

BUILDING ON THE MOMENTUM

2020 Comprehensive Annual Financial Report



Fiscal Year Ending
December 31, 2020

THE CITY OF DES PLAINES, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Fiscal Year-ended
December 31, 2020

Prepared by the Finance Department

Dorothy Wisniewski
Assistant City Manager/Director of Finance

CITY OF DES PLAINES, ILLINOIS
December 31, 2020

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June 21, 2021

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

The Comprehensive Annual Financial Report of the City of Des Plaines (City) for the year ended December 31, 2020, is hereby submitted as required by the Illinois Compiled Statutes. State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement.

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

The City's financial statements have been audited by Crowe LLP, a firm of independent certified public accountants. The independent auditor concluded that there was a reasonable basis for rendering an unmodified ("clean") opinion on the City of Des Plaines' financial statements for the year ended December 31, 2020. The independent auditor's report is located at the front of the financial section of this report.

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

Profile of the City of Des Plaines

The City of Des Plaines, Illinois (the City) was founded in 1835 and incorporated in 1869. The City operates under the City Manager form of government approved by voter referendum on November 2, 2004. It is a home rule municipality as defined by the Illinois Constitution. The City is located in northwestern Cook County and covers an area of approximately 15 square miles. The preliminary 2020 U.S. Census reports a population of 58,989, a slight increase from the 2010 Census population of 58,364. The Chicago Metropolitan Agency for Planning (CMAP) population projection for 2040 is 68,744.

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

The City has an above average residential base that is supplemented by substantial commercial and industrial real estate development. The City contains 15,134,725 square feet of industrial/manufacturing and over 8,181,537 square

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

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

Local Economy

The City continued to see a strengthening in the housing market and economy in general during 2020 as indicated below in the economic development goal of the City Council with an increased number of new developments throughout the year. A major strength of Des Plaines' economic base is its diversity. The City's total equalized assessed valuation (EAV) for the 2019 property tax levy collected in 2020 was \$2,252,496,910. This represents a 16.6 percent increase from the 2018 EAV. The economic base of Des Plaines is diverse as residential property comprises 35.3% of the City, commercial and industrial property represent 6.9% and 9.8% respectively¹.

Major employers located within the City's boundaries include Rivers Casino, Universal Oil Products, Holy Family Medical Center, Oakton Community College, Sysco Food Services, Juno Lighting, and LSG Sky Chefs. According to the City of Des Plaines Business Registration records, the City has 1,505 retail trade or commercial establishments. According to the December 2020 edition of Where Workers Work (Illinois Department of Employment Security IDES), Des Plaines is comprised of 39,805 private sector jobs; of them, 11.4 percent are in the manufacturing sector, 10.0 percent are in the wholesale sector, 11.8 percent are in the transportation and warehousing sector, 6.7 percent are in the professional and scientific service sector, 7.3 percent are in retail trade and 11.9 percent are in healthcare and social assistance. Many of Des Plaines major employers have committed to hiring Des Plaines residents contributing to a low unemployment rate; however, with the COVID-19 pandemic Des Plaines unemployment was 7.8 percent for December 2020 compared to December 2018's rate of 3.6 percent (Bureau of Labor Statistics).

Building permit issuance slightly decreased in 2020 with 2,750 permits issued compared to 2,831 issued in 2019. The COVID-19 pandemic had little effect on overall construction. The declared building permit valuation in 2020 totaled \$139,578,227 representing a slight decrease from the 2019 valuation of \$186,627,856. Despite the slight construction permit total decrease, the overall construction investment signals a very strong local economy and validation that the efficient entitlement process and economic development incentives offered in the City of Des Plaines are working.

Long-term Financial Planning

The City Council identified four goals and several strategies to achieve those goals that were formalized into the 2017 Strategic Plan adopted by the City Council on February 5, 2018 via Resolution R-31-18.

¹ Source: 2010 CMAP Land Use Inventory – 2019 Comprehensive Plan

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

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

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

Maintaining a healthy fund balance to insure the City's financial strength remains one of the City Council's long-term financial goals. At the close of the fiscal year 2020, the City's total General Fund balance was \$61.3 million, of which the unassigned fund balance was \$30.4 million or 47.0 percent of the General Fund expenditures.

The Water and Sewer fund is the City's major enterprise fund that accounts for revenues and expenses associated with the sale of water and the sanitary sewer system. Prior to 2020, this fund had been operating in an unbalanced position for several years and, as a result, expenses began outpacing revenues. In an effort to reverse the operating spending deficit, preserve the enterprise fund reserves, provide funding for investment in equipment and infrastructure renewal and improve quality of water and sewer service for the long term, the City Council approved an automatic annual adjustment that matches the City of Chicago annual water rate increase and ensures that the cost of water is covered by user fees. To absorb the increase of the delivery cost that includes operation and maintenance expense as well as capital projects, the City completed construction of an alternative water supply source in 2016 and now purchases the majority of its water supply from the Northwest Water Commission. In addition, City Council also approved changes to the utility rate structure which included two new charge categories (Capital Fees and Fixed Facility Charges) being allocated to the Water and Sewer fund and a 5-year rate increase schedule effective January 1st, 2020. At the end of 2020, the unrestricted net position was a positive \$4.7 million, an increase of \$4.3 million from \$327 thousand in 2019, while the total net position at the end of the year was \$44.8 million.

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

Relevant Financial Policies

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

- An investment policy, providing for a high investment return while protecting principal;
- A purchasing policy, setting forth the procedures for ensuring that the best products and services are received at the lowest possible price;

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

Major Initiatives

The collaboration between elected officials and City staff identified opportunities to deliver smart, efficient services to the taxpayers of Des Plaines. During 2020 some of the City's accomplishments included:

- Financial Stability:
 - ✓ In response to the COVID-19 pandemic, the City initiated early plans for expenditure reductions and held back on several capital improvement projects.
 - ✓ Completed a review, analysis and implementation of an Early Retirement Incentive program to allow for an evaluation of the organizational structure while maintaining vacant positions throughout the organization.
 - ✓ Developed the 2021 Budget document while maintaining a 25% fund balance.
 - ✓ Concluded a feasibility study to add a Metra stop at Oakton Street for future development of a second downtown in the City which will attract further density into the Oakton Corridor area.
- Economic Development:
 - ✓ The City provided a \$100,000 Business Assistance Grant to the owners of a new 16,000 square foot Ace Hardware at 1175 Lee Street.
 - ✓ In late 2020, Bayview-Compasspoint LLC began construction on the 212-unit, Ellinwood Apartments with 10,000 square feet of commercial/restaurant space in downtown Des Plaines. The construction value of this project is \$45.0 million.
 - ✓ The Monarch Apartments completed construction of a 236-unit luxury apartment complex at the corner of East River Road and Golf Road.
 - ✓ In 2020, the City paid out \$144,932 in Business Assistance Grants to three businesses, which in turn leveraged \$1,121,539 in capital building improvements.
 - ✓ The City Council approved a \$10,000,000 redevelopment of the office building and the land around 1700 W. Higgins. The redevelopment consisted of a new business incubator space and a proposed free-standing restaurant with a new parking lot.
 - ✓ The City approved three Cook County Class 6b Tax Incentive Abatements for 1,113,027 square feet of new building and redevelopment improvements.
- Infrastructure:
 - ✓ Over \$5 million was invested in 2020 for the improvements of alleys, drainage system, streets, water system, traffic, sewer system and other miscellaneous projects.
 - ✓ The Public Works and Engineering Department oversaw improvements to the Des Plaines Theater Rehabilitation Project, Fire Department renovations, Library building infrastructure upgrades and numerous State and Local Projects.

- ✓ The City completed over three quarters of a million dollars in sidewalk and curb repairs throughout the City.
- Community:
 - ✓ The COVID-19 pandemic had a profound effect on the Des Plaines community, especially to the business community. Faced with mandated closures or capacity limits, many businesses, especially restaurants, saw dramatic decreases in revenues. To assist these businesses, the City provided reduced fees, relaxed building permit requirements, and allowed restaurants to open outdoor dining options.
 - ✓ The Building Department switched from mostly a paper submission process to almost 100% electronic submittals all within the current systems.
 - ✓ In 2020, 60 new businesses registered with the City while 125 did not renew their registration from 2019.
 - ✓ Tyler Technologies was contracted to provide a new community development software platform that would simplify electronic or online permitting and inspections.
 - ✓ The City completed the renovation of a closed restaurant off of Elmhurst Road into a new location for the Self-Help Closet and Food Pantry. This new facility provides more space and parking to serve our residents.
- High Performance:
 - ✓ The City introduced a new Water Utility Dashboard which allows customers to view their water usage through an interactive portal that offers easy-to-read charts, graphs, billing estimates, and usage alert notifications.
 - ✓ The City officially launched a social media campaign that included Facebook (Police, Theater, and City), Twitter (Fire), and LinkedIn (Media Services). These social media tools allow the City to reach demographic groups that had not been targeted in the past, resulting in real-time interaction and communications throughout the community.
 - ✓ Continued replacement of manual read water meters to more accurate and efficient remotely read meters.
- The Finance Department, for the eighth straight year, submitted a Popular Annual Financial Report (PAFR) to the certification program and once again received the award for outstanding achievement in popular annual financial reporting for its 2019 PAFR. The PAFR Award Program encourages state and local governments to extract information from their annual financial report and produce a report specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance.
- For twelve consecutive years, the City has been a recipient of the Government Finance Officers Association's Distinguished Budget Presentation Award in recognition that the City's budget document meets or exceeds the guidelines established by the National Advisory Council of State and Local Budgeting and the GFOA's best practices.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Des Plaines for its comprehensive annual financial report for the fiscal year ended December 31, 2019. This was the fortieth consecutive year the City has achieved this prestigious award. This award is nationally recognized and represents a significant accomplishment for the City and its management. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

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

Respectfully submitted,



Michael G. Bartholomew
City Manager



Dorothy Wisniewski
Assistant City Manager/Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Des Plaines
Illinois**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019

Christopher P. Morill

Executive Director/CEO

As of December 31, 2020



As of December 31, 2020

Legislative

Matthew J. Bogusz, Mayor

Jennifer Tsalapatani, City Clerk

City Council

Mark A. Lysakowski – First Ward

Carla Brookman – Fifth Ward

Colt Moylan – Second Ward

Malcolm Chester – Sixth Ward

Denise Rodd – Third Ward

Don Smith – Seventh Ward

Artur Zadrozny – Fourth Ward

Andrew Goczkowski – Eighth Ward

Administration

City Manager..... Michael G. Bartholomew

General Counsel..... Peter Friedman, Elrod Friedman LLP

Assistant City Manager/Director of Finance..... Dorothy Wisniewski

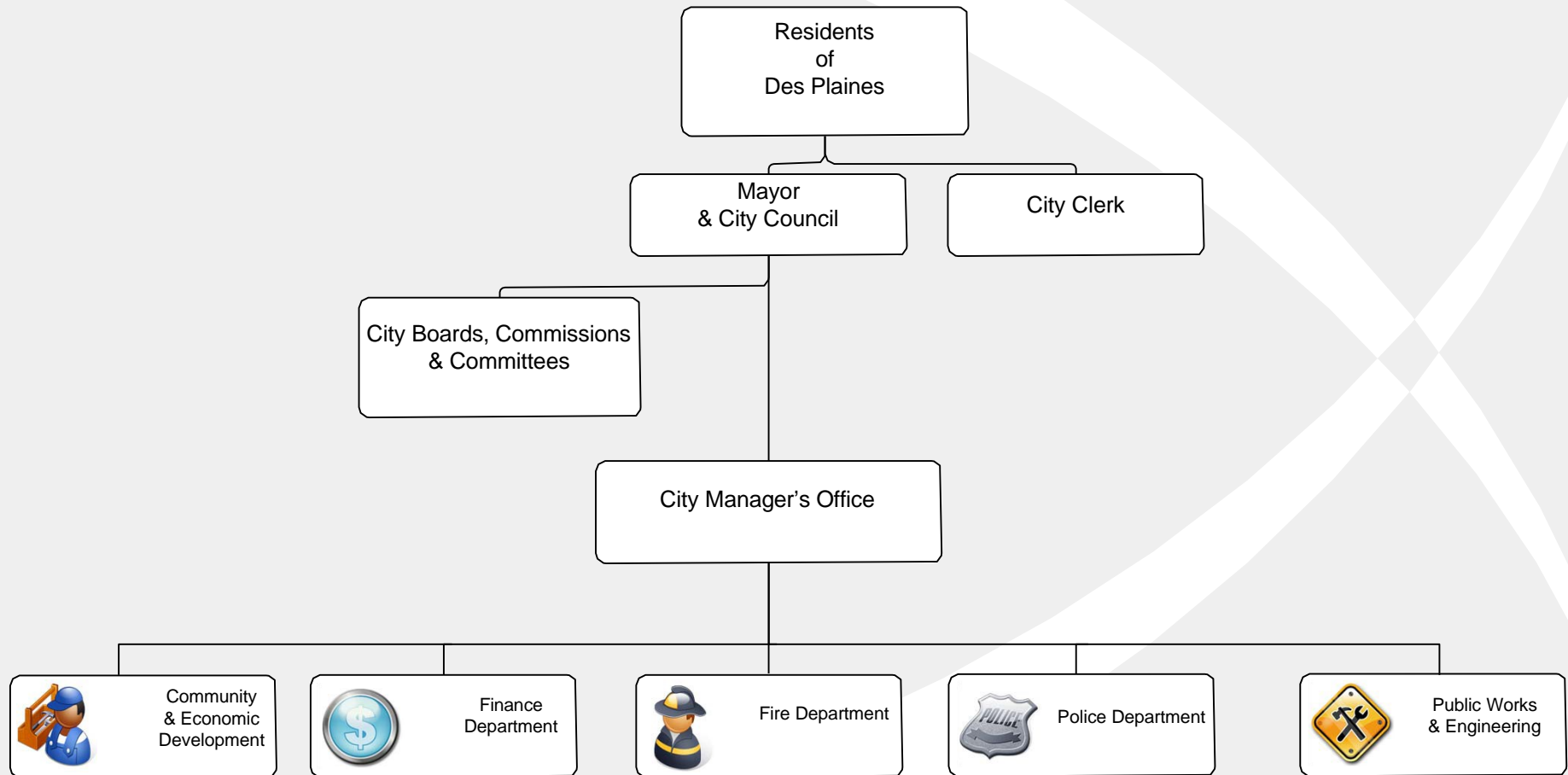
Chief of Police..... David Anderson

Fire Chief Daniel Anderson

Director of Public Works & Engineering Timothy Oakley

Director of Community & Economic Development Michael McMahon

City of Des Plaines





INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Des Plaines, Illinois ("City"), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of revenues, expenditures and changes in fund balance – budget and actual for the General Fund, TIF #1 (Downtown) Fund, TIF #6 (Mannheim/Higgins) Fund, and Gaming Tax Fund, and the historical pension and retirees' health plan information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying introductory section, combining and individual fund financial statements and schedules, other supplementary schedules, statistical section, and other information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The 2020 combining and individual fund financial statements and schedules and other supplementary schedules are the responsibility of management and except for the 2019 comparative actual amounts on the individual fund financial statements were derived from and relates directly to the underlying accounting and other records used to prepare the basic 2020 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 2020 combining and individual fund financial statements and schedules and other supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section, 2019 comparative actual amounts on the individual fund financial statements and schedules, statistical section, and other information 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 21, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Crowe LLP

Crowe LLP

Oak Brook, Illinois
June 21, 2021

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

The following is a discussion and analysis of the City of Des Plaines' (the "City") financial performance for the fiscal year ended December 31, 2020. Use this section in conjunction with the City's basic financial statements. Comparative data is available and presented for this 2020 report.

FINANCIAL HIGHLIGHTS

Government-Wide

The assets and deferred outflows of resources of the City of Des Plaines exceeded its liabilities and deferred inflows of resources by \$193.8 million (*net position*) as of December 31, 2020. The net position is comprised of \$287.4 million in net investment in capital assets, \$7.3 million in restricted for street and highways, public safety, debt service, and economic development, offset by a negative \$100.9 million in unrestricted net position. As part of the response to the COVID-19 pandemic, the City significantly reduced expenditures for the 2020 fiscal year through offering an early retirement incentive program, maintaining vacant positions and holding back on capital infrastructure projects in anticipation of reduced revenues.

Fund Level

Governmental Funds: As of December 31, 2020, the City's governmental funds reported a combined ending fund balance of \$77.7 million, a decrease of \$7.3 million from fiscal 2019. The City reported a negative unassigned fund balance of \$1.3 million in fiscal 2020.

- The City's General Fund ended the year with total revenues exceeding total expenditures by \$3.3 million. Combined with other financing net uses of \$1.5 million, the December 31, 2020 fund balance increased by \$1.8 million.
- Local government state shared revenues, i.e. state income, municipal sales and personal property replacement tax decreased by \$689 thousand.
- The City received \$12.8 million in taxes generated from the revenues at Rivers Casino, \$1.3 million in admission tax (\$1 per admission) and \$11.5 million in wagering tax (5 percent of all wagering activities), a decrease of \$12.6 million or 49.6 percent. Pursuant to the contractual agreement with Midwest Gaming, the City is required and has distributed \$5.9 million of the total gaming tax revenue to the State of Illinois with an additional \$2.8 million (40 percent of the total revenue over \$5.9 million) amongst the 10 benefiting communities named in the agreement. The remaining amount of \$4.1 million in gaming tax revenue will be discussed by the City Council as part of the 2022 Budget process and allocated towards expenditures approved in the gaming tax revenue and expenditure policy such as capital infrastructure projects and early debt payoff.

Proprietary Funds: The proprietary funds reported a net position of \$53.0 million as of December 31, 2020, an increase of \$3.9 million from fiscal 2019.

Debt Service: The City's total bonds outstanding decreased by \$4.2 million or 21.4 percent during fiscal 2020. This amount represents the payments made of debt during the year.

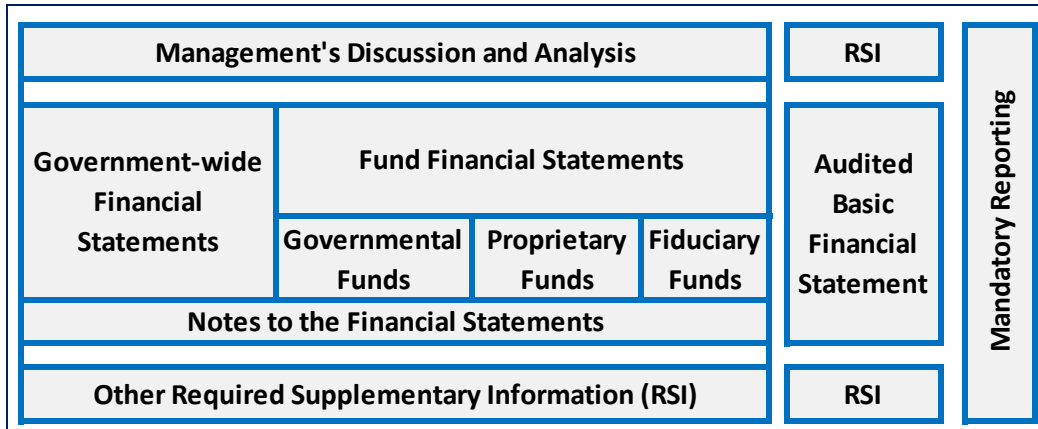
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More detailed information regarding the government-wide, fund level and long-term debt activities can be found in the debt administration section of this management's discussion and analysis (MD&A).

OVERVIEW OF THE FINANCIAL STATEMENTS

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



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

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

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

Reporting the City as a Whole

The government-wide financial statements are designed to present an overall picture of the financial position of the City. These statements consist of the *Statement of Net Position* and the *Statement of Activities*, which are prepared using the economic resources measurement focus and the accrual basis of accounting. This means that all the current year's revenues and expenses are included,

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regardless of when cash is received or paid, producing a view of the financial position similar to that presented by most private sector companies.

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

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

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

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

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

Reporting the City's Most Significant Funds

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

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

- *Governmental Funds* – A majority of the City's activity is reported in governmental funds. Reporting of these funds focuses on the flow of money into and out of the funds and amounts

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remaining at fiscal year-end for future spending. Governmental funds are accounted for using the modified accrual basis of accounting, which measures cash and other assets that can be readily converted to cash.

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

The General fund, TIF #1 fund, TIF #6 fund, Gaming Tax fund, Grant Projects fund, and Capital Projects fund are reported as major governmental funds.

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

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

- *Fiduciary Funds* – The City is the trustee or fiduciary for the Police Pension fund and the Firefighters Pension fund. It is also responsible for other assets that can be used only for trust beneficiaries. All City fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary net position. The activities are reported separately from other financial activities because the City cannot use the assets to finance its operations. The City's fiduciary responsibilities include ensuring that the assets reported in these funds are used for their intended purposes.
- *Notes to the financial statements* - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.
- *Other information* - In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees.

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FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position: The following analysis reviewed the net position and expenses of governmental activities and business-type activities separately. The table below represents a condensed Statement of Net Position. For comparison purposes, the prior fiscal year is provided. The total net position of governmental activities decreased by \$463 thousand from \$140.9 million in fiscal year 2019 to \$140.5 million in fiscal year 2020 and the business-type activities increased by \$3.8 million to \$53.3 million.

| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|---------------------------------------|-------------------------|-----------------------|--------------------------|----------------------|--------------------------|-----------------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| ASSETS | | | | | | |
| Current & Other Assets | \$ 139,195,269 | \$ 150,352,747 | \$ 11,294,856 | \$ 6,281,853 | \$ 150,490,125 | \$ 156,634,600 |
| Capital Assets | 256,147,877 | 245,975,958 | 47,112,560 | 47,655,343 | 303,260,437 | 293,631,301 |
| Total Assets | <u>395,343,146</u> | <u>396,328,705</u> | <u>58,407,416</u> | <u>53,937,196</u> | <u>453,750,562</u> | <u>450,265,901</u> |
| DEFERRED OUTFLOWS OF RESOURCES | <u>28,338,290</u> | <u>23,431,021</u> | <u>653,178</u> | <u>451,259</u> | <u>28,991,468</u> | <u>23,882,280</u> |
| LIABILITIES | | | | | | |
| Current Liabilities | 15,783,752 | 27,529,241 | 1,393,266 | 1,634,752 | 17,177,018 | 29,163,993 |
| Noncurrent Liabilities | 212,617,207 | 209,836,935 | 2,036,288 | 2,018,282 | 214,653,495 | 211,855,217 |
| Total Liabilities | <u>228,400,959</u> | <u>237,366,176</u> | <u>3,429,554</u> | <u>3,653,034</u> | <u>231,830,513</u> | <u>241,019,210</u> |
| DEFERRED INFLOWS OF RESOURCES | <u>54,820,162</u> | <u>41,469,504</u> | <u>2,307,361</u> | <u>1,195,509</u> | <u>57,127,523</u> | <u>42,665,013</u> |
| NET POSITION | | | | | | |
| Net Investment in Capital Assets | 240,675,606 | 227,330,641 | 46,763,483 | 47,655,343 | 287,439,089 | 274,985,984 |
| Restricted | 7,292,608 | 8,863,085 | - | - | 7,292,608 | 8,863,085 |
| Unrestricted | <u>(107,507,899)</u> | <u>(95,269,680)</u> | <u>6,560,196</u> | <u>1,884,569</u> | <u>(100,947,703)</u> | <u>(93,385,111)</u> |
| Total Net Position | <u>\$ 140,460,315</u> | <u>\$ 140,924,046</u> | <u>\$ 53,323,679</u> | <u>\$ 49,539,912</u> | <u>\$ 193,783,994</u> | <u>\$ 190,463,958</u> |

The decrease in net position of governmental activities was primarily attributable to a decrease in Total Assets of \$1.0 million and an increase in deferred pension and OPEB outflows of \$4.9 million. Total assets of the City as of December 31, 2020, were \$453.8 million, an increase of \$3.5 million or 0.8 percent. Total liabilities as of December 31, 2020, were \$231.8 million, a decrease of \$9.2 million or 3.8 percent.

Of the City's net position, \$287.4 million was net investment in capital assets, while \$7.3 million was restricted by the source of funding or other legal requirements and was not available to finance day-to-day operations of the City. Unrestricted net position decreased \$7.6 million to negative \$100.9 million primarily due to an increase in unrestricted net position within governmental activities in the amount of \$12.2 million, offset by an increase in business type activities unrestricted net position of \$4.7 million.

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

| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|--------------------------------------|-------------------------|----------------|--------------------------|---------------|--------------------------|----------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| REVENUES | | | | | | |
| Program Revenues: | | | | | | |
| Fees, Fines & Charges for Services | \$ 11,761,101 | \$ 13,458,499 | \$ 17,638,828 | \$ 15,645,560 | \$ 29,399,929 | \$ 29,104,059 |
| Operating Grants & Contributions | 4,395,873 | 4,963,883 | 5,476 | 9,290 | 4,401,349 | 4,973,173 |
| Capital Grants & Contributions | 342,832 | 11,310,234 | - | - | 342,832 | 11,310,234 |
| Total Program Revenues | 16,499,806 | 29,732,616 | 17,644,304 | 15,654,850 | 34,144,110 | 45,387,466 |
| General Revenues: | | | | | | |
| Property Taxes | 34,042,738 | 31,124,250 | - | - | 34,042,738 | 31,124,250 |
| Other Taxes | 51,731,104 | 67,671,345 | - | - | 51,731,104 | 67,671,345 |
| Investment Income | 789,086 | 1,937,137 | - | - | 789,086 | 1,937,137 |
| Miscellaneous Revenue | 721,177 | 2,220,951 | 24,835 | 7,411 | 746,012 | 2,228,362 |
| Total General Revenues | 87,284,105 | 102,953,683 | 24,835 | 7,411 | 87,308,940 | 102,961,094 |
| Total Revenues | 103,783,911 | 132,686,299 | 17,669,139 | 15,662,261 | 121,453,050 | 148,348,560 |
| EXPENSES | | | | | | |
| General Government | 22,643,447 | 28,327,286 | - | - | 22,643,447 | 28,327,286 |
| Public Safety | 55,550,270 | 26,774,186 | - | - | 55,550,270 | 26,774,186 |
| Public Works | 8,899,928 | 10,313,635 | - | - | 8,899,928 | 10,313,635 |
| Streets and Highways | 11,549,183 | 13,174,021 | - | - | 11,549,183 | 13,174,021 |
| Economic Development | 5,369,720 | 5,016,519 | - | - | 5,369,720 | 5,016,519 |
| Interest | 597,850 | 690,046 | - | - | 597,850 | 690,046 |
| Water/Sewer | - | - | 13,403,286 | 14,517,017 | 13,403,286 | 14,517,017 |
| Parking System | - | - | 785,526 | 897,441 | 785,526 | 897,441 |
| Emergency Comm. System | - | - | - | - | - | - |
| Total Expenses | 104,610,398 | 84,295,693 | 14,188,812 | 15,414,458 | 118,799,210 | 99,710,151 |
| Excess (Deficiency) Before Transfers | (826,487) | 48,390,606 | 3,480,327 | 247,803 | 2,653,840 | 48,638,409 |
| Transfers | (303,440) | (5,859,242) | 303,440 | 5,859,242 | - | - |
| Changes in Net Position | (1,129,927) | 42,531,364 | 3,783,767 | 6,107,045 | 2,653,840 | 48,638,409 |
| Net Position, Beginning Balance | 140,924,046 | 98,392,682 | 49,539,912 | 43,432,867 | 190,463,958 | 141,825,549 |
| Change in Accounting Principle | 666,196 | - | - | - | 666,196 | - |
| Net Position, As Restated | 141,590,242 | - | 49,539,912 | - | 191,130,154 | - |
| Net Position, Ending Balance | \$ 140,460,315 | \$ 140,924,046 | \$ 53,323,679 | \$ 49,539,912 | \$ 193,783,994 | \$ 190,463,958 |

The City's net position as of December 31, 2020 increased by \$3.3 million. The City earned program revenues of \$34.1 million and general revenues of \$87.3 million, for total revenues of \$121.4 million, a decrease of \$26.9 million or 18.1 percent from fiscal year 2019. The expenses of the City were \$118.8 million, an increase of \$19.1 million or 19.1 percent from fiscal year 2019.

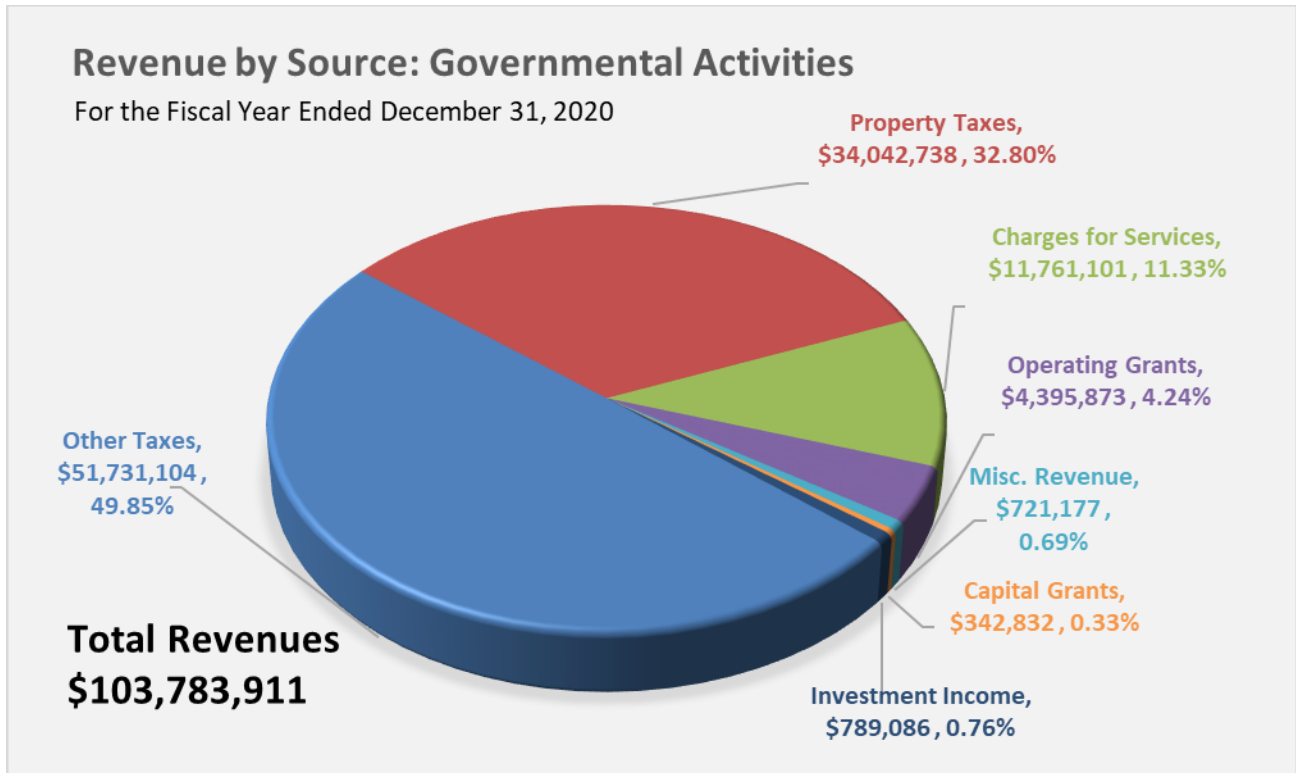
The \$26.9 million decrease in total revenue is primarily comprised of the \$11.0 million decrease in Capital Grants funding and the \$15.9 million decrease in Other Taxes as a result of the State imposed stay-at-home orders and business closure policies in response to the COVID-19 pandemic. The pension and postemployment benefits (OPEB) obligation accounts for the increase in expenditures of \$19.1 million or 19.1 percent from fiscal year 2019.

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Governmental Activities: The governmental activities program revenue was \$16.5 million, including charges for services of \$11.8 million, operating grants and contributions of \$4.4 million and capital grants and contributions of \$342 thousand. This is a decrease of \$13.2 million over the prior year primarily related to a capital grant funding.

The general revenue was \$87.3 million, including property taxes of \$34.0 million and other taxes revenue of \$51.7 million. The general revenue decreased \$15.7 million due to a decrease in both state shared revenues and local taxes including sales tax, food and beverage tax, and hotel and motel tax. The following chart represents revenues from governmental activities by source.



The 2019 equalized assessed value (EAV) increased by 16.6 percent from the 2018 EAV as the result of triennial reassessment in the north and northwestern suburbs of Cook County. This increase is not uniform across every city or village and vary greatly across the suburb due to different types of properties that exist in different communities and due to the large number of municipalities, school district, park districts and other taxing districts.

| | Tax Levy 2019 | Tax Levy 2018 | Increase / (Decrease) | Change (%) |
|---|------------------|------------------|--------------------------|------------|
| Equalized Assessed Valuation (EAV) | \$ 2,252,496,910 | \$ 1,931,827,633 | \$ 320,669,277 | 16.6% |

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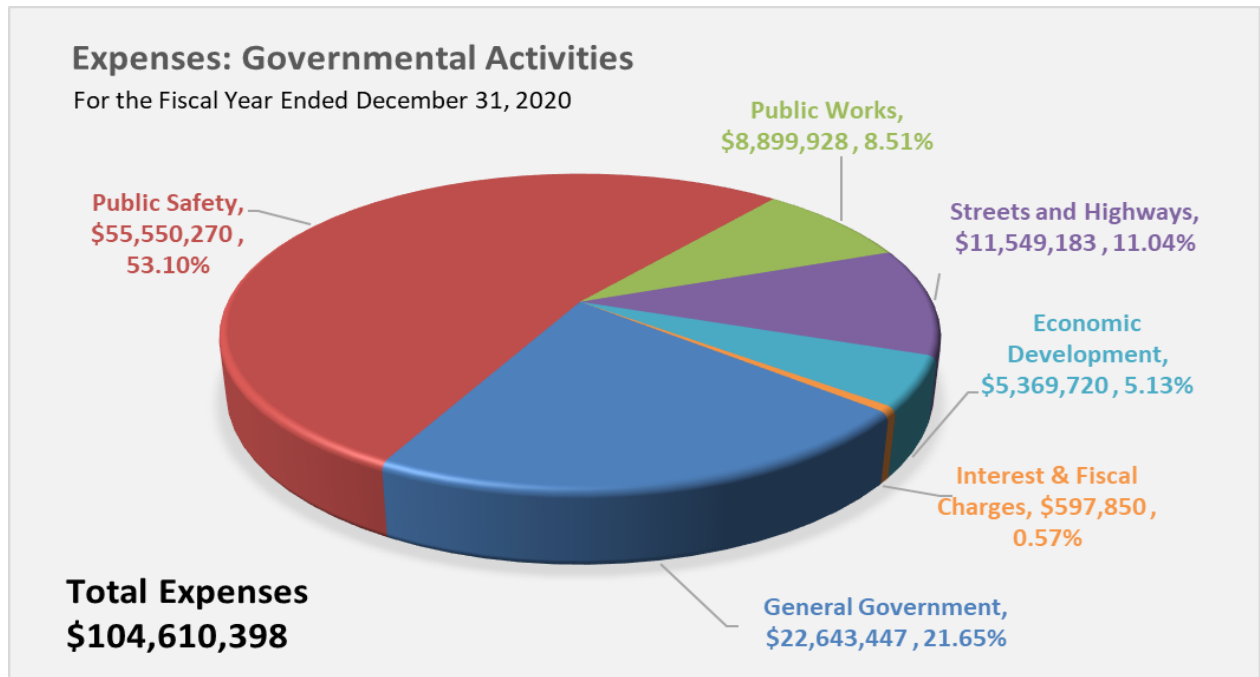
The *General Fund* state per-capita shared revenues from *income tax* and *use tax* increased by 11.1 percent mainly driven by an increase in use tax due to increased online consumer spending as a result of State imposed stay-at-home policies in response to the COVID-19 pandemic.

| Illinois State Shared Tax Revenue | Fiscal Year 2020 | Fiscal Year 2019 | Increase / (Decrease) | Change (%) |
|-----------------------------------|------------------|------------------|-----------------------|------------|
| State Income Tax | \$ 6,531,025 | \$ 6,229,784 | \$ 301,241 | 4.8% |
| Use Tax | \$ 2,545,557 | \$ 1,939,124 | \$ 606,433 | 31.3% |
| Total | \$ 9,076,582 | \$ 8,168,908 | \$ 907,674 | 11.1% |

The City's *municipal sales tax* revenue (one percent share of the State collected tax, not including home rule tax) decreased by \$1.6 million or approximately 12.4 percent from the previous year.

| Municipal Sales Tax Revenue | Fiscal Year 2020 | Fiscal Year 2019 | Increase / (Decrease) | Change (%) |
|-----------------------------|------------------|------------------|-----------------------|------------|
| | \$ 11,634,916 | \$ 13,288,254 | \$ (1,653,338) | -12.4% |

The following chart represents expenses from governmental activities.



Governmental activities expenses were \$104.6 million. All functions of governmental activities in the government-wide statement of activities have a net cost with the exception of economic

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development. The general government, public safety and streets and highways account for 85.8 percent of governmental activities expenses and 87.4 percent of the net cost. The property tax and tax collections of the state shared revenues provide the primary source of funding, which when added to program revenues, support payment for governmental services.

Business-type Activities: Business-type activities generated program revenue of \$17.6 million from fees, fines and charges for services. The total expenses for business-type activities were \$14.2 million. Compared to December 31, 2019 business-type revenues increased by \$2.0 million and expenses decreased by \$1.2 million. Including transfers from other funds the net position increased by \$3.8 million to \$53.3 million.

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

| Expenses and Program Revenues: Business-type Activities | | |
|--|-----------------|-------------------------|
| For the Fiscal Year Ended December 31, 2020 | | |
| Activities | Expenses | Program Revenues |
| Water | 13,403,286 | 17,395,973 |
| Parking | 785,526 | 248,331 |
| | 14,188,812 | 17,644,304 |

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

As of December 31, 2020, governmental funds reported fund balances of \$77.7 million. The general fund reported a positive \$61.3 million fund balance.

General Fund: The fund balance for the general fund as of December 31, 2020, was \$61.3 million, an increase of \$1.8 million from fiscal year 2019, as a result of conservative approach related to expenditures and anticipation of lower tax revenues as a result of the COVID-19 pandemic. The nonspendable fund balance was \$28.9 million and the assigned fund balance was \$2.0 million, resulting in the unassigned fund balance of \$30.4 million. The unassigned balance of the general fund can be used to cover the day-to-day service delivery and was at 47.0 percent of the 2020 general fund expenditures.

Gaming Tax Fund: The fund balance for the gaming tax fund as of December 31, 2020 was \$18.7 million, a decrease of \$3.5 million from fiscal year 2019 due to State imposed stay-at-home orders and business closure policies in response to the COVID-19 pandemic.

Tax Increment Financing Funds: The City maintains six separate funds created to account for the revenues and expenditures related to the City's tax increment financing (TIF) redevelopment areas. The negative impact on the City's 2020 total governmental fund balance is primarily due to

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deficit fund balances in TIF #3 (Wille Road) of \$3.3 million and TIF #6 (Mannheim/Higgins) of \$15.3 million related to an outstanding debt burden. TIF #1 (Downtown) has accumulated a deficit of \$4.8 million as a result of the closing of the TIF District and finalization of the capital projects within the TIF. TIF #7 (Mannheim/Higgins South) has accumulated a deficit of \$2.4 million in preparation for redevelopment opportunities.

Capital Projects Fund: The four capital projects funds maintained by the City include capital projects, equipment replacement, I.T. replacement, and facilities replacement funds. The capital projects fund accounts for the acquisition and construction of major capital facilities and improvements and was classified as a major governmental fund of the City. The fund balance for the capital projects fund as of December 31, 2020, totaled \$6.8 million, an increase of \$815 thousand since December 31, 2019 due to a combination of decreased capital outlay projects activity and reallocation of local taxes and capital fees.

Proprietary Funds

The City's proprietary funds statements provide the same type of information found in the government-wide financial statements, but in more detail. The City reports the Water/Sewer and Parking Systems funds as Major Enterprise funds. Proprietary funds reported a net position of \$53.0 million as of December 31, 2020.

Water/Sewer Fund: Water and sewer fund's net position as of December 31, 2020, totaled \$44.8 million, an increase of \$4.4 million from the prior year. The City has constructed a connection for an alternate water source through the Northwest Water Commission in order to turn the fund around from a negative unrestricted position. The unrestricted net position has increased from \$327 thousand to \$4.7 million.

Parking System Fund: Net Position of \$8.3 million, a decrease of \$574 thousand from fiscal 2019 since the revenue from charges for services continues to lag behind the operating expenses and the depreciation.

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GENERAL FUND BUDGETARY HIGHLIGHTS

Table 3: General Fund Budgetary Highlights
For the Year Ended December 31, 2020

| | Original and Final Budget | Actual | Variance from Fund Budget Positive (Negative) |
|---|--|---------------------|--|
| Revenues | \$ 64,141,836 | \$ 68,015,738 | \$ 3,873,902 |
| Expenditures | <u>72,000,013</u> | <u>64,756,085</u> | <u>7,243,928</u> |
| Excess of Revenues Over Expenditures | <u>(7,858,177)</u> | <u>3,259,653</u> | <u>11,117,830</u> |
| Other Financing Sources (Uses) | (1,634,242) | (1,477,628) | 156,614 |
| Net Changes in Fund Balance | <u>\$ (9,492,419)</u> | <u>\$ 1,782,025</u> | <u>\$ 11,274,444</u> |

General fund actual revenues were \$3.9 million or 6.0 percent greater than the budgeted amount while general fund actual expenditures were \$7.2 million or 10.1 percent lower than the budgeted amount. The revenues from local taxes, intergovernmental payments as well as interest income were higher than anticipated. The expenditures were below the budget expectations based on the City's conservative approach to spending.

CAPITAL ASSETS

As of December 31, 2020, the City had \$303.3 million in net capital assets. This total represents an increase of \$9.6 million in total capital assets or 3.3 percent from fiscal 2019. The following table illustrates the changes in capital assets.

Table 4: Capital Assets - Net of Depreciation
December 31, 2020 and 2019

| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|--------------------------|--------------------------------|-----------------------|---------------------------------|----------------------|---------------------------------|-----------------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Land | \$ 29,604,920 | \$ 29,481,730 | \$ 1,891,770 | \$ 1,891,770 | \$ 31,496,690 | \$ 31,373,500 |
| Land right of way | 52,889,789 | 53,299,649 | - | - | 52,889,789 | 53,299,649 |
| Buildings | 11,013,095 | 11,321,625 | 5,404,732 | 6,065,433 | 16,417,827 | 17,387,058 |
| Building improvements | 27,771,437 | 22,496,817 | 38,500,078 | 35,764,522 | 66,271,515 | 58,261,339 |
| Equipment | 2,869,884 | 3,053,338 | 292,922 | 223,774 | 3,162,806 | 3,277,112 |
| Vehicles | 5,658,774 | 6,311,624 | 1,002,940 | 549,796 | 6,661,714 | 6,861,420 |
| Infrastructure | 115,246,085 | 113,995,650 | - | - | 115,246,085 | 113,995,650 |
| Construction in progress | 11,093,893 | 6,015,525 | 20,118 | 3,160,048 | 11,114,011 | 9,175,573 |
| Total Capital Assets | <u>\$ 256,147,877</u> | <u>\$ 245,975,958</u> | <u>\$ 47,112,560</u> | <u>\$ 47,655,343</u> | <u>\$ 303,260,437</u> | <u>\$ 293,631,301</u> |

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Major capital projects are completed based on the City’s Capital Improvement Program (CIP) that is a multi-year plan that prioritizes the City’s street, utility, and drainage infrastructure project needs for the next five years given current financial resources. The capital improvements during the 2020 fiscal year included streets and alley reconstruction, enhancement of drainage system, expansion of water/sewer system, traffic structure, and other miscellaneous projects.

The business-type capital assets activities included reconstruction of the water mains and sanitary sewer improvements as well as building improvements.

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

DEBT OUTSTANDING

The City, under its home rule authority, does not have a legal debt limit. The City’s outstanding general obligation debt rating of “Aa2” has been reaffirmed as part of the annual comment in January 2021 by Moody's Investors Service. The City continues to look for opportunities to pay debt off early or refinance debt at lower interest rates.

| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Total Primary Government</u> | |
|--------------------------|--------------------------------|----------------------|---------------------------------|-------------|---------------------------------|---------------------|
| | <u>2020</u> | <u>2019</u> | <u>2020</u> | <u>2019</u> | <u>2020</u> | <u>2019</u> |
| General obligation bonds | \$15,319,431 | \$ 19,309,247 | \$ - | \$ - | \$15,319,431 | \$19,309,247 |
| TIF revenue bonds | - | 79,927 | - | - | - | 79,927 |
| Loans payable | - | 87,500 | - | - | - | 87,500 |
| Total Bonded Debt | <u>\$15,319,431</u> | <u>\$ 19,476,674</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$15,319,431</u> | <u>\$19,476,674</u> |

The City had \$15.3 million in principal outstanding general obligation debt from governmental activities and no principal outstanding from business-type activities for the year ended December 31, 2020. The majority of the City’s debt burden is supported by TIF revenues, sales and utility taxes, sewer fees and other fees. The City does not have any property tax supported debt. The City’s net direct debt ratio to equalized assessed value (EAV) continues to fluctuate around 1 percent. Additional information of the City’s long-term debt can be found in Note 7 – Debt Activity of the 2020 Comprehensive Annual Financial Report.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

ECONOMIC FACTORS

In response to the COVID-19 pandemic, the State imposed stay-at-home orders which either closed or limited capacity at many of the City's tax generating businesses. While the City has seen a reduction in some revenues in 2020 compared to 2019, revenues performed better than initially anticipated at the start of the pandemic. Although the City remains cautiously optimistic as more businesses re-open and capacity restrictions are lifted, the exact duration of the adverse economic impact from the public health emergency is difficult to predict. Local, state, and national unemployment rates are down considerably from their recent highs in April 2020 but remain above their levels prior to the pandemic. The potential economic and financial impacts of the pandemic continue to be closely monitored by the City.

- Property taxes imposed on property within the City's corporate limits provide a stable revenue source. The property of the City's ten largest taxpayers accounted for only 9.7 percent of the City's total 2019 EAV.
- The City has a diverse revenue base with only 31.1 percent of its revenue derived from property taxes. The additional revenue sources include other taxes of 26.8 percent, intergovernmental taxes of 20.4 percent, and charges for services of 10.7 percent.
- In early 2020, Des Plaines' economy continued to show signs of steady growth until the COVID-19 pandemic occurred. In December 2020, Des Plaines' unemployment rate was 7.8 percent compared to 2019's rate of 3.6 percent (Bureau of Labor Statistics).
- The median household income is on solid ground with an estimated median household income at \$67,636, which is higher than Cook County's median household income at \$63,353.
- Despite the COVID-19 pandemic, construction activity and new private investment has remained very active within the City. Building permit issuance decreased slightly in 2020 with 2,750 permits compared to 2,831 issued in 2019. The declared building permit valuation in 2020 totaled \$139,578,227, representing a decrease from 2019's valuation of \$186,627,856. Despite the slight construction decreases, the overall construction investment signals a very strong local economy.
- In 2020, 60 new businesses registered with the City while 125 did not renew their registration from 2019.
- In 2020, the City paid-out \$144,932 in Business Assistance Grants to three businesses, which in turn leveraged \$1,121,539 in capital building improvements.
- Cost containment and the use of budgetary reserves remains key to the continued improvement of financial position. FY 2021 will see additional accomplishments in the area of infrastructure improvements supported by state and federal funding.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2020

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF NET POSITION
December 31, 2020

| | Primary Government | | | Component Unit (Library) |
|---|----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | Governmental Activities | Business-Type Activities | Total Primary Government | |
| ASSETS | | | | |
| Cash and Investments | \$ 85,598,743 | \$ 6,014,340 | \$ 91,613,083 | \$ 4,494,489 |
| Receivables (Net) | | | | |
| Property Taxes | 34,360,012 | - | 34,360,012 | 6,081,491 |
| Accounts | 805,724 | 3,369,220 | 4,174,944 | - |
| Accrued Interest | 20,278 | - | 20,278 | - |
| Other Taxes | 954,440 | - | 954,440 | - |
| Other | 250,609 | - | 250,609 | 23,247 |
| Prepaid Items | 4,414,466 | - | 4,414,466 | 50,154 |
| Inventories | - | 190,955 | 190,955 | - |
| Due from Other Governmental Units | 8,098,434 | - | 8,098,434 | - |
| Internal Balances | (174,822) | 174,822 | - | - |
| Capital Assets Not Being Depreciated | 93,588,602 | 1,911,888 | 95,500,490 | - |
| Capital Assets Being Depreciated, Net | 162,559,275 | 45,200,672 | 207,759,947 | 2,560,784 |
| Net Pension Asset | 4,867,385 | 1,545,519 | 6,412,904 | 1,279,667 |
| TOTAL ASSETS | <u>395,343,146</u> | <u>58,407,416</u> | <u>453,750,562</u> | <u>14,489,832</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred Amounts from Refunding of Debt | 56,106 | - | 56,106 | - |
| Deferred Pension Outflows | 23,447,065 | 165,818 | 23,612,883 | 204,823 |
| Deferred OPEB Outflows | 4,835,119 | 487,360 | 5,322,479 | - |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | <u>28,338,290</u> | <u>653,178</u> | <u>28,991,468</u> | <u>204,823</u> |
| LIABILITIES | | | | |
| Accounts Payable | 13,900,691 | 1,133,382 | 15,034,073 | 119,046 |
| Accrued Payroll | 1,456,243 | 1,246 | 1,457,489 | 40,371 |
| Accrued Liabilities | 8,216 | 64,703 | 72,919 | - |
| Accrued Interest Payable | 31,662 | - | 31,662 | - |
| Unearned Revenue | 277,735 | 193,935 | 471,670 | - |
| Deposits Payable | 109,205 | - | 109,205 | - |
| Long-Term Obligations | | | | |
| Due Within One Year | 5,529,749 | 156,792 | 5,686,541 | 97,085 |
| Due in More Than One Year | 207,087,458 | 1,879,496 | 208,966,954 | 486,865 |
| TOTAL LIABILITIES | <u>228,400,959</u> | <u>3,429,554</u> | <u>231,830,513</u> | <u>743,367</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred Property Tax Revenue | 34,244,281 | - | 34,244,281 | 6,069,500 |
| Deferred Pension Inflows | 19,991,699 | 2,257,906 | 22,249,605 | 2,030,723 |
| Deferred OPEB Inflows | 584,182 | 49,455 | 633,637 | - |
| TOTAL DEFERRED INFLOWS OF RESOURCES | <u>54,820,162</u> | <u>2,307,361</u> | <u>57,127,523</u> | <u>8,100,223</u> |
| NET POSITION | | | | |
| Net Investment in Capital Assets | 240,675,606 | 46,763,483 | 287,439,089 | 2,560,784 |
| Restricted for | | | | |
| Streets and Highways | 3,368,455 | - | 3,368,455 | - |
| Public Safety | 1,528,928 | - | 1,528,928 | - |
| Economic Development | 2,395,225 | - | 2,395,225 | - |
| Culture and Recreation | - | - | - | 3,290,281 |
| Unrestricted | (107,507,899) | 6,560,196 | (100,947,703) | - |
| TOTAL NET POSITION | <u>\$ 140,460,315</u> | <u>\$ 53,323,679</u> | <u>\$ 193,783,994</u> | <u>\$ 5,851,065</u> |

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF ACTIVITIES
Year-Ended December 31, 2020

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | | |
|--|-----------------------|------------------------------------|------------------------------------|----------------------------------|---|--------------------------|--------------------------|---------------------|
| | | Fees, Fines & Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government | | | Component Unit |
| | | | | | Governmental Activities | Business-Type Activities | Total Primary Government | Library |
| Primary Government | | | | | | | | |
| Governmental Activities | | | | | | | | |
| General Government | \$ 22,643,447 | \$ 4,650,267 | \$ 357,322 | \$ - | \$ (17,635,858) | | \$ (17,635,858) | \$ - |
| Public Safety | 55,550,270 | 3,393,416 | 632,469 | - | (51,524,385) | | (51,524,385) | - |
| Public Works | 8,899,928 | 3,305,870 | - | - | (5,594,058) | | (5,594,058) | - |
| Streets and Highways | 11,549,183 | 2,731 | 3,406,082 | (483,444) | (8,623,814) | | (8,623,814) | - |
| Economic Development | 5,369,720 | 408,817 | - | 826,276 | (4,134,627) | | (4,134,627) | - |
| Interest and Fiscal Charges | 597,850 | - | - | - | (597,850) | | (597,850) | - |
| Total Governmental Activities | 104,610,398 | 11,761,101 | 4,395,873 | 342,832 | (88,110,592) | | (88,110,592) | - |
| Business-Type Activities | | | | | | | | |
| Water | 13,403,286 | 17,390,497 | 5,476 | - | | \$ 3,992,687 | 3,992,687 | - |
| Parking System | 785,526 | 248,331 | - | - | | (537,195) | (537,195) | - |
| Total Business-Type Activities | 14,188,812 | 17,638,828 | 5,476 | - | | 3,455,492 | 3,455,492 | - |
| Total Primary Government | \$ 118,799,210 | \$ 29,399,929 | \$ 4,401,349 | \$ 342,832 | (88,110,592) | 3,455,492 | (84,655,100) | - |
| Component Unit: | | | | | | | | |
| Library | \$ 5,273,249 | \$ 24,771 | \$ 80,455 | \$ - | - | - | - | (5,168,023) |
| General Revenues | | | | | | | | |
| Taxes | | | | | | | | |
| | | | | | 34,042,738 | - | 34,042,738 | 5,997,162 |
| | | | | | 5,768,006 | - | 5,768,006 | - |
| | | | | | 2,877,443 | - | 2,877,443 | - |
| | | | | | 1,002,905 | - | 1,002,905 | - |
| | | | | | 763,390 | - | 763,390 | - |
| | | | | | 705,412 | - | 705,412 | - |
| | | | | | 2,012,304 | - | 2,012,304 | - |
| | | | | | 12,833,854 | - | 12,833,854 | - |
| | | | | | 3,411,748 | - | 3,411,748 | - |
| Unrestricted Intergovernmental | | | | | | | | |
| | | | | | 14,291,701 | - | 14,291,701 | - |
| | | | | | 6,531,025 | - | 6,531,025 | - |
| | | | | | 1,533,316 | - | 1,533,316 | 92,988 |
| | | | | | 789,086 | - | 789,086 | 26,022 |
| | | | | | 721,177 | 24,835 | 746,012 | 56,496 |
| Transfers | | | | | (303,440) | 303,440 | - | - |
| Total General Revenues and Transfers | | | | | 86,980,665 | 328,275 | 87,308,940 | 6,172,668 |
| Change in Net Position | | | | | (1,129,927) | 3,783,767 | 2,653,840 | 1,004,645 |
| Net Position, January 1, 2020 | | | | | 140,924,046 | 49,539,912 | 190,463,958 | 4,846,420 |
| Change in Accounting Principle (See Note 16) | | | | | 666,196 | - | 666,196 | - |
| Net Position, January 1, 2020, as restated | | | | | 141,590,242 | 49,539,912 | 191,130,154 | 4,846,420 |
| Net Position, December 31, 2020 | | | | | \$ 140,460,315 | \$ 53,323,679 | \$ 193,783,994 | \$ 5,851,065 |

CITY OF DES PLAINES, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2020

| | Major Governmental Funds | | | | | | Nonmajor Governmental Funds | Total Governmental Funds |
|--|--------------------------|----------------------|----------------------------------|----------------------|--------------------------|---------------------|-----------------------------------|--------------------------------|
| | General | TIF #1 (Downtown) | TIF #6 (Mannheim/ Higgins) | Gaming Tax | Grant Funded Projects | Capital Projects | | |
| ASSETS | | | | | | | | |
| Cash and Investments | \$ 27,798,442 | \$ - | \$ - | \$ 27,151,220 | \$ - | \$ 6,161,391 | \$ 23,289,836 | \$ 84,400,889 |
| Receivables (net) | | | | | | | | |
| Property Tax Receivable | 24,334,709 | 5,690,643 | 143,248 | - | - | 17,850 | 4,173,562 | 34,360,012 |
| Other Taxes | 780,316 | - | - | - | - | 174,124 | - | 954,440 |
| Accounts Receivable | 764,477 | - | - | - | - | 23,904 | 29,968 | 818,349 |
| Accrued Interest | 5,589 | - | - | - | - | - | 14,689 | 20,278 |
| Other | 386,562 | - | - | - | 30,952 | - | - | 417,514 |
| Due from Other Governments | 5,957,370 | - | - | 246,958 | 899,039 | 728,459 | 266,608 | 8,098,434 |
| Advances to Other Funds | 28,857,447 | - | - | - | - | - | - | 28,857,447 |
| TOTAL ASSETS | \$ 88,884,912 | \$ 5,690,643 | \$ 143,248 | \$ 27,398,178 | \$ 929,991 | \$ 7,105,728 | \$ 27,774,663 | \$ 157,927,363 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | | | |
| Liabilities | | | | | | | | |
| Accounts Payable | \$ 1,184,756 | \$ 2,537,443 | \$ 216 | \$ 8,684,226 | \$ 459,760 | \$ 293,151 | \$ 719,655 | \$ 13,879,207 |
| Accrued Payroll | 1,456,243 | - | - | - | - | - | - | 1,456,243 |
| Accrued Liabilities | 8,216 | - | - | - | - | - | - | 8,216 |
| Deposits Payable | - | 19,232 | - | - | - | 6,397 | 148,135 | 173,764 |
| Advances from Other Funds | - | 2,255,661 | 15,261,254 | - | 5,455,303 | 13,399 | 5,760,855 | 28,746,472 |
| Unearned Revenue | 200,131 | - | - | - | 21,260 | - | 45,136 | 266,527 |
| Total Liabilities | 2,849,346 | 4,812,336 | 15,261,470 | 8,684,226 | 5,936,323 | 312,947 | 6,673,781 | 44,530,429 |
| Deferred Inflows of Resources | | | | | | | | |
| Deferred Property Tax Revenue | 24,244,258 | 5,672,187 | 143,248 | - | - | 16,400 | 4,168,188 | 34,244,281 |
| Unavailable Other Revenue | 524,011 | - | - | - | 893,057 | 14,645 | - | 1,431,713 |
| Total Deferred Inflows of Resources | 24,768,269 | 5,672,187 | 143,248 | - | 893,057 | 31,045 | 4,168,188 | 35,675,994 |
| Fund Balances | | | | | | | | |
| Nonspendable | | | | | | | | |
| Long-Term Interfund Advances | 28,857,447 | - | - | - | - | - | - | 28,857,447 |
| Restricted | | | | | | | | |
| Economic Development | - | - | - | - | - | - | 2,395,225 | 2,395,225 |
| Debt Retirement/Infrastructure | - | - | - | 18,713,952 | - | - | - | 18,713,952 |
| Streets and Highways | - | - | - | - | - | - | 3,368,455 | 3,368,455 |
| Public Safety | - | - | - | - | - | - | 1,528,928 | 1,528,928 |
| Assigned | | | | | | | | |
| Infrastructure | 2,000,000 | - | - | - | - | 6,761,736 | - | 8,761,736 |
| Capital Acquisitions | - | - | - | - | - | - | 15,394,999 | 15,394,999 |
| Subsequent year's budget: appropriation of fund balance | - | - | - | - | - | - | - | - |
| Unassigned | 30,409,850 | (4,793,880) | (15,261,470) | - | (5,899,389) | - | (5,754,913) | (1,299,802) |
| Total Fund Balances | 61,267,297 | (4,793,880) | (15,261,470) | 18,713,952 | (5,899,389) | 6,761,736 | 16,932,694 | 77,720,940 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 88,884,912 | \$ 5,690,643 | \$ 143,248 | \$ 27,398,178 | \$ 929,991 | \$ 7,105,728 | \$ 27,774,663 | \$ 157,927,363 |

CITY OF DES PLAINES, ILLINOIS
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
December 31, 2020

Total Fund Balances - Governmental Funds \$ 77,720,940

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:

| | | |
|--------------------------|----------------------|-------------|
| Capital Assets | \$ 402,253,686 | |
| Accumulated Depreciation | <u>(146,105,809)</u> | |
| Net Capital Assets | | 256,147,877 |

Some receivables that are not currently available are reported as deferred inflows of resources in the fund financial statements but are recognized as revenue when earned in the government-wide statements. 1,431,713

Gains/Losses related to the refunding of long-term debt are deferred and amortized over the life of the debt issue in the statement of net position. 56,106

Generally, interest on long-term debt is not accrued in governmental funds, but rather is recognized when due. (31,662)

Deferred outflows of resources related to pensions do not involve available financial resources and accordingly are not reported on the fund financial statements. 23,447,065

Deferred outflows of resources related to OPEB do not involve available financial resources and accordingly are not reported on the fund financial statements. 4,835,119

Deferred inflows of resources related to pensions do not involve available financial resources and accordingly are not reported on the fund financial statements. (19,991,699)

Deferred inflows of resources related to OPEB do not involve available financial resources and accordingly are not reported on the fund financial statements. (584,182)

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

| | | |
|---|---------------------|---------------|
| Compensated Absences Payable | (4,447,646) | |
| TIF General Obligation Bonds Payable | (15,319,431) | |
| Unamortized Bond Premiums and Discounts | (189,283) | |
| Net Pension Liabilities and Assets | (167,962,072) | |
| Other Post Employment Benefits (OPEB) Liability | <u>(18,751,157)</u> | |
| Total Long-Term Liabilities | | (206,669,589) |

Internal service funds are reported in the Statement of Net Position as Governmental Activities. 4,098,627

Net Position of Governmental Activities \$ 140,460,315

CITY OF DES PLAINES, ILLINOIS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 Year-Ended December 31, 2020

| | Major Governmental Funds | | | | | Nonmajor Governmental Funds | Total Governmental Funds | |
|--|--------------------------|-----------------------|----------------------------------|----------------------|--------------------------|-----------------------------------|--------------------------------|----------------------|
| | General | TIF #1 (Downtown) | TIF #6 (Mannheim/ Higgins) | Gaming Tax | Grant Funded Projects | | | Capital Projects |
| Revenues | | | | | | | | |
| Property Taxes | \$ 24,126,474 | \$ 6,225,997 | \$ 125,389 | \$ - | \$ - | \$ 30,482 | \$ 3,555,894 | \$ 34,064,236 |
| Other Taxes | 11,171,668 | - | - | 12,833,854 | - | 4,471,295 | 126,271 | 28,603,088 |
| Licenses and Permits | 2,036,569 | - | - | - | - | - | - | 2,036,569 |
| Intergovernmental | 23,279,114 | - | - | - | 621,085 | - | 3,968,038 | 27,868,237 |
| Charges for Services | 6,164,290 | - | - | - | - | 2,731 | - | 6,167,021 |
| Fines, Forfeitures and Penalties | 739,013 | - | - | - | - | - | 1,977 | 740,990 |
| Developer Fees | - | - | - | - | - | - | 408,817 | 408,817 |
| Investment Income | 256,138 | 15,625 | 13 | 369,087 | 2,355 | 69,442 | 76,426 | 789,086 |
| Miscellaneous | 242,472 | - | - | - | - | 9,945 | 531,466 | 783,883 |
| Total Revenues | 68,015,738 | 6,241,622 | 125,402 | 13,202,941 | 623,440 | 4,583,895 | 8,668,889 | 101,461,927 |
| Expenditures | | | | | | | | |
| Current | | | | | | | | |
| General Government | 8,523,551 | - | - | 8,684,226 | 1,288,511 | - | 992,153 | 19,488,441 |
| Public Safety | 45,575,471 | - | - | - | - | - | 153,462 | 45,728,933 |
| Public Works | 6,634,117 | - | - | - | - | 954,744 | - | 7,588,861 |
| Streets and Highways | 3,750,629 | - | - | - | - | - | 819,722 | 4,570,351 |
| Economic Development | 272,317 | 15,490,367 | 2,309 | - | - | - | 509,178 | 16,274,171 |
| Debt Service | | | | | | | | |
| Principal | - | 1,234,927 | 1,400,000 | - | - | - | 1,682,500 | 4,317,427 |
| Interest and Fiscal Charges | - | 33,247 | 57,137 | - | - | - | 396,146 | 486,530 |
| Capital Outlay | - | - | - | - | 5,405,185 | 2,545,611 | 3,196,279 | 11,147,075 |
| Total Expenditures | 64,756,085 | 16,758,541 | 1,459,446 | 8,684,226 | 6,693,696 | 3,500,355 | 7,749,440 | 109,601,789 |
| Excess (Deficiency) of Revenues over (under) Expenditures | 3,259,653 | (10,516,919) | (1,334,044) | 4,518,715 | (6,070,256) | 1,083,540 | 919,449 | (8,139,862) |
| Other Financing Sources (Uses) | | | | | | | | |
| Proceeds from Sale of Capital Assets | - | - | - | - | - | - | 133,458 | 133,458 |
| Transfer In | 372,372 | - | - | - | 243,889 | - | 9,850,000 | 10,466,261 |
| Transfer Out | (1,850,000) | (125,000) | (3,000) | (8,000,000) | - | (268,889) | (203,614) | (10,450,503) |
| Total Other Financing Sources (Uses) | (1,477,628) | (125,000) | (3,000) | (8,000,000) | 243,889 | (268,889) | 9,779,844 | 149,216 |
| Net Change in Fund Balances | 1,782,025 | (10,641,919) | (1,337,044) | (3,481,285) | (5,826,367) | 814,651 | 10,699,293 | (7,990,646) |
| Fund Balances at Beginning of Year | 59,485,272 | 5,848,039 | (13,924,426) | 22,195,237 | (73,022) | 5,947,085 | 5,567,205 | 85,045,390 |
| Change in Accounting Principle (See Note 16) | - | - | - | - | - | - | 666,196 | 666,196 |
| Fund Balances at Beginning of Year, as Restated | 59,485,272 | 5,848,039 | (13,924,426) | 22,195,237 | (73,022) | 5,947,085 | 6,233,401 | 85,711,586 |
| Fund Balances at End of Year | \$ 61,267,297 | \$ (4,793,880) | \$ (15,261,470) | \$ 18,713,952 | \$ (5,899,389) | \$ 6,761,736 | \$ 16,932,694 | \$ 77,720,940 |

CITY OF DES PLAINES, ILLINOIS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year-Ended December 31, 2020

Net Change in Fund Balances - Total Governmental Funds \$ (7,990,646)

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

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

| | | | |
|--|----|--------------------|------------|
| Capital Expenditures | \$ | 22,384,841 | |
| Depreciation | | (9,541,537) | |
| Loss on Disposal of Capital Assets | | <u>(2,352,188)</u> | |
| Capital Expenditures in Excess of Depreciation and Other Transactions | | | 10,491,116 |

Some revenues were not collected for several months after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds. (27,828)

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

| | | | |
|---|--|--------------------|-------------|
| Change in Compensated Absences Liability | | (1,529,184) | |
| Accretion of Interest on Capital Appreciation Bonds | | (160,184) | |
| Change in Accrued Interest Payable | | 10,372 | |
| Change in Pension Liability and Deferral Items | | <u>(4,394,689)</u> | |
| Total Expenses of Noncurrent Resources | | | (7,009,294) |

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

| | | | |
|--|--|---------------|-----------|
| TIF General Obligation Bonds Payable | | 4,150,000 | |
| TIF Revenue Bonds Payable | | 79,927 | |
| Installment Notes Payable | | 87,500 | |
| Amortization of Premiums, Discounts, and Loss on Refunding | | <u>38,492</u> | |
| Net Adjustment | | | 4,355,919 |

Internal service funds are used by management to charge self-insurance costs to individual funds. The change in net position of the internal service fund (net of current look back adjustment) reported with the governmental activities. (629,996)

Change in Net Position of Governmental Activities \$ (1,129,927)

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2020

| | Business-Type Activities - Enterprise Funds | | | Governmental Activities |
|--|---|---------------------|------------------------------|----------------------------|
| | Major Funds | | Total Enterprise Funds | Internal Service Funds |
| | Water/Sewer | Parking System | | |
| ASSETS | | | | |
| Current Assets | | | | |
| Cash and Investments | \$ 4,739,135 | \$ 1,275,205 | \$ 6,014,340 | \$ 1,197,854 |
| Receivables (Net) | | | | |
| Accounts | 3,369,220 | - | 3,369,220 | - |
| Other | - | - | - | 34,526 |
| Prepaid Items | - | - | - | 4,264,969 |
| Inventories | 190,955 | - | 190,955 | - |
| Total Current Assets | <u>8,299,310</u> | <u>1,275,205</u> | <u>9,574,515</u> | <u>5,497,349</u> |
| Noncurrent Assets | | | | |
| Capital Assets | | | | |
| Capital Assets Not Being Depreciated | 233,828 | 1,678,060 | 1,911,888 | - |
| Capital Assets Being Depreciated, Net | 39,843,197 | 5,357,475 | 45,200,672 | - |
| Net Pension Asset | 1,545,519 | - | 1,545,519 | - |
| Total Noncurrent Assets | <u>41,622,544</u> | <u>7,035,535</u> | <u>48,658,079</u> | <u>-</u> |
| TOTAL ASSETS | <u>49,921,854</u> | <u>8,310,740</u> | <u>58,232,594</u> | <u>5,497,349</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Deferred Pension Outflows | 165,818 | - | 165,818 | - |
| Deferred OPEB Outflows | 487,360 | - | 487,360 | - |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | <u>653,178</u> | <u>-</u> | <u>653,178</u> | <u>-</u> |
| LIABILITIES | | | | |
| Current Liabilities | | | | |
| Accounts Payable | 1,115,952 | 17,430 | 1,133,382 | 21,484 |
| Accrued Liabilities | 65,949 | - | 65,949 | - |
| Unearned Revenue | 185,095 | 8,840 | 193,935 | 11,208 |
| Advances from Other Funds | 110,975 | - | 110,975 | - |
| Long-Term Obligations, Due Within One Year | | | | |
| Compensated Absences | 156,792 | - | 156,792 | - |
| Early Retirement Incentive Program Payable | - | - | - | 603,030 |
| Total Current Liabilities | <u>1,634,763</u> | <u>26,270</u> | <u>1,661,033</u> | <u>635,722</u> |
| Noncurrent Liabilities | | | | |
| Long-Term Obligations, Due in More Than One Year | | | | |
| Total OPEB Liability | 1,683,791 | - | 1,683,791 | - |
| Compensated Absences | 195,705 | - | 195,705 | - |
| Early Retirement Incentive Program Payable | - | - | - | 477,203 |
| Total Noncurrent Liabilities | <u>1,879,496</u> | <u>-</u> | <u>1,879,496</u> | <u>477,203</u> |
| TOTAL LIABILITIES | <u>3,514,259</u> | <u>26,270</u> | <u>3,540,529</u> | <u>1,112,925</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Deferred Pension Inflows | 2,257,906 | - | 2,257,906 | - |
| Deferred OPEB Inflows | 49,455 | - | 49,455 | - |
| TOTAL DEFERRED INFLOWS OF RESOURCES | <u>2,307,361</u> | <u>-</u> | <u>2,307,361</u> | <u>-</u> |
| NET POSITION | | | | |
| Net Investment in Capital Assets | 40,077,025 | 7,035,535 | 47,112,560 | - |
| Unrestricted | 4,676,387 | 1,248,935 | 5,925,322 | 4,384,424 |
| TOTAL NET POSITION | <u>\$ 44,753,412</u> | <u>\$ 8,284,470</u> | <u>53,037,882</u> | <u>\$ 4,384,424</u> |
| Adjustment to Reflect the Consolidation of Internal Service Funds Activities | | | | |
| Related to Enterprise Funds | | | 285,797 | |
| Net Position of Business-Type Activities | | | <u>\$ 53,323,679</u> | |

See accompanying notes to financial statements.

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year-Ended December 31, 2020

| | Business-Type Activities - Enterprise Funds | | | Governmental Activities |
|---|---|---------------------|------------------------------|----------------------------|
| | Major Funds | | Total Enterprise Funds | Internal Service Funds |
| | Water/Sewer | Parking System | | |
| Operating Revenues | | | | |
| Charges for Services | \$ 17,178,512 | \$ 248,331 | \$ 17,426,843 | \$ 10,507,570 |
| Miscellaneous | 236,820 | - | 236,820 | 153,024 |
| Total Operating Revenues | <u>17,415,332</u> | <u>248,331</u> | <u>17,663,663</u> | <u>10,660,594</u> |
| Operating Expenses | | | | |
| Salaries | 3,043,812 | - | 3,043,812 | - |
| Benefits | 738,347 | - | 738,347 | - |
| Contractual Services | 1,136,477 | 48,972 | 1,185,449 | - |
| Commodities | 6,551,233 | 83,032 | 6,634,265 | - |
| Claims Expense | - | - | - | 7,067,479 |
| Insurance and Processing Fees | - | - | - | 2,980,830 |
| Miscellaneous | - | - | - | 113,156 |
| Early Retirement Incentive | - | - | - | 1,211,174 |
| Depreciation | 1,793,643 | 653,621 | 2,447,264 | - |
| Total Operating Expenses | <u>13,263,512</u> | <u>785,625</u> | <u>14,049,137</u> | <u>11,372,639</u> |
| Operating Income (Loss) | <u>4,151,820</u> | <u>(537,294)</u> | <u>3,614,526</u> | <u>(712,045)</u> |
| Nonoperating Revenues and (Expenses) | | | | |
| Intergovernmental | 5,476 | - | 5,476 | - |
| Loss on Disposal of Assets | (57,626) | - | (57,626) | - |
| Total Nonoperating Revenues and (Expenses) | <u>(52,150)</u> | <u>-</u> | <u>(52,150)</u> | <u>-</u> |
| Income (Loss) Before Transfers | <u>4,099,670</u> | <u>(537,294)</u> | <u>3,562,376</u> | <u>(712,045)</u> |
| Transfers | | | | |
| Transfers In | 339,956 | - | 339,956 | - |
| Transfers Out | - | (36,516) | (36,516) | - |
| Total Transfers | <u>339,956</u> | <u>(36,516)</u> | <u>303,440</u> | <u>-</u> |
| Change in Net Position | 4,439,626 | (573,810) | 3,865,816 | (712,045) |
| Net Position at Beginning of Year | <u>40,313,786</u> | <u>8,858,280</u> | <u>49,172,066</u> | <u>5,096,469</u> |
| Net Position at End of Year | <u>\$ 44,753,412</u> | <u>\$ 8,284,470</u> | 53,037,882 | <u>\$ 4,384,424</u> |
| Adjustment to Reflect the Consolidation of Internal Service Funds Activities Related to Enterprise Funds | | | (82,049) | |
| Change in Net Position of Business-Type Activities | | | <u>\$ 3,783,767</u> | |

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year-Ended December 31, 2020

| | Business-Type Activities - Enterprise Funds | | | Governmental Activities |
|--|---|---------------------|------------------------------|----------------------------|
| | Major Funds | | | Internal Service Funds |
| | Water/Sewer | Parking System | Total Enterprise Funds | |
| Cash Flows from Operating Activities | | | | |
| Cash Received from Customers | \$ 16,952,840 | \$ 257,171 | \$ 17,210,011 | \$ 10,443,428 |
| Receipts from Miscellaneous Revenues | 284,843 | - | 284,843 | 153,024 |
| Cash Payments to Suppliers for Goods and Services | (8,092,591) | (160,169) | (8,252,760) | (10,579,212) |
| Cash Payments to Employees for Services | (4,413,028) | - | (4,413,028) | - |
| Net Cash Provided/(Used) by Operating Activities | <u>4,732,064</u> | <u>97,002</u> | <u>4,829,066</u> | <u>17,240</u> |
| Cash Flows from Noncapital Financing Activities | | | | |
| Transfers In | 339,956 | - | 339,956 | - |
| Transfers Out | - | (36,516) | (36,516) | - |
| Interfund Advances | 1,420,937 | - | 1,420,937 | - |
| Proceeds from Grants | 5,476 | - | 5,476 | - |
| Net Cash Provided/(Used) by Noncapital Financing Activities | <u>1,766,369</u> | <u>(36,516)</u> | <u>1,729,853</u> | <u>-</u> |
| Cash Flows from Capital and Related Financing Activities | | | | |
| Acquisition and Construction of Capital Assets | (1,759,298) | (20,118) | (1,779,416) | - |
| Net Cash Provided/(Used) by Capital and Related Financing Activities | <u>(1,759,298)</u> | <u>(20,118)</u> | <u>(1,779,416)</u> | <u>-</u> |
| Net Increase (Decrease) in Cash & Investments Cash & Investments, Beginning of Year | 4,739,135 | 40,368 | 4,779,503 | 17,240 |
| Cash & Investments, End of Year | <u>\$ 4,739,135</u> | <u>\$ 1,275,205</u> | <u>\$ 6,014,340</u> | <u>\$ 1,197,854</u> |
| Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities | | | | |
| Operating Income/(Loss) | \$ 4,151,820 | \$ (537,294) | \$ 3,614,526 | \$ (712,045) |
| Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities | | | | |
| Depreciation | 1,793,643 | 653,621 | 2,447,264 | - |
| Decrease (Increase) in Receivables | (225,672) | - | (225,672) | (32,403) |
| Decrease (Increase) in Other Receivables | 6,935 | - | 6,935 | - |
| Decrease (Increase) in Prepaid Items | - | - | - | (300,154) |
| Decrease (Increase) in Inventories | 27,770 | - | 27,770 | - |
| Decrease (Increase) in Deferred Outflows - Pension | 9,807 | - | 9,807 | - |
| Decrease (Increase) in Deferred Outflows - OPEB | (211,726) | - | (211,726) | - |
| (Decrease) Increase in Accounts Payable | (432,651) | (28,165) | (460,816) | 13,348 |
| (Decrease) Increase in Early Retirement Payable | - | - | - | 1,080,233 |
| (Decrease) Increase in Accrued Liabilities | (13,289) | - | (13,289) | - |
| (Decrease) Increase in Unearned Revenue | 41,088 | 8,840 | 49,928 | (31,739) |
| (Decrease) Increase in Total OPEB Liability | 387,873 | - | 387,873 | - |
| (Decrease) Increase in Net Pension Liability | (1,993,246) | - | (1,993,246) | - |
| (Decrease) Increase in Deferred Inflows - Pension | 1,121,636 | - | 1,121,636 | - |
| (Decrease) Increase in Deferred Inflows - OPEB | (9,784) | - | (9,784) | - |
| (Decrease) Increase in Compensated Absences Payable | 77,860 | - | 77,860 | - |
| Total Adjustments | <u>580,244</u> | <u>634,296</u> | <u>1,214,540</u> | <u>729,285</u> |
| Net Cash Provided/(Used) by Operating Activities | <u>\$ 4,732,064</u> | <u>\$ 97,002</u> | <u>\$ 4,829,066</u> | <u>\$ 17,240</u> |
| Noncash Capital and Related Financing Activities | | | | |
| Capital Assets Included in Accounts Payable | \$ 349,077 | \$ - | \$ 349,077 | \$ - |

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2020

| | Pension Trust Funds |
|---|---------------------------|
| ASSETS | |
| Cash and Cash Equivalents | \$ 8,143,803 |
| Investments | |
| U.S. Government and Agency Obligations | 29,211,230 |
| State and Local Obligations | 584,103 |
| Corporate Bonds | 25,067,362 |
| Mutual Funds | 75,105,841 |
| Stocks | 39,212,650 |
| Insurance Contracts | 1,565 |
| Receivables (Net) | |
| Accrued Interest | 252,204 |
| Prepaid Items | 17,532 |
| TOTAL ASSETS | \$ 177,596,290 |
| LIABILITIES AND NET POSITION | |
| Liabilities | |
| Accounts Payable | 109,880 |
| Total Liabilities | 109,880 |
| Net Position | |
| Restricted for Pensions | 177,486,410 |
| TOTAL LIABILITIES AND NET POSITION | \$ 177,596,290 |

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
Year-Ended December 31, 2020

| | <u>Pension Trust Funds</u> |
|---|--------------------------------|
| Additions | |
| Contributions | |
| Employer | \$ 11,716,797 |
| Plan Members | 1,944,400 |
| Other | <u>2,518</u> |
| Total Contributions | <u>13,663,715</u> |
| Investment Income | 20,954,573 |
| Less Investment Expense | <u>(595,647)</u> |
| Net Investment Income | <u>20,358,926</u> |
| Total Additions | <u>34,022,641</u> |
| Deductions | |
| Administration | 167,795 |
| Benefits and Refunds | <u>17,465,206</u> |
| Total Deductions | <u>17,633,001</u> |
| Net Increase in Net Position | 16,389,640 |
| Plan Net Position at Beginning of Year | <u>161,096,770</u> |
| Plan Net Position at End of Year | <u>\$ 177,486,410</u> |

CITY OF DES PLAINES, ILLINOIS
INDEX TO NOTES TO FINANCIAL STATEMENTS
December 31, 2020

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Reporting Entity:

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

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

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

Government-Wide and Fund Financial Statements:

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

The City reports the following major governmental funds:

- General: Accounts for the City's primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.
- TIF #1 (Downtown): A special revenue fund that accounts for restricted incremental property tax revenues and expenditures related to the tax increment finance district located on 1420 Miner Street.
- TIF #6 (Mannheim/Higgins): A special revenue fund that accounts for restricted incremental property tax revenues and expenditures related to the tax increment finance district located near Mannheim and Higgins Roads.
- Gaming Tax: A special revenue fund that accounts for the revenues of a \$1 admissions tax and 5% wagering tax collected at the Rivers Casino in Des Plaines, Illinois that are legally restricted for contractual obligations.
- Grant Funded Projects: A capital projects fund that accounts for restricted revenues and expenditures related to the Public Safety, Capital and other miscellaneous grants.
- Capital Projects: A capital projects fund that accounts for resources legally restricted to supporting expenditures for the capital projects program.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major enterprise funds:

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

The City reports the following nonmajor governmental funds:

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

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

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

Debt Service

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

Equipment Replacement
I.T. Replacement
Facilities Replacement

In addition, the City reports the following fund types:

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

Risk Management
Health Benefits

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

Firefighters' Pension
Police Pension

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and the accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting, and do not have a measurement focus.

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

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

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

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

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

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

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

Concentration of Credit Risk: The City's and Pension Funds' investment policies require diversification of the investment portfolio to minimize risk of loss resulting from over concentration in a particular type of security, risk factor, issuer, or maturity. The City's and Police Pension Fund's policy further states that no financial institution shall hold more than 50% of the City's investment portfolio at the current time of investment placement. The City operates its investments as an internal investment pool where each fund reports its pro rata share of the investments made by the City. In this internal investment pool there were no investments which are subject to concentration of credit risk that represent more than 50% of the portfolio as of December 31, 2020.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Per the investment policy, no financial institution shall have more than 75% of the City's investment portfolio. No more than 10% of the City's investment portfolio may be commercial paper, no more than 50% of the City's portfolio may be invested in U.S. Government Agencies, and no more than 25% of the investment portfolio may be invested in the obligations of a single agency. As of December 31, 2020, the City had 32% invested in cash, 56% invested in Illinois Funds and money market mutual funds, 9% invested in IMET, and 3% invested in fixed income securities.

The Police Pension Fund investment policy places a minimum of 2% and maximum of 20% concentration on cash, a minimum of 30% and maximum of 68% on fixed income securities, a minimum of 0% and maximum of 10% on mutual funds, a minimum of 10% and maximum of 20% on foreign equities, and a minimum of 20% and maximum of 35% on equities. As of December 31, 2020, the Police Pension Trust Fund had 5% invested in cash, 32% invested in fixed income securities, 41% in mutual funds, 0% in foreign equities, 0% in insurance contracts and 22% in equities.

The Firefighter Pension Fund investment policy places a minimum of 2% and maximum of 20% concentration on cash, a minimum of 30% and maximum of 68% on fixed income securities, a minimum of 0% and maximum of 10% on mutual funds, a minimum of 10% and maximum of 20% on foreign equities, and a minimum of 20% and maximum of 40% on equities. As of December 31, 2020, the Firefighter Pension Trust Fund had 4% invested in cash, 30% invested in fixed income securities, 44% in mutual funds, 0% in foreign equities and 22% in equities.

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

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

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

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

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables: Property taxes for levy year 2019 attach as an enforceable lien on January 1, 2019, on property values assessed as of the same date. Taxes are levied by December following the lien date (by passage of a Tax Levy Ordinance). The taxes for levy year 2019 are collected during the 2020 calendar year.

Tax bills are prepared by the County and issued on or about February 1, 2020 and August 1, 2020, and are payable in two installments, on or about March 1, 2020 and September 1, 2020 or within 30 days of the tax bills being issued.

The County collects such taxes and remits them periodically. The 2020 property tax levy is recognized as a receivable and deferred inflow of resources in fiscal year 2020, net the allowance for uncollectible. As the taxes become available to finance current expenditures, they are recognized as revenues. At December 31, 2020, the property taxes receivable and deferred inflow of resources consisted of the estimated amount collectible from the 2020 levy.

The property tax receivable is shown net of an allowance for uncollectibles. The allowance is equal to 1% of outstanding property taxes at December 31, 2020.

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

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

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

Deferred Outflows/Inflows of Resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred loss on refunding of debt, differences between expected and actual experience, change in pension assumptions and loss on pension investments. The deferred loss on debt refunding is reported in the government-wide statement of net position. A deferred loss on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Differences between expected and actual experience and changes in pension plan assumptions are deferred and amortized over the average of the expected remaining service lives of employees that are provided with benefits through the pension plan. Loss on pension investments are deferred and amortized over five years.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences: The liability for vested or accumulated vacation leave of the City (primary government), at December 31, 2020 of \$4,800,143, is recorded in the government-wide financial statements.

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

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

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

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

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

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

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

- a) Nonspendable fund balance is inherently nonspendable, such as portions of net resources that cannot be spent because of their form and portions of net resources that cannot be spent because they must be maintained intact.
- b) Restricted fund balance has externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors, or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation. Restricted fund balances reported on the City's Governmental Funds Balance Sheet mainly include restricted property tax levies, bond proceeds, and grant awards.
- c) Committed fund balance has self-imposed limitations set in place prior to the end of the period. The limitations are imposed at the highest level of decision making that requires formal action at the same level to remove. For the City, the City Council is the highest level of decision making. As of December 31, 2020, the City does not have any commitments of fund balance.
- d) Assigned fund balance has limitations resulting from intended use consisting of amounts where the intended use is established by the City Council designated for that purpose. The intent of funds would be determined by a City official (Finance Director and approved by the City Manager, per the City's Fund Balance Policy) that the City Council has delegated the authority to assign amounts to be used for a specific purpose. GASB 54 has also outlined that fund balance outside of the general fund is to fall in this category if there is not a deficit fund balance for the fund.
- e) Unassigned fund balance is the total fund balance in the general fund in excess of nonspendable, restricted, committed, and assigned fund balance. In addition, if there is a deficit balance in another governmental fund, it will be reported as a negative amount in that fund's unassigned classification.

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

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

COVID-19: The Coronavirus (COVID-19) pandemic developed rapidly in 2020, with a significant number of cases globally. In response to the pandemic and in compliance with various state and local ordinances, the City closed to the public but maintained administrative services. Public safety services provided by Police, Fire and Public Works were not impacted. Based on the expected decrease of various revenue sources within the General Fund, Gaming Fund and Capital Projects Fund, the City, in early 2020, offered an early retirement incentive as an effort to reduce operational expenditures in order to offset the lost revenue. The City also put a hold on hiring unless it was operation critical and did not move forward with certain capital projects. Furthermore, the City was awarded \$626,738 of Coronavirus Relief Funds from the U.S. Department of Treasury, due to the pandemic.

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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

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

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

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

Excess Expenses/Expenditures over Appropriations:

| <u>Funds</u> | Budgeted Expenses/ <u>Expenditures</u> | Actual Expenses/ <u>Expenditures</u> | Excess Expenses/ Expenditures <u>Over Budget</u> |
|-----------------------------------|--|--|---|
| Community Development Block Grant | \$ 307,776 | \$ 377,378 | \$ (69,602) |
| TIF #1 (Downtown) | 12,941,368 | 16,758,541 | (3,817,173) |
| TIF #5 (Perry/Lee) | 111,035 | 115,364 | (4,329) |
| Health Benefits | 8,268,022 | 8,996,162 | (728,140) |

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

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

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

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

As of December 31, 2020, the following individual funds held a deficit balance:

| <u>Fund</u> | <u>Amount</u> |
|-----------------------------------|---------------|
| Community Development Block Grant | \$ 19,726 |
| TIF #1 (Downtown) | 4,793,880 |
| TIF #3 (Wille Road) | 3,292,692 |
| TIF #6 (Mannheim/Higgins) | 15,261,470 |
| TIF #7 (Mannheim/Higgins South) | 2,442,495 |
| Grant Funded Projects | 5,899,389 |

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

NOTE 3 - DEPOSITS AND INVESTMENTS

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

| | <u>Carrying Value</u> | <u>Statement Balance</u> | <u>Associated Risks</u> |
|--|---------------------------|------------------------------|---|
| Petty cash | \$ 2,850 | \$ 2,850 | N/A |
| CD | 75,233 | 75,233 | Custodial |
| Deposits | 46,739,805 | 47,319,402 | Custodial |
| Illinois funds | 31,131,456 | 31,131,456 | Credit, interest rate |
| U.S. government and agency obligations | 29,211,230 | 29,211,230 | Custodial, credit, interest rate, concentration of credit |
| State and local obligations | 4,428,112 | 4,428,112 | Custodial, interest rate, concentration of credit |
| Money market mutual funds | 17,963,533 | 17,963,533 | Credit, interest rate |
| Mutual funds | 75,105,841 | 75,105,841 | Credit |
| Corporate bonds | 25,067,362 | 25,067,362 | Custodial, credit, interest rate, concentration of credit |
| Common and preferred stock | 39,212,650 | 39,212,650 | Custodial, concentration of credit |
| Insurance contracts | <u>1,565</u> | <u>1,565</u> | Custodial, credit, concentration of credit |
| Total deposits and investments | <u>\$ 268,939,637</u> | <u>\$ 269,519,234</u> | |

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Reconciliation to Financial Statements:

| | |
|---|----------------|
| Per statement of net position | |
| Cash and investments | \$ 91,613,083 |
| Per statement of fiduciary net position - fiduciary funds | |
| Cash - pension | 8,143,803 |
| U.S. government and agency obligations | 29,211,230 |
| Mutual funds | 75,105,841 |
| Corporate bonds | 25,067,362 |
| Stocks | 39,212,650 |
| Insurance contracts | 1,565 |
| State and local obligations | 584,103 |
| Total deposits and investments | \$ 268,939,637 |

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

The City does not have any investments exposed to custodial credit risk. At December 31, 2020, the City had deposits exposed to custodial credit risk in the amount of \$827,201 due to timing of deposits available at year end.

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

As of December 31, 2020, credit ratings for the City, Police Pension, and Fire Pension investments in debt securities are as follows:

| <u>City</u> | Standard and Poor's Ratings | | | | | | | Total |
|--------------------------|-----------------------------|-----------|----------|------------|-----------|-----------|--------------|-------|
| <u>Investment Type</u> | <u>AAA</u> | <u>AA</u> | <u>A</u> | <u>BBB</u> | <u>BB</u> | <u>NR</u> | <u>Total</u> | |
| Certificates of Deposit | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 75,233 | \$ 75,233 | |
| Illinois Municipal Bonds | - | 2,092,367 | 445,229 | 726,866 | - | 579,547 | 3,844,009 | |
| Illinois Funds | 31,131,456 | - | - | - | - | - | 31,131,456 | |

| <u>Police Pension</u> | Bloomberg Composite Ratings | | | | | | | Total |
|-----------------------------|-----------------------------|-----------|-----------|------------|-----------|--------------|--------------|-------|
| <u>Investment Type</u> | <u>AAA</u> | <u>AA</u> | <u>A</u> | <u>BBB</u> | <u>BB</u> | <u>NR</u> | <u>Total</u> | |
| U.S. Treasuries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,204,353 | \$ 8,204,353 | |
| State and Local Obligations | - | 289,561 | 42,931 | - | - | - | 332,492 | |
| U.S. Government Agencies | 180,411 | 3,302,032 | - | - | - | 3,033,157 | 6,515,600 | |
| Corporate Bonds | 218,434 | 599,981 | 6,830,476 | 4,360,368 | - | 170,850 | 12,180,109 | |

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Firefighters' Pension

| Investment Type | Bloomberg Composite Ratings | | | | | | Total |
|-----------------------------|-----------------------------|-----------|-----------|-----------|------|--------------|--------------|
| | AAA | AA | A | BBB | BB | NR | |
| U.S. Treasuries | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,404,234 | \$ 8,404,234 |
| State and Local Obligations | - | 251,611 | - | - | - | - | 251,611 |
| U.S. Government Agencies | - | 4,066,373 | - | - | - | 2,020,670 | 6,087,043 |
| Corporate Bonds | 546,085 | 1,747,095 | 7,966,560 | 2,627,513 | - | - | 12,887,253 |

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

At December 31, 2020, the Firefighters' Pension Fund had an investment in Hobart Ind, New Jersey St Econ Dev, Rosemont IL, and Sandusky Ohio City School District that represented 8.30%, 7.65%, 6.98%, and 7.05% of total investments, respectively. There were no other investments (other than investments in United States Government and United States Government Guaranteed Obligations, investment pools, and mutual funds) in a single issuer that exceeded 5%.

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

As of December 31, 2020, the City's investments and pensions were as follows:

| Investment Type | Total | Maturity (in years) | | |
|---|-----------------------|-----------------------|----------------------|----------------------|
| | | Less Than One Year | One to Five Years | Over Five Years |
| City | | | | |
| Certificate of deposit | \$ 75,233 | \$ 75,233 | \$ - | \$ - |
| Illinois municipal bonds | 3,844,009 | 2,497,204 | 1,346,805 | - |
| Money market mutual fund | 9,994,512 | 9,994,512 | - | - |
| Illinois funds | <u>31,131,456</u> | <u>31,131,456</u> | - | - |
| City investment total | <u>45,045,210</u> | <u>43,698,405</u> | <u>1,346,805</u> | - |
| Police Pension | | | | |
| U.S. Treasuries | 8,204,353 | 253,105 | 4,906,047 | 3,045,201 |
| State and local obligations | 332,492 | - | 42,931 | 289,561 |
| Money market mutual funds | 4,389,985 | 4,389,985 | - | - |
| Other U.S. government agencies | 6,515,600 | 3,821,551 | 816,072 | 1,877,977 |
| Corporate bonds | <u>12,180,109</u> | <u>203,395</u> | <u>4,931,025</u> | <u>7,045,689</u> |
| Police pension investment total | <u>31,622,539</u> | <u>8,668,036</u> | <u>10,696,075</u> | <u>12,258,428</u> |
| Firefighters' Pension | | | | |
| U.S. Treasuries | 8,404,234 | 299,991 | 2,361,443 | 5,742,800 |
| State and local obligations | 251,611 | - | - | 251,611 |
| Money market mutual funds | 3,579,036 | 3,579,036 | - | - |
| Other U.S. government agencies | 6,087,043 | 5,835,990 | - | 251,053 |
| Corporate bonds | <u>12,887,253</u> | - | <u>5,737,006</u> | <u>7,150,247</u> |
| Firefighters' pension investment total | <u>31,209,177</u> | <u>9,715,017</u> | <u>8,098,449</u> | <u>13,395,711</u> |
| Totals | <u>107,876,926</u> | <u>\$ 62,081,458</u> | <u>\$ 20,141,329</u> | <u>\$ 25,654,139</u> |
| Investments not sensitive to risk: | | | | |
| Mutual funds | 75,105,841 | | | |
| Common and preferred stock | 39,212,650 | | | |
| Insurance contracts | <u>1,565</u> | | | |
| Total investments | <u>\$ 222,196,982</u> | | | |

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

The City and Pension Funds categorizes their fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs and are valued using a matrix pricing model; Level 3 inputs are significant unobservable inputs. The City and Pension Funds have the following recurring fair value measurements as of December 31, 2020:

| Investment Type | Fair Value | Fair Value Measurements Using | | |
|---|-----------------------|--|---|---|
| | | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| City | | | | |
| Certificate of deposit | \$ 75,233 | \$ - | \$ 75,233 | \$ - |
| Illinois municipal bonds | 3,844,009 | - | 3,844,009 | - |
| Money market mutual fund | 9,994,512 | - | 9,994,512 | - |
| City Investment Total | 13,913,754 | - | 13,913,754 | - |
| Police Pension | | | | |
| U.S. Treasuries | 8,204,353 | - | 8,204,353 | - |
| State and local obligations | 332,492 | - | 332,492 | - |
| Money market mutual funds | 4,389,985 | 4,389,985 | - | - |
| Other U.S. government agencies | 6,515,600 | - | 6,515,600 | - |
| Corporate bonds | 12,180,109 | - | 12,180,109 | - |
| Mutual funds | 34,106,137 | 34,106,137 | - | - |
| Equity Securities | 18,652,875 | 18,652,875 | - | - |
| Police pension investment Total | 84,381,551 | 57,148,997 | 27,232,554 | - |
| Firefighters' Pension | | | | |
| U.S. Treasuries | 8,404,234 | - | 8,404,234 | - |
| State and local obligations | 251,611 | - | 251,611 | - |
| Money market mutual funds | 3,579,036 | 3,579,036 | - | - |
| Other U.S. government agencies | 6,087,043 | - | 6,087,043 | - |
| Corporate bonds | 12,887,253 | - | 12,887,253 | - |
| Mutual funds | 40,999,704 | 40,999,704 | - | - |
| Equity Securities | 20,559,775 | 20,559,775 | - | - |
| Firefighters' pension investment Total | 92,768,656 | 65,138,515 | 27,630,141 | - |
| Totals | \$ 191,063,961 | \$ 122,287,512 | \$ 68,776,449 | \$ - |

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2020

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

All of the receivables on the balance sheet are expected to be collected within one year.

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

| | <u>Deferred Inflows of Resources</u> | | | <u>Totals</u> |
|--|--------------------------------------|--------------------------|-----------------------|--------------------------|
| | <u>Unavailable</u> | <u>Deferred</u> | <u>Unearned</u> | |
| Property taxes receivable for subsequent year | \$ - | \$ 34,244,281 | \$ - | \$ 34,244,281 |
| Other receivables | 538,656 | - | 266,527 | 805,183 |
| Grant receivables | <u>893,057</u> | <u>-</u> | <u>-</u> | <u>893,057</u> |
| Total deferred inflows/unearned revenue for governmental funds | <u>\$ 1,431,713</u> | <u>\$ 34,244,281</u> | <u>\$ 266,527</u> | <u>\$ 35,942,521</u> |

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 5 - CAPITAL ASSETS

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

| | <u>Beginning Balance</u> | <u>Additions/ Transfers In</u> | <u>Deletions/ Transfers Out</u> | <u>Ending Balance</u> |
|---|------------------------------|------------------------------------|-------------------------------------|---------------------------|
| <u>Governmental Activities</u> | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 24,672,870 | \$ - | \$ (16,341,810) | \$ 8,331,060 |
| Land Improvement | 4,808,860 | 16,465,000 | - | 21,273,860 |
| Land right of way | 53,299,649 | - | (409,860) | 52,889,789 |
| Construction in Progress | <u>6,015,525</u> | <u>11,093,893</u> | <u>(6,015,525)</u> | <u>11,093,893</u> |
| Total capital assets not being depreciated | <u>88,796,904</u> | <u>27,558,893</u> | <u>(22,767,195)</u> | <u>93,588,602</u> |
| Capital assets being depreciated | | | | |
| Buildings | 23,278,360 | 318,811 | (487,179) | 23,109,992 |
| Improvements | 47,539,198 | 7,026,468 | (2,144,288) | 52,421,378 |
| Equipment | 6,359,158 | 360,792 | (147,556) | 6,572,394 |
| Vehicles | 12,081,963 | 677,962 | (1,225,717) | 11,534,208 |
| Infrastructure | <u>207,626,690</u> | <u>9,999,251</u> | <u>(2,598,829)</u> | <u>215,027,112</u> |
| Total capital assets being depreciated | <u>296,885,369</u> | <u>18,383,284</u> | <u>(6,603,569)</u> | <u>308,665,084</u> |
| Total capital assets | <u>385,682,273</u> | <u>45,942,177</u> | <u>(29,370,764)</u> | <u>402,253,686</u> |
| Less accumulated depreciation for | | | | |
| Buildings | (11,956,734) | (559,954) | 419,791 | (12,096,897) |
| Improvements | (25,042,380) | (1,363,200) | 1,755,639 | (24,649,941) |
| Equipment | (3,305,821) | (506,902) | 110,213 | (3,702,510) |
| Vehicles | (5,770,339) | (930,867) | 825,772 | (5,875,434) |
| Infrastructure | <u>(93,631,041)</u> | <u>(6,180,614)</u> | <u>30,628</u> | <u>(99,781,027)</u> |
| Total accumulated depreciation | <u>(139,706,315)</u> | <u>(9,541,537)</u> | <u>3,142,043</u> | <u>(146,105,809)</u> |
| Net capital assets being depreciated | <u>157,179,054</u> | <u>8,841,747</u> | <u>(3,461,526)</u> | <u>162,559,275</u> |
| Total governmental activities capital assets, net of accumulated depreciation | <u>\$ 245,975,958</u> | <u>\$ 36,400,640</u> | <u>\$ (26,228,721)</u> | <u>\$ 256,147,877</u> |

Depreciation expense was charged to functions as follows:

| | |
|--------------------------------|--------------------|
| <u>Governmental activities</u> | |
| General government | \$ 378,297 |
| Public safety | 807,450 |
| Public works | 1,602,115 |
| Streets and highways | 6,469,906 |
| Economic development | <u>283,769</u> |
| | <u>\$9,541,537</u> |

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 5 - CAPITAL ASSETS (Continued)

| | Beginning Balance | Additions/ Transfers In | Deletions/ Transfers Out | Ending Balance |
|--|----------------------|----------------------------|-----------------------------|-------------------|
| <u>Business-type Activities</u> | | | | |
| Capital assets not being depreciated | | | | |
| Land | \$ 1,891,770 | \$ - | \$ - | \$ 1,891,770 |
| Construction in Progress | 3,160,048 | 20,118 | (3,160,048) | 20,118 |
| Total capital assets not being depreciated | 5,051,818 | 20,118 | (3,160,048) | 1,911,888 |
| Capital assets being depreciated | | | | |
| Buildings | 18,966,509 | - | (31,954) | 18,934,555 |
| Improvements | 58,607,251 | 4,456,631 | (96,388) | 62,967,494 |
| Equipment | 797,787 | 113,426 | - | 911,213 |
| Vehicles | 1,707,859 | 747,309 | (163,187) | 2,291,981 |
| Total capital assets being depreciated | 80,079,406 | 5,317,366 | (291,529) | 85,105,243 |
| Total capital assets | 85,131,224 | 5,337,484 | (3,451,577) | 87,017,131 |
| Less accumulated depreciation for | | | | |
| Buildings | (12,901,076) | (660,701) | 31,954 | (13,529,823) |
| Improvements | (22,842,729) | (1,666,448) | 41,761 | (24,467,416) |
| Equipment | (574,013) | (44,278) | - | (618,291) |
| Vehicles | (1,158,063) | (291,107) | 160,129 | (1,289,041) |
| Total accumulated depreciation | (37,475,881) | (2,662,534) | 233,844 | (39,904,571) |
| Net capital assets being depreciated | 42,603,525 | 2,654,832 | (57,685) | 45,200,672 |
| Total business-type activities capital assets, net of accumulated depreciation | \$ 47,655,343 | \$ 2,674,950 | \$ (3,217,733) | \$ 47,112,560 |

Depreciation expense was charged to functions as follows:

| | |
|---|-------------|
| <u>Business-type Activities</u> | |
| Parking | \$ 653,621 |
| Water/Sewer | 1,793,643 |
| Depreciation expense | 2,447,264 |
| Transfer of accumulated depreciation from assets related to governmental activities | 215,270 |
| Additions/transfers in | \$2,662,534 |

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 6 - INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS

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

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> | <u>Advances To/From Amount Not Due Within One Year</u> | <u>Due To/From Amount Due Within One Year</u> |
|--|---------------------------|---------------------|--|---|
| General | TIF #1 (Downtown) | \$ 2,255,661 | \$ 2,255,661 | \$ - |
| General | TIF #6 (Mannheim/Higgins) | 15,261,254 | 15,261,254 | - |
| General | Grant Funded Projects | 5,455,303 | 5,455,303 | - |
| General | Capital Projects | 13,399 | 13,399 | - |
| General | Non-major Governmental | 5,760,855 | 5,760,855 | - |
| General | Water/Sewer | 110,975 | 110,975 | - |
| Total - Fund financial statements | | <u>\$28,857,447</u> | <u>\$28,857,447</u> | <u>\$ -</u> |
| Less: Fund eliminations | | (28,746,472) | | |
| Less: Interfund receivables created with internal service fund eliminations | | <u>(285,797)</u> | | |
| Total internal balances - Government-wide statement of net position | | <u>\$ (174,822)</u> | | |

Amounts due to the general fund from the TIF #1 (Downtown), TIF #6 (Mannheim/Higgins), Grant Funded Projects, Capital Projects, Non-major Governmental and internal service, and Water/Sewer are for cash overdrafts in those funds.

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

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

The following is a schedule of interfund transfers:

| Transferred To | Transferred From | Amount | Principal Purpose |
|---|------------------------|---------------------|--|
| <u>Fund financial statements</u> | | | |
| General | Non-major governmental | \$ 47,000 | To transfer unrestricted general fund revenues to finance programs |
| General | TIF #1 | 125,000 | To transfer unrestricted general fund revenues to finance programs |
| General | Parking system | 15,758 | To transfer unrestricted general fund revenues to finance programs |
| General | Capital projects | 25,000 | To transfer unrestricted general fund revenues to finance programs |
| General | TIF #6 | 3,000 | To transfer unrestricted general fund revenues to finance programs |
| Grant funded projects | Capital projects | 243,889 | To transfer the City's share of grant expenses |
| Non-major governmental | General | 1,500,000 | Transfer per budget for future equipment and depreciation |
| Non-major governmental | General | 350,000 | Transfer per budget for future IT equipment and depreciation |
| General | Non-major governmental | 156,614 | Transfer to close Debt Service Fund |
| Non-major governmental | Gaming tax | 8,000,000 | Transfer per budget for systematic replacement or renovation of capital assets |
| Water | Parking system | 20,758 | To transfer general operating expenditures of the fund |
| Total - Fund financial statements | | 10,487,019 | |
| Less: Fund eliminations | | <u>(10,183,579)</u> | |
| Total - Government-Wide statement of activities | | <u>\$ 303,440</u> | |

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. In the year ended December 31, 2020, vehicles with a cost of \$534,468 and accumulated depreciation of \$215,270 were reclassified from governmental activities to the water and sewer fund.

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 7 – LONG-TERM OBLIGATIONS

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

| | Beginning Balance | Increases | Decreases | Ending Balance | Amounts Due Within One Year |
|---|-----------------------|----------------------|----------------------|-----------------------|-----------------------------------|
| <u>Governmental Activities</u> | | | | | |
| Bonds and loans payable | | | | | |
| General obligation debt | \$ 19,309,247 | \$ 160,184 | \$ 4,150,000 | \$ 15,319,431 | \$ 3,075,000 |
| Tax increment financing revenue bonds | 79,927 | - | 79,927 | - | - |
| Loans payable | 87,500 | - | 87,500 | - | - |
| Unamortized (discounts)/premiums | 256,889 | - | 67,606 | 189,283 | - |
| Total bonds and notes payable | 19,733,563 | 160,184 | 4,385,033 | 15,508,714 | 3,075,000 |
| Other liabilities | | | | | |
| Vested compensated absences | 2,918,462 | 3,501,079 | 1,971,895 | 4,447,646 | 1,851,719 |
| Early retirement incentive | - | 1,211,174 | 130,941 | 1,080,233 | 603,030 |
| Net pension liability - Police pension | 89,873,003 | 397,226 | - | 90,270,229 | - |
| Net pension liability - Firefighters' pension | 81,015,164 | 1,544,064 | - | 82,559,228 | - |
| Net pension liability (asset) - IMRF | 1,393,692 | - | 6,261,077 | (4,867,385) | - |
| Total OPEB liability | 14,903,051 | 3,848,106 | - | 18,751,157 | - |
| Total other liabilities | 190,103,372 | 10,501,649 | 8,363,913 | 192,241,108 | 2,454,749 |
| Total governmental activities | <u>\$ 209,836,935</u> | <u>\$ 10,661,833</u> | <u>\$ 12,748,946</u> | <u>\$ 207,749,822</u> | <u>\$ 5,529,749</u> |

Governmental activities general obligation debt increases includes \$160,184 of accretion of the 2009A capital appreciation bonds.

| | Beginning Balance | Increases | Decreases | Ending Balance | Amounts Due Within One Year |
|--------------------------------------|----------------------|-------------------|---------------------|-------------------|-----------------------------------|
| <u>Business-Type Activities</u> | | | | | |
| Other liabilities | | | | | |
| Vested compensated absences | \$ 274,637 | \$ 232,390 | \$ 154,530 | \$ 352,497 | \$ 156,792 |
| Net pension liability (asset) - IMRF | 447,727 | - | 1,993,246 | (1,545,519) | - |
| Total OPEB liability | 1,295,918 | 387,873 | - | 1,683,791 | - |
| Total business-type activities | <u>\$ 2,018,282</u> | <u>\$ 620,263</u> | <u>\$ 2,147,776</u> | <u>\$ 490,769</u> | <u>\$ 156,792</u> |

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 7 - LONG-TERM OBLIGATIONS (Continued)

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

| | <u>Date of Issue</u> | <u>Final Maturity</u> | <u>Interest Rates</u> | <u>Original Indebtedness</u> | <u>Balance Outstanding</u> |
|--|--------------------------|---------------------------|---------------------------|----------------------------------|--------------------------------|
| Governmental Activities | | | | | |
| Series 2008A Taxable GO Refunding Bonds, due in annual installments of \$100,000 to \$275,000 Debt retired from TIF #3 fund | April 1, 2008 | December 1, 2021 | 3.25%-5.25% | \$ 2,575,000 | \$ 125,000 |
| Series 2009A Taxable GO Refunding (Capital Appreciation) Bonds, due in annual installments of \$170,000 to \$1,575,000 Debt retired from TIF #6 fund | November 3, 2009 | December 1, 2023 | 3.00%-5.80% | 5,430,000 | 2,454,431 * |
| Series 2011A GO Refunding Bonds, due in annual installments of \$275,000 to \$465,000 Debt retired from TIF #3 fund Debt retired from TIF #5 fund Debt retired from TIF #6 fund | December 22, 2011 | December 1, 2021 | 2.00%-2.50% | 3,540,000 | 155,000 105,000 25,000 |
| Series 2013 Taxable GO Refunding Bonds, due in annual installments of \$690,000 to \$1,140,000 Debt retired from TIF #3 fund Debt retired from TIF #6 fund | December 17, 2013 | December 1, 2021 | 3.00%-3.30% | 7,945,000 | 75,000 615,000 |
| Series 2014A Taxable GO Refunding Bonds, due in annual installments of \$140,000 to \$355,000 Debt retired from TIF #6 fund | September 4, 2014 | December 1, 2021 | 1.00%-2.60% | 2,020,000 | 355,000 |
| Series 2014B GO Refunding Bonds, due in annual installments of \$440,000 to \$1,165,000 Debt retired from TIF #3 fund | September 4, 2014 | December 1, 2022 | 0.75%-3.00% | 5,600,000 | 920,000 |
| Series 2018 GO Refunding Bonds, due in annual installments of \$440,000 to \$2,135,000 Debt retired from TIF #3 fund | March 5, 2018 | December 1, 2028 | 3.00% | 12,410,000 | <u>10,490,000</u> |
| Total governmental activities general obligation debt | | | | | <u>\$ 15,319,431</u> |

*A portion of the December 31, 2020 balance for the 2009A bonds represents accretion on debt from the date of issuance until December 31, 2020.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 7 – LONG-TERM OBLIGATIONS (Continued)

Debt service requirements to maturity are as follows (Principal Totals for Governmental Activities differs from the outstanding balance noted above in the amount of \$310,569, due to the future accretion on the 2009A Capital Appreciation Bonds):

| Years | Governmental Activities General Obligation Debt | |
|-----------|--|---------------------|
| | Principal | Interest |
| 2021 | \$ 3,075,000 | \$ 379,952 |
| 2022 | 3,125,000 | 303,566 |
| 2023 | 2,590,000 | 260,550 |
| 2024 | 1,905,000 | 205,200 |
| 2025 | 1,960,000 | 148,050 |
| 2026-2028 | 2,975,000 | 126,150 |
| | <u>\$ 15,630,000</u> | <u>\$ 1,423,468</u> |

Tax Increment Financing Notes: Tax increment financing bonds are payable from incremental taxes derived from a separately created tax increment financing district.

The City has issued notes where the City pledges incremental taxes derived from a separately created tax increment financing district. These notes are not a general obligation of the City and are secured only by the incremental revenues generated by the TIF district. During 2020, TIF #1 generated a tax increment of \$6,225,997. Proceeds from the notes provided financing for capital development within the tax increment financing district. Annual principal and interest payments on the notes are expected to require 1.75% of net revenues. The total principal and interest remaining to be paid on the notes is \$0. Principal and interest paid for the current year were \$79,927 and \$4,196, respectively.

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

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

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

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

Early Retirement Incentive: In 2020, the City offered a voluntary Early Retirement Incentive (ERI) program to all eligible City employees. Those incentives included cash payments equal to one week of severance pay for each year of service up to a maximum of eight weeks or two years of health coverage with 100% of the premium for such coverage paid by the City. Twenty-nine City employees participated in the ERI program offered throughout the organization. The estimated cost of the cash payments, reported in the government-wide statement of net assets by function, is \$160,166. The City's estimated total future ERI liability is \$1,080,233.

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2020

NOTE 8 - COMPONENT UNIT

Component Unit:

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

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

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

Deposits and Investments:

| | <u>Carrying Value</u> | <u>Statement Balance</u> | <u>Associated Risks</u> |
|--------------------------------|---------------------------|------------------------------|-------------------------|
| Deposits | \$ 707,217 | \$ 793,413 | Custodial |
| Illinois funds | 3,786,772 | 3,786,773 | Credit, interest rate |
| Petty cash | 500 | - | N/A |
| Total deposits and investments | \$ 4,494,489 | \$ 4,580,186 | |

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

Cash: The carrying amount of deposits was \$707,217 at December 31, 2020, while the bank balances were \$793,413. All deposits were either insured by the Federal Deposit Insurance Corporation (FDIC) for \$250,000, or collateralized with securities of the U.S. Government or with letters of credit issued by the Federal Home Loan Bank held in the Library's name by financial institutions acting as the Library's agent.

Investments: Illinois Statutes authorize the Library to make deposits/investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreement to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and the Illinois Funds Investment Pool. As of December 31, 2020, the Library held \$3,786,772 in the Illinois Funds Investment Pool.

Interest Rate Risk. The Library does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At year-end, the Illinois Funds balance of \$3,786,772 was due upon demand.

(Continued)

NOTE 8 - COMPONENT UNIT (Continued)

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

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

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

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

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

Property taxes for 2019 attach as an enforceable lien on January 1, 2019, on property values assessed as of the same date. Taxes are levied by December of the fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on or about February 1, 2020 and August 1, 2020 and are payable in two installments, on or about March 1, 2020 and September 1, 2020. The County collects such taxes and remits them periodically.

The Library recognizes property tax revenues when they become both measurable and available in the fiscal year that the tax levy is intended to finance. Therefore, the entire 2020 tax levy has been recorded as a deferred inflow of resources on the balance sheet.

The Library recognizes grant revenues when they become both measurable and available in the fiscal year that the grant is intended to finance. Therefore, the portion of 2020 grant revenue that was not received within the first 60 days of 2021 has been recorded as a deferred inflow of resources on the balance sheet.

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 8 - COMPONENT UNIT (Continued)

Capital Assets:

| <u>Component Unit</u> | <u>Beginning Balance</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending Balance</u> |
|---|------------------------------|------------------|-------------------|---------------------------|
| Capital assets not being depreciated | | | | |
| Construction in progress | \$ 100,000 | \$ - | \$ 100,000 | \$ - |
| Total capital assets not being depreciated | <u>100,000</u> | <u>-</u> | <u>100,000</u> | <u>-</u> |
| Capital assets being depreciated | | | | |
| Improvements | 2,461,912 | - | - | 2,461,912 |
| Equipment | 1,170,683 | 256,626 | - | 1,427,309 |
| Vehicles | 24,954 | - | - | 24,954 |
| Total capital assets being depreciated | <u>3,657,549</u> | <u>256,626</u> | <u>-</u> | <u>3,914,175</u> |
| Less accumulated depreciation for | | | | |
| Improvements | (428,665) | (82,301) | - | (510,966) |
| Equipment | (729,116) | (90,854) | - | (819,970) |
| Vehicles | (19,960) | (2,495) | - | (22,455) |
| Total accumulated depreciation | <u>(1,177,741)</u> | <u>(175,650)</u> | <u>-</u> | <u>(1,353,391)</u> |
| Total component unit capital assets, net of accumulated depreciation | <u>\$ 2,579,808</u> | <u>\$ 80,976</u> | <u>\$ 100,000</u> | <u>\$ 2,560,784</u> |

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

Compensated Absences: The liability balance at January 1, 2020 was \$299,319. During 2020, there were additions of \$97,085 and reductions of \$299,319 leaving the liability balance as of December 31, 2020 at \$97,085. The current portion of this liability is \$97,085.

Total Other Post-Employment Benefits Liability: The liability balance at January 1, 2020 was \$503,362. During 2020, there were service costs and interest of \$19,506, changes in assumptions of \$(664) and contributions of \$(35,339) leaving the liability balance as of December 31, 2020 at \$486,865. See Note 12 for further details on the plan.

Illinois Municipal Retirement Fund: The net pension liability for the Library's portion at January 1, 2020 was \$408,848. During 2020, there were reductions of \$1,688,515 leaving a liability (asset) balance as of December 31, 2020 at \$(1,279,667). See Note 9 for further details on the plan.

(Continued)

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM

Illinois Municipal Retirement Fund

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

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

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

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

- 3% of the original pension amount, or
- ½ of the increase in the Consumer Price Index of the original pension amount.

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2020

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

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

| | |
|---|-------------------|
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 524 |
| Active Plan Members | <u>187</u> |
| Total | <u><u>711</u></u> |

Contributions: As set by statute, the City's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual required contribution rate for calendar year 2020 was 11.03%. For the fiscal year-ended December 31, 2020, the City contributed \$1,580,499 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The City's net pension liability for IMRF 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 in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2020 Illinois Municipal Retirement Fund annual actuarial valuation. The investment rate of return of 7.25% did not change from the prior year rate of 7.25%. There were no other significant changes in assumptions. There were no benefit changes during the year. The City is not aware of any changes that have occurred subsequent to the measurement date that are expected to have a significant effect on the net pension liability.

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

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|------------------------|-------------------|---|
| Equities | 37% | 5.00% |
| International Equities | 18% | 6.00% |
| Fixed Income | 28% | 1.30% |
| Real Estate | 9% | 6.20% |
| Alternatives | 7% | 2.85%-6.95% |
| Cash Equivalents | 1% | 0.70% |
| | 100% | |

Discount rate: A single discount rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The single discount rates reflects:

- (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits and
- (2) the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was not blended with the AA rated general obligation bond index at December 31, 2020 to arrive at the discount rates used to determine the total pension liability. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, which is unchanged from the prior year. The fund is expected to be fully funded through December 31, 2120.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

| | Increase (Decrease) | | |
|-------------------------------------|-----------------------|-----------------------|-----------------------|
| | Total Pension | Plan Fiduciary | Net Pension |
| | Liability | Net Position | Liability (Asset) |
| | (a) | (b) | (a) - (b) |
| Primary government: | | | |
| Balances at December 31, 2019 | \$ 102,624,996 | \$ 100,783,577 | \$ 1,841,419 |
| Changes for the year: | | | |
| Service cost | 1,226,583 | - | 1,226,583 |
| Interest | 7,295,982 | - | 7,295,982 |
| Actuarial experience | 839,055 | - | 839,055 |
| Assumption changes | (701,978) | - | (701,978) |
| Contributions - Employer | - | 1,317,581 | (1,317,581) |
| Contributions - Employee | - | 540,509 | (540,509) |
| Net investment income | - | 14,492,762 | (14,492,762) |
| Benefit payments, including refunds | (5,786,072) | (5,786,072) | - |
| Change in proportionate share | 34,514 | - | 34,514 |
| Other (net transfer) | - | 597,627 | (597,627) |
| Net changes | <u>2,908,084</u> | <u>11,162,407</u> | <u>(8,254,323)</u> |
| Balances at December 31, 2020 | <u>\$ 105,533,080</u> | <u>\$ 111,945,984</u> | <u>\$ (6,412,904)</u> |

| | Increase (Decrease) | | |
|-------------------------------------|----------------------|----------------------|-----------------------|
| | Total Pension | Plan Fiduciary | Net Pension |
| | Liability | Net Position | Liability (Asset) |
| | (a) | (b) | (a) - (b) |
| Component unit: | | | |
| Balances at December 31, 2019 | \$ 20,825,013 | \$ 20,416,165 | \$ 408,848 |
| Changes for the year: | | | |
| Service cost | 244,761 | - | 244,761 |
| Interest | 1,455,881 | - | 1,455,881 |
| Actuarial experience | 167,430 | - | 167,430 |
| Assumption changes | (140,077) | - | (140,077) |
| Contributions - Employer | - | 262,918 | (262,918) |
| Contributions - Employee | - | 107,856 | (107,856) |
| Net investment income | - | 2,891,968 | (2,891,968) |
| Benefit payments, including refunds | (1,154,585) | (1,154,585) | - |
| Change in proportionate share | (34,514) | - | (34,514) |
| Other (net transfer) | - | 119,254 | (119,254) |
| Net changes | <u>538,896</u> | <u>2,227,411</u> | <u>(1,688,515)</u> |
| Balances at December 31, 2020 | <u>\$ 21,363,909</u> | <u>\$ 22,643,576</u> | <u>\$ (1,279,667)</u> |

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

| | |
|---------------------------------|--------------|
| As reported in | |
| City's governmental activities | \$ 4,867,385 |
| City's business-type activities | 1,545,519 |
| Library | 1,279,667 |
| | \$ 7,692,571 |

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

| | 1% Decrease | Current | 1% Increase |
|--|--------------|----------------|----------------|
| | 6.25% | Discount Rate | 8.25% |
| | 6.25% | 7.25% | 8.25% |
| Primary government | \$ 5,076,820 | \$ (6,412,904) | \$(15,581,720) |
| Component unit | 1,013,058 | (1,279,667) | (3,109,265) |
| City's net pension liability for the IMRF plan | \$ 6,089,878 | \$ (7,692,571) | \$(18,690,985) |

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year-ended December 31, 2020, the primary government and component unit recognized pension expense of \$(1,768,550) and \$(352,907) respectively, for the IMRF plan. At December 31, 2020, the City reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

| | Deferred Outflows | Deferred Inflows |
|--|-------------------|------------------|
| | of Resources | of Resources |
| Primary government: | | |
| Differences between expected and actual experience | \$ 675,022 | \$ - |
| Assumption changes | - | 460,350 |
| Net difference between projected and actual earnings on pension plan investments | - | 8,748,405 |
| Change in proportionate share between City and discretely presented component unit | 22,634 | 67,320 |
| | \$ 697,656 | \$ 9,276,075 |
| Component unit: | | |
| Differences between expected and actual experience | \$ 137,503 | \$ - |
| Assumption changes | - | 91,861 |
| Net difference between projected and actual earnings on pension plan investments | - | 1,916,228 |
| Change in proportionate share between City and discretely presented component unit | 67,320 | 22,634 |
| | \$ 204,823 | \$ 2,030,723 |

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

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

| Year-Ending December 31 | Primary Government | Component Unit |
|----------------------------|-----------------------|-----------------------|
| 2021 | \$ (2,657,285) | \$ (540,020) |
| 2022 | (959,892) | (249,886) |
| 2023 | (3,503,597) | (745,127) |
| 2024 | <u>(1,457,645)</u> | <u>(290,867)</u> |
| Total | <u>\$ (8,578,419)</u> | <u>\$ (1,825,900)</u> |

Police Pension Plan

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

At January 1, 2020, the date of the latest actuarial valuation, the Police Pension Plan membership consisted of:

| | |
|---|------------|
| Inactive plan members or beneficiaries currently receiving benefits | 116 |
| Inactive plan members entitled to but not yet receiving benefits | 9 |
| Active plan members | <u>97</u> |
| Total | <u>222</u> |

The following is a summary of the Police Pension Plan as provided for in Illinois Compiled Statutes. The police pension fund provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service.

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

(Continued)

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes shall not exceed \$106,800, however, that amount shall increase annually by the lesser of $\frac{1}{2}$ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. $\frac{1}{2}$ % for each month under 55).

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3.0% or $\frac{1}{2}$ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions: Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service costs for the Police Pension Plan. For the year-ended December 31, 2020, the City's contribution was 57.98% of covered payroll.

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

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

Net Pension Liability

The City's net pension liability for the Police Pension plan was measured as of December 31, 2020, and 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 in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Actuarial Assumptions (economic)

| | |
|--|----------------|
| Discount rate used for the total pension liability | 6.75% |
| Long-Term expected rate of return on plan assets | 6.75% |
| High quality 20-year tax-exempt G.O. bond rate | 2.12% |
| Projected individual salary increases | 3.25% - 11.25% |
| Projected increase in total payroll | 3.25% |
| Consumer price index (urban) | 2.25% |
| Inflation rate included | 2.25% |

Actuarial Assumptions (demographic)

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

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

Assumption changes: The High Quality 20-Year Tax-Exempt G.O. Bonds was changed from 2.74% to 2.12% for the current year. The underlying index used is The Bond Buyer 20-Year Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year-end based on changes in market conditions as reflected in the Index. In the current valuation, marital assumptions for retiree and disabled members to the actual spousal data have been updated.

Post-employment benefit changes: Eligibility for post-employment benefit increases is determined based on the Illinois Pension code. Tier 1 Police retirees are provided with an annual 3.0% increase in retirement benefits by statute when eligible. Tier 2 Police retirees are provided post-employment benefit increases based on the lesser of 3.0% of the original retirement benefits or one-half of the Consumer Price Index - Urban (CPI-U) for the prior September. The CPI-U for September 1990 was 132.7. The CPI-U for September 2020 was 260.28. The average increase in the CPI-U for September 1990 through September 2020 was 2.28% (on a compounded basis).

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

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

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|-------------------------|-------------------|--|
| US Large Cap Equity | 19% | 5.80% |
| US SMID Cap Equity | 14% | 5.40% |
| REITs | 3% | 4.80% |
| Non-US Developed Equity | 16% | 4.80% |
| Emerging Markets | 8% | 6.40% |
| Fixed Income | 38% | 1.40% |
| Cash | 2% | 0.80% |
| | 100% | |

Long-Term expected real rates of return are expected to reflect the period of time that begins when a plan member begins to provide service to the employer and ends at the point when all benefits to the plan member have been paid. The rates provided are intended to estimate those figures. The expected inflation rate is 1.90% and is not included in the long-term rate of return on investments presented. The inflation rate is from the same source as the long-term real rates of return, and is not necessarily reflective of the inflation measures used for other purposes. Geometric rates of return are equal to arithmetic rates of return when the annual returns exhibit no volatility over time. When arithmetic returns are volatile on a year-to-year basis, the actual realized geometric returns over time will be lower. The higher the volatility, the greater the difference.

Municipal bond rate: The municipal bond rate assumption is based on The Bond Buyer 20-Bond GO Index. The rate shown earlier in the Actuarial Assumption section is the December 31, 2020 rate. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. The 20-Bond GO Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

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

| | 1% Decrease 5.75% | Current Discount Rate 6.75% | 1% Increase 7.75% |
|---|-------------------------|-----------------------------------|-------------------------|
| City's net pension liability for the police pension | \$ 115,497,640 | \$ 90,270,229 | \$ 69,797,837 |

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

| | Increase (Decrease) | | |
|-------------------------------------|-----------------------------------|---------------------------------------|---------------------------------------|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
| Balances at January 1, 2020 | \$ 166,651,610 | \$ 76,778,607 | \$ 89,873,003 |
| Changes for the year: | | | |
| Service cost | 2,338,064 | - | 2,338,064 |
| Interest | 11,172,354 | - | 11,172,354 |
| Actuarial experience | 4,533,043 | - | 4,533,043 |
| Assumptions changes | (1,369,479) | - | (1,369,479) |
| Changes of benefit terms | - | - | - |
| Contributions - employer | - | 6,019,107 | (6,019,107) |
| Contributions - employee | - | 1,028,868 | (1,028,868) |
| Contributions - other | - | 2,518 | (2,518) |
| Net investment income | - | 9,316,921 | (9,316,921) |
| Benefit payments, including refunds | (8,427,154) | (8,427,154) | - |
| Administrative expense | - | (90,658) | 90,658 |
| Net changes | 8,246,828 | 7,849,602 | 397,226 |
| Balances at December 31, 2020 | \$ 174,898,438 | \$ 84,628,209 | \$ 90,270,229 |

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year-ended December 31, 2020 the City recognized pension expense of \$8,933,815 for the Police Pension Plan. At December 31, 2020, the City reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ 4,479,970 | \$ 504,620 |
| Changes of assumptions | 5,850,119 | 1,120,029 |
| Net difference between projected and actual earnings on investments | - | 4,805,625 |
| Total | \$ 10,330,089 | \$ 6,430,274 |

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2020

NOTE 9 – EMPLOYEES’ RETIREMENT SYSTEM (Continued)

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

| Year-Ended December 31 | | |
|---------------------------|----|------------------|
| 2021 | \$ | 1,320,869 |
| 2022 | | 1,782,692 |
| 2023 | | (840,921) |
| 2024 | | 981,663 |
| 2025 | | 655,512 |
| Total | \$ | <u>3,899,815</u> |

Rate of return: For the year-ended December 31, 2020, the annual money-weighted rate of return on the Police Pension Plan’s assets, net of pension plan investment expense, was 12.00%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighter’s Pension:

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

At January 1, 2020, the date of the latest actuarial valuation, the Firefighters’ Pension Plan membership consisted of:

| | |
|---|------------|
| Inactive plan members or beneficiaries currently receiving benefits | 121 |
| Inactive plan members entitled to but not yet receiving benefits | 4 |
| Active plan members | <u>90</u> |
| Total | <u>215</u> |

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

The Firefighters’ Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit.

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800 plus the lesser of ½ of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. ½% for each month under 55).

The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3.0% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions: Participants contribute a fixed percentage of their base salary to the plans. At December 31, 2020, the contribution percentage was 9.46%. If a participant leaves covered employment with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service costs for the Firefighters' Pension Plan. For the year-ended December 31, 2020, the City's contribution was 58.93% of covered payroll.

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

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

Net Pension Liability

The City's net pension liability for the Firefighters' Pension plan was measured as of December 31, 2020, and 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 in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement

| <u>Actuarial Assumptions (economic)</u> | |
|--|------------|
| Discount rate used for the total pension liability | 6.75% |
| Long-Term expected rate of return on plan assets | 6.75% |
| High quality 20-year tax-exempt G.O. bond rate | 2.12% |
| Projected individual salary increases | 3.25-7.99% |
| Projected increase in total payroll | 3.25% |
| Consumer price index (urban) | 2.25% |
| Inflation rate included | 2.25% |

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Actuarial Assumptions (demographic)

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

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

Assumption changes: The High Quality 20-Year Tax-Exempt G.O. Bonds was changed from 2.74% to 2.12% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year-end based on changes in market conditions as reflected in the Index. In the current valuation, marital assumptions for retiree and disabled members to the actual spousal data have been updated.

Post-employment benefit changes: Eligibility for post-employment benefit increases is determined based on the Illinois Pension code. Tier 1 Firefighter retirees are provided with an annual 3.0% increase in retirement benefits by statute when eligible. Tier 2 Firefighter retirees are provided post-employment benefit increases based on the lesser of 3.0% of the original retirement benefits or one-half of the Consumer Price Index - Urban (CPI-U) for the prior September. The CPI-U for September 1990 was 132.7. The CPI-U for September 2020 was 260.28. The average increase in the CPI-U for September 1990 through September 2020 was 2.28% (on a compounded basis).

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

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

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|-------------------------|-------------------|--|
| US Large Cap Equity | 19.00% | 5.80% |
| US SMID Equity | 14.00% | 5.40% |
| REITS | 3.00% | 4.80% |
| Non US Developed Equity | 16.00% | 4.80% |
| Emerging Markets | 8.00% | 6.40% |
| Fixed Income | 38.00% | 1.40% |
| Cash | 2.00% | 0.80% |
| | 100% | |

Long-Term expected real rates of return are expected to reflect the period of time that begins when a plan member begins to provide service to the employer and ends at the point when all benefits to the plan member have been paid. The rates provided are intended to estimate those figures. The expected inflation rate is 1.90% and is not included in the long-term rate of return on investments presented. The inflation rate is from the same source as the long-term real rates of return, and is not necessarily reflective of the inflation measures used for other purposes. Geometric rates of return are equal to arithmetic rates of return when the annual returns exhibit no volatility over time. When arithmetic returns are volatile on a year-to-year basis, the actual realized geometric returns over time will be lower. The higher the volatility, the greater the difference.

Municipal bond rate: The municipal bond rate assumption is based on The Bond Buyer 20-Bond GO Index. The rate shown earlier in the Actuarial Assumption section is the December 31, 2020 rate. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. The 20-Bond GO Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

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

| | 1% Decrease 5.75% | Current Discount Rate 6.75% | 1% Increase 7.75% |
|--|-------------------------|-----------------------------------|-------------------------|
| City's net pension liability for the firefighters' pension | \$ 107,077,142 | \$ 82,559,228 | \$ 62,571,158 |

| | Increase (Decrease) | | |
|-------------------------------------|-----------------------------------|---------------------------------------|---------------------------------------|
| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (a) - (b) |
| | Balances at January 1, 2020 | \$ 165,333,327 | \$ 84,318,163 |
| Changes for the year: | | | |
| Service cost | 2,373,109 | - | 2,373,109 |
| Interest | 11,218,807 | - | 11,218,807 |
| Actuarial experience | 4,231,700 | - | 4,231,700 |
| Assumptions changes | 1,298,538 | - | 1,298,538 |
| Changes of Benefit Terms | - | - | - |
| Contributions - employer | - | 5,697,690 | (5,697,690) |
| Contributions - employee | - | 915,532 | (915,532) |
| Net investment income | - | 11,042,008 | (11,042,008) |
| Benefit payments, including refunds | (9,038,052) | (9,038,052) | - |
| Administrative expense | - | (77,140) | 77,140 |
| Net changes | 10,084,102 | 8,540,038 | 1,544,064 |
| Balances at December 31, 2020 | \$ 175,417,429 | \$ 92,858,201 | \$ 82,559,228 |

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year-ended December 31, 2020 the City recognized pension expense of \$9,503,004 for the Firefighters' Pension Plan. At December 31, 2020, the City reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual experience | \$ 6,335,414 | \$ - |
| Changes of assumptions | 6,249,724 | - |
| Net difference between projected and actual earnings on investments | - | 6,543,256 |
| Total | \$ 12,585,138 | \$ 6,543,256 |

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

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

| Year-Ended December 31 | |
|---------------------------|---------------------|
| 2021 | \$ 1,574,341 |
| 2022 | 2,717,203 |
| 2023 | (202,969) |
| 2024 | 1,190,456 |
| 2025 | 762,851 |
| Total | <u>\$ 6,041,882</u> |

Rate of return: For the year-ended December 31, 2020, the annual money-weighted rate of return on the Firefighters' Pension Plan's assets, net of pension plan investment expense, was 13.17%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Pension Information:

Fiduciary Net Position:

| | Pension Trust | | |
|--|--------------------------|----------------------|-----------------------|
| | Firefighters' Pension | Police Pension | Totals |
| Assets | | | |
| Cash and cash equivalents | \$ 3,589,036 | \$ 4,554,767 | \$ 8,143,803 |
| Investments | | | |
| U.S. Government and Agency Obligations | 14,491,277 | 14,719,953 | 29,211,230 |
| State and Local Obligations | 251,611 | 332,492 | 584,103 |
| Corporate Bonds | 12,887,253 | 12,180,109 | 25,067,362 |
| Mutual Funds | 40,999,704 | 34,106,137 | 75,105,841 |
| Stocks | 20,559,775 | 18,652,875 | 39,212,650 |
| Insurance Contracts | - | 1,565 | 1,565 |
| Accrued interest | 127,031 | 125,173 | 252,204 |
| Prepaid items | 8,806 | 8,726 | 17,532 |
| Total assets | <u>92,914,493</u> | <u>84,681,797</u> | <u>177,596,290</u> |
| Liabilities | | | |
| Accounts payable | 56,292 | 53,588 | 109,880 |
| Total liabilities | <u>56,292</u> | <u>53,588</u> | <u>109,880</u> |
| Net position | <u>\$ 92,858,201</u> | <u>\$ 84,628,209</u> | <u>\$ 177,486,410</u> |

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Changes in Plan Net Position:

| | Pension Trust | | <u>Totals</u> |
|--------------------------------------|--|---------------------------------|-----------------------|
| | <u>Firefighters'</u> <u>Pension</u> | <u>Police</u> <u>Pension</u> | |
| Additions | | | |
| Contributions | | | |
| Employer | \$ 5,697,690 | \$ 6,019,107 | \$ 11,716,797 |
| Plan members | 915,532 | 1,028,868 | 1,944,400 |
| Other | - | 2,518 | 2,518 |
| Total contributions | <u>6,613,222</u> | <u>7,050,493</u> | <u>13,663,715</u> |
| Investment Income | 11,351,689 | 9,602,884 | 20,954,573 |
| Less investment expense | (309,681) | (285,966) | (595,647) |
| Net investment income | <u>11,042,008</u> | <u>9,316,918</u> | <u>20,358,926</u> |
| Total additions | <u>17,655,230</u> | <u>16,367,411</u> | <u>34,022,641</u> |
| Deductions | | | |
| Administration | 77,140 | 90,655 | 167,795 |
| Benefits and refunds | 9,038,052 | 8,427,154 | 17,465,206 |
| Total deductions | <u>9,115,192</u> | <u>8,517,809</u> | <u>17,633,001</u> |
| Change in plan net position | 8,540,038 | 7,849,602 | 16,389,640 |
| Plan net position, beginning of year | <u>84,318,163</u> | <u>76,778,607</u> | <u>161,096,770</u> |
| Plan net position, end of year | <u>\$ 92,858,201</u> | <u>\$ 84,628,209</u> | <u>\$ 177,486,410</u> |

Summary of pension items as of and for the year-ended December 31, 2020:

| | <u>IMRF</u> | <u>Police</u> | <u>Firefighters'</u> | <u>Total</u> |
|--------------------------------|----------------|---------------|----------------------|----------------|
| Net Pension Liability (Asset) | \$ (7,692,571) | \$ 90,270,229 | \$ 82,559,228 | \$ 165,136,886 |
| Deferred Outflows of Resources | 902,479 | 10,330,089 | 12,585,138 | 23,817,706 |
| Deferred Inflows of Resources | 11,306,798 | 6,430,274 | 6,543,256 | 24,280,328 |
| Pension Expense | (2,121,457) | 8,933,815 | 9,503,004 | 16,315,362 |

| | <u>Primary</u> <u>Government</u> | <u>Component</u> <u>Unit</u> | <u>Total</u> |
|-------------------------------|-------------------------------------|---------------------------------|----------------|
| Net Pension Liability (Asset) | \$ 166,416,553 | \$ (1,279,667) | \$ 165,136,886 |
| Deferred Pension Outflows | 23,612,883 | 204,823 | 23,817,706 |
| Deferred Pension Inflows | 22,249,605 | 2,030,723 | 24,280,328 |
| Pension Expense | 16,668,269 | (352,907) | 16,315,362 |

(Continued)

NOTE 10 - RISK MANAGEMENT

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

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

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

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

| | <u>Prior Year</u> | <u>Current Year</u> |
|--|-------------------|---------------------|
| Unpaid claims - beginning of year | \$ - | \$ - |
| Current year claims and changes in estimates | 537,064 | 517,616 |
| Claim payments | (537,064) | (517,616) |
| Unpaid claims - end of year | \$ - | \$ - |

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

Intergovernmental Personnel Benefit Cooperative: The Health Benefits Fund was established to account for the financial transactions of self-insured employee and retiree health benefits. In 2003 the City joined the Intergovernmental Personnel Benefit Cooperative (IPBC), a self-insured governmental insurance pool consisting of 130 municipalities. The IPBC provides the City with consulting, legal, and auditing services for its health (i.e., PPO and HMO), dental, optical, and life insurance programs. The City pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Management consists of a Board of Directors comprised of one appointed representative from each member.

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 10 - RISK MANAGEMENT (Continued)

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

The member communities opted to close HELP down effective April 30, 2018. The City remains responsible for its share of expenses and currently has a surplus position in the run-off of the pool. It is expected that HELP will close out all claims and return the surplus to members within the next 24 months.

NOTE 11 - COMMITMENTS AND CONTINGENCIES

Construction Contracts

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

| Project Description | Expended to Date | Remaining Commitment |
|--|----------------------|-------------------------|
| Ballard Rd Sidewalk/Sidepath - (R-28-18) | \$ 69,236 | \$ 37,899 |
| CIP Concrete Improvements - (R-126-20) | 619,545 | 29,791 |
| CIP Concrete Improvements - (R-99-19) | 1,193,046 | 90,429 |
| CIP Cont A St & ADA Improvements - (R-125-20) | 1,328,566 | 1,843,426 |
| CIP Cont A St & Utility - (R-100-19) | 6,588,508 | 87,879 |
| CIP Cont C St & Utility Improvements - (R-83-19) | 4,008,359 | 111,259 |
| Civic Center Parking Deck Replacement - (R-204-19) | 9,937,880 | 5,355,120 |
| Creek Improvements Ballard Rd/Farmers - (R-95-20) | - | 149,500 |
| Golf Rd./Cumberland Circle - (R-114-17 & R-191-17) | 537,612 | 532,112 |
| Lee/Forest Signalization - Construction - (R-67-19) | 173,801 | 88,675 |
| Rand Rd. Sidepath -(R-164-14 & R-111-19) | 346,107 | 23,941 |
| River Rd. RR Crossing Reconstruction - (R-142-18) | 651,203 | 392,916 |
| River Rd. Reconstruction - (R-141-18) | 22,732,794 | 770,248 |
| River Rd. Reconstruction - Consultant - (R-137-18) | 2,037,979 | 109,701 |
| Touhy Ave. Reconstruction - (R-171-19) | - | 125,324 |
| US 14/Broadway Intersection Improvements - (R-182-16 & R-191-16) | 123,723 | 329,562 |
| | <u>\$ 50,348,359</u> | <u>\$ 10,077,782</u> |

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2020

NOTE 12 - OTHER POSTEMPLOYMENT BENEFITS

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

At January 1, 2021, the date of the latest actuarial valuation, the OPEB's Plan membership consisted of:

| | |
|---|-------------------|
| Inactive plan members or beneficiaries currently receiving benefits | 103 |
| Inactive plan members entitled to but not yet receiving benefits | - |
| Active plan members | <u>312</u> |
| Total | <u><u>415</u></u> |

Contributions: The City's plan does not have an actuarially determined contribution as the current total OPEB Liability is an unfunded obligation. The City does not have a trust dedicated to the payment of OPEB benefits. The City did make contributions from other City resources for the year-ended December 31, 2020 of \$787,779.

Total OPEB Liability: The City's total OPEB liability was measured as of December 31, 2020 and the total OPEB liability was determined by an actuarial valuation as of January 1, 2021 using the following actuarial methods and assumptions:

| <u>Actuarial Assumptions (economic)</u> | |
|--|---------------|
| Discount rate used for the total OPEB liability | 2.12% |
| Long-Term expected rate of return on plan assets | 0.00% |
| High quality 20-year tax-exempt G.O. bond rate | 2.12% |
| Projected individual salary increases | 3.00% |
| Consumer price index (urban) | N/A |
| Inflation rate included | 2.25% |
| Initial Healthcare cost trend rate | 5.00% - 5.50% |
| Ultimate Healthcare cost trend rate | 5.00% |

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Actuarial Assumptions (demographic)

| | |
|--------------------|--|
| Mortality table | RP-2014 Study, with Blue Collar Adjustment and MP-2016 Improvement, weighted per IMRF Experience Study dated November 8, 2017. |
| Retirement rates | Based on rates from IMRF Experience Study dated November 8, 2017. 100% of the L&A Assumption Study Cap Age 65 for Firefighters and Police 2020 as follows: 7.00% at age 50, scaling up to 17.20% at age 55 for Firefighters and 11.00% at age 50, scaling up to 14.00% at age 55 for Police. |
| Termination rates | Based on rates from IMRF Experience Study dated November 8, 2017. 100% of the L&A Assumption Study for Firefighters and Police 2020 as follows: 7.00% at age 25, scaling down to 0.00% at age 50 for Firefighters and 8.00% at age 25, scaling down to 0.50% at age 50 for Police. |
| Disability rates | Based on rates from IMRF Experience Study dated November 8, 2017. 100% of the L&A Assumption Study for Firefighters and Police 2020 as follows: 0.07% at age 25, scaling up to 0.97% at age 50 for Firefighters and 0.00% at age 25, scaling up to 0.48% at age 50 for Police. |
| Marriage | 50.00% of employees were assumed to elect spousal coverage and Females were assumed to be three years younger than males. |
| Participation rate | 60.00% of employees currently enrolled in medical plans were assumed to participate in the plan. If an employee has waived active medical coverage, it is assumed they will elect coverage in the retiree medical plan as one-third the rate of active employees, 20.00%. |

All rates shown in the economic assumptions are assumed to be annual rates, compounded on an annual basis. Mortality rates are based on the Sex Distinct Raw Rates as developed in the RP-2014 Study, with Blue Collar Adjustment, and the assumption study prepared by Lauterbach & Amen, LLP in 2020. The table combines observed experience of retiree Illinois Firefighters and Police with the RP-2014 study, with Blue Collar Adjustment, and improved generationally using the MP-2016 Improvement Rates. Other demographic assumption rates are based on a review of assumptions in the L&A 2020 study for retiree Illinois Firefighters and Police.

Assumption changes: The assumed rate on High Quality 20-Year Tax-Exempt G.O. Bonds was changed from 2.74% to 2.12% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index as discussed in more detail later in this section. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year-end based on changes in market conditions as reflected in the Index. There were no significant changes in demographic assumptions.

Discount rate: The discount rate used to measure the total OPEB liability was 2.12%, a decrease of .62% from the prior year for determining the liability. The discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax-exempt general obligation municipal bonds. The underlying index used is the Bond Buyer 20-Bond GO Index as of December 31, 2020. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Changes in the Total OPEB Liability:

| | <u>Increase (Decrease)</u> |
|-------------------------------------|----------------------------|
| | <u>Total OPEB</u> |
| | <u>Liability</u> |
| Balance at January 1, 2020 | \$ 16,198,969 |
| Changes for the year: | |
| Service cost | 421,046 |
| Interest | 433,060 |
| Change of Benefit Terms | 423,885 |
| Actuarial experience | 2,061,765 |
| Assumptions changes | 1,684,002 |
| Contributions - employer | - |
| Contributions - employee | - |
| Net investment income | - |
| Benefit payments, including refunds | (787,779) |
| Administrative expense | - |
| Net changes | 4,235,979 |
| Balance at December 31, 2020 | \$ 20,434,948 |

OPEB Expense: For the year-ended, December 31, 2020, the City recognized OPEB expense of \$1,789,742.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: At December 31, 2020, the City reported deferred inflows of resources and deferred outflows of resources related to OPEB from the following sources:

| | <u>Deferred Outflows</u> | <u>Deferred Inflows</u> |
|--|--------------------------|-------------------------|
| | <u>of Resources</u> | <u>of Resources</u> |
| Differences between expected and actual experience | \$ 1,873,647 | \$ - |
| Changes of assumptions | 3,448,832 | 633,637 |
| Total | \$ 5,322,479 | \$ 633,637 |

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

| <u>Year-Ended</u> | <u>Deferred Outflows</u> |
|--------------------|--------------------------|
| <u>December 31</u> | <u>of Resources</u> |
| 2021 | \$ 511,751 |
| 2022 | 511,751 |
| 2023 | 511,751 |
| 2024 | 511,751 |
| 2025 | 511,751 |
| Thereafter | 2,130,087 |
| Total | \$ 4,688,842 |

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2020

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Rate Sensitivity:

The table below presents the total OPEB liability of the City calculated using the discount rate of 2.12% as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

| | 1% Decrease 1.12% | Current Rate 2.12% | 1% Increase 3.12% |
|----------------------|----------------------|-----------------------|----------------------|
| Total OPEB Liability | \$ 23,168,613 | \$ 20,434,948 | \$ 18,229,309 |

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

| | 1% Decrease (Varies) | Current Healthcare Cost Trend Rate (Varies) | 1% Increase (Varies) |
|----------------------|-------------------------|--|-------------------------|
| Total OPEB Liability | \$ 17,776,852 | \$ 20,434,948 | \$ 23,814,107 |

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

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

At January 1, 2021, the date of the latest actuarial valuation, the OPEB's Plan membership consisted of:

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

Contributions: The Library's plan does not have an actuarially determined contribution as the current total OPEB Liability is an unfunded obligation. The Library does not have a trust dedicated to the payment of OPEB benefits. The Library did make contributions from other Library resources for the year-ended December 31, 2020 of \$35,339.

Total OPEB Liability: The Library's total OPEB liability was measured as of December 31, 2020 and the total OPEB liability was determined by an actuarial valuation as of the prior year using the following actuarial methods and assumptions:

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

| <u>Actuarial Assumptions (economic)</u> | |
|--|------------|
| Discount rate used for the total OPEB liability | 2.12% |
| Long-Term expected rate of return on plan assets | N/A |
| High quality 20-year tax-exempt G.O. bond rate | 2.12% |
| Projected individual salary increases | 2.50% |
| Consumer price index (urban) | N/A |
| Inflation rate included | 2.25% |
| Initial Healthcare cost trend rate | 6.60-7.70% |
| Ultimate Healthcare cost trend rate | 5.00% |

| <u>Actuarial Assumptions (demographic)</u> | |
|--|--|
| Mortality table | RP-2014 Study, with Blue Collar Adjustment and MP-2016 Improvement, weighted per IMRF Experience Study dated November 8, 2017; Age 85 for males, Age 88 for females |
| Retirement rates | Age 60 for Tier I IMRF Employees and Age 62 for Tier II IMRF Employees. |
| Disability rates | Based on Rates from per IMRF Experience Study dated November 8, 2017 |
| Withdrawal rates | 80.00% for retirees receiving medical coverage at age 65. |
| Marriage | 25.00% of employees were assumed to elect spousal coverage and Females were assumed to be three years younger than males. |
| Participation rate | 35.00% of employees currently enrolled in medical plans were assumed to participate in the plan. If an employee has waived active active medical coverage, it is assumed they will elect coverage in the retiree medical plan as one-third the rate of active employees. |

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

Assumption changes: The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 2.74% to 2.12% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year-end based on changes in market conditions as reflected in the Index. There were no significant changes in demographic assumptions.

Discount rate: The discount rate used to measure the total OPEB liability was 2.12% a decrease of .62% from the prior year for determining the liability. The discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax-exempt general obligation municipal bonds. The underlying index used is the Bond Buyer 20-Bond GO Index as of December 31, 2020. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 12 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Changes in the Total OPEB Liability:

| | Increase (Decrease) |
|-------------------------------------|---------------------|
| | Total OPEB |
| | Liability |
| Balances at January 1, 2020 | \$ 503,362 |
| Changes for the year: | |
| Service cost | 6,198 |
| Interest | 13,308 |
| Actuarial experience | (56,356) |
| Assumptions changes | 55,692 |
| Contributions - employer | - |
| Contributions - employee | - |
| Net investment income | - |
| Benefit payments, including refunds | (35,339) |
| Administrative expense | - |
| Net changes | (16,497) |
| Balances at December 31, 2020 | \$ 486,865 |

OPEB Expense: For the year-ended, December 31, 2020, the Library recognized OPEB expense of \$18,842.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: At December 31, 2020, the Library did not report deferred inflows of resources and deferred outflows of resources related to OPEB.

Rate Sensitivity:

The table below presents the total OPEB liability of the Library calculated using the discount rate of 2.12% as well as what the Library's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

| | 1% Decrease 1.12% | Current Rate 2.12% | 1% Increase 3.12% |
|----------------------|----------------------|-----------------------|----------------------|
| Total OPEB Liability | \$ 569,669 | \$ 486,865 | \$ 421,997 |

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

| | 1% Decrease (Varies) | Current Healthcare Cost Trend Rate (Varies) | 1% Increase (Varies) |
|----------------------|-------------------------|--|-------------------------|
| Total OPEB Liability | \$ 421,284 | \$ 486,865 | \$ 568,869 |

(Continued)

NOTE 13 – TAX INCREMENT FINANCING DISTRICT

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

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

NOTE 14 - NEW ACCOUNTING PRONOUNCEMENTS

In June 2017, the GASB issued Statement 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Upon the City's adoption of GASB Statement No 95, effective date for the Statement was delayed for the City until their fiscal year ended December 31, 2022. Management has not determined what impact, if any, this statement will have on its financial statements.

In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. Upon the City's adoption of GASB Statement No 95, effective date for the Statement was delayed for the City until their fiscal year ended December 31, 2021. Management has not determined what impact, if any, this statement will have on its financial statements.

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Upon the City's adoption of GASB Statement No 95, effective date for the Statement was delayed for the City until their fiscal year ended December 31, 2022. Management has not yet determined the impact of this statement on the City's financial statements.

In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB statements. Upon the City's adoption of GASB Statement No 95, effective date for the Statement was delayed for the City until their fiscal year ended December 31, 2023. Management has not yet determined the impact of this statement on the City's financial statements.

(Continued)

NOTE 14 - NEW ACCOUNTING PRONOUNCEMENTS (Continued)

In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The primary objectives of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. Upon the City's adoption of GASB Statement No 95, effective date for the Statement was delayed for the City until their fiscal year ended December 31, 2023. Management has not yet determined the impact of this statement on the City's financial statements.

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

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

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. This Statement (1) increases consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans. The requirements in (1) paragraph 4 of this Statement were effective for the City's fiscal year ending December 31, 2020. All other requirements of this Statement are effective for the City's fiscal year-ended December 31, 2022.

NOTE 15 – TAX ABATEMENTS

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2020

NOTE 15 – TAX ABATEMENTS (Continued)

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

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

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

For the fiscal year ending December 31, 2020, the City's share of the abatement granted to the Class 6b, 7a, and 7b properties was approximately \$6,320,000.

NOTE 16 - ADOPTION OF NEW ACCOUNTING PRINCIPLE

During the fiscal year ended December 31, 2020, the City implemented the requirements of GASB Statement No. 84, "Fiduciary Activities". Statement 84 established criteria for identifying fiduciary activities. A specific change to the City's financial statements relates to the presentation of the Escrow Fund as a special revenue fund instead of as an agency fund. A reconciliation of net position and fund balances from the 2019 financial statements to beginning net position as reported on the 2020 financial statements is as follows:

| | |
|--|------------------------------|
| Governmental Activities: | |
| Net Position, January 1, 2020, as previously reported | \$ 140,924,046 |
| Change in Accounting Principle, GASB Statement No. 84 | <u>666,196</u> |
| Net Position, January 1, 2020, as restated | <u><u>\$ 141,590,242</u></u> |
| Nonmajor Governmental Funds: | |
| Fund Balances, January 1, 2020, as previously reported | \$ 11,415,244 |
| TIF #1 (Downtown) Fund, presented as major in FY20 | (5,848,039) |
| Change in Accounting Principle, GASB Statement No. 84 | <u>666,196</u> |
| Fund Balances, January 1, 2020, as restated | <u><u>\$ 6,233,401</u></u> |

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 GENERAL FUND
 Year-Ended December 31, 2020
 With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 Actual |
|-----------------------------------|------------------------------|-------------------|---|-------------------|
| | Original and Final Budget | Actual | | |
| Revenues | | | | |
| Property Taxes | | | | |
| Property Taxes | \$ 12,578,150 | \$ 12,410,510 | \$ (167,640) | \$ 12,570,764 |
| Police Pension | 6,115,000 | 6,018,678 | (96,322) | 6,061,301 |
| Fire Pension | 5,796,000 | 5,697,286 | (98,714) | 5,707,594 |
| Total Property Taxes | <u>24,489,150</u> | <u>24,126,474</u> | <u>(362,676)</u> | <u>24,339,659</u> |
| Local Taxes | | | | |
| Utility Taxes | 2,950,000 | 2,877,443 | (72,557) | 3,597,332 |
| Gas and Use Tax | 375,000 | 348,219 | (26,781) | 394,863 |
| Franchise Tax | 780,000 | 681,466 | (98,534) | 746,771 |
| Food and Beverage Tax | 1,250,000 | 1,002,905 | (247,095) | 1,415,745 |
| Telecommunication Tax | 1,700,000 | 1,449,593 | (250,407) | 1,641,005 |
| Hotel/Motel Tax | 1,900,000 | 763,390 | (1,136,610) | 1,917,755 |
| Auto Rental Tax | 80,000 | 16,263 | (63,737) | 43,624 |
| Parking Tax | 600 | - | (600) | 715 |
| Real Estate Transfer Tax | 650,000 | 705,412 | 55,412 | 761,871 |
| Home Rule Sales Tax | 1,450,000 | 3,309,015 | 1,859,015 | 1,673,611 |
| PEG Fees Tax | 22,000 | 17,962 | (4,038) | 19,481 |
| Total Local Taxes | <u>11,157,600</u> | <u>11,171,668</u> | <u>14,068</u> | <u>12,212,773</u> |
| Licenses | | | | |
| Business | 225,000 | 336,041 | 111,041 | 356,707 |
| Liquor | 220,000 | 216,127 | (3,873) | 230,193 |
| Vehicle | 1,300,000 | 19,740 | (1,280,260) | 1,280,756 |
| Other Licenses | 156,250 | 189,859 | 33,609 | 200,510 |
| Total Licenses | <u>1,901,250</u> | <u>761,767</u> | <u>(1,139,483)</u> | <u>2,068,166</u> |
| Permits | | | | |
| Building | 850,000 | 1,250,045 | 400,045 | 1,736,003 |
| Other Permits | 7,750 | 24,757 | 17,007 | 18,485 |
| Total Permits | <u>857,750</u> | <u>1,274,802</u> | <u>417,052</u> | <u>1,754,488</u> |
| Intergovernmental | | | | |
| State Income Tax | 5,500,000 | 6,531,025 | 1,031,025 | 6,229,784 |
| Local Use Tax | 1,250,000 | 2,545,557 | 1,295,557 | 1,939,124 |
| Personal Property Replacement Tax | 1,225,000 | 1,533,316 | 308,316 | 1,587,468 |
| Municipal Sales Tax | 10,750,000 | 11,634,916 | 884,916 | 13,288,254 |
| Road and Bridge Tax | 225,000 | 237,525 | 12,525 | 239,352 |
| Federal, State, and Local Grants | 140,714 | 182,037 | 41,323 | 105,536 |
| Other State Payments | 200 | - | (200) | - |
| Federal Grants | - | 614,738 | 614,738 | - |
| Fire Training | - | - | - | 14,183 |
| Total Intergovernmental | <u>19,090,914</u> | <u>23,279,114</u> | <u>4,188,200</u> | <u>23,403,701</u> |
| Charges for Services | | | | |
| Ambulance Fees | 1,525,000 | 2,536,993 | 1,011,993 | 1,899,443 |
| Refuse Collection | 3,300,000 | 3,305,870 | 5,870 | 3,238,402 |
| Other Fees | 303,000 | 321,427 | 18,427 | 499,152 |
| Total Charges for Services | <u>5,128,000</u> | <u>6,164,290</u> | <u>1,036,290</u> | <u>5,636,997</u> |

(Continued)

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 GENERAL FUND
 Year-Ended December 31, 2020
 With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 Actual |
|--|------------------------------|-------------------|---|-------------------|
| | Original and Final Budget | Actual | | |
| Fines and Forfeits | | | | |
| Court Costs, Fees & Charges | \$ 400,000 | \$ 192,772 | \$ (207,228) | \$ 439,517 |
| Other Fines and Forfeits | 567,000 | 546,241 | (20,759) | 676,421 |
| Total Fines and Forfeits | <u>967,000</u> | <u>739,013</u> | <u>(227,987)</u> | <u>1,115,938</u> |
| Investment Income | | | | |
| Investment Income | <u>400,000</u> | <u>256,138</u> | <u>(143,862)</u> | <u>766,711</u> |
| Miscellaneous | | | | |
| Miscellaneous | <u>150,172</u> | <u>242,472</u> | <u>92,300</u> | <u>272,457</u> |
| Total Revenues | <u>64,141,836</u> | <u>68,015,738</u> | <u>3,873,902</u> | <u>71,570,890</u> |
| Expenditures | | | | |
| General Government | | | | |
| Elected Office | | | | |
| Salaries | 284,107 | 286,045 | (1,938) | 280,058 |
| Benefits | 235,745 | 234,889 | 856 | 226,758 |
| Contractual Services | 229,480 | 201,745 | 27,735 | 213,244 |
| Commodities | 14,150 | 4,548 | 9,602 | 4,255 |
| Capital Outlay | - | - | - | 654 |
| Total Elected Office | <u>763,482</u> | <u>727,227</u> | <u>36,255</u> | <u>724,969</u> |
| City Manager Division | | | | |
| Salaries | 356,133 | 323,516 | 32,617 | 320,316 |
| Benefits | 108,900 | 106,686 | 2,214 | 99,492 |
| Contractual Services | 36,855 | 5,273 | 31,582 | 10,593 |
| Commodities | 4,150 | 2,726 | 1,424 | 2,827 |
| Capital Outlay | 2,000 | - | 2,000 | 5,519 |
| Total City Manager Division | <u>508,038</u> | <u>438,201</u> | <u>69,837</u> | <u>438,747</u> |
| Media Services | | | | |
| Salaries | 384,079 | 274,087 | 109,992 | 348,580 |
| Benefits | 97,818 | 81,204 | 16,614 | 78,493 |
| Contractual Services | 166,565 | 102,021 | 64,544 | 115,680 |
| Commodities | 33,870 | 13,114 | 20,756 | 32,298 |
| Capital Outlay | 22,300 | 24,308 | (2,008) | 77,602 |
| Total Media Services | <u>704,632</u> | <u>494,734</u> | <u>209,898</u> | <u>652,653</u> |
| Legal Department | | | | |
| Salaries | 107,706 | 80,773 | 26,933 | 75,497 |
| Benefits | 42,785 | 38,736 | 4,049 | 39,732 |
| Contractual Services | 602,390 | 504,298 | 98,092 | 446,247 |
| Commodities | 950 | 193 | 757 | 1,296 |
| Total Legal Department | <u>753,831</u> | <u>624,000</u> | <u>129,831</u> | <u>562,772</u> |
| Department of Finance - Fiscal Services | | | | |
| Salaries | 949,054 | 800,528 | 148,526 | 829,332 |
| Benefits | 354,779 | 283,885 | 70,894 | 288,352 |
| Contractual Services | 147,426 | 71,214 | 76,212 | 124,876 |
| Commodities | 44,050 | 8,750 | 35,300 | 31,037 |
| Capital Outlay | 2,500 | 790 | 1,710 | 996 |
| Total Department of Finance - Fiscal Services | <u>1,497,809</u> | <u>1,165,167</u> | <u>332,642</u> | <u>1,274,593</u> |

(Continued)

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 GENERAL FUND
 Year-Ended December 31, 2020
 With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 |
|--|------------------------------|------------------|---|------------------|
| | Original and Final Budget | Actual | | Actual |
| Information Technologies | | | | |
| Salaries | \$ 473,990 | \$ 456,980 | \$ 17,010 | \$ 453,960 |
| Benefits | 153,322 | 171,509 | (18,187) | 144,051 |
| Contractual Services | 952,517 | 382,025 | 570,492 | 440,796 |
| Commodities | 33,950 | 31,461 | 2,489 | 33,995 |
| Capital Outlay | 20,000 | 4,850 | 15,150 | 6,933 |
| Total Information Technologies | <u>1,633,779</u> | <u>1,046,825</u> | <u>586,954</u> | <u>1,079,735</u> |
| Overhead Division - Contractual Services | | | | |
| Contractual Services | 679,600 | 664,444 | 15,156 | 650,699 |
| Commodities | 75,450 | 29,017 | 46,433 | 48,399 |
| Capital Outlay | - | 5,931 | (5,931) | 10,624 |
| Total Overhead Division - Contractual Services | <u>755,050</u> | <u>699,392</u> | <u>55,658</u> | <u>709,722</u> |
| Building Code Enforcement | | | | |
| Salaries | 1,111,507 | 1,086,389 | 25,118 | 1,099,139 |
| Benefits | 433,563 | 467,966 | (34,403) | 404,359 |
| Contractual Services | 254,565 | 241,194 | 13,371 | 309,170 |
| Commodities | 9,650 | 7,017 | 2,633 | 9,707 |
| Capital Outlay | 1,000 | 529 | 471 | 452 |
| Total Building Code Enforcement | <u>1,810,285</u> | <u>1,803,095</u> | <u>7,190</u> | <u>1,822,827</u> |
| Planning and Zoning | | | | |
| Salaries | 373,399 | 302,806 | 70,593 | 286,375 |
| Benefits | 80,999 | 72,065 | 8,934 | 61,057 |
| Contractual Services | 38,300 | 15,433 | 22,867 | 54,791 |
| Commodities | 3,350 | 1,886 | 1,464 | 3,410 |
| Capital Outlay | 1,000 | 397 | 603 | 408 |
| Total Planning and Zoning | <u>497,048</u> | <u>392,587</u> | <u>104,461</u> | <u>406,041</u> |
| Human Resources | | | | |
| Salaries | 352,011 | 308,881 | 43,130 | 302,696 |
| Benefits | 120,629 | 132,168 | (11,539) | 95,223 |
| Contractual Services | 115,150 | 105,704 | 9,446 | 139,305 |
| Commodities | 9,775 | 3,962 | 5,813 | 4,440 |
| Capital Outlay | - | 550 | (550) | 1,215 |
| Total Human Resources | <u>597,565</u> | <u>551,265</u> | <u>46,300</u> | <u>542,879</u> |
| Health and Human Services | | | | |
| Salaries | 100,347 | 65,159 | 35,188 | 66,108 |
| Benefits | 18,916 | 12,144 | 6,772 | 10,656 |
| Contractual Services | 347,377 | 249,734 | 97,643 | 372,694 |
| Commodities | 1,600 | 296 | 1,304 | 552 |
| Total Health and Human Services | <u>468,240</u> | <u>327,333</u> | <u>140,907</u> | <u>450,010</u> |
| Geographic Information Systems (GIS) | | | | |
| Contractual Services | 266,900 | 253,725 | 13,175 | 251,565 |
| Commodities | 750 | - | 750 | 2,665 |
| Total Geographic Information Systems (GIS) | <u>267,650</u> | <u>253,725</u> | <u>13,925</u> | <u>254,230</u> |
| Total General Government | <u>10,257,409</u> | <u>8,523,551</u> | <u>1,733,858</u> | <u>8,919,178</u> |

(Continued)

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 Actual |
|---|------------------------------|-------------------|---|-------------------|
| | Original and Final Budget | Actual | | |
| Public Safety | | | | |
| Police Department - Administration | | | | |
| Salaries | \$ 352,399 | \$ 332,238 | \$ 20,161 | \$ 294,525 |
| Benefits | 142,453 | 155,998 | (13,545) | 111,145 |
| Contractual Services | 11,680 | 9,126 | 2,554 | 11,782 |
| Commodities | 1,150 | 1,812 | (662) | 1,127 |
| Total Police Department - Administration | 507,682 | 499,174 | 8,508 | 418,579 |
| Police Department - Uniformed Patrol | | | | |
| Salaries | 7,952,463 | 7,828,318 | 124,145 | 7,525,256 |
| Benefits | 6,177,806 | 6,234,513 | (56,707) | 6,060,971 |
| Contractual Services | 212,300 | 127,552 | 84,748 | 200,107 |
| Commodities | 29,720 | 18,034 | 11,686 | 31,868 |
| Total Police Department - Uniformed Patrol | 14,372,289 | 14,208,417 | 163,872 | 13,818,202 |
| Police Department - Criminal Investigation | | | | |
| Salaries | 2,649,722 | 2,323,763 | 325,959 | 2,439,538 |
| Benefits | 1,928,547 | 1,932,738 | (4,191) | 1,866,064 |
| Contractual Services | 98,930 | 85,923 | 13,007 | 104,567 |
| Commodities | 3,530 | 5,158 | (1,628) | 4,019 |
| Total Police Department - Criminal Investigation | 4,680,729 | 4,347,582 | 333,147 | 4,414,188 |
| Police Department - Supporting Services | | | | |
| Salaries | 2,329,011 | 1,931,485 | 397,526 | 2,232,934 |
| Benefits | 1,190,241 | 1,235,600 | (45,359) | 1,171,427 |
| Contractual Services | 1,912,336 | 1,777,260 | 135,076 | 1,173,679 |
| Commodities | 152,330 | 91,138 | 61,192 | 118,989 |
| Capital Outlay | 47,100 | 52,164 | (5,064) | 105,747 |
| Total Police Department - Supporting Services | 5,631,018 | 5,087,647 | 543,371 | 4,802,776 |
| Fire Department - Administration | | | | |
| Salaries | 822,506 | 646,620 | 175,886 | 594,191 |
| Benefits | 546,603 | 524,264 | 22,339 | 552,060 |
| Contractual Services | 34,032 | 27,076 | 6,956 | 70,126 |
| Commodities | 4,950 | 4,676 | 274 | 1,909 |
| Capital Outlay | - | 7,111 | (7,111) | 410 |
| Total Fire Department - Administration | 1,408,091 | 1,209,747 | 198,344 | 1,218,696 |
| Fire Department - Emergency Services | | | | |
| Salaries | 9,773,626 | 9,691,816 | 81,810 | 9,636,076 |
| Benefits | 8,351,475 | 8,501,987 | (150,512) | 8,460,115 |
| Contractual Services | 1,083,212 | 979,876 | 103,336 | 1,039,999 |
| Commodities | 265,085 | 256,273 | 8,812 | 302,298 |
| Capital Outlay | 206,300 | 112,857 | 93,443 | 188,597 |
| Total Fire Department - Emergency Services | 19,679,698 | 19,542,809 | 136,889 | 19,627,085 |
| Fire Department - Fire Prevention Services | | | | |
| Salaries | 404,591 | 241,625 | 162,966 | 299,758 |
| Benefits | 280,184 | 242,714 | 37,470 | 270,175 |
| Contractual Services | 21,080 | 16,819 | 4,261 | 19,937 |
| Commodities | 12,045 | 2,744 | 9,301 | 8,906 |
| Total Fire Department - Fire Prevention Services | 717,900 | 503,902 | 213,998 | 598,776 |

(Continued)

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 GENERAL FUND
 Year-Ended December 31, 2020
 With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 Actual |
|---|------------------------------|-------------------|---|-------------------|
| | Original and Final Budget | Actual | | |
| Emergency Management Agency | | | | |
| Salaries | \$ 97,109 | \$ 77,787 | \$ 19,322 | \$ 35,989 |
| Benefits | 30,254 | 25,984 | 4,270 | 28,550 |
| Contractual Services | 54,890 | 34,602 | 20,288 | 43,934 |
| Commodities | <u>26,062</u> | <u>5,973</u> | <u>20,089</u> | <u>18,818</u> |
| Total Emergency Management Agency | <u>208,315</u> | <u>144,346</u> | <u>63,969</u> | <u>127,291</u> |
| Board of Police and Fire Commission | | | | |
| Contractual Services | 43,540 | 31,075 | 12,465 | 94,126 |
| Commodities | <u>1,850</u> | <u>772</u> | <u>1,078</u> | <u>936</u> |
| Total Board of Police and Fire Commission | <u>45,390</u> | <u>31,847</u> | <u>13,543</u> | <u>95,062</u> |
| Total Public Safety | <u>47,251,112</u> | <u>45,575,471</u> | <u>1,675,641</u> | <u>45,120,655</u> |
| Public Works | | | | |
| Vehicle Maintenance Division | | | | |
| Salaries | 536,366 | 491,519 | 44,847 | 448,003 |
| Benefits | 237,693 | 234,083 | 3,610 | 196,221 |
| Contractual Services | 181,435 | 109,941 | 71,494 | 171,677 |
| Commodities | 656,250 | 405,754 | 250,496 | 569,312 |
| Capital Outlay | <u>65,000</u> | <u>33,113</u> | <u>31,887</u> | <u>55,150</u> |
| Total Vehicle Maintenance Division | <u>1,676,744</u> | <u>1,274,410</u> | <u>402,334</u> | <u>1,440,363</u> |
| Public Works Administration | | | | |
| Salaries | 216,538 | 205,040 | 11,498 | 212,351 |
| Benefits | 81,727 | 85,115 | (3,388) | 74,417 |
| Contractual Services | 3,365,190 | 3,038,855 | 326,335 | 3,256,504 |
| Commodities | <u>14,500</u> | <u>10,575</u> | <u>3,925</u> | <u>11,723</u> |
| Total Public Works Administration | <u>3,677,955</u> | <u>3,339,585</u> | <u>338,370</u> | <u>3,554,995</u> |
| Facilities and Grounds Division | | | | |
| Salaries | 575,808 | 537,242 | 38,566 | 464,037 |
| Benefits | 316,394 | 311,996 | 4,398 | 249,208 |
| Contractual Services | 3,068,270 | 943,242 | 2,125,028 | 968,508 |
| Commodities | 275,050 | 227,595 | 47,455 | 293,995 |
| Capital Outlay | <u>38,500</u> | <u>47</u> | <u>38,453</u> | <u>54,007</u> |
| Total Facilities and Grounds Division | <u>4,274,022</u> | <u>2,020,122</u> | <u>2,253,900</u> | <u>2,029,755</u> |
| Total Public Works | <u>9,628,721</u> | <u>6,634,117</u> | <u>2,994,604</u> | <u>7,025,113</u> |
| Streets and Highways | | | | |
| Engineering Department | | | | |
| Salaries | 613,676 | 569,565 | 44,111 | 635,739 |
| Benefits | 209,558 | 249,009 | (39,451) | 200,709 |
| Contractual Services | 26,430 | 17,994 | 8,436 | 29,066 |
| Commodities | <u>5,150</u> | <u>1,575</u> | <u>3,575</u> | <u>5,271</u> |
| Total Engineering Department | <u>854,814</u> | <u>838,143</u> | <u>16,671</u> | <u>870,785</u> |

(Continued)

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 Actual |
|--|------------------------------|----------------------|---|----------------------|
| | Original and Final Budget | Actual | | |
| Street Department | | | | |
| Salaries | \$ 1,503,366 | \$ 1,179,987 | \$ 323,379 | \$ 1,372,699 |
| Benefits | 718,189 | 652,918 | 65,271 | 710,495 |
| Contractual Services | 1,186,013 | 962,128 | 223,885 | 1,096,625 |
| Commodities | 205,025 | 100,647 | 104,378 | 213,513 |
| Capital Outlay | 38,500 | 16,806 | 21,694 | 34,354 |
| Total Street Department | <u>3,651,093</u> | <u>2,912,486</u> | <u>738,607</u> | <u>3,427,686</u> |
| Total Streets and Highways | <u>4,505,907</u> | <u>3,750,629</u> | <u>755,278</u> | <u>4,298,471</u> |
| Economic Development | | | | |
| Economic Development | | | | |
| Salaries | 90,862 | 55,956 | 34,906 | 88,255 |
| Benefits | 25,902 | 15,596 | 10,306 | 23,104 |
| Contractual Services | 226,900 | 200,598 | 26,302 | 270,800 |
| Commodities | 13,200 | 167 | 13,033 | 1,223 |
| Total Economic Development | <u>356,864</u> | <u>272,317</u> | <u>84,547</u> | <u>383,382</u> |
| Total Economic Development | <u>356,864</u> | <u>272,317</u> | <u>84,547</u> | <u>383,382</u> |
| Total Expenditures | <u>72,000,013</u> | <u>64,756,085</u> | <u>7,243,928</u> | <u>65,746,799</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(7,858,177)</u> | <u>3,259,653</u> | <u>11,117,830</u> | <u>5,824,091</u> |
| Other Financing Sources (Uses) | | | | |
| Transfer In | 215,758 | 372,372 | 156,614 | 217,758 |
| Transfer Out | (1,850,000) | (1,850,000) | - | (2,849,936) |
| Total Other Financing Sources (Uses) | <u>(1,634,242)</u> | <u>(1,477,628)</u> | <u>156,614</u> | <u>(2,632,178)</u> |
| Net Change in Fund Balance | <u>\$ (9,492,419)</u> | <u>1,782,025</u> | <u>\$ 11,274,444</u> | <u>3,191,913</u> |
| Fund Balance at Beginning of Year | | <u>59,485,272</u> | | <u>56,293,359</u> |
| Fund Balance at End of Year | | <u>\$ 61,267,297</u> | | <u>\$ 59,485,272</u> |

(Continued)

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 TIF #1 (DOWNTOWN) FUND
 Year-Ended December 31, 2020
 With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 Actual |
|--|------------------------------|-----------------------|---|---------------------|
| | Original and Final Budget | Actual | | |
| Revenues | | | | |
| Property Taxes | \$ 5,196,771 | \$ 6,225,997 | \$ 1,029,226 | \$ 4,796,335 |
| Investment Income | 10,000 | 15,625 | 5,625 | 47,930 |
| Total Revenues | <u>5,206,771</u> | <u>6,241,622</u> | <u>1,034,851</u> | <u>4,844,265</u> |
| Expenditures | | | | |
| Economic Development | | | | |
| Contractual Services | 6,240,030 | 3,601,826 | 2,638,204 | 2,552,666 |
| Commodities | 82,650 | 321,962 | (239,312) | 162,520 |
| Capital Outlay | <u>5,350,000</u> | <u>11,566,579</u> | <u>(6,216,579)</u> | <u>2,625,454</u> |
| Total Economic Development | <u>11,672,680</u> | <u>15,490,367</u> | <u>(3,817,687)</u> | <u>5,340,640</u> |
| Debt Service | | | | |
| Principal | 1,234,927 | 1,234,927 | - | 1,210,940 |
| Interest and Fiscal Charges | <u>33,761</u> | <u>33,247</u> | <u>514</u> | <u>63,486</u> |
| Total Debt Service | <u>1,268,688</u> | <u>1,268,174</u> | <u>514</u> | <u>1,274,426</u> |
| Total Expenditures | <u>12,941,368</u> | <u>16,758,541</u> | <u>(3,817,173)</u> | <u>6,615,066</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(7,734,597)</u> | <u>(10,516,919)</u> | <u>(2,782,322)</u> | <u>(1,770,801)</u> |
| Other Financing Sources (Uses) | | | | |
| Transfer Out | <u>(125,000)</u> | <u>(125,000)</u> | <u>-</u> | <u>(119,000)</u> |
| Total Other Financing Sources (Uses) | <u>(125,000)</u> | <u>(125,000)</u> | <u>-</u> | <u>(119,000)</u> |
| Net Change in Fund Balance | <u>\$ (7,859,597)</u> | <u>(10,641,919)</u> | <u>\$ (2,782,322)</u> | <u>(1,889,801)</u> |
| Fund Balance at Beginning of Year | | <u>5,848,039</u> | | <u>7,737,840</u> |
| Fund Balance at End of Year | | <u>\$ (4,793,880)</u> | | <u>\$ 5,848,039</u> |

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 TIF #6 (MANNHEIM/HIGGINS) FUND
 Year-Ended December 31, 2020
 With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 Actual |
|--|------------------------------|------------------------|---|------------------------|
| | Original and Final Budget | Actual | | |
| Revenues | | | | |
| Property Taxes | \$ 114,214 | \$ 125,389 | \$ 11,175 | \$ 92,599 |
| Investment Income | 25 | 13 | (12) | 25 |
| Total Revenues | <u>114,239</u> | <u>125,402</u> | <u>11,163</u> | <u>92,624</u> |
| Expenditures | | | | |
| Economic Development | | | | |
| Contractual Services | 8,040 | 2,309 | 5,731 | 688 |
| Commodities | 52 | - | 52 | - |
| Total Economic Development | <u>8,092</u> | <u>2,309</u> | <u>5,783</u> | <u>688</u> |
| Debt Service | | | | |
| Principal | 1,400,000 | 1,400,000 | - | 1,210,000 |
| Interest and Fiscal Charges | 57,171 | 57,137 | 34 | 81,095 |
| Total Debt Service | <u>1,457,171</u> | <u>1,457,137</u> | <u>34</u> | <u>1,291,095</u> |
| Total Expenditures | <u>1,465,263</u> | <u>1,459,446</u> | <u>5,817</u> | <u>1,291,783</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(1,351,024)</u> | <u>(1,334,044)</u> | <u>16,980</u> | <u>(1,199,159)</u> |
| Other Financing Sources (Uses) | | | | |
| Transfer Out | (3,000) | (3,000) | - | (3,000) |
| Total Other Financing Sources (Uses) | <u>(3,000)</u> | <u>(3,000)</u> | <u>-</u> | <u>(3,000)</u> |
| Net Change in Fund Balances | <u>\$ (1,354,024)</u> | <u>(1,337,044)</u> | <u>\$ 16,980</u> | <u>(1,202,159)</u> |
| Fund Balances at Beginning of Year | | <u>(13,924,426)</u> | | <u>(12,722,267)</u> |
| Fund Balances at End of Year | | <u>\$ (15,261,470)</u> | | <u>\$ (13,924,426)</u> |

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 GAMING TAX FUND
 Year-Ended December 31, 2020
 With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 Actual |
|--|------------------------------|----------------------|---|----------------------|
| | Original and Final Budget | Actual | | |
| Revenues | | | | |
| Gaming Tax | \$ 24,000,000 | \$ 12,833,854 | \$ (11,166,146) | \$ 25,466,799 |
| Investment Income | 250,000 | 369,087 | 119,087 | 752,443 |
| Total Revenues | <u>24,250,000</u> | <u>13,202,941</u> | <u>(11,047,059)</u> | <u>26,219,242</u> |
| Expenditures | | | | |
| General Government | | | | |
| Contractual Services | 15,600,000 | 8,684,226 | 6,915,774 | 16,186,720 |
| Total Expenditures | <u>15,600,000</u> | <u>8,684,226</u> | <u>6,915,774</u> | <u>16,186,720</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>8,650,000</u> | <u>4,518,715</u> | <u>(4,131,285)</u> | <u>10,032,522</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers Out | (8,750,000) | (8,000,000) | 750,000 | (8,400,000) |
| Total Other Financing Sources (Uses) | <u>(8,750,000)</u> | <u>(8,000,000)</u> | <u>750,000</u> | <u>(8,400,000)</u> |
| Net Change in Fund Balance | <u>\$ (100,000)</u> | (3,481,285) | <u>\$ (3,381,285)</u> | 1,632,522 |
| Fund Balance at Beginning of Year | | <u>22,195,237</u> | | <u>20,562,715</u> |
| Fund Balance at End of Year | | <u>\$ 18,713,952</u> | | <u>\$ 22,195,237</u> |

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN FIREFIGHTERS' PENSION FUND NET PENSION
 LIABILITY AND RELATED RATIOS
 December 31, 2020

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Total pension liability | | | | | | | |
| Service cost | \$ 2,373,109 | \$ 2,148,094 | \$ 2,101,377 | \$ 1,845,967 | \$ 1,725,203 | \$ 1,693,381 | \$ 2,300,527 |
| Interest | 11,218,807 | 10,113,399 | 9,720,687 | 9,513,008 | 9,118,538 | 8,520,291 | 7,744,456 |
| Changes of benefit terms | - | 452,965 | - | - | - | - | - |
| Differences between expected and actual experience | 4,231,700 | 2,320,892 | 2,142,077 | 4,328 | 361,031 | 4,451,348 | 1,651,529 |
| Changes of assumptions | 1,298,538 | 4,689,323 | - | 4,343,417 | 1,587,093 | 596,180 | 5,636,351 |
| Benefit payments, including refunds of member contributions | <u>(9,038,052)</u> | <u>(8,438,967)</u> | <u>(7,853,384)</u> | <u>(7,339,931)</u> | <u>(6,973,210)</u> | <u>(6,456,438)</u> | <u>(6,042,592)</u> |
| Net change in total pension liability | 10,084,102 | 11,285,706 | 6,110,757 | 8,366,789 | 5,818,655 | 8,804,762 | 11,290,271 |
| Total pension liability - beginning | <u>165,333,327</u> | <u>154,047,621</u> | <u>147,936,864</u> | <u>139,570,075</u> | <u>133,751,420</u> | <u>124,946,658</u> | <u>113,656,387</u> |
| Total pension liability - ending (a) | <u>\$ 175,417,429</u> | <u>\$ 165,333,327</u> | <u>\$ 154,047,621</u> | <u>\$ 147,936,864</u> | <u>\$ 139,570,075</u> | <u>\$ 133,751,420</u> | <u>\$ 124,946,658</u> |
| Plan fiduciary net position | | | | | | | |
| Contributions - employer | \$ 5,697,690 | \$ 5,708,218 | \$ 5,141,314 | \$ 4,916,225 | \$ 4,433,104 | \$ 4,304,044 | \$ 4,155,983 |
| Contributions - employee | 915,532 | 878,682 | 878,172 | 867,424 | 828,889 | 836,027 | 883,723 |
| Net investment income | 11,042,008 | 14,266,878 | (6,754,749) | 11,548,953 | 4,601,922 | (1,048,749) | 4,411,965 |
| Benefit payments, including refunds of member contributions | (9,038,052) | (8,438,967) | (7,853,384) | (7,339,931) | (6,973,210) | (6,456,438) | (6,042,592) |
| Administrative expense | (77,140) | (95,047) | (71,027) | (103,917) | (67,265) | (76,989) | (327,080) |
| Other | - | - | - | - | 787 | - | - |
| Net change in plan fiduciary net position | 8,540,038 | 12,319,764 | (8,659,674) | 9,888,754 | 2,824,227 | (2,442,105) | 3,081,999 |
| Plan fiduciary net position - beginning | <u>84,318,163</u> | <u>71,998,399</u> | <u>80,658,073</u> | <u>70,769,319</u> | <u>67,945,092</u> | <u>70,387,197</u> | <u>67,305,198</u> |
| Plan fiduciary net position - ending (b) | <u>\$ 92,858,201</u> | <u>\$ 84,318,163</u> | <u>\$ 71,998,399</u> | <u>\$ 80,658,073</u> | <u>\$ 70,769,319</u> | <u>\$ 67,945,092</u> | <u>\$ 70,387,197</u> |
| City's net pension liability (a-b) | <u>\$ 82,559,228</u> | <u>\$ 81,015,164</u> | <u>\$ 82,049,222</u> | <u>\$ 67,278,791</u> | <u>\$ 68,800,756</u> | <u>\$ 65,806,328</u> | <u>\$ 54,559,461</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 52.94% | 51.00% | 46.74% | 54.52% | 50.71% | 50.80% | 56.33% |
| Covered payroll | \$ 9,668,809 | \$ 9,279,992 | \$ 9,268,972 | \$ 9,243,675 | \$ 8,931,087 | \$ 8,480,084 | \$ 8,694,151 |
| Plan's net pension liability (asset) as a percentage of covered payroll | 853.87% | 873.01% | 885.20% | 727.84% | 770.35% | 776.01% | 627.54% |

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

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FIREFIGHTERS' PENSION FUND CONTRIBUTIONS
 December 31, 2020

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Actuarially determined contribution | \$ 6,294,838 | \$ 5,731,966 | \$ 5,110,496 | \$ 4,893,942 | \$ 4,356,282 | \$ 3,953,299 | \$ 3,941,652 | \$ 3,671,041 | \$ 3,577,776 | \$ 3,395,608 |
| Contributions in relation to the actuarially determined contribution | <u>5,697,690</u> | <u>5,708,218</u> | <u>5,141,314</u> | <u>4,916,225</u> | <u>4,433,104</u> | <u>4,304,044</u> | <u>4,155,983</u> | <u>3,945,005</u> | <u>3,655,295</u> | <u>3,798,156</u> |
| Contribution deficiency (excess) | \$ 597,148 | \$ 23,748 | \$ (30,818) | \$ (22,283) | \$ (76,822) | \$ (350,745) | \$ (214,331) | \$ (273,964) | \$ (77,519) | \$ (402,548) |
| Covered payroll | \$ 9,668,809 | \$ 9,279,992 | \$ 9,268,972 | \$ 9,243,675 | \$ 8,931,087 | \$ 8,480,084 | \$ 8,694,151 | \$ 8,408,155 | \$ 8,216,028 | \$ 8,212,634 |
| Contributions as a percentage of covered payroll | 58.93% | 61.51% | 55.47% | 53.18% | 49.64% | 50.75% | 47.80% | 46.92% | 44.49% | 46.25% |

Notes to Schedule

Valuation date:

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

Methods and assumptions used to determine 2020 contribution rates:

| | |
|--------------------------------|--|
| Actuarial cost method | Entry age normal |
| Amortization method | Level percentage of payroll |
| Remaining amortization period | 22 years |
| Asset valuation method | 5-Year smoothed market value |
| Salary increases | 3.50% - 8.24% |
| Expected return on investments | 6.75% |
| Inflation | 2.50% |
| Mortality | RP-2014 Adjusted for Plan Status, Collar, and Illinois Public Pension Data, as appropriate |
| Retirement | L&A 2016 Illinois Firefighters' Retirement Rates Capped at age 65 |
| Disability Rates | L&A 2016 Illinois Firefighters' Disability Rates |
| Termination Rates | L&A 2016 Illinois Firefighters' Termination Rates |

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FIREFIGHTERS' PENSION FUND
INVESTMENT RATE OF RETURN
December 31, 2020

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

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

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN POLICE PENSION FUND NET PENSION LIABILITY AND RELATED RATIOS
 December 31, 2020

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

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

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF POLICE PENSION FUND CONTRIBUTIONS
December 31, 2020

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---|-------------------|------------------|--------------------|--------------------|---------------------|---------------------|---------------------|---------------------|--------------------|---------------------|
| Actuarially determined contribution | \$ 6,656,557 | \$ 6,093,933 | \$ 5,442,364 | \$ 5,237,462 | \$ 4,877,047 | \$ 4,011,887 | \$ 3,895,329 | \$ 3,661,515 | \$ 3,472,544 | \$ 3,307,583 |
| Contributions in relation to the actuarially determined contribution | <u>6,019,107</u> | <u>6,061,959</u> | <u>5,484,051</u> | <u>5,262,020</u> | <u>5,036,133</u> | <u>4,304,873</u> | <u>4,154,166</u> | <u>3,921,472</u> | <u>3,542,231</u> | <u>3,775,364</u> |
| Contribution deficiency (excess) | <u>\$ 637,450</u> | <u>\$ 31,974</u> | <u>\$ (41,687)</u> | <u>\$ (24,558)</u> | <u>\$ (159,086)</u> | <u>\$ (292,986)</u> | <u>\$ (258,837)</u> | <u>\$ (259,957)</u> | <u>\$ (69,687)</u> | <u>\$ (467,781)</u> |
| Covered payroll | \$ 10,382,108 | \$ 9,804,262 | \$ 9,843,268 | \$ 8,881,617 | \$ 8,581,272 | \$ 8,461,825 | \$ 8,532,924 | \$ 7,904,124 | \$ 7,703,991 | \$ 8,212,634 |
| Contributions as a percentage of covered payroll | 57.98% | 61.83% | 55.71% | 59.25% | 58.69% | 50.87% | 48.68% | 49.61% | 45.98% | 45.97% |

Notes to Schedule

Valuation date:

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

Methods and assumptions used to determine 2020 contribution rates:

| | |
|--------------------------------|--|
| Actuarial cost method | Entry age normal |
| Amortization method | Level percentage of payroll |
| Remaining amortization period | 22 years |
| Asset valuation method | 5-Year smoothed market value |
| Salary increases | 3.50% - 11.50% |
| Expected return on investments | 6.75% |
| Inflation | 2.50% |
| Mortality | RP-2014 Adjusted for Plan Status, Collar, and Illinois Public Pension Data, as appropriate |
| Retirement | L&A 2016 Illinois Police Retirement Rates Capped at age 65 |
| Disability Rates | L&A 2016 Illinois Police Disability Rates |
| Termination Rates | L&A 2016 Illinois Police Termination Rates |

Other information:

Changes: There were no benefit changes during the year

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF POLICE PENSION FUND
INVESTMENT RATE OF RETURN
December 31, 2020

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

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

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN ILLINOIS MUNICIPAL RETIREMENT FUND NET PENSION LIABILITY
AND RELATED RATIOS
December 31, 2020

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Total pension liability | | | | | | | |
| Service cost | \$ 1,471,344 | \$ 1,471,710 | \$ 1,424,254 | \$ 1,495,731 | \$ 1,528,647 | \$ 1,655,441 | \$ 1,838,415 |
| Interest | 8,751,863 | 8,483,359 | 8,327,421 | 8,276,408 | 8,127,770 | 7,847,845 | 7,396,361 |
| Changes of benefit terms | - | - | - | - | - | - | - |
| Differences between expected and actual experience | 1,006,485 | 476,501 | (565,583) | 386,968 | (2,115,982) | (300,852) | (1,614,019) |
| Changes of assumptions | (842,055) | - | 3,119,435 | (3,524,106) | (256,324) | 128,456 | 3,699,751 |
| Benefit payments, including refunds of member contributions | <u>(6,940,657)</u> | <u>(6,515,109)</u> | <u>(6,184,253)</u> | <u>(5,653,936)</u> | <u>(5,497,208)</u> | <u>(5,273,001)</u> | <u>(4,866,050)</u> |
| Net change in total pension liability | 3,446,980 | 3,916,461 | 6,121,274 | 981,065 | 1,786,903 | 4,057,889 | 6,454,458 |
| Total pension liability - beginning | <u>123,450,009</u> | <u>119,533,548</u> | <u>113,412,274</u> | <u>112,431,209</u> | <u>110,644,306</u> | <u>106,586,417</u> | <u>100,131,959</u> |
| Total pension liability - ending (a) | <u>\$ 126,896,989</u> | <u>\$ 123,450,009</u> | <u>\$ 119,533,548</u> | <u>\$ 113,412,274</u> | <u>\$ 112,431,209</u> | <u>\$ 110,644,306</u> | <u>\$ 106,586,417</u> |
| Plan fiduciary net position | | | | | | | |
| Contributions - employer | \$ 1,580,499 | \$ 1,228,045 | \$ 1,641,785 | \$ 1,738,214 | \$ 1,695,162 | \$ 1,796,025 | \$ 2,256,489 |
| Contributions - employee | 648,365 | 651,222 | 646,373 | 656,293 | 617,687 | 718,234 | 737,722 |
| Net investment income | 17,384,730 | 20,000,331 | (6,430,893) | 18,185,816 | 6,817,667 | 495,909 | 5,843,461 |
| Benefit payments, including refunds of member contributions | (6,940,657) | (6,515,109) | (6,184,253) | (5,653,936) | (5,497,208) | (5,273,001) | (4,866,050) |
| Other | <u>716,881</u> | <u>157,986</u> | <u>1,241,151</u> | <u>(2,491,038)</u> | <u>22,444</u> | <u>373,765</u> | <u>(140,913)</u> |
| Net change in plan fiduciary net position | 13,389,818 | 15,522,475 | (9,085,837) | 12,435,349 | 3,655,752 | (1,889,068) | 3,830,709 |
| Plan fiduciary net position - beginning | <u>121,199,742</u> | <u>105,677,267</u> | <u>114,763,104</u> | <u>102,327,755</u> | <u>98,672,003</u> | <u>100,561,071</u> | <u>96,730,362</u> |
| Plan fiduciary net position - ending (b) | <u>\$ 134,589,560</u> | <u>\$ 121,199,742</u> | <u>\$ 105,677,267</u> | <u>\$ 114,763,104</u> | <u>\$ 102,327,755</u> | <u>\$ 98,672,003</u> | <u>\$ 100,561,071</u> |
| City's net pension liability (asset) (a-b) | <u>\$ (7,692,571)</u> | <u>\$ 2,250,267</u> | <u>\$ 13,856,281</u> | <u>\$ (1,350,830)</u> | <u>\$ 10,103,454</u> | <u>\$ 11,972,303</u> | <u>\$ 6,025,346</u> |
| Plan fiduciary net position as a percentage of the total pension liability | 106.06% | 98.18% | 88.41% | 101.19% | 91.01% | 89.18% | 94.35% |
| Covered payroll | \$ 14,329,104 | \$ 14,363,106 | \$ 14,363,816 | \$ 14,485,115 | \$ 13,681,698 | \$ 14,379,703 | \$ 14,547,339 |
| Plan's net pension liability (asset) as a percentage of covered payroll | -53.68% | 15.67% | 96.47% | -9.33% | 73.85% | 83.26% | 41.42% |

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

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF ILLINOIS MUNICIPAL RETIREMENT FUND CONTRIBUTIONS
 December 31, 2020

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> | <u>2012</u> | <u>2011</u> |
|---|------------------|------------------|------------------|------------------|------------------|------------------|---------------------|------------------|------------------|-------------------|
| Actuarially determined contribution | \$ 1,580,500 | \$ 1,228,046 | \$ 1,641,784 | \$ 1,738,214 | \$ 1,695,162 | \$ 1,844,916 | \$ 2,071,541 | \$ 2,383,786 | \$ 2,343,437 | \$ 2,330,839 |
| Contributions in relation to the actuarially determined contribution | <u>1,580,499</u> | <u>1,228,045</u> | <u>1,641,785</u> | <u>1,738,214</u> | <u>1,695,162</u> | <u>1,796,025</u> | <u>2,256,489</u> | <u>2,383,786</u> | <u>2,250,700</u> | <u>1,948,306</u> |
| Contribution deficiency (excess) | <u>\$ 1</u> | <u>\$ 1</u> | <u>\$ (1)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 48,891</u> | <u>\$ (184,948)</u> | <u>\$ -</u> | <u>\$ 92,737</u> | <u>\$ 382,533</u> |
| Covered payroll | \$ 14,329,104 | \$ 14,363,106 | \$ 14,363,816 | \$ 14,485,115 | \$ 13,681,698 | \$ 14,379,703 | \$ 14,547,339 | \$ 15,946,135 | \$ 16,592,625 | \$ 16,321,980 |
| Contributions as a percentage of covered payroll | 11.03% | 8.55% | 11.43% | 12.00% | 12.39% | 12.49% | 15.51% | 14.95% | 13.56% | 11.94% |

Notes to Schedule

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

Methods and assumptions used to determine 2020 contribution rates:

| | |
|-------------------------------|---|
| Actuarial cost method | Aggregate entry age normal |
| Amortization method | Level percentage of payroll, closed |
| Remaining amortization period | 23-year closed period |
| Asset valuation method | 5-year smoothed market, 20% corridor |
| Wage growth | 3.25% |
| Price inflation | 2.50% |
| Salary increases | 3.35% to 14.25% including inflation |
| Investment rate of return | 7.25% |
| Retirement age | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016. |
| Mortality | For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience. |

Other information:

There were no benefit changes during the year

The 2020 contribution rate was based on valuation assumptions used in the December 31, 2018 actuarial valuation.

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN THE CITY'S TOTAL OTHER POST-EMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS
 Year-Ended December 31, 2020

| | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|---|----------------------|----------------------|----------------------|
| <u>Total OPEB Liability</u> | | | |
| Service Cost | \$ 421,046 | \$ 334,684 | \$ 371,585 |
| Interest on the Total OPEB Liability | 433,060 | 542,495 | 483,284 |
| Changes of Benefit Terms | 423,885 | - | - |
| Differences Between Expected and Actual Experience of the Total OPEB Liability | 2,061,765 | - | - |
| Changes of Assumptions | 1,684,002 | 2,472,154 | (954,199) |
| Benefit Payments, Including Refunds of Employee Contributions | (787,779) | (761,679) | (658,812) |
| Other Changes | - | - | - |
| Net Change in Total OPEB Liability | <u>4,235,979</u> | <u>2,587,654</u> | <u>(758,142)</u> |
| Total OPEB Liability - Beginning | <u>16,198,969</u> | <u>13,611,315</u> | <u>14,369,457</u> |
| Total OPEB Liability - Ending | <u>\$ 20,434,948</u> | <u>\$ 16,198,969</u> | <u>\$ 13,611,315</u> |
| Covered Employee Payroll | \$ 32,338,523 | \$ 30,673,435 | \$ 31,016,497 |
| Total OPEB Liability as a Percentage of Covered Employee Payroll | 63.19% | 52.81% | 43.88% |

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

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GRANT FUNDED PROJECTS FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 |
|--|------------------------------|-----------------------|---|--------------------|
| | Original and Final Budget | Actual | | Actual |
| Revenues | | | | |
| Intergovernmental | \$ 14,777,641 | \$ 621,085 | \$ (14,156,556) | \$ 20,010,054 |
| Investment Income | - | 2,355 | 2,355 | 25,552 |
| Total Revenues | <u>14,777,641</u> | <u>623,440</u> | <u>(14,154,201)</u> | <u>20,035,606</u> |
| Expenditures | | | | |
| General Government | | | | |
| Salaries | 41,600 | 46,323 | (4,723) | 91,540 |
| Contractual Services | 1,711,000 | 1,242,188 | 468,812 | 1,319,057 |
| Commodities | - | - | - | 1,809 |
| Capital Outlay | 15,354,293 | 5,405,185 | 9,949,108 | 12,643,348 |
| Total Expenditures | <u>17,106,893</u> | <u>6,693,696</u> | <u>10,413,197</u> | <u>14,055,754</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(2,329,252)</u> | <u>(6,070,256)</u> | <u>(3,741,004)</u> | <u>5,979,852</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers In | 2,329,252 | 243,889 | (2,085,363) | 713,088 |
| Total Other Financing Sources (Uses) | <u>2,329,252</u> | <u>243,889</u> | <u>(2,085,363)</u> | <u>713,088</u> |
| Net Change in Fund Balance | <u>\$ -</u> | <u>(5,826,367)</u> | <u>\$ (5,826,367)</u> | 6,692,940 |
| Fund Balance at Beginning of Year | | <u>(73,022)</u> | | <u>(6,765,962)</u> |
| Fund Balance at End of Year | | <u>\$ (5,899,389)</u> | | <u>\$ (73,022)</u> |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 Actual |
|--|------------------------------|---------------------|---|---------------------|
| | Original and Final Budget | Actual | | |
| Revenues | | | | |
| Property Taxes | \$ 29,546 | \$ 30,482 | \$ 936 | \$ 27,767 |
| Home Rule Option Sales Tax - General | 4,200,000 | 2,458,991 | (1,741,009) | 5,020,832 |
| Local Use | 1,700,000 | 2,012,304 | 312,304 | 1,567,933 |
| Storm Sewers | 1,350,000 | 2,731 | (1,347,269) | 1,241,013 |
| Investment Income | 50,000 | 69,442 | 19,442 | 228,108 |
| Miscellaneous | 163,000 | 9,945 | (153,055) | 390,620 |
| Total Revenues | <u>7,492,546</u> | <u>4,583,895</u> | <u>(2,908,651)</u> | <u>8,476,273</u> |
| Expenditures | | | | |
| Public Works | | | | |
| Salaries | 303,793 | 282,031 | 21,762 | 286,951 |
| Benefits | 94,583 | 92,896 | 1,687 | 105,698 |
| Contractual Services | 1,548,220 | 520,521 | 1,027,699 | 1,328,593 |
| Commodities | 73,000 | 59,296 | 13,704 | 75,755 |
| Capital Outlay | 5,317,414 | 2,509,157 | 2,808,257 | 10,500,068 |
| Total Public Works | <u>7,337,010</u> | <u>3,463,901</u> | <u>3,873,109</u> | <u>12,297,065</u> |
| Economic Development | | | | |
| Capital Outlay | - | 36,454 | (36,454) | 54,400 |
| Total Economic Development | <u>-</u> | <u>36,454</u> | <u>(36,454)</u> | <u>54,400</u> |
| Total Expenditures | <u>7,337,010</u> | <u>3,500,355</u> | <u>3,836,655</u> | <u>12,351,465</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>155,536</u> | <u>1,083,540</u> | <u>928,004</u> | <u>(3,875,192)</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers In | - | - | - | 7,900,000 |
| Transfers Out | (2,354,252) | (268,889) | 2,085,363 | (6,095,546) |
| Total Other Financing Sources (Uses) | <u>(2,354,252)</u> | <u>(268,889)</u> | <u>2,085,363</u> | <u>1,804,454</u> |
| Net Change in Fund Balance | <u>\$ (2,198,716)</u> | 814,651 | <u>\$ 3,013,367</u> | (2,070,738) |
| Fund Balance at Beginning of Year | | <u>5,947,085</u> | | <u>8,017,823</u> |
| Fund Balance at End of Year | | <u>\$ 6,761,736</u> | | <u>\$ 5,947,085</u> |

CITY OF DES PLAINES, ILLINOIS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 December 31, 2020

| | Special Revenue Funds | | | | | |
|--|-----------------------|---|---------------------|-------------------------------|-------------------|------------------------|
| | Motor Fuel Tax | Community Development Block Grant | Asset Seizure | Foreign Fire Insurance Tax | Escrow Fund | TIF #3 (Wille Road) |
| ASSETS | | | | | | |
| Cash and Investments | \$ 3,297,112 | \$ - | \$ 1,152,386 | \$ 553,935 | \$ 962,064 | \$ - |
| Receivables (Net) | | | | | | |
| Property Taxes | - | - | - | - | - | 2,276,505 |
| Accounts Receivable | - | