.2 million. All functions of governmental activities in the government-wide statement of activities have a net cost with the exception of economic development. The general government, public safety and streets and highways account for 91.4 percent of governmental activities expenses and 91.4 percent of the net cost. The property tax and tax collections of the state shared revenues provide the primary source of funding, which when added to program revenues, support payment for governmental services.

Business-type Activities: Business-type activities generated program revenue of \$18.9 million from fees, fines and charges for services. The total expenses for business-type activities were \$15.1 million. Compared to December 31, 2021, business-type revenues increased by \$572 thousand, and expenses remained relatively the same. Including transfers from other funds the net position increased by \$18.0 million to \$75.0 million.

The following chart summarizes expenses and program revenues from the City's business-type activities during the year.

Expenses and Program Revenues: Business-type Activities		
For the Fiscal Year Ended December 31, 2022		
Activities	Expenses	Program Revenues
Water	\$ 14,097,709	\$ 18,531,758
Parking	1,024,232	367,989
	<u>\$ 15,121,941</u>	<u>\$ 18,899,747</u>

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

As of December 31, 2022, governmental funds reported fund balances of \$123.5 million.

General Fund: The fund balance for the general fund as of December 31, 2022, was \$80.2 million, an increase of \$11.0 million from fiscal year 2021, as a result of increased intergovernmental revenues and other taxes. The nonspendable fund balance was \$24.5 million, and the assigned fund balance was \$18.2 million, resulting in the unassigned fund balance of \$37.5 million. The unassigned balance of the general fund can be used to cover the day-to-day service delivery and was at 54.5 percent of the 2022 general fund expenditures.

Gaming Tax Fund: The fund balance for the gaming tax fund as of December 31, 2022 was \$28.1 million, an increase of \$7.9 million from fiscal year 2021 due to a faster rebound of gaming activity than originally expected after the COVID-19 pandemic.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2022

Tax Increment Financing Funds: The City maintains six separate funds created to account for the revenues and expenditures related to the City's tax increment financing (TIF) redevelopment areas. The negative impact on the City's 2022 total governmental fund balance is primarily due to deficit fund balances in TIF #3 (Wille Road) of \$2.2 million and TIF #6 (Mannheim/Higgins) of \$18.1 million related to an outstanding debt burden. TIF #1 (Downtown) has accumulated a deficit of \$488 thousand as a result of the closing of the TIF District and property tax refunds being processed at the County level. TIF #7 (Mannheim/Higgins South) has accumulated a deficit of \$1.1 million which is \$422 thousand less than the 2021 deficit.

Capital Projects Fund: The four capital projects funds maintained by the City include capital projects, equipment replacement, I.T. replacement, and facilities replacement funds. The capital projects fund accounts for the acquisition and construction of major capital facilities and improvements and was classified as a major governmental fund of the City. The fund balance for the capital projects fund as of December 31, 2022, totaled \$12.0 million, an increase of \$2.5 million since December 31, 2021 due to a surplus of revenues over expenditures in 2022 of \$3.0 million offset by a transfer out for grant related expenditures in the amount of \$538 thousand.

Proprietary Funds

The City's proprietary funds statements provide the same type of information found in the government-wide financial statements, but in more detail. The City reports the Water/Sewer and Parking Systems funds as Major Enterprise funds. Proprietary funds reported a net position of \$74.5 million as of December 31, 2022.

Water/Sewer Fund: Water and sewer fund's net position as of December 31, 2022, totaled \$53.3 million, an increase of \$4.3 million from the prior year as a result of a conscious effort to set fees at levels that are adequate to cover expenses. The unrestricted net position has increased from \$6.9 million to \$9.8 million.

Parking System Fund: Net Position of \$21.1 million is an increase of \$13.6 million from fiscal 2021 and is primarily due to an increase in capital assets as a result of a new parking deck that was recently completed.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2022

GENERAL FUND BUDGETARY HIGHLIGHTS

Table 3: General Fund Budgetary Highlights
For the Year Ended December 31, 2022

	Original and Final Budget	Actual	Variance from Fund Budget Positive (Negative)
Revenues	\$ 59,872,600	\$ 81,583,279	\$ 21,710,679
Expenditures	72,154,358	68,763,545	3,390,813
Excess of Revenues Over Expenditures	(12,281,758)	12,819,734	25,101,492
Other Financing Sources (Uses)	(1,847,000)	(1,847,000)	-
Net Changes in Fund Balance	<u>\$ (14,128,758)</u>	<u>\$ 10,972,734</u>	<u>\$ 25,101,492</u>

General fund actual revenues were \$21.7 million or 36.3 percent greater than the budgeted amount while general fund actual expenditures were \$3.4 million or 4.7 percent lower than the budgeted amount. The intergovernmental revenues, in particular state income tax, personal property replacement taxes, municipal sales tax and local use taxes came in much higher than originally anticipated in the conservative revenues budgeted for 2022. The expenditures were below the budget expectations based on the City's conservative approach to spending.

CAPITAL ASSETS

As of December 31, 2022, the City had \$316.1 million in net capital assets. This total represents an increase of \$5.9 million in total capital assets or 1.9 percent from fiscal 2021. The following table illustrates the changes in capital assets.

Table 4: Capital Assets - Net of Depreciation
December 31, 2022 and 2021

	Governmental Activities		Business-type Activities		Total Primary Government	
	2022	2021	2022	2021	2022	2021
Land	\$ 32,112,420	\$ 31,301,920	\$ 1,891,770	\$ 1,891,770	\$ 34,004,190	\$ 33,193,690
Land right of way	52,128,780	52,889,789	-	-	52,128,780	52,889,789
Buildings	10,253,365	25,464,463	18,331,406	4,744,031	28,584,771	30,208,494
Building improvements	26,280,047	26,551,311	42,778,770	40,781,365	69,058,817	67,332,676
Equipment	2,311,691	2,453,879	430,500	375,346	2,742,191	2,829,225
Vehicles	5,175,336	5,974,446	1,278,543	860,243	6,453,879	6,834,689
Infrastructure	122,903,668	116,688,473	-	-	122,903,668	116,688,473
Construction in progress	180,515	180,515	-	18,354	180,515	198,869
Total Capital Assets	<u>\$ 251,345,822</u>	<u>\$ 261,504,797</u>	<u>\$ 64,710,989</u>	<u>\$ 48,671,109</u>	<u>\$ 316,056,811</u>	<u>\$ 310,175,906</u>

(See independent auditor's report)

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2022

Major capital projects are completed based on the City’s Capital Improvement Program (CIP) that is a multi-year plan that prioritizes the City’s street, utility, and drainage infrastructure project needs for the next five years given current financial resources. The capital improvements during the 2022 fiscal year included streets and alley reconstruction, enhancement of drainage system, and other miscellaneous projects.

The business-type capital assets activities included reconstruction of the civic center parking deck.

Note 5 – Capital Assets provides details about the City’s capital assets and Note 11 – Commitments and Contingencies details the City’s significant commitments related to future capital expenditures.

DEBT OUTSTANDING

The City, under its home rule authority, does not have a legal debt limit. The City’s outstanding general obligation debt rating of “Aa2” has been reaffirmed as part of the annual comment in January 2022 by Moody's Investors Service. The City continues to look for opportunities to pay debt off early or refinance debt at lower interest rates.

Table 5: Outstanding Bonded Debt						
December 31, 2022 and 2021						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
General obligation bonds	\$ 9,388,600	\$ 12,387,698	\$ -	\$ -	\$ 9,388,600	\$ 12,387,698
Total Bonded Debt	<u>\$ 9,388,600</u>	<u>\$ 12,387,698</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,388,600</u>	<u>\$ 12,387,698</u>

The City had \$9.4 million in principal outstanding general obligation debt from governmental activities and no principal outstanding from business-type activities for the year ended December 31, 2022. The majority of the City’s debt burden is supported by TIF revenues, sales and utility taxes, sewer fees and other fees. The City does not have any property tax supported debt. The City’s net direct debt ratio to equalized assessed value (EAV) continues to be less than 1 percent. Additional information of the City’s long-term debt can be found in Note 7 – Debt Activity of the 2022 Annual Comprehensive Financial Report.

ECONOMIC FACTORS

The 2022 fiscal year ended on a positive note with the General Fund ending in a surplus position. The Covid-19 pandemic strongly reaffirmed the importance of fiscal stability that the City continuously strives for by maintaining a healthy fund balance and conservative approach to spending. Some of the economic factors related to recent year are as follows:

- Property taxes imposed on property within the City’s corporate limits provide a stable revenue source. The property of the City’s ten largest taxpayers accounted for only 10 percent of the City’s total 2021 EAV.

(See independent auditor's report)

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2022

- The City has a diverse revenue base with only 20.6 percent of its revenue derived from property taxes.
- The median household income is on solid ground with an estimated median household income at \$79,453, which is higher than Cook County's median household income at \$72,121.
- Building permit issuance decreased approximately six percent in 2022, with 3,014 permits issued compared to 3,193 issued in 2021. The declared building permit valuation in 2022 totaled \$104,671,067 representing a decrease from the 2021 valuation of \$127,809,011. However, long-term trends show construction activity significantly higher than it was a decade ago. For each of the past six years, permitted construction value has exceeded \$100 million. For comparison, in 2012 construction valuation was at \$29.9 million. Overall, construction investment signals a very strong local economy and validates that the efficient entitlement process and economic development incentives offered in the City are working.
- Although building permit volume and construction value decreased slightly from 2021 to 2022, the number of new businesses registering with the City increased from 51 in 201 to 81 in 2022.
- Cost containment and the use of budgetary reserves remains key to the continued improvement of financial position. FY 2023 will see additional accomplishments in the area of infrastructure improvements supported by state and federal funding.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to the Dorothy Wisniewski, Assistant City Manager/Director of Finance, City of Des Plaines, 1420 Miner Street, Des Plaines, IL 60016 or access the City's website at www.desplaines.org.

BASIC FINANCIAL STATEMENTS

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF NET POSITION
December 31, 2022

	Primary Government			Component Unit (Library)
	Governmental Activities	Business-Type Activities	Total Primary Government	
ASSETS				
Cash and Investments	\$ 133,508,134	\$ 9,881,348	\$ 143,389,482	\$ 4,409,321
Receivables (Net)				
Property Taxes	34,474,998	-	34,474,998	7,498,803
Accounts	151,586	3,070,649	3,222,235	-
Accrued Interest	27,224	-	27,224	-
Other Taxes	1,205,343	-	1,205,343	-
Other	238,906	20,534	259,440	23,247
Leases	653,643	3,507,405	4,161,048	-
Prepaid Items	4,809,840	15,994	4,825,834	21,974
Inventories	-	241,284	241,284	-
Due from Other Governmental Units	14,466,886	-	14,466,886	-
Internal Balances	(383,354)	383,354	-	-
Capital Assets Not Being Depreciated	84,421,715	1,891,770	86,313,485	-
Capital Assets Being Depreciated, Net	166,924,107	62,819,219	229,743,326	2,527,194
TOTAL ASSETS	<u>440,499,028</u>	<u>81,831,557</u>	<u>522,330,585</u>	<u>14,480,539</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Amounts from Refunding of Debt	29,256	-	29,256	-
Deferred Pension Outflows	41,757,343	2,509,893	44,267,236	2,349,815
Deferred OPEB Outflows	3,696,798	388,471	4,085,269	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>45,483,397</u>	<u>2,898,364</u>	<u>48,381,761</u>	<u>2,349,815</u>
LIABILITIES				
Accounts Payable	22,519,422	2,355,265	24,874,687	164,333
Accrued Payroll	1,741,579	2,643	1,744,222	56,434
Property Taxes Payable to Pension Funds	3,327,665	-	3,327,665	-
Accrued Liabilities	9,171	104,447	113,618	-
Accrued Interest Payable	21,713	-	21,713	-
Unearned Revenue	79,744	148,315	228,059	23,866
Deposits Payable	87,261	-	87,261	-
Long-Term Obligations				
Due Within One Year	4,502,477	151,564	4,654,041	87,235
Due in More Than One Year	226,798,566	3,139,299	229,937,865	1,906,984
TOTAL LIABILITIES	<u>259,087,598</u>	<u>5,901,533</u>	<u>264,989,131</u>	<u>2,238,852</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	29,056,813	-	29,056,813	6,252,500
Deferred Lease Revenue	569,724	3,424,603	3,994,327	-
Deferred Pension Inflows	4,623,021	32,285	4,655,306	145,812
Deferred OPEB Inflows	5,043,941	387,542	5,431,483	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>39,293,499</u>	<u>3,844,430</u>	<u>43,137,929</u>	<u>6,398,312</u>
NET POSITION				
Net Investment in Capital Assets	240,095,840	63,520,256	303,616,096	2,527,194
Restricted for				
Streets and Highways	3,152,177	-	3,152,177	-
Rebuild Illinois Bond Funds Projects	223,079	-	223,079	-
Public Safety	1,825,372	-	1,825,372	-
Economic Development	3,979,080	-	3,979,080	-
Library Creative Space	-	-	-	249,660
Culture and Recreation	-	-	-	5,416,336
Unrestricted	(61,674,220)	11,463,702	(50,210,518)	-
TOTAL NET POSITION	<u>\$ 187,601,328</u>	<u>\$ 74,983,958</u>	<u>\$ 262,585,286</u>	<u>\$ 8,193,190</u>

CITY OF DES PLAINES, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2022

	Major Governmental Funds					Nonmajor Governmental Funds	Total Governmental Funds
	General	TIF #6 (Mannheim/ Higgins)	Gaming Tax	Grant Funded Projects	Capital Projects		
ASSETS							
Cash and Investments	\$ 47,585,453	\$ -	\$ 43,204,245	\$ -	\$ 11,469,248	\$ 28,705,028	\$ 130,963,974
Receivables (net)							
Property Tax Receivable	29,254,688	171,035	-	-	3,994	5,045,281	34,474,998
Other Taxes	1,064,035	-	-	-	141,308	-	1,205,343
Accounts Receivable	126,407	-	-	-	11,840	32,693	170,940
Accrued Interest	7,504	-	-	-	-	19,720	27,224
Other	225,395	-	-	47,504	-	29,114	302,013
Leases	-	-	-	-	-	653,643	653,643
Prepaid Items	235,926	-	-	-	7,582	35,919	279,427
Due from Other Governments	8,346,405	-	2,615,123	1,949,824	1,317,202	238,332	14,466,886
Due from Other Funds	156,320	-	-	-	-	-	156,320
Advances to Other Funds	24,133,927	-	-	-	-	-	24,133,927
TOTAL ASSETS	\$ 111,136,060	\$ 171,035	\$ 45,819,368	\$ 1,997,328	\$ 12,951,174	\$ 34,759,730	\$ 206,834,695
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities							
Accounts Payable	\$ 1,183,608	\$ -	\$ 17,688,444	\$ 1,447,854	\$ 798,198	\$ 1,383,925	\$ 22,502,029
Accrued Payroll	1,741,579	-	-	-	-	-	1,741,579
Property Taxes Payable to Pension Funds	3,327,665	-	-	-	-	-	3,327,665
Accrued Liabilities	9,171	-	-	-	-	-	9,171
Deposits Payable	-	-	-	-	6,397	167,367	173,764
Due to Other Funds	-	-	-	-	25,062	-	25,062
Advances from Other Funds	-	18,117,330	-	2,353,777	-	3,662,820	24,133,927
Unearned Revenue	23,275	-	-	-	-	49,597	72,872
Total Liabilities	6,285,298	18,117,330	17,688,444	3,801,631	829,657	5,263,709	51,986,069
Deferred Inflows of Resources							
Deferred Property Tax Revenue	24,244,258	141,295	-	-	1,627	4,669,633	29,056,813
Deferred Lease Revenue	-	-	-	-	-	569,724	569,724
Unavailable Other Revenue	428,878	-	-	1,158,557	158,878	1,515	1,747,828
Total Deferred Inflows of Resources	24,673,136	141,295	-	1,158,557	160,505	5,240,872	31,374,365
Fund Balances							
Nonspendable							
Prepaid Items	235,926	-	-	-	7,582	35,919	279,427
Long-Term Interfund Advances	24,133,927	-	-	-	-	-	24,133,927
Restricted							
Economic Development	-	-	-	-	-	3,979,080	3,979,080
Debt Retirement/Infrastructure	-	-	28,130,924	-	-	-	28,130,924
Streets and Highways	-	-	-	-	-	3,152,177	3,152,177
Rebuild Illinois Bond Funds Projects	-	-	-	-	-	223,079	223,079
Public Safety	-	-	-	-	-	1,825,372	1,825,372
Assigned							
Infrastructure	16,000,000	-	-	-	11,953,430	-	27,953,430
Capital Acquisitions	2,200,000	-	-	-	-	18,813,899	21,013,899
Unassigned	37,607,773	(18,087,590)	-	(2,962,860)	-	(3,774,377)	12,782,946
Total Fund Balances	80,177,626	(18,087,590)	28,130,924	(2,962,860)	11,961,012	24,255,149	123,474,261
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 111,136,060	\$ 171,035	\$ 45,819,368	\$ 1,997,328	\$ 12,951,174	\$ 34,759,730	\$ 206,834,695

CITY OF DES PLAINES, ILLINOIS
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
December 31, 2022

Total Fund Balances - Governmental Funds \$ 123,474,261

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:

	\$	413,689,692	
Capital Assets		413,689,692	
Accumulated Depreciation		<u>(162,343,870)</u>	
Net Capital Assets			251,345,822

Some receivables that are not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements. 1,747,828

Gains/Losses related to the refunding of long-term debt are deferred and amortized over the life of the debt issue in the statement of net position. 29,256

Generally, interest on long-term debt is not accrued in governmental funds, but rather is recognized when due. (21,713)

Deferred outflows of resources related to pensions do not involve available financial resources and accordingly are not reported on the fund financial statements. 41,757,343

Deferred outflows of resources related to OPEB do not involve available financial resources and accordingly are not reported on the fund financial statements. 3,696,798

Deferred inflows of resources related to pensions do not involve available financial resources and accordingly are not reported on the fund financial statements. (4,623,021)

Deferred inflows of resources related to OPEB do not involve available financial resources and accordingly are not reported on the fund financial statements. (5,043,941)

Some liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds. These liabilities consist of:

	(4,561,622)		
Compensated Absences Payable	(4,561,622)		
TIF General Obligation Bonds Payable	(9,388,600)		
Unamortized Bond Premiums and Discounts	(95,593)		
Net Pension Liabilities	(203,265,392)		
Other Post Employment Benefits (OPEB) Liability	<u>(13,989,836)</u>		
Total Long-Term Liabilities			(231,301,043)

Internal service funds are reported in the Statement of Net Position as Governmental Activities. 6,539,738

Net Position of Governmental Activities \$ 187,601,328

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year-Ended December 31, 2022

	Major Governmental Funds					Nonmajor Governmental Funds	Total Governmental Funds
	General	TIF #6 (Mannheim/ Higgins)	Gaming Tax	Grant Funded Projects	Capital Projects		
Revenues							
Property Taxes	\$ 25,010,610	\$ 102,201	\$ -	\$ -	\$ 6,604	\$ 4,298,127	\$ 29,417,542
Other Taxes	15,447,760	-	29,223,842	-	6,678,917	155,436	51,505,955
Licenses and Permits	1,804,859	-	-	-	-	-	1,804,859
Intergovernmental	32,788,858	-	-	13,778,332	-	4,548,447	51,115,637
Charges for Services	5,401,993	-	-	-	-	-	5,401,993
Fines, Forfeitures and Penalties	488,261	-	-	-	-	5,177	493,438
Developer Fees	-	-	-	-	-	509,666	509,666
Investment Income	234,158	1	111,258	6,251	143,626	34,446	529,740
Lease Revenue	-	-	-	-	-	264,357	264,357
Miscellaneous	406,780	-	-	-	966	281,698	689,444
Total Revenues	<u>81,583,279</u>	<u>102,202</u>	<u>29,335,100</u>	<u>13,784,583</u>	<u>6,830,113</u>	<u>10,097,354</u>	<u>141,732,631</u>
Expenditures							
Current							
General Government	9,324,287	-	17,709,180	718,769	-	3,404,463	31,156,699
Public Safety	50,625,268	-	-	-	-	197,300	50,822,568
Public Works	4,168,155	-	-	-	1,833,677	-	6,001,832
Streets and Highways	4,459,304	-	-	-	-	1,120,632	5,579,936
Economic Development	186,531	2,040	-	-	-	813,476	1,002,047
Debt Service							
Principal	-	1,575,000	-	-	-	1,550,000	3,125,000
Interest and Fiscal Charges	-	350	-	-	-	304,156	304,506
Capital Outlay	-	-	-	8,294,105	1,963,155	4,730,923	14,988,183
Total Expenditures	<u>68,763,545</u>	<u>1,577,390</u>	<u>17,709,180</u>	<u>9,012,874</u>	<u>3,796,832</u>	<u>12,120,950</u>	<u>112,980,771</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>12,819,734</u>	<u>(1,475,188)</u>	<u>11,625,920</u>	<u>4,771,709</u>	<u>3,033,281</u>	<u>(2,023,596)</u>	<u>28,751,860</u>
Other Financing Sources (Uses)							
Proceeds from Sale of Capital Assets	-	-	-	-	-	106,833	106,833
Transfer In	53,000	-	-	538,105	-	5,600,000	6,191,105
Transfer Out	(1,900,000)	(1,000)	(3,700,000)	-	(538,105)	(47,000)	(6,186,105)
Total Other Financing Sources (Uses)	<u>(1,847,000)</u>	<u>(1,000)</u>	<u>(3,700,000)</u>	<u>538,105</u>	<u>(538,105)</u>	<u>5,659,833</u>	<u>111,833</u>
Net Change in Fund Balances	10,972,734	(1,476,188)	7,925,920	5,309,814	2,495,176	3,636,237	28,863,693
Fund Balances at Beginning of Year	<u>69,204,892</u>	<u>(16,611,402)</u>	<u>20,205,004</u>	<u>(8,272,674)</u>	<u>9,465,836</u>	<u>20,618,912</u>	<u>94,610,568</u>
Fund Balances at End of Year	<u>\$ 80,177,626</u>	<u>\$ (18,087,590)</u>	<u>\$ 28,130,924</u>	<u>\$ (2,962,860)</u>	<u>\$ 11,961,012</u>	<u>\$ 24,255,149</u>	<u>\$ 123,474,261</u>

CITY OF DES PLAINES, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year-Ended December 31, 2022

Net Change in Fund Balances - Total Governmental Funds \$ 28,863,693

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation and other transactions that impact capital assets in the current year.

Capital Expenditures	\$	15,802,308	
Transfer to Enterprise Funds		(14,230,574)	
Depreciation		(10,072,769)	
Loss on Disposal of Capital Assets		<u>(1,657,940)</u>	
Capital Expenditures in Excess of Depreciation and Other Transactions			(10,158,975)

Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds. (974,257)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the governmental funds.

Change in Compensated Absences Liability		(132,044)	
Accretion of Interest on Capital Appreciation Bonds		(125,902)	
Change in Accrued Interest Payable		3,584	
Change in OPEB and Deferral Items		(411,894)	
Change in Pension Liability, Asset, and Deferral Items		<u>(7,404,816)</u>	
Total Expenses of Noncurrent Resources			(8,071,072)

Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

TIF General Obligation Bonds Payable		3,125,000	
Amortization of Premiums, Discounts, and Loss on Refunding		<u>41,561</u>	
Net Adjustment			3,166,561

Internal service funds are used by management to charge self-insurance costs to individual funds. The change in net position of the internal service fund (net of current look back adjustment) reported with the governmental activities. 1,685,429

Change in Net Position of Governmental Activities \$ 14,511,379

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2022

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Funds			Internal Service Funds
	Water/Sewer	Parking System	Total Enterprise Funds	
ASSETS				
Current Assets				
Cash and Investments	\$ 8,766,055	\$ 1,115,293	\$ 9,881,348	\$ 2,544,160
Receivables (Net)				
Accounts	3,070,649	-	3,070,649	-
Other	2,765	17,769	20,534	4,042
Leases	-	56,056	56,056	-
Prepaid Items	11,207	4,787	15,994	4,530,413
Inventories	241,284	-	241,284	-
Total Current Assets	<u>12,091,960</u>	<u>1,193,905</u>	<u>13,285,865</u>	<u>7,078,615</u>
Noncurrent Assets				
Capital Assets				
Capital Assets Not Being Depreciated	233,828	1,657,942	1,891,770	-
Capital Assets Being Depreciated, Net	44,520,910	18,298,309	62,819,219	-
Leases Receivable	-	3,451,349	3,451,349	-
Total Noncurrent Assets	<u>44,754,738</u>	<u>23,407,600</u>	<u>68,162,338</u>	<u>-</u>
TOTAL ASSETS	<u>56,846,698</u>	<u>24,601,505</u>	<u>81,448,203</u>	<u>7,078,615</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Outflows	2,509,893	-	2,509,893	-
Deferred OPEB Outflows	388,471	-	388,471	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>2,898,364</u>	<u>-</u>	<u>2,898,364</u>	<u>-</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	2,323,551	31,714	2,355,265	17,393
Accrued Liabilities	107,090	-	107,090	-
Unearned Revenue	148,315	-	148,315	6,872
Due to Other Funds	131,258	-	131,258	-
Long-Term Obligations, Due Within One Year				
Compensated Absences	151,564	-	151,564	-
Total Current Liabilities	<u>2,861,778</u>	<u>31,714</u>	<u>2,893,492</u>	<u>24,265</u>
Noncurrent Liabilities				
Long-Term Obligations, Due in More Than One Year				
Total OPEB Liability	1,319,830	-	1,319,830	-
Net Pension Liability	1,588,720	-	1,588,720	-
Compensated Absences	230,749	-	230,749	-
Total Noncurrent Liabilities	<u>3,139,299</u>	<u>-</u>	<u>3,139,299</u>	<u>-</u>
TOTAL LIABILITIES	<u>6,001,077</u>	<u>31,714</u>	<u>6,032,791</u>	<u>24,265</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Lease Revenue	-	3,424,603	3,424,603	-
Deferred Pension Inflows	32,285	-	32,285	-
Deferred OPEB Inflows	387,542	-	387,542	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>419,827</u>	<u>3,424,603</u>	<u>3,844,430</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	43,564,005	19,956,251	63,520,256	-
Unrestricted	9,760,153	1,188,937	10,949,090	7,054,350
TOTAL NET POSITION	<u>\$ 53,324,158</u>	<u>\$ 21,145,188</u>	<u>74,469,346</u>	<u>\$ 7,054,350</u>
Adjustment to Reflect the Consolidation of Internal Service Funds Activities:				
Related to Enterprise Funds			514,612	
Net Position of Business-Type Activities			<u>\$ 74,983,958</u>	

See accompanying notes to financial statements.

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year-Ended December 31, 2022

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Funds		Total Enterprise Funds	Internal Service Funds
	Water/Sewer	Parking System		
Operating Revenues				
Charges for Services	\$ 18,316,512	\$ 262,213	\$ 18,578,725	\$ 10,756,248
Miscellaneous	209,753	-	209,753	213,288
Total Operating Revenues	<u>18,526,265</u>	<u>262,213</u>	<u>18,788,478</u>	<u>10,969,536</u>
Operating Expenses				
Salaries	3,161,546	-	3,161,546	-
Benefits	1,457,675	-	1,457,675	-
Contractual Services	1,411,942	273,007	1,684,949	-
Commodities	6,013,201	97,952	6,111,153	-
Capital Outlay	105,462	-	105,462	-
Claims Expense	-	-	-	7,872,867
Insurance and Processing Fees	-	-	-	995,210
Miscellaneous	-	-	-	253,203
Depreciation	2,086,203	654,225	2,740,428	-
Total Operating Expenses	<u>14,236,029</u>	<u>1,025,184</u>	<u>15,261,213</u>	<u>9,121,280</u>
Operating Income (Loss)	<u>4,290,236</u>	<u>(762,971)</u>	<u>3,527,265</u>	<u>1,848,256</u>
Nonoperating Revenues and (Expenses)				
Interest	-	105,776	105,776	-
Intergovernmental	5,534	-	5,534	-
Loss on Disposal of Assets	(23,555)	-	(23,555)	-
Total Nonoperating Revenues and (Expenses)	<u>(18,021)</u>	<u>105,776</u>	<u>87,755</u>	<u>-</u>
Income (Loss) Before Capital Contributions and Transfers	<u>4,272,215</u>	<u>(657,195)</u>	<u>3,615,020</u>	<u>1,848,256</u>
Capital Contributions and Transfers				
Capital Contributions	-	14,230,574	14,230,574	-
Transfers In	5,000	-	5,000	-
Transfers Out	-	(10,000)	(10,000)	-
Total Capital Contributions and Transfers	<u>5,000</u>	<u>14,220,574</u>	<u>14,225,574</u>	<u>-</u>
Change in Net Position	4,277,215	13,563,379	17,840,594	1,848,256
Net Position at Beginning of Year	<u>49,046,943</u>	<u>7,581,809</u>	<u>56,628,752</u>	<u>5,206,094</u>
Net Position at End of Year	<u>\$ 53,324,158</u>	<u>\$ 21,145,188</u>	74,469,346	<u>\$ 7,054,350</u>
Adjustment to Reflect the Consolidation of Internal Service Funds Activities:				
Related to Enterprise Funds			162,827	
Change in Net Position of Business-Type Activities			<u>\$ 18,003,421</u>	

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year-Ended December 31, 2022

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Funds			Internal Service Funds
	Water/Sewer	Parking System	Total Enterprise Funds	
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 18,338,084	\$ 166,141	\$ 18,504,225	\$ 10,731,170
Receipts from Miscellaneous Revenues	175,622	-	175,622	213,288
Cash Payments to Suppliers for Goods and Services	(8,153,691)	(368,329)	(8,522,020)	(10,131,322)
Cash Payments to Employees for Services	(4,406,247)	-	(4,406,247)	-
Net Cash Provided/(Used) by Operating Activities	<u>5,953,768</u>	<u>(202,188)</u>	<u>5,751,580</u>	<u>813,136</u>
Cash Flows from Noncapital Financing Activities				
Transfers In	5,000	-	5,000	-
Transfers Out	-	(10,000)	(10,000)	-
Interfund Balances	13,040	-	13,040	-
Proceeds from Grants	5,534	-	5,534	-
Net Cash Provided/(Used) by Noncapital Financing Activities	<u>23,574</u>	<u>(10,000)</u>	<u>13,574</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities				
Interest from Leases	-	105,776	105,776	-
Sale of Capital Assets	-	248	248	-
Acquisition and Construction of Capital Assets	(3,493,816)	-	(3,493,816)	-
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>(3,493,816)</u>	<u>106,024</u>	<u>(3,387,792)</u>	<u>-</u>
Net Increase (Decrease) in Cash & Investments Cash & Investments, Beginning of Year	<u>2,483,526</u>	<u>(106,164)</u>	<u>2,377,362</u>	<u>813,136</u>
Cash & Investments, End of Year	<u>\$ 8,766,055</u>	<u>\$ 1,115,293</u>	<u>\$ 9,881,348</u>	<u>\$ 2,544,160</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities				
Operating Income/(Loss)	\$ 4,290,236	\$ (762,971)	\$ 3,527,265	\$ 1,848,256
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities				
Depreciation	2,086,203	654,225	2,740,428	-
Decrease (Increase) in Receivables	21,572	(13,270)	8,302	(4,042)
Decrease (Increase) in Other Receivables	(2,765)	-	(2,765)	-
Decrease (Increase) in Lease Receivables	-	(3,507,405)	(3,507,405)	-
Decrease (Increase) in Prepaid Items	(11,207)	(4,787)	(15,994)	(475,226)
Decrease (Increase) in Inventories	(27,382)	-	(27,382)	-
Decrease (Increase) in Deferred Outflows - Pension	(2,079,176)	-	(2,079,176)	-
Decrease (Increase) in Deferred Outflows - OPEB	(301,523)	-	(301,523)	-
(Decrease) Increase in Accounts Payable	(584,497)	7,417	(577,080)	(58,477)
(Decrease) Increase in Early Retirement Payable	-	-	-	(476,339)
(Decrease) Increase in Accrued Liabilities	12,333	-	12,333	-
(Decrease) Increase in Unearned Revenue	(31,366)	-	(31,366)	(21,036)
(Decrease) Increase in Total OPEB Liability	(309,111)	-	(309,111)	-
(Decrease) Increase in Deferred Lease Revenue	-	3,424,603	3,424,603	-
(Decrease) Increase in Deferred Inflows - OPEB	297,056	-	297,056	-
(Decrease) Increase in Compensated Absences Payable	47,301	-	47,301	-
Total Adjustments	<u>1,663,532</u>	<u>560,783</u>	<u>2,224,315</u>	<u>(1,035,120)</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ 5,953,768</u>	<u>\$ (202,188)</u>	<u>\$ 5,751,580</u>	<u>\$ 813,136</u>
Noncash Capital and Related Financing Activities				
Capital Assets Included in Accounts Payable	\$ 1,190,733	\$ -	\$ 1,190,733	\$ -

See accompanying notes to the financial statements.

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2022

	Pension Trust Funds
ASSETS	
Cash and Cash Equivalents	\$ 13,788,605
Investments	
Insurance Contracts	1,600
Pooled Investments	149,573,649
Receivables (Net)	
Taxes	3,327,665
Prepaid Items	21,124
TOTAL ASSETS	<u>\$ 166,712,643</u>
LIABILITIES AND NET POSITION	
Liabilities	
Accounts Payable	\$ 8,776
Total Liabilities	<u>8,776</u>
Net Position	
Restricted for Pensions	<u>166,703,867</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 166,712,643</u>

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
Year-Ended December 31, 2022

	Pension Trust Funds
Additions	
Contributions	
Employer	\$ 16,751,454
Plan Members	1,893,302
Other	<u>692</u>
Total Contributions	<u>18,645,448</u>
Investment Income (Loss)	(26,688,129)
Less Investment Expense	<u>(339,697)</u>
Net Investment Income (Loss)	<u>(27,027,826)</u>
Total Additions	<u>(8,382,378)</u>
Deductions	
Administration	167,936
Benefits and Refunds	<u>20,372,638</u>
Total Deductions	<u>20,540,574</u>
Net Increase in Net Position	(28,922,952)
Plan Net Position at Beginning of Year	<u>195,626,819</u>
Plan Net Position at End of Year	<u><u>\$ 166,703,867</u></u>

CITY OF DES PLAINES, ILLINOIS
INDEX TO NOTES TO FINANCIAL STATEMENTS
December 31, 2022

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Des Plaines, Illinois (the City) was founded in 1835 and incorporated in 1869. The City is a home rule municipality, under the 1970 Illinois Constitution, located in Cook County, Illinois. The City operates under a City Manager form of government and provides the following services as authorized by its charter: public safety (police and fire protection), highways and streets, sanitation (water and sewer), health and social services, public improvements, planning and zoning, civic and cultural, and general administrative services.

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

Reporting Entity:

This report includes all of the funds of the City of Des Plaines. The reporting entity for the City consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement Nos. 14, 39, and 61.

The primary criterion for including a potential component unit within the reporting entity under GASB Statement No. 14, as amended by GASB Statement No. 61, is the financial accountability that the elected officials of the primary government have for the component unit. The criteria used in assessing financial accountability consist of (1) the primary government is financially accountable if it appoints a voting majority of the organization's governing body *and* (a) it is able to impose its will on that organization *or* (b) there is a potential for the organization to provide specific financial benefits or impose specific financial burdens on the primary government; *and* (2) the primary government is financially accountable if the organization is fiscally dependent on *and* there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) The primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) The economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Component units that are fiduciary in nature are reported in the primary government's fund financial statements only. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the primary government.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary Component Units – Police and Firefighters' Pension Funds - The Police Pension Employees' Retirement System (PPERS) is established for the City's police employees. PPERS functions for the benefit of these employees and is governed by a five member pension board. Two members appointed by the City's Mayor, one pension beneficiary elected by the membership, and two police employees elected by the membership constitute the pension board. The City and the PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund. No separate annual financial report is issued for the PPERS.

The Firefighters' Pension Employees' Retirement System (FPERS) is established for the City's firefighters. FPERS functions for the benefit of these employees and is governed by a five member pension board. Two members appointed by the City's Mayor, one pension beneficiary elected by the membership, and two firefighter employees elected by the membership constitute the pension board. The City and the FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, FPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's firefighters and because of the fiduciary nature of such activities. FPERS is reported as a pension trust fund. No separate annual financial report is issued for the FPERS.

Discretely Presented Component Unit – Des Plaines Public Library – The government-wide financial statements include the Des Plaines Public Library (Library) as a component unit. The Library is a legally separate organization. The board of the Library is appointed by the City Council. Illinois Statutes provide for circumstances whereby the City can impose its will on the Library, and also create a potential financial benefit to or burden on the City. See Note 8. As a component unit, the Library's financial statements have been presented as a discrete column in the financial statements. The Library does not issue a separate audit report.

Government-Wide and Fund Financial Statements:

Government-Wide Financial Statements – The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business type activities are financed in whole or in part by fees charged to external parties for goods or services. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

The City reports the following major governmental funds:

- General: Accounts for the City's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.
- TIF #6 (Mannheim/Higgins): A special revenue fund that accounts for restricted incremental property tax revenues and expenditures related to the tax increment finance district located near Mannheim and Higgins Roads.
- Gaming Tax: A special revenue fund that accounts for the revenues of a \$1 admissions tax and 5% wagering tax collected at the Rivers Casino in Des Plaines, Illinois that are legally restricted for contractual obligations.
- Grant Funded Projects: A capital projects fund that accounts for restricted revenues and expenditures related to the Public Safety, Capital and other miscellaneous grants.
- Capital Projects: A capital projects fund that accounts for resources legally restricted to supporting expenditures for the capital projects program.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major enterprise funds:

- Water/Sewer: Accounts for operations of the water and sewer system. The fund accounts for the provision of water and sewer to the residents and businesses of the City. All activities necessary to provide such services are accounted for in this fund including administration, operations, maintenance, debt service, financing, billing and collection.
- Parking System: Accounts for operations of the Parking System. The fund accounts for provision of parking in the City. All activities necessary to provide such services are accounted for in this fund including administration, operations, maintenance and related debt service, billing and collection.

The City reports the following nonmajor governmental funds:

- Special Revenue Funds: Used to account for the proceeds of specific revenue sources (other than debt service and major capital projects) that are legally restricted to expenditures for specified purposes.

Motor Fuel Tax	Community Development Block Grant
Asset Seizure	Foreign Fire Insurance Tax
TIF #1 (Downtown)	TIF #3 (Wille Road)
TIF #5 (Perry/Lee)	TIF #7(Mannheim/Higgins South)
Escrow	TIF #8 (Oakton)

- Capital Projects Funds: Used to account for financial resources to be used for the acquisition or construction of equipment and/or major capital facilities.

Equipment Replacement
I.T. Replacement
Facilities Replacement

In addition, the City reports the following fund types:

- Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, on a cost reimbursement basis.

Risk Management
Health Benefits

- Pension (and other employee benefit) trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other post-employment benefit plans, or other employee benefit plans.

Firefighters' Pension
Police Pension

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. However, the interfund services provided and used are not eliminated in the process of consolidation.

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

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

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled the resources and the amounts are available. Amounts owed to the City which are not available are recorded as receivables and deferred inflows of resources. Amounts received prior to the entitlement period are also recorded as deferred inflows of resources.

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports deferred inflows of resources and unearned revenues on its financial statements. Deferred inflows of resources arise from taxes levied in the current year which are for the subsequent year's operations. For governmental fund financial statements, deferred inflows of resources arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues arise when resources are received before the City has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, deferred inflows of resources and unearned revenue are removed from the balance sheet or statement of net position and revenue is recognized.

Proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note.

The proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water/Sewer and Parking System funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

All Financial Statements: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

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

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

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

Pension Funds may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, and the Illinois insurance company general and separate accounts, mutual funds and equity securities. The Police Pension Fund's investment policy allows investments in all of the above listed accounts, but does exclude any repurchase agreements. The Firefighters' Pension Fund allows funds to be invested in any type of security authorized by the Illinois Pension Code.

