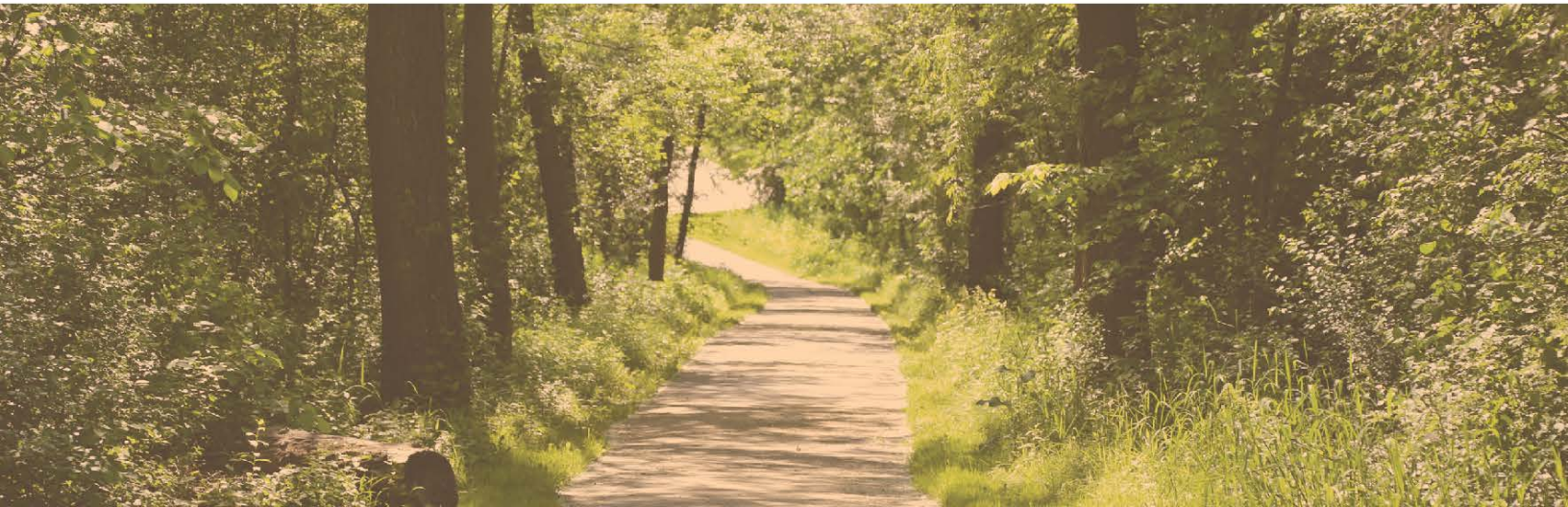


COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ending December 31, 2020



PALATINE PARK DISTRICT
Cook County, Illinois



PALATINE PARK DISTRICT, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2020

Prepared by:
Michael G. Clark
Executive Director

Zaida Torres
Superintendent of Finance

PALATINE PARK DISTRICT, ILLINOIS

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PALATINE PARK DISTRICT, ILLINOIS

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INTRODUCTORY SECTION

This section includes miscellaneous data regarding the District including: Principal Officials, Organization Chart, Letter of Transmittal, and Certificate of Achievement for Excellence in Financial Reporting.

PALATINE PARK DISTRICT, ILLINOIS

Principal Officials

December 31, 2020

LEGISLATIVE

BOARD OF PARK COMMISSIONERS

Terry Ruff, President

Jennifer Rogers, Vice President
John Cozza, Commissioner

Susan E. Gould, Treasurer
Greg Sammons, Commissioner

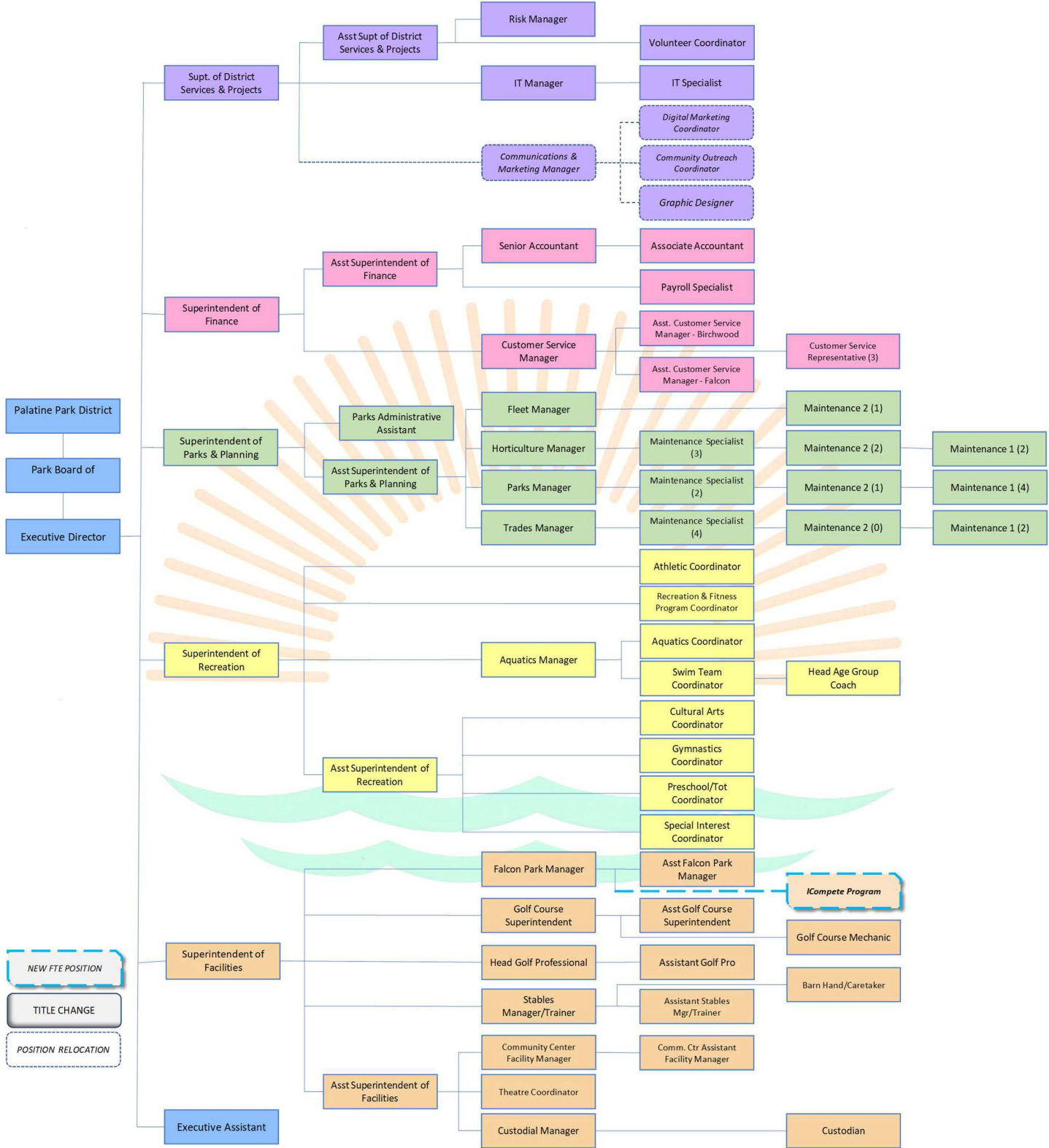
ADMINISTRATIVE

Michael G. Clark, Executive Director

FINANCE DEPARTMENT

Zaida Torres, Superintendent of Finance

Organizational Chart 2020



Succession and Reorganization Plan 2.0



June 18, 2021

Board of Commissioners
Palatine Park District
Cook County, Illinois

Honorable Commissioners:

The Comprehensive Annual Financial Report of the Palatine Park District for the fiscal year ended December 31, 2020, is hereby respectfully and formally submitted. Chapter 70, Section 1205, of the Illinois Compiled Statutes requires that park districts secure a licensed public accountant to perform an annual audit of the financial statements. The firm of Lauterbach & Amen, LLP, performed this audit for the fiscal year ended December 31, 2020. Their unmodified opinion on the basic financial statements is presented for this report. The Comprehensive Annual Financial Report is filed with the State Comptroller within six months after the close of the fiscal year. This report was prepared by the Park District's Finance Department who is responsible for both the accuracy of the presented information and the completeness and fairness of the presentation, including all disclosures. We believe the information, as presented, is accurate in all material aspects; it is presented in a manner designated to fairly set forth the financial position and results of Park District operations as measured by the financial activity of its various funds; and all disclosures necessary to enable the reader to gain the maximum understanding of the Park District's financial affairs.

Management's representations in the financial statements are only as reliable as the underlying information on which they are based. In developing and evaluating the accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, reliable financial records for preparing financial statements and maintainable accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. Accounting control is provided to adequately safeguard assets and provide reasonable assurance of proper recording of transactions.

The role of the independent audit, as required by the Illinois Compiled Statutes, is to provide an opinion on the fairness of management's representation in the financial statements. The independent audit firm of Lauterbach & Amen LLP, a firm of licensed Certified Public Accountants, provides an objective review of the Park District's financial statements. Their performance of tests and discussion with management provides users of these financial statements reasonable basis for reliance on the enclosed reports. Their audit standards require a review that will obtain reasonable, rather than absolute, assurance that the financial statements are free of material misstatement and that the District's presentation is consistent with Generally Accepted Accounting Principles and other Governmental Accounting Standards. The audit includes examining, on a test basis, evidence supporting the amounts, accounting principles used, and significant estimates made by management.

Management's discussion and analysis (MD&A), immediately following the independent auditor's report, provides a narrative introduction, overview and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction for greater understanding of the Park District's finances.

The Reporting Entity and its Services

The Park District provides recreational services and opportunities primarily to the residents of Palatine, Illinois. These services include recreational programs, parks management, recreation facility management, capital improvement development and general administration. The Park District maintains over 425 acres (and leases nearly 300 more) of property for the resident's enjoyment.

Located approximately 30 miles northwest of Chicago, the Park District was established as a separate municipal body by the citizens of Palatine in 1945. The District operates under a board-director form of government. The Board consists of five individuals who are elected from the District at large to serve six-year staggered terms. In over seventy years of service, it has grown in programs, facilities and recreation importance in the lives of District residents. The current population served is just over 83,000 and includes residents in multiple communities within its borders.

The accompanying financial statements include only those funds of the Park District, as there are no other organizations for which it has financial accountability. The Park District participates in the Illinois Municipal Retirement Fund (IMRF), the Northwest Suburban Special Recreation Association (NWSRA), and the Metro Risk Management Agency (MRMA). Since these organizations are separate government organizations, and the Park District does not exercise financial accountability over these agencies, their financial statements are not included in this report. Audited financial statements for these organizations are available upon request from their business offices.

The Board of Commissioners has the authority, after the first six months of the fiscal year and with a two-thirds approval vote, to make transfers between the various items in any fund in the appropriation ordinance. Transfers cannot exceed 10%, in the aggregate, of the total amount appropriated for the fund or item that is having funds reallocated. The Board of Commissioners may amend the Budget and Appropriation Ordinance, but this must be done in accordance with the same procedure followed in the originally adopted ordinance. The Park District issued a Supplemental Budget and Appropriations ordinance in the 4th quarter of 2020.

Open Public Meetings for budget authorization are held at 7:00 p.m., posted and published up to six weeks in advance.

Date	Meeting	Discussion
October 30, 2019	5:30pm Special Board	2020 Proposed Budget
December 10, 2019	7pm Public Hearing	Public Comment on the 2020 Budget
December 10, 2019	7pm Regular Board	Board discusses, considers, and approves the 2020 Budget and Appropriation
October 27, 2020	5pm Virtual Special Board	2021 Proposed Budget
December 8, 2020	4pm Virtual Public Hearing	Public Comments on the 2021 Annual Budget
December 8, 2020	4pm Virtual Special Board Meeting	Board discusses, considers, and approves the 2021 Budget and Appropriation Ordinance #20-07
December 8, 2020	4pm Virtual Special Board Meeting	Amended 2020 Budget and Appropriation Ordinance # draft presented to the Board
	4pm Public Hearing	Public Comments on the Amended 2020 Budget and Appropriation Ordinance #20-08
January 12, 2021	4pm Virtual Regular	Board discusses, considers, and approves the Amended 2020 Budget and
June 22, 2021	5pm Virtual Regular	Board accepts 2020 CAFR

Economic Condition and Outlook

In addition to being one of the larger suburbs north of Chicago, it is also one of the more financially stable. The District's local economic base is diverse. It combines corporate offices and commercial developments with a solid middle class residential base. Palatine's unemployment rate at the end of 2020 is slightly less than the statewide rate.

2019 EAV increased by 13% or \$289,558,981. Furthermore, the State of Illinois continues to have financial challenges and as a result, the Park District leadership continues to act cautiously as it fears a potential property tax freeze.

Long-Term Planning

2020 represented the fifth year for the District's Comprehensive Master Plan which was approved in the fall of 2015. As a result, the Park District has become far more strategically focused. Staff continues to review and assess the goals and objectives at the individual, department, and agency levels, to assure that the path to meeting the ten-year plan is maintained. Additionally, the District diligently monitors their 10-year Capital Repair and Replacement plan to help it manage resources. Staff continues to review and adjust the Capital Repair and Replacement Plan as well as the Comprehensive Plan as part of the annual budget preparation process. This allows for the assessment of the timeline and the availability of funds for the projects listed in both plans.

District board and staffs' primary focus is to operate efficiently and effectively, while providing the greatest value for its residents. For this reason, staff is constantly evaluating its program offerings while senior leadership, in cooperation with the Board, carefully discusses any large capital undertaking. The District also continues to be conservative allowing for large fund balances to be created.

Ongoing initiatives were developed, which along with the short-term initiatives, formed the basis for the 2021 annual budget. Mid and long-term goals will continue to be integrated into future budgets. To fund future activities and capital initiatives, the Park District has accumulated healthy reserves and all indications are that reserves will continue to grow in the near future. In addition to the use of unrestricted reserves, each year the District has access to unreserved debt capacity; therefore, the Park District may issue new debt as needed to fund its multi-year capital improvement plan.

Risk Management

The Park District is a member of the Metro Risk Management Agency (MRMA), which operates a comprehensive risk management program. MRMA provides loss coverage for workers' compensation and property damage claims on a partially self-funded basis. General liability, employment practices and unemployment insurance is completely self-funded. The District's environment promotes an aggressive risk management program aimed at participant, instructor, and workplace safety.

Pension Benefits

The Park District participates in the Illinois Municipal Retirement Fund (IMRF), a 414(h) plan and employees may participate in a 457-retirement plan. The IMRF plan is a two tiered defined benefit plan with the employee contributing 4.5 percent of their annual salary. Vesting for Tier 1 and Tier 2 occurs after eight and ten years respectively. The Park District is responsible for most of the pension costs and all of the disability and death benefits. The Park District's retirement plan is 87.65% funded as of 12/31/20. This is an increase of 3% from prior year, which is attributed to an additional lump sum IMRF payment approved by Palatine Park District Board. Despite a low rate of return on its investments, the District's 5-year smoothing technique has resulted in an increase to the District's contribution rate in 2020. Employee rates are based on actuarially calculated annual required contributions (ARC). Although the District has annually contributed 100% of the ARC, the resulting unfunded liability is currently being amortized over a rolling thirty-year period. The District's employer rate in 2020 was 11.85%.

The Park District is a trustee of the 457 plan, a defined contribution plan, which is fully funded by the employees. The Park District does not pay retirement health benefits.

Significant Events and Accomplishments

The Palatine Park District continues to be one of the premier parks and recreation providers in Illinois. The Park District has undergone tremendous program growth and restructuring, resulting in superior recreation opportunities while maintaining low tax increases and modest increases in user fee revenues.

The Park District takes an active role in the community. The staff represents the District and often takes on leadership roles in Rotary, Kiwanis, the Chamber of Commerce and other local community groups. The Park District is very proud to take honor in having met the standards and best practices set forth in the state program for the outstanding delivery of park and recreation services. The Palatine Park District is an Illinois distinguished accredited agency. In 2018, the District received the IAPD/IPRA Joint Distinguished Park and Recreation Award. The Palatine Park District scored 492 out of 500 possible points.

The Palatine Park District continues to push forward capital projects and to stay current with maintenance and repairs. In 2020, the District's greatest accomplishments are a new playground, a shelter and access paths, ADA parking and sidewalk improvements at the stables, renovations to the exterior of the east side of the Community Center garage and a facelift to the amphitheater. The District also visited the Master plan for the Maple Park redevelopment project.

More importantly, the Capital Plan for 2020 was significantly impacted by the mandatory COVID- 19 shut down. The Palatine Park District suspended all operations on March 12, 2020. The District was obligated to implement CDC, County and Local safety and health restrictions. An operation structure was created for Stay at Home, Phase 3 and Phase 4, which included a red and green team structure following the 50% capacity guideline. Due to a significant loss of revenues and lack of work, the Palatine Park District laid off over 450 part-time employees

The District continues with the plan implemented to pay off the unfunded IMRF liability at a rate of 1/7th of the balance or as the budget allows. This plan is re-visited on an annual basis and adjusted accordingly.

The Board of Commissioners remains very positive in supporting membership, continuing education and involvement within key organizations such as NRPA, IPRA, and GFOA. The leadership is active in giving back to the industry and often serve as speakers at the Leadership Academy and Professional Development School.

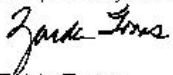
Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) has created a program which recognizes deserving Agencies when they prepare quality financial statements. In 2020, for the fifth time, the Park District received the Excellence in Financial Reporting award for its 2019 Comprehensive Annual Financial Report. With this year's submission, staff is confident that it will achieve this distinction again for 2020. Each year the District will make every effort to continue to achieve this lofty goal.

Acknowledgments

This financial report was compiled through the greatly appreciated extreme efforts and diligence of the entire staff of Finance Department, and the cooperation and assistance rendered by other departments. We also wish to express appreciation to the Board of Commissioners for their leadership, interest and support in planning and conducting the financial operations of the Palatine Park District in a responsible and progressive manner.

Respectfully Submitted,



Zaida Torres
Superintendent of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Palatine Park District
Illinois**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

This section includes:

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

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



INDEPENDENT AUDITORS' REPORT

June 18, 2021

Members of the Board of Commissioners
Palatine Park District
Palatine, Illinois

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Palatine Park District, Illinois' basic financial statements. The introductory section, other supplementary information, supplemental schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

PALATINE PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

Our discussion and analysis of the Palatine Park District's (the District) financial performance provides an overview of the District's financial activities for the fiscal year ended December 31, 2020. Please read it in conjunction with the District's transmittal letter which can be found in the introductory section of this report and the financial statements which can be found in the financial section of this report.

FINANCIAL HIGHLIGHTS

- The District's net position increased as a result of this year's operations. Net position of the governmental activities increased by \$2,011,696 or 3.2 percent.
- During the year, government-wide revenues totaled \$19,858,019, while expenses totaled \$17,846,323 resulting in an increase to net position of \$2,011,696.
- The District's net position totaled \$64,680,267 on December 31, 2020, which includes \$49,622,317 net investment in capital assets, \$7,989,867 subject to external restrictions, and \$7,068,083 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The General Fund reported a surplus this year of \$1,898,303, resulting in ending fund balance of \$13,301,370, an increase of 16.6 percent.
- The District retired \$1,455,000 in outstanding long-term debt during the year and issued \$0 in new debt.

USING THIS ANNUAL REPORT

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

Government-Wide Financial Statements

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

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

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

PALATINE PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

USING THIS ANNUAL REPORT - Continued

Government-Wide Financial Statements - Continued

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and charges for services. The governmental activities of the District include general government and culture and recreation.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District are considered governmental funds.

Governmental Funds

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

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

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Recreation, Debt Service and Capital Projects Funds, which are all considered major funds.

The District adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

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 District's I.M.R.F. employee pension obligations as well as budgetary comparison schedules for the General Fund and Recreation Fund.

PALATINE PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the District, assets/deferred outflows exceeded liabilities/deferred outflows by \$64,680,267.

	Net Position	
	2020	2019
Current and Other Assets	\$ 35,314,912	36,064,041
Capital Assets	68,569,386	68,979,905
Total Assets	103,884,298	105,043,946
Deferred Outflows	3,033,933	4,568,420
Total Assets/ Deferred Outflows	106,918,231	109,612,366
Long-Term Debt	21,962,082	26,299,065
Other Liabilities	3,220,185	3,574,845
Total Liabilities	25,182,267	29,873,910
Deferred Inflows	17,055,697	17,069,885
Total Liabilities/ Deferred Inflows	42,237,964	46,943,795
Net Position		
Net Investment in Capital Assets	49,622,317	48,600,674
Restricted	7,989,867	6,930,022
Unrestricted	7,068,083	7,137,875
Total Net Position	64,680,267	62,668,571

A large portion of the District's net position, \$49,622,317, or 76.7 percent reflects its net investment in capital assets (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$7,989,867, or 12.4 percent, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining 10.9 percent, or \$7,068,083, represents unrestricted net position and may be used to meet the District's ongoing obligations to citizens and creditors.

PALATINE PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	<u>Changes in Net Position</u>	
	<u>2020</u>	<u>2019</u>
Revenues		
Program Revenues		
Charges for Services	\$ 3,136,516	8,033,299
Operating Grants/Contributions	4,973	29,929
Capital Grants/Contributions	364,791	17,840
General Revenues		
Property Taxes	15,237,847	14,754,715
Replacement Taxes	191,719	165,033
Other General Revenues	922,173	1,054,151
Total Revenues	<u>19,858,019</u>	<u>24,054,967</u>
Expenses		
General Government	6,629,288	13,304,266
Culture and Recreation	10,529,551	10,553,980
Interest on Long-Term Debt	687,484	748,786
Total Expenses	<u>17,846,323</u>	<u>24,607,032</u>
Change in Net Position	2,011,696	(552,065)
Net Position - Beginning	<u>62,668,571</u>	<u>63,220,636</u>
Net Position - Ending	<u><u>64,680,267</u></u>	<u><u>62,668,571</u></u>

Net position of the District's governmental activities increased by 3.2 percent (\$62,668,571 in 2019 compared to \$64,680,267 in 2020). Entity-wide adjustments for capital assets (capital outlay, depreciation expense, and the net effect of disposals) were lower than the adjustments for long-term debt (compensated absences net activity, net pension liability, total OPEB liability, principal retirement, and debt issuance). Numbers related to these entity-wide adjustments can be found on the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities. Unrestricted net position, the portion of net position that can be used to finance day-to-day operations without constraints, totaled \$7,068,083 at December 31, 2020, and decreased from the prior year.

PALATINE PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

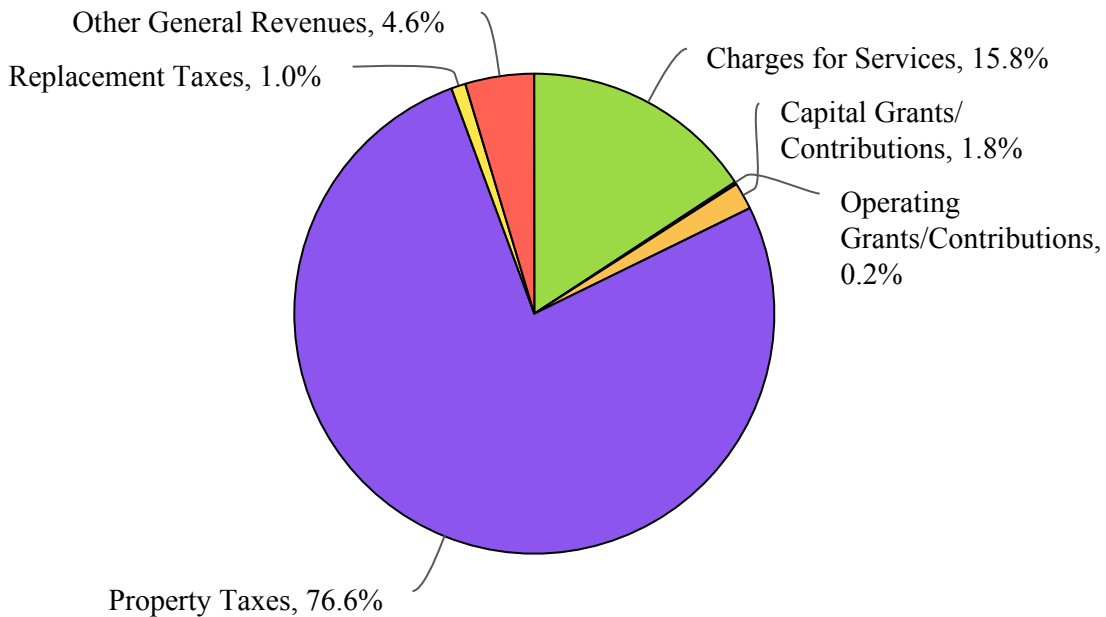
GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities

Revenues for governmental activities totaled \$19,858,019, while the cost of all governmental functions totaled \$17,846,323. This results in a surplus of \$2,011,696. In 2019, revenues of \$24,054,967 fell below expenses of \$24,607,032, resulting in a deficit of \$552,065. Most notably, expenses in the current year decreased \$6,760,709 or 27.5 percent due to the mandatory COVID-19 shut down, causing the halting of capital projects and non-essential expenses.

The following table graphically depicts the major revenue sources of the District. It depicts very clearly the reliance of property taxes and charges for services to fund governmental activities. It also clearly identifies the less significant percentage the District receives from replacement taxes, interest and miscellaneous income.

Revenues by Source - Governmental Activities



PALATINE PARK DISTRICT, ILLINOIS

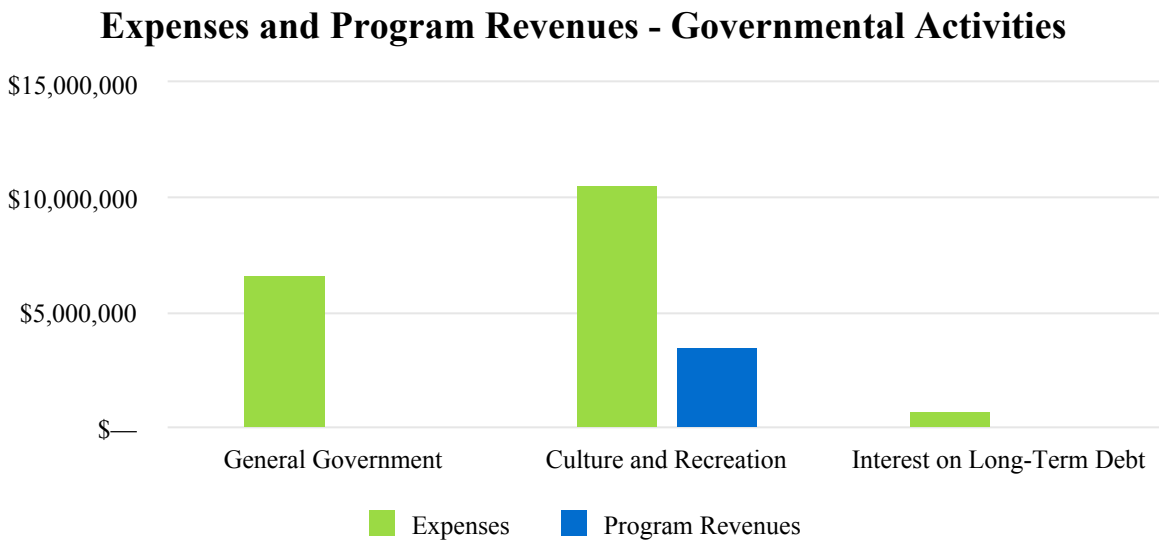
Management’s Discussion and Analysis

December 31, 2020

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Governmental Activities - Continued

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



FINANCIAL ANALYSIS OF THE GOVERNMENT’S FUNDS

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

Governmental Funds

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

The District’s governmental funds reported combining ending fund balances of \$17,643,917, which is an increase of \$68,553, or 0.4 percent, from last year’s total of \$17,575,364. Of the \$17,643,917, \$6,909,009, or approximately 39.2 percent, of the fund balance constitutes unassigned fund balance.

The General Fund reported a surplus in fund balance for the year of \$1,898,303, an increase of 16.6 percent. Revenues came in \$7,179,454 under budget and the District was budgeting for an increase in fund balance of \$7,858,684. The operating increase to the fund was \$1,145,122 and this increase was due to overall operating cost controlling measures.

PALATINE PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS - Continued

Governmental Funds - Continued

The General Fund is the chief operating fund of the District. At December 31, 2020, unassigned fund balance in the General Fund was \$6,909,009, which represents 51.9 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents 88.9 percent of total General Fund expenditures.

At December 31, 2020, the Recreation Fund had a decrease in fund balance of \$4,200,608. The District budgeted for an increase in the Recreation fund balance of \$420,476. The actual decrease to the fund balance is the result of a transfer to the Acquisition and Improvements Fund in the amount of \$4,345,473, shutting down of operations, and ceasing of all programs for an extended period of time.

The Bond and Interest Fund had an increase in fund balance of \$5,853. Ending fund balance of \$514,130 is restricted to future debt service related expenditures.

The Acquisition and Improvements Fund had an increase in fund balance of \$2,271,291. This increase was mainly due a higher TIF payment, a transfer from the Recreation Fund in the amount of \$4,345,473, and not completing all the projects as planned.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the current fiscal year, the General Fund had one budget amendment. Actual revenues for the year totaled \$8,918,384 compared to budgeted revenues of \$16,097,838. Property tax revenues were \$362,653 under budget. General Fund actual expenditures for the year were \$2,010,134 under budget (\$7,773,262 actual compared to \$9,783,396 budgeted). The general government function actual expenditures were lower than budgeted due to overall cost controlling measures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's net investment in capital assets for its governmental activities as of December 31, 2020 was \$68,569,386 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress land improvements, buildings, infrastructure, machinery and equipment, and vehicles.

PALATINE PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

Capital Assets - Continued

	Capital Assets - Net of Depreciation	
	2020	2019
Land	\$ 33,737,978	33,737,978
Construction in Progress	2,817,849	1,755,442
Land Improvements	9,961,293	10,438,900
Buildings and Improvements	19,457,728	20,198,621
Furniture and Fixtures	47,540	66,146
Equipment and Vehicles	2,546,998	2,782,818
Total	<u>68,569,386</u>	<u>68,979,905</u>

This year's major additions included:

Construction in Progress	\$ 1,062,407
Land Improvements	512,587
Buildings and Improvements	129,248
Equipment and Vehicles	<u>385,303</u>
	<u>2,089,545</u>

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

PALATINE PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2020

CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

Debt Administration

At year-end, the District had total outstanding debt of \$18,880,000 as compared to \$20,335,000 the previous year, a decrease of \$1,455,000. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding	
	2020	2019
General Obligation Bonds	<u>\$ 18,880,000</u>	<u>20,335,000</u>

The District maintains an Aa1 rating from Moody's for general obligation debt. State statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 2.875 percent of its total assessed valuation. The current debt limit for the District is \$71,074,170.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The District's elected and appointed officials considered many factors when setting the fiscal-year 2021 budget, tax rates, and fees that will be charged for its governmental activities. One of those factors is the economy, including unemployment rates, CPI, etc. Although the District considers the economy in setting rates and fees during the budget process, the District does not feel that these economic factors will have a significant bearing on District operations in the coming year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Office of the Superintendent of Finance, Palatine Park District, 250 East Wood Street, Palatine, IL 60067.

BASIC FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

Fund Financial Statements

Governmental Funds

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

PALATINE PARK DISTRICT, ILLINOIS

Statement of Net Position

December 31, 2020

See Following Page

PALATINE PARK DISTRICT, ILLINOIS

Statement of Net Position

December 31, 2020

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 18,461,622
Receivables - Net of Allowances	16,305,220
Due from Other Governments	392,939
Inventory	7,873
Prepays	147,258
	<hr/>
Total Current Assets	35,314,912
	<hr/>
Noncurrent Assets	
Nondepreciable Capital Assets	36,555,827
Depreciable Capital Assets	90,925,763
Accumulated Depreciation	(58,912,204)
	<hr/>
Total Noncurrent Assets	68,569,386
	<hr/>
Total Assets	103,884,298
	<hr/>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - IMRF	2,375,737
Unamortized Refunding Loss	658,196
	<hr/>
Total Deferred Outflows of Resources	3,033,933
	<hr/>
Total Assets and Deferred Outflows of Resources	106,918,231
	<hr/>

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

LIABILITIES		Governmental Activities
Current Liabilities		
Accounts Payable		\$ 590,257
Accrued Payroll		439,644
Accrued Interest Payable		48,884
Other Payables		572,218
Current Portion of Long-Term Debt		1,569,182
Total Current Liabilities		<u>3,220,185</u>
Noncurrent Liabilities		
Compensated Absences Payable		296,728
Net Pension Liability - IMRF		2,725,303
Total OPEB Liability - RBP		829,786
General Obligation Bonds Payable - Net		18,110,265
Total Noncurrent Liabilities		<u>21,962,082</u>
Total Liabilities		<u>25,182,267</u>
DEFERRED INFLOWS OF RESOURCES		
Property Taxes		15,349,733
Deferred Items - IMRF		1,705,964
Total Deferred Inflows of Resources		<u>17,055,697</u>
Total Liabilities and Deferred Inflows of Resources		<u>42,237,964</u>
NET POSITION		
Net Investment in Capital Assets		49,622,317
Restricted		
Special Levies		
Liability Insurance		428,032
Museum		156,452
Special Recreation		1,123,066
Retirement		5,817,071
Debt Service		465,246
Unrestricted		<u>7,068,083</u>
Total Net Position		<u>64,680,267</u>

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

PALATINE PARK DISTRICT, ILLINOIS

Statement of Activities

For the Fiscal Year Ended December 31, 2020

	Program Revenues				Net (Expenses)/ Revenues
	Expenses	Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions	
Governmental Activities					
General Government	\$ 6,629,288	—	4,963	—	(6,624,325)
Culture and Recreation	10,529,551	3,136,516	10	364,791	(7,028,234)
Interest on Long-Term Debt	687,484	—	—	—	(687,484)
Total Governmental Activities	17,846,323	3,136,516	4,973	364,791	(14,340,043)
		General Revenues			
		Taxes			
		Property Taxes			15,237,847
		Intergovernmental - Unrestricted			
		Replacement Taxes			191,719
		TIF Surplus from Village			419,942
		Interest			165,234
		Miscellaneous			336,997
					<u>16,351,739</u>
		Change in Net Position			2,011,696
		Net Position - Beginning			<u>62,668,571</u>
		Net Position - Ending			<u>64,680,267</u>

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

PALATINE PARK DISTRICT, ILLINOIS

Balance Sheet - Governmental Funds

December 31, 2020

See Following Page

PALATINE PARK DISTRICT, ILLINOIS

Balance Sheet - Governmental Funds

December 31, 2020

	General	Special Revenue Recreation
ASSETS		
Cash and Investments	\$ 13,444,513	3,379,913
Receivables - Net of Allowances		
Taxes	8,083,117	4,436,406
Accounts	18,468	60,181
Notes	719,143	—
Due from Other Funds	—	249,981
Due from Other Governments	28,148	—
Inventories	—	7,873
Prepays	147,258	—
	<u>22,440,647</u>	<u>8,134,354</u>
Total Assets	<u>22,440,647</u>	<u>8,134,354</u>
LIABILITIES		
Accounts Payable	140,557	300,232
Accrued Payroll	262,460	177,184
Due to Other Funds	—	—
Other Payables	653,143	515,181
Total Liabilities	<u>1,056,160</u>	<u>992,597</u>
DEFERRED INFLOWS OF RESOURCES		
Property Taxes	8,083,117	4,436,406
Total Liabilities and Deferred Inflows of Resources	<u>9,139,277</u>	<u>5,429,003</u>
FUND BALANCES		
Nonspendable	147,258	7,873
Restricted	6,245,103	156,452
Assigned	—	2,541,026
Unassigned	6,909,009	—
Total Fund Balances	<u>13,301,370</u>	<u>2,705,351</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>22,440,647</u>	<u>8,134,354</u>

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

Debt Service Bond and Interest	Capital Projects Acquisition and Improvements	Nonmajor Special Recreation	Totals
514,130	—	1,123,066	18,461,622
2,030,210	—	800,000	15,349,733
—	157,695	—	236,344
—	—	—	719,143
—	—	—	249,981
—	364,791	—	392,939
—	—	—	7,873
—	—	—	147,258
2,544,340	522,486	1,923,066	35,564,893
—	149,468	—	590,257
—	—	—	439,644
—	249,981	—	249,981
—	123,037	—	1,291,361
—	522,486	—	2,571,243
2,030,210	—	800,000	15,349,733
2,030,210	522,486	800,000	17,920,976
—	—	—	155,131
514,130	—	1,123,066	8,038,751
—	—	—	2,541,026
—	—	—	6,909,009
514,130	—	1,123,066	17,643,917
2,544,340	522,486	1,923,066	35,564,893

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

PALATINE PARK DISTRICT, ILLINOIS

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

December 31, 2020

Total Governmental Fund Balances	\$ 17,643,917
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.	68,569,386
Deferred outflows (inflows) of resources related to the pensions not reported in the funds. Deferred Items - IMRF	669,773
Revenues are recognized for governmental activities when earned regardless of availability.	719,143
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(370,910)
Net Pension Liability - IMRF	(2,725,303)
Total OPEB Liability - RBP	(829,786)
General Obligation Bonds Payable - Net	(19,605,265)
Unamortized Refunding Loss	658,196
Accrued Interest Payable	(48,884)
Net Position of Governmental Activities	<u><u>64,680,267</u></u>

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

PALATINE PARK DISTRICT, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended December 31, 2020**

See Following Page

PALATINE PARK DISTRICT, ILLINOIS

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended December 31, 2020**

	General	Special Revenue Recreation
Revenues		
Taxes	\$ 8,371,330	3,999,028
Charges for Services	—	3,180,957
Intergovernmental	196,682	10
Interest	165,234	—
Miscellaneous	185,138	(34)
Total Revenues	<u>8,918,384</u>	<u>7,179,961</u>
Expenditures		
Current		
General Government	6,886,497	—
Culture and Recreation	—	7,021,093
Capital Outlay	—	14,003
Debt Service		
Principal Retirement	400,000	—
Interest and Fiscal Charges	486,765	—
Total Expenditures	<u>7,773,262</u>	<u>7,035,096</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,145,122</u>	<u>144,865</u>
Other Financing Sources (Uses)		
Transfers In	753,181	—
Transfers Out	—	(4,345,473)
	<u>753,181</u>	<u>(4,345,473)</u>
Net Change in Fund Balances	1,898,303	(4,200,608)
Fund Balances - Beginning as Restated	<u>11,403,067</u>	<u>6,905,959</u>
Fund Balances - Ending	<u><u>13,301,370</u></u>	<u><u>2,705,351</u></u>

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

Debt Service	Capital Projects	Nonmajor	Totals
Bond and Interest	Acquisition and Improvements	Special Recreation	
2,000,572	—	866,917	15,237,847
—	—	—	3,180,957
—	784,733	—	981,425
—	—	—	165,234
—	151,893	—	336,997
2,000,572	936,626	866,917	19,902,460
—	—	—	6,886,497
—	—	484,241	7,505,334
—	3,299,770	—	3,313,773
1,055,000	—	—	1,455,000
186,538	—	—	673,303
1,241,538	3,299,770	484,241	19,833,907
759,034	(2,363,144)	382,676	68,553
—	4,634,435	—	5,387,616
(753,181)	—	(288,962)	(5,387,616)
(753,181)	4,634,435	(288,962)	—
5,853	2,271,291	93,714	68,553
508,277	(2,271,291)	1,029,352	17,575,364
514,130	—	1,123,066	17,643,917

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

PALATINE PARK DISTRICT, ILLINOIS

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the
Governmental Funds to the Statement of Activities - Governmental Activities
For the Fiscal Year Ended December 31, 2020**

Net Change in Fund Balances - Total Governmental Funds \$ 68,553

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

Governmental funds report capital outlays as expenditures. However, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	2,089,545
Depreciation Expense	(2,500,064)

The net effect of deferred outflows (inflows) of resources related
to the pensions not reported in the funds.

Change in Deferred Items - IMRF	(1,824,048)
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Revenues in the Statement of Activities that do not provide current financial
resources are not reported as revenue in the governmental funds.

	(44,441)
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The issuance of long-term debt provides current financial resources to
governmental funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

Change in Net Pension Liability - IMRF	2,968,374
Change in Total OPEB Liability - RBP	(140,714)
Change in Compensated Absences Payable	(46,328)
Retirement of Debt - Net	1,506,385
Amortization of Refunding Loss	(74,223)

Changes to accrued interest on long-term debt in the Statement of Activities
does not require the use of current financial resources and, therefore, are not
reported as expenditures in the governmental funds.

	<u>8,657</u>
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Changes in Net Position of Governmental Activities

	<u><u>2,011,696</u></u>
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PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Palatine Park District (District) of Illinois operates under a commissioner-director form of government and is governed by an elected five-member board. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

REPORTING ENTITY

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

BASIS OF PRESENTATION

Government-Wide Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as governmental. The District's culture and recreation and general administrative services are classified as governmental activities.

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

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions (general government, culture and recreation, etc.). The functions are supported by general government revenues (property and personal property replacement taxes, certain intergovernmental revenues, interest income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which 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.

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Government-Wide Statements - Continued

The net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, charges for services, interest income, etc.).

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

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

Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. All of the District funds are reported as governmental funds. An emphasis is placed on major funds within the governmental category.

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

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

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

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

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

BASIS OF PRESENTATION - Continued

Fund Financial Statements - Continued

Governmental Funds

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

General Fund is the general operating fund of the District. It accounts for all revenues and expenditures of the District which are not accounted for in other funds. The General Fund is a major fund.

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The District maintains two special revenue funds. The Recreation Fund, a major fund, is used to account for the operations of the District's recreational programs and concessions. Financing is provided from an annual property tax levy restricted by the state for recreation purposes and fees and charges for programs and activities assigned for recreation purposes.

Debt service funds are used to account for the accumulation of resources for the payment of general long-term debt principal, interest and related costs. The Bond and Interest Fund, a major fund, is used to account for restricted, committed or assigned resources required for the payment of principal and interest.

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities. The Acquisitions and Improvement Fund, a major fund, is used to account for the acquisition and construction of major capital facilities. Financing is provided by transfers from other funds and grants and donations.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued

Measurement Focus - Continued

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

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

Basis of Accounting

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

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

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

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Cash and Investments

For purpose of the Statement of Net Position, the District's cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All of the District's investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes.

Prepays/Inventories

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

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Capital Assets

Capital assets purchased or acquired with an original cost of more than \$250,000 for infrastructure, \$50,000 for buildings and building improvements and \$10,000 for furniture, fixtures, equipment, and vehicles and an estimated useful life in excess of three years, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

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

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

Land Improvements	10 - 30 Years
Buildings and Improvements	45 Years
Furniture and Fixtures	5 - 20 Years
Equipment	15 - 20 Years
Vehicles	7 - 10 Years

Deferred Outflows/Inflows of Resources

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

Compensated Absences

The District accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits.

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

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

Long-Term Obligations

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

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

Net Position

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

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

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

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

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, and Capital Projects Funds.

The budget is prepared by fund, function and activity and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from or change appropriations, but may not change the form of the budget.

The budget may be amended by the governing body. The original and final operating budget is presented in these financial statements.

Expenditures may not legally exceed budgeted appropriations at the fund level.

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments are separately held by several of the District's funds.

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

The Illinois Metropolitan Investment Fund (IMET) is a non-for-profit investment trust formed pursuant to the Illinois Municipal Code. IMET is managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an Investment Company. Investments in IMET are valued at the share price, the price for which the investment could be sold.

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

DEPOSITS AND INVESTMENTS - Continued

Interest Rate Risk, Credit Risk, Concentration Risk, and Custodial Credit Risk

At year-end, the carrying amount of the District's deposits totaled \$18,459,884 and the bank balances totaled \$18,540,896. At year-end, the District also had \$1,738 invested in IMET.

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District limits its exposure to interest rate risk by structuring its 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 by investing operating funds primarily in shorter-term securities. The District's investment in the IMET has an average maturity of less than one year.

Concentration Risk. Concentration risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The investment policy does not include any limitations on individual investment types. At year-end, the District does not have any investments over 5 percent of the cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations. In order to limit its exposure to credit risk, the District's investment policy limits the District's investments to the safest types of securities: pre-qualified financial institutions, broker/dealers, intermediaries and advisors with which the District does business and diversifies the investment portfolio so that potential losses on individual securities will be minimized. At year-end, the District's investment in the IMET was rated AAAM by Standard & Poor's.

Custodial Credit Risk. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy requires pledging of collateral to be held in the name of the District by the District's agent with a market value of at least 102% for all bank balances in excess of federal depository insurance. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. To limit its exposure, the District's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held in a custodial account with the trust department of an approved financial institution. IMET funds are not subject to custodial credit risk.

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

INTERFUND BALANCES

Interfund balances are advances in anticipation of receipts to cover temporary cash shortages. The composition of interfund balances as of the date of this report, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Recreation	Acquisition and Improvements	<u>\$ 249,981</u>

INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
General	Debt Service	\$ 753,181
Aquisitions and Improvements	Recreation	4,345,473
Aquisitions and Improvements	Nonmajor Governmental	<u>288,962</u>
		<u>5,387,616</u>

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

PROPERTY TAXES

Property taxes for 2020 attach as an enforceable lien on January 1 on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments on or about March 1 and August 1. The County collects such taxes and remits them periodically.

NOTES RECEIVABLE

The District has executed notes receivable to various organizations utilizing and seeking to improve District facilities. As of December 31, 2020, these notes range in principal from \$66,000 to \$335,000 and total \$719,143 which is recorded in the General Fund. Payments are due in annual installments ranging from \$6,000 to \$120,000 over the remaining life of the notes receivable with interest ranging from zero to 4.25%, maturing between 2023 and 2031.

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 33,737,978	—	—	33,737,978
Construction in Progress	1,755,442	1,062,407	—	2,817,849
	<u>35,493,420</u>	<u>1,062,407</u>	<u>—</u>	<u>36,555,827</u>
Depreciable Capital Assets				
Land Improvements	25,396,701	512,587	—	25,909,288
Buildings and Improvements	48,608,507	129,248	—	48,737,755
Furniture and Fixtures	3,211,165	—	—	3,211,165
Equipment and Vehicles	12,682,252	385,303	—	13,067,555
	<u>89,898,625</u>	<u>1,027,138</u>	<u>—</u>	<u>90,925,763</u>
Less Accumulated Depreciation				
Land Improvements	14,957,801	990,194	—	15,947,995
Buildings and Improvements	28,409,886	870,141	—	29,280,027
Furniture and Fixtures	3,145,019	18,606	—	3,163,625
Equipment and Vehicles	9,899,434	621,123	—	10,520,557
	<u>56,412,140</u>	<u>2,500,064</u>	<u>—</u>	<u>58,912,204</u>
Total Net Depreciable Capital Assets	<u>33,486,485</u>	<u>(1,472,926)</u>	<u>—</u>	<u>32,013,559</u>
Total Net Capital Assets	<u>68,979,905</u>	<u>(410,519)</u>	<u>—</u>	<u>68,569,386</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 700,075
Culture and Recreation	<u>1,799,989</u>
	<u>2,500,064</u>

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

SHORT-TERM DEBT

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. The schedule below details the changes in short-term debt for the year-ended December 31, 2020:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
Taxable General Obligation Limited Tax Park Bonds of 2020, due in one installment of \$764,000 plus interest at 1.80% on April 10, 2020.	\$ —	764,000	764,000	—

LONG-TERM DEBT

Alternate Revenue Source Bonds

The District issued the Series 2017 General Obligation Alternate Revenue Source Bonds to provide the District's contribution to the construction of the Aquatic Area at Harper College in accordance with an intergovernmental agreement. These bonds are payable from a pledge money lawfully available in the District's general fund and proceeds of the District's non-referendum general obligation bonds to be issued.

The remaining pledge of the General Fund, if necessary, is taken from revenues available to the District in the following order: unbudgeted miscellaneous revenues, investment income and replacement tax. Should that be insufficient, the District would charge such excess to the General Fund's accumulated fund balance. The remaining pledge of moneys lawfully available in the District's corporate fund and proceeds of the District's non-referendum general obligation bonds to be issued is displayed in Legal Debt Margin, debt service requirements to maturity, with the pledge expiring December 15, 2036, when the bonds are paid off.

General Obligation Bonds

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

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

General Obligation/Alternative Revenue Source (ARS) Bonds - Continued

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Refunding Limited Tax Park Bonds of 2012A, due in annual installments of \$305,000 to \$415,000 plus interest at 2.00% to 3.50% through December 15, 2023.	\$ 1,560,000	—	370,000	1,190,000
General Obligation Alternate Revenue Source Refunding Park Bonds of 2015C, due in annual installments of \$65,000 to \$1,145,000 plus interest at 2.00% to 4.00% through December 1, 2026.	4,460,000	—	185,000	4,275,000
General Obligation Limited Tax Refunding Park Bonds of 2015D, due in annual installments of \$390,000 to \$845,000 plus interest at 2.50% to 4.00% through December 1, 2027.	4,125,000	—	685,000	3,440,000
General Obligation Alternate Revenue Source Park Bonds of 2017, due in annual installments of \$500,000 to \$1,070,000 plus interest at 3.00% to 4.00% through December 1, 2036.	8,820,000	—	—	8,820,000
General Obligation Alternate Revenue Source Refunding Park Bonds of 2019A, due in annual installments of \$215,000 to \$240,000 plus interest at 1.72% through December 15, 2025.	1,370,000	—	215,000	1,155,000
	<u>20,335,000</u>	<u>—</u>	<u>1,455,000</u>	<u>18,880,000</u>

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Long-Term Liability Activity

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 324,582	92,656	46,328	370,910	74,182
Net Pension Liability - IMRF	5,693,677	—	2,968,374	2,725,303	—
Total OPEB Liability - RBP	689,072	140,714	—	829,786	—
General Obligation/Alternative					
Revenue Source (ARS) Bonds	20,335,000	—	1,455,000	18,880,000	1,495,000
Plus: Unamortized Premium	776,650	—	51,385	725,265	—
	<u>27,818,981</u>	<u>233,370</u>	<u>4,521,087</u>	<u>23,531,264</u>	<u>1,569,182</u>

The compensated absences, the net pension liability, and the total OPEB liability are liquidated by the General and Recreation Funds. Payments on the general obligation/alternative revenue source (ARS) bonds are made by the General Fund and Bond and Interest Fund.

Legal Debt Margin

Chapter 70, Section 1205/6-2 of the Illinois Compiled Statutes provides "...for the payment of land condemned or purchased for parks or boulevards, for the building, maintaining, improving and protection of the same and for the payment of the expenses incident thereto, or for the acquisition of real estate and lands to be used as a site for an armory, any park district is authorized to issue the bonds or notes of such park district and pledge its property and credit therefore to an amount including existing indebtedness of such district so that the aggregate indebtedness of such district does not exceed 2.875% of the value of the taxable property therein, to be ascertained by the last assessment for state and county taxes previous to the issue from time to time of such bonds or notes or, until January 1, 1983, if greater, the sum that is produced by multiplying the district's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979, if a petition, signed by voters in number equal to not less than 2% of the voters of the district, who voted at the last general election in the district, asking that the authorized aggregate indebtedness of the district be increased to not more than .575% of the value of the taxable property therein, is presented to the Board and such increase is approved by the voters of the district at a referendum held on the question.

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

LONG-TERM DEBT - Continued

Legal Debt Margin - Continued

Assessed Valuation - 2019	<u>\$ 2,472,145,053</u>
Legal Debt Limit - 2.875% of Assessed Value	71,074,170
Amount of Debt Applicable to Limit	<u>4,630,000</u>
Legal Debt Margin	<u>66,444,170</u>
Non-Referendum Legal Debt Limit	
0.575% of Assessed Valuation	14,214,834
Amount of Debt Applicable to Debt Limit	<u>4,630,000</u>
Non-Referendum Legal Debt Margin	<u>9,584,834</u>

Debt Service Requirements to Maturity

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

Fiscal Year	General	
	Obligation/ARS	Bonds
	Principal	Interest
2021	\$ 1,495,000	615,328
2022	1,515,000	552,344
2023	1,560,000	532,338
2024	1,585,000	484,582
2025	1,625,000	432,616
2026	1,435,000	389,012
2027	1,345,000	345,962
2028	805,000	303,500
2029	830,000	279,350
2030	855,000	254,450
2031	880,000	228,800
2032	915,000	198,000
2033	950,000	161,400
2034	990,000	123,400
2035	1,025,000	83,800
2036	1,070,000	42,800
Totals	<u>18,880,000</u>	<u>5,027,682</u>

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

NET INVESTMENT IN CAPITAL ASSETS

Net investment in capital assets was comprised of the following as of December 31, 2020:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 68,569,386
Plus: Unamortized Refunding Loss	658,196
Less Capital Related Debt:	
General Obligation Limited Tax Refunding Park Bonds of 2012A	(1,190,000)
General Obligation ARS Refunding Park Bonds of 2015C	(4,275,000)
General Obligation Limited Tax Refunding Park Bonds of 2015D	(3,440,000)
General Obligation ARS Park Bonds of 2017	(8,820,000)
General Obligation Refunding Park ARS Bonds of 2019A	(1,155,000)
Unamortized Bond Premium	<u>(725,265)</u>
Net Investment in Capital Assets	<u><u>49,622,317</u></u>

FUND BALANCE CLASSIFICATIONS

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

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

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

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

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

FUND BALANCE CLASSIFICATIONS - Continued

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

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

Minimum Fund Balance Policy. The District's policy manual states that the General Fund should maintain a minimum assigned and unassigned fund balance equal to four months of budgeted operating expenditures. The Recreation Fund should maintain a minimum assigned fund balance of no less than three months of budgeted operating expenditures.

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

	General	Special Revenue Recreation	Debt Service Bond and Interest	Capital Projects Acquisition and Construction	Nonmajor Special Recreation	Totals
Fund Balances						
Nonspendable						
Inventories	\$ —	7,873	—	—	—	7,873
Prepays	147,258	—	—	—	—	147,258
	<u>147,258</u>	<u>7,873</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>155,131</u>
Restricted						
Property Tax Levies						
Special Recreation	—	—	—	—	1,123,066	1,123,066
Liability Insurance	428,032	—	—	—	—	428,032
Retirement	5,817,071	—	—	—	—	5,817,071
Museum	—	156,452	—	—	—	156,452
Debt Service	—	—	514,130	—	—	514,130
	<u>6,245,103</u>	<u>156,452</u>	<u>514,130</u>	<u>—</u>	<u>1,123,066</u>	<u>8,038,751</u>
Assigned						
Recreational Programming, Facility Maintenance, and Future Recreation Capital	—	2,541,026	—	—	—	2,541,026
Unassigned	<u>6,909,009</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>6,909,009</u>
Total Fund Balances	<u>13,301,370</u>	<u>2,705,351</u>	<u>514,130</u>	<u>—</u>	<u>1,123,066</u>	<u>17,643,917</u>

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION

CONTINGENT LIABILITIES

Litigation

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the District.

Grants

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

Financial Impact from COVID-19

In March 2020, the World Health Organization declared the COVID-19 virus a public health emergency. As of the date of this report, the extent of the impact of COVID-19 on the District's operations and financial position cannot be determined.

JOINT GOVERNED ORGANIZATION - NORTHWEST SPECIAL RECREATION ASSOCIATION

The District is a member of the Northwest Special Recreation Association (NWSRA), which was organized by 18 area park districts in order to provide special recreation programs to the physically and mentally handicapped within their districts and to share the expenses of such programs on a cooperative basis. Each member district's fiscal year 2020 contribution is based on its pro rata share of 75% of the assessed valuation and 25% of the gross populations. For the year ended December 31, 2020, the District contributed \$484,241 to NWSRA.

NWSRA's Board of Directors consists of one member from each participating district. The Board of Directors is the governing body of NWSRA and is responsible for establishing all major policies and changes therein and for approving all budgets, capital outlay, programming and master plans. The District is not financially accountable for the activities of NWSRA and, accordingly, NWSRA has not been included in the accompanying financial statements. Complete financial statements for NWSRA can be obtained from NWSRA administrative offices at 3000 Central Road, Rolling Meadows, Illinois 60008.

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT

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

Metro Risk Management Agency

Since 1987, the District has been a member of the Metro Risk Management Agency (MRMA), a joint risk management pool of park districts through which property, general liability, automobile liability, crime, boiler and machinery, public officials and workers' compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

Losses exceeding the per occurrence self-insured and reinsurance limit would be the responsibility of the District.

As a member of MRMA's Program, the District is represented on the MRMA Board of Directors and is entitled to one vote. The relationship between the District and MRMA is governed by a contract and by-laws that have been adopted by resolution of the District's governing body. The District is contractually obligated to make all annual and supplementary contributions to MRMA, to report claims on a timely basis, cooperate with MRMA, its claims administrator and attorneys in claims investigation and settlement and to follow risk management procedures as outlined by MRMA.

The District does not exercise any control over the activities of MRMA beyond its representation on the Council and Membership Assembly.

Members have a contractual obligation to fund any deficit of MRMA attributable to a membership year during which they were a member. The District is not aware of any supplemental assessments owed to MRMA for the past claim year.

MRMA is responsible for administering the self-insurance program and purchasing excess insurance according to the direction of the MRMA Board of Directors. MRMA also provides its members with risk management services, including the defense of and settlement of claims and establishes reasonable and necessary loss reduction and prevention procedures to be followed by the members.

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

RISK MANAGEMENT - Continued

Metro Risk Management Agency - Continued

The following represents a summary of MRMA's Property/Casualty Program's balance sheet at March 31, 2020 (the most recent information available) and the statement of revenues and expenses for the period ended March 31, 2020. The District made payments of \$619,691 to MRMA during the year ended December 31, 2020.

Assets	\$	2,358,599
Liabilities		951,952
Member Balances		1,406,647
Revenues		1,718,715
Expenditures		1,333,026

Complete financial statements for MRMA can be obtained from MRMA's administration offices at P.O. Box 516, Northbrook, Illinois 60062.

Intergovernmental Personnel Benefit Cooperative

The District participates in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs (primarily medical, dental and life insurance coverage) offered by these members to their officers and employees and to the officers and employees of certain other governmental, quasi governmental and nonprofit public service entities.

IPBC receives, processes and pays such claims as may come within the benefit program of each member. Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers: a Benefit Administrator and a Treasurer. The District does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors.

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund (IMRF)

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

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions

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

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

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

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

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

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Plan Membership. As of December 31, 2019, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	103
Inactive Plan Members Entitled to but not yet Receiving Benefits	114
Active Plan Members	124
Total	341

Contributions. As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended December 31, 2020, the District's contribution was 22.27% of covered payroll.

Net Pension Liability. The District's net pension liability was measured as of December 31, 2020. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The total pension liability was determined by an actuarial valuation performed, as of December 31, 2019, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	3.35% to 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Plan Descriptions - Continued

Actuarial Assumptions - Continued. For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality tables was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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

<u>Asset Class</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	28.00%	3.25%
Domestic Equities	37.00%	5.75%
International Equities	18.00%	6.50%
Real Estate	9.00%	5.20%
Blended	7.00%	3.60% - 7.60%
Cash and Cash Equivalents	1.00%	1.85%

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Discount Rate

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

Discount Rate Sensitivity

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

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability	\$ 7,156,450	2,725,303	(952,391)

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2018	\$ 33,876,199	28,182,522	5,693,677
Changes for the Year:			
Service Cost	611,958	—	611,958
Interest on the Total Pension Liability	2,421,420	—	2,421,420
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	1,047,912	—	1,047,912
Changes of Assumptions	—	—	—
Contributions - Employer	—	1,751,361	(1,751,361)
Contributions - Employees	—	272,931	(272,931)
Net Investment Income	—	5,076,184	(5,076,184)
Benefit Payments, Including Refunds of Employee Contributions	(1,566,562)	(1,566,562)	—
Other (Net Transfer)	—	(50,812)	50,812
Net Changes	2,514,728	5,483,102	(2,968,374)
Balances at December 31, 2019	36,390,927	33,665,624	2,725,303

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

For the year ended December 31, 2020, the District recognized pension expense of \$119,606. At December 31, 2020, the District reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN - Continued

Illinois Municipal Retirement Fund (IMRF) - Continued

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 746,299	(462,368)	283,931
Change in Assumptions	365,506	(113,414)	252,092
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	—	(1,130,182)	(1,130,182)
Total Pension Expense to be Recognized in Future Periods	1,111,805	(1,705,964)	(594,159)
Pension Contributions Made Subsequent to Measurement Date	1,263,932	—	1,263,932
Total Deferred Amounts Related to IMRF	<u>2,375,737</u>	<u>(1,705,964)</u>	<u>669,773</u>

\$1,263,932 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended December 31, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2021	\$ (187,965)
2022	(58,141)
2023	255,587
2024	(603,640)
2025	—
Thereafter	—
Total	<u>(594,159)</u>

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS

General Information about the OPEB Plan

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

Benefits Provided. The District provides post-employment health care and life insurance benefits to its retirees. To be eligible for implicit benefits, an employee must qualify for retirement under the District's retirement plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual. The retirees pay 100% of the blended premium.

Plan Membership. As of December 31, 2020, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	1
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>72</u>
Total	<u>73</u>

Total OPEB Liability

The District's total OPEB liability was measured as of December 31, 2020, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs. The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

Total OPEB Liability - Continued

Actuarial Assumptions and Other Inputs - Continued.

Inflation	2.25%
Salary Increases	2.50%
Discount Rate	2.12%
Healthcare Cost Trend Rates	
PPO	7.70% to an Ultimate of 5.00% in 2031
HMO	6.60% to an Ultimate of 5.00% in 2031
Retirees' Share of Benefit-Related Costs	100% of the benefit related costs

The discount rate was based on a combination of the Expected Long-Term Rate of Return on the Plan Assets and the municipal bond rate..

Mortality rates were based on the Active IMRF mortality follows the Sex Distict Raw Rates as developed in the RP-2014 Study. These rates are improved generationally using MP-2016 improvement rates and weighted based on the IMRF December 31, 2018 actuarial valuation.

Change in the Total OPEB Liability

	Total OPEB Liability
	<u> </u>
Balance at December 31, 2019	\$ 689,072
Changes for the Year:	
Service Cost	14,278
Interest on the Total OPEB Liability	18,109
Changes of Benefit Terms	—
Difference Between Expected and Actual Experience	76,325
Changes of Assumptions or Other Inputs	88,288
Benefit Payments	(56,286)
Other Changes	—
Net Changes	<u>140,714</u>
Balance at December 31, 2020	<u><u>829,786</u></u>

PALATINE PARK DISTRICT, ILLINOIS

Notes to the Financial Statements

December 31, 2020

NOTE 4 - OTHER INFORMATION - Continued

OTHER POST-EMPLOYMENT BENEFITS - Continued

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

The discount rate used to measure the total pension liability was 2.12%, while the prior valuation used 2.74%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (1.12%)	Current Discount Rate (2.12%)	1% Increase (3.12%)
Total OPEB Liability	\$ 929,594	829,786	748,178

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

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

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 746,236	829,786	930,151

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

For the year ended December 31, 2020, the District recognized OPEB expense of \$197,000. Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as expenses, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB.

SUBSEQUENT EVENTS

On April 1, 2021 the District issued \$813,000 of Taxable General Obligation Limited Tax Park Bond of 2021, due in one installments of \$813,000, plus interest at 0.40% on April 9, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

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

- Schedule Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Total OPEB Liability
Retiree Benefit Plan
- Budgetary Comparison Schedules
General Fund
Recreation - Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary information - budgets are adopted on a basis consistent with generally accepted accounting principles.

PALATINE PARK DISTRICT, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Employer Contributions
December 31, 2020**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2014	\$ 640,668	651,736	\$ 11,068	\$ 5,325,582	12.24%
2015	704,561	704,561	—	5,587,325	12.61%
2016	757,493	757,493	—	5,682,615	13.33%
2017	727,676	727,676	—	5,676,104	12.82%
2018	725,362	725,362	—	5,821,527	12.46%
2019	644,526	1,233,409	588,883	5,913,082	20.86%
2020	677,967	1,263,932	585,965	5,676,456	22.27%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	24 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.50%
Salary Increases	3.35% - 14.25%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015).

Note:

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

PALATINE PARK DISTRICT, ILLINOIS

**Illinois Municipal Retirement Fund
Schedule of Changes in the Employer's Net Liability
December 31, 2020**

	<u>2014</u>
Total Pension Liability	
Service Cost	\$ 632,502
Interest	1,943,627
Differences Between Expected and Actual Experience	284,944
Change of Assumptions	1,104,414
Benefit Payments, Including Refunds of Member Contributions	(950,531)
Net Change in Total Pension Liability	3,014,956
Total Pension Liability - Beginning	<u>26,074,038</u>
Total Pension Liability - Ending	<u><u>29,088,994</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 651,736
Contributions - Members	280,266
Net Investment Income	1,471,575
Benefit Payments, Including Refunds of Member Contributions	(950,531)
Other (Net Transfer)	(137,962)
Net Change in Plan Fiduciary Net Position	1,315,084
Plan Net Position - Beginning	<u>24,133,452</u>
Plan Net Position - Ending	<u><u>25,448,536</u></u>
Employer's Net Pension Liability	<u><u>\$ 3,640,458</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.49%
Covered Payroll	\$ 5,325,582
Employer's Net Pension Liability as a Percentage of Covered Payroll	68.36%

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

2015	2016	2017	2018	2019
603,528	612,893	594,566	562,367	611,958
2,157,573	2,290,534	2,361,792	2,414,339	2,421,420
151,888	(752,695)	100,340	(1,177,998)	1,047,912
37,583	(113,753)	(966,365)	931,218	—
(1,092,407)	(1,180,992)	(1,219,742)	(1,527,464)	(1,566,562)
1,858,165	855,987	870,591	1,202,462	2,514,728
29,088,994	30,947,159	31,803,146	32,673,737	33,876,199
30,947,159	31,803,146	32,673,737	33,876,199	36,390,927
704,561	757,493	727,676	725,361	1,751,361
257,971	259,574	268,266	266,840	272,931
126,918	1,766,840	4,465,008	(1,500,950)	5,076,184
(1,092,407)	(1,180,992)	(1,219,742)	(1,527,464)	(1,566,562)
40,277	(376,167)	(464,507)	(270,570)	(50,812)
37,320	1,226,748	3,776,701	(2,306,783)	5,483,102
25,448,536	25,485,856	26,712,604	30,489,305	28,182,522
25,485,856	26,712,604	30,489,305	28,182,522	33,665,624
5,461,303	5,090,542	2,184,432	5,693,677	2,725,303
82.35%	83.99%	93.31%	83.19%	92.51%
5,587,325	5,682,615	5,676,104	5,821,527	5,913,082
97.74%	89.58%	38.48%	97.80%	46.09%

PALATINE PARK DISTRICT, ILLINOIS

Retiree Benefit Plan

Schedule of Changes in the Employer's Total OPEB Liability

December 31, 2020

	2018	2019	2020
Total OPEB Liability			
Service Cost	\$ 12,965	12,588	14,278
Interest	22,746	25,336	18,109
Change of Assumptions or Other Inputs	(28,720)	58,208	88,288
Difference Between Expected and Actual Experience	—	—	76,325
Benefit Payments	(48,779)	(50,362)	(56,286)
Other Changes	—	—	—
Net Change in Total OPEB Liability	(41,788)	45,770	140,714
Total OPEB Liability - Beginning	685,090	643,302	689,072
Total OPEB Liability - Ending	643,302	689,072	829,786
Covered Payroll	\$ 5,112,412	5,130,725	5,172,990
Total OPEB Liability as a Percentage of Covered Payroll	12.58%	13.43%	16.04%

Notes:

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

Changes of Assumptions. Changes in assumptions related to the discount rate were made in years 2018 through 2020.

PALATINE PARK DISTRICT, ILLINOIS

General Fund

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

For the Fiscal Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 8,733,983	8,733,983	8,371,330
Intergovernmental			
Replacement Taxes	161,333	161,333	191,719
Grants	150	150	4,963
Interest	360,000	360,000	165,234
Miscellaneous	6,842,372	6,842,372	185,138
Total Revenues	<u>16,097,838</u>	<u>16,097,838</u>	<u>8,918,384</u>
Expenditures			
General Government	8,837,797	8,895,631	6,886,497
Debt Service			
Principal Retirement	400,000	400,000	400,000
Interest and Fiscal Charges	487,765	487,765	486,765
Total Expenditures	<u>9,725,562</u>	<u>9,783,396</u>	<u>7,773,262</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,372,276</u>	<u>6,314,442</u>	<u>1,145,122</u>
Other Financing Sources (Uses)			
Debt Issuance	753,181	753,181	—
Transfers In	1,116,061	1,116,061	753,181
	<u>1,869,242</u>	<u>1,869,242</u>	<u>753,181</u>
Net Change in Fund Balance	<u>7,488,337</u>	<u>7,430,503</u>	1,898,303
Fund Balance - Beginning			<u>11,403,067</u>
Fund Balance - Ending			<u><u>13,301,370</u></u>

PALATINE PARK DISTRICT, ILLINOIS

Recreation Fund

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

For the Fiscal Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes	\$ 3,732,611	3,732,611	3,999,028
Charges for Services	9,628,284	9,628,284	3,180,957
Intergovernmental	1,600	1,600	10
Miscellaneous	—	—	(34)
Total Revenues	<u>13,362,495</u>	<u>13,362,495</u>	<u>7,179,961</u>
Expenditures			
Culture and Recreation	12,152,523	12,152,523	7,021,093
Capital Outlay	114,496	114,496	14,003
Total Expenditures	<u>12,267,019</u>	<u>12,267,019</u>	<u>7,035,096</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,095,476</u>	<u>1,095,476</u>	<u>144,865</u>
Other Financing Sources (Uses)			
Transfers In	325,000	325,000	—
Transfers Out	(1,000,000)	(1,000,000)	(4,345,473)
	<u>(675,000)</u>	<u>(675,000)</u>	<u>(4,345,473)</u>
Net Change in Fund Balance	<u>420,476</u>	<u>420,476</u>	(4,200,608)
Fund Balance - Beginning			<u>6,905,959</u>
Fund Balance - Ending			<u>2,705,351</u>

OTHER SUPPLEMENTARY INFORMATION

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

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
- Budgetary Comparison Schedule - Nonmajor Governmental Fund

INDIVIDUAL FUND SCHEDULES

GENERAL FUND

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

SPECIAL REVENUE FUNDS

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

Recreation Fund

The Recreation Fund is used to account for the operations of the District's recreational programs and concessions. Financing is provided from an annual property tax levy restricted by the state for recreation purposes and fees and charges for programs and activities assigned for recreation purposes.

Special Recreation Fund

The Special Recreation Fund primarily pays for the District's membership in the NWSRA, other programs that target specific populations and facilities that also target specific populations. Financing is provided by a specific restricted annual property tax levy.

DEBT SERVICE FUND

The Debt Service Funds are used to account for the accumulation of resources for the payment of general long-term debt principal, interest and related costs.

Bond and Interest Fund

The Bond and Interest Fund is used to account for restricted, committed or assigned resources required for the payment of principal and interest.

CAPITAL PROJECTS FUND

The Capital Projects Fund are used to account for financial resources to be used for the acquisition or construction of major capital facilities, equipment, and capital asset replacements.

Acquisition and Improvement Fund

The Acquisitions and Improvement Fund is used to account for the acquisition and construction of major capital facilities. Financing is provided by grants and donations.

PALATINE PARK DISTRICT, ILLINOIS

General Fund

Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
General Government			
Personnel Services	\$ 5,888,823	5,888,823	4,851,735
Supplies and Commodities	736,799	736,799	386,899
Contracted Services	2,146,175	2,204,009	1,631,863
Repairs and Maintenance	66,000	66,000	16,000
Total General Government	8,837,797	8,895,631	6,886,497
Debt Service			
Principal Retirement	400,000	400,000	400,000
Interest and Fiscal Charges	487,765	487,765	486,765
Total Debt Service	887,765	887,765	886,765
Total Expenditures	9,725,562	9,783,396	7,773,262

PALATINE PARK DISTRICT, ILLINOIS

**Recreation - Special Revenue Fund
Schedule of Revenues - Budget and Actual
For the Fiscal Year Ended December 31, 2020**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Taxes			
Property Taxes	\$ 3,732,611	3,732,611	3,999,028
Charges for Services			
Registration and Lesson Fees	6,297,457	6,297,457	1,805,113
Daily Fees and Ticket Sales	1,058,248	1,058,248	26,241
Golf Fees and Admission	1,149,003	1,149,003	1,066,267
Other Program Revenues	557,053	557,053	281,315
Rentals	555,723	555,723	(325)
Concession Sales	10,800	10,800	1,817
Special Events	—	—	529
Total Charges for Services	9,628,284	9,628,284	3,180,957
Intergovernmental			
Grants and Donations	1,600	1,600	10
Miscellaneous	—	—	(34)
Total Revenues	13,362,495	13,362,495	7,179,961

PALATINE PARK DISTRICT, ILLINOIS

**Recreation - Special Revenue Fund
Schedule of Expenditures - Budget and Actual
For the Fiscal Year Ended December 31, 2020**

	Budgeted Amounts		Actual Amounts
	Original	Final	
Culture and Recreation			
Personnel Services	\$ 7,606,553	7,606,553	4,582,329
Supplies and Commodities	1,028,005	1,028,005	582,820
Contracted Services	3,040,023	3,040,023	1,521,229
Repairs and Maintenance	477,942	477,942	334,715
Total Culture and Recreation	12,152,523	12,152,523	7,021,093
Capital Outlay			
Capital Improvements	114,496	114,496	14,003
Total Expenditures	12,267,019	12,267,019	7,035,096

PALATINE PARK DISTRICT, ILLINOIS

Bond and Interest - Debt Service Fund

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

For the Fiscal Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 1,995,394	1,995,394	2,000,572
Expenditures			
Debt Service			
Principal Retirement	1,055,000	1,055,000	1,055,000
Interest and Fiscal Charges	188,212	188,212	186,538
Total Expenditures	1,243,212	1,243,212	1,241,538
Excess (Deficiency) of Revenues Over (Under) Expenditures	752,182	752,182	759,034
Other Financing (Uses)			
Transfers Out	(753,181)	(753,181)	(753,181)
Net Change in Fund Balance	(999)	(999)	5,853
Fund Balance - Beginning			508,277
Fund Balance - Ending			514,130

PALATINE PARK DISTRICT, ILLINOIS

Acquisition and Improvement - Capital Projects Fund

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

For the Fiscal Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Intergovernmental			
TIF Surplus from Village	\$ 58,000	58,000	419,942
Grants	—	—	364,791
Miscellaneous	153,986	153,986	151,893
Total Revenues	211,986	211,986	936,626
Expenditures			
Capital Outlay	6,154,883	6,157,962	3,299,770
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,942,897)	(5,945,976)	(2,363,144)
Other Financing Sources			
Transfers In	1,366,614	1,366,614	4,634,435
Net Change in Fund Balance	<u>(4,576,283)</u>	<u>(4,579,362)</u>	2,271,291
Fund Balance - Beginning			<u>(2,271,291)</u>
Fund Balance - Ending			<u>—</u>

PALATINE PARK DISTRICT, ILLINOIS

Special Recreation - Special Revenue Fund

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

For the Fiscal Year Ended December 31, 2020

	Budgeted Amounts		Actual Amounts
	Original	Final	
Revenues			
Taxes			
Property Taxes	\$ 872,891	872,891	866,917
Expenditures			
Culture and Recreation			
Contracted Services	506,277	506,277	484,241
Excess (Deficiency) of Revenues Over (Under) Expenditures	366,614	366,614	382,676
Other Financing (Uses)			
Transfers Out	(366,614)	(366,614)	(288,962)
Net Change in Fund Balance	—	—	93,714
Fund Balance - Beginning			1,029,352
Fund Balance - Ending			1,123,066

PALATINE PARK DISTRICT, ILLINOIS

**Consolidated Year-End Financial Report
For the Fiscal Year Ended December 31, 2020**

CSFA #	Program Name	State	Federal	Other	Total
422-11-0970	Open Space Land Acquisition & Development	\$ 164,791	—	—	164,791
422-11-1077	Illinois Bicycle Path Grant Program	200,000	—	200,000	400,000
	Other Grant Programs and Activities	—	—	—	—
	All Other Costs Not Allocated	—	—	17,867,494	17,867,494
	Totals	364,791	—	18,067,494	18,432,285

SUPPLEMENTAL SCHEDULES

PALATINE PARK DISTRICT, ILLINOIS

Long-Term Debt Requirements

General Obligation Refunding Limited Tax Park Bonds of 2012A

December 31, 2020

Date of Issue	August 1, 2012
Date of Maturity	December 15, 2023
Authorized Issue	\$3,835,000
Denomination of Bonds	\$5,000
Interest Rate	2.00% to 3.50%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	UMB Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 15	Amount	Dec. 15	Amount
2021	\$ 380,000	37,600	417,600	2021	18,800	2021	18,800
2022	395,000	24,300	419,300	2022	12,150	2022	12,150
2023	415,000	12,450	427,450	2023	6,225	2023	6,225
	<u>1,190,000</u>	<u>74,350</u>	<u>1,264,350</u>		<u>37,175</u>		<u>37,175</u>

PALATINE PARK DISTRICT, ILLINOIS

Long-Term Debt Requirements

General Obligation Alternate Revenue Source Refunding Park Bonds of 2015C

December 31, 2020

Date of Issue	February 10, 2015
Date of Maturity	December 1, 2026
Authorized Issue	\$5,335,000
Denomination of Bonds	\$5,000
Interest Rate	2.00% to 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	UMB Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2021	\$ 190,000	134,250	324,250	2021	67,125	2021	67,125
2022	500,000	109,500	609,500	2022	54,750	2022	54,750
2023	525,000	117,000	642,000	2023	58,500	2023	58,500
2024	945,000	101,250	1,046,250	2024	50,625	2024	50,625
2025	970,000	63,450	1,033,450	2025	31,725	2025	31,725
2026	1,145,000	34,350	1,179,350	2026	17,175	2026	17,175
	<u>4,275,000</u>	<u>559,800</u>	<u>4,834,800</u>		<u>279,900</u>		<u>279,900</u>

PALATINE PARK DISTRICT, ILLINOIS

Long-Term Debt Requirements

General Obligation Limited Tax Refunding Park Bonds of 2015D

December 31, 2020

Date of Issue	February 10, 2015
Date of Maturity	December 1, 2027
Authorized Issue	\$4,125,000
Denomination of Bonds	\$5,000
Interest Rate	2.50% to 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	UMB Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2021	\$ 705,000	105,112	810,112	2021	52,556	2021	52,556
2022	390,000	83,962	473,962	2022	41,981	2022	41,981
2023	390,000	72,262	462,262	2023	36,131	2023	36,131
2024	405,000	56,662	461,662	2024	28,331	2024	28,331
2025	415,000	46,538	461,538	2025	23,269	2025	23,269
2026	290,000	36,162	326,162	2026	18,081	2026	18,081
2027	845,000	27,462	872,462	2027	13,731	2027	13,731
	<u>3,440,000</u>	<u>428,160</u>	<u>3,868,160</u>		<u>214,080</u>		<u>214,080</u>

PALATINE PARK DISTRICT, ILLINOIS

Long-Term Debt Requirements

General Obligation Alternate Revenue Source Park Bonds of 2017

December 31, 2020

Date of Issue	March 14, 2017
Date of Maturity	December 1, 2036
Authorized Issue	\$9,000,000
Denomination of Bonds	\$5,000
Interest Rate	3.00% to 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	UMB Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2021	\$ —	318,500	318,500	2021	159,250	2021	159,250
2022	—	318,500	318,500	2022	159,250	2022	159,250
2023	—	318,500	318,500	2023	159,250	2023	159,250
2024	—	318,500	318,500	2024	159,250	2024	159,250
2025	—	318,500	318,500	2025	159,250	2025	159,250
2026	—	318,500	318,500	2026	159,250	2026	159,250
2027	500,000	318,500	818,500	2027	159,250	2027	159,250
2028	805,000	303,500	1,108,500	2028	151,750	2028	151,750
2029	830,000	279,350	1,109,350	2029	139,675	2029	139,675
2030	855,000	254,450	1,109,450	2030	127,225	2030	127,225
2031	880,000	228,800	1,108,800	2031	114,400	2031	114,400
2032	915,000	198,000	1,113,000	2032	99,000	2032	99,000
2033	950,000	161,400	1,111,400	2033	80,700	2033	80,700
2034	990,000	123,400	1,113,400	2034	61,700	2034	61,700
2035	1,025,000	83,800	1,108,800	2035	41,900	2035	41,900
2036	1,070,000	42,800	1,112,800	2036	21,400	2036	21,400
	<u>8,820,000</u>	<u>3,905,000</u>	<u>12,725,000</u>		<u>1,952,500</u>		<u>1,952,500</u>

PALATINE PARK DISTRICT, ILLINOIS

Long-Term Debt Requirements

General Obligation Alternate Revenue Source Refunding Park Bonds of 2019A

December 31, 2020

Date of Issue	September 16, 2019
Date of Maturity	December 15, 2025
Authorized Issue	\$1,370,000
Denomination of Bonds	\$5,000
Interest Rate	1.72%
Interest Dates	June 15 and December 15
Principal Maturity Date	December 15
Payable at	JP Morgan Chase

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due on			
	Principal	Interest	Totals	Jun. 15	Amount	Dec. 15	Amount
2021	\$ 220,000	19,866	239,866	2021	9,933	2021	9,933
2022	230,000	16,082	246,082	2022	8,041	2022	8,041
2023	230,000	12,126	242,126	2023	6,063	2023	6,063
2024	235,000	8,170	243,170	2024	4,085	2024	4,085
2025	240,000	4,128	244,128	2025	2,064	2025	2,064
	<u>1,155,000</u>	<u>60,372</u>	<u>1,215,372</u>		<u>30,186</u>		<u>30,186</u>

STATISTICAL SECTION (Unaudited)

This part of the comprehensive annual 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 District's overall financial health.

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue sources.

Debt Capacity

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

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

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

PALATINE PARK DISTRICT, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*
December 31, 2020 (Unaudited)

See Following Page

PALATINE PARK DISTRICT, ILLINOIS

Net Position by Component - Last Ten Fiscal Years*
December 31, 2020 (Unaudited)

	2011	2012	2013
Governmental Activities			
Net Investment in Capital Assets	\$ 41,976,563	46,107,767	46,740,117
Restricted	—	1,565,281	1,470,558
Unrestricted	32,005,273	28,580,222	30,842,969
Total Governmental Activities	<u>73,981,836</u>	<u>76,253,270</u>	<u>79,053,644</u>
Business-Type Activities			
Net Investment in Capital Assets	2,634,844	2,807,118	2,750,817
Restricted	—	—	—
Unrestricted	(1,069,597)	(1,441,936)	(1,739,480)
Total Business-Type Activities	<u>1,565,247</u>	<u>1,365,182</u>	<u>1,011,337</u>
Primary Government			
Net Investment in Capital Assets	44,611,407	48,914,885	49,490,934
Restricted	—	1,565,281	1,470,558
Unrestricted	30,935,676	27,138,286	29,103,489
Total Primary Government	<u>75,547,083</u>	<u>77,618,452</u>	<u>80,064,981</u>

*Accrual Basis of Accounting

**Includes prior period adjustment to reverse recognition of unearned property taxes as revenue in the government- wide financial statements.

The District closed its enterprise funds to the Recreation Fund as of January 1, 2015.

Data Source: Audited Financial Statements

2014	2015**	2016	2017	2018	2019	2020
47,260,725	52,462,909	54,283,777	60,935,864	52,666,687	48,600,674	49,622,317
1,447,791	1,963,486	3,864,641	4,151,160	6,837,787	6,930,022	7,989,867
16,817,140	13,809,478	13,027,148	3,084,860	3,244,692	7,137,875	7,068,083
65,525,656	68,235,873	71,175,566	68,171,884	62,749,166	62,668,571	64,680,267
3,171,415	—	—	—	—	—	—
—	—	—	—	—	—	—
(1,801,948)	—	—	—	—	—	—
1,369,467	—	—	—	—	—	—
50,432,140	52,462,909	54,283,777	60,935,864	52,666,687	48,600,674	49,622,317
1,447,791	1,963,486	3,864,641	4,151,160	6,837,787	6,930,022	7,989,867
15,015,192	13,809,478	13,027,148	3,084,860	3,244,692	7,137,875	7,068,083
66,895,123	68,235,873	71,175,566	68,171,884	62,749,166	62,668,571	64,680,267

PALATINE PARK DISTRICT, ILLINOIS

**Changes in Net Position - Last Ten Fiscal Years
December 31, 2020 (Unaudited)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental Activities										
General Government	\$ 8,688,384	8,609,852	8,762,685	7,820,413	6,658,485	7,498,688	9,500,848	8,459,833	13,304,266	6,629,288
Culture and Recreation	8,511,283	8,611,089	8,615,377	9,451,670	12,235,718	13,228,014	14,912,921	18,812,094	10,553,980	10,529,551
Interest on Long-Term Debt	938,045	929,016	822,594	761,354	369,888	497,446	896,438	790,548	748,786	687,484
Total Governmental Activities Expenses	18,137,712	18,149,957	18,200,656	18,033,437	19,264,091	21,224,148	25,310,207	28,062,475	24,607,032	17,846,323
Business-Type Activities										
Stables	736,108	692,366	722,976	556,434	—	—	—	—	—	—
Palatine Hills Golf Course	1,296,558	1,369,552	1,339,726	1,111,248	—	—	—	—	—	—
Total Business-Type Activities Expenses	2,032,666	2,061,918	2,062,702	1,667,682	—	—	—	—	—	—
Total Primary Government Expenses	20,170,378	20,211,875	20,263,358	19,701,119	19,264,091	21,224,148	25,310,207	28,062,475	24,607,032	17,846,323
Program Revenues										
Governmental Activities										
Charges for Services										
Culture and Recreation	6,506,634	6,361,627	6,697,103	5,336,345	7,489,710	7,649,088	7,644,765	7,967,721	8,033,299	3,136,516
Operating Grants	1,492	4,359	5,210	13,446	—	—	7,967,721	—	29,929	4,973
Capital Grants and Donations	1,500,000	24,000	—	—	68,124	—	—	—	17,840	364,791
Culture and Recreation	8,008,126	6,389,986	6,702,313	5,349,791	7,557,834	7,649,088	15,612,486	7,967,721	8,081,068	3,506,280
Total Governmental Activities Program Revenues										
Business-Type Activities										
Charges for Services - Palatine Hills Golf Course	1,057,668	1,175,035	1,143,252	1,112,582	—	—	—	—	—	—
Charges for Services - Stables	602,732	764,953	649,788	639,607	—	—	—	—	—	—
Total Business-Type Activities Expenses	1,660,400	1,939,988	1,793,040	1,752,189	—	—	—	—	—	—
Total Primary Government Revenues	9,668,526	8,329,974	8,495,353	7,101,980	7,557,834	7,649,088	15,612,486	7,967,721	8,081,068	3,506,280

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Net Revenues (Expenses)										
Governmental Activities	\$ (10,129,586)	(11,759,971)	(11,498,343)	(12,683,646)	(11,706,257)	(13,575,060)	(9,697,721)	(20,094,754)	(16,525,964)	(14,340,043)
Business-Type Activities	(372,266)	(121,930)	(269,662)	84,307	—	—	—	—	—	—
Total Primary Government Net Revenues (Expenses)	(10,501,852)	(11,881,901)	(11,768,005)	(12,599,339)	(11,706,257)	(13,575,060)	(9,697,721)	(20,094,754)	(16,525,964)	(14,340,043)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	12,829,150	12,719,316	12,673,433	13,174,627	13,472,658	13,782,432	14,153,383	14,436,921	14,754,715	15,237,847
Replacement	141,998	142,259	157,706	162,340	153,147	153,339	198,571	148,461	165,033	191,719
Other	238,736	219,165	130,313	—	—	—	—	—	—	—
Intergovernmental - Unrestricted	—	—	—	—	—	48,871	52,100	132,218	214,211	419,942
Investment Income	75,269	49,220	54,438	(218,258)	68,355	158,852	230,015	317,785	337,324	165,234
Miscellaneous	1,068,427	822,445	713,190	(436,546)	1,308,644	969,899	331,412	321,741	502,616	336,997
Transfers	79,000	79,000	84,446	(277,048)	1,210,034	—	—	—	—	—
Total Governmental Activities	14,432,580	14,031,405	13,813,526	12,405,115	16,212,838	15,113,393	14,965,481	15,357,126	15,973,899	16,351,739
Business-Type Activities										
Investment Income	1,343	865	263	382	—	—	—	—	—	—
Miscellaneous	—	—	—	17,616	—	—	—	—	—	—
Transfers	(79,000)	(79,000)	(84,446)	318,280	(1,210,034)	—	—	—	—	—
Total Business-Type Activities	(77,657)	(78,135)	(84,183)	336,278	(1,210,034)	—	—	—	—	—
Total Primary Government	14,354,923	13,953,270	13,729,343	12,741,393	15,002,804	15,113,393	14,965,481	15,357,126	15,973,899	16,351,739
Changes in Net Position										
Governmental Activities	4,302,994	2,271,434	2,315,183	(278,531)	4,506,581	1,538,333	5,267,760	(4,737,628)	(552,065)	2,011,696
Business-Type Activities	(449,923)	(200,065)	(353,845)	420,785	(1,210,034)	—	—	—	—	—
Total Primary Government Changes in Net Position	3,853,071	2,071,369	1,961,338	142,254	3,296,547	1,538,333	5,267,760	(4,737,628)	(552,065)	2,011,696

*Accrual Basis of Accounting

Data Source: Audited Financial Statements

PALATINE PARK DISTRICT, ILLINOIS

Fund Balances of Governmental Funds - Last Ten Fiscal Years*
December 31, 2020 (Unaudited)

	2011	2012	2013
General Fund			
Nonspendable			
Advances	\$ —	—	—
Prepaid Items	88,661	59,401	29,848
Restricted	—	—	—
Unassigned	10,978,567	8,603,784	9,673,445
Total General Fund	<u>11,067,228</u>	<u>8,663,185</u>	<u>9,703,293</u>
All Other Governmental Funds			
Nonspendable			
Working Cash	175,721	175,721	175,721
Inventory	—	—	—
Prepaid	—	—	—
Restricted			
Employee Retirement	451,346	470,996	477,877
Audit	13,095	14,189	13,918
Museum	44,324	44,857	41,363
Special Recreation	197,193	151,242	173,541
Debt Service	197,851	226,994	230,391
Capital Projects	—	—	—
Liability Insurance	472,290	449,536	411,930
Assigned			
Recreation Programs	5,508,684	5,826,138	6,505,603
Capital Projects	64,099	64,220	64,319
Unassigned			
Capital Projects	—	—	—
Special Revenue	—	—	—
Total All Other Governmental Funds	<u>7,124,603</u>	<u>7,423,893</u>	<u>8,094,663</u>
Total All Governmental Funds	<u><u>18,191,831</u></u>	<u><u>16,087,078</u></u>	<u><u>17,797,956</u></u>

*Modified Accrual Basis of Accounting

Data Source: Audited Financial Statements

2014	2015	2016	2017	2018	2019	2020
29,848	—	—	—	—	—	—
44,244	141,888	150,112	151,578	195,261	150,302	147,258
—	1,421,561	2,656,694	2,656,694	5,348,446	5,348,446	6,245,103
9,192,963	6,230,125	5,101,343	5,880,326	4,064,722	5,904,319	6,909,009
9,267,055	7,793,574	7,908,149	8,688,598	9,608,429	11,403,067	13,301,370
175,721	—	—	—	—	—	—
—	—	6,117	6,030	7,971	5,859	7,873
—	4,321	—	20,717	24,767	135	—
516,143	—	—	—	—	—	—
13,919	—	—	—	—	—	—
35,785	11,797	35,990	35,990	101,488	101,488	156,452
265,261	309,347	379,259	665,777	894,511	1,029,352	1,123,066
207,795	220,781	792,698	792,699	493,342	508,277	514,130
—	—	—	—	—	—	—
408,888	—	—	—	—	—	—
7,328,638	4,011,220	4,719,787	6,456,295	6,693,130	6,798,477	2,541,026
62,318	5,637,160	4,575,341	8,307,846	2,202,968	—	—
—	—	—	—	—	(2,271,291)	—
(213,829)	—	—	—	—	—	—
8,800,639	10,194,626	10,509,192	16,285,354	10,418,177	6,172,297	4,342,547
18,067,694	17,988,200	18,417,341	24,973,952	20,026,606	17,575,364	17,643,917

PALATINE PARK DISTRICT, ILLINOIS

Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years*
December 31, 2020 (Unaudited)

	2011	2012	2013
Revenues			
Taxes	\$ 12,742,807	12,787,747	12,936,055
Charges for Services	5,243,845	4,891,805	5,482,631
Intergovernmental	—	—	—
Investment Income	75,169	49,163	31,441
Donations and Grants	4,214	9,803	18,766
Miscellaneous	1,449,223	914,868	835,862
Total Revenues	19,515,258	18,653,386	19,304,755
Expenditures			
General Government	8,156,214	8,402,736	7,959,871
Culture and Recreation	6,042,612	5,737,524	5,915,404
Capital Outlay	6,222,336	4,786,777	1,906,834
Debt Service			
Principal Retirement	1,645,000	1,432,000	1,487,000
Interest and Fiscal Charges	912,970	885,207	824,502
Bond Issuance Costs	—	72,450	3,200
Total Expenditures	22,979,132	21,316,694	18,096,811
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,463,874)	(2,663,308)	1,207,944
Other Financing Sources (Uses)			
Bonds Issued	3,640,000	387,000	437,000
Refunding Bonds Issued	—	3,835,000	—
Payment to Refunded Bond Escrow	—	(4,016,000)	—
Premium on Bonds	—	255,053	—
Transfers In	934,525	913,525	1,060,096
Transfers (Out)	(855,525)	(834,525)	(975,650)
Prior Period Adjustment	—	—	—
	3,719,000	540,053	521,446
Net Change in Fund Balances	255,126	(2,123,255)	1,729,390
Debt Service as a Percentage of Noncapital Expenditures	12.53%	12.24%	14.65%

*Modified Accrual Basis of Accounting

Date Source: Audited Financial Statements

2014	2015	2016	2017	2018	2019	2020
13,349,747	13,625,805	13,935,771	14,351,954	14,585,382	14,919,748	15,237,847
5,336,345	7,489,710	7,649,088	7,644,765	7,967,721	8,171,173	3,180,957
142,170	278,249	48,871	52,100	132,218	261,980	981,425
59,074	68,355	158,852	230,015	317,785	337,324	165,234
17,398	439,091	167,891	16,718	13,015	—	—
894,852	1,054,990	945,552	465,145	443,479	502,616	336,997
19,799,586	22,956,200	22,906,025	22,760,697	23,459,600	24,192,841	19,902,460
7,530,986	6,365,098	6,621,142	7,267,025	7,643,891	7,461,781	6,886,497
7,269,344	10,451,643	10,884,555	10,200,668	10,800,490	11,782,544	7,505,334
2,534,086	3,057,789	3,159,482	5,746,216	7,835,827	5,744,775	3,313,773
1,522,000	2,146,000	1,315,000	1,320,000	1,360,000	1,395,000	1,455,000
785,270	452,302	491,902	672,431	756,675	740,009	673,303
2,100	180,339	4,803	179,689	10,063	6,444	—
19,643,786	22,653,171	22,476,884	25,386,029	28,406,946	27,124,109	19,833,907
155,800	303,029	429,141	(2,625,332)	(4,947,346)	(2,931,268)	68,553
437,000	—	—	8,820,000	—	1,370,000	—
—	12,736,000	—	—	—	—	—
—	(12,292,572)	—	—	—	(1,355,000)	—
—	482,911	—	—	—	—	—
1,037,501	8,000,000	1,000,000	361,943	1,836,915	2,521,224	5,387,616
(1,355,781)	(9,891,961)	(1,000,000)	—	(1,836,915)	(2,521,224)	(5,387,616)
1,430,466	—	—	—	—	—	—
1,549,186	(965,622)	—	9,181,943	—	15,000	—
1,704,986	(662,593)	429,141	6,556,611	(4,947,346)	(2,916,268)	68,553
13.31%	12.91%	9.16%	8.58%	7.92%	8.99%	11.99%

PALATINE PARK DISTRICT, ILLINOIS

**Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years
December 31, 2020 (Unaudited)**

Fiscal Year	Tax Levy Year	Residential Property	Farm Property	Commercial Property	Industrial Property
2011	2010	\$ 2,019,366,886	\$ 67,771	\$ 474,051,248	\$ 192,420,558
2012	2011	1,860,974,321	68,957	399,931,069	172,471,167
2013	2012	1,725,669,045	68,957	377,934,133	157,286,406
2014	2013	1,464,854,826	67,771	348,365,837	143,412,993
2015	2014	1,557,510,142	81,343	329,548,273	74,379,246
2016	2015	1,532,184,548	59,646	324,973,700	70,249,308
2017	2016	1,779,943,615	92,960	195,146,396	266,287,544
2018	2017	1,838,237,061	44,188	322,563,375	79,275,446
2019	2018	1,787,308,768	44,188	315,151,328	77,394,051
2020	2019	1,967,905,002	44,168	412,884,284	88,376,284

Note: Property in the District is reassessed every three years. Property is assessed at 33% of actual value. Total direct tax rate is the Cook County rate. 2020 not yet available.

Data Source: Office of the County Clerk

Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Percent Of Assessed Value
\$ 1,297,420	\$ 2,687,203,883	0.4675	\$ 8,061,611,649	33.33 %
1,378,528	2,434,824,042	0.5164	7,304,472,126	33.33 %
1,559,216	2,262,517,757	0.5733	6,787,553,271	33.33 %
1,925,753	1,958,627,180	0.6795	5,875,881,540	33.33 %
1,988,857	1,963,507,861	0.6959	5,890,523,583	33.33 %
2,410,632	1,929,877,834	0.7242	5,789,633,502	33.33 %
2,452,774	2,243,923,289	0.6472	6,731,769,867	33.33 %
2,502,402	2,242,622,472	0.6568	6,727,867,416	33.33 %
2,688,737	2,182,587,072	0.6922	6,547,761,216	33.33 %
2,935,163	2,472,144,901	0.6330	7,416,435,159	33.33 %

PALATINE PARK DISTRICT, ILLINOIS

**Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years
December 31, 2020 (Unaudited)**

	2010	2011	2012
District			
General	0.2396	0.2705	0.3068
Liability Insurance	0.0112	0.0105	0.0113
Audit	0.0005	0.0006	0.0006
Recreation	0.0887	0.0975	0.1054
Museum	0.0039	0.0044	0.0047
Special Recreation	0.0186	0.0216	0.0244
Bond and Interest	0.0657	0.0638	0.0686
Retirement	0.0393	0.0475	0.0515
	0.4675	0.5164	0.5733
Cook County including Forest Preserve	0.4740	0.5200	0.5940
Township	0.0390	0.0440	0.0490
Palatine Road and Bridge Fund	0.1000	0.0790	0.0820
Palatine TWP General Assistance	0.0100	0.0120	0.0140
Metropolitan Water Reclamation District	0.2740	0.3200	0.3700
Library District	0.1980	0.2220	0.2480
Schools (Districts #15, #211 and Harper College)	5.1020	5.7590	6.4140
Village	1.0220	1.1210	1.2000
All Others	0.0090	0.0350	0.0110
Total Rates	7.696	8.628	9.555

Data Source: Office of the County Clerk

2013	2014	2015	2016	2017	2018	2019
0.3500	0.2624	0.2830	0.2600	0.2763	0.2966	0.2555
0.0184	0.0221	0.0238	0.0219	0.0233	0.0250	0.0250
0.0007	0.0010	0.0011	0.0010	0.0011	0.0012	0.0011
0.1314	0.2202	0.2167	0.1701	0.1627	0.1641	0.1628
0.0055	0.0033	0.0036	0.0033	0.0035	0.0038	0.0034
0.0308	0.0290	0.0400	0.0346	0.0367	0.0392	0.0360
0.0818	0.0961	0.0893	0.0950	0.0881	0.0924	0.0831
0.0609	0.0618	0.0667	0.0613	0.0651	0.0699	0.0661
0.6795	0.6959	0.7242	0.6472	0.6568	0.6922	0.6330
0.6290	0.6370	0.6550	0.5960	0.5580	0.5490	0.5130
0.0580	0.0590	0.0630	0.0540	0.0550	0.0590	0.0550
0.0920	0.0900	0.0920	0.0790	0.0780	0.0800	0.0720
0.0170	0.0170	0.0180	0.0120	0.0100	0.0070	0.0070
0.4170	0.4300	0.4260	0.4060	0.4020	0.3960	0.3890
0.2930	0.2950	0.3080	0.2680	0.2760	0.2910	0.3440
7.4900	7.5320	7.8100	6.8300	6.9650	7.2940	6.6380
1.3900	1.3680	1.4060	1.2120	1.2490	1.2960	1.1440
0.0440	0.0320	0.0110	0.0100	0.0410	0.0110	0.0400
11.1095	11.1559	11.5132	10.1142	10.2908	10.6752	9.8350

PALATINE PARK DISTRICT, ILLINOIS

**Principal Property Tax Payers - Prior Fiscal Year and Nine Fiscal Years Ago
December 31, 2020 (Unaudited)**

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Value
Weber Stephen Prod, LLC	\$ 23,824,284	1	0.90%	N/A	N/A	N/A
United Parcel Service	22,888,165	2	0.87%	N/A	N/A	N/A
F&F Realtt Ltd	20,848,476	3	0.79%	N/A	N/A	N/A
A Bourbon Square Assoc LLC	20,349,175	4	0.77%	N/A	N/A	N/A
CSC Palatine Apartments	15,672,278	5	0.59%	N/A	N/A	N/A
Deer Grove Centre	15,624,243	6	0.59%	N/A	N/A	N/A
Tree House Venture II	14,840,746	7	0.56%	N/A	N/A	N/A
Harbor Group Intl LLC	14,322,937	8	0.54%	N/A	N/A	N/A
Arlington Toyota	13,609,762	9	0.52%	N/A	N/A	N/A
First American Prop	13,451,610	10	0.51%	N/A	N/A	N/A
	<u>175,431,676</u>		<u>6.64%</u>	<u>N/A</u>		<u>N/A</u>

Note: Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers hold multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

N/A - Not Available

Data Source: Office of the County Clerk

PALATINE PARK DISTRICT, ILLINOIS

**Property Tax Levies and Collections - Last Ten Fiscal Years
December 31, 2020 (Unaudited)**

Fiscal Year	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2011	2010	\$ 12,564,620	\$ 12,388,326	98.60%	\$ 130,747	\$ 12,519,073	99.64%
2012	2011	12,572,159	12,460,414	99.11%	36,901	12,497,315	99.40%
2013	2012	12,969,872	12,914,388	99.57%	3,704	12,918,092	99.60%
2014	2013	13,309,809	13,036,338	97.95%	259,424	13,295,762	99.89%
2015	2014	13,797,315	13,584,404	98.46%	191,542	13,775,946	99.85%
2016	2015	13,978,177	13,819,106	98.86%	8,490	13,827,596	98.92%
2017	2016	14,522,672	14,239,332	98.05%	113,996	14,353,328	98.83%
2018	2017	14,692,219	14,532,294	98.91%	58,299	14,590,593	99.31%
2019	2018	15,107,585	14,758,006	97.69%	—	14,758,006	97.69%
2020	2019	15,646,170	15,238,147	97.39%	—	15,238,147	97.39%

Data Source: Office of the County Clerk

PALATINE PARK DISTRICT, ILLINOIS

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years
December 31, 2020 (Unaudited)**

Fiscal Year	General Obligation Bonds	Total Primary Government	Percentage of Personal Income*	Per Capita *
2011	\$ 21,030,000	\$ 21,030,000	0.71%	\$ 253.37
2012	19,885,000	19,885,000	0.67%	239.58
2013	18,835,000	18,835,000	0.63%	226.93
2014	17,959,163	17,959,163	0.60%	216.38
2015	17,488,833	17,488,833	0.59%	210.71
2016	16,134,534	16,134,534	0.54%	194.39
2017	23,949,508	23,949,508	0.75%	288.55
2018	22,541,110	22,541,110	0.71%	271.58
2019	21,111,650	21,111,650	0.67%	254.36
2020	19,605,265	19,605,265	0.62%	236.21

* See the Schedule of Demographic and Economic Information for personal income and population data.

PALATINE PARK DISTRICT, ILLINOIS

Ratio of Net General Obligation Debt to Equalized Assessed Value and Net General Obligation Bonded Debt Per Capita - Last Ten Fiscal Years

December 31, 2020 (Unaudited)

Fiscal Year	General Obligations Bonds	Less Amounts Available for Debt Service	Totals	Percentage of Actual Taxable Value of Property *	Per Capita**
2011	\$ 21,030,000	\$ 197,581	\$ 20,832,419	0.78%	\$ 250.99
2012	19,885,000	226,994	19,658,006	0.81%	236.84
2013	18,835,000	230,391	18,604,609	0.82%	224.15
2014	17,959,163	207,795	17,751,368	0.91%	213.87
2015	17,488,833	214,821	17,274,012	0.88%	208.12
2016	16,134,534	792,698	15,341,836	0.79%	184.84
2017	23,949,508	792,699	23,156,809	1.03%	279.00
2018	22,541,110	493,342	22,047,768	0.98%	265.64
2019	21,111,650	450,736	20,660,914	0.95%	248.93
2020	19,605,265	465,246	19,140,019	0.77%	230.60

*See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

**See the Schedule of Demographic and Economic Information for personal income and population data.

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

PALATINE PARK DISTRICT, ILLINOIS

**Schedule of Direct and Overlapping Governmental Activities Debt
December 31, 2020 (Unaudited)**

Governmental Unit	Gross Debt	Percentage of Debt Applicable to the District*	District's Share of Debt
Palatine Park District	\$ 19,605,265	100.00%	19,605,265
Overlapping Debt			
Cook County	2,596,351,750	1.45%	37,647,100
Cook County Forest Preserve	123,150,000	1.45%	1,785,675
Village of Schaumburg	297,650,000	3.19%	9,495,035
Metropolitan Water Reclamation District	2,659,018,340	1.48%	39,353,471
City of Rolling Meadows	29,894,999	17.01%	5,085,139
Village of Palatine SSA #5	5,145,000	100.00%	5,145,000
The Village of Palatine	4,735,000	95.22%	4,508,667
Palatine Library	4,735,000	95.22%	4,508,667
School District #220	47,385,000	0.34%	161,109
School District #15	112,444,300	62.79%	70,603,776
Arlington Heights	43,375,000	0.78%	338,325
Hoffman Estates	63,015,000	4.54%	2,860,881
Inverness	2,320,000	18.04%	418,528
Community College District #512	254,770,000	11.55%	29,425,935
Total Overlapping Debt	<u>6,243,989,389</u>		<u>211,337,309</u>
Total Direct and Overlapping Debt	<u><u>6,263,594,654</u></u>		<u><u>230,942,574</u></u>

*The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the District's taxable assessed value that is within the government's boundaries and dividing it by the District's total taxable assessed value.

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

Data Sources: Cook County Clerk's Office, Lake County Clerk's Office of Local Government Entity.

PALATINE PARK DISTRICT, ILLINOIS

**Legal Debt Margin - Last Ten Fiscal Years
December 31, 2020 (Unaudited)**

See Following Page

PALATINE PARK DISTRICT, ILLINOIS

**Legal Debt Margin - Last Ten Fiscal Years
December 31, 2020 (Unaudited)**

	2011	2012	2013	2014
Equalized Assessed Valuation	\$ 2,687,203,683	2,434,824,042	2,362,517,757	1,958,627,179
Bonded Debt Limit - 2.875% of Assessed Value	77,257,106	70,001,191	67,922,386	56,310,531
Total Net Debt Applicable to Limit	11,880,000	11,560,000	11,001,000	9,895,000
Legal Debt Margin	65,377,106	58,441,191	56,921,386	46,415,531
Total Debt Applicable to the Limit as a Percentage of Debt Limit	15.38%	16.51%	16.20%	17.57%
Non-Referendum Legal Debt Limit - .575% of Assessed Value	15,451,421	14,000,238	13,584,477	11,262,106
Amount of Debt Applicable to Limit	11,880,000	11,560,000	11,001,000	9,895,000
Legal Debt Margin	3,571,421	2,440,238	2,583,477	1,367,106
Percentage of Legal Debt Margin to Bonded Debt Limit	23.11%	17.43%	19.02%	12.14%

Data Source: District Records

2015	2016	2017	2018	2019	2020
1,963,507,861	1,929,877,834	2,243,923,289	2,242,622,472	2,182,587,072	2,472,145,053
56,450,851	55,483,988	64,512,795	64,475,396	62,749,378	71,074,170
9,375,000	8,495,000	6,355,000	6,025,000	5,685,000	4,630,000
47,075,851	46,988,988	58,157,795	58,450,396	57,064,378	66,444,170
16.61%	15.31%	9.85%	9.34%	9.06%	6.51%
11,290,170	11,096,798	12,902,559	12,895,079	12,549,876	14,214,834
9,375,000	8,495,000	6,355,000	6,025,000	5,685,000	4,630,000
1,915,170	2,601,798	6,547,559	6,870,079	6,864,876	9,584,834
16.96%	23.45%	50.75%	53.28%	54.70%	67.43%

PALATINE PARK DISTRICT, ILLINOIS

**Demographic and Economic Statistics - Last Ten Fiscal Years
December 31, 2020 (Unaudited)**

Fiscal Year	Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate
2011	83,000	\$ 2,982,605,000	\$ 35,935	7.90%
2012	83,000	2,982,605,000	35,935	7.20%
2013	83,000	2,982,605,000	35,935	7.10%
2014	83,000	2,982,605,000	35,935	5.60%
2015	83,000	2,982,605,000	35,935	5.60%
2016	83,000	2,982,605,000	35,935	4.40%
2017	83,000	3,172,343,000	38,221	4.10%
2018	83,000	3,172,343,000	38,221	4.10%
2019	83,000	3,172,343,000	42,183	2.90%
2020	83,000	3,172,343,000	42,183	7.00%

Data Sources: U.S. Census Bureau, Illinois Department of Employment Security

PALATINE PARK DISTRICT, ILLINOIS

**Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago
December 31, 2020 (Unaudited)**

Employer	2020			2011		
	Number of Employees	Rank	% of Total District Population	Number of Employees	Rank	% of Total District Population
Northrop Grumman Corp.	1,900	1	2.29%	N/A		N/A
Harper College	840	2	1.01%	N/A	1	0.88%
Arthur J Gallagher	825	3	0.99%	N/A		N/A
Gallagher-Bassett Services	675	4	0.81%	N/A		N/A
United Parcel Services	500	5	0.60%	N/A		N/A
Kelso-Burnett Co. was Newport Industries, Inc.	500	6	0.60%	N/A		N/A
CareerBuilder Employment Screening	450	7	0.54%	N/A		N/A
Komatsu America Corp.	400	8	0.48%	N/A		N/A
Village of Palatine	300	9	0.36%	N/A		N/A
A.H. Management Group, Inc.	275	10	0.33%	N/A		N/A
LeasePlan U.S.A.	275	11	0.33%	N/A		N/A
Icon, Inc.	250	12	0.30%	N/A		N/A
RTC Industries, Inc.	220	13	0.27%	N/A		N/A
Local Marketing Solutions Group, Inc.	200	14	0.24%	N/A		N/A
Weber-Stephen Products Co.	200	15	0.24%	N/A	4	N/A
Panasonic Factory Solutions Co.	175	16	0.21%	N/A		N/A
Canon Medical Systems, Inc.	170	17	0.20%	N/A		N/A
Methode Electronics-Power Solutions Group	168	18	0.20%	N/A		N/A
TNOW Entertainment Group, Inc.	163	19	0.20%	N/A		N/A
Clean Air Engineering, Inc.	150	20	0.18%	N/A	10	0.13%
The Intec Group, Inc.	150	21	0.18%	N/A	6	0.19%
Bear Construction Co.	150	22	0.18%	N/A		N/A
	<u>8,936</u>		<u>10.74%</u>	<u>1,150</u>		<u>1.01%</u>
Total Population			<u>83,000</u>			<u>79,680</u>

N/A - Not Available

Data Source: Village of Palatine

PALATINE PARK DISTRICT, ILLINOIS

**Full-Time Equivalent District Employees by Function/Program - Last Ten Fiscal Years
December 31, 2020 (Unaudited)**

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Administration	22	24	23	24	24	24	29	28	27	26
Parks	42	45	42	41	40	40	39	37	37	32
Recreation	120	121	114	118	124	124	129	132	135	64
Palatine Stables	12	11	10	10	10	10	10	10	10	9
Palatine Hills Golf Course	19	20	18	17	18	17	16	15	15	13
	215	221	207	210	216	215	223	222	224	144

Data Source: District Finance Office

Note: FTE is calculated by taking number of hours per area divided by 2,080.

PALATINE PARK DISTRICT, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
December 31, 2020 (Unaudited)**

See Following Page

PALATINE PARK DISTRICT, ILLINOIS

**Operating Indicators by Function/Program - Last Ten Fiscal Years
December 31, 2020 (Unaudited)**

Function/Program	2011	2012	2013
Fitness Center Memberships	1,319	1,280	1,185
Swimming Pool Visits	123,478	126,826	89,539
Pool Pases Sold	1,981	1,998	1,667
Golf Rounds Played	31,991	36,478	34,989
Camp Participants	1,699	1,763	1,690
Stables Lessons/Camps	397	391	446
Before and After School Care	409	402	411
Preschool Participants	158	181	232
Volunteers	N/A	N/A	N/A
Background Checks Run	N/A	N/A	N/A

N/A - Not Applicable

Data Source: Various District Departments

2014	2015	2016	2017	2018	2019	2020
1,186	1,203	1,476	1,218	1,004	1,088	636
85,087	91,554	101,877	98,587	100,068	91,036	21,668
1,454	1,344	1,359	1,416	1,496	1,416	62
33,340	35,440	34,132	30,482	28,580	28,040	27,891
1,627	1,576	3,243	3,263	3,276	3,022	80
442	481	601	704	714	763	650
512	665	664	630	635	660	847
214	137	139	140	136	140	87
N/A	208	250	560	750	404	20
N/A	204	612	560	720	661	188

PALATINE PARK DISTRICT, ILLINOIS

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years
December 31, 2020 (Unaudited)**

Function/Program	2011	2012	2013
Parks and Facilities			
Parks/Natural Areas			
Number	53	54	54
Acres	731.36	743.15	743.78
Facilities			
Play Equipment	29	29	29
Swimming Facilities	3	3	3
Recreation Centers	3	3	3
Outdoor Skating	2	2	2
18 Hole Golf Course	1	1	1
Football Fields	4	4	4
Ball Diamonds	24	24	24
Soccer Fields	24	24	24
Outdoor Tennis Courts	16	16	16
Picnic Areas	27	27	27
Walking, Jogging and Bike Trails	1	1	1
Volleyball Courts	3	3	3
Basketball Courts	4 full/3 half	4 full/3 half	4 full/3 half
Shelters	21	21	24
Stables	1	1	1
Theaters	1	1	1
Amphitheaters	1	1	1
Pickle Ball Courts	N/A	N/A	N/A
18 Hole Disc Golf Course	N/A	N/A	N/A
Fishing Pier	N/A	N/A	N/A
Skate Park	N/A	N/A	N/A
Dog Park	N/A	N/A	N/A

N/A - Not Applicable

Data Source: Parks Department

2014	2015	2016	2017	2018	2019	2020
54	54	55	55	55	55	55
743.78	743.78	734.20	735.20	735.20	735.20	735.20
29	29	29	29	30	30	30
3	3	3	3	3	3	3
3	3	3	3	3	3	3
2	2	2	2	2	1	1
1	1	1	1	1	1	1
4	4	4	4	4	4	4
24	24	24	24	24	24	24
24	24	24	24	24	24	24
14	14	14	14	6	6	6
27	27	27	27	27	27	27
1	1	1	1	1	6	6
3	3	3	3	4	4	4
4 full/3 half	4 full/3 half	3 full/3 half	3 full/3 half	3 full/3 half	3 full/3 half	3 full/3 half
24	24	24	24	21	21	21
1	1	1	1	1	1	1
1	1	1	1	1	1	1
1	1	1	1	1	1	1
N/A	4	4	4	4	4	4
N/A	1	1	1	1	1	1
N/A	1	1	1	1	1	1
N/A	1	1	1	1	1	1
N/A	N/A	1	1	1	1	1