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Police and Firefighters' Pension Funds' policies are to maintain long-term focus on its investment decision making process. Specifically, the Pension Fund's benefit liabilities extend many years into the future. As such, the investment focus should be on long-term results.

Interest Rate Risk: The City's and Pension Funds' investment policies seek to ensure preservation of capital in the City's and Pension Funds' overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. In accordance with the City's investment policy, unless matched to a specific anticipated expenditure, the City will not directly invest in securities maturing more than three years from the date of purchase. However, reserve funds may be invested in securities exceeding three years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of the funds. The Pension Funds' policy does not limit investment maturities except as part of statutory requirements, as a means of managing its exposure to fair value losses arising from increasing interest rates. However, all of the policies require the City's and Pension Funds' investment portfolio to be sufficiently liquid to enable the City and Pension Funds to meet all operating requirements as they come due.

The City will minimize interest risk that the market value of securities in the portfolio will fall due to changes in general interest rates by: (1) structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and (2) investing operating funds primarily in short-term securities or investment pools.

Credit Risk: State Statutes limit the investments in commercial paper to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The City's and Pension Funds' investment policy authorizes investments in any type of security allowed for in Illinois statutes regarding the investment of public funds.

The City's general investment policy is to apply the prudent person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments. The City's investment policy minimizes credit risk by: (1) limiting investments to the safest type of securities, (2) pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the City will do business, and (3) diversifying the investment portfolio so that potential losses on individual securities will be minimized.

The Police and Firefighters' Pension Funds' policies require all fixed income investments to be of investment grade quality or higher at purchase. Also, according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of "investment grade" quality; that is, at the time of purchases, rated no lower than "Baa" by Moody's and no lower than "BBB" by Standard and Poor's. The Boards, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate.

Concentration of Credit Risk: The City's and Pension Funds' investment policies require diversification of the investment portfolio to minimize risk of loss resulting from over concentration in a particular type of security, risk factor, issuer, or maturity. The City's and Police Pension Fund's policy further states that no financial institution shall hold more than 50% of the City's investment portfolio at the current time of investment placement. The City operates its investments as an internal investment pool where each fund reports its pro rata share of the investments made by the City. In this internal investment pool there were no investments which are subject to concentration of credit risk that represent more than 50% of the portfolio as of December 31, 2022.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Per the investment policy, no financial institution shall have more than 75% of the City's total investment portfolio including all monies of the City. No more than 33% of the City's investment portfolio may be commercial paper, no more than 50% of the City's portfolio may be invested in U.S. Government Agencies, and no more than 25% of the investment portfolio may be invested in the obligations of a single agency. As of December 31, 2022, the City had 52% invested in cash, 39% invested in Illinois Funds and money market mutual funds, 2% invested in IMET, and 7% invested in fixed income securities.

The Police Pension Fund investment policy places a minimum of 2% and maximum of 20% concentration on cash, a minimum of 30% and maximum of 68% on fixed income securities, a minimum of 0% and maximum of 10% on mutual funds, a minimum of 10% and maximum of 20% on foreign equities, and a minimum of 20% and maximum of 35% on equities. As of December 31, 2022, the Police Pension Trust Fund had 10% invested in cash and 90% invested in the Illinois Police Officers' Pension Investment Fund.

The Firefighters' Pension Fund investment policy places a minimum of 2% and maximum of 20% concentration on cash, a minimum of 30% and maximum of 68% on fixed income securities, a minimum of 0% and maximum of 10% on mutual funds, a minimum of 10% and maximum of 20% on foreign equities, and a minimum of 20% and maximum of 40% on equities. As of December 31, 2022, the Firefighters' Pension Trust Fund had 7% invested in cash and 93% invested in the Illinois Firefighters' Pension Investment Fund.

Custodial Credit Risk – Deposits: The City's and Pension Funds' investment policies limit the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured with collateralization pledged by the applicable financial institution to the extent of 105% of the value of the deposit for the City and 100% of the value of the deposit for Pension Funds.

Custodial Credit Risk – Investments: Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City and Pension Funds will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's and Pension Funds' investment policies require that all amounts in excess of any insurance limits be collateralized by securities eligible for City and Pension Funds investment or any other high quality, interest bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor's, Moody's or Fitch. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization.

The City's and Pension Funds' investment policies require all securities to be held by a third party custodian designated by the Treasurer and evidenced by safekeeping receipts.

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

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are valued at Illinois Fund's share price, the price for which the investments could be sold. See Note 3 for further information.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables: Property taxes for levy year 2021 attach as an enforceable lien on January 1, 2021, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance). The taxes for levy year 2021 are collected during the 2022 calendar year.

Tax bills are prepared by the County and issued on or about February 1, 2022 and August 1, 2022, and are payable in two installments, on or about March 1, 2022 and September 1, 2022 or within 30 days of the tax bills being issued. In 2022, the second installment was delayed and was not payable until December 30, 2022.

The County collects such taxes and remits them periodically. The 2022 property tax levy is recognized as a receivable and deferred inflow of resources in fiscal year 2022, net the allowance for uncollectible. The 2022 property tax levy is intended to finance fiscal year 2023. At December 31, 2022, the property taxes receivable and deferred inflow of resources consisted of the estimated amount collectible from the 2022 levy.

The property tax receivable is shown net of an allowance for uncollectibles. The allowance is equal to 1% of outstanding property taxes at December 31, 2022.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

The City is a lessor for leases of a theatre and space in a parking garage. At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. Key estimates and judgments include how the City determines (a) the discount rate it uses to discount the expected lease receipts to present value, (b) lease term, and (c) lease receipts. The City uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee. The City monitors changes in circumstances that would require a remeasurement of its leases, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

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

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of financial position 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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred loss on refunding of debt, differences between expected and actual experience, change in pension and OPEB assumptions and loss on pension investments. The deferred loss on debt refunding is reported in the government-wide statement of net position. A deferred loss on debt 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. Differences between expected and actual experience and changes in pension and OPEB assumptions are deferred and amortized over the average of the expected remaining service lives of employees that are provided with benefits through the pension or OPEB plan. Losses on pension investments are deferred and amortized over five years.

In addition to liabilities, the statement of financial position 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 assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports resources associated with imposed nonexchange revenue transactions that are received or reported as a receivable before the period for which property taxes are levied as deferred inflows of resources. Additionally, certain amounts related to pensions, OPEB, and leases must be deferred. Differences between expected and actual experience and change in pension and OPEB assumptions are deferred and amortized over the average of the expected remaining service lives of all employees that are provided with benefits through the pension or OPEB plan. The City also has another type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Capital Assets: *Government-Wide Statements* – Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$25,000 for general capital assets and \$25,000 for infrastructure assets, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their acquisition value at the date of donation.

Additions to and replacements of capital assets of business type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No net interest was capitalized during the current year. The cost of renewals betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Included with the City's equipment capital assets, the City has capitalized an intangible asset, computer software. The City follows the same capitalization policy and estimated useful life for its intangible asset as it does for its equipment capital assets. The City also amortizes the intangible asset utilizing the straight-line method.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Building, Improvements and Infrastructure	30 - 50 Years
Equipment	5 - 25 Years
Vehicles	5 - 20 Years

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

Compensated Absences: The liability for vested or accumulated vacation leave of the City (primary government), at December 31, 2022 of \$4,943,935, is recorded in the government-wide financial statements.

For governmental fund financial statements, the portion of the liability which has matured and is currently due and payable, such as a result of employee resignations and retirements, is recorded as a liability in the appropriate fund. The government-wide financial statements record unused vacation and sick leave as expenses and liabilities when earned by employees. The long-term portion of compensated absences will be paid from the fund which the employee is paid. The accumulated vacation and sick leave time liability of employees charged to the proprietary fund types is reported as an expense and as a liability of those funds as the benefits accrue to the employees.

In accordance with the provisions of Governmental Accounting Standards Board Statement No. 16, Accounting for Compensated Absences, no liability is recorded for non-vesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as "terminal leave" prior to retirement.

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

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

For the government-wide statements and proprietary fund statements, bond premiums and discounts are amortized over the life of the issue using the effective interest method. Gains or losses on prior refundings are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year-end for premiums/discounts is shown as an increase or decrease in the liability section of the statement of net position. The balance at year-end for gains/losses is shown as a deferred inflow/outflow of resources on the statement of net position. Debt issuance costs are expensed when incurred.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Claims and Judgments: Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred. Refer to Note 11 on commitments and contingencies.

Equity Classifications: *Government-Wide Statements* – Equity is classified as net position and displayed in three components:

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

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

Governmental Funds Statements – The components of the fund balance section of the balance sheet of the governmental funds include the following line items:

- a) Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
- b) Restricted fund balance has externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation. Restricted fund balances reported on the City's Governmental Funds Balance Sheet mainly include restricted property tax levies, bond proceeds, and grant awards.
- c) Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the City, the City Council is the highest level of decision making. As of December 31, 2022, the City does not have any commitments of fund balance.
- d) Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the City Council designated for that purpose. The intent of funds would be determined by a City official (Finance Director and approved by the City Manager, per the City's Fund Balance Policy) that the City Council has delegated the authority to assign amounts to be used for a specific purpose. GASB 54 has also outlined that fund balance outside of the general fund is to fall in this category if there is not a deficit fund balance for the fund.

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- e) Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. In addition, if there is a deficit balance in another governmental fund, it will be reported as a negative amount in that fund's unassigned classification.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

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

Fiduciary fund equity for the pension plans is legally restricted for pensions and the City believes it is in compliance with this restriction.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information: Annual budgets are adopted. Budget amounts are as originally adopted by the City Council. All annual appropriations lapse at fiscal year-end.

Prior to December 31, the City Director of Finance submits to the City Council a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted to obtain taxpayer comments. Prior to March 31, the budget is legally enacted through passage of an ordinance. Formal budgetary integration is employed as a management control device during the year.

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

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America and modified accrual basis of accounting for all governmental funds and accrual basis of accounting for all proprietary funds, except the Asset Seizure, Foreign Fire Insurance Tax, Escrow, and TIF #1 (Downtown) funds, which are not budgeted.

Excess Expenses/Expenditures over Appropriations:

<u>Funds</u>	<u>Budgeted Expenses/ Expenditures</u>	<u>Actual Expenses/ Expenditures</u>	<u>Excess Expenses/ Expenditures Over Budget</u>
Gaming Tax Fund	\$ 14,552,400	\$ 17,709,180	\$ (3,156,780)
Motor Fuel Tax Fund	3,604,000	4,022,786	(418,786)
TIF #7 (Mannheim/Higgins South) Fund	28,160	293,551	(265,391)

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

The City controls expenditures at the object level. Some individual departments experienced expenditures that exceeded budgeted amounts. The detail of those items can be found in the City's year-end budget to actual report.

Deficit Balances: Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year-end.

As of December 31, 2022, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>
Community Development Block Grant	\$ 1,877
TIF #1 (Downtown)	488,326
TIF #3 (Wille Road)	2,223,797
TIF #6 (Mannheim/Higgins)	18,087,590
TIF #7 (Mannheim/Higgins South)	1,060,377
Grant Funded Projects	2,962,860

T.I.F. District deficits are anticipated to be funded with future incremental taxes levied over the life of the districts. The Community Development Block Grant and Grant Funded Projects will be funded by grant money receivable from the State and Federal government.

NOTE 3 - DEPOSITS AND INVESTMENTS

The City's deposits and investments at year-end were comprised of the following:

	<u>Carrying Value</u>	<u>Statement Balance</u>	<u>Associated Risks</u>
Petty cash	\$ 2,950	\$ -	N/A
CD	329,541	329,541	Custodial, credit, interest rate
Deposits	77,329,754	77,346,748	Custodial
Illinois funds	51,298,375	51,298,375	Credit, interest rate
U.S. government and agency obligations	7,230,207	7,230,207	Custodial, credit, interest rate, concentration of credit
State and local obligations	3,442,346	3,442,346	Custodial, credit, interest rate, concentration of credit
Money market mutual funds	17,544,914	17,544,914	Interest rate, concentration of credit
Insurance contracts	1,600	1,600	N/A
Pooled investments	<u>149,573,649</u>	<u>149,573,649</u>	Interest rate, concentration of credit
Total deposits and investments	<u>\$ 306,753,336</u>	<u>\$ 306,767,380</u>	

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Reconciliation to Financial Statements:

Per statement of net position	
Cash and investments	\$ 143,389,482
Per statement of fiduciary net position - pension trust funds	
Cash and cash equivalents	13,788,605
Insurance contracts	1,600
Pooled investments	<u>149,573,649</u>
 Total deposits and investments	 <u>\$ 306,753,336</u>

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

The City does not have any investments or deposits exposed to custodial credit risk.

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

As of December 31, 2022, credit ratings for the City investments in debt securities are as follows:

<u>City</u>	<u>Standard and Poor's Ratings</u>						<u>Total</u>
<u>Investment Type</u>	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB</u>	<u>NR</u>		
Certificates of Deposit	\$ -	\$ -	\$ -	\$ -	\$ 329,541	\$	329,541
Municipal Bonds	-	1,666,334	650,861	579,966	545,185	-	3,442,346
Illinois Funds	51,298,375	-	-	-	-	-	51,298,375
U.S. Government Agencies	6,987,120	-	-	-	243,087	-	7,230,207

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

At December 31, 2022, the City did not have any investments (other than investments in United States Government and United States Government Guaranteed Obligations, investment pools, state and local obligations, and mutual funds) in a single issuer that exceeded 5% of total investments.

Pooled Investments: The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory. Investments of IFPIF are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at www.ifpif.org. The Fund transferred the majority of eligible assets to IFPIF in 2022.

(Continued)

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

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

The Illinois Police Officers' Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. Investments of IPOPIF are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IPOPIF at www.ipopif.org. The Fund transferred the majority of eligible assets to IPOPIF in 2022.

IPOPIF's current investment policy was adopted by the Board of Trustees on December 17, 2021. IPOPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IPOPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 3 of the Illinois Pension Code.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

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

As of December 31, 2022, the City and Pension Funds' investments were as follows:

<u>Investment Type</u>	<u>Total</u>	<u>Maturity (in years)</u>		
		<u>Less Than One Year</u>	<u>One to Five Years</u>	<u>Over Five Years</u>
City				
Certificate of deposit	\$ 329,541	\$ 329,541	\$ -	\$ -
Municipal bonds	3,442,346	3,058,940	383,406	-
Money market mutual funds	3,993,237	3,993,237	-	-
Other U.S. government agencies	7,230,207	7,230,207	-	-
Illinois funds	<u>51,298,375</u>	<u>51,298,375</u>	-	-
City investment total	<u>66,293,706</u>	<u>65,910,300</u>	<u>383,406</u>	<u>-</u>
Police Pension				
Money market mutual funds	<u>7,514,142</u>	<u>7,514,142</u>	-	-
Police pension investment total	<u>7,514,142</u>	<u>7,514,142</u>	-	-
Firefighters' Pension				
Money market mutual funds	<u>6,037,535</u>	<u>6,037,535</u>	-	-
Firefighters' pension investment total	<u>6,037,535</u>	<u>6,037,535</u>	-	-
Totals	<u>79,845,383</u>	<u>\$ 79,461,977</u>	<u>\$ 383,406</u>	<u>\$ -</u>
Investments not sensitive to risk:				
Insurance contracts	1,600			
Pooled investments				
Illinois Police Officers' Pension Investment Fund	70,411,741			
Illinois Firefighters' Pension Investment Fund	<u>79,161,908</u>			
Total investments	<u>\$ 229,420,632</u>			

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

The City and Pension Funds categorize their fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs and are valued using a matrix pricing model; Level 3 inputs are significant unobservable inputs. The City and Pension Funds have the following recurring fair value measurements as of December 31, 2022:

Investment Type	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
City				
Certificates of deposit	\$ 329,541	\$ 329,541	\$ -	\$ -
Municipal bonds	3,442,346	-	3,442,346	-
Money market mutual fund	3,993,237	3,993,237	-	-
Other U.S. government agencies	7,230,207	-	7,230,207	-
City investment total	<u>14,995,331</u>	<u>4,322,778</u>	<u>10,672,553</u>	<u>-</u>
Police Pension				
Money market mutual funds	7,514,142	7,514,142	-	-
Police pension investment total	<u>7,514,142</u>	<u>7,514,142</u>	<u>-</u>	<u>-</u>
Firefighters' Pension				
Money market mutual funds	6,037,535	6,037,535	-	-
Firefighters' pension investment total	<u>6,037,535</u>	<u>6,037,535</u>	<u>-</u>	<u>-</u>
Totals	<u>\$ 28,547,008</u>	<u>\$ 17,874,455</u>	<u>\$ 10,672,553</u>	<u>\$ -</u>

The investments in IFPIF and IPOPIF are measured at net asset value (NAV). There are no unfunded commitments at December 31, 2022. The Police Pension Plan may request withdrawals at any time and multiple transactions can be entered up to 13 months in advance. Cash withdrawal requests are to be submitted at least seven calendar days prior to the requested transfer date to ensure availability, although IPOPIF may, in its sole discretion, process a cash withdrawal request with fewer than seven calendar days' notice. The Firefighters' Pension Plan may redeem shares by giving notice by 5:00 central time on the 1st of each month. Expedited redemptions may be processed at the sole discretion of IFPIF.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 4 - DETAILS OF RECEIVABLES – UNAVAILABLE/DEFERRED/UNEARNED

Aside from leases, all of the receivables on the balance sheet are expected to be collected within one year.

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also delay revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

	<u>Deferred Inflows of Resources</u>			<u>Totals</u>
	<u>Unavailable</u>	<u>Deferred</u>	<u>Unearned</u>	
Property taxes receivable for subsequent year	\$ -	\$ 29,056,813	\$ -	\$ 29,056,813
Lease receivables	-	569,724	-	569,724
Other receivables	428,878	-	72,872	501,750
Grant receivables	<u>1,318,950</u>	<u>-</u>	<u>-</u>	<u>1,318,950</u>
 Total deferred inflows/unearned revenue for governmental funds	 <u>\$ 1,747,828</u>	 <u>\$ 29,626,537</u>	 <u>\$ 72,872</u>	 <u>\$ 31,447,237</u>

In June 2017, the GASB issued Statement No. 87, *Leases*. This statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The provisions of this Statement were implemented during fiscal year 2022. The City is a lessor in contracts that convey control of the right to use property owned by the City to other parties. After implementation, a lease receivable and deferred inflow of resources is recognized related to these leases. The implementation had no effect on beginning net position.

During the fiscal year, the City recognized lease revenue of \$280,339 and interest revenue of \$126,705. Future payments that are included in the measurement of the lease receivables are as follows.

	<u>Theatre</u>		<u>Parking Garage</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 130,120	\$ 17,880	\$ 56,056	\$ 104,456
2024	158,411	13,589	57,761	102,751
2025	187,562	8,438	59,518	100,994
2026	177,550	2,450	61,329	99,183
2027	-	-	63,194	97,318
2028-2032	-	-	444,261	449,499
2033-2037	-	-	614,324	370,636
2038-2042	-	-	811,872	264,288
2043-2047	-	-	1,080,652	123,188
2048	-	-	258,438	4,219
	<u>\$ 653,643</u>	<u>\$ 42,357</u>	<u>\$ 3,507,405</u>	<u>\$ 1,716,532</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year-ended December 31, 2022, was as follows:

	<u>Beginning Balance</u>	<u>Additions/ Transfers In</u>	<u>Deletions/ Transfers Out</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Capital assets not being depreciated				
Land	\$ 8,572,060	\$ 810,500	\$ -	\$ 9,382,560
Land Improvement	22,729,860	-	-	22,729,860
Land right of way	52,889,789	-	(761,009)	52,128,780
Construction in Progress	<u>180,515</u>	<u>-</u>	<u>-</u>	<u>180,515</u>
Total capital assets not being depreciated	<u>84,372,224</u>	<u>810,500</u>	<u>(761,009)</u>	<u>84,421,715</u>
Capital assets being depreciated				
Buildings	38,294,507	238,547	(15,384,515)	23,148,539
Improvements	52,577,305	1,125,948	-	53,703,253
Equipment	6,712,837	347,545	(370,026)	6,690,356
Vehicles	12,448,228	428,845	(1,110,585)	11,766,488
Infrastructure	<u>222,859,342</u>	<u>12,850,923</u>	<u>(1,750,924)</u>	<u>233,959,341</u>
Total capital assets being depreciated	<u>332,892,219</u>	<u>14,991,808</u>	<u>(18,616,050)</u>	<u>329,267,977</u>
Total capital assets	<u>417,264,443</u>	<u>15,802,308</u>	<u>(19,377,059)</u>	<u>413,689,692</u>
Less accumulated depreciation for				
Buildings	(12,830,044)	(982,438)	917,308	(12,895,174)
Improvements	(26,025,993)	(1,397,213)	-	(27,423,206)
Equipment	(4,258,958)	(489,733)	370,026	(4,378,665)
Vehicles	(6,473,782)	(898,148)	780,778	(6,591,152)
Infrastructure	<u>(106,170,869)</u>	<u>(6,305,237)</u>	<u>1,420,433</u>	<u>(111,055,673)</u>
Total accumulated depreciation	<u>(155,759,646)</u>	<u>(10,072,769)</u>	<u>3,488,545</u>	<u>(162,343,870)</u>
Net capital assets being depreciated	<u>177,132,573</u>	<u>4,919,039</u>	<u>(15,127,505)</u>	<u>166,924,107</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 261,504,797</u>	<u>\$ 5,729,539</u>	<u>\$ (15,888,514)</u>	<u>\$ 251,345,822</u>

Depreciation expense was charged to functions as follows:

<u>Governmental activities</u>	
General government	\$ 338,236
Public safety	846,596
Public works	1,487,179
Streets and highways	6,686,603
Economic development	714,155
	<u>\$ 10,072,769</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 5 - CAPITAL ASSETS (Continued)

	<u>Beginning Balance</u>	<u>Additions/ Transfers In</u>	<u>Deletions/ Transfers Out</u>	<u>Ending Balance</u>
<u>Business-type Activities</u>				
Capital assets not being depreciated				
Land	\$ 1,891,770	\$ -	\$ -	\$ 1,891,770
Construction in Progress	<u>18,354</u>	<u>-</u>	<u>(18,354)</u>	<u>-</u>
Total capital assets not being depreciated	<u>1,910,124</u>	<u>-</u>	<u>(18,354)</u>	<u>1,891,770</u>
Capital assets being depreciated				
Buildings	18,934,555	14,997,657	-	33,932,212
Improvements	67,007,678	3,955,578	(103,742)	70,859,514
Equipment	1,024,061	139,752	(148,030)	1,015,783
Vehicles	<u>2,291,981</u>	<u>578,275</u>	<u>-</u>	<u>2,870,256</u>
Total capital assets being depreciated	<u>89,258,275</u>	<u>19,671,262</u>	<u>(251,772)</u>	<u>108,677,765</u>
Total capital assets	<u>91,168,399</u>	<u>19,671,262</u>	<u>(270,126)</u>	<u>110,569,535</u>
Less accumulated depreciation for				
Buildings	(14,190,524)	(1,410,282)	-	(15,600,806)
Improvements	(26,226,313)	(1,858,105)	3,675	(28,080,743)
Equipment	(648,715)	(61,043)	124,475	(585,283)
Vehicles	<u>(1,431,738)</u>	<u>(159,976)</u>	<u>-</u>	<u>(1,591,714)</u>
Total accumulated depreciation	<u>(42,497,290)</u>	<u>(3,489,406)</u>	<u>128,150</u>	<u>(45,858,546)</u>
Net capital assets being depreciated	<u>46,760,985</u>	<u>16,181,856</u>	<u>(123,622)</u>	<u>62,819,219</u>
Total business-type activities capital assets, net of accumulated depreciation	<u>\$ 48,671,109</u>	<u>\$ 16,181,856</u>	<u>\$ (141,976)</u>	<u>\$ 64,710,989</u>

Depreciation expense was charged to functions as follows:

<u>Business-type Activities</u>	
Parking	\$ 654,225
Water/Sewer	<u>2,086,203</u>
Depreciation expense	2,740,428
Transfer of accumulated depreciation from governmental activities	748,978
Additions/Transfers In	<u>\$ 3,489,406</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 6 - INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS

Interfund Receivables/Payables and Advances: The following is a schedule of interfund receivables, payables, and advances including any overdrafts on pooled cash and investment accounts:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Advances To/From Amount Not Due Within One Year</u>	<u>Due To/From Amount Due Within One Year</u>
General	TIF #6 (Mannheim/Higgins)	\$ 18,117,330	\$ 18,117,330	\$ -
General	Grant Funded Projects	2,353,777	2,353,777	-
General	Capital Projects	25,062	-	25,062
General	Non-major Governmental	3,662,820	3,662,820	-
General	Water/Sewer	131,258	-	131,258
Total - Fund financial statements		<u>\$ 24,290,247</u>	<u>\$ 24,133,927</u>	<u>\$ 156,320</u>
Less: Fund eliminations		(24,158,989)		
Less: Interfund receivables created with internal service fund eliminations		<u>(514,612)</u>		
Total internal balances - Government-wide statement of net position		<u>\$ (383,354)</u>		

Amounts due to the General fund from the TIF #6 (Mannheim/Higgins), Grant Funded Projects, Capital Projects, Non-major Governmental, and Water/Sewer funds are for cash overdrafts in those funds.

For the statement of net position, interfund balances, which are owed within the governmental activities or business-type activities, are netted and eliminated.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 6 - INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (Continued)

The following is a schedule of interfund transfers:

Transferred To	Transferred From	Amount	Principal Purpose
<u>Fund financial statements</u>			
General	Non-major governmental	\$ 47,000	To transfer unrestricted revenues to finance programs
General	Parking system	5,000	To transfer unrestricted revenues to finance programs
General	TIF #6	1,000	To transfer unrestricted revenues to finance programs
Grant funded projects	Capital projects	538,105	To transfer the City's share of grant expenses
Non-major governmental	General	1,500,000	Transfer per budget for future equipment and depreciation
Non-major governmental	General	400,000	Transfer per budget for future IT equipment and depreciation
Non-major governmental	Gaming tax	3,700,000	Transfer per budget for systematic replacement or renovation of capital assets
Water	Parking system	<u>5,000</u>	Transfer per budget for water meter replacement
Total - Fund financial statements		6,196,105	
Less: Fund eliminations		(6,201,105)	
Plus: Capital contribution		<u>14,230,574</u>	
Total - Government-Wide statement of activities		<u>\$ 14,225,574</u>	

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

For the statement of activities, interfund transfers within the governmental activities or business-type activities are netted and eliminated.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 7 – LONG-TERM OBLIGATIONS

Long-Term Obligations: Long-term obligations activity for the year-ended December 31, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities</u>					
Bonds and loans payable					
General obligation debt	\$ 12,387,698	\$ 125,902	\$ 3,125,000	\$ 9,388,600	\$ 2,590,000
Unamortized (discounts)/premiums	136,892	-	41,299	95,593	-
Total bonds and notes payable	12,524,590	125,902	3,166,299	9,484,193	2,590,000
Other liabilities					
Vested compensated absences	4,429,578	1,890,527	1,758,483	4,561,622	1,912,477
Early retirement incentive	476,339	-	476,339	-	-
Net pension liability - Police pension	84,911,802	20,384,625	-	105,296,427	-
Net pension liability - Firefighters' pension	71,793,126	21,737,171	-	93,530,297	-
Net pension liability (asset) - IMRF	(13,382,361)	17,821,029	-	4,438,668	-
Total OPEB liability	18,206,994	-	4,217,158	13,989,836	-
Total other liabilities	166,435,478	61,833,352	6,451,980	221,816,850	1,912,477
Total governmental activities	<u>\$ 178,960,068</u>	<u>\$ 61,959,254</u>	<u>\$ 9,618,279</u>	<u>\$ 231,301,043</u>	<u>\$ 4,502,477</u>

Governmental activities general obligation debt increases includes \$125,902 of accretion on the 2009A capital appreciation bonds.

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Business-Type Activities</u>					
Other liabilities					
Vested compensated absences	\$ 335,012	\$ 203,542	\$ 156,241	\$ 382,313	\$ 151,564
Net pension liability (asset) - IMRF	(4,852,132)	6,440,852	-	1,588,720	-
Total OPEB liability	1,628,941	-	309,111	1,319,830	-
Total business-type activities	<u>\$ (2,888,179)</u>	<u>\$ 6,644,394</u>	<u>\$ 465,352</u>	<u>\$ 3,290,863</u>	<u>\$ 151,564</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 7 - LONG-TERM OBLIGATIONS (Continued)

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

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates (Fixed)</u>	<u>Original Indebtedness</u>	<u>Balance Outstanding</u>
Governmental Activities					
Series 2009A Taxable GO Refunding (Capital Appreciation) Bonds, due in annual installments of \$170,000 to \$1,575,000 Debt retired from TIF #6 fund	November 3, 2009	December 1, 2023	3.00%-5.80%	\$ 5,430,000	\$ 703,600 *
Series 2014B GO Refunding Bonds, due in annual installments of \$440,000 to \$1,165,000 Debt retired from TIF #3 fund	September 4, 2014	December 1, 2022	0.75%-3.00%	5,600,000	-
Series 2018 GO Refunding Bonds, due in annual installments of \$440,000 to \$2,135,000 Debt retired from TIF #3 fund	March 5, 2018	December 1, 2028	3.00%	12,410,000	<u>8,685,000</u>
Total governmental activities general obligation debt					<u>\$ 9,388,600</u>

*A portion of the December 31, 2022 balance for the 2009A bonds represents accretion on debt from the date of issuance until December 31, 2022.

Debt service requirements to maturity are as follows (Principal Totals for Governmental Activities differs from the outstanding balance noted above in the amount of \$41,400, due to the future accretion on the 2009A Capital Appreciation Bonds):

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>
2023	\$ 2,590,000	\$ 260,550
2024	1,905,000	205,200
2025	1,960,000	148,050
2026	2,160,000	89,250
2027	400,000	24,450
2028	415,000	12,450
	<u>\$ 9,430,000</u>	<u>\$ 739,950</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 7 – LONG-TERM OBLIGATIONS (Continued)

Legal Debt Margin: The City is a home rule municipality. Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property if its population is more than 25,000 and less than 500,000 an aggregate of one percent; indebtedness which is outstanding effective date (July 1, 1971) of this constitution or which is thereafter approval by referendum shall not be included in the foregoing percentage amounts."

To date the General Assembly has set no limits for home rule municipalities.

Net Pension Liability and Total Other Post-Employment Benefit Liability: The fund where salary is paid from for an employee has typically been used to liquidate the net pension liability and total other post-employment benefit liability. See notes 9 and 12 for more information.

Early Retirement Incentive: In 2020, the City offered a voluntary Early Retirement Incentive (ERI) program to all eligible City employees. Those incentives included cash payments equal to one week of severance pay for each year of service up to a maximum of eight weeks or two years of health coverage with 100% of the premium for such coverage paid by the City. Twenty-nine City employees participated in the ERI program offered throughout the organization.

NOTE 8 - COMPONENT UNIT

Component Unit:

Des Plaines Public Library – This report contains the Des Plaines Public Library (the "Library"), which is included as a component unit. Financial information is presented as a discrete column in the statement of net position, statement of activities.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

Basis of Accounting/Measurement Focus: The Library follows the modified accrual basis of accounting and the flow of current financial resources measurement focus.

Deposits and Investments:

	Carrying Value	Statement Balance	<u>Associated Risks</u>
Deposits	\$2,217,420	\$2,299,975	Custodial
Stocks	147,577	147,577	Credit, interest rate, concentration of credit
Illinois funds	2,043,824	2,043,824	Credit, interest rate
Petty cash	<u>500</u>	<u>-</u>	N/A
Total deposits and investments	<u>\$4,409,321</u>	<u>\$4,491,376</u>	

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 8 - COMPONENT UNIT (Continued)

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

Cash: The carrying amount of deposits was \$2,217,420 at December 31, 2022, while the bank balances were \$2,299,975. All deposits were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000, or collateralized with securities of the U.S. Government or with letters of credit issued by the Federal Home Loan Bank held in the Library's name by financial institutions acting as the Library's agent.

Investments: Illinois Statutes authorize the Library to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool. As of December 31, 2022, the Library held \$2,043,824 in the Illinois Funds Investment Pool. \$147,577 was invested in McDonald's Corporation stock, which is fair valued using Level 1 inputs.

Interest Rate Risk. The Library does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At year-end, the Illinois Funds balance was due upon demand.

Credit Risk. The Library's general investment policy is to apply the prudent person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Library will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Library's investment policy requires that all amounts in excess of any insurance limits be collateralized by securities eligible for Library investment or any other high quality, interest bearing security rated at least AA/Aa by one or more standard rating service to include Standard & Poor's, Moody's or Fitch. The market value of the pledge securities shall equal or exceed the portion of the deposit requiring collateralization.

Concentration of Credit Risk. The Library places no limit on the amount that may be invested in any one issuer.

Receivables and Deferred Outflows/Inflows of Resources: In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflow of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Library reports change in pension assumptions and differences between projected and actual experience, which are deferred and amortized over the average of the expected remaining service lives of employees who are provided with benefits through the pension plan.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 8 - COMPONENT UNIT (Continued)

In addition to liabilities, the statement of net position 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(s) and so will not be recognized as an inflow of resources (revenue) until that time. Certain amounts related to pensions must be deferred. Differences between expected and actual experience, changes in pension assumptions, and change in proportionate share are deferred and amortized over the average of the expected remaining service lives of employees who are provided with benefits through the pension plan. The net difference between projected and actual earnings on pension plan investments is deferred and amortized over five years.

Property taxes for 2021 attach as an enforceable lien on January 1, 2021, on property values assessed as of the same date. Taxes are levied by December of the fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1, 2022 and August 1, 2022 and are payable in two installments, on or about March 1, 2022 and September 1, 2022. The County collects such taxes and remits them periodically.

The Library recognizes property tax revenues in the fiscal year that the tax levy is intended to finance. Therefore, the entire 2022 tax levy has been recorded as a deferred inflow of resources.

The Library recognizes grant revenues when they become both measurable and available in the fiscal year that the grant is intended to finance. Therefore, the portion of 2022 grant revenue that was not received within the first 60 days of 2023 has been recorded as a deferred inflow of resources.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 8 - COMPONENT UNIT (Continued)

Capital Assets:

<u>Component Unit</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets being depreciated				
Improvements	\$ 2,461,911	\$ 45,804	\$ -	\$ 2,507,715
Equipment	1,624,612	57,390	-	1,682,002
Vehicles	<u>24,954</u>	<u>-</u>	<u>-</u>	<u>24,954</u>
Total capital assets being depreciated	<u>4,111,477</u>	<u>103,194</u>	<u>-</u>	<u>4,214,671</u>
Less accumulated depreciation for				
Improvements	(593,267)	(82,300)	-	(675,567)
Equipment	(908,724)	(78,232)	-	(986,956)
Vehicles	<u>(24,954)</u>	<u>-</u>	<u>-</u>	<u>(24,954)</u>
Total accumulated depreciation	<u>(1,526,945)</u>	<u>(160,532)</u>	<u>-</u>	<u>(1,687,477)</u>
Total component unit capital assets, net of accumulated depreciation	<u>\$ 2,584,532</u>	<u>\$ (57,338)</u>	<u>\$ -</u>	<u>\$ 2,527,194</u>

The title to the Library land and building is in the name of the City and is reported in the City's capital assets used in governmental activities.

Compensated Absences: The liability balance at January 1, 2022 was \$82,847. During 2022, there were additions of \$87,235 and reductions of \$82,847 leaving the liability balance as of December 31, 2022 at \$87,235. The current portion of this liability is \$87,235.

Total Other Post-Employment Benefits Liability: The liability balance at January 1, 2022 was \$405,203. During 2022, there were service costs, interest, and changes for actuarial experience of \$165,132, changes in assumptions of \$(71,066) and contributions of \$(24,644) leaving the liability balance as of December 31, 2022 at \$474,625. See Note 12 for further details on the plan.

Illinois Municipal Retirement Fund: The net pension asset for the Library's portion at January 1, 2022 was \$4,117,207. During 2022, there were deductions of \$5,549,566 leaving a liability balance as of December 31, 2022 at \$1,432,359. See Note 9 for further details on the plan.

(Continued)

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM

Illinois Municipal Retirement Fund

Plan Description: The City's defined benefit pension plan for regular employees provides retirement and disability benefits, post-retirement increases, and death benefits to plan members and beneficiaries. The City's plan is managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. Benefit and contribution provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Annual Comprehensive Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

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

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

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

Employees Covered by Benefit Terms: As of December 31, 2022 the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	570
Active Plan Members	<u>204</u>
Total	<u><u>774</u></u>

(Continued)

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Contributions: As set by statute, the City's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual required contribution rate for calendar year 2022 was 7.83%. For the fiscal year-ended December 31, 2022, the City contributed \$1,122,350 to the plan. The City 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 Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability (Asset)

The City's net pension liability (asset) for IMRF was measured as of December 31, 2022. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial assumptions: The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.25%
Salary Increases	2.85% to 13.75%
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2022 Illinois Municipal Retirement Fund annual actuarial valuation. The investment rate of return of 7.25% did not change from the prior year rate of 7.25%. There were no other significant changes in assumptions. There were no benefit changes during the year. The City is not aware of any changes that have occurred subsequent to the measurement date that are expected to have a significant effect on the net pension liability (asset).

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	35.5%	6.50%
International Equities	18.0%	7.60%
Fixed Income	25.5%	4.90%
Real Estate	10.5%	6.20%
Alternatives	9.5%	6.25%-9.90%
Cash Equivalents	1.0%	4.00%
	<u>100.0%</u>	

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 employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The single discount rates reflects:

- (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits and
- (2) 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 (to the extent that the contributions for use with the long-term expected rate of return are not met).

Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was not blended with the AA rated general obligation bond index at December 31, 2022 to arrive at the discount rate used to determine the total pension liability. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, which is unchanged from the prior year. The fund is expected to be fully funded through December 31, 2122.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Primary government:			
Balances at January 1, 2022	\$ 107,972,246	\$ 126,206,739	\$ (18,234,493)
Changes for the year:			
Service cost	1,028,157	-	1,028,157
Interest	7,398,049	-	7,398,049
Actuarial experience	1,028,086	-	1,028,086
Assumption changes	-	-	-
Contributions - Employer	-	906,846	(906,846)
Contributions - Employee	-	522,624	(522,624)
Net investment income	-	(16,120,866)	16,120,866
Benefit payments, including refunds	(6,566,245)	(6,566,245)	-
Change in proportionate share	174,582	-	174,582
Other (net transfer)	-	58,389	(58,389)
Net changes	<u>3,062,629</u>	<u>(21,199,252)</u>	<u>24,261,881</u>
Balances at December 31, 2022	<u>\$ 111,034,875</u>	<u>\$ 105,007,487</u>	<u>\$ 6,027,388</u>

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Component unit:			
Balances at January 1, 2022	\$ 21,746,338	\$ 25,863,545	\$ (4,117,207)
Changes for the year:			
Service cost	244,333	-	244,333
Interest	1,758,085	-	1,758,085
Actuarial experience	244,316	-	244,316
Assumption changes	-	-	-
Contributions - Employer	-	215,504	(215,504)
Contributions - Employee	-	124,197	(124,197)
Net investment income	-	(3,830,991)	3,830,991
Benefit payments, including refunds	(1,560,414)	(1,560,414)	-
Change in proportionate share	(174,582)	-	(174,582)
Other (net transfer)	-	13,876	(13,876)
Net changes	<u>511,738</u>	<u>(5,037,828)</u>	<u>5,549,566</u>
Balances at December 31, 2022	<u>\$ 22,258,076</u>	<u>\$ 20,825,717</u>	<u>\$ 1,432,359</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

As reported in	
City's governmental activities	\$ 4,438,668
City's business-type activities	1,588,720
Library	1,432,359
	\$ 7,459,747

Sensitivity of the net pension liability (asset) to changes in the discount rate: The following presents the net pension liability (asset) of the City, calculated using the discount rate of 7.25%, as well as what the City's net pension liability (asset) for IMRF plan would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Primary government	\$ 17,296,962	\$ 6,027,388	\$ (2,972,615)
Component unit	4,110,480	1,432,359	(706,417)
City's net pension liability (asset) for the IMRF plan	\$ 21,407,442	\$ 7,459,747	\$ (3,679,032)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year-ended December 31, 2022, the primary government and component unit recognized pension expense of \$1,348,658 and \$320,498 respectively, for the IMRF plan. At December 31, 2022, the City reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary government:		
Differences between expected and actual experience	\$ 683,771	\$ -
Net difference between projected and actual earnings on pension plan investments	8,273,103	-
Change in proportionate share between City and discretely presented component unit	178,097	32,285
	\$ 9,134,971	\$ 32,285
Component unit:		
Differences between expected and actual experience	\$ 162,079	\$ -
Net difference between projected and actual earnings on pension plan investments	2,187,736	-
Change in proportionate share between City and discretely presented component unit	-	145,812
	\$ 2,349,815	\$ 145,812

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

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

Year-Ending December 31	Primary Government	Component Unit
2023	\$ (234,179)	\$ (66,177)
2024	1,612,762	408,378
2025	2,755,121	680,964
2026	<u>4,968,982</u>	<u>1,180,838</u>
Total	<u>\$ 9,102,686</u>	<u>\$ 2,204,003</u>

Police Pension Plan

Plan Description: Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit single employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. Administrative costs are financed with current investment income. The City accounts for the plan as a pension trust fund. The City does not issue separate financial statements for the pension plan.

At January 1, 2022, the date of the latest actuarial valuation, the Police Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	129
Inactive plan members entitled to but not yet receiving benefits	11
Active plan members	<u>95</u>
Total	<u>235</u>

The following is a summary of the Police Pension Plan as provided for in Illinois Compiled Statutes. The police pension fund 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 on the last day of service, or for one year prior to the last day, whichever is greater. 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 eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service.

The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.0% of the original pension and 3.0% compounded annually thereafter.

(Continued)

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten 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 police officer 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. Police officers' salary for pension purposes shall not exceed \$106,800, however, that amount shall increase annually by the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3.0% 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 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. $\frac{1}{2}$ % for each month under 55).

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer 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 3.0% or $\frac{1}{2}$ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions: Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service costs for the Police Pension Plan. For the year-ended December 31, 2022, the City's contribution was 84.31% of covered payroll.

Basis of Accounting: The financial statements of the pension fund are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

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

Net Pension Liability

The City's net pension liability for the Police Pension plan was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Actuarial assumptions: The total pension liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions (economic)

Discount rate used for the total pension liability	6.75%
Long-Term expected rate of return on plan assets	6.75%
High quality 20-year tax-exempt G.O. bond rate	3.72%
Projected individual salary increases	3.25% - 11.25%
Projected increase in total payroll	3.25%
Consumer price index (urban)	2.25%
Inflation rate included	2.25%

Actuarial Assumptions (demographic)

Mortality table	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described
Retirement rates	100% L&A 2020 Illinois Police Retirement Rates Capped at age 65
Disability rates	100% L&A 2020 Illinois Police Disability Rates
Termination rates	100% L&A 2020 Illinois Police Termination Rates
Percent married	80.00%

All rates shown in the assumptions are assumed to be annual rates, compounded on an annual basis. Mortality rates are based on the assumption study prepared by Lauterbach & Amen, LLP in 2020. The 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 fully generationally using MP-2019 Improvement Rates. Other demographic assumption rates are based on a review of assumptions in the L&A 2020 study for Police.

Assumption changes: The High Quality 20-Year Tax-Exempt G.O. Bonds was changed from 2.06% to 3.72% for the current year. The underlying index used is The Bond Buyer 20-Year Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year-end based on changes in market conditions as reflected in the Index.

Post-employment benefit changes: Eligibility for post-employment benefit increases is determined based on the Illinois Pension code. Tier 1 Police retirees are provided with an annual 3.0% increase in retirement benefits by statute when eligible. Tier 2 Police retirees are provided post-employment benefit increases based on the lesser of 3.0% of the original retirement benefits or one-half of the Consumer Price Index - Urban (CPI-U) for the prior September. The CPI-U for September 1992 was 141.30. The CPI-U for September 2022 was 296.81. The average increase in the CPI-U for September 1992 through September 2022 was 2.52% (on a compounded basis).

Expected return on pension plan investments: The long-term expected rate of return on assets is intended to represent the best-estimate of future real rates of return and is shown for each of the major asset classes in the investment policy. The expected rates of return shown below have been provided by the investment professionals that work with the Pension Fund. The best-estimate of future real rates of return are developed for each of the major asset classes. Expected inflation is added back in. Adjustment is made to reflect geometric returns.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

The target allocation and best estimates of arithmetic real rate of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
US Large	23%	4.15%
US Small	5%	4.54%
International Developed	18%	4.64%
International Developed Small	5%	-0.25%
Emerging Markets	7%	5.31%
Private Equity (Direct)	7%	7.15%
Bank Loans	3%	2.48%
High Yield Corp. Credit	3%	2.48%
Emerging Market Debt	3%	2.82%
Private Credit	5%	4.37%
US TIPS	3%	-0.12%
Real Estate/Infrastructure	8%	4.00%
Cash	1%	-0.27%
Short-Term Govt/Credit	3%	0.73%
US Treasury	3%	-0.60%
Core Plus Fixed Income	3%	0.73%
	<u>100%</u>	

Long-Term expected real rates of return are expected to reflect the period of time that begins when a plan member begins to provide service to the employer and ends at the point when all benefits to the plan member have been paid. The rates provided are intended to estimate those figures. The expected inflation rate is 2.50% and is not included in the long-term rate of return on investments presented. The inflation rate is from the same source as the long-term real rates of return and is not necessarily reflective of the inflation measures used for other purposes. Geometric rates of return are equal to arithmetic rates of return when the annual returns exhibit no volatility over time. When arithmetic returns are volatile on a year-to-year basis, the actual realized geometric returns over time will be lower. The higher the volatility, the greater the difference.

Municipal bond rate: The municipal bond rate assumption is based on The Bond Buyer 20-Bond GO Index. The rate shown earlier in the Actuarial Assumption section is the December 29, 2022 rate. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. The 20-Bond GO Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

Discount rate: The discount rate used to measure the total pension liability was 6.75%. The discount rate used is based only on the expected long-term rate of return on plan investments. Cash flow projections, including contributions from the City and employees, were used to determine the extent to which the plan’s future net position will be able to cover future benefit payments. The projection of cash flow used to determine this single discount rate assumed that the plan members’ contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. To the extent future benefit payments are covered by the plan’s projected net position, the expected rate of return on plan investments is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the plan’s projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments. In the current year, all future benefit payments are covered by the plan’s projected net position.

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City’s net pension liability for Police Pension Plan would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
City’s net pension liability for the police pension	\$ 130,515,198	\$ 105,296,427	\$ 84,676,170

Changes in the Net Pension Liability for the Police Pension Plan:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at January 1, 2022	\$ 178,332,068	\$ 93,420,266	\$ 84,911,802
Changes for the year:			
Service cost	2,252,460	-	2,252,460
Interest	11,880,012	-	11,880,012
Actuarial experience	2,642,710	-	2,642,710
Assumptions changes	-	-	-
Changes of benefit terms	(101,642)	-	(101,642)
Contributions - employer	-	8,530,681	(8,530,681)
Contributions - employee	-	1,002,705	(1,002,705)
Contributions - other	-	343	(343)
Net investment income	-	(13,164,890)	13,164,890
Benefit payments, including refunds	(9,852,516)	(9,852,516)	-
Administrative expense	-	(79,924)	79,924
Net changes	6,821,024	(13,563,601)	20,384,625
Balances at December 31, 2022	\$ 185,153,092	\$ 79,856,665	\$ 105,296,427

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

At December 31, 2022, the Police Pension Plan’s fiduciary net position is 43.13% of the total pension liability.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year-ended December 31, 2022 the City recognized pension expense of \$12,062,366 for the Police Pension Plan. At December 31, 2022, the City reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,607,268	\$ 578,382
Changes of assumptions	2,481,233	621,129
Net difference between projected and actual earnings on investments	9,939,663	-
Total	\$ 17,028,164	\$ 1,199,511

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

Year-Ended December 31	
2023	\$ 2,623,459
2024	4,446,043
2025	4,119,892
2026	4,351,909
2027	287,350
Total	\$ 15,828,653

Rate of return: For the year-ended December 31, 2022, the annual money-weighted rate of return on the Police Pension Plan’s assets, net of pension plan investment expense, was (15.19)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters’ Pension:

Plan Description: Fire sworn personnel are covered by the Firefighters’ Pension Plan, which is a defined benefit single employer pension plan. Although this is a single employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes (Chapter 40 ILCS 5/3) and may be amended only by the Illinois legislature. Administrative costs are financed with current investment income. The City accounts for the plan as a pension trust fund. The City does not issue separate financial statements for the pension plan.

At January 1, 2022, the date of the latest actuarial valuation, the Firefighters’ Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	130
Inactive plan members entitled to but not yet receiving benefits	6
Active plan members	85
Total	221

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

The following is a summary of the Firefighters' Pension Plan as provided for in Illinois Compiled Statutes.

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 on the last day of service. 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 ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

The monthly benefit 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 3.0% of the original pension and 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten 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. Firefighters' salary for pension purposes is capped at \$106,800 plus the lesser of ½ of the annual change in the Consumer Price Index or 3.0% 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 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% 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 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions: Participants contribute a fixed percentage of their base salary to the plans. At December 31, 2022, the contribution percentage was 9.46%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service costs for the Firefighters' Pension Plan. For the year-ended December 31, 2022, the City's contribution was 87.44% of covered payroll.

Basis of Accounting: The financial statements of the pension fund are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions are made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

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

(Continued)

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Net Pension Liability

The City's net pension liability for the Firefighters' Pension plan was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022.

Actuarial assumptions: The total pension liability in the January 1, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement

Actuarial Assumptions (economic)

Discount rate used for the total pension liability	6.75%
Long-Term expected rate of return on plan assets	6.75%
High quality 20-year tax-exempt G.O. bond rate	3.72%
Projected individual salary increases	3.25-7.99%
Projected increase in total payroll	3.25%
Consumer price index (urban)	2.25%
Inflation rate included	2.25%

Actuarial Assumptions (demographic)

Mortality table	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as described
Retirement rates	100% of L&A 2020 Illinois Firefighters Retirement Rates Capped at age 65
Disability rates	100% of L&A 2020 Illinois Firefighters Disability Rates
Termination rates	100% of L&A 2020 Illinois Firefighters Termination Rates
Percent married	80.00%

All rates shown in the assumptions are assumed to be annual rates, compounded on an annual basis. Mortality rates are based on the assumption study prepared by Lauterbach & Amen, LLP in 2020. The rates are experience weighted with the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using the MP-2019 Improvement Rates. These rates are then improved fully generationally using MP-2019 Improvement Rates. Other demographic assumption rates are based on a review of assumptions in the L&A 2020 study for Firefighters.

Assumption changes: The High Quality 20-Year Tax-Exempt G.O. Bonds was changed from 2.06% to 3.72% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year-end based on changes in market conditions as reflected in the Index.

Post-employment benefit changes: Eligibility for post-employment benefit increases is determined based on the Illinois Pension code. Tier 1 Firefighter retirees are provided with an annual 3.0% increase in retirement benefits by statute when eligible. Tier 2 Firefighter retirees are provided post-employment benefit increases based on the lesser of 3.0% of the original retirement benefits or one-half of the Consumer Price Index - Urban (CPI-U) for the prior September. The CPI-U for September 1992 was 141.30. The CPI-U for September 2022 was 296.81. The average increase in the CPI-U for September 1992 through September 2022 was 2.52% (on a compounded basis).

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Expected return on pension plan investments: The long-term expected rate of return on assets is intended to represent the best-estimate of future real rates of return and is shown for each of the major asset classes in the investment policy. The expected rates of return shown below have been provided by the investment professionals that work with the Pension Fund. The best-estimate of future real rates of return are developed for each of the major asset classes. Expected inflation is added back in. Adjustment is made to reflect geometric returns.

The target allocation and best estimates of arithmetic real rate of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	31.00%	5.20%
Developed Market Equity (non-US)	16.00%	5.10%
Emerging Market Equity	8.00%	5.50%
Private Equity	5.00%	8.60%
Public Credit	3.00%	1.80%
Private Credit	5.00%	7.00%
Cash Equivalents	0.00%	-0.60%
Core Investment Grade Bonds	15.00%	1.60%
Long-Term Treasuries	3.00%	1.30%
TIPS	4.00%	0.80%
Real Estate	5.00%	4.90%
Infrastructure	5.00%	5.10%
	<u>100%</u>	

Long-Term expected real rates of return are expected to reflect the period of time that begins when a plan member begins to provide service to the employer and ends at the point when all benefits to the plan member have been paid. The rates provided are intended to estimate those figures. The expected inflation rate is 2.50% and is not included in the long-term rate of return on investments presented. The inflation rate is from the same source as the long-term real rates of return, and is not necessarily reflective of the inflation measures used for other purposes. Geometric rates of return are equal to arithmetic rates of return when the annual returns exhibit no volatility over time. When arithmetic returns are volatile on a year-to-year basis, the actual realized geometric returns over time will be lower. The higher the volatility, the greater the difference.

Municipal bond rate: The municipal bond rate assumption is based on The Bond Buyer 20-Bond GO Index. The rate shown earlier in the Actuarial Assumption section is the December 29, 2022 rate. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. The 20-Bond GO Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Discount rate: The discount rate used to measure the total pension liability was 6.75%. The discount rate used is based only on the expected long-term rate of return on plan investments. Cash flow projections, including contributions from the City and employees, were used to determine the extent to which the plan's future net position will be able to cover future benefit payments. The projection of cash flow used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. To the extent future benefit payments are covered by the plan's projected net position, the expected rate of return on plan investments is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the plan's projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments. In the current year, all future benefit payments are covered by the plan's projected net position.

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability for the Firefighters' Pension plan would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
City's net pension liability for the firefighters' pension	\$ 117,158,953	\$ 93,530,297	\$ 74,062,158

Changes in the Net Pension Liability for the Firefighters' Pension Plan:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at January 1, 2022	\$ 173,999,679	\$ 102,206,553	\$ 71,793,126
Changes for the year:			
Service cost	2,284,465	-	2,284,465
Interest	11,582,249	-	11,582,249
Actuarial experience	3,174,264	-	3,174,264
Assumptions changes	-	-	-
Changes of benefit terms	(143,036)	-	(143,036)
Contributions - employer	-	8,220,773	(8,220,773)
Contributions - employee	-	890,946	(890,946)
Contributions - other	-	-	-
Net investment income	-	(13,862,936)	13,862,936
Benefit payments, including refunds	(10,520,122)	(10,520,122)	-
Administrative expense	-	(88,012)	88,012
Net changes	6,377,820	(15,359,351)	21,737,171
Balances at December 31, 2022	\$ 180,377,499	\$ 86,847,202	\$ 93,530,297

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

At December 31, 2022, the Firefighters' Pension Plan's fiduciary net position is 48.15% of the total pension liability.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year-ended December 31, 2022 the City recognized pension expense of \$11,663,120 for the Firefighters' Pension Plan. At December 31, 2022, the City reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,870,830	\$ 3,423,510
Changes of assumptions	2,539,863	-
Net difference between projected and actual earnings on investments	9,693,408	-
Total	\$ 18,104,101	\$ 3,423,510

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

Year-Ended December 31		
2023	\$	2,670,640
2024		4,064,065
2025		3,636,461
2026		4,047,331
2027		262,094
Total	\$	14,680,591

Rate of return: For the year-ended December 31, 2022, the annual money-weighted rate of return on the Firefighters' Pension Plan's assets, net of pension plan investment expense, was (14.67)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Pension Information:

Fiduciary Net Position:

	Firefighters' Pension	Police Pension	Total Pension Trust Funds
ASSETS			
Cash and Cash Equivalents	\$ 6,046,086	\$ 7,742,519	\$ 13,788,605
Investments			
Insurance Contracts	-	1,600	1,600
Pooled Investments	79,161,908	70,411,741	149,573,649
Receivables			
Taxes	1,633,498	1,694,167	3,327,665
Prepaid Items	9,358	11,766	21,124
TOTAL ASSETS	\$ 86,850,850	\$ 79,861,793	\$ 166,712,643
LIABILITIES AND NET POSITION			
Liabilities			
Accounts Payable	\$ 3,648	\$ 5,128	\$ 8,776
Total Liabilities	3,648	5,128	8,776
Net Position			
Restricted for Pensions	86,847,202	79,856,665	166,703,867
TOTAL LIABILITIES AND NET POSITION	\$ 86,850,850	\$ 79,861,793	\$ 166,712,643

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Changes in Plan Net Position:

	<u>Firefighters' Pension</u>	<u>Police Pension</u>	<u>Total Pension Trust Funds</u>
Additions			
Contributions			
Employer	\$ 8,220,773	\$ 8,530,681	\$ 16,751,454
Plan Members	890,597	1,002,705	1,893,302
Other	<u>349</u>	<u>343</u>	<u>692</u>
Total Contributions	<u>9,111,719</u>	<u>9,533,729</u>	<u>18,645,448</u>
Investment Income (Loss)	(13,773,175)	(12,914,954)	(26,688,129)
Less Investment Expense	<u>(89,761)</u>	<u>(249,936)</u>	<u>(339,697)</u>
Net Investment Income (Loss)	<u>(13,862,936)</u>	<u>(13,164,890)</u>	<u>(27,027,826)</u>
Total Additions	<u>(4,751,217)</u>	<u>(3,631,161)</u>	<u>(8,382,378)</u>
Deductions			
Administration	88,012	79,924	167,936
Benefits and Refunds	<u>10,520,122</u>	<u>9,852,516</u>	<u>20,372,638</u>
Total Deductions	<u>10,608,134</u>	<u>9,932,440</u>	<u>20,540,574</u>
Net Increase (Decrease) in Net Position	(15,359,351)	(13,563,601)	(28,922,952)
Plan Net Position at Beginning of Year	<u>102,206,553</u>	<u>93,420,266</u>	<u>195,626,819</u>
Plan Net Position at End of Year	<u>\$ 86,847,202</u>	<u>\$ 79,856,665</u>	<u>\$ 166,703,867</u>

Summary of pension items as of and for the year-ended December 31, 2022:

	<u>IMRF</u>	<u>Police</u>	<u>Firefighters'</u>	<u>Total</u>
Net Pension Liability (Asset)	\$ 7,459,747	\$ 105,296,427	\$ 93,530,297	\$ 206,286,471
Deferred Outflows of Resources	11,484,786	17,028,164	18,104,101	46,617,051
Deferred Inflows of Resources	178,097	1,199,511	3,423,510	4,801,118
Pension Expense (Income)	1,669,156	12,062,366	11,663,120	25,394,642

	<u>Primary Government</u>	<u>Component Unit</u>	<u>Total</u>
Net Pension Liability (Asset)	\$ 204,854,112	\$ 1,432,359	\$ 206,286,471
Deferred Outflows of Resources	44,267,236	2,349,815	46,617,051
Deferred Inflows of Resources	4,655,306	145,812	4,801,118
Pension Expense (Income)	25,074,144	320,498	25,394,642

(Continued)

NOTE 10 - RISK MANAGEMENT

Risk Management: The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The City participates in a public entity risk pool to provide coverage for losses from torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation and health insurance. These risks are accounted for and financed by the City in its internal service funds – the Risk Management Fund and Health Benefits Fund. Settled claims have not exceeded coverage for the past 3 years. There was no significant reduction in coverage from the prior year. The City has seen a reduction in claim cost.

Self-Insurance: The City is self-insured for Dental. For dental claims, the City offers optional dental insurance to all of its employees and any dependents. Employees opting for this coverage pay 12% of the premium. The annual maximum benefit is \$1,500 per employee.

All funds of the City participate in the risk management program. Amounts payable to the fund are based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for claims that have been incurred but not reported. The City does not allocate overhead costs or other non-incremental costs to the claims liability.

	Prior Year	Current Year
Unpaid claims - beginning of year	\$ -	\$ -
Current year claims and changes in estimates	551,007	541,990
Claim payments	(551,007)	(541,990)
Unpaid claims - end of year	\$ -	\$ -

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; illness of employees; and natural disasters.

Intergovernmental Personnel Benefit Cooperative: The Health Benefits Fund was established to account for the financial transactions of self-insured employee and retiree health benefits. In 2003 the City joined the Intergovernmental Personnel Benefit Cooperative (IPBC), a self-insured governmental insurance pool consisting of 150 municipalities. The IPBC provides the City with consulting, legal, and auditing services for its health (i.e., PPO and HMO), dental, optical, and life insurance programs. The City pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Management consists of a Board of Directors comprised of one appointed representative from each member.

Municipal Insurance Cooperative Agency: The City participates in the Municipal Insurance Cooperative Agency (MICA). MICA is a public entity risk pool whose members are Illinois municipalities. MICA manages and funds first party property losses, third party liability claims, workers’ compensation claims and public officials’ liability claims of its members. MICA also has a third party administrator that works on behalf of the MICA members to administer claims. MICA provides \$15,000,000 of coverage after a \$1,000 deductible. MICA also provides crime and cyber coverage. The City pays an annual contribution to MICA based upon the City’s share of liability exposure and prior experience within the pool to cover potential claims to the total loss aggregate. Amounts paid into the pool in excess of claims for any coverage year can be returned to the members in the form of a dividend in subsequent periods. The City records such dividends as miscellaneous revenue in the Risk Management Fund in the year in which they are received.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 10 - RISK MANAGEMENT (Continued)

High Level Excess Liability Pool: The City participated in the High Level Excess Liability Pool (HELP). HELP was a public entity risk pool established by certain municipalities (the Members) in Illinois to provide excess liability coverage. The City was a charter member when it commenced operations in 1985 with 15 members.

The member communities opted to close HELP down effective April 30, 2018. HELP closed out all claims and returned the surplus to members in May 2023.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

Construction Contracts

The City has entered into various contracts for construction within the City. Below is a schedule outlining the various projects that are currently under contract:

Project Description	Expended To Date	Remaining Commitment
Ballard Rd Sidewalk / Sidepath (R-28-18)	\$ 86,731	\$ 20,404
Touhy Ave Reconstruction Cost Share (R-171-19)	-	125,324
Creek Improvements Ballard Rd @ Farmers (IDOT 62J27) (R-95-20)	97,818	51,682
Task Order #3 Programable Logic Controller Replacement (R-40-21)	178,864	19,340
Construction-Golf Rd/Cumberland Circle (R-114-17 & R-191-17)	-	532,112
US 14 @ Broadway Intersection Improvements (R-182-16 & R-191-16)	-	329,562
Construction-Lee-Forest Signalization (R-67-19)	433,680	26,320
FEMA Pre-Disaster Mitigation Program Demolition Contract (R-33-21)	101,278	129,497
2021 CIP Sign Replacement for Districts 2, 3 & 4 (R-70-21)	-	384,901
Maple Reservoir Fill Improvements (R-152-21)	995,348	116,002
Task Order #1-Alg Rd Grade Separation Phase 1 Engr (R-171-21)	142,817	878,524
US14 @ Mt. Prospect Rd Intersection Improvements (R-141-21)	108,606	27,152
Water System Separation Project (R-36-22 & R-132-22 & R-29-23)	615,810	105,906
2022 CIP Contract A (R-82-22)	7,939,670	392,810
2022 MFT 22-00226-00-RS Street & Utility Improvements (R-92-22)	3,756,809	363,421
Lake Opeka Pump Station Project (R-79-22)	509,206	187,344
IGA for Northwest Highway Improvements (R-201-21)	805,000	201,250
2022 CIP Concrete Improvements (R-118-22)	1,229,601	768,532
Improvements - Rand Rd Sidepath (R-197-20 & R-26-21)	-	400,000
Maple Pump Station Pump Replacements (R-201-22)	-	428,315
Pierce Enforcer Tower Ladder Truck (R-9-22)	-	1,463,000
	<u>\$ 17,001,238</u>	<u>\$ 6,951,398</u>

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS

City of Des Plaines, Illinois Post-Retirement Health Plan: The City administers a single employer defined benefit healthcare plan "the Retiree Health Plan". The plan provides health insurance contributions for eligible retirees and their spouses through the City's group health insurance plan which covers both active and retired members. A retiree is eligible to receive benefits if they fall into any one of four categories. IMRF participants are eligible at age 55 with at least 8 years of service, or if they are totally and permanently disabled. Police officers and firefighters are eligible at age 50 with 20 years of service, or if they are medically disabled and unable to perform the duties as a police officer or firefighter. Police officers are eligible for a reduced benefit at age 60 with at least 10 years of service, but less than 20 years. Police officers and firefighters that terminate with a vested benefit are eligible for post-retirement healthcare benefits commencing at the time of separation. Spouses and dependents of retirees are eligible to continue healthcare coverage while the retiree is alive if they were enrolled at the time of retirement. Surviving spouses of employees are eligible for COBRA coverage. Surviving spouses and dependent children of police officers and firefighters that were injured in the line of duty, during an emergency, and surviving spouses of all retirees are eligible to continue healthcare coverage. Retirees, spouses, and dependents opting out of the retiree health program cannot re-enter into the program. A separate stand-alone report is not issued for the plan.

At January 1, 2023, the date of the latest actuarial valuation, the OPEB's Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	80
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	<u>330</u>
Total	<u><u>410</u></u>

Contributions: The City's plan does not have an actuarially determined contribution as the current total OPEB Liability is an unfunded obligation. The City does not have a trust dedicated to the payment of OPEB benefits. The City did make contributions from other City resources for the year-ended December 31, 2022 of \$837,454.

Total OPEB Liability: The City's total OPEB liability was measured as of December 31, 2022 and the total OPEB liability was determined by an actuarial valuation as of January 1, 2023 using the following actuarial methods and assumptions:

<u>Actuarial Assumptions (economic)</u>	
Discount rate used for the total OPEB liability	3.72%
Long-Term expected rate of return on plan assets	N/A
High quality 20-year tax-exempt G.O. bond rate	3.72%
Projected individual salary increases	3.00%
Consumer price index (urban)	N/A
Inflation rate included	2.25%
Initial Healthcare cost trend rate	-3.40% - 4.50%
Ultimate Healthcare cost trend rate	4.75% - 5.00%

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions (demographic)

Mortality table	PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study dated December 14, 2020.
Retirement rates	Based on rates from IMRF Experience Study dated December 14, 2020. 100% of the L&A Assumption Study Cap Age 65 for Firefighters and Police 2020 as follows: 7.00% at age 50, scaling up to 17.20% at age 55 for Firefighters and 11.00% at age 50, scaling up to 14.00% at age 55 for Police.
Termination rates	Based on rates from IMRF Experience Study dated December 14, 2020. 100% of the L&A Assumption Study for Firefighters and Police 2020 as follows: 7.00% at age 25, scaling down to 0.00% at age 50 for Firefighters and 8.00% at age 25, scaling down to 0.50% at age 50 for Police.
Disability rates	Based on rates from IMRF Experience Study dated December 14, 2020. 100% of the L&A Assumption Study for Firefighters and Police 2020 as follows: 0.07% at age 25, scaling up to 0.97% at age 50 for Firefighters and 0.00% at age 25, scaling up to 0.48% at age 50 for Police.
Marriage	50.00% of employees were assumed to elect spousal coverage and females were assumed to be three years younger than males.
Participation rate	60.00% of employees currently enrolled in medical plans were assumed to participate in the plan. If an employee has waived active medical coverage, it is assumed they will elect coverage in the retiree medical plan as one-third the rate of active employees, 20.00%.

All rates shown in the economic assumptions are assumed to be annual rates, compounded on an annual basis. Mortality rates are based on 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. Other demographic assumption rates are based on a review of assumptions in the L&A 2020 study for retiree Illinois Firefighters and Police.

Assumption changes: The assumed rate on High Quality 20-Year Tax-Exempt G.O. Bonds was changed from 2.06% to 3.72% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index as discussed in more detail later. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year-end based on changes in market conditions as reflected in the Index. The following assumptions were changed in the current year: projected salary increases, healthcare cost trend rates, marriage rates, and participation rates.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Discount rate: The discount rate used to measure the total OPEB liability was 3.72%, an increase of 1.66% from the prior year for determining the liability. The discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax-exempt general obligation municipal bonds. The underlying index used is the Bond Buyer 20-Bond GO Index as of December 29, 2022. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

Changes in the Total OPEB Liability:

	Increase (Decrease)
	Total OPEB Liability
Balance at January 1, 2022	\$ 19,835,935
Changes for the year:	
Service cost	816,817
Interest	399,994
Change of Benefit Terms	-
Actuarial experience	(832,206)
Assumptions changes	(4,073,420)
Contributions - employer	-
Contributions - employee	-
Net investment income	-
Benefit payments, including refunds	(837,454)
Administrative expense	-
Net changes	(4,526,269)
Balance at December 31, 2022	\$ 15,309,666

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the year-ended, December 31, 2022, the City recognized OPEB expense of \$1,279,539. At December 31, 2022, the City reported deferred inflows of resources and deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,497,411	\$ 765,522
Changes of assumptions	2,587,858	4,665,961
Total	\$ 4,085,269	\$ 5,431,483

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

Year-Ended December 31	Deferred Outflows of Resources
2023	\$ 62,728
2024	62,728
2025	62,728
2026	70,215
2027	150,203
Thereafter	<u>(1,754,816)</u>
Total	<u>\$ (1,346,214)</u>

Rate Sensitivity: The table below presents the total OPEB liability of the City calculated using the discount rate of 3.72% as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

	1% Decrease 2.72%	Current Rate 3.72%	1% Increase 4.72%
Total OPEB Liability	\$ 17,004,237	\$ 15,309,666	\$ 13,885,593

The table below presents the total OPEB liability of the City calculated using the variable healthcare cost trend rates disclosed in the actuary report, as well as what the City's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current rate.

	1% Decrease (Varies)	Current Healthcare Cost Trend Rate (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 13,493,705	\$ 15,309,666	\$ 17,561,543

Des Plaines Library Postretirement Health Plan: The Library provides certain healthcare insurance benefits for retired employees. In accordance with the personnel policy, retired employees may continue to participate at their own expense in the Library's health and life insurance programs. This is a single employer plan. The Plan does not issue its own stand-alone financial statements. This option is limited as follows:

- a. It may be exercised only once, with the employee forfeiting any renewed participation upon cancellation.
- b. Participation may be in either the life and health insurance programs, or both.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

At January 1, 2023, the date of the latest actuarial valuation, the OPEB's Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	2
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	39
Total	41

Contributions: The Library's plan does not have an actuarially determined contribution as the current total OPEB Liability is an unfunded obligation. The Library does not have a trust dedicated to the payment of OPEB benefits. The Library did make contributions from other Library resources for the year-ended December 31, 2022 of \$24,644.

Total OPEB Liability: The Library's total OPEB liability was measured as of December 31, 2022 and the total OPEB liability was determined by an actuarial valuation as of the prior year using the following actuarial methods and assumptions:

Actuarial Assumptions (economic)

Discount rate used for the total OPEB liability	3.72%
Long-Term expected rate of return on plan assets	N/A
High quality 20-year tax-exempt G.O. bond rate	3.72%
Projected individual salary increases	2.50%
Consumer price index (urban)	N/A
Inflation rate included	2.25%
Initial Healthcare cost trend rate	6.78%-7.13%
Ultimate Healthcare cost trend rate	5.00%

Actuarial Assumptions (demographic)

Mortality table	PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study dated December 14, 2020; Age 83 for Males, Age 87 for Females
Retirement rates	Based on Rates from IMRF Experience Study dated December 14, 2020; Age 61 for Tier I, Age 62 for Tier II
Disability rates	Based on Rates from IMRF Experience Study dated December 14, 2020
Withdrawal rates	80.00% for retirees receiving medical coverage at age 65.
Marriage	25.00% of employees were assumed to elect spousal coverage and females were assumed to be three years younger than males.
Participation rate	35.00% of employees currently enrolled in medical plans were assumed to participate in the plan. If an employee has waived active active medical coverage, it is assumed they will elect coverage in the retiree medical plan as one-third the rate of active employees.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2022

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

All mortality rates are adjusted for retirement status. Spouses use the same mortality tables as retirees. For any active participant who will not meet the service requirement necessary to retire at assumed retirement ages, it is assumed they have prior service with a different Employer and therefore will be eligible to retire. In the current valuation, there are 3 participants impacted by this assumption. Retirement rates shown above were used to estimate assumed retirement ages. Termination and disability rates were used to estimate probabilities of working to retirement age. Mortality rates shown on the previous page were used to estimate assumed ages at death.

Assumption changes: The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 2.06% to 3.72% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year-end based on changes in market conditions as reflected in the Index. The above assumptions were changed in the current year: mortality rates, mortality improvement rates, retirement rates, termination rates and disability rates.

Discount rate: The discount rate used to measure the total OPEB liability was 3.72% an increase of 1.66% from the prior year for determining the liability. The discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax-exempt general obligation municipal bonds. The underlying index used is the Bond Buyer 20-Bond GO Index as of December 29, 2022. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

Changes in the Total OPEB Liability:

	Increase (Decrease)
	Total OPEB
	Liability
	\$
Balances at January 1, 2022	405,203
Changes for the year:	
Service cost	6,343
Interest	8,093
Actuarial experience	150,696
Assumptions changes	(71,066)
Contributions - employer	-
Contributions - employee	-
Net investment income	-
Benefit payments, including refunds	(24,644)
Administrative expense	-
Net changes	69,422
Balances at December 31, 2022	\$ 474,625

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2022

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the year-ended December 31, 2022, the Library recognized OPEB expense of \$94,066. At December 31, 2022, the Library did not report deferred inflows of resources or deferred outflows of resources related to OPEB.

Rate Sensitivity: The table below presents the total OPEB liability of the Library calculated using the discount rate of 3.72% as well as what the Library's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher that the current rate.

	1% Decrease <u>2.72%</u>	Current Rate <u>3.72%</u>	1% Increase <u>4.72%</u>
Total OPEB Liability	\$ 525,344	\$ 474,625	\$ 430,467

The table below presents the total OPEB liability of the Library calculated using variable healthcare cost trend rates disclosed in the actuary report, as well as what the Library's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1 percentage point lower or 1 percentage point higher that the current rate.

	1% Decrease <u>(Varies)</u>	Current Healthcare Cost Trend Rate <u>(Varies)</u>	1% Increase <u>(Varies)</u>
Total OPEB Liability	\$ 417,556	\$ 474,625	\$ 543,831

NOTE 13 – TAX INCREMENT FINANCING DISTRICT

Tax Increment Financing District: The City of Des Plaines has established several Tax Increment Redevelopment Project Areas (RPA's) to encourage redevelopment of certain sites for more market-oriented commercial uses of the properties that will enhance their value and improve their contributions to the City and its surrounding areas. As part of the redevelopment plans, the City has made significant improvements to utilities, public parking, intersections, and traffic signalization, streets and landscaping. The redevelopment plans also include site preparation, land acquisition and assembly, and demolition/clearance.

Several funds have been established to record the revenues generated in the RPA's that relate directly to servicing the debt issued to make public improvements in the RPA's.

NOTE 14 - NEW ACCOUNTING PRONOUNCEMENTS

In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The primary objectives of this Statement is improve financial reporting by addressing issues related to public-private and public-public partnership arrangements. This Statement also provides guidance for accounting and financial reporting for availability payments arrangements. The requirements of this Statement are effective for the City's fiscal year-ended December 31, 2023. Management has not yet determined the impact of this statement on the City's financial statements.

(Continued)

NOTE 14 - NEW ACCOUNTING PRONOUNCEMENTS (Continued)

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for the City's fiscal year-ended December 31, 2023. Management has not yet determined the impact of this statement on the City's financial statements.

In April 2022, the GASB issued Statement No. 99, *Omnibus 2022*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to leases, public-private and public-public partnerships, and subscription-based information technology arrangements are effective for the City's fiscal year ended December 31, 2023. The requirements related to financial guarantees and the classification and reporting of derivative instruments are effective for the City's fiscal year ended December 31, 2024. Management has not determined what impact this statement will have on the City's financial statements.

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for the City's fiscal year ended December 31, 2024. Management has not determined what impact this statement will have on the City's financial statements.

In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for the City's fiscal year ended December 31, 2024. Management has not determined what impact this statement will have on the City's financial statements.

NOTE 15 – TAX ABATEMENTS

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

(Continued)

NOTE 15 – TAX ABATEMENTS (Continued)

The City is affected by Cook County's Class 6b, 7a, and 7b property tax incentive programs. The purpose of the Class 6b program is to encourage industrial development throughout Cook County by offering a real estate tax incentive for the development of new industrial facilities, the rehabilitation of existing industrial structures, and the industrial reutilization of abandoned buildings. The goal of the program is to attract new industry, stimulate expansion and retention of existing industry, and increase employment opportunities. The purpose of the Class 7a and 7b programs is to encourage commercial projects in areas determined to be in need of commercial development; these projects would not be economically feasible without the incentive.

Properties receiving a Class 6b incentive are assessed at 10% of market value for the first 10 years, 15% in the 11th year, and 20% in the 12th year. This constitutes a substantial reduction in the level of assessment and results in significant tax savings. In the absence of this incentive, industrial real estate would normally be assessed at 25% of its market value. Properties receiving a Class 7a or 7b incentive are assessed at 10% of market value for the first 10 years, 15% in the 11th year, and 20% in the 12th year. This constitutes a substantial reduction in the level of assessment and results in significant tax savings. In the absence of this incentive, industrial and commercial real estate would normally be assessed at 25% of its market value.

Municipalities within the City area have granted Class 6b, 7a, or 7b incentives to businesses that, as a result, have occupied abandoned properties, constructed new buildings, or expanded existing facilities. In many instances, the program has produced more property tax revenue for the City and the other impacted taxing districts than would have been generated if the development had not occurred. The City's tax revenues are reduced due to the agreements entered into by these municipalities.

For the fiscal year ending December 31, 2022, the City's share of the abatement granted to the Class 6b, 7a, and 7b properties was \$1,192,011.

REQUIRED SUPPLEMENTARY INFORMATION:

**BUDGETARY COMPARISON SCHEDULE AND HISTORICAL PENSION AND RETIREES' HEALTH
PLAN INFORMATION**

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021 Actual
	Original and Final Budget	Actual		
Revenues				
Property Taxes				
Property Taxes	\$ 8,190,198	\$ 8,259,324	\$ 69,126	\$ 9,190,449
Police Pension	8,301,462	8,530,594	229,132	7,772,544
Fire Pension	7,997,490	8,220,692	223,202	7,265,913
Total Property Taxes	<u>24,489,150</u>	<u>25,010,610</u>	<u>521,460</u>	<u>24,228,906</u>
Local Taxes				
Utility Taxes	2,900,000	3,397,284	497,284	3,040,783
Gas and Use Tax	375,000	369,920	(5,080)	349,703
Franchise Tax	780,000	799,614	19,614	818,415
Food and Beverage Tax	1,250,000	1,669,947	419,947	1,382,127
Telecommunication Tax	1,174,170	1,132,358	(41,812)	1,263,627
Hotel/Motel Tax	1,425,000	2,448,062	1,023,062	1,383,960
Auto Rental Tax	60,000	92,568	32,568	30,973
Parking Tax	-	52,885	52,885	11,738
Real Estate Transfer Tax	650,000	1,051,129	401,129	1,470,369
Home Rule Sales Tax	2,600,000	4,388,470	1,788,470	3,887,683
PEG Fees Tax	19,500	45,523	26,023	13,520
Total Local Taxes	<u>11,233,670</u>	<u>15,447,760</u>	<u>4,214,090</u>	<u>13,652,898</u>
Licenses				
Business	225,000	342,706	117,706	346,519
Liquor	220,000	263,542	43,542	244,592
Other Licenses	154,500	197,019	42,519	184,103
Total Licenses	<u>599,500</u>	<u>803,267</u>	<u>203,767</u>	<u>775,214</u>
Permits				
Building	750,000	981,142	231,142	1,238,261
Other Permits	6,000	20,450	14,450	16,770
Total Permits	<u>756,000</u>	<u>1,001,592</u>	<u>245,592</u>	<u>1,255,031</u>
Intergovernmental				
State Income Tax	5,475,000	9,825,188	4,350,188	8,311,489
Local Use Tax	1,500,000	2,554,563	1,054,563	2,429,271
Personal Property Replacement Tax	1,225,000	5,203,063	3,978,063	2,662,588
Municipal Sales Tax	10,750,000	14,798,322	4,048,322	13,931,164
Road and Bridge Tax	225,000	209,703	(15,297)	238,617
Federal, State, and Local Grants	110,918	190,029	79,111	110,918
Federal Grants	-	-	-	7,000
Fire Training	-	7,990	7,990	-
Total Intergovernmental	<u>19,285,918</u>	<u>32,788,858</u>	<u>13,502,940</u>	<u>27,691,047</u>
Charges for Services				
Ambulance Fees	1,750,000	4,931,719	3,181,719	4,081,934
Refuse Collection (Refunds)	-	(148)	(148)	551,489
Other Fees	867,665	470,422	(397,243)	349,849
Total Charges for Services	<u>2,617,665</u>	<u>5,401,993</u>	<u>2,784,328</u>	<u>4,983,272</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021 Actual
	Original and Final Budget	Actual		
Fines and Forfeits				
Court Costs, Fees & Charges	\$ 200,000	\$ 245,012	\$ 45,012	\$ 245,084
Other Fines and Forfeits	434,500	243,249	(191,251)	410,440
Total Fines and Forfeits	634,500	488,261	(146,239)	655,524
Investment Income				
Investment Income	100,000	234,158	134,158	25,844
Miscellaneous				
Miscellaneous	156,197	406,780	250,583	497,703
Total Revenues	59,872,600	81,583,279	21,710,679	73,765,439
Expenditures				
General Government				
Elected Office				
Salaries	218,438	217,439	999	292,345
Benefits	257,299	250,064	7,235	258,315
Contractual Services	256,590	218,755	37,835	230,377
Commodities	7,525	3,668	3,857	10,003
Capital Outlay	-	-	-	1,336
Total Elected Office	739,852	689,926	49,926	792,376
City Manager Division				
Salaries	518,359	346,693	171,666	327,531
Benefits	153,714	95,494	58,220	111,796
Contractual Services	625,535	401,319	224,216	6,795
Commodities	4,400	1,903	2,497	2,108
Capital Outlay	-	1,369	(1,369)	-
Total City Manager Division	1,302,008	846,778	455,230	448,230
Media Services				
Salaries	552,729	439,038	113,691	350,645
Benefits	175,513	140,877	34,636	121,457
Contractual Services	219,908	135,122	84,786	179,633
Commodities	29,200	40,808	(11,608)	24,473
Capital Outlay	750	42,439	(41,689)	40,887
Total Media Services	978,100	798,284	179,816	717,095
Legal Department				
Contractual Services	-	-	-	446,683
Total Legal Department	-	-	-	446,683
Department of Finance - Fiscal Services				
Salaries	986,827	928,322	58,505	819,672
Benefits	347,165	302,079	45,086	292,314
Contractual Services	100,388	88,396	11,992	79,874
Commodities	13,550	10,830	2,720	7,853
Capital Outlay	2,500	3,085	(585)	358
Total Department of Finance - Fiscal Services	1,450,430	1,332,712	117,718	1,200,071

(Continued)

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021 Actual
	Original and Final Budget	Actual		
Information Technologies				
Salaries	\$ 578,704	\$ 533,713	\$ 44,991	\$ 476,247
Benefits	179,536	149,820	29,716	155,722
Contractual Services	903,188	553,788	349,400	457,520
Commodities	37,700	60,249	(22,549)	41,072
Capital Outlay	20,000	6,292	13,708	-
Total Information Technologies	<u>1,719,128</u>	<u>1,303,862</u>	<u>415,266</u>	<u>1,130,561</u>
Overhead Division - Contractual Services				
Contractual Services	1,033,100	623,685	409,415	708,740
Commodities	65,600	29,003	36,597	26,968
Capital Outlay	-	20,556	(20,556)	17,358
Total Overhead Division - Contractual Services	<u>1,098,700</u>	<u>673,244</u>	<u>425,456</u>	<u>753,066</u>
Building Code Enforcement				
Salaries	1,107,472	1,060,370	47,102	1,069,115
Benefits	463,373	427,955	35,418	441,157
Contractual Services	345,600	537,265	(191,665)	300,869
Commodities	7,050	9,144	(2,094)	9,678
Capital Outlay	15,000	1,250	13,750	750
Total Building Code Enforcement	<u>1,938,495</u>	<u>2,035,984</u>	<u>(97,489)</u>	<u>1,821,569</u>
Planning and Zoning				
Salaries	335,989	315,572	20,417	276,241
Benefits	87,594	90,168	(2,574)	69,241
Contractual Services	32,450	22,156	10,294	30,514
Commodities	2,450	2,153	297	3,167
Capital Outlay	500	-	500	73
Total Planning and Zoning	<u>458,983</u>	<u>430,049</u>	<u>28,934</u>	<u>379,236</u>
Human Resources				
Salaries	361,933	327,588	34,345	318,674
Benefits	136,396	113,304	23,092	122,167
Contractual Services	115,814	96,535	19,279	75,364
Commodities	20,640	24,656	(4,016)	3,663
Total Human Resources	<u>634,783</u>	<u>562,083</u>	<u>72,700</u>	<u>519,868</u>
Health and Human Services				
Salaries	61,818	65,943	(4,125)	65,340
Benefits	9,674	10,259	(585)	11,942
Contractual Services	320,790	310,920	9,870	309,226
Commodities	575	380	195	272
Total Health and Human Services	<u>392,857</u>	<u>387,502</u>	<u>5,355</u>	<u>386,780</u>
Geographic Information Systems (GIS)				
Contractual Services	269,950	263,742	6,208	223,995
Commodities	200	121	79	-
Total Geographic Information Systems (GIS)	<u>270,150</u>	<u>263,863</u>	<u>6,287</u>	<u>223,995</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021 Actual
	Original and Final Budget	Actual		
Total General Government	\$ 10,983,486	\$ 9,324,287	\$ 1,659,199	\$ 8,819,530
Public Safety				
Police Department - Administration				
Salaries	234,929	241,914	(6,985)	229,337
Benefits	97,742	94,310	3,432	126,005
Contractual Services	9,105	6,877	2,228	9,296
Commodities	300	31	269	163
Total Police Department - Administration	<u>342,076</u>	<u>343,132</u>	<u>(1,056)</u>	<u>364,801</u>
Police Department - Uniformed Patrol				
Salaries	8,104,319	8,345,209	(240,890)	7,666,446
Benefits	7,841,285	8,029,888	(188,603)	7,454,901
Contractual Services	215,640	160,719	54,921	190,367
Commodities	16,200	26,361	(10,161)	26,907
Total Police Department - Uniformed Patrol	<u>16,177,444</u>	<u>16,562,177</u>	<u>(384,733)</u>	<u>15,338,621</u>
Police Department - Criminal Investigation				
Salaries	2,427,350	2,159,546	267,804	2,170,804
Benefits	2,367,124	2,391,270	(24,146)	2,150,395
Contractual Services	97,525	84,308	13,217	86,709
Commodities	1,950	4,930	(2,980)	2,610
Total Police Department - Criminal Investigation	<u>4,893,949</u>	<u>4,640,054</u>	<u>253,895</u>	<u>4,410,518</u>
Police Department - Supporting Services				
Salaries	2,050,778	1,734,261	316,517	1,791,728
Benefits	1,297,042	1,207,757	89,285	1,223,547
Contractual Services	1,440,422	1,269,052	171,370	1,235,173
Commodities	99,930	102,328	(2,398)	78,957
Capital Outlay	-	-	-	4,888
Total Police Department - Supporting Services	<u>4,888,172</u>	<u>4,313,398</u>	<u>574,774</u>	<u>4,334,293</u>
Fire Department - Administration				
Salaries	814,060	818,753	(4,693)	853,162
Benefits	692,583	674,525	18,058	738,943
Contractual Services	34,279	40,471	(6,192)	27,193
Commodities	6,010	6,579	(569)	4,562
Capital Outlay	-	851	(851)	762
Total Fire Department - Administration	<u>1,546,932</u>	<u>1,541,179</u>	<u>5,753</u>	<u>1,624,622</u>
Fire Department - Emergency Services				
Salaries	9,955,450	9,735,238	220,212	9,314,765
Benefits	10,760,792	10,750,434	10,358	9,783,156
Contractual Services	1,285,749	1,299,599	(13,850)	1,065,023
Commodities	282,255	291,395	(9,140)	267,207
Capital Outlay	162,000	211,968	(49,968)	121,471
Total Fire Department - Emergency Services	<u>22,446,246</u>	<u>22,288,634</u>	<u>157,612</u>	<u>20,551,622</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021 Actual
	Original and Final Budget	Actual		
Fire Department - Fire Prevention Services				
Salaries	\$ 413,151	\$ 344,203	\$ 68,948	\$ 303,159
Benefits	359,193	350,667	8,526	316,672
Contractual Services	19,615	15,875	3,740	13,627
Commodities	16,091	12,219	3,872	8,341
Total Fire Department - Fire Prevention Services	<u>808,050</u>	<u>722,964</u>	<u>85,086</u>	<u>641,799</u>
Emergency Management Agency				
Salaries	83,926	86,814	(2,888)	95,226
Benefits	42,426	40,405	2,021	36,920
Contractual Services	42,475	25,683	16,792	33,643
Commodities	10,175	6,972	3,203	601
Total Emergency Management Agency	<u>179,002</u>	<u>159,874</u>	<u>19,128</u>	<u>166,390</u>
Board of Police and Fire Commission				
Contractual Services	111,370	53,433	57,937	111,155
Commodities	1,200	423	777	780
Total Board of Police and Fire Commission	<u>112,570</u>	<u>53,856</u>	<u>58,714</u>	<u>111,935</u>
Total Public Safety	<u>51,394,441</u>	<u>50,625,268</u>	<u>769,173</u>	<u>47,544,601</u>
Public Works				
Vehicle Maintenance Division				
Salaries	496,992	462,651	34,341	443,922
Benefits	234,409	207,101	27,308	218,790
Contractual Services	197,775	188,245	9,530	180,079
Commodities	657,450	802,735	(145,285)	572,525
Capital Outlay	30,000	25,396	4,604	8,119
Total Vehicle Maintenance Division	<u>1,616,626</u>	<u>1,686,128</u>	<u>(69,502)</u>	<u>1,423,435</u>
Public Works Administration				
Salaries	195,048	195,845	(797)	190,202
Benefits	90,258	86,200	4,058	88,538
Contractual Services	69,270	40,225	29,045	875,007
Commodities	5,650	1,131	4,519	6,120
Total Public Works Administration	<u>360,226</u>	<u>323,401</u>	<u>36,825</u>	<u>1,159,867</u>
Facilities and Grounds Division				
Salaries	795,692	730,962	64,730	629,481
Benefits	431,799	379,797	52,002	366,951
Contractual Services	751,025	623,302	127,723	755,398
Commodities	300,950	377,549	(76,599)	273,983
Capital Outlay	7,500	47,016	(39,516)	9,796
Total Facilities and Grounds Division	<u>2,286,966</u>	<u>2,158,626</u>	<u>128,340</u>	<u>2,035,609</u>
Total Public Works	<u>4,263,818</u>	<u>4,168,155</u>	<u>95,663</u>	<u>4,618,911</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 GENERAL FUND
 Year-Ended December 31, 2022
 With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021 Actual
	Original and Final Budget	Actual		
Streets and Highways				
Engineering Department				
Salaries	\$ 412,776	\$ 279,605	\$ 133,171	\$ 329,368
Benefits	154,699	79,489	75,210	116,739
Contractual Services	30,230	29,958	272	24,477
Commodities	4,400	3,914	486	1,085
Capital Outlay	-	514	(514)	-
Total Engineering Department	<u>602,105</u>	<u>393,480</u>	<u>208,625</u>	<u>471,669</u>
Street Department				
Salaries	1,509,835	1,307,669	202,166	1,257,977
Benefits	708,173	651,129	57,044	689,099
Contractual Services	1,963,715	1,911,340	52,375	1,841,586
Commodities	292,425	180,287	112,138	121,395
Capital Outlay	20,000	15,399	4,601	14,166
Total Street Department	<u>4,494,148</u>	<u>4,065,824</u>	<u>428,324</u>	<u>3,924,223</u>
Total Streets and Highways	<u>5,096,253</u>	<u>4,459,304</u>	<u>636,949</u>	<u>4,395,892</u>
Economic Development				
Economic Development				
Salaries	92,700	87,336	5,364	28,702
Benefits	40,730	31,594	9,136	10,835
Contractual Services	277,580	67,164	210,416	102,131
Commodities	5,350	437	4,913	1,242
Total Economic Development	<u>416,360</u>	<u>186,531</u>	<u>229,829</u>	<u>142,910</u>
Total Economic Development	<u>416,360</u>	<u>186,531</u>	<u>229,829</u>	<u>142,910</u>
Total Expenditures	<u>72,154,358</u>	<u>68,763,545</u>	<u>3,390,813</u>	<u>65,521,844</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(12,281,758)</u>	<u>12,819,734</u>	<u>25,101,492</u>	<u>8,243,595</u>
Other Financing Sources (Uses)				
Transfer In	53,000	53,000	-	594,000
Transfer Out	(1,900,000)	(1,900,000)	-	(900,000)
Total Other Financing Sources (Uses)	<u>(1,847,000)</u>	<u>(1,847,000)</u>	<u>-</u>	<u>(306,000)</u>
Net Change in Fund Balance	<u>\$ (14,128,758)</u>	<u>10,972,734</u>	<u>\$ 25,101,492</u>	<u>7,937,595</u>
Fund Balance at Beginning of Year		<u>69,204,892</u>		<u>61,267,297</u>
Fund Balance at End of Year		<u>\$ 80,177,626</u>		<u>\$ 69,204,892</u>

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 TIF #6 (MANNHEIM/HIGGINS) FUND
 Year-Ended December 31, 2022
 With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021 Actual
	Original and Final Budget	Actual		
Revenues				
Property Taxes	\$ 144,695	\$ 102,201	\$ (42,494)	\$ 123,507
Investment Income	25	1	(24)	4
Miscellaneous	-	-	-	215
Total Revenues	<u>144,720</u>	<u>102,202</u>	<u>(42,518)</u>	<u>123,726</u>
Expenditures				
Economic Development				
Contractual Services	8,040	2,040	6,000	40
Commodities	52	-	52	-
Total Economic Development	<u>8,092</u>	<u>2,040</u>	<u>6,052</u>	<u>40</u>
Debt Service				
Principal	1,575,000	1,575,000	-	1,440,000
Interest and Fiscal Charges	350	350	-	30,618
Total Debt Service	<u>1,575,350</u>	<u>1,575,350</u>	<u>-</u>	<u>1,470,618</u>
Total Expenditures	<u>1,583,442</u>	<u>1,577,390</u>	<u>6,052</u>	<u>1,470,658</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,438,722)</u>	<u>(1,475,188)</u>	<u>(36,466)</u>	<u>(1,346,932)</u>
Other Financing Sources (Uses)				
Transfer Out	(1,000)	(1,000)	-	(3,000)
Total Other Financing Sources (Uses)	<u>(1,000)</u>	<u>(1,000)</u>	<u>-</u>	<u>(3,000)</u>
Net Change in Fund Balances	<u>\$ (1,439,722)</u>	<u>(1,476,188)</u>	<u>\$ (36,466)</u>	<u>(1,349,932)</u>
Fund Balances at Beginning of Year		<u>(16,611,402)</u>		<u>(15,261,470)</u>
Fund Balances at End of Year		<u>\$ (18,087,590)</u>		<u>\$ (16,611,402)</u>

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 GAMING TAX FUND
 Year-Ended December 31, 2022
 With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021 Actual
	Original and Final Budget	Actual		
Revenues				
Gaming Tax	\$ 21,381,000	\$ 29,223,842	\$ 7,842,842	\$ 25,224,001
Investment Income	100,000	111,258	11,258	-
Total Revenues	<u>21,481,000</u>	<u>29,335,100</u>	<u>7,854,100</u>	<u>25,224,001</u>
Expenditures				
General Government				
Contractual Services	14,552,400	17,709,180	(3,156,780)	15,852,949
Total Expenditures	<u>14,552,400</u>	<u>17,709,180</u>	<u>(3,156,780)</u>	<u>15,852,949</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>6,928,600</u>	<u>11,625,920</u>	<u>4,697,320</u>	<u>9,371,052</u>
Other Financing Sources (Uses)				
Transfers Out	(3,700,000)	(3,700,000)	-	(7,880,000)
Total Other Financing Sources (Uses)	<u>(3,700,000)</u>	<u>(3,700,000)</u>	<u>-</u>	<u>(7,880,000)</u>
Net Change in Fund Balance	<u>\$ 3,228,600</u>	7,925,920	<u>\$ 4,697,320</u>	1,491,052
Fund Balance at Beginning of Year		<u>20,205,004</u>		<u>18,713,952</u>
Fund Balance at End of Year		<u>\$ 28,130,924</u>		<u>\$ 20,205,004</u>

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN FIREFIGHTERS' PENSION FUND NET PENSION
LIABILITY AND RELATED RATIOS
December 31, 2022

	<u>2022</u>	<u>2021</u>	<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	\$ 2,284,465	\$ 2,290,427	\$ 2,373,109	\$ 2,148,094	\$ 2,101,377	\$ 1,845,967	\$ 1,725,203	\$ 1,693,381	\$ 2,300,527
Interest	11,582,249	11,155,091	11,218,807	10,113,399	9,720,687	9,513,008	9,118,538	8,520,291	7,744,456
Changes of benefit terms	(143,036)	-	-	452,965	-	-	-	-	-
Differences between expected and actual experience	3,174,264	(5,254,266)	4,231,700	2,320,892	2,142,077	4,328	361,031	4,451,348	1,651,529
Changes of assumptions	-	-	1,298,538	4,689,323	-	4,343,417	1,587,093	596,180	5,636,351
Benefit payments, including refunds of member contributions	(10,520,122)	(9,609,002)	(9,038,052)	(8,438,967)	(7,853,384)	(7,339,931)	(6,973,210)	(6,456,438)	(6,042,592)
Net change in total pension liability	6,377,820	(1,417,750)	10,084,102	11,285,706	6,110,757	8,366,789	5,818,655	8,804,762	11,290,271
Total pension liability - beginning	<u>173,999,679</u>	<u>175,417,429</u>	<u>165,333,327</u>	<u>154,047,621</u>	<u>147,936,864</u>	<u>139,570,075</u>	<u>133,751,420</u>	<u>124,946,658</u>	<u>113,656,387</u>
Total pension liability - ending (a)	<u>\$ 180,377,499</u>	<u>\$ 173,999,679</u>	<u>\$ 175,417,429</u>	<u>\$ 165,333,327</u>	<u>\$ 154,047,621</u>	<u>\$ 147,936,864</u>	<u>\$ 139,570,075</u>	<u>\$ 133,751,420</u>	<u>\$ 124,946,658</u>
Plan fiduciary net position									
Contributions - employer	\$ 8,220,773	\$ 7,265,996	\$ 5,697,690	\$ 5,708,218	\$ 5,141,314	\$ 4,916,225	\$ 4,433,104	\$ 4,304,044	\$ 4,155,983
Contributions - employee	890,946	872,622	915,532	878,682	878,172	867,424	828,889	836,027	883,723
Net investment income (loss)	(13,862,936)	10,894,360	11,042,008	14,266,878	(6,754,749)	11,548,953	4,601,922	(1,048,749)	4,411,965
Benefit payments, including refunds of member contributions	(10,520,122)	(9,609,002)	(9,038,052)	(8,438,967)	(7,853,384)	(7,339,931)	(6,973,210)	(6,456,438)	(6,042,592)
Administrative expense	(88,012)	(75,770)	(77,140)	(95,047)	(71,027)	(103,917)	(67,265)	(76,989)	(327,080)
Other	-	146	-	-	-	-	787	-	-
Net change in plan fiduciary net position	(15,359,351)	9,348,352	8,540,038	12,319,764	(8,659,674)	9,888,754	2,824,227	(2,442,105)	3,081,999
Plan fiduciary net position - beginning	<u>102,206,553</u>	<u>92,858,201</u>	<u>84,318,163</u>	<u>71,998,399</u>	<u>80,658,073</u>	<u>70,769,319</u>	<u>67,945,092</u>	<u>70,387,197</u>	<u>67,305,198</u>
Plan fiduciary net position - ending (b)	<u>\$ 86,847,202</u>	<u>\$ 102,206,553</u>	<u>\$ 92,858,201</u>	<u>\$ 84,318,163</u>	<u>\$ 71,998,399</u>	<u>\$ 80,658,073</u>	<u>\$ 70,769,319</u>	<u>\$ 67,945,092</u>	<u>\$ 70,387,197</u>
City's net pension liability (a-b)	<u>\$ 93,530,297</u>	<u>\$ 71,793,126</u>	<u>\$ 82,559,228</u>	<u>\$ 81,015,164</u>	<u>\$ 82,049,222</u>	<u>\$ 67,278,791</u>	<u>\$ 68,800,756</u>	<u>\$ 65,806,328</u>	<u>\$ 54,559,461</u>
Plan fiduciary net position as a percentage of the total pension liability	48.15%	58.74%	52.94%	51.00%	46.74%	54.52%	50.71%	50.80%	56.33%
Covered payroll	\$ 9,401,657	\$ 9,208,702	\$ 9,668,809	\$ 9,279,992	\$ 9,268,972	\$ 9,243,675	\$ 8,931,087	\$ 8,480,084	\$ 8,694,151
Plan's net pension liability (asset) as a percentage of covered payroll	994.83%	779.62%	853.87%	873.01%	885.20%	727.84%	770.35%	776.01%	627.54%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FIREFIGHTERS' PENSION FUND CONTRIBUTIONS
 December 31, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 7,997,490	\$ 7,349,577	\$ 6,294,838	\$ 5,731,966	\$ 5,110,496	\$ 4,893,942	\$ 4,356,282	\$ 3,953,299	\$ 3,941,652	\$ 3,671,041
Contributions in relation to the actuarially determined contribution	<u>8,220,773</u>	<u>7,265,996</u>	<u>5,697,690</u>	<u>5,708,218</u>	<u>5,141,314</u>	<u>4,916,225</u>	<u>4,433,104</u>	<u>4,304,044</u>	<u>4,155,983</u>	<u>3,945,005</u>
Contribution deficiency (excess)	<u>\$ (223,283)</u>	<u>\$ 83,581</u>	<u>\$ 597,148</u>	<u>\$ 23,748</u>	<u>\$ (30,818)</u>	<u>\$ (22,283)</u>	<u>\$ (76,822)</u>	<u>\$ (350,745)</u>	<u>\$ (214,331)</u>	<u>\$ (273,964)</u>
Covered payroll	\$ 9,401,657	\$ 9,208,702	\$ 9,668,809	\$ 9,279,992	\$ 9,268,972	\$ 9,243,675	\$ 8,931,087	\$ 8,480,084	\$ 8,694,151	\$ 8,408,155
Contributions as a percentage of covered payroll	87.44%	78.90%	58.93%	61.51%	55.47%	53.18%	49.64%	50.75%	47.80%	46.92%

Notes to Schedule

Valuation date:

Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine 2022 contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll
Remaining amortization period	20 years
Asset valuation method	5-Year smoothed market value
Salary increases	3.25% - 7.99%
Expected return on investments	6.75%
Inflation	2.25%
Mortality	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described
Retirement	L&A 2020 Illinois Firefighters' Retirement Rates Capped at age 65
Disability Rates	L&A 2020 Illinois Firefighters' Disability Rates
Termination Rates	L&A 2020 Illinois Firefighters' Termination Rates

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FIREFIGHTERS' PENSION FUND
 INVESTMENT RATE OF RETURN
 December 31, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return net of investment expense	-14.67%	11.87%	13.17%	19.88%	-8.46%	16.41%	6.93%	-1.36%	6.62%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN POLICE PENSION FUND NET PENSION LIABILITY AND RELATED RATIOS
December 31, 2022

	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability									
Service cost	\$ 2,252,460	\$ 2,092,958	\$ 2,338,064	\$ 2,215,022	\$ 2,103,061	\$ 1,595,813	\$ 1,491,414	\$ 1,493,985	\$ 1,844,421
Interest	11,880,012	11,433,340	11,172,354	10,119,530	9,905,568	9,682,644	9,322,073	9,073,872	8,114,249
Changes of benefit terms	(101,642)	-	-	546,413	-	-	-	-	-
Differences between expected and actual experience	2,642,710	(674,686)	4,533,043	1,039,948	(1,007,568)	108,103	598,432	2,089,866	2,610,112
Changes of assumptions	-	-	(1,369,479)	6,796,425	-	4,617,721	1,089,686	(2,109,469)	7,749,079
Benefit payments, including refunds of member contributions	(9,852,516)	(9,417,982)	(8,427,154)	(7,969,389)	(7,693,120)	(7,464,094)	(7,237,087)	(6,767,978)	(6,449,930)
Net change in total pension liability	6,821,024	3,433,630	8,246,828	12,747,949	3,307,941	8,540,187	5,264,518	3,780,276	13,867,931
Total pension liability - beginning	178,332,068	174,898,438	166,651,610	153,903,661	150,595,720	142,055,533	136,791,015	133,010,739	119,142,808
Total pension liability - ending (a)	<u>\$ 185,153,092</u>	<u>\$ 178,332,068</u>	<u>\$ 174,898,438</u>	<u>\$ 166,651,610</u>	<u>\$ 153,903,661</u>	<u>\$ 150,595,720</u>	<u>\$ 142,055,533</u>	<u>\$ 136,791,015</u>	<u>\$ 133,010,739</u>
Plan fiduciary net position									
Contributions - employer	\$ 8,530,681	\$ 7,772,633	\$ 6,019,107	\$ 6,061,959	\$ 5,484,051	\$ 5,262,020	\$ 5,036,133	\$ 4,304,873	\$ 4,154,166
Contributions - employee	1,002,705	946,194	1,028,868	971,640	975,468	908,895	866,905	904,527	879,904
Contributions - other	343	45,370	2,518	221,446	39,596	175,479	-	-	-
Net investment income (loss)	(13,164,890)	9,514,715	9,316,921	12,639,325	(6,810,962)	10,123,404	4,420,807	(1,057,767)	3,504,259
Benefit payments, including refunds of member contributions	(9,852,516)	(9,417,982)	(8,427,154)	(7,969,389)	(7,693,120)	(7,464,094)	(7,237,087)	(6,767,978)	(6,449,930)
Administrative expense	(79,924)	(68,873)	(90,658)	(82,709)	(76,463)	(96,092)	(86,218)	(94,146)	(356,479)
Other	-	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	(13,563,601)	8,792,057	7,849,602	11,842,272	(8,081,430)	8,909,612	3,000,540	(2,710,491)	1,731,920
Plan fiduciary net position - beginning	93,420,266	84,628,209	76,778,607	64,936,335	73,017,765	64,108,153	61,107,613	63,818,104	62,086,184
Plan fiduciary net position - ending (b)	<u>\$ 79,856,665</u>	<u>\$ 93,420,266</u>	<u>\$ 84,628,209</u>	<u>\$ 76,778,607</u>	<u>\$ 64,936,335</u>	<u>\$ 73,017,765</u>	<u>\$ 64,108,153</u>	<u>\$ 61,107,613</u>	<u>\$ 63,818,104</u>
City's net pension liability (a-b)	<u>\$ 105,296,427</u>	<u>\$ 84,911,802</u>	<u>\$ 90,270,229</u>	<u>\$ 89,873,003</u>	<u>\$ 88,967,326</u>	<u>\$ 77,577,955</u>	<u>\$ 77,947,380</u>	<u>\$ 75,683,402</u>	<u>\$ 69,192,635</u>
Plan fiduciary net position as a percentage of the total pension liability	43.13%	52.39%	48.39%	46.07%	42.19%	48.49%	45.13%	44.67%	47.98%
Covered payroll	\$ 10,118,141	\$ 9,547,866	\$ 10,382,108	\$ 9,804,262	\$ 9,843,268	\$ 8,881,617	\$ 8,581,272	\$ 8,461,825	\$ 8,532,924
Plan's net pension liability (asset) as a percentage of covered payroll	1040.67%	889.33%	869.48%	916.67%	903.84%	873.47%	908.34%	894.41%	810.89%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF POLICE PENSION FUND CONTRIBUTIONS
 December 31, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 8,301,462	\$ 7,856,751	\$ 6,656,557	\$ 6,093,933	\$ 5,442,364	\$ 5,237,462	\$ 4,877,047	\$ 4,011,887	\$ 3,895,329	\$ 3,661,515
Contributions in relation to the actuarially determined contribution	<u>8,530,681</u>	<u>7,772,633</u>	<u>6,019,107</u>	<u>6,061,959</u>	<u>5,484,051</u>	<u>5,262,020</u>	<u>5,036,133</u>	<u>4,304,873</u>	<u>4,154,166</u>	<u>3,921,472</u>
Contribution deficiency (excess)	<u>\$ (229,219)</u>	<u>\$ 84,118</u>	<u>\$ 637,450</u>	<u>\$ 31,974</u>	<u>\$ (41,687)</u>	<u>\$ (24,558)</u>	<u>\$ (159,086)</u>	<u>\$ (292,986)</u>	<u>\$ (258,837)</u>	<u>\$ (259,957)</u>
Covered payroll	\$ 10,118,141	\$ 9,547,866	\$ 10,382,108	\$ 9,804,262	\$ 9,843,268	\$ 8,881,617	\$ 8,581,272	\$ 8,461,825	\$ 8,532,924	\$ 7,904,124
Contributions as a percentage of covered payroll	84.31%	81.41%	57.98%	61.83%	55.71%	59.25%	58.69%	50.87%	48.68%	49.61%

Notes to Schedule

Valuation date:

Actuarially determined contribution rates are calculated as of December 31, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine 2022 contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll
Remaining amortization period	20 years
Asset valuation method	5-Year smoothed market value
Salary increases	3.25% - 11.25%
Expected return on investments	6.75%
Inflation	2.25%
Mortality	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described
Retirement	L&A 2020 Illinois Police Retirement Rates Capped at age 65
Disability Rates	L&A 2020 Illinois Police Disability Rates
Termination Rates	L&A 2020 Illinois Police Termination Rates

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF POLICE PENSION FUND
 INVESTMENT RATE OF RETURN
 December 31, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual money-weighted rate of return net of investment expense	-15.19%	11.32%	12.00%	19.38%	-9.33%	15.80%	7.40%	-1.57%	5.73%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN ILLINOIS MUNICIPAL RETIREMENT FUND NET PENSION LIABILITY
AND RELATED RATIOS
December 31, 2022

	<u>2022</u>	<u>2021</u>	<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	\$ 1,272,490	\$ 1,294,795	\$ 1,471,344	\$ 1,471,710	\$ 1,424,254	\$ 1,495,731	\$ 1,528,647	\$ 1,655,441	\$ 1,838,415
Interest	9,156,134	8,971,124	8,751,863	8,483,359	8,327,421	8,276,408	8,127,770	7,847,845	7,396,361
Changes of benefit terms	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	1,272,402	165,165	1,006,485	476,501	(565,583)	386,968	(2,115,982)	(300,852)	(1,614,019)
Changes of assumptions	-	-	(842,055)	-	3,119,435	(3,524,106)	(256,324)	128,456	3,699,751
Benefit payments, including refunds of member contributions	(8,126,659)	(7,609,489)	(6,940,657)	(6,515,109)	(6,184,253)	(5,653,936)	(5,497,208)	(5,273,001)	(4,866,050)
Net change in total pension liability	3,574,367	2,821,595	3,446,980	3,916,461	6,121,274	981,065	1,786,903	4,057,889	6,454,458
Total pension liability - beginning	129,718,584	126,896,989	123,450,009	119,533,548	113,412,274	112,431,209	110,644,306	106,586,417	100,131,959
Total pension liability - ending (a)	<u>\$ 133,292,951</u>	<u>\$ 129,718,584</u>	<u>\$ 126,896,989</u>	<u>\$ 123,450,009</u>	<u>\$ 119,533,548</u>	<u>\$ 113,412,274</u>	<u>\$ 112,431,209</u>	<u>\$ 110,644,306</u>	<u>\$ 106,586,417</u>
Plan fiduciary net position									
Contributions - employer	\$ 1,122,350	\$ 1,440,176	\$ 1,580,499	\$ 1,228,045	\$ 1,641,785	\$ 1,738,214	\$ 1,695,162	\$ 1,796,025	\$ 2,256,489
Contributions - employee	646,821	619,338	648,365	651,222	646,373	656,293	617,687	718,234	737,722
Net investment income (loss)	(19,951,857)	23,121,940	17,384,730	20,000,331	(6,430,893)	18,185,816	6,817,667	495,909	5,843,461
Benefit payments, including refunds of member contributions	(8,126,659)	(7,609,489)	(6,940,657)	(6,515,109)	(6,184,253)	(5,653,936)	(5,497,208)	(5,273,001)	(4,866,050)
Other	72,265	(91,241)	716,881	157,986	1,241,151	(2,491,038)	22,444	373,765	(140,913)
Net change in plan fiduciary net position	(26,237,080)	17,480,724	13,389,818	15,522,475	(9,085,837)	12,435,349	3,655,752	(1,889,068)	3,830,709
Plan fiduciary net position - beginning	152,070,284	134,589,560	121,199,742	105,677,267	114,763,104	102,327,755	98,672,003	100,561,071	96,730,362
Plan fiduciary net position - ending (b)	<u>\$ 125,833,204</u>	<u>\$ 152,070,284</u>	<u>\$ 134,589,560</u>	<u>\$ 121,199,742</u>	<u>\$ 105,677,267</u>	<u>\$ 114,763,104</u>	<u>\$ 102,327,755</u>	<u>\$ 98,672,003</u>	<u>\$ 100,561,071</u>
City's net pension liability (asset) (a-b)	<u>\$ 7,459,747</u>	<u>\$ (22,351,700)</u>	<u>\$ (7,692,571)</u>	<u>\$ 2,250,267</u>	<u>\$ 13,856,281</u>	<u>\$ (1,350,830)</u>	<u>\$ 10,103,454</u>	<u>\$ 11,972,303</u>	<u>\$ 6,025,346</u>
Plan fiduciary net position as a percentage of the total pension liability	94.40%	117.23%	106.06%	98.18%	88.41%	101.19%	91.01%	89.18%	94.35%
Covered payroll	\$ 14,338,734	\$ 13,783,987	\$ 14,329,104	\$ 14,363,106	\$ 14,363,816	\$ 14,485,115	\$ 13,681,698	\$ 14,379,703	\$ 14,547,339
Plan's net pension liability (asset) as a percentage of covered payroll	52.03%	-162.16%	-53.68%	15.67%	96.47%	-9.33%	73.85%	83.26%	41.42%

* This is a 10-year schedule. However, the information in this schedule is not required to be presented retroactively. Years will be added to this schedule in future fiscal years until 10 years of data will be presented.

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF ILLINOIS MUNICIPAL RETIREMENT FUND CONTRIBUTIONS
December 31, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Actuarially determined contribution	\$ 1,122,723	\$ 1,448,697	\$ 1,580,500	\$ 1,228,046	\$ 1,641,784	\$ 1,738,214	\$ 1,695,162	\$ 1,844,916	\$ 2,071,541	\$ 2,383,786
Contributions in relation to the actuarially determined contribution	<u>1,122,350</u>	<u>1,440,176</u>	<u>1,580,499</u>	<u>1,228,045</u>	<u>1,641,785</u>	<u>1,738,214</u>	<u>1,695,162</u>	<u>1,796,025</u>	<u>2,256,489</u>	<u>2,383,786</u>
Contribution deficiency (excess)	<u>\$ 373</u>	<u>\$ 8,521</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,891</u>	<u>\$ (184,948)</u>	<u>\$ -</u>
Covered payroll	\$ 14,338,734	\$ 13,783,987	\$ 14,329,104	\$ 14,363,106	\$ 14,363,816	\$ 14,485,115	\$ 13,681,698	\$ 14,379,703	\$ 14,547,339	\$ 15,946,135
Contributions as a percentage of covered payroll	7.83%	10.45%	11.03%	8.55%	11.43%	12.00%	12.39%	12.49%	15.51%	14.95%

Notes to Schedule

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 2022 contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	21-year closed period
Asset valuation method	5-year smoothed market, 20% corridor
Wage growth	2.75%
Price inflation	2.25%
Salary increases	2.85% to 13.75% including inflation
Investment rate of return	7.25%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other information:

There were no benefit changes during the year

The 2022 contribution rate was based on valuation assumptions used in the December 31, 2020 actuarial valuation.

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN THE CITY'S TOTAL OTHER POST-EMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS
 Year-Ended December 31, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
<u>Total OPEB Liability</u>					
Service Cost	\$ 816,817	\$ 810,790	\$ 421,046	\$ 334,684	\$ 371,585
Interest on the Total OPEB Liability	399,994	420,297	433,060	542,495	483,284
Changes of Benefit Terms	-	-	423,885	-	-
Differences Between Expected and Actual Experience of the Total OPEB Liability	(832,206)	-	2,061,765	-	-
Changes of Assumptions	(4,073,420)	(610,894)	1,684,002	2,472,154	(954,199)
Benefit Payments, Including Refunds of Employee Contributions	(837,454)	(1,219,206)	(787,779)	(761,679)	(658,812)
Net Change in Total OPEB Liability	<u>(4,526,269)</u>	<u>(599,013)</u>	<u>4,235,979</u>	<u>2,587,654</u>	<u>(758,142)</u>
Total OPEB Liability - Beginning	<u>19,835,935</u>	<u>20,434,948</u>	<u>16,198,969</u>	<u>13,611,315</u>	<u>14,369,457</u>
Total OPEB Liability - Ending	<u>\$ 15,309,666</u>	<u>\$ 19,835,935</u>	<u>\$ 20,434,948</u>	<u>\$ 16,198,969</u>	<u>\$ 13,611,315</u>
Covered Employee Payroll	\$ 32,678,152	\$ 33,308,679	\$ 32,338,523	\$ 30,673,435	\$ 31,016,497
Total OPEB Liability as a Percentage of Covered Employee Payroll	46.85%	59.55%	63.19%	52.81%	43.88%

Notes to Schedule: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

There are no assets accumulated in a trust to pay related benefits for the City's OPEB plan.

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

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GRANT FUNDED PROJECTS FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021
	Original and Final Budget	Actual		Actual
Revenues				
Intergovernmental	\$ 14,915,396	\$ 13,778,332	\$ (1,137,064)	\$ 2,124,954
Investment Income	200	6,251	6,051	154
Total Revenues	<u>14,915,596</u>	<u>13,784,583</u>	<u>(1,131,013)</u>	<u>2,125,108</u>
Expenditures				
General Government				
Salaries	19,372	37,966	(18,594)	35,668
Contractual Services	1,079,288	679,803	399,485	1,125,247
Commodities	-	1,000	(1,000)	894
Capital Outlay	17,399,223	8,294,105	9,105,118	4,329,249
Total Expenditures	<u>18,497,883</u>	<u>9,012,874</u>	<u>9,485,009</u>	<u>5,491,058</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(3,582,287)</u>	<u>4,771,709</u>	<u>8,353,996</u>	<u>(3,365,950)</u>
Other Financing Sources (Uses)				
Transfers In	54,406	538,105	483,699	992,665
Total Other Financing Sources (Uses)	<u>54,406</u>	<u>538,105</u>	<u>483,699</u>	<u>992,665</u>
Net Change in Fund Balance	<u>\$ (3,527,881)</u>	5,309,814	<u>\$ 8,837,695</u>	(2,373,285)
Fund Balance at Beginning of Year		(8,272,674)		(5,899,389)
Fund Balance at End of Year		<u>\$ (2,962,860)</u>		<u>\$ (8,272,674)</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021 Actual
	Original and Final Budget	Actual		
Revenues				
Property Taxes	\$ 7,702	\$ 6,604	\$ (1,098)	\$ 15,411
Home Rule Option Sales Tax - General	2,600,000	4,388,470	1,788,470	3,887,683
Local Use	1,800,000	2,290,447	490,447	2,238,131
Investment Income	5,000	143,626	138,626	-
Miscellaneous	8,500	966	(7,534)	9,433
Total Revenues	<u>4,421,202</u>	<u>6,830,113</u>	<u>2,408,911</u>	<u>6,150,658</u>
Expenditures				
Public Works				
Salaries	401,294	400,983	311	387,848
Benefits	140,772	138,930	1,842	144,558
Contractual Services	2,910,263	1,281,285	1,628,978	429,529
Commodities	3,625	12,479	(8,854)	650
Capital Outlay	5,000,000	1,963,155	3,036,845	2,966,308
Total Public Works	<u>8,455,954</u>	<u>3,796,832</u>	<u>4,659,122</u>	<u>3,928,893</u>
Total Expenditures	<u>8,455,954</u>	<u>3,796,832</u>	<u>4,659,122</u>	<u>3,928,893</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(4,034,752)</u>	<u>3,033,281</u>	<u>7,068,033</u>	<u>2,221,765</u>
Other Financing Sources (Uses)				
Transfers In	-	-	-	1,500,000
Transfers Out	(54,406)	(538,105)	(483,699)	(1,017,665)
Total Other Financing Sources (Uses)	<u>(54,406)</u>	<u>(538,105)</u>	<u>(483,699)</u>	<u>482,335</u>
Net Change in Fund Balance	<u>\$ (4,089,158)</u>	2,495,176	<u>\$ 6,584,334</u>	2,704,100
Fund Balance at Beginning of Year		<u>9,465,836</u>		<u>6,761,736</u>
Fund Balance at End of Year		<u>\$ 11,961,012</u>		<u>\$ 9,465,836</u>

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are governmental funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for particular purposes.

- Motor Fuel Tax Fund – to account for the City's share of restricted state gasoline taxes. All projects require the advance approval of the Illinois Department of Transportation.
- Community Development Block Grant Fund - to account for the disbursement of the restricted Federal Community Block Grant. Financing is provided by the Federal Government.
- Asset Seizure Fund – to account for the restricted monies received from the federal, state, and county related to the seizure of assets by the Des Plaines Police Department.
- Foreign Fire Insurance Tax Fund – to account for restricted monies received from the foreign fire insurance tax, and disbursements by the Foreign Fire Insurance Tax Board.
- Escrow Fund – to account for the restricted revenues and repayment of deposits made in conformance with local ordinances to ensure that work performed meets local code requirements.
- TIF Tax Allocation #1 Fund – to account for restricted revenues and expenditures related to the tax increment finance district located near Miner Road.
- TIF Tax Allocation #3 Fund – to account for restricted revenues and expenditures related to the tax increment finance district located near Wille Road.
- TIF Tax Allocation #5 Fund – to account for restricted revenues and expenditures related to the tax increment finance district located near Lee and Perry Streets in downtown Des Plaines.
- TIF Tax Allocation # 7 Fund – to account for restricted revenues and expenditures related to the tax increment finance district located near Higgins Road and Pratt Avenue.
- TIF Tax Allocation # 8 Fund – to account for restricted revenues and expenditures related to the tax increment finance district located near Oakton Street.

Capital Project Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

- Equipment Replacement Fund – to account for the acquisition of major capital equipment (rolling stock).
- IT Replacement Fund – to account for the replacement of the City's computer and copier equipment.
- Facilities Replacement Fund – to account for the replacement or renovation of capital assets (facilities) of the City.

CITY OF DES PLAINES, ILLINOIS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 December 31, 2022

Special Revenue Funds

	Motor Fuel Tax	Community Development Block Grant	Asset Seizure	Foreign Fire Insurance Tax	Escrow Fund	TIF #1 (Downtown)
ASSETS						
Cash and Investments	\$ 3,495,959	\$ 331	\$ 1,377,484	\$ 608,345	\$ 745,349	\$ -
Receivables (Net)						
Property Taxes	-	-	-	-	-	-
Accounts Receivable	-	-	-	-	8,394	-
Accrued Interest	-	-	-	-	-	-
Other	-	-	23,035	-	-	-
Leases	-	-	-	-	-	-
Prepaid Items	-	-	28,815	-	-	-
Due from Other Governments	236,817	1,515	-	-	-	-
TOTAL ASSETS	<u>\$ 3,732,776</u>	<u>\$ 1,846</u>	<u>\$ 1,429,334</u>	<u>\$ 608,345</u>	<u>\$ 753,743</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities						
Accounts Payable	\$ 357,520	\$ 2,208	\$ 34,471	\$ 886	\$ 21,641	\$ -
Deposits Payable	-	-	148,135	-	-	19,232
Unearned Revenue	-	-	-	-	-	-
Advances from Other Funds	-	-	-	-	-	469,094
Total Liabilities	<u>357,520</u>	<u>2,208</u>	<u>182,606</u>	<u>886</u>	<u>21,641</u>	<u>488,326</u>
Deferred Inflows of Resources						
Deferred Property Tax Revenue	-	-	-	-	-	-
Deferred Lease Revenue	-	-	-	-	-	-
Unavailable Other Revenue	-	1,515	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>1,515</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances						
Nonspendable						
Prepaid Items	-	-	28,815	-	-	-
Restricted						
Economic Development	-	-	-	-	732,102	-
Streets & Highways	3,152,177	-	-	-	-	-
Rebuild Illinois Bond Funds Projects	223,079	-	-	-	-	-
Public Safety	-	-	1,217,913	607,459	-	-
Assigned						
Capital Acquisitions	-	-	-	-	-	-
Unassigned	-	(1,877)	-	-	-	(488,326)
Total Fund Balances	<u>3,375,256</u>	<u>(1,877)</u>	<u>1,246,728</u>	<u>607,459</u>	<u>732,102</u>	<u>(488,326)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 3,732,776</u>	<u>\$ 1,846</u>	<u>\$ 1,429,334</u>	<u>\$ 608,345</u>	<u>\$ 753,743</u>	<u>\$ -</u>

(Continued)

Special Revenue Funds				Capital Projects Funds			Total Nonmajor Governmental Funds
TIF #3 (Wille Road)	TIF #5 (Perry/Lee)	TIF #7 (Mannheim/ Higgins South)	TIF #8 (Oakton)	Equipment Replacement	I.T. Replacement	Facilities Replacement	
\$ -	\$ 466,871	\$ -	\$ 2,595,611	\$ 5,653,873	\$ 389,900	\$ 13,371,305	\$ 28,705,028
2,365,779	208,382	773,137	1,697,983	-	-	-	5,045,281
-	-	-	-	-	-	24,299	32,693
-	-	-	-	19,720	-	-	19,720
-	-	-	6,079	-	-	-	29,114
-	-	-	-	-	-	653,643	653,643
-	-	-	-	-	7,104	-	35,919
-	-	-	-	-	-	-	238,332
<u>\$ 2,365,779</u>	<u>\$ 675,253</u>	<u>\$ 773,137</u>	<u>\$ 4,299,673</u>	<u>\$ 5,673,593</u>	<u>\$ 397,004</u>	<u>\$ 14,049,247</u>	<u>\$ 34,759,730</u>
\$ -	\$ -	\$ 287,585	\$ 94	\$ -	\$ 32,098	\$ 647,422	\$ 1,383,925
-	-	-	-	-	-	-	167,367
-	-	-	-	-	-	49,597	49,597
<u>2,223,797</u>	<u>-</u>	<u>969,929</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,662,820</u>
<u>2,223,797</u>	<u>-</u>	<u>1,257,514</u>	<u>94</u>	<u>-</u>	<u>32,098</u>	<u>697,019</u>	<u>5,263,709</u>
2,365,779	208,382	576,000	1,519,472	-	-	-	4,669,633
-	-	-	-	-	-	569,724	569,724
-	-	-	-	-	-	-	1,515
<u>2,365,779</u>	<u>208,382</u>	<u>576,000</u>	<u>1,519,472</u>	<u>-</u>	<u>-</u>	<u>569,724</u>	<u>5,240,872</u>
-	-	-	-	-	7,104	-	35,919
-	466,871	-	2,780,107	-	-	-	3,979,080
-	-	-	-	-	-	-	3,152,177
-	-	-	-	-	-	-	223,079
-	-	-	-	-	-	-	1,825,372
-	-	-	-	5,673,593	357,802	12,782,504	18,813,899
<u>(2,223,797)</u>	<u>-</u>	<u>(1,060,377)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,774,377)</u>
<u>(2,223,797)</u>	<u>466,871</u>	<u>(1,060,377)</u>	<u>2,780,107</u>	<u>5,673,593</u>	<u>364,906</u>	<u>12,782,504</u>	<u>24,255,149</u>
<u>\$ 2,365,779</u>	<u>\$ 675,253</u>	<u>\$ 773,137</u>	<u>\$ 4,299,673</u>	<u>\$ 5,673,593</u>	<u>\$ 397,004</u>	<u>\$ 14,049,247</u>	<u>\$ 34,759,730</u>

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year-Ended December 31, 2022

	Special Revenue Funds					
	Motor Fuel Tax	Community Development Block Grant	Asset Seizure	Foreign Fire Insurance Tax	Escrow Fund	TIF #1 (Downtown)
Revenues						
Taxes (Refunds)	\$ -	\$ -	\$ -	\$ 155,436	\$ -	\$ (56,092)
Intergovernmental	3,664,730	335,277	548,440	-	-	-
Fines, Forfeitures and Penalties	-	-	5,177	-	-	-
Developer Fees	-	-	-	-	509,666	-
Investment Income	25,123	-	1,145	1,281	-	3
Lease Revenue	-	-	-	-	-	-
Miscellaneous	-	-	-	-	7,650	-
Total Revenues	<u>3,689,853</u>	<u>335,277</u>	<u>554,762</u>	<u>156,717</u>	<u>517,316</u>	<u>(56,089)</u>
Expenditures						
Current:						
General Government	-	-	-	-	-	-
Public Safety	-	-	62,832	133,262	1,206	-
Streets and Highways	1,120,632	-	-	-	-	-
Economic Development	-	202,780	-	-	270,574	-
Debt Service						
Principal	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Capital Outlay	2,902,154	72,000	398,225	-	-	-
Total Expenditures	<u>4,022,786</u>	<u>274,780</u>	<u>461,057</u>	<u>133,262</u>	<u>271,780</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(332,933)</u>	<u>60,497</u>	<u>93,705</u>	<u>23,455</u>	<u>245,536</u>	<u>(56,089)</u>
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	1,800	-	-	-
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(332,933)	60,497	95,505	23,455	245,536	(56,089)
Fund Balances at Beginning of Year	<u>3,708,189</u>	<u>(62,374)</u>	<u>1,151,223</u>	<u>584,004</u>	<u>486,566</u>	<u>(432,237)</u>
Fund Balances at End of Year	<u>\$ 3,375,256</u>	<u>\$ (1,877)</u>	<u>\$ 1,246,728</u>	<u>\$ 607,459</u>	<u>\$ 732,102</u>	<u>\$ (488,326)</u>

(Continued)

Special Revenue Funds				Capital Projects Funds			Total Nonmajor Governmental Funds
TIF #3 (Wille Road)	TIF #5 (Perry/Lee)	TIF #7 (Mannheim/ Higgins South)	TIF #8 (Oakton)	Equipment Replacement	I.T. Replacement	Facilities Replacement	
\$ 2,417,417	\$ 126,045	\$ 725,534	\$ 1,085,223	\$ -	\$ -	\$ -	\$ 4,453,563
-	-	-	-	-	-	-	4,548,447
-	-	-	-	-	-	-	5,177
-	-	-	-	-	-	-	509,666
19	2	8	13	5,289	1,563	-	34,446
-	-	-	-	-	-	264,357	264,357
-	-	-	-	1	-	274,047	281,698
<u>2,417,436</u>	<u>126,047</u>	<u>725,542</u>	<u>1,085,236</u>	<u>5,290</u>	<u>1,563</u>	<u>538,404</u>	<u>10,097,354</u>
-	-	-	-	-	80,546	3,323,917	3,404,463
-	-	-	-	-	-	-	197,300
-	-	-	-	-	-	-	1,120,632
60	-	293,551	46,511	-	-	-	813,476
1,550,000	-	-	-	-	-	-	1,550,000
304,156	-	-	-	-	-	-	304,156
-	-	-	510,402	547,874	266,685	33,583	4,730,923
<u>1,854,216</u>	<u>-</u>	<u>293,551</u>	<u>556,913</u>	<u>547,874</u>	<u>347,231</u>	<u>3,357,500</u>	<u>12,120,950</u>
<u>563,220</u>	<u>126,047</u>	<u>431,991</u>	<u>528,323</u>	<u>(542,584)</u>	<u>(345,668)</u>	<u>(2,819,096)</u>	<u>(2,023,596)</u>
-	-	-	-	105,033	-	-	106,833
-	-	-	-	1,500,000	400,000	3,700,000	5,600,000
(1,000)	-	(10,000)	(36,000)	-	-	-	(47,000)
<u>(1,000)</u>	<u>-</u>	<u>(10,000)</u>	<u>(36,000)</u>	<u>1,605,033</u>	<u>400,000</u>	<u>3,700,000</u>	<u>5,659,833</u>
562,220	126,047	421,991	492,323	1,062,449	54,332	880,904	3,636,237
<u>(2,786,017)</u>	<u>340,824</u>	<u>(1,482,368)</u>	<u>2,287,784</u>	<u>4,611,144</u>	<u>310,574</u>	<u>11,901,600</u>	<u>20,618,912</u>
<u>\$ (2,223,797)</u>	<u>\$ 466,871</u>	<u>\$ (1,060,377)</u>	<u>\$ 2,780,107</u>	<u>\$ 5,673,593</u>	<u>\$ 364,906</u>	<u>\$ 12,782,504</u>	<u>\$ 24,255,149</u>

CITY OF DES PLAINES, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 MOTOR FUEL TAX FUND
 Year-Ended December 31, 2022
 With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021
	Original and Final Budget	Actual		Actual
Revenues				
Intergovernmental	\$ 3,032,139	\$ 3,664,730	\$ 632,591	\$ 3,568,957
Investment Income	5,000	25,123	20,123	981
Total Revenues	<u>3,037,139</u>	<u>3,689,853</u>	<u>652,714</u>	<u>3,569,938</u>
Expenditures				
Streets and Highways				
Contractual Services	549,000	550,631	(1,631)	456,594
Commodities	655,000	570,001	84,999	586,308
Capital Outlay	<u>2,400,000</u>	<u>2,902,154</u>	<u>(502,154)</u>	<u>2,187,302</u>
Total Expenditures	<u>3,604,000</u>	<u>4,022,786</u>	<u>(418,786)</u>	<u>3,230,204</u>
Net Change in Fund Balance	<u>\$ (566,861)</u>	(332,933)	<u>\$ 233,928</u>	339,734
Fund Balance at Beginning of Year		<u>3,708,189</u>		<u>3,368,455</u>
Fund Balance at End of Year		<u>\$ 3,375,256</u>		<u>\$ 3,708,189</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021 Actual
	Original and Final Budget	Actual		
Revenues				
Intergovernmental	\$ 689,672	\$ 335,277	\$ (354,395)	\$ 480,627
Total Revenues	<u>689,672</u>	<u>335,277</u>	<u>(354,395)</u>	<u>480,627</u>
Expenditures				
Economic Development				
Salaries	52,475	26,937	25,538	50,857
Benefits	11,237	10,947	290	8,821
Contractual Services	638,667	164,896	473,771	463,597
Capital Outlay	<u>72,000</u>	<u>72,000</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>774,379</u>	<u>274,780</u>	<u>499,599</u>	<u>523,275</u>
Net Change in Fund Balance	<u>\$ (84,707)</u>	60,497	<u>\$ 145,204</u>	(42,648)
Fund Balance at Beginning of Year		<u>(62,374)</u>		<u>(19,726)</u>
Fund Balance at End of Year		<u>\$ (1,877)</u>		<u>\$ (62,374)</u>

CITY OF DES PLAINES, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 TIF #1 (DOWNTOWN) FUND
 Year-Ended December 31, 2022
 With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021
	Original and Final Budget	Actual		Actual
Revenues				
Property Taxes (Refunds)	\$ -	\$ (56,092)	\$ (56,092)	\$ 7,033,786
Investment Income	-	3	3	238
Total Revenues	<u>-</u>	<u>(56,089)</u>	<u>(56,089)</u>	<u>7,034,024</u>
Expenditures				
Economic Development				
Contractual Services	-	-	-	1,047,340
Capital Outlay	-	-	-	1,625,041
Total Economic Development	-	-	-	2,672,381
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,672,381</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>(56,089)</u>	<u>\$ (56,089)</u>	4,361,643
Fund Balance at Beginning of Year		<u>(432,237)</u>		<u>(4,793,880)</u>
Fund Balance at End of Year		<u>\$ (488,326)</u>		<u>\$ (432,237)</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TIF #3 (WILLE ROAD) FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021
	Original and Final Budget	Actual		Actual
Revenues				
Taxes	\$ 2,299,500	\$ 2,417,417	\$ 117,917	\$ 2,389,876
Investment Income	50	19	(31)	263
Total Revenues	<u>2,299,550</u>	<u>2,417,436</u>	<u>117,886</u>	<u>2,390,139</u>
Expenditures				
Economic Development				
Contractual Services	10,460	60	10,400	70
Total Economic Development	<u>10,460</u>	<u>60</u>	<u>10,400</u>	<u>70</u>
Debt Service				
Principal	1,550,000	1,550,000	-	1,530,000
Interest and Fiscal Charges	304,304	304,156	148	348,394
Total Debt Service	<u>1,854,304</u>	<u>1,854,156</u>	<u>148</u>	<u>1,878,394</u>
Total Expenditures	<u>1,864,764</u>	<u>1,854,216</u>	<u>10,548</u>	<u>1,878,464</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>434,786</u>	<u>563,220</u>	<u>128,434</u>	<u>511,675</u>
Other Financing Sources (Uses)				
Transfers Out	(1,000)	(1,000)	-	(5,000)
Total Other Financing Sources (Uses)	<u>(1,000)</u>	<u>(1,000)</u>	<u>-</u>	<u>(5,000)</u>
Net Change in Fund Balance	<u>\$ 433,786</u>	562,220	<u>\$ 128,434</u>	506,675
Fund Balance at Beginning of Year		<u>(2,786,017)</u>		<u>(3,292,692)</u>
Fund Balance at End of Year		<u>\$ (2,223,797)</u>		<u>\$ (2,786,017)</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TIF #5 (PERRY/LEE) FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021
	Original and Final Budget	Actual		Actual
Revenues				
Taxes	\$ 185,713	\$ 126,045	\$ (59,668)	\$ 207,841
Investment Income	50	2	(48)	218
Total Revenues	<u>185,763</u>	<u>126,047</u>	<u>(59,716)</u>	<u>208,059</u>
Expenditures				
Economic Development				
Contractual Services	400	-	400	-
Capital Outlay	-	-	-	20,997
Total Economic Development	<u>400</u>	<u>-</u>	<u>400</u>	<u>20,997</u>
Debt Service				
Principal	-	-	-	105,000
Interest and Fiscal Charges	-	-	-	2,625
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>107,625</u>
Total Expenditures	<u>400</u>	<u>-</u>	<u>400</u>	<u>128,622</u>
Net Change in Fund Balance	<u>\$ 185,363</u>	126,047	<u>\$ (59,316)</u>	79,437
Fund Balance at Beginning of Year		<u>340,824</u>		<u>261,387</u>
Fund Balance at End of Year		<u>\$ 466,871</u>		<u>\$ 340,824</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TIF #7 (MANNHEIM/HIGGINS SOUTH) FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021
	Original and Final Budget	Actual		Actual
Revenues				
Taxes	\$ 446,263	\$ 725,534	\$ 279,271	\$ 973,166
Investment Income	25	8	(17)	6
Total Revenues	<u>446,288</u>	<u>725,542</u>	<u>279,254</u>	<u>973,172</u>
Expenditures				
Economic Development				
Contractual Services	<u>28,160</u>	<u>293,551</u>	<u>(265,391)</u>	<u>45</u>
Total Expenditures	<u>28,160</u>	<u>293,551</u>	<u>(265,391)</u>	<u>45</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>418,128</u>	<u>431,991</u>	<u>13,863</u>	<u>973,127</u>
Other Financing Sources (Uses)				
Transfers Out	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>	<u>(13,000)</u>
Total Other Financing Sources (Uses)	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>	<u>(13,000)</u>
Net Change in Fund Balance	<u>\$ 408,128</u>	421,991	<u>\$ 13,863</u>	960,127
Fund Balance at Beginning of Year		<u>(1,482,368)</u>		<u>(2,442,495)</u>
Fund Balance at End of Year		<u>\$ (1,060,377)</u>		<u>\$ (1,482,368)</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TIF #8 (OAKTON) FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021
	Original and Final Budget	Actual		Actual
Revenues				
Taxes	\$ 1,281,557	\$ 1,085,223	\$ (196,334)	\$ 1,349,719
Investment Income	25	13	(12)	18
Total Revenues	<u>1,281,582</u>	<u>1,085,236</u>	<u>(196,346)</u>	<u>1,349,737</u>
Expenditures				
Economic Development				
Contractual Services	200,000	46,511	153,489	14,182
Capital Outlay	961,500	510,402	451,098	190,619
Total Expenditures	<u>1,161,500</u>	<u>556,913</u>	<u>604,587</u>	<u>204,801</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>120,082</u>	<u>528,323</u>	<u>408,241</u>	<u>1,144,936</u>
Other Financing Sources (Uses)				
Transfers Out	(36,000)	(36,000)	-	(43,000)
Total Other Financing Sources (Uses)	<u>(36,000)</u>	<u>(36,000)</u>	<u>-</u>	<u>(43,000)</u>
Net Change in Fund Balance	<u>\$ 84,082</u>	492,323	<u>\$ 408,241</u>	1,101,936
Fund Balance at Beginning of Year		<u>2,287,784</u>		<u>1,185,848</u>
Fund Balance at End of Year		<u>\$ 2,780,107</u>		<u>\$ 2,287,784</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EQUIPMENT REPLACEMENT FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021
	Original and Final Budget	Actual		Actual
Revenues				
Investment Income	\$ 60,000	\$ 5,289	\$ (54,711)	\$ 23,154
Miscellaneous	-	1	1	2
Total Revenues	<u>60,000</u>	<u>5,290</u>	<u>(54,710)</u>	<u>23,156</u>
Expenditures				
General Government				
Capital Outlay	<u>3,216,430</u>	<u>547,874</u>	<u>2,668,556</u>	<u>1,291,582</u>
Total General Government	<u>3,216,430</u>	<u>547,874</u>	<u>2,668,556</u>	<u>1,291,582</u>
Total Expenditures	<u>3,216,430</u>	<u>547,874</u>	<u>2,668,556</u>	<u>1,291,582</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(3,156,430)</u>	<u>(542,584)</u>	<u>2,613,846</u>	<u>(1,268,426)</u>
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	65,000	105,033	40,033	72,274
Transfers In	<u>1,500,000</u>	<u>1,500,000</u>	-	<u>500,000</u>
Total Other Financing Sources (Uses)	<u>1,565,000</u>	<u>1,605,033</u>	<u>40,033</u>	<u>572,274</u>
Net Change in Fund Balance	<u>\$ (1,591,430)</u>	1,062,449	<u>\$ 2,653,879</u>	(696,152)
Fund Balance at Beginning of Year		<u>4,611,144</u>		<u>5,307,296</u>
Fund Balance at End of Year		<u>\$ 5,673,593</u>		<u>\$ 4,611,144</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
I.T. REPLACEMENT FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021 Actual
	Original and Final Budget	Actual		
Revenues				
Investment Income	\$ 100	\$ 1,563	\$ 1,463	\$ 34
Total Revenues	<u>100</u>	<u>1,563</u>	<u>1,463</u>	<u>34</u>
Expenditures				
General Government				
Contractual Services	87,647	80,546	7,101	92,363
Capital Outlay	<u>288,660</u>	<u>266,685</u>	<u>21,975</u>	<u>157,314</u>
Total Expenditures	<u>376,307</u>	<u>347,231</u>	<u>29,076</u>	<u>249,677</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(376,207)</u>	<u>(345,668)</u>	<u>30,539</u>	<u>(249,643)</u>
Other Financing Sources (Uses)				
Transfers In	<u>400,000</u>	<u>400,000</u>	-	<u>400,000</u>
Total Other Financing Sources (Uses)	<u>400,000</u>	<u>400,000</u>	-	<u>400,000</u>
Net Change in Fund Balance	<u>\$ 23,793</u>	54,332	<u>\$ 30,539</u>	150,357
Fund Balance at Beginning of Year		<u>310,574</u>		<u>160,217</u>
Fund Balance at End of Year		<u>\$ 364,906</u>		<u>\$ 310,574</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FACILITIES REPLACEMENT FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021 Actual
	Original and Final Budget	Actual		
Revenues				
Lease Revenue	\$ 97,165	\$ 264,357	\$ 167,192	\$ 90,439
Miscellaneous Revenues	-	274,047	274,047	1,001,458
Total Revenues	<u>97,165</u>	<u>538,404</u>	<u>441,239</u>	<u>1,091,897</u>
Expenditures				
General Government				
Contractual Services	4,084,940	3,292,827	792,113	2,176,431
Commodities	857,500	31,090	826,410	432,270
Capital Outlay	6,600,000	33,583	6,566,417	2,889,082
Total Expenditures	<u>11,542,440</u>	<u>3,357,500</u>	<u>8,184,940</u>	<u>5,497,783</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(11,445,275)</u>	<u>(2,819,096)</u>	<u>8,626,179</u>	<u>(4,405,886)</u>
Other Financing Sources (Uses)				
Transfers In	3,700,000	3,700,000	-	6,380,000
Total Other Financing Sources (Uses)	<u>3,700,000</u>	<u>3,700,000</u>	<u>-</u>	<u>6,380,000</u>
Net Change in Fund Balance	<u>\$ (7,745,275)</u>	880,904	<u>\$ 8,626,179</u>	1,974,114
Fund Balance at Beginning of Year		<u>11,901,600</u>		<u>9,927,486</u>
Fund Balance at End of Year		<u>\$ 12,782,504</u>		<u>\$11,901,600</u>

ENTERPRISE FUNDS

Enterprise Funds are established to account for the financing of self-supporting activities of the City that render services on a user-charge basis.

- Water/Sewer Fund – to account for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and improvements.
- Parking System Fund – to account for the operation of the City's parking lots, garages and monies received from permit sales. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, and improvements.

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
WATER/SEWER FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021
	Original and Final Budget	Actual		Actual
Operating Revenues				
Charges for Services				
Water Sales	\$ 12,905,000	\$ 12,877,216	\$ (27,784)	\$ 12,736,299
Sewer Sales	1,850,000	1,975,106	125,106	1,993,385
Sales of Water Meters	7,500	13,525	6,025	4,351
Water Permit Fees	1,200	900	(300)	13,900
Service Charges, Cut Off and Connector Fees	85,000	296,174	211,174	174,209
Other Charges for Services	<u>2,600,750</u>	<u>3,153,591</u>	<u>552,841</u>	<u>2,943,505</u>
Total Charges for Services	<u>17,449,450</u>	<u>18,316,512</u>	<u>867,062</u>	<u>17,865,649</u>
Miscellaneous	<u>230,427</u>	<u>209,753</u>	<u>(20,674)</u>	<u>1,797,080</u>
Total Operating Revenues	<u>17,679,877</u>	<u>18,526,265</u>	<u>846,388</u>	<u>19,662,729</u>
Operating Expenses				
Salaries	3,497,349	3,161,546	335,803	2,988,688
Benefits	1,484,058	1,457,675	26,383	1,441,510
Contractual Services	1,893,603	1,411,942	481,661	1,934,102
Commodities	7,169,950	6,013,201	1,156,749	6,390,412
Capital Outlay	5,875,000	105,462	5,769,538	101,039
Depreciation	<u>-</u>	<u>2,086,203</u>	<u>(2,086,203)</u>	<u>1,964,356</u>
Total Operating Expenses	<u>19,919,960</u>	<u>14,236,029</u>	<u>5,683,931</u>	<u>14,820,107</u>
Operating Income (Loss)	<u>(2,240,083)</u>	<u>4,290,236</u>	<u>6,530,319</u>	<u>4,842,622</u>
Nonoperating Revenues and (Expenses)				
Intergovernmental	3,500	5,534	2,034	4,114
Loss on Disposal of Assets	<u>-</u>	<u>(23,555)</u>	<u>(23,555)</u>	<u>(58,205)</u>
Total Nonoperating Revenues and (Expenses)	<u>3,500</u>	<u>(18,021)</u>	<u>(21,521)</u>	<u>(54,091)</u>
Income (Loss) Before Transfers	<u>(2,236,583)</u>	<u>4,272,215</u>	<u>6,508,798</u>	<u>4,788,531</u>
Transfers				
Transfers In	5,000	5,000	-	5,000
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(500,000)</u>
Total Transfers	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(495,000)</u>
Change in Net Position	<u>\$ (2,231,583)</u>	<u>4,277,215</u>	<u>\$ 6,508,798</u>	<u>4,293,531</u>
Net Position at Beginning of Year		<u>49,046,943</u>		<u>44,753,412</u>
Net Position at End of Year		<u>\$ 53,324,158</u>		<u>\$ 49,046,943</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET (BUDGET BASIS) AND ACTUAL
PARKING SYSTEM FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021 Actual
	Original and Final Budget	Actual		
Operating Revenues				
Charges for Services				
Parking Lots, Garages, Permits, and Other	\$ 288,920	\$ 262,213	\$ (26,707)	\$ 238,957
Total Operating Revenues	<u>288,920</u>	<u>262,213</u>	<u>(26,707)</u>	<u>238,957</u>
Operating Expenses				
Contractual Services	340,000	273,007	66,993	199,231
Commodities	<u>105,850</u>	<u>97,952</u>	<u>7,898</u>	<u>78,766</u>
Total Operating Expenses	<u>445,850</u>	<u>370,959</u>	<u>74,891</u>	<u>277,997</u>
Operating Income (Loss)	<u>(156,930)</u>	<u>(108,746)</u>	<u>48,184</u>	<u>(39,040)</u>
Nonoperating Revenues and (Expenses)				
Interest	-	105,776	105,776	-
Total Nonoperating Revenues and (Expenses)	<u>-</u>	<u>105,776</u>	<u>105,776</u>	<u>-</u>
Income (Loss) Before Capital Contributions and Transfers - budgetary	<u>(156,930)</u>	<u>(2,970)</u>	<u>153,960</u>	<u>(39,040)</u>
Capital Contributions and Transfers				
Capital Contributions	-	14,230,574	14,230,574	-
Transfers Out	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>	<u>(10,000)</u>
Total Capital Contributions and Transfers	<u>(10,000)</u>	<u>14,220,574</u>	<u>14,230,574</u>	<u>(10,000)</u>
Adjustments to GAAP basis - depreciation	-	(654,225)	-	(653,621)
Change in Net Position	<u>\$ (166,930)</u>	13,563,379	<u>\$ 14,384,534</u>	(702,661)
Net Position at Beginning of Year		<u>7,581,809</u>		<u>8,284,470</u>
Net Position at End of Year		<u>\$ 21,145,188</u>		<u>\$ 7,581,809</u>

INTERNAL SERVICE FUNDS

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

- Risk Management Fund – to account for the servicing and payment of claims for liability and workmen's compensation. Financing is provided via self-imposed premiums and investment earnings.
- Health Benefits Fund – to account for the operations of the City's self-insured medical plan. Financing is provided via self-imposed premiums and investment earnings.

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 December 31, 2022

	<u>Risk Management</u>	<u>Health Benefits</u>	<u>Total Internal Service Funds</u>
ASSETS			
Current Assets			
Cash and Investments	\$ 1,900,915	\$ 643,245	\$ 2,544,160
Prepaid Items	1,471,933	3,058,480	4,530,413
Other Receivables	<u>3,311</u>	<u>731</u>	<u>4,042</u>
Total Current Assets	<u>3,376,159</u>	<u>3,702,456</u>	<u>7,078,615</u>
TOTAL ASSETS	<u>3,376,159</u>	<u>3,702,456</u>	<u>7,078,615</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	15,993	1,400	17,393
Unearned Revenue	<u>-</u>	<u>6,872</u>	<u>6,872</u>
Total Current Liabilities	<u>15,993</u>	<u>8,272</u>	<u>24,265</u>
TOTAL LIABILITIES	<u>15,993</u>	<u>8,272</u>	<u>24,265</u>
NET POSITION			
Unrestricted	<u>3,360,166</u>	<u>3,694,184</u>	<u>7,054,350</u>
TOTAL NET POSITION	<u>\$ 3,360,166</u>	<u>\$ 3,694,184</u>	<u>\$ 7,054,350</u>

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN NET POSITION
 INTERNAL SERVICE FUNDS
 Year-Ended December 31, 2022

	<u>Risk Management</u>	<u>Health Benefits</u>	<u>Total Internal Service Funds</u>
Operating Revenues			
Charges for Services	\$ 2,552,512	\$ 8,203,736	\$ 10,756,248
Miscellaneous	<u>213,288</u>	<u>-</u>	<u>213,288</u>
Total Operating Revenues	<u>2,765,800</u>	<u>8,203,736</u>	<u>10,969,536</u>
Operating Expenses			
Claims Expense	-	7,872,867	7,872,867
Insurance and Processing Fees	995,210	-	995,210
Miscellaneous	<u>236,247</u>	<u>16,956</u>	<u>253,203</u>
Total Operating Expenses	<u>1,231,457</u>	<u>7,889,823</u>	<u>9,121,280</u>
Change in Net Position	1,534,343	313,913	1,848,256
Net Position at Beginning of Year	<u>1,825,823</u>	<u>3,380,271</u>	<u>5,206,094</u>
Net Position at End of Year	<u>\$ 3,360,166</u>	<u>\$ 3,694,184</u>	<u>\$ 7,054,350</u>

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 Year-Ended December 31, 2022

	<u>Risk Management</u>	<u>Health Benefits</u>	<u>Total Internal Service Funds</u>
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 2,549,201	\$ 8,181,969	\$ 10,731,170
Receipts from Miscellaneous Revenues	213,288	-	213,288
Cash Payments to Suppliers for Goods and Services	<u>(2,101,883)</u>	<u>(8,029,439)</u>	<u>(10,131,322)</u>
Net Cash Provided/(Used) by Operating Activities	<u>660,606</u>	<u>152,530</u>	<u>813,136</u>
Net Increase (Decrease) in Cash & Investments	660,606	152,530	813,136
Cash & Investments, Beginning of Year	1,240,309	490,715	1,731,024
Cash & Investments, End of Year	<u>\$ 1,900,915</u>	<u>\$ 643,245</u>	<u>\$ 2,544,160</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities			
Operating Income/(Loss)	\$ 1,534,343	\$ 313,913	\$ 1,848,256
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities			
Decrease (Increase) in Prepaid Items	(811,687)	336,461	(475,226)
Decrease (Increase) in Other Receivables	(3,311)	(731)	(4,042)
(Decrease) Increase in Accounts Payable	(58,739)	262	(58,477)
(Decrease) Increase in Early Retirement Payable	-	(476,339)	(476,339)
(Decrease) Increase in Unearned Revenue	<u>-</u>	<u>(21,036)</u>	<u>(21,036)</u>
Total Adjustments	<u>(873,737)</u>	<u>(161,383)</u>	<u>(1,035,120)</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ 660,606</u>	<u>\$ 152,530</u>	<u>\$ 813,136</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
RISK MANAGEMENT FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021
	Original and Final Budget	Actual		Actual
Operating Revenues				
Charges for Services	\$ 2,579,917	\$ 2,552,512	\$ (27,405)	\$ 2,473,566
Miscellaneous	85,000	213,288	128,288	77,039
Total Operating Revenues	<u>2,664,917</u>	<u>2,765,800</u>	<u>100,883</u>	<u>2,550,605</u>
Operating Expenses				
Claims Expense				
Workers' Compensation Claims	25,000	-	25,000	-
Total Claims Expense	<u>25,000</u>	<u>-</u>	<u>25,000</u>	<u>-</u>
Insurance and Processing Fees				
Claims Administrative Fees	2,500	-	2,500	-
MICA Loss Fund	2,209,917	995,210	1,214,707	2,043,226
Total Insurance and Processing Fees	<u>2,212,417</u>	<u>995,210</u>	<u>1,217,207</u>	<u>2,043,226</u>
Miscellaneous				
Insurance Premiums	17,325	12,441	4,884	8,322
MICA Deductible	50,000	12,810	37,190	16,503
Self-insurance Losses	75,000	80,094	(5,094)	24,155
Miscellaneous Contractual Services	173,067	130,902	42,165	88,768
Total Miscellaneous	<u>315,392</u>	<u>236,247</u>	<u>79,145</u>	<u>137,748</u>
Total Operating Expenses	<u>2,552,809</u>	<u>1,231,457</u>	<u>1,321,352</u>	<u>2,180,974</u>
Change in Net Position	<u>\$ 112,108</u>	1,534,343	<u>\$ 1,422,235</u>	369,631
Net Position at Beginning of Year		1,825,823		1,456,192
Net Position at End of Year		<u>\$ 3,360,166</u>		<u>\$ 1,825,823</u>

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
HEALTH BENEFITS FUND
Year-Ended December 31, 2022
With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021
	Original and Final Budget	Actual		Actual
Operating Revenues				
Charges for Services	\$ 10,236,747	\$ 8,203,736	\$ (2,033,011)	\$ 7,872,931
Total Operating Revenues	<u>10,236,747</u>	<u>8,203,736</u>	<u>(2,033,011)</u>	<u>7,872,931</u>
Operating Expenses				
Claims Expense				
Claims Paid - City - PPO	7,266,382	5,697,176	1,569,206	5,167,968
Claims Paid - City - HMO	<u>1,649,554</u>	<u>1,437,663</u>	<u>211,891</u>	<u>1,503,097</u>
Total Claims Expense	<u>8,915,936</u>	<u>7,134,839</u>	<u>1,781,097</u>	<u>6,671,065</u>
Insurance and Processing Fees				
Dental Claims and Administration Fee	639,909	541,990	97,919	551,007
Vision Insurance Premium	43,407	39,064	4,343	40,144
Life Insurance Premium	<u>161,157</u>	<u>156,974</u>	<u>4,183</u>	<u>148,501</u>
Total Insurance and Processing Fees	<u>844,473</u>	<u>738,028</u>	<u>106,445</u>	<u>739,652</u>
Miscellaneous	<u>734,892</u>	<u>16,956</u>	<u>717,936</u>	<u>10,175</u>
Total Operating Expenses	<u>10,495,301</u>	<u>7,889,823</u>	<u>2,605,478</u>	<u>7,420,892</u>
Change in Net Position	<u>\$ (258,554)</u>	313,913	<u>\$ 572,467</u>	452,039
Net Position at Beginning of Year		<u>3,380,271</u>		<u>2,928,232</u>
Net Position at End of Year		<u>\$ 3,694,184</u>		<u>\$ 3,380,271</u>

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the City in a trustee capacity for individuals, governmental entities and non-public organizations.

Pension Trust

- Firefighters' and Police Pension Funds – Pension Trust Funds used to account for the accumulation of resources and administration costs to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 PENSION TRUST FUNDS
 December 31, 2022

	<u>Firefighters' Pension</u>	<u>Police Pension</u>	<u>Total Pension Trust Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 6,046,086	\$ 7,742,519	\$ 13,788,605
Investments			
Insurance Contracts	-	1,600	1,600
Pooled Investments	79,161,908	70,411,741	149,573,649
Receivables			
Taxes	1,633,498	1,694,167	3,327,665
Prepaid Items	9,358	11,766	21,124
TOTAL ASSETS	<u>\$ 86,850,850</u>	<u>\$ 79,861,793</u>	<u>\$ 166,712,643</u>
LIABILITIES AND NET POSITION			
Liabilities			
Accounts Payable	\$ 3,648	\$ 5,128	\$ 8,776
Total Liabilities	<u>3,648</u>	<u>5,128</u>	<u>8,776</u>
Net Position			
Restricted for Pensions	<u>86,847,202</u>	<u>79,856,665</u>	<u>166,703,867</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 86,850,850</u>	<u>\$ 79,861,793</u>	<u>\$ 166,712,643</u>

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 PENSION TRUST FUNDS
 Year-Ended December 31, 2022

	Firefighters' Pension	Police Pension	Total Pension Trust Funds
Additions			
Contributions			
Employer	\$ 8,220,773	\$ 8,530,681	\$ 16,751,454
Plan Members	890,597	1,002,705	1,893,302
Other	349	343	692
Total Contributions	<u>9,111,719</u>	<u>9,533,729</u>	<u>18,645,448</u>
Investment Income (Loss)	(13,773,175)	(12,914,954)	(26,688,129)
Less Investment Expense	(89,761)	(249,936)	(339,697)
Net Investment Income (Loss)	<u>(13,862,936)</u>	<u>(13,164,890)</u>	<u>(27,027,826)</u>
Total Additions	<u>(4,751,217)</u>	<u>(3,631,161)</u>	<u>(8,382,378)</u>
Deductions			
Administration	88,012	79,924	167,936
Benefits and Refunds	10,520,122	9,852,516	20,372,638
Total Deductions	<u>10,608,134</u>	<u>9,932,440</u>	<u>20,540,574</u>
Net Increase (Decrease) in Net Position	(15,359,351)	(13,563,601)	(28,922,952)
Plan Net Position at Beginning of Year	<u>102,206,553</u>	<u>93,420,266</u>	<u>195,626,819</u>
Plan Net Position at End of Year	<u>\$ 86,847,202</u>	<u>\$ 79,856,665</u>	<u>\$ 166,703,867</u>

COMPONENT UNIT

The Component Unit operates and maintains the public library within the governmental unit.

COMPONENT UNIT – LIBRARY

CITY OF DES PLAINES, ILLINOIS
 COMPONENT UNIT - LIBRARY
 STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 December 31, 2022

	General	Capital Projects	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets			
Cash	\$ 2,597,453	\$ 1,811,868	\$ 4,409,321
Property Tax Receivable	7,498,803	-	7,498,803
Other Receivable	23,247	-	23,247
Due from Other Funds	-	-	-
Prepaid Items	21,974	-	21,974
Capital Assets, Net	-	-	-
Net Pension Asset	-	-	-
Total Assets	<u>10,141,477</u>	<u>1,811,868</u>	<u>11,953,345</u>
Deferred Outflows of Resources			
Deferred Pension Outflows	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 10,141,477</u>	<u>\$ 1,811,868</u>	<u>\$ 11,953,345</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION			
Liabilities			
Accounts Payable	\$ 164,333	\$ -	\$ 164,333
Accrued Payroll	56,434	-	56,434
Unearned Revenue	23,866	-	23,866
Due to Other Funds	87,235	-	87,235
Noncurrent Liabilities			
Due within One Year	-	-	-
Due in More than One Year	-	-	-
Total Liabilities	<u>331,868</u>	<u>-</u>	<u>331,868</u>
Deferred Inflows of Resources			
Unavailable Property Tax Revenue	6,252,500	-	6,252,500
Deferred Pension Inflows	-	-	-
Total Deferred Inflows of Resources	<u>6,252,500</u>	<u>-</u>	<u>6,252,500</u>
Fund Balances/Net Position			
Nonspendable - Prepaid Items	21,974	-	21,974
Net Investment in Capital Assets	-	-	-
Restricted for Creative Space	249,660	-	249,660
Restricted for Culture and Recreation	3,285,475	1,811,868	5,097,343
Total Fund Balances/Net Position	<u>3,557,109</u>	<u>1,811,868</u>	<u>5,368,977</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION	<u>\$ 10,141,477</u>	<u>\$ 1,811,868</u>	<u>\$ 11,953,345</u>

The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position.

Some liabilities and deferred items are reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities and deferred items in governmental funds.

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.

Adjustments						
Internal Service Fund Compensated Absences	Internal Balances	Net Position	Net OPEB Obligation	Net Pension Asset/ Liability	Long-Term Assets	Statement of Net Position
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,409,321
-	-	-	-	-	-	7,498,803
-	-	-	-	-	-	23,247
87,235	(87,235)	-	-	-	-	-
-	-	-	-	-	-	21,974
-	-	-	-	-	2,527,194	2,527,194
-	-	-	-	-	-	-
<u>87,235</u>	<u>(87,235)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,527,194</u>	<u>14,480,539</u>
-	-	-	-	2,349,815	-	2,349,815
<u>\$ 87,235</u>	<u>\$ (87,235)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,349,815</u>	<u>\$ 2,527,194</u>	<u>\$ 16,830,354</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 164,333
-	-	-	-	-	-	56,434
-	-	-	-	-	-	23,866
-	(87,235)	-	-	-	-	-
87,235	-	-	-	-	-	87,235
-	-	-	474,625	1,432,359	-	1,906,984
<u>87,235</u>	<u>(87,235)</u>	<u>-</u>	<u>474,625</u>	<u>1,432,359</u>	<u>-</u>	<u>2,238,852</u>
-	-	-	-	-	-	6,252,500
-	-	-	-	145,812	-	145,812
-	-	-	-	145,812	-	6,398,312
-	-	(21,974)	-	-	-	-
-	-	-	-	-	2,527,194	2,527,194
-	-	-	-	-	-	249,660
-	-	21,974	(474,625)	771,644	-	5,416,336
-	-	-	(474,625)	771,644	2,527,194	8,193,190
<u>\$ 87,235</u>	<u>\$ (87,235)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,349,815</u>	<u>\$ 2,527,194</u>	<u>\$ 16,830,354</u>
<u>\$ 87,235</u>	<u>\$ (87,235)</u>					
			<u>\$ 474,625</u>	<u>\$ (771,644)</u>		
					<u>\$ 2,527,194</u>	

CITY OF DES PLAINES, ILLINOIS
 COMPONENT UNIT - LIBRARY
 STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES/NET POSITION
 Year-Ended December 31, 2022

	General	Capital Projects	Total
Revenues			
Property Taxes	\$ 6,176,877	\$ -	\$ 6,176,877
Intergovernmental	212,725	-	212,725
Charges for Services	4,318	-	4,318
Fines	27,957	-	27,957
Investment Income	29,335	26,391	55,726
Miscellaneous	469,337	-	469,337
Total Revenues	<u>6,920,549</u>	<u>26,391</u>	<u>6,946,940</u>
Expenditures			
Civic and Cultural	5,897,819	-	5,897,819
Capital Outlay	149,905	111,458	261,363
Total Expenditures	<u>6,047,724</u>	<u>111,458</u>	<u>6,159,182</u>
Net Change in Fund Balance/Net Position	872,825	(85,067)	787,758
Fund Balance/Net Position, Beginning of Year	<u>2,684,284</u>	<u>1,896,935</u>	<u>4,581,219</u>
Fund Balance/Net Position, End of Year	<u>\$ 3,557,109</u>	<u>\$ 1,811,868</u>	<u>\$ 5,368,977</u>

Governmental funds report capital outlays as expenditures. However, in the statement of net position the costs of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense in the statement of activities. Adjustment necessary to record depreciation, to reclassify capital asset additions to the statement of net position, and to reclassify capital outlay that did not have an initial cost of \$25,000 to civic and cultural expense function.

In the Statement of Activities, operating expenses are measured by the amounts incurred during the year. However, certain of these items are included in the governmental funds only to the extent that they require the expenditure of current financial resources.

Adjustments				
Long-Term Assets	Internal Balances	Net OPEB Obligation	Net Pension Asset/ Liability	Statement of Activities
\$ -	\$ -	\$ -	\$ -	\$ 6,176,877
-	-	-	-	212,725
-	-	-	-	4,318
-	-	-	-	27,957
-	-	-	-	55,726
-	-	-	-	469,337
-	-	-	-	6,946,940
160,532	-	69,422	(7,128)	6,120,645
(103,194)	-	-	-	158,169
57,338	-	69,422	(7,128)	6,278,814
(57,338)	-	(69,422)	7,128	668,126
2,584,532	-	(405,203)	764,516	7,525,064
<u>\$ 2,527,194</u>	<u>\$ -</u>	<u>\$ (474,625)</u>	<u>\$ 771,644</u>	<u>\$ 8,193,190</u>
<u>\$ (57,338)</u>				
		<u>\$ (69,422)</u>	<u>\$ 7,128</u>	

CITY OF DES PLAINES, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 LIBRARY - GENERAL FUND
 Year-Ended December 31, 2022
 With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021 Actual
	Original and Final Budget	Actual		
Revenues				
Property Taxes	\$ 6,100,000	\$ 6,176,877	\$ 76,877	\$ 6,084,741
Replacement Taxes	92,988	92,988	-	92,988
State Grants	85,000	119,737	34,737	82,176
Charges for Services	24,500	4,318	(20,182)	373
Fines	20,000	27,957	7,957	17,169
Investment Income	1,330	29,335	28,005	1,091
Miscellaneous	<u>266,000</u>	<u>469,337</u>	<u>203,337</u>	<u>44,739</u>
Total Revenues	<u>6,589,818</u>	<u>6,920,549</u>	<u>330,731</u>	<u>6,323,277</u>
Expenditures				
Civic and Cultural				
Salaries	3,269,230	3,026,755	242,475	2,862,111
Benefits	1,137,443	946,415	191,028	942,279
Contractual Services	1,174,264	1,062,127	112,137	1,052,521
Commodities	<u>1,024,580</u>	<u>862,522</u>	<u>162,058</u>	<u>862,009</u>
Total Civic and Cultural	<u>6,605,517</u>	<u>5,897,819</u>	<u>707,698</u>	<u>5,718,920</u>
Capital Outlay	<u>66,430</u>	<u>149,905</u>	<u>(83,475)</u>	<u>139,702</u>
Total Expenditures	<u>6,671,947</u>	<u>6,047,724</u>	<u>624,223</u>	<u>5,858,622</u>
Net Change in Fund Balance	<u>\$ (82,129)</u>	872,825	<u>\$ 954,954</u>	464,655
Fund Balance at Beginning of Year		<u>2,684,284</u>		<u>2,219,629</u>
Fund Balance at End of Year		<u>\$ 3,557,109</u>		<u>\$ 2,684,284</u>

CITY OF DES PLAINES, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 LIBRARY - CAPITAL PROJECTS FUND
 Year-Ended December 31, 2022
 With Comparative Actual Amounts for the Year-Ended December 31, 2021

	2022		Variance from Final Budget Positive (Negative)	2021
	Original and Final Budget	Actual		Actual
Revenues				
Investment Income	\$ 2,000	\$ 26,391	\$ 24,391	\$ 785
Total Revenues	<u>2,000</u>	<u>26,391</u>	<u>24,391</u>	<u>785</u>
Expenditures				
Capital Outlay	750,940	111,458	639,482	207,277
Contractual Services	-	-	-	323
Total Expenditures	<u>750,940</u>	<u>111,458</u>	<u>639,482</u>	<u>207,600</u>
Net Change in Fund Balance	<u>\$ (748,940)</u>	<u>(85,067)</u>	<u>\$ 663,873</u>	<u>(206,815)</u>
Fund Balance at Beginning of Year		<u>1,896,935</u>		<u>2,103,750</u>
Fund Balance at End of Year		<u>\$ 1,811,868</u>		<u>\$ 1,896,935</u>

OTHER SUPPLEMENTARY SCHEDULES

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2009A (TIF #6, CAPITAL APPRECIATION)
December 31, 2022

Date of issue	November 3, 2009
Date of maturity	December 1, 2023
Authorized issue	\$ 5,430,000
Denomination of bonds	\$ 5,000
Interest rates	3.00% to 5.80%
Interest dates	December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Capital Appreciation Bonds				Total Principal <u>Requirement</u>
	<u>Original Amount</u>	<u>Accretion to Date</u>	<u>Current Payable</u>	<u>Future Accretion</u>	
2023	\$ 333,112	\$ 370,488	\$ 703,600	\$ 41,400	\$ 745,000
	<u>\$ 333,112</u>	<u>\$ 370,488</u>	<u>\$ 703,600</u>	<u>\$ 41,400</u>	<u>\$ 745,000</u>

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2018 (TIF #3 PORTION)
December 31, 2022

Date of issue	March 5, 2018
Date of maturity	December 1, 2028
Authorized issue	\$ 12,410,000
Denomination of bonds	\$ 5,000
Interest rates	3.00%
Interest dates	June 1 and December 1
Principal maturity date	December 1
Payable at	Amalgamated Bank of Chicago

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Requirements			Interest Due			
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>June 1</u>	<u>Amount</u>	<u>December 1</u>	<u>Amount</u>
2023	\$ 1,845,000	\$ 260,550	\$ 2,105,550	2023	\$ 130,275	2023	\$ 130,275
2024	1,905,000	205,200	2,110,200	2024	102,600	2024	102,600
2025	1,960,000	148,050	2,108,050	2025	74,025	2025	74,025
2026	2,160,000	89,250	2,249,250	2026	44,625	2026	44,625
2027	400,000	24,450	424,450	2027	12,225	2027	12,225
2028	415,000	12,450	427,450	2028	6,225	2028	6,225
	<u>\$ 8,685,000</u>	<u>\$ 739,950</u>	<u>\$ 9,424,950</u>		<u>\$ 369,975</u>		<u>\$ 369,975</u>

CITY OF DES PLAINES, ILLINOIS
STATISTICAL SECTION
(Unaudited)
December 31, 2022

This part of the City of Des Plaines' 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 City's overall financial health.

Contents

Financial Trends

These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Changes in Net Position – Last Ten Calendar Years
Net Position by Component – Last Ten Calendar Years
Fund Balances, Governmental Funds – Last Ten Calendar Years
Change in Fund Balances, Governmental Funds – Last Ten Calendar Years

Revenue Capacity

These tables contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Assessed Value and Actual Value of Taxable Property – Last Ten Levy Years
Trend of Equalized Assessed Valuations – Last Ten Levy Years
Maine Township Typical Tax Rates Per \$100 of Equalized Assessed Valuation – Last Ten Calendar Years
Maine Township Allocation of the 2021 Property Tax Levy Collected in 2022
Elk Grove Township Typical Tax Rates Per \$100 of Equalized Assessed Valuation – Last Ten Calendar Years
Elk Grove Township Allocation of the 2021 Property Tax Levy Collected in 2022
Property Tax Rates and Extensions – Last Ten Calendar Years
Principal Property Tax Payers – Current Calendar Year and Nine Years Ago
Property Tax Levies and Collections – Last Ten Calendar Years
Property Value and Construction – Last Ten Calendar Years
Taxable Sales by Category – Last Ten Calendar Years

Debt Capacity

These tables present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Ratio of Outstanding Debt by Type – Last Ten Calendar Years
Ratio Net General Obligation Bonded Debt to Assessed Value and Net General Obligation Bonded Debt Per Capita – Last Ten Calendar Years
Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Governmental Expenditures – Last Ten Calendar Years
Schedule for Direct and Overlapping Debt

(Continued)

CITY OF DES PLAINES, ILLINOIS
STATISTICAL SECTION
(Unaudited)
December 31, 2022

Demographic and Economic Information

These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time and with other governments.

Demographic Statistics – Last Ten Calendar Years
Principal Employers – Current Year and Nine Years Ago

Operating Information

These tables contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Full-Time Equivalent City Government Employees by Function – Last Ten Calendar Years
Operating Indicators by Function/Programs – Last Ten Calendar Years
Capital Assets Statistics by Function – Last Ten Calendar Years
Water Sold – Last Ten Calendar Years
Miscellaneous Statistics

CITY OF DES PLAINES

CHANGES IN NET POSITION Last Ten Calendar Years (accrual basis of accounting) December 31, 2022

	2013	2014	2015	2016	2017
Expenses					
Governmental activities					
General government	\$ 26,119,801	\$ 25,998,813	\$ 26,508,887	\$ 27,240,159	\$ 27,415,182
Public safety	38,792,971	38,962,218	47,386,563	49,009,727	49,963,574
Public works	8,448,448	7,632,615	9,687,304	8,176,306	9,022,143
Streets and highways	11,450,291	13,643,574	15,713,911	11,961,177	21,798,069
Economic development	1,906,584	2,346,862	1,980,456	3,650,262	2,808,022
Interest	2,709,144	1,679,828	1,459,709	1,411,210	1,300,991
Total governmental activities expenses	<u>89,427,239</u>	<u>90,263,910</u>	<u>102,736,830</u>	<u>101,448,841</u>	<u>112,307,981</u>
Business-type activities					
Water	15,412,364	16,528,659	17,830,764	15,145,099	13,890,269
Parking system	808,793	833,974	834,894	835,342	854,840
Emergency communications	2,247,933	4,057,033	234,127	-	-
Total business-type activities	<u>18,469,090</u>	<u>21,419,666</u>	<u>18,899,785</u>	<u>15,980,441</u>	<u>14,745,109</u>
Total primary government expenses	<u>\$ 107,896,329</u>	<u>\$ 111,683,576</u>	<u>\$ 121,636,615</u>	<u>\$ 117,429,282</u>	<u>\$ 127,053,090</u>
Component unit - public library	<u>\$ 6,073,379</u>	<u>\$ 6,362,235</u>	<u>\$ 7,053,356</u>	<u>\$ 6,624,251</u>	<u>\$ 6,292,523</u>
Program Revenues					
Governmental activities					
Charges for services					
General government	\$ 5,774,206	\$ 5,828,028	\$ 5,343,730	\$ 5,359,454	\$ 5,839,543
Public safety	3,259,941	3,003,477	3,889,312	4,150,297	3,951,813
Public works	4,092,464	3,225,062	2,927,288	3,094,047	3,044,288
Streets and highways	2,288,299	2,221,419	1,317,109	1,335,654	1,250,252
Economic Development	-	-	-	-	-
Operating grants and contributions	2,996,521	2,307,571	2,759,817	2,352,503	2,319,131
Capital grants and contributions	576,573	4,109,373	11,967,751	2,312,985	12,776,042
Total governmental activities program Revenues	<u>18,988,004</u>	<u>20,694,930</u>	<u>28,205,007</u>	<u>18,604,940</u>	<u>29,181,069</u>
Business-type activities					
Charges for services					
Water	13,810,387	14,550,984	14,454,347	14,817,561	13,924,481
Parking system	336,051	365,811	333,908	345,158	351,522
Emergency communications	2,089,579	3,136,798	-	-	-
Operating grants and contributions	8,237	5,804	3,471	3,633	6,901
Capital grants and contributions	-	-	-	-	-
Total business-type activities program Revenues	<u>16,244,254</u>	<u>18,059,397</u>	<u>14,791,726</u>	<u>15,166,352</u>	<u>14,282,904</u>
Total primary government program	<u>\$ 35,232,258</u>	<u>\$ 38,754,327</u>	<u>\$ 42,996,733</u>	<u>\$ 33,771,292</u>	<u>\$ 43,463,973</u>
Component unit - public library					
Charges for services	\$ 164,584	\$ 151,688	\$ 157,902	\$ 115,486	\$ 108,980
Operating grants	63,977	72,955	72,955	44,990	45,716
Total component unit - public library Revenues	<u>\$ 228,561</u>	<u>\$ 224,643</u>	<u>\$ 230,857</u>	<u>\$ 160,476</u>	<u>\$ 154,696</u>
Net (expense)/revenue					
Governmental activities	\$ (70,439,235)	\$ (69,568,980)	\$ (74,531,823)	\$ (82,843,901)	\$ (83,126,912)
Business-type activities	<u>(2,224,836)</u>	<u>(3,360,269)</u>	<u>(4,108,059)</u>	<u>(814,089)</u>	<u>(462,205)</u>
Total primary government net expense	<u>\$ (72,664,071)</u>	<u>\$ (72,929,249)</u>	<u>\$ (78,639,882)</u>	<u>\$ (83,657,990)</u>	<u>\$ (83,589,117)</u>
Component unit - public library net Expense	<u>\$ (5,844,818)</u>	<u>\$ (6,137,592)</u>	<u>\$ (6,822,499)</u>	<u>\$ (6,463,775)</u>	<u>\$ (6,137,827)</u>

	2018	2019	2020	2021	2022
\$	26,796,798	\$ 28,327,286	\$ 22,643,447	\$ 27,319,744	\$ 33,400,641
	81,695,891	26,774,186	55,550,270	46,365,424	58,197,033
	9,497,058	10,313,635	8,899,928	6,217,512	7,654,523
	14,704,099	13,174,021	11,549,183	13,366,970	12,849,537
	5,345,138	5,016,519	5,369,720	2,760,028	1,753,998
	<u>1,304,502</u>	<u>690,046</u>	<u>597,850</u>	<u>493,259</u>	<u>385,263</u>
	<u>139,343,486</u>	<u>84,295,693</u>	<u>104,610,398</u>	<u>96,522,937</u>	<u>114,240,995</u>
	13,677,543	14,517,017	13,403,286	13,254,080	14,097,709
	908,148	897,441	785,526	931,256	1,024,232
	-	-	-	-	-
	<u>14,585,691</u>	<u>15,414,458</u>	<u>14,188,812</u>	<u>14,185,336</u>	<u>15,121,941</u>
\$	<u>153,929,177</u>	<u>\$ 99,710,151</u>	<u>\$ 118,799,210</u>	<u>\$ 110,708,273</u>	<u>\$ 129,362,936</u>
\$	<u>6,318,952</u>	<u>\$ 6,357,548</u>	<u>\$ 5,273,249</u>	<u>\$ 4,650,063</u>	<u>\$ 6,382,008</u>
\$	5,406,195	\$ 5,751,285	\$ 4,650,267	\$ 4,266,480	\$ 4,128,689
	3,297,604	3,227,799	3,393,416	4,886,819	5,571,917
	3,171,589	3,238,402	3,305,870	551,489	-
	1,314,298	1,241,013	2,731	-	-
	-	-	408,817	196,157	509,666
	3,162,267	4,963,883	4,395,873	3,340,557	3,904,920
	<u>7,075,824</u>	<u>11,310,234</u>	<u>342,832</u>	<u>4,520,797</u>	<u>13,784,449</u>
	<u>23,427,777</u>	<u>29,732,616</u>	<u>16,499,806</u>	<u>17,762,299</u>	<u>27,899,641</u>
	14,881,022	15,270,671	17,390,497	18,084,377	18,526,224
	334,777	374,889	248,331	238,957	367,989
	-	-	-	-	-
	8,870	9,290	5,476	4,114	5,534
	-	-	-	-	-
	<u>15,224,669</u>	<u>15,654,850</u>	<u>17,644,304</u>	<u>18,327,448</u>	<u>18,899,747</u>
\$	<u>38,652,446</u>	<u>\$ 45,387,466</u>	<u>\$ 34,144,110</u>	<u>\$ 36,089,747</u>	<u>\$ 46,799,388</u>
\$	80,937	\$ 81,783	\$ 24,771	\$ 17,542	\$ 32,275
	<u>74,455</u>	<u>75,955</u>	<u>80,455</u>	<u>82,176</u>	<u>119,737</u>
\$	<u>155,392</u>	<u>\$ 157,738</u>	<u>\$ 105,226</u>	<u>\$ 99,718</u>	<u>\$ 152,012</u>
\$	(115,915,709)	\$ (54,563,077)	\$ (88,110,592)	\$ (78,760,638)	\$ (86,341,354)
	<u>638,978</u>	<u>240,392</u>	<u>3,455,492</u>	<u>4,142,112</u>	<u>3,777,806</u>
\$	<u>(115,276,731)</u>	<u>\$ (54,322,685)</u>	<u>\$ (84,655,100)</u>	<u>\$ (74,618,526)</u>	<u>\$ (82,563,548)</u>
\$	<u>(6,163,560)</u>	<u>\$ (6,199,810)</u>	<u>\$ (5,168,023)</u>	<u>\$ (4,550,345)</u>	<u>\$ (6,229,996)</u>

CITY OF DES PLAINES

CHANGES IN NET POSITION
Last Ten Calendar Years
(accrual basis of accounting)
December 31, 2022

	2013	2014	2015	2016	2017
General Revenues and Other Changes in Net Position					
Governmental activities					
Taxes					
Property	\$ 28,575,125	\$ 28,442,253	\$ 28,607,185	\$ 29,254,397	\$ 29,611,170
Home rule sales	5,640,304	5,934,305	5,711,272	6,104,292	6,412,186
Utility	3,264,076	3,358,459	3,033,933	3,069,270	3,006,537
Food and beverage	1,177,511	1,190,477	1,228,581	1,268,923	1,330,150
Hotel/motel	1,752,342	1,988,301	2,145,985	2,069,830	1,908,782
Real estate transfer	436,309	610,997	597,813	842,326	883,175
Local option motor fuel	1,707,152	1,624,707	1,540,285	1,754,240	1,768,066
Gaming	24,662,123	24,792,544	24,654,889	24,685,996	24,762,107
Other	4,277,423	3,923,909	4,081,651	3,988,052	3,679,988
Unrestricted intergovernmental					
Sales	13,486,496	12,354,237	12,042,780	12,805,450	13,572,289
Income	5,643,512	5,667,460	6,232,000	5,556,999	5,363,901
Replacement	1,341,936	1,303,645	1,245,069	1,285,820	1,258,212
Investment income	89,626	73,812	189,691	365,137	627,226
Miscellaneous	899,031	862,423	982,019	688,554	2,431,632
Gain (loss) on sale of capital assets	-	-	-	-	-
Transfers	<u>(49,992)</u>	<u>(284,242)</u>	<u>(6,692,243)</u>	<u>(5,801,963)</u>	<u>15,758</u>
Total governmental activities	<u>92,902,974</u>	<u>91,843,287</u>	<u>85,600,910</u>	<u>87,937,323</u>	<u>96,631,179</u>
Business-type activities					
Investment income	1,776	1,392	1,340	3,056	-
Miscellaneous	5,388	716,306	8,824	5,762	9,111
Transfers	<u>49,992</u>	<u>284,242</u>	<u>6,692,243</u>	<u>5,801,963</u>	<u>(15,758)</u>
Total business-type activities	<u>57,156</u>	<u>1,001,940</u>	<u>6,702,407</u>	<u>5,810,781</u>	<u>(6,647)</u>
Total primary government	<u>\$ 92,960,130</u>	<u>\$ 92,845,227</u>	<u>\$ 92,303,317</u>	<u>\$ 93,748,104</u>	<u>\$ 96,624,532</u>
Component unit - public library					
Taxes					
Property	\$ 6,289,369	\$ 6,144,530	\$ 6,072,634	\$ 6,065,699	\$ 6,003,992
Unrestricted intergovernmental					
Replacement	92,988	92,988	92,988	92,988	92,988
Investment income	1,945	1,104	2,554	14,614	36,881
Other general revenues	23,173	44,221	13,918	61,144	55,006
Total component unit - public library	<u>\$ 6,407,475</u>	<u>\$ 6,282,843</u>	<u>\$ 6,182,094</u>	<u>\$ 6,234,445</u>	<u>\$ 6,188,867</u>
Changes in Net Position					
Governmental activities	\$ 22,463,739	\$ 22,274,307	\$ 11,069,087	\$ 5,093,422	\$ 13,504,267
Business-type activities	<u>(2,167,680)</u>	<u>(2,358,329)</u>	<u>2,594,348</u>	<u>4,996,692</u>	<u>(468,852)</u>
Total primary government	<u>\$ 20,296,059</u>	<u>\$ 19,915,978</u>	<u>\$ 13,663,435</u>	<u>\$ 10,090,114</u>	<u>\$ 13,035,415</u>
Total component unit - public library	<u>\$ 562,657</u>	<u>\$ 145,251</u>	<u>\$ (640,405)</u>	<u>\$ (229,330)</u>	<u>\$ 51,040</u>

	2018	2019	2020	2021	2022
\$	29,099,377	\$ 31,124,250	\$ 34,042,738	\$ 36,322,212	\$ 29,417,542
	6,804,742	6,694,443	5,768,006	7,775,366	8,776,940
	3,121,450	3,597,332	2,877,443	3,040,783	3,397,284
	1,346,268	1,415,745	1,002,905	1,382,127	1,669,947
	1,995,330	1,917,755	763,390	1,383,960	2,449,940
	808,982	761,871	705,412	1,470,369	1,051,129
	1,782,386	1,567,933	2,012,304	2,238,131	2,275,209
	25,065,880	25,466,799	12,833,854	25,224,001	29,223,842
	3,467,035	3,204,837	3,411,748	2,927,229	2,827,077
	15,779,169	15,227,378	14,291,701	16,293,007	17,353,574
	5,570,605	6,229,784	6,531,025	8,311,489	9,825,188
	1,213,702	1,587,468	1,533,316	2,662,588	5,203,063
	1,335,078	1,937,137	789,086	52,240	529,740
	2,586,220	2,220,951	721,177	1,801,770	1,077,832
	-	-	-	-	-
	<u>(7,634,242)</u>	<u>(5,859,242)</u>	<u>(303,440)</u>	<u>505,000</u>	<u>(14,225,574)</u>
	<u>92,341,982</u>	<u>97,094,441</u>	<u>86,980,665</u>	<u>111,390,272</u>	<u>100,852,733</u>
	-	-	-	-	-
	9,012	7,411	24,835	19,746	41
	<u>7,634,242</u>	<u>5,859,242</u>	<u>303,440</u>	<u>(505,000)</u>	<u>14,225,574</u>
	<u>7,643,254</u>	<u>5,866,653</u>	<u>328,275</u>	<u>(485,254)</u>	<u>14,225,615</u>
\$	<u>99,985,236</u>	<u>\$ 102,961,094</u>	<u>\$ 87,308,940</u>	<u>\$ 110,905,018</u>	<u>\$ 115,078,348</u>
\$	5,993,622	\$ 6,069,879	\$ 5,997,162	\$ 6,084,741	\$ 6,176,877
	92,988	92,988	92,988	92,988	92,988
	80,048	99,699	26,022	1,876	55,726
	68,581	116,957	56,496	44,739	469,337
\$	<u>6,235,239</u>	<u>\$ 6,379,523</u>	<u>\$ 6,172,668</u>	<u>\$ 6,224,344</u>	<u>\$ 6,794,928</u>
\$	(23,573,727)	\$ 42,531,364	\$ (1,129,927)	\$ 32,629,634	\$ 14,511,379
	<u>8,282,232</u>	<u>6,107,045</u>	<u>3,783,767</u>	<u>3,656,858</u>	<u>18,003,421</u>
\$	<u>(15,291,495)</u>	<u>\$ 48,638,409</u>	<u>\$ 2,653,840</u>	<u>\$ 36,286,492</u>	<u>\$ 32,514,800</u>
\$	<u>71,679</u>	<u>\$ 179,713</u>	<u>\$ 1,004,645</u>	<u>\$ 1,673,999</u>	<u>\$ 564,932</u>

CITY OF DES PLAINES

NET POSITION BY COMPONENT
Last Ten Calendar Years
(accrual basis of accounting)
December 31, 2022

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Net Investment in Capital Assets	\$ 141,973,412	\$ 156,111,648	\$ 167,177,408	\$ 182,246,337	\$ 196,250,010	\$ 205,869,137	\$ 227,330,641	\$ 240,675,606	\$ 247,582,879	\$ 240,095,840
Restricted	14,869,706	7,201,606	7,229,324	8,933,922	9,570,315	10,381,412	8,863,085	7,292,608	8,558,590	9,179,708
Unrestricted	51,054,710	66,858,881	(60,572,629)	(72,252,734)	(73,388,533)	(117,857,867)	(95,269,680)	(107,507,899)	(83,051,520)	(61,674,220)
Total Governmental Activities Net Position	\$ 207,897,828	\$ 230,172,135	\$ 113,834,103	\$ 118,927,525	\$ 132,431,792	\$ 98,392,682	\$ 140,924,046	\$ 140,460,315	\$ 173,089,949	\$ 187,601,328
Business-type Activities										
Net Investment in Capital Assets	\$ 29,853,240	\$ 29,636,936	\$ 33,676,322	\$ 40,123,012	\$ 40,412,151	\$ 44,262,265	\$ 47,655,343	\$ 46,763,483	\$ 48,560,097	\$ 63,520,256
Unrestricted	2,456,225	314,200	(2,098,497)	(3,548,495)	(4,306,486)	(829,398)	1,884,569	6,560,196	8,420,440	11,463,702
Total Business-type Activities Net Position	\$ 32,309,465	\$ 29,951,136	\$ 31,577,825	\$ 36,574,517	\$ 36,105,665	\$ 43,432,867	\$ 49,539,912	\$ 53,323,679	\$ 56,980,537	\$ 74,983,958
Primary Government										
Net Investment in Capital Assets	\$ 171,826,652	\$ 185,748,584	\$ 200,853,730	\$ 222,369,349	\$ 236,662,161	\$ 250,131,402	\$ 274,985,984	\$ 287,439,089	\$ 296,142,976	\$ 303,616,096
Restricted	14,869,706	7,201,606	7,229,324	8,933,922	9,570,315	10,381,412	8,863,085	7,292,608	8,558,590	9,179,708
Unrestricted	53,510,935	67,173,081	(62,671,126)	(75,801,229)	(77,695,019)	(118,687,265)	(93,385,111)	(100,947,703)	(74,631,080)	(50,210,518)
Total Primary Government Net Position	\$ 240,207,293	\$ 260,123,271	\$ 145,411,928	\$ 155,502,042	\$ 168,537,457	\$ 141,825,549	\$ 190,463,958	\$ 193,783,994	\$ 230,070,486	\$ 262,585,286
Component Unit - Public Library										
Net Investment in Capital Assets	\$ 862,543	\$ 821,084	\$ 1,260,468	\$ 2,901,897	\$ 2,786,046	\$ 2,643,647	\$ 2,579,808	\$ 2,560,784	\$ 2,584,532	\$ 2,424,000
Restricted	5,255,505	5,442,215	3,897,801	2,027,042	2,193,933	2,023,060	2,266,612	3,290,281	4,940,532	5,665,996
Total Component Unit Net Position	\$ 6,118,048	\$ 6,263,299	\$ 5,158,269	\$ 4,928,939	\$ 4,979,979	\$ 4,666,707	\$ 4,846,420	\$ 5,851,065	\$ 7,525,064	\$ 8,089,996

CITY OF DES PLAINES

FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Calendar Years
(modified accrual basis of accounting)
December 31, 2022

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Nonspendable	\$ 9,900,296	\$ 13,885,051	\$ 15,702,116	\$ 20,451,434	\$ 24,834,213	\$ 18,279,838	\$ 20,139,602	\$ 28,857,447	\$ 25,755,549	\$ 24,526,173
Assigned	13,633,108	9,150,000	6,455,851	7,549,251	6,250,829	11,370,310	7,517,500	2,000,000	9,300,000	18,200,000
Unassigned	<u>20,107,209</u>	<u>19,047,354</u>	<u>21,989,485</u>	<u>21,833,793</u>	<u>22,135,880</u>	<u>26,643,211</u>	<u>31,828,170</u>	<u>30,409,850</u>	<u>34,149,343</u>	<u>37,451,453</u>
Total general fund	<u>43,640,613</u>	<u>42,082,405</u>	<u>44,147,452</u>	<u>49,834,478</u>	<u>53,220,922</u>	<u>56,293,359</u>	<u>59,485,272</u>	<u>61,267,297</u>	<u>69,204,892</u>	<u>80,177,626</u>
All Other Governmental Funds										
Nonspendable	-	-	-	-	-	-	-	-	-	43,501
Restricted	29,327,541	28,716,570	27,582,864	29,389,921	30,976,615	30,995,961	31,100,356	26,006,560	28,763,594	37,310,632
Assigned	7,458,773	9,143,577	11,670,656	10,629,560	12,549,719	14,057,505	14,449,833	22,156,735	26,289,154	30,767,329
Unassigned	<u>(9,898,603)</u>	<u>(11,311,814)</u>	<u>(13,551,392)</u>	<u>(16,617,185)</u>	<u>(20,781,703)</u>	<u>(24,745,594)</u>	<u>(19,990,071)</u>	<u>(31,709,652)</u>	<u>(29,647,072)</u>	<u>(24,824,827)</u>
Total all other governmental funds	<u>26,887,711</u>	<u>26,548,333</u>	<u>25,702,128</u>	<u>23,402,296</u>	<u>22,744,631</u>	<u>20,307,872</u>	<u>25,560,118</u>	<u>16,453,643</u>	<u>25,405,676</u>	<u>43,296,635</u>
Total Fund Balances	<u>\$ 70,528,324</u>	<u>\$ 68,630,738</u>	<u>\$ 69,849,580</u>	<u>\$ 73,236,774</u>	<u>\$ 75,965,553</u>	<u>\$ 76,601,231</u>	<u>\$ 85,045,390</u>	<u>\$ 77,720,940</u>	<u>\$ 94,610,568</u>	<u>\$ 123,474,261</u>

CITY OF DES PLAINES

CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Calendar Years
(modified accrual basis of accounting)
December 31, 2022

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	\$ 71,304,087	\$ 71,718,684	\$ 71,308,608	\$ 72,841,989	\$ 73,149,164	\$ 73,391,392	\$ 75,582,470	\$ 62,667,324	\$ 81,470,914	\$ 80,923,497
Licenses and permits	2,924,191	3,331,833	2,921,119	3,147,534	3,556,348	3,708,677	3,822,654	2,036,569	2,030,245	1,804,859
Intergovernmental	23,322,717	24,709,609	30,460,684	27,605,915	32,852,498	31,852,420	45,845,514	27,868,237	34,182,669	51,115,637
Charges for services	8,534,072	7,286,945	7,112,363	7,353,189	7,049,701	6,674,391	6,878,010	6,167,021	4,983,272	5,401,993
Fines and forfeits	1,438,877	1,339,069	1,399,110	1,429,415	1,338,860	1,260,540	1,118,343	740,990	655,827	493,438
Developer Fees	-	-	-	-	-	-	-	408,817	196,157	509,666
Investment income	-	-	-	302,128	572,919	1,288,922	1,937,137	789,086	52,240	529,740
Contributions	89,592	73,796	189,649	-	-	-	-	-	-	-
Lease Revenue	-	-	-	-	-	-	-	-	-	264,357
Miscellaneous	630,969	521,110	608,783	387,335	677,046	2,552,341	829,827	783,883	1,905,180	689,444
Total revenues	<u>108,244,505</u>	<u>108,981,046</u>	<u>114,000,316</u>	<u>113,067,505</u>	<u>119,196,536</u>	<u>120,728,683</u>	<u>136,013,955</u>	<u>101,461,927</u>	<u>125,476,504</u>	<u>141,732,631</u>
Expenditures										
General government	23,406,276	23,731,696	23,872,798	24,608,571	24,885,651	25,158,103	26,569,349	19,488,441	28,833,599	31,156,699
Public safety	38,330,364	38,839,128	42,089,956	42,554,371	44,022,632	44,481,393	45,251,535	45,728,933	47,746,406	50,822,568
Public works	7,012,067	6,205,746	8,478,634	7,657,446	8,577,607	9,149,459	8,822,110	7,588,861	5,581,496	6,001,832
Streets and highways	6,363,552	6,973,465	14,377,215	4,780,492	5,439,242	5,537,005	5,480,966	4,570,351	5,438,794	5,579,936
Economic development	1,855,126	2,238,851	3,353,616	2,349,895	1,857,238	2,252,812	3,555,924	16,274,171	2,392,674	1,002,047
Capital outlay	12,433,717	15,218,577	9,002,696	17,195,681	26,199,915	20,328,299	28,719,653	11,147,075	15,714,879	14,988,183
Pension cost	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Principal retirement	9,793,365	8,151,298	4,459,385	3,982,633	6,611,053	4,959,652	4,045,940	4,317,427	3,075,000	3,125,000
Interest and fiscal charges	2,036,609	1,325,139	867,944	749,259	649,961	699,551	585,011	486,530	381,637	304,506
Total expenditures	<u>101,231,076</u>	<u>102,683,900</u>	<u>106,502,244</u>	<u>103,878,348</u>	<u>118,243,299</u>	<u>112,566,274</u>	<u>123,030,488</u>	<u>109,601,789</u>	<u>109,164,485</u>	<u>112,980,771</u>
Excess (deficiency) of revenues over expenditures	<u>7,013,429</u>	<u>6,297,146</u>	<u>7,498,072</u>	<u>9,189,157</u>	<u>953,237</u>	<u>8,162,409</u>	<u>12,983,467</u>	<u>(8,139,862)</u>	<u>16,312,019</u>	<u>28,751,860</u>
Other financing sources (uses)										
Proceeds from issuance of debt	7,945,000	7,620,000	-	-	-	12,410,000	-	-	-	-
Premium on bond issuance	-	160,309	-	-	-	297,149	-	-	-	-
Discount on bond issuance	215,045	-	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	1,759,784	-	1,319,934	133,458	72,609	106,833
Payments to escrow agent	-	(15,723,599)	-	-	-	(12,599,628)	-	-	-	-
Transfers in	10,035,399	11,070,507	8,499,420	6,499,811	12,091,093	10,950,607	11,663,240	10,466,261	10,366,665	6,191,105
Transfers (out)	(10,177,593)	(11,321,949)	(14,778,650)	(12,301,774)	(12,075,335)	(18,584,849)	(17,522,482)	(10,450,503)	(9,861,665)	(6,186,105)
Total other financing sources (uses)	<u>8,017,851</u>	<u>(8,194,732)</u>	<u>(6,279,230)</u>	<u>(5,801,963)</u>	<u>1,775,542</u>	<u>(7,526,721)</u>	<u>(4,539,308)</u>	<u>149,216</u>	<u>577,609</u>	<u>111,833</u>
Net Changes in Fund Balance	<u>\$ 15,031,280</u>	<u>\$ (1,897,586)</u>	<u>\$ 1,218,842</u>	<u>\$ 3,387,194</u>	<u>\$ 2,728,779</u>	<u>\$ 635,688</u>	<u>\$ 8,444,159</u>	<u>\$ (7,990,646)</u>	<u>\$ 16,889,628</u>	<u>\$ 28,863,693</u>
Debt service as a percentage of noncapital expenditures	13.2%	10.6%	5.8%	5.4%	7.8%	6.0%	4.9%	5.5%	3.7%	3.5%

CITY OF DES PLAINES

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY Last Ten Levy Years December 31, 2022

Levy Year	Real Estate Property	Air Pollution Control District	Railroad Property	Total Equalized Assessed Value	Total Direct Rate	Estimated Actual Value
2012	\$ 2,037,389,908	\$ 797	\$ 2,548,662	\$ 2,039,939,367	1.166	\$ 6,119,818,101
2013	1,694,234,225	799	3,052,320	1,697,287,344	1.401	5,091,862,032
2014	1,714,411,339	799	3,244,878	1,717,657,016	1.385	5,152,971,048
2015	1,660,821,222	761	3,898,188	1,664,720,171	1.429	4,994,160,513
2016	1,911,003,028	721	4,026,136	1,915,029,885	1.242	5,745,089,655
2017	1,951,955,171	766	3,960,310	1,955,916,247	1.216	5,867,748,741
2018	1,927,585,357	766	4,241,510	1,931,827,633	1.306	5,795,482,899
2019	2,247,921,425	745	4,574,740	2,252,496,910	1.120	6,757,490,730
2020	2,288,048,011	745	4,732,953	2,292,781,709	1.101	6,878,345,127
2021	2,186,523,013	-	4,732,953	2,191,255,966	1.152	6,573,767,898

Source: Cook County Clerk's Office

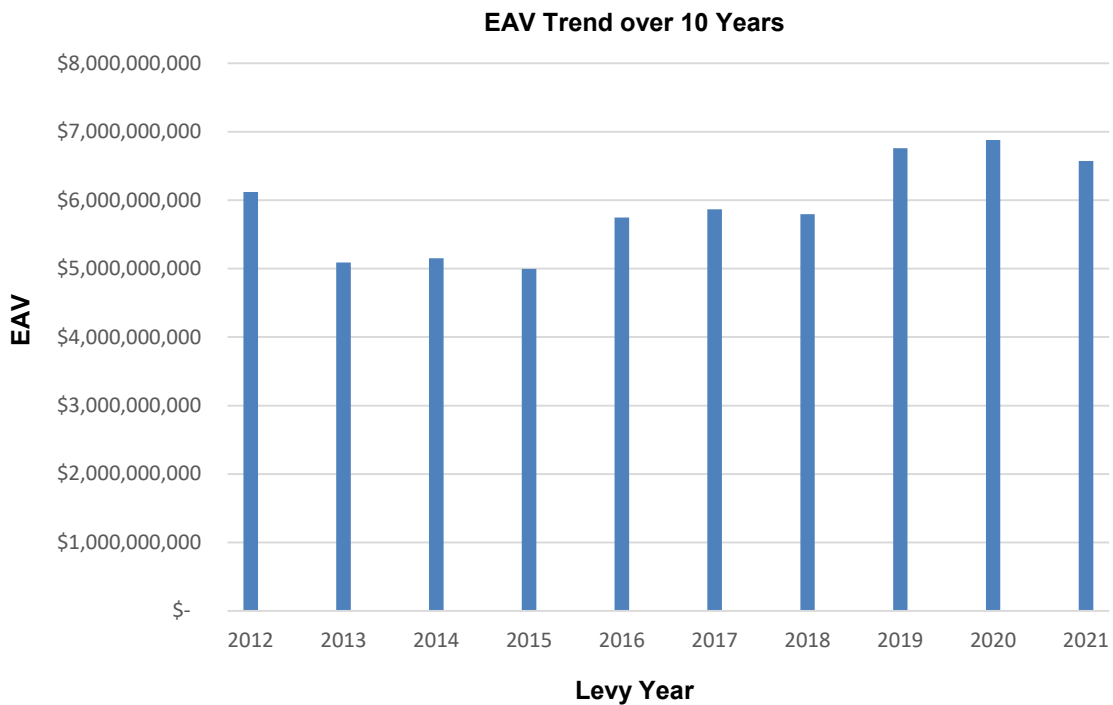
Note: Property is reassessed once every three years. Property is assessed at 1/3 actual value. Tax rates are per \$100 of assessed value. Fiscal year data is based on the previous calendar year's (levy year) assessed value (i.e. data presented for the Fiscal Year ended December 31, 2022 is based on the 2021 assessed value.) In 2022, the Estimated Actual Value amounts were restated using 1/3 as the calculating factor instead of 0.33333.

CITY OF DES PLAINES

TREND OF EQUALIZED ASSESSED VALUATIONS Last Ten Levy Years December 31, 2022

Levy Year	Equalized Assessed Value	Percentage Increase (Decrease)	Estimated Actual Value	Ratio of Equalized Assessed Value to Estimated Actual Value
2012	\$ 2,039,939,367	(6.61%)	\$ 6,119,818,101	33.33%
2013	1,697,287,344	(16.80%)	5,091,862,032	33.33%
2014	1,717,657,016	1.20%	5,152,971,048	33.33%
2015	1,664,720,171	(3.08%)	4,994,160,513	33.33%
2016	1,915,029,885	15.04%	5,745,089,655	33.33%
2017	1,955,916,247	2.14%	5,867,748,741	33.33%
2018	1,931,827,633	(1.23%)	5,795,482,899	33.33%
2019	2,252,496,910	16.60%	6,757,490,730	33.33%
2020	2,292,781,709	1.79%	6,878,345,127	33.33%
2021	2,191,255,966	(4.43%)	6,573,767,898	33.33%

Source: Cook County Clerk's Office



CITY OF DES PLAINES

MAINE TOWNSHIP TYPICAL TAX RATES PER \$100
OF EQUALIZED ASSESSED VALUATION
Last Ten Calendar Years
December 31, 2022

Tax Levy Year	Total	City					Library	Cook County	Water Reclamation District	Park District	School (1)	Other (2)
		Total City	Corporate	Bonds & Interest	Police Pension	Fire Pension						
2012	8.975	1.166	0.7900	0.0054	0.1849	0.1854	0.317	0.531	0.370	0.425	5.924	0.242
2013	10.840	1.401	0.8906	0.0067	0.2518	0.2518	0.375	0.560	0.417	0.531	7.233	0.323
2014	10.858	1.384	0.8619	0.0067	0.2579	0.2579	0.365	0.568	0.430	0.529	7.290	0.292
2015	11.329	1.429	0.8400	0.0067	0.3094	0.2722	0.373	0.552	0.426	0.556	7.659	0.334
2016	9.913	1.242	0.6901	0.0057	0.2824	0.2635	0.324	0.533	0.406	0.485	6.659	0.264
2017	9.916	1.216	0.6495	-	0.2923	0.2738	0.322	0.527	0.402	0.493	6.701	0.255
2018	10.274	1.306	0.6752	-	0.3249	0.3056	0.326	0.489	0.396	0.515	7.019	0.223
2019	9.229	1.120	0.5752	-	0.2796	0.2650	0.279	0.484	0.389	0.453	6.349	0.155
2020	9.374	1.100	0.4170	-	0.3530	0.3302	0.274	0.453	0.378	0.463	6.562	0.144
2021	10.236	1.151	0.3850	-	0.3902	0.3759	0.287	0.446	0.382	0.518	7.216	0.236

Notes:

(1) School District No. 62, High School District No. 207, and Community College District No. 535.

(2) Northwest Mosquito Abatement District, Maine Township,
Road & Bridge, General Assistance, and Forest Preserve

Source: Cook County Clerk's Office

CITY OF DES PLAINES

MAINE TOWNSHIP
 ALLOCATION OF THE 2021 PROPERTY TAX LEVY COLLECTED IN 2022
 December 31, 2022

	2012		2013		2014		2015		2016	
	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage
City of Des Plaines	\$ 1.166	0.130 %	\$ 1.401	0.129 %	\$ 1.385	0.128 %	\$ 1.429	0.126 %	\$ 1.242	0.125 %
Des Plaines Library	0.317	0.035	0.375	0.035	0.365	0.034	0.373	0.033	0.324	0.033
High School District 207	2.215	0.247	2.722	0.251	2.739	0.252	2.901	0.256	2.507	0.253
Oakton College District	0.219	0.024	0.256	0.024	0.258	0.024	0.271	0.024	0.231	0.023
School District 62	3.490	0.389	4.255	0.393	4.293	0.395	4.487	0.396	3.921	0.396
Des Plaines Park District	0.425	0.047	0.531	0.049	0.529	0.049	0.556	0.049	0.485	0.049
Cook County	0.531	0.059	0.560	0.052	0.568	0.052	0.552	0.049	0.533	0.054
Metro Water Reclamation Dist	0.370	0.041	0.417	0.038	0.430	0.040	0.426	0.038	0.406	0.041
N.W. Mosquito Abatement Dist	0.011	0.001	0.013	0.001	0.013	0.001	0.011	0.001	0.010	0.001
Maine Township	0.168	0.019	0.241	0.022	0.210	0.019	0.254	0.022	0.191	0.019
Cook County Forest Preserve	<u>0.063</u>	<u>0.007</u>	<u>0.069</u>	<u>0.006</u>	<u>0.069</u>	<u>0.006</u>	<u>0.069</u>	<u>0.006</u>	<u>0.063</u>	<u>0.006</u>
TOTAL	<u>\$ 8.975</u>	<u>100.00 %</u>	<u>\$ 10.840</u>	<u>100.00 %</u>	<u>\$ 10.859</u>	<u>100.00 %</u>	<u>\$ 11.329</u>	<u>100.00 %</u>	<u>\$ 9.913</u>	<u>100.00 %</u>

(Continued)

Source: Cook County Clerk's Office

CITY OF DES PLAINES

MAINE TOWNSHIP
 ALLOCATION OF THE 2021 PROPERTY TAX LEVY COLLECTED IN 2022
 December 31, 2022

	2017		2018		2019		2020		2021	
	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage
City of Des Plaines	\$ 1.216	0.123 %	\$ 1.306	0.127 %	\$ 1.120	0.121 %	\$ 1.101	0.117 %	\$ 1.152	0.113 %
Des Plaines Library	0.322	0.032	0.326	0.032	0.279	0.030	0.274	0.029	0.287	0.028
High School District 207	2.529	0.255	2.652	0.258	2.553	0.277	2.639	0.281	2.901	0.283
Oakton College District	0.232	0.023	0.246	0.024	0.221	0.024	0.227	0.024	0.252	0.025
School District 62	3.940	0.397	4.121	0.401	3.575	0.387	3.696	0.394	4.063	0.397
Des Plaines Park District	0.493	0.050	0.515	0.050	0.453	0.049	0.463	0.049	0.518	0.051
Cook County	0.527	0.053	0.489	0.048	0.484	0.052	0.453	0.048	0.446	0.044
Metro Water Reclamation Dist	0.402	0.041	0.396	0.039	0.389	0.042	0.378	0.040	0.382	0.037
N.W. Mosquito Abatement Dist	0.010	0.001	0.011	0.001	0.010	0.001	0.010	0.001	0.011	0.001
Maine Township	0.183	0.018	0.152	0.015	0.086	0.009	0.076	0.008	0.167	0.016
Cook County Forest Preserve	<u>0.062</u>	<u>0.006</u>	<u>0.060</u>	<u>0.006</u>	<u>0.059</u>	<u>0.006</u>	<u>0.058</u>	<u>0.006</u>	<u>0.058</u>	<u>0.006</u>
TOTAL	<u>\$ 9.916</u>	<u>100.00 %</u>	<u>\$ 10.274</u>	<u>100.00 %</u>	<u>\$ 9.229</u>	<u>100.00 %</u>	<u>\$ 9.375</u>	<u>100.00 %</u>	<u>\$ 10.237</u>	<u>100.00 %</u>

CITY OF DES PLAINES

ELK GROVE TOWNSHIP TYPICAL TAX RATES PER \$100
OF EQUALIZED ASSESSED VALUATION
Last Ten Calendar Years
December 31, 2022

Tax Levy Year	Total	City					Library	Cook County	Water Reclamation District	Park District (3)	School (1)	Other (2)
		Total City	Corporate	Bonds & Interest	Police Pension	Fire Pension						
2012	8.477	1.166	0.7900	0.0054	0.1849	0.1854	0.317	0.531	0.370	0.557	5.370	0.166
2013	10.018	1.401	0.8906	0.0067	0.2518	0.2518	0.375	0.560	0.417	0.657	6.384	0.224
2014	9.997	1.384	0.8619	0.0067	0.2579	0.2579	0.365	0.568	0.430	0.654	6.403	0.193
2015	10.326	1.429	0.8400	0.0067	0.3094	0.2722	0.373	0.552	0.426	0.681	6.638	0.227
2016	9.208	1.242	0.6901	0.0057	0.2824	0.2635	0.324	0.533	0.406	0.594	5.941	0.168
2017	9.261	1.216	0.6495	-	0.2923	0.2738	0.322	0.527	0.402	0.609	6.019	0.166
2018	9.601	1.306	0.6752	-	0.3249	0.3056	0.326	0.489	0.396	0.633	6.285	0.166
2019	8.478	1.120	0.5752	-	0.2796	0.2650	0.279	0.484	0.389	0.547	5.510	0.149
2020	8.430	1.100	0.4170	-	0.3530	0.3302	0.274	0.453	0.378	0.554	5.526	0.145
2021	9.233	1.151	0.3850	-	0.3902	0.3759	0.287	0.446	0.382	0.617	6.197	0.153

Notes:

(1) School District No. 59, High School District No. 214, and Community College District No. 512

(2) Northwest Mosquito Abatement District, Elk Grove Township,
Road & Bridge, General Assistance, and Forest Preserve.

(3) Mount Prospect Park District

Source: Cook County Clerk's Office

CITY OF DES PLAINES

ELK GROVE TOWNSHIP
 ALLOCATION OF THE 2021 PROPERTY TAX LEVY COLLECTED IN 2022
 December 31, 2022

	2012		2013		2014		2015		2016	
	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage
City of Des Plaines	\$ 1.166	0.138 %	\$ 1.401	0.140 %	\$ 1.385	0.139 %	\$ 1.429	0.138 %	\$ 1.242	0.135 %
Des Plaines Library	0.317	0.037	0.375	0.037	0.365	0.037	0.373	0.036	0.324	0.035
High School District 214	2.324	0.274	2.768	0.276	2.776	0.278	2.881	0.279	2.527	0.274
Harper College District 512	0.373	0.044	0.444	0.044	0.451	0.045	0.466	0.045	0.416	0.045
School District 59	2.673	0.315	3.172	0.317	3.176	0.318	3.291	0.319	2.998	0.326
Mt. Prospect Park District	0.557	0.066	0.657	0.066	0.654	0.065	0.681	0.066	0.594	0.065
Cook County	0.531	0.063	0.560	0.056	0.568	0.057	0.552	0.053	0.533	0.058
Metro Water Reclamation District	0.370	0.044	0.417	0.042	0.430	0.043	0.426	0.041	0.406	0.044
N.W. Mosquito Abatement District	0.011	0.001	0.013	0.001	0.013	0.001	0.011	0.001	0.010	0.001
Elk Grove Township	0.092	0.011	0.142	0.014	0.111	0.011	0.147	0.014	0.095	0.010
Forest Preserve District	<u>0.063</u>	<u>0.007</u>	<u>0.069</u>	<u>0.007</u>	<u>0.069</u>	<u>0.007</u>	<u>0.069</u>	<u>0.007</u>	<u>0.063</u>	<u>0.007</u>
TOTAL	<u>\$ 8.477</u>	<u>100.00 %</u>	<u>\$ 10.018</u>	<u>100.00 %</u>	<u>\$ 9.998</u>	<u>100.00 %</u>	<u>\$ 10.326</u>	<u>100.00 %</u>	<u>\$ 9.208</u>	<u>100.00 %</u>

(Continued)

Source: Cook County Clerk's Office

CITY OF DES PLAINES

ELK GROVE TOWNSHIP
 ALLOCATION OF THE 2021 PROPERTY TAX LEVY COLLECTED IN 2022
 December 31, 2022

	2017		2018		2019		2020		2021	
	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage	Tax per \$100 of Equalized Assessed Valuation	Percentage
City of Des Plaines	\$ 1.216	0.131 %	\$ 1.306	0.136 %	\$ 1.120	0.132 %	\$ 1.101	0.131 %	\$ 1.152	0.125 %
Des Plaines Library	0.322	0.035	0.326	0.034	0.279	0.033	0.274	0.032	0.287	0.031
High School District 214	2.563	0.277	2.669	0.278	2.356	0.278	2.382	0.283	2.664	0.288
Harper College District 512	0.425	0.046	0.443	0.046	0.403	0.048	0.409	0.049	0.457	0.049
School District 59	3.031	0.327	3.173	0.330	2.751	0.324	2.735	0.324	3.076	0.333
Mt. Prospect Park District	0.609	0.066	0.633	0.066	0.547	0.065	0.554	0.066	0.617	0.067
Cook County	0.527	0.057	0.489	0.051	0.484	0.057	0.453	0.054	0.446	0.048
Metro Water Reclamation District	0.402	0.043	0.396	0.041	0.389	0.046	0.378	0.045	0.382	0.041
N.W. Mosquito Abatement District	0.010	0.001	0.011	0.001	0.010	0.001	0.010	0.001	0.011	0.001
Elk Grove Township	0.094	0.010	0.095	0.010	0.080	0.009	0.077	0.009	0.084	0.009
Forest Preserve District	<u>0.062</u>	<u>0.007</u>	<u>0.060</u>	<u>0.006</u>	<u>0.059</u>	<u>0.007</u>	<u>0.058</u>	<u>0.007</u>	<u>0.058</u>	<u>0.006</u>
TOTAL	<u>\$ 9.261</u>	<u>100.00 %</u>	<u>\$ 9.601</u>	<u>100.00 %</u>	<u>\$ 8.478</u>	<u>100.00 %</u>	<u>\$ 8.431</u>	<u>100.00 %</u>	<u>\$ 9.234</u>	<u>100.00 %</u>

CITY OF DES PLAINES

PROPERTY TAX RATES AND EXTENSIONS

Last Ten Calendar Years

December 31, 2022

Property Tax Levy Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Property tax rates (1)										
General corporate	0.7900	0.8906	0.8619	0.8400	0.6901	0.6495	0.6752	0.5752	0.4170	0.3850
Police pension	0.1849	0.2518	0.2579	0.3094	0.2824	0.2923	0.3249	0.2796	0.3530	0.3902
Firefighters' pension	0.1854	0.2518	0.2579	0.2722	0.2635	0.2738	0.3056	0.2650	0.3302	0.3759
General bond retirement	0.0054	0.0067	0.0067	0.0067	0.0057	-	-	-	-	-
Total property tax rates	1.1657	1.4009	1.3844	1.4283	1.2417	1.2156	1.3057	1.1198	1.1002	1.1511
Property tax extensions (2)										
General corporate	\$ 16,114,550	\$ 15,115,868	\$ 14,804,849	\$ 13,984,176	\$ 13,215,003	\$ 12,703,145	\$ 13,043,045	\$ 12,955,495	\$ 9,561,307	\$ 8,435,904
Police pension	3,771,360	4,274,500	4,429,000	5,150,000	5,407,500	5,716,500	6,276,820	6,298,450	8,092,454	8,550,506
Firefighters' pension	3,781,172	4,274,500	4,429,000	4,532,000	5,047,000	5,356,000	5,903,960	5,969,880	7,570,064	8,237,415
General bond retirement	110,670	112,928	114,986	111,594	108,203	-	-	-	-	-
Total property tax extensions	\$ 23,777,752	\$ 23,777,796	\$ 23,777,835	\$ 23,777,770	\$ 23,777,706	\$ 23,775,645	\$ 25,223,825	\$ 25,223,825	\$ 25,223,825	\$ 25,223,825

Notes:

(1) Property tax rates are per \$100 of equalized assessed valuation.

(2) Property tax extensions include 3% "loss levy" for general corporate purposes and 5% for debt service.

Source: Cook County Clerk's Office

CITY OF DES PLAINES

PRINCIPAL PROPERTY TAX PAYERS
Current Calendar Year and Nine Years Ago
December 31, 2022

<u>Taxpayer</u>	<u>Type of Business/Property</u>	<u>2021 Equalized Assessed Valuation</u>	<u>Percentage of Total Taxable Assessed Value</u>	<u>2012 Equalized Assessed Valuation</u>	<u>Percentage of Total Taxable Assessed Value</u>
Midwest Gaming	Rivers Casino	\$ 75,492,565	3.45%	\$ 62,021,247	3.04%
Wille Road LLC	Industrial	20,053,238	0.92%	-	0.00%
Sysco Chicago	Foodservice Distributor	18,133,369	0.83%	-	0.00%
Juno Lighting	Lighting Fixtures	16,514,850	0.75%	14,259,341	0.70%
Cambridge Realty	Real Property	16,439,269	0.75%	-	0.00%
Marc Realty LLC	Real Property	15,753,200	0.72%	-	0.00%
UOP LLC	Petroleum Research and Development Laboratories	14,834,513	0.68%	29,327,706	1.44%
Co Prologis Re Tax (Industrial)	Real Property	14,439,641	0.66%	-	0.00%
EGP 2300 Des Plaines	Real Property	14,387,917	0.66%	-	0.00%
Honeywell Specialty	Real Property	13,068,120	0.60%	-	0.00%
O'Hare Lake Office Park LLC	Office Complex	-	0.00%	21,810,925	1.07%
Crane Norcross	Attorneys at Law	-	0.00%	18,588,233	0.91%
MLRP Messenger LLC	Real Property	-	0.00%	18,263,853	0.90%
Individual	Real Property	-	0.00%	13,340,005	0.65%
SBC Ameritech	Real Property	-	0.00%	8,996,069	0.44%
Apple Reit Tech	Real Property	-	0.00%	8,800,326	0.43%
Total		<u>\$ 219,116,682</u>	<u>10.00%</u>	<u>\$ 195,407,705</u>	<u>9.58%</u>

Data Sources

(1) Continuing Disclosure Speer Financial

(2) Cook County Assessor

CITY OF DES PLAINES

PROPERTY TAX LEVIES AND COLLECTIONS Last Ten Calendar Years December 31, 2022

Year of Collections	Tax Levy Year	Tax Levy	Loss Levy	Total Tax Levy (1)	Collections of Current Years' Taxes During Fiscal Period	Percentage of Levy Collected Fiscal Period (1)	Collections in Subsequent Fiscal Periods (2)	Total Collections	Ratio of Total Collections to Tax Levy
2013	2012	\$ 23,083,150	\$ 694,602	\$ 23,777,752	\$ 23,119,146	97.23%	\$ 179,738	\$ 23,298,884	97.99%
2014	2013	23,083,150	694,646	23,777,796	23,285,158	97.93%	105,305	23,390,463	98.37%
2015	2014	23,083,150	694,685	23,777,835	23,169,971	97.44%	390,101	23,560,072	99.08%
2016	2015	23,083,150	694,620	23,777,770	23,444,923	98.60%	-	23,444,923	98.60%
2017	2016	23,083,150	694,556	23,777,706	23,583,596	99.18%	-	23,583,596	99.18%
2018	2017	23,083,150	692,495	23,775,645	23,684,019	99.61%	(189,982)	23,494,037	98.82%
2019	2018	24,489,150	734,675	25,223,825	25,048,080	99.30%	(273,001)	24,775,079	98.22%
2020	2019	24,489,150	734,675	25,223,825	24,313,586	96.39%	405,603	24,719,189	98.00%
2021	2020	24,489,150	734,675	25,223,825	24,946,736	98.90%	(168,307)	24,778,429	98.23%
2022	2021	24,489,150	734,675	25,223,825	24,900,115	98.72%	110,495	25,010,610	99.15%

Notes:

- (1) Total tax levy includes the "loss levy" of 3% for corporate purposes and 5% for debt service which is extended by the County to cover the County's operating costs.
- (2) Negative amount indicates that refunds made in subsequent years for tax payments exceeded the additional amount collected.
- (3) Levy amount and collections refer only to City, and not the Library Component Unit.

Source: Cook County Clerk's Office

CITY OF DES PLAINES

PROPERTY VALUE AND CONSTRUCTION Last Ten Calendar Years December 31, 2022

Calendar Year	Property Value (2)	<u>Construction (1)</u>				Total Value of All Construction (including Commercial)
		<u>Single Family</u>		<u>Multi Family</u>		
		Number of Permits	Value	Number of Permits	Value	
2013	\$ 6,119,818	3	\$ 1,424	7	\$ 5,459	\$ 39,964
2014	5,091,862	4	2,312	0	-	92,500
2015	5,152,971	9	5,384	0	-	56,344
2016	4,994,161	28	9,084	2	7,915	91,643
2017	5,745,090	87	20,474	3	65,192	145,923
2018	5,867,749	97	22,065	1	19,658	123,519
2019	5,795,483	44	11,524	0	-	186,627
2020	6,757,491	41	10,809	1	45,377	139,578
2021	6,878,345	10	5,734	0	-	127,809
2022	6,574,425	11	3,642	0	-	104,671

Source:

(1) Based on City's Municipal Development Department records and estimated construction costs declared by applicants at time of application.

(2) Source: Cook County Clerk's Office, Total estimated value presented in thousands of dollars

Note: Property Values in Thousands. In 2022, the estimated value amounts were restated using 1/3 as

CITY OF DES PLAINES

TAXABLE SALES BY CATEGORY
Last Ten Calendar Years
December 31, 2022

Taxable Sales

	2013	2014	2015	2016
General Merchandise	\$ 84,312,307	\$ 93,275,606	\$ 100,099,051	\$ 35,167,584
Food	124,996,898	120,614,055	108,321,547	163,688,429
Drinking & Eating Places	73,037,730	72,325,651	76,909,780	102,934,518
Apparel	2,642,396	2,862,560	2,716,360	2,360,370
Furniture, Household & Radio	3,223,992	3,601,935	4,973,366	5,990,700
Lumber, Building & Hardware	32,356,025	40,960,823	38,800,644	38,026,972
Automotive & Filling Stations	199,656,247	200,108,721	198,372,235	213,047,106
Drugs & Miscellaneous Retail	495,625,797	316,973,432	245,409,242	260,867,328
Agriculture & All Others	224,023,628	236,368,575	269,355,814	281,690,560
Manufacturers	8,232,122	34,309,375	29,507,385	35,014,657

Total \$ 1,248,107,142 \$ 1,121,400,733 \$ 1,074,465,424 \$ 1,138,788,224

City direct sales tax rate 1.00% 1.00% 1.00% 1.00%

Municipal Tax Receipts

General Merchandise	\$ 843,123	\$ 932,756	\$ 1,000,991	\$ 351,676
Food	1,249,969	1,206,141	1,083,215	1,636,884
Drinking & Eating Places	730,377	723,257	769,098	1,029,345
Apparel	26,424	28,626	27,164	23,604
Furniture, Household & Radio	32,240	36,019	49,734	59,907
Lumber, Building & Hardware	323,560	409,608	388,006	380,270
Automotive & Filling Stations	1,996,562	2,001,087	1,983,722	2,130,471
Drugs & Miscellaneous Retail	4,956,258	3,169,734	2,454,092	2,608,673
Agriculture & All Others	2,240,236	2,363,686	2,693,558	2,816,906
Manufacturers	82,321	343,094	295,074	350,147

Total \$ 12,481,071 \$ 11,214,007 \$ 10,744,654 \$ 11,387,882

City direct sales tax rate 1.00% 1.00% 1.00% 1.00%

Source: Illinois Department of Revenue

Notes:

(1) Distribution of 1% municipal tax used to estimate taxable sales.

(2) In 2013 the City received in excess of \$3 million as the result of

2017	2018	2019	2020	2021	2022
\$ 27,978,102	\$ 28,132,749	\$ 27,172,065	\$ 24,006,627	\$ 14,982,666	\$ 7,263,975
196,586,098	228,074,499	210,242,005	223,366,007	235,155,413	268,771,959
112,375,617	116,873,415	120,714,535	80,795,114	106,840,163	135,071,346
2,596,049	2,775,415	2,330,147	1,491,265	3,650,560	4,264,733
5,652,031	6,479,594	6,769,379	7,399,296	11,532,530	11,455,237
42,380,819	43,414,194	43,890,578	41,989,268	45,031,689	52,422,095
232,453,450	269,867,872	298,951,411	233,713,735	270,554,247	233,439,938
271,432,828	374,442,861	270,568,214	242,754,810	317,179,313	343,203,857
272,499,793	294,101,456	304,495,513	259,599,863	332,304,672	366,544,607
42,300,721	42,220,486	43,587,023	48,375,587	55,885,149	57,394,495
<u>\$ 1,206,255,508</u>	<u>\$ 1,406,382,541</u>	<u>\$ 1,328,720,870</u>	<u>\$ 1,163,491,572</u>	<u>\$ 1,393,116,402</u>	<u>\$ 1,479,832,242</u>
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
\$ 279,781	\$ 281,327	\$ 271,721	\$ 240,066	\$ 149,827	\$ 72,640
1,965,861	2,280,745	2,102,420	2,233,660	2,351,554	2,687,720
1,123,756	1,168,734	1,207,145	807,951	1,068,402	1,350,713
25,960	27,754	23,301	14,913	36,506	42,647
56,520	64,796	67,694	73,993	115,325	114,552
423,808	434,142	438,906	419,893	450,317	524,221
2,324,535	2,698,679	2,989,514	2,337,137	2,705,542	2,334,399
2,714,328	3,744,429	2,705,682	2,427,548	3,171,793	3,432,039
2,724,998	2,941,015	3,044,955	2,595,999	3,323,047	3,665,446
423,007	422,205	435,870	483,756	558,851	573,945
<u>\$ 12,062,555</u>	<u>\$ 14,063,825</u>	<u>\$ 13,287,209</u>	<u>\$ 11,634,916</u>	<u>\$ 13,931,164</u>	<u>\$ 14,798,322</u>
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

CITY OF DES PLAINES

RATIO OF OUTSTANDING DEBT BY TYPE (1) Last Ten Calendar Years December 31, 2022

Fiscal Year	Governmental Activities						
	Debt Service General Obligation Bonds	Tax Increment Financing General Obligation Bonds	Tax Increment Financing Capital Appreciation Bonds (2)	Capital Projects General Obligation Bonds	Equipment Replacement Installment Notes Payable	Tax Increment Revenue Note Incentive Agreement	Short Term Note Payable
2013	\$ 725,000	\$ 32,675,000	\$ 10,929,315	\$ 11,745,000	\$ 200,000	\$ 482,387	\$ -
2014	645,000	22,465,000	11,193,625	6,375,000	187,500	423,590	-
2015	560,000	20,025,000	11,510,688	4,775,000	175,000	361,705	-
2016	475,000	17,865,400	11,866,615	3,555,812	162,500	296,572	-
2017	-	15,097,532	11,742,741	936,980	150,000	228,019	-
2018	-	20,140,000	2,921,421	-	137,500	155,867	-
2019	-	16,545,000	2,764,246	-	87,500	79,926	-
2020	-	12,865,000	2,454,431	-	-	-	-
2021	-	10,235,000	2,152,698	-	-	-	-
2022	-	8,685,000	703,600	-	-	-	-

Note: (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(2) The Tax Increment Capital Appreciation Bond value represents the principal outstanding which includes the appreciated interest.

Source: City of Des Plaines' Annual Comprehensive Financial Reports

Business-type Activities

<u>Water General Obligation Bonds</u>	<u>Water Installment Notes Payable</u>	<u>Unamortized (Discounts) / Premiums</u>	<u>Total Primary Government (3)</u>	<u>Outstanding Debt as Percentage of Personal Income</u>	<u>Outstanding Debt Per Capita</u>	<u>Personal Income (thousands) of dollars</u>	<u>Population</u>
\$ -	\$ -	\$ 541,672	\$ 57,298,374	1.73%	\$ 982	\$ 3,319,219	58,364
-	-	386,636	41,676,351	1.26%	714	3,319,219	58,364
-	-	287,237	37,694,630	1.14%	646	3,319,219	58,364
-	-	-	34,221,899	1.03%	586	3,319,219	58,364
-	-	-	28,155,272	0.85%	482	3,319,219	58,364
-	-	338,990	23,693,778	0.71%	406	3,319,219	58,364
-	-	256,889	19,733,561	0.59%	338	3,319,219	58,364
-	-	189,283	15,508,714	0.47%	266	3,319,219	58,364
-	-	136,892	12,524,590	0.28%	206	4,468,046	60,675
-	-	95,593	9,484,193	0.20%	156	4,820,811	60,675

CITY OF DES PLAINES

RATIO NET GENERAL OBLIGATION BONDED DEBT TO
 ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
 Last Ten Calendar Years

Fiscal Year	Population (1)	Equalized Assessed Value (2)	Net General Obligation Bonded Debt (3)	Ratio of Bonded Debt to Equalized Assessed Value	Bonded Debt Per Capita
2013	58,364	\$ 2,039,939,367	\$ 57,298,374	2.81	\$ 981.74
2014	58,364	1,697,287,344	41,676,351	2.46	714.08
2015	58,364	1,717,657,016	37,694,630	2.19	645.85
2016	58,364	1,664,720,171	34,221,899	2.06	586.35
2017	58,364	1,915,029,885	28,155,272	1.47	482.41
2018	58,364	1,955,916,247	23,693,778	1.21	405.97
2019	58,364	1,931,827,633	19,733,561	1.02	338.11
2020	58,364	2,252,496,910	15,508,714	0.69	265.72
2021	60,675	2,292,781,709	12,524,590	0.55	206.42
2022	60,675	2,191,255,966	9,484,193	0.43	156.31

Data Source

(1) U.S. Census Bureau

(2) Cook County Clerk's Office

(3) City of Des Plaines' Annual Comprehensive Financial Reports

CITY OF DES PLAINES

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES

Last Ten Calendar Years

December 31, 2022

Fiscal Year	Principal	Interest	Total Debt Service	Total General Expenditures (1)	Ratio of Debt Service to Total General Expenditures
2013	\$ 9,181,565	\$ 2,032,855	\$ 11,214,420	\$ 90,440,682	12.40
2014	8,151,298	1,325,139	9,476,437	91,752,984	10.33
2015	4,459,385	867,944	5,327,329	93,056,764	5.72
2016	3,982,633	749,259	4,731,892	91,341,493	5.18
2017	6,611,053	644,685	7,255,738	95,788,403	7.57
2018	4,959,652	582,824	5,542,476	112,566,274	4.92
2019	4,045,940	585,011	4,630,951	117,036,571	3.96
2020	4,317,427	486,530	4,803,957	109,601,789	4.38
2021	3,075,000	380,544	3,455,544	109,164,485	3.17
2022	3,125,000	303,681	3,428,681	112,980,771	3.03

Notes :

(1) Includes all Governmental Funds

Data Source

City of Des Plaines Annual Comprehensive Financial Reports

CITY OF DES PLAINES

SCHEDULE FOR DIRECT AND OVERLAPPING DEBT December 31, 2022

<u>Governmental Unit</u>	<u>Outstanding Debt (1)</u>	<u>Applicable to the City Percent (2)</u>	<u>Amount</u>
City of Des Plaines			
General Obligation Debt	\$ 9,388,600	100.00%	\$ 9,388,600
Unamortized (Discounts) / Premiums	95,593	100.00%	95,593
Subtotal - Direct Debt	<u>9,484,193</u>		<u>9,484,193</u>
Cook County	3,131,966,750	1.25%	39,030,656
Cook County Forest Preserve District	98,005,000	1.25%	1,221,341
Metropolitan Water Reclamation District	2,585,694,346	1.27%	32,730,333
Des Plaines Park District	6,878,615	91.57%	6,298,796
Elk Grove Park District	3,510,000	0.52%	18,417
Mt. Prospect Park District	22,208,345	18.15%	4,030,612
School District No. 26	10,955,000	6.79%	744,392
School District No. 57	4,945,000	1.08%	53,310
School District No. 59	25,185,000	10.55%	2,656,749
School District No. 62	14,635,000	90.99%	13,316,319
School District No. 64	19,745,000	0.00%	240
High School District No. 207	158,100,000	36.31%	57,407,886
High School District No. 214	22,265,000	3.69%	821,579
Harper Community College District No. 512	230,765,000	1.85%	4,261,463
Oakton Community College District No. 535	42,855,000	7.56%	3,237,840
Subtotal - Overlapping Debt	<u>6,377,713,056</u>		<u>165,829,933</u>
Total Direct and Overlapping Debt	<u>\$ 6,387,197,249</u>		<u>\$ 175,314,126</u>

Notes:

(1) Outstanding principal of general obligation bonds. 100% of the principal of outstanding general obligation bonds of overlapping taxing district have been displayed in this schedule.

(2) Applicable percentages are based on 2021 assessed valuations and were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Data Sources

Continuing Disclosure Speer Financial

Assessed Valuation - Cook County Clerk

Outstanding Bonds - Cook County Clerk

CITY OF DES PLAINES

DEMOGRAPHIC STATISTICS Last Ten Calendar Years December 31, 2022

Fiscal Year	Population (1)	Personal Income (thousands) (1)	Median Household Income (1)	Per Capita Income (1)	Median Age (1)	Education Level in Years of Schooling	School Enrollment (2)	Unemployment Rate (3)
2013	58,364	\$ 3,319,219	\$ 56,871	\$ 27,562	42.0	12+	7,836	8.0
2014	58,364	3,319,219	56,871	27,562	42.0	12+	8,516	4.9
2015	58,364	3,319,219	56,871	27,562	42.0	12+	8,465	5.1
2016	58,364	3,319,219	56,871	27,562	42.0	12+	8,442	5.2
2017	58,364	3,319,219	56,871	27,562	42.0	12+	8,353	4.3
2018	58,364	3,319,219	56,871	27,562	42.0	12+	8,262	3.6
2019	58,364	3,319,219	56,871	27,562	42.0	12+	8,049	3.2
2020	58,364	3,319,219	56,871	27,562	42.0	12+	7,961	9.7
2021	60,675	4,468,046	73,639	37,220	42.8	12+	7,766	4.0
2022	60,675	4,820,811	79,453	38,455	42.3	12+	7,657	5.7

Data Sources

(1) U.S. Census Bureau - 2020 Census

(2) National Center for Education Statistics. This data consists only of public schools located within the City.

(3) Bureau of Labor Statistics

CITY OF DES PLAINES

PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago
December 31, 2022

Employer	2022		2013	
	Employees (1)	Percentage City Total Employment	Employees (2)	Percentage City Total Employment
Rivers Casino	1,500	4.1%	1,449	3.8%
UOP LLC	1,300	3.6%	1,500	3.9%
Oakton Community College	1,200	3.3%	990	2.6%
Kalavara Inc	1,000	2.7%	unavailable	unavailable
Lifesource Blood Service	749	2.1%	unavailable	unavailable
Sysco Food Services	729	2.0%	650	1.7%
Acuity Brands Lighting Inc (Juno Lighting Group)	701	1.9%	400	1.0%
Family Behavioral Health Clinic	650	1.8%	unavailable	unavailable
AMITA Health Holy Family Medicine	606	1.7%	unavailable	unavailable
Abbot Molecular Inc	500	1.4%	500	1.3%
Warehouse Direct	400	1.1%	unavailable	unavailable
United Displaycraft	250	0.7%	unavailable	unavailable
Total	9,585	26.3%	5,489	14.4%
City Total Employment (3)	36,436		38,106	

Data Sources

(1) Data Axle Reference Solution and Direct Reporting

(2) City of Des Plaines Comprehensive Annual Financial Report for the Fiscal Year Ended December 31, 2012

(3) Illinois Department of Employment Security - Where Workers Work Data

CITY OF DES PLAINES

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION Last Ten Calendar Years December 31, 2022

<u>Function/Program</u>	<u>Note</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Elected Office		3.00	3.00	3.25	3.25	3.25	3.25	3.75	3.75	3.50	2.50
General Government											
City Manager's Office		14.75	14.75	15.50	16.00	19.25	21.00	20.50	21.50	20.25	21.25
Finance		14.00	15.75	16.25	16.25	16.25	16.50	16.50	17.50	17.50	17.50
Police											
Officers		95.00	96.00	97.00	97.00	98.00	98.00	100.00	97.00	97.00	97.00
Civilians		21.00	21.00	21.00	21.00	21.00	21.00	20.00	22.00	15.00	15.00
Fire											
Firefighters		96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00	96.00
Civilians		2.50	2.50	2.50	2.50	2.50	2.75	2.75	2.75	3.50	3.50
Public Works and Engineering		79.50	80.00	81.00	81.00	81.00	82.00	82.75	82.50	80.50	84.50
Community Development		16.00	16.00	18.25	18.25	18.25	18.75	18.75	19.00	18.00	17.50
EMA		1.00	1.00	1.00	1.00	1.00	1.50	1.50	1.50	-	-
DPECC	(1)	22.75	23.00	21.00	-	-	-	-	-	-	-
Subtotal		365.50	369.00	372.75	352.25	356.50	360.75	362.50	363.50	351.25	354.75
Library		<u>64.80</u>	<u>64.80</u>	<u>64.60</u>	<u>65.10</u>	<u>66.70</u>	<u>66.70</u>	<u>66.90</u>	<u>69.10</u>	<u>66.90</u>	<u>67.40</u>
Total		<u>430.30</u>	<u>433.80</u>	<u>437.35</u>	<u>417.35</u>	<u>423.20</u>	<u>427.45</u>	<u>429.40</u>	<u>432.60</u>	<u>418.15</u>	<u>422.15</u>

Source: Departmental Budgets

Notes:

(1) In 2013, the Des Plaines Emergency Communications Center (DPECC) was formed and it was disbanded in January 2015.

CITY OF DES PLAINES

OPERATING INDICATORS BY FUNCTION / PROGRAMS
Last Ten Calendar Years

December 31, 2022

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Function/Program										
Police										
Physical arrests (1)	1,150	892	812	885	753	594	546	413	505	784
Compliance and Parking Violations	12,871	10,973	7,234	7,407	10,212	11,329	12,287	4,448	5,598	6,071
Traffic violations	5,506	4,590	3,188	2,083	1,046	3,420	3,014	1,407	1,667	1,172
Fire										
Emergency Medical Calls	5,382	5,647	5,842	6,060	6,126	6,720	7,013	6,553	7,427	7,804
Fires/Reports of Fires	1,088	1,172	1,100	924	1,045	1,158	1,202	1,196	1,168	1,633
Other Emergency Calls	1,063	1,084	958	1,010	879	1,063	971	791	944	917
Inspections	4,312	4,177	3,534	3,233	3,803	3,211	4,146	2,801	2,655	1,886
Engineering										
Street resurfacing (square yards)	60,903	167,781	113,115	17,016	107,860	21,942	95,939	49,481	98,501	40,448
Sidewalks removed & replaced (sq ft)	141,162	173,959	101,456	54,635	164,542	126,882	158,174	50,640	86,184	87,573
Snow and ice control (tons of salt)	6,350	4,290	5,600	2,983	2,436	4,738	4,724	3,551	4,785	4,785
Community Development										
Building permits issued	2,956	2,758	2,766	3,105	2,994	3,258	2,831	2,750	3,193	3,014
Overall inspection totals	12,760	13,079	11,400	12,304	13,190	17,478	17,408	11,912	7,396	5,910
Health										
Home health visits	79	73	87	101	61	34	18	6	63	6
Library										
Volumes in collection (3)	255,559	251,361	310,678	318,170	358,969	325,358	396,332	499,550	377,940	406,432
Total volumes borrowed	1,133,142	1,106,219	1,022,448	1,111,614	1,094,683	1,074,697	944,426	678,141	609,136	677,467
Total annual attendance	564,257	549,244	590,284	496,845	439,369	417,030	397,612	162,987	175,610	278,177
Total resident library cards still active	34,347	34,845	33,270	33,805	32,644	28,404	26,151	26,347	20,337	19,480
Water										
Water Main Breaks	141	105	80	124	88	122	94	85	97	125
New Connections	19	36	8	23	37	126	76	46	17	17
Number of Consumers	17,058	17,072	17,068	17,091	17,070	17,143	17,102	17,263	16,942	17,231
Miles of Water Mains	221	221	225	225	225	225	225	233	233	233
Average daily consumption (gallons)	6,718,635	6,349,202	6,528,887	6,651,885	6,318,907	6,304,457	6,133,294	5,943,919	6,424,368	5,076,000
Daily average consumption per Capita (gallons)	115	109	112	114	108	108	105	102	106	84
Number of Fire Hydrants	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,526
Sewer										
Sanitary sewer replaced (linear feet)	1,164	470	372	339	306	1,012	525	126	121	2,480
Sanitary sewer televised (linear feet)	27,733	15,187	21,035	10,231	44,172	45,201	106,242	46,646	21,074	33,321
Sanitary sewer cleaned (linear feet)	98,777	91,738	121,331	98,420	157,396	165,213	201,822	174,767	69,228	129,840
Sanitary sewer lined (linear feet)	-	3,102	174	2,111	2,111	22,041	13,396	9,101	6,501	-
Municipal Parking Lots										
Metra (2)	48,591	44,105	52,965	54,158	55,546	80,657	78,890	20,483	9,791	24,381
City Owned (2)	36,218	54,513	37,908	34,710	34,597	33,012	34,874	11,585	7,399	6,584
Transit										
Subsidized Tax Voucher Program Rides (4)	13,451	13,875	11,716	10,911	6,731	5,429	3,580	739	135	49
Handicapped Placards issued	45	23	18	19	61	17	39	6	-	-

Source: Various City Departments

(1) Physical arrest made regardless of the number of charges associated with an arrest.

(2) Consumers are approximately calculated by revenue divided by the daily rate.

(3) Volumes in Collection includes Books, Audio, Video, Magazines and Newspapers Print and Microfilm, Subscriptions, Online Databases.

(4) In 2011, the structure of the Taxi Voucher Program changed. The program now tracks the subsidized tax voucher program rides.

CITY OF DES PLAINES

CAPITAL ASSETS STATISTICS BY FUNCTION Last Ten Calendar Years December 31, 2022

Function/Program	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Police										
Station	1	1	1	1	1	1	1	1	1	1
Fire										
Station	3	3	3	3	3	3	3	3	3	3
Public Works										
Streets (miles)*	145	145	145	145	145	145	145	145	145	152
Streetlights	723	787	787	787	787	787	832	832	832	913
Traffic Signals	2	1	4	3	3	3	3	5	5	5
Water										
Water Mains (miles)	221	221	225	225	225	225	225	233	233	233
Fire Hydrants	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,526
Storage Capacity (millions of gallons)	19	19	19	19	19	19	19	19	19	19

* The City of Des Plaines also maintains an additional 95 miles of state and county highways and roads.

Source: Various City Departments

CITY OF DES PLAINES

WATER SOLD
Last Ten Calendar Years
(in thousands)
December 31, 2022

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
<u>Gallons sold</u>										
Residential	1,258,528	1,252,771	1,224,260	1,154,518	1,215,247	1,179,747	1,198,481	1,231,402	1,344,076	1,260,057
Commercial	470,197	493,685	535,931	536,218	420,324	425,349	441,361	357,228	424,570	275,812
Industrial	113,281	119,147	102,580	112,064	108,287	120,994	124,873	116,088	125,277	114,330
Totals	<u>1,842,006</u>	<u>1,865,603</u>	<u>1,862,771</u>	<u>1,802,800</u>	<u>1,743,858</u>	<u>1,726,090</u>	<u>1,764,715</u>	<u>1,704,718</u>	<u>1,893,921</u>	<u>1,650,198</u>
Water rate per 1,000 gallons	\$5.82	\$6.25	\$6.75	\$6.75	\$6.82	\$6.88	\$6.92	\$7.04	\$7.10	\$7.32
Capital Fees rate per 1,000 gallons	\$1.20	\$1.20	\$0.76	\$0.76	\$0.76	\$0.76	\$0.76	\$0.94	\$1.07	\$1.20

Source: City of Des Plaines Water Consumption Report

CITY OF DES PLAINES

MISCELLANEOUS STATISTICS

December 31, 2022

Date of incorporation (Town of Rand)	1857
Form of government	City Manager
Building permits:	
Permits issued	3,014
Estimated value	\$104,671,067
Fire protection:	
Number of stations	3
Number of sworn firefighters	96
Police protection:	
Number of stations	1
Number of sworn police officers	97
Municipal water plant	
Number of consumers	17,231
Daily average consumption (gallons)	5,076,000
Daily average consumption per capita (gallons)	84
Miles of water mains	233
Number of fire hydrants	2,526
Employees as of December 31, 2021	
Full time	335.00
Part time	18.75
Total	<u>353.75</u> (1)
Population	
1880	818
1890	986
1900	1,666
1910	2,348
1920	3,451
1930	8,798
1940	9,518
1950	14,994
1960	34,886
1970	57,237
1980	53,568
1990	53,414
2000	56,945
2007	58,710
2010	58,364
2020	60,675

CITY OF DES PLAINES

MISCELLANEOUS STATISTICS

December 31, 2022

Area and land use - City of Des Plaines

Total area December 31, 2022 - 9,198.54 acres or 14.334 square miles (Based on municipal boundary data.)

Distribution of land uses

	<u>Acres</u>	<u>Percent of Total</u>
Residential	3,306	35.9%
Industrial	895	9.7%
Commercial	622	6.7%
Open Space	859	9.3%
Institutional	879	9.5%
Mixed Use	11	0.1%
Streets, alleys, and railroads	<u>2,506</u>	<u>27.2%</u>
 Total developed	 <u>9,078</u>	 <u>98.4%</u>
 Vacant land	 <u>151</u>	 <u>1.6%</u>
 Total	 <u>9,229</u>	 <u>100.0%</u>

Data Sources

U.S. Census Bureau and Various City Departments.

(1) Full-Time Equivalent Employees, not including the Library.

OTHER INFORMATION

**CONTINUING DISCLOSURE- ANNUAL FINANCIAL INFORMATION
(Unaudited)**

2023 DISCLOSURE

Relating to

CITY OF DES PLAINES

Cook County, Illinois

CUSIP NUMBER 250217

\$3,173,084 Taxable General Obligation Refunding Bonds, Series 2009A (Capital Appreciation)

and

\$12,410,000 General Obligation Refunding Bonds, Series 2018

For further information, please contact:

**Ms. Dorothy Wisniewski
Director of Finance/Treasurer
City of Des Plaines
1420 Miner Street
Des Plaines, Illinois 60016-4498**

**Phone: (847) 391-5317
Email: dwisniewski@desplaines.org**

5/25/2023

Retailers' Occupation, Service Occupation and Use Tax(1)

State Fiscal Year Ending June 30	State Sales Tax Distributions (2)	Home Rule Sales Tax Distributions	Total Distributions	Percentage Change + (-)
2013	\$ 8,881,733	\$5,550,747	\$14,432,481	9.08%(3)
2014	12,653,049	5,693,658	18,346,707	27.12%
2015	11,416,347	5,878,898	17,295,245	(5.73%)
2016	10,845,159	5,790,424	16,635,583	(3.81%)
2017	11,516,868	6,170,441	17,687,309	6.32%
2018	13,338,688	6,544,475	19,883,163	12.41%
2019	13,161,529	6,684,045	19,845,574	(0.19%)
2020	13,270,834	6,676,579	19,947,413	0.51%
2021	11,507,378	5,817,120	17,324,498	(13.15%)
2022	14,288,489	8,074,955	22,363,443	29.09%
Growth from 2013 to 2022.....				54.95%

- Notes: (1) Source: Illinois Department of Revenue.
 (2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Taxes, collected on behalf of the City, less a State administration fee. The municipal 1% includes tax receipts from the sale of food and drugs, which are not taxed by the State.
 (3) The 2013 percentage is based on a 2012 sales tax of \$13,231,552.

DEBT INFORMATION

General Obligation Debt – By Issue(1)

Issue Date	Issue Name	Principal Outstanding	Supported By
11/3/2009.....	Taxable General Obligation Refunding Bonds, Series 2009A ...	\$ 333,112	TIF Revenues
3/20/2018.....	General Obligation Refunding Bonds, Series 2018	8,685,000	TIF Revenues
Total		\$ 9,018,112	
Less: Self-Supporting		(9,018,112)	
Tax Supported Debt		\$ 0	

Note: (1) Source: the City.

General Obligation Bonded Debt(1) (Principal Only)

Calendar Year	Series 2009A	Series 2018	Total	Self- Supporting	Cumulative Retirement	
	(12/1)	(12/1)			Amount	Percent
2023.....	\$333,112	\$1,845,000	\$2,178,112	\$2,178,112	24.15%	
2024.....	0	1,905,000	1,905,000	1,905,000	45.28%	
2025.....	0	1,960,000	1,960,000	1,960,000	67.01%	
2026.....	0	2,160,000	2,160,000	2,160,000	90.96%	
2027.....	0	400,000	400,000	400,000	95.40%	
2028.....	0	415,000	415,000	415,000	100.00%	
Total	\$333,112	\$8,685,000	\$9,018,112	\$9,018,112		

Note: (1) Source: the City.

Detailed Overlapping Bonded Debt(1)

Schools:	Outstanding	Applicable to the City	
	Debt (2)	Percent (3)	Amount
School District No. 26	\$ 10,955,000	6.79%	\$ 744,392
School District No. 57	4,945,000	1.08%	53,310
School District No. 59	25,185,000	10.55%	2,656,749
School District No. 62	14,635,000	90.99%	13,316,319
School District No. 64	19,745,000	0.00% (4)	240
High School District No. 207	158,100,000	36.31%	57,407,886
High School District No. 214	22,265,000	3.69%	821,579
Harper Community College District No. 512.....	230,765,000	1.85%	4,261,463
Oakton Community College District No. 535.....	42,855,000	7.56%	3,237,840
Total Schools			\$ 82,499,776
Others:			
Cook County	\$3,131,966,750	1.25%	\$ 39,030,656
Cook County Forest Preserve District.....	98,005,000	1.25%	1,221,341
Metropolitan Water Reclamation District.....	2,585,694,346	1.27%	32,730,333
Des Plaines Park District	6,878,615	91.57%	6,298,796
Elk Grove Park District	3,510,000	0.52%	18,417
Mt. Prospect Park District	22,208,345	18.15%	4,030,612
Total Others			\$ 83,330,154
Total Overlapping Debt			\$165,829,930

- Notes: (1) Sources: Cook County Clerk and the MSRB's Electronic Municipal Market Access website ("EMMA").
(2) Outstanding debt as of January 27, 2023.
(3) Percentage based on 2021 EAVs, the most current available.
(4) Percentage equals 0.0012%.

Statement of Bonded Indebtedness(1)

	Amount Applicable	Ratio To		Per Capita (2020 Census 60,675)
		Equalized Assessed	Estimated Actual	
City EAV of Taxable Property, 2021 (2)	\$2,191,255,966	100.00%	33.33%	\$ 36,114.64
Estimated Actual Value, 2021 (2)	\$6,573,767,898	300.00%	100.00%	\$108,343.93
Total Direct Bonded Debt	\$ 9,018,112	0.41%	0.14%	\$ 148.63
Less: Self Supporting	(9,018,112)	(0.41%)	(0.14%)	(148.63)
Net Direct Debt	\$ 0	0.00%	0.00%	\$ 0.00
Overlapping Bonded Debt: (3)				
Schools	\$ 82,499,776	3.76%	1.25%	\$ 1,359.70
Other	83,330,154	3.80%	1.27%	1,373.39
Total Overlapping Bonded Debt	\$ 165,829,930	7.57%	2.52%	\$ 2,733.08
Total Net Direct and Overlapping Bonded Debt.....	\$ 165,829,930	7.57%	2.52%	\$ 2,733.08

- Notes: (1) Source: Cook County Clerk and the City.
(2) Excludes Tax Increment Financing District EAV ("TIF EAV") of \$45,043,083.
(3) Overlapping bonded debt as of January 27, 2023.

PROPERTY ASSESSMENT AND TAX INFORMATION

Equalized Assessed Valuation by Property Class(1)(2)

Property Class:	Levy Years				
	2017	2018	2019 (3)	2020	2021
Residential.....	\$1,093,909,817	\$1,070,529,854	\$1,221,557,314	\$1,221,653,051	\$1,178,784,009
Farm.....	26,484	26,021	29,758	32,895	30,643
Commercial.....	505,009,862	508,958,522	599,100,198	603,110,218	588,488,515
Industrial.....	353,009,774	348,071,726	427,234,900	463,252,592	419,219,846
Railroad.....	3,960,310	4,241,510	4,574,740	4,732,953	4,732,953
Total.....	\$1,955,916,247	\$1,931,827,633	\$2,252,496,910	\$2,292,781,709	\$2,191,255,966
Percent Change +(-)....	2.14% (4)	(1.23%)	16.60%	1.79%	(4.43%)

- Notes: (1) Source: Cook County Clerk.
 (2) Excludes TIF EAV.
 (3) Triennial reassessment year.
 (4) Percentage change based on 2016 EAV of \$1,915,029,885.

Equalized Assessed Valuation by Township(1)(2)

	Levy Year 2021			
	Elk Grove	Maine	Wheeling	Total
Real Estate Property.....	\$344,687,989	\$1,803,307,669	\$38,527,355	\$2,186,523,013
Railroad Property.....	0	4,732,953	0	4,732,953
Total.....	\$344,687,989	\$1,808,040,622	\$38,527,355	\$2,191,255,966

- Notes: (1) Source: Cook County Clerk.
 (2) Excludes TIF EAV.

Representative Tax Rates(1)
 (Per \$100 EAV)

City Rates:	Levy Years				
	2017	2018	2019	2020	2021
Corporate.....	\$0.650	\$0.675	\$0.575	\$0.417	\$0.385
Police Pension.....	0.292	0.325	0.280	0.353	0.390
Fire Pension.....	0.274	0.306	0.265	0.330	0.376
Public Library.....	0.321	0.326	0.279	0.274	0.287
Total City Rate(2).....	\$1.537	\$1.632	\$1.399	\$1.374	\$1.438
Others:					
Cook County.....	\$0.527	\$0.489	\$0.454	\$0.453	\$0.446
Consolidated Elections.....	0.031	0.000	0.030	0.000	0.019
Cook County Forest Preserve District.....	0.062	0.060	0.059	0.058	0.058
Metropolitan Water Reclamation District.....	0.402	0.396	0.389	0.378	0.382
Maine Township(3).....	0.183	0.152	0.086	0.076	0.148
School District No. 62.....	3.940	4.121	3.575	3.696	4.063
High School District No. 207.....	2.529	2.652	2.553	2.639	2.901
Oakton Community College District No. 535.....	0.232	0.246	0.221	0.227	0.252
Des Plaines Park District.....	0.493	0.515	0.453	0.463	0.518
Des Plaines Public Library District.....	0.321	0.326	0.279	0.274	0.287
Northwest Mosquito Abatement District.....	0.010	0.011	0.010	0.010	0.011
Total Tax Rate(4).....	\$9.916	\$10.600	\$9.508	\$9.648	\$10.523

- Notes: (1) Source: Cook County Clerk.
 (2) As a home rule municipality, the City has no statutory tax rate limits.
 (3) Includes Road and Bridge and General Assistance.
 (4) Representative tax rates for other government units are from Maine Township tax code 22028, which represents the largest portion of the City's 2021 EAV, the most current available.

Tax Levies and Collections(1)

Levy Year	Coll. Year	Taxes Levied (3) (4)	Total Collections (2)	
			Amount	Percent
2017	2018	\$23,083,150	\$23,684,019	102.60%
2018	2019	24,489,150	24,339,660	99.39%
2019	2020	24,489,150	24,126,474	98.52%
2020	2021	24,489,150	24,228,905	98.93%
2021	2022	24,489,150	25,101,610	102.50%

- Notes: (1) Source: Cook County Clerk and the City.
 (2) Total Collections reflect gross taxes distributed and are not adjusted for refunds.
 (3) Total tax levy does not include the "loss levy" of 3% for corporate purposes and 5% for debt service which is extended by the County to cover the County's operating costs. The City may receive a portion of this "loss levy", and therefore the percentage of levy collected may exceed 100%.
 (4) Levy amount and collections refer only to City, and not the Library Component Unit.

Principal Taxpayers(1)

Taxpayer Name	Product/Business	2021 EAV (2)
Midwest Gaming	Rivers Casino	\$ 75,492,565
Wille Road LLC	Real Property	20,053,238
Sysco Chicago	Foodservice Distributor	18,133,369
Juno Lighting	Lighting Fixtures	16,514,850
Cambridge Realty	Real Property	16,439,269
Marc Realty LLC	Real Property	15,753,200
UOP LLC	Petroleum Research and Development Laboratories	14,834,513
Co Prologis Re Tax (Industrial)	Real Property	14,439,641
EGP 2300 Des Plaines	Real Property	14,387,917
Honeywell Specialty MA	Real Property	13,068,120
Total		\$219,116,682
Ten Largest as Percent of City's 2021 EAV (\$2,191,255,966)		10.00%

- Notes: (1) Source: Cook County Clerk.
 (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2021 EAV is the most current available.

FINANCIAL INFORMATION

Statement of Net Position Primary Government Governmental Activities

Audited as of December 31

	2017	2018	2019	2020	2021
ASSETS:					
Cash and Investments	\$ 83,158,109	\$ 102,908,170	\$ 102,534,974	\$ 85,598,743	\$108,425,885
Receivables, Net of Allowances for Uncollectibles:					
Property Taxes	29,460,067	31,537,886	31,623,167	34,360,012	28,934,235
Accounts	1,216,965	1,072,964	1,000,907	805,724	160,306
Accrued Interest	32,235	39,279	31,248	20,278	25,155
Other Taxes	1,193,049	1,466,992	1,184,096	954,440	1,141,047
Other	366,966	327,865	324,291	250,609	234,978
Prepaid Expenses	5,366,656	5,375,421	3,968,205	4,414,466	4,258,240
Due from Other Governments	15,603,582	17,325,078	11,353,109	8,098,434	15,463,734
Internal Balances	5,634,649	(184,889)	(1,677,808)	(174,822)	(233,567)
Due from Fiduciary Fund	0	0	10,558	0	0
Net Pension Asset	827,686	0	0	4,867,385	13,382,361
Capital Assets Not Being Depreciated	88,008,680	92,014,265	88,796,904	93,588,602	84,372,224
Capital Assets, Being Depreciated	<u>132,200,215</u>	<u>136,431,292</u>	<u>157,179,054</u>	<u>162,559,275</u>	<u>177,132,573</u>
Total Assets	<u>\$363,068,859</u>	<u>\$ 388,314,323</u>	<u>\$396,328,705</u>	<u>\$395,343,146</u>	<u>\$433,297,171</u>
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred Amounts from Refunding of Debt	\$ 280,741	\$ 114,332	\$ 85,220	\$ 56,106	\$ 28,994
Deferred Pension Outflows	13,540,484	17,709,211	23,345,801	23,447,065	16,796,215
Deferred OPEB Outflows	0	0	0	4,835,119	4,273,157
Total Deferred Outflows of Resources	<u>\$ 13,821,225</u>	<u>\$ 17,823,543</u>	<u>\$ 23,431,021</u>	<u>\$ 28,338,290</u>	<u>\$ 21,098,366</u>
LIABILITIES:					
Accounts Payable	\$ 20,875,209	\$ 24,459,599	\$ 24,576,560	\$ 13,900,691	\$ 21,289,691
Accrued Liabilities	147,508	154,921	157,748	8,216	9,963
Accrued Payroll	1,982,512	1,827,462	2,420,458	1,456,243	1,658,384
Accrued Interest Payable	50,082	51,834	42,034	31,662	25,297
Unearned Revenue	1,794,339	13,100,558	240,222	277,735	4,104,983
Deposits Payable	198,880	60,896	92,219	109,205	117,657
Non-Current Liabilities:					
Due Within One Year	7,021,634	17,565	6,214,322	5,529,749	5,359,822
Due in More Than One Year	<u>171,315,408</u>	<u>212,945,867</u>	<u>203,622,613</u>	<u>207,087,458</u>	<u>186,982,607</u>
Total Liabilities	<u>\$203,385,572</u>	<u>\$ 252,618,702</u>	<u>\$237,366,176</u>	<u>\$228,400,959</u>	<u>\$219,548,404</u>
DEFERRED INFLOWS OF RESOURCES:					
Deferred Property Tax Revenue	\$ 29,359,456	\$ 31,468,472	\$ 31,631,986	\$ 34,244,281	\$ 28,566,034
Deferred Pension Inflows	11,713,261	17,658,010	9,837,518	19,991,699	32,199,902
Deferred OPEB Inflows	0	0	0	584,182	991,248
Total Deferred Inflows of Resources	<u>\$ 41,072,717</u>	<u>\$ 49,126,482</u>	<u>\$ 41,469,504</u>	<u>\$ 54,820,162</u>	<u>\$ 61,757,184</u>
NET POSITION:					
Investment in Capital Assets, Net of Related Debt..	\$196,250,010	\$ 205,869,137	\$227,330,641	\$240,675,606	\$247,582,879
Restricted For:					
Streets and Highways	879,849	1,032,957	1,201,159	3,368,455	2,859,478
Rebuild Illinois Bond Funds Projects	0	0	0	0	848,711
Public Safety	1,384,584	1,305,100	1,500,574	1,528,928	1,735,227
Economic Development	7,292,165	7,938,575	6,046,772	2,395,225	3,115,174
Debt Service	13,717	104,780	114,580	0	0
Unrestricted	<u>(73,388,533)</u>	<u>(117,857,867) (1)</u>	<u>(95,269,680)</u>	<u>(107,507,899)</u>	<u>(83,051,520)</u>
Total Net Position	<u>\$132,431,792</u>	<u>\$ 98,392,682</u>	<u>\$140,924,046</u>	<u>\$140,460,315</u>	<u>\$173,089,949</u>

Note: (1) The decrease in net position was primarily due to the implementation requirements of GASB Statement No. 75 related to the recognition of the City's OPEB Liabilities.

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

	Audited Year Ended December 31				
	2017	2018	2019	2020	2021
FUNCTIONS/PROGRAMS:					
PRIMARY GOVERNMENT:					
General Government.....	\$ (21,358,613)	\$ (21,001,215)	\$ (22,296,647)	\$ (17,635,858)	\$ (22,572,637)
Public Safety.....	(45,669,934)	(77,119,274)	(20,776,542)	(51,524,385)	(40,905,493)
Public Works.....	(5,977,855)	(6,325,469)	(7,075,233)	(5,594,058)	(5,666,023)
Streets and Highways.....	(18,348,048)	(7,487,300)	(3,664,054)	(8,623,814)	(8,257,984)
Economic Development.....	9,528,529	(2,677,949)	(60,555)	(4,134,627)	(865,242)
Interest.....	<u>(1,300,991)</u>	<u>(1,304,502)</u>	<u>(690,046)</u>	<u>(597,850)</u>	<u>(493,259)</u>
Total Governmental Activities(1).....	<u>\$ (83,126,912)</u>	<u>\$ (115,915,709)</u>	<u>\$ (54,563,077)</u>	<u>\$ (88,110,592)</u>	<u>\$ (78,760,638)</u>
GENERAL REVENUES:					
Taxes:					
Property.....	\$ 29,611,170	\$ 29,099,377	\$ 31,124,250	\$ 34,042,738	\$ 36,322,212
Replacement.....	1,258,212	1,213,702	1,587,468	1,533,316	2,662,588
Sales.....	13,572,289	15,779,169	15,227,378	14,291,701	16,293,007
Utility.....	3,006,537	3,121,450	3,597,332	2,877,443	3,040,783
Income.....	5,363,901	5,570,605	6,229,784	6,531,025	8,311,489
Home Rule Sales.....	6,412,186	6,804,742	6,694,443	5,768,006	7,775,366
Food and Beverage Tax.....	1,330,150	1,346,268	1,415,745	1,002,905	1,382,127
Hotel/Motel.....	1,908,782	1,995,330	1,917,755	763,390	1,383,960
Real Estate Transfer.....	883,175	808,982	761,871	705,412	1,470,369
Local Option Motor Fuel.....	1,768,066	1,782,386	1,567,933	2,012,304	2,238,131
Gaming Taxes.....	24,762,107	25,065,880	25,466,799	12,833,854	25,224,001
Other Taxes.....	3,679,988	3,467,035	3,204,837	3,411,748	2,927,229
Investment Income.....	627,226	1,335,078	1,937,137	789,086	52,240
Miscellaneous.....	2,431,632	2,586,210	2,220,951	721,177	1,801,770
Transfers.....	15,758	<u>(7,634,242)</u>	<u>(5,859,242)</u>	<u>(303,440)</u>	<u>505,000</u>
Total.....	<u>\$ 96,631,179</u>	<u>\$ 92,341,972</u>	<u>\$ 97,094,441</u>	<u>\$ 86,980,665</u>	<u>\$111,390,272</u>
Change in Net Position.....	\$ 13,504,267	\$ (23,573,737)	\$ 42,531,364	\$ (1,129,927)	\$ 32,629,634
Net Position, January 1.....	<u>118,927,525</u>	<u>121,966,419</u>	<u>98,392,682</u>	<u>141,590,242</u> (2) (3)	<u>140,460,315</u>
Net Position, December 31.....	<u>\$132,431,792</u>	<u>\$ 98,392,682</u>	<u>\$140,924,046</u>	<u>\$140,460,315</u>	<u>\$173,089,949</u>

Notes: (1) Expenses less Charge for Services, Operating Grants and Capital Grants.
(2) As restated.
(3) Change in accounting principle.

General Fund Balance Sheet

Audited as of December 31

	2017	2018	2019	2020	2021
ASSETS:					
Cash and Equivalents	\$25,578,782	\$35,083,480	\$36,838,435	\$27,798,442	\$38,080,732
Receivables:					
Accounts	824,863	787,836	788,276	764,477	101,366
Property Taxes	22,936,008	24,256,973	24,268,873	24,334,709	24,390,547
Other Taxes	1,043,076	1,294,548	1,041,519	780,316	893,408
Other Receivables	359,153	282,618	325,356	386,562	241,279
Accrued Interest	8,885	10,827	8,613	5,589	6,934
Prepaid Items	0	0	0	0	203,053
Due from Other Governments	5,333,165	5,667,611	5,842,855	5,957,370	8,073,562
Due from Other Funds	0	10,168	10,558	0	0
Advances From/To Other Funds	<u>24,834,213</u>	<u>18,279,838</u>	<u>20,139,602</u>	<u>28,857,447</u>	<u>25,552,496</u>
Total Assets	<u>\$80,918,145</u>	<u>\$85,673,899</u>	<u>\$89,264,087</u>	<u>\$88,884,912</u>	<u>\$97,543,377</u>
LIABILITIES:					
Accounts Payable	\$ 1,737,941	\$ 2,430,562	\$ 2,257,032	\$ 1,184,756	\$ 1,699,871
Accrued Payroll	1,982,512	1,827,462	2,420,458	1,456,243	1,658,384
Accrued Liabilities	147,508	154,921	157,715	8,216	9,963
Deposits Payable	0	0	11,726	0	0
Deferred Revenue	<u>485,530</u>	<u>282,305</u>	<u>155,574</u>	<u>200,131</u>	<u>170,729</u>
Total Liabilities	<u>\$ 4,353,491</u>	<u>\$ 4,695,250</u>	<u>\$ 5,002,505</u>	<u>\$ 2,849,346</u>	<u>\$ 3,538,947</u>
DEFERRED INFLOWS OF RESOURCES:					
Deferred Property Tax Revenue	\$22,852,318	\$24,244,258	\$24,244,258	\$24,244,258	\$24,244,258
Unavailable Other Revenue	<u>491,414</u>	<u>441,032</u>	<u>532,052</u>	<u>524,011</u>	<u>555,280</u>
Total Deferred Inflows of Resources	<u>\$23,343,732</u>	<u>\$24,685,290</u>	<u>\$24,776,310</u>	<u>\$24,768,269</u>	<u>\$24,799,538</u>
FUND BALANCES:					
Nonspendable:					
Long-term Interfund Advances	\$24,834,213	\$18,279,838	\$20,139,602	\$28,857,447	\$25,552,496
Prepaid Items	0	0	0	0	203,053
Assigned:					
Infrastructure	900,000	900,000	3,250,000	2,000,000	9,300,000
Capital Acquisitions	4,975,000	10,470,310	500,000	0	0
Economic Development	375,829	0	0	0	0
Subsequent Year's Budget Appropriation of Fund Balance	0	0	3,767,500	0	0
Unassigned	<u>22,135,880</u>	<u>26,643,211</u>	<u>31,828,170</u>	<u>30,409,850</u>	<u>34,149,343</u>
Total Fund Balances	<u>\$53,220,922</u>	<u>\$56,293,359</u>	<u>\$59,485,272</u>	<u>\$61,267,297</u>	<u>\$69,204,892</u>
Total Liabilities, Deferred Inflows of Resources and Fund Equity	<u>\$80,918,145</u>	<u>\$85,673,899</u>	<u>\$89,264,087</u>	<u>\$88,884,912</u>	<u>\$97,543,377</u>

General Fund Revenues and Expenditures

	Audited Years Ending December 31				
	2017	2018	2019	2020	2021
REVENUES:					
Property Taxes	\$22,949,804	\$22,493,562	\$24,339,659	\$24,126,474	\$24,228,906
Other Taxes	12,093,495	12,161,007	12,212,773	11,171,668	13,652,898
Licenses and Permits	3,556,348	3,708,677	3,822,654	2,036,569	2,030,245
Intergovernmental	21,600,891	22,927,843	23,403,701	23,279,114	27,691,047
Charges for Services.....	5,115,581	5,360,093	5,636,997	6,164,290	4,983,272
Fines and Forfeits.....	1,318,279	1,239,342	1,115,938	739,013	655,524
Investment Income.....	197,738	440,109	766,711	256,138	25,844
Miscellaneous	610,113	985,423	272,457	242,472	497,703
Total Revenues.....	<u>\$67,442,249</u>	<u>\$69,316,056</u>	<u>\$71,570,890</u>	<u>\$68,015,738</u>	<u>\$73,765,439</u>
EXPENDITURES:					
General Government.....	\$ 8,157,208	\$ 8,814,235	\$ 8,919,178	\$ 8,523,551	\$ 8,819,530
Public Safety	41,007,312	44,272,261	45,120,655	45,575,471	47,544,601
Public Works	7,211,011	7,069,260	7,025,113	6,634,117	4,618,911
Streets and Highways.....	4,046,140	3,988,318	4,298,471	3,750,629	4,395,892
Economic Development.....	309,661	338,356	383,382	272,317	142,910
Total Expenditures.....	<u>\$60,731,332</u>	<u>\$64,482,430</u>	<u>\$65,746,799</u>	<u>\$64,756,085</u>	<u>\$65,521,844</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 6,710,917	\$ 4,833,626	\$ 5,824,091	\$ 3,259,653	\$ 8,243,595
OTHER FINANCING SOURCES (USES), NET.....	\$(3,324,473)	\$(1,761,189)	\$(2,632,178)	\$(1,477,628)	\$ (306,000)
Net Change in Fund Balances.....	\$ 3,386,444	\$ 3,072,437	\$ 3,191,913	\$ 1,782,025	\$ 7,937,595
Fund Balances, January 1.....	<u>\$49,834,478</u>	<u>\$53,220,922</u>	<u>\$56,293,359</u>	<u>\$59,485,272</u>	<u>\$61,267,297</u>
Fund Balances, December 31.....	<u>\$53,220,922</u>	<u>\$56,293,359</u>	<u>\$59,485,272</u>	<u>\$61,267,297</u>	<u>\$69,204,892</u>

General Fund Budget Financial Information(1)

	Adopted Budget Fiscal Year 2023
REVENUES:(2)	
Taxes.....	\$ 35,945,121
Licenses and Permits	1,406,000
Intergovernmental	20,585,000
Charges for Services	2,875,000
Fines and Forfeits.....	555,000
Investment Income	50,000
Other	156,197
Transfers	69,000
Total Revenues	<u>\$ 61,641,318</u>
EXPENDITURES:	
General Government.....	\$ 10,441,962
Public Safety	52,060,610
Economic Development	3,118,520
Public Works	11,019,033
Total Expenditures	<u>\$ 76,640,125</u>
Less: Transfers	2,000,000
Total Operating Expenditures	<u>\$ 74,640,125</u>
Total Revenues over Operating Expenditures.....	\$(12,998,807)

Notes: (1) Source: the City's fiscal year 2023 Annual Budget.
(2) Does not include prior year's fund balance.

INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Mayor
and Members of the City Council
City of Des Plaines, Illinois

We have examined the City of Des Plaines, Illinois' ("City's") compliance with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act during the year ended December 31, 2022. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements during the year ended December 31, 2022.

Crowe LLP
Crowe LLP

Oak Brook, Illinois
June 13, 2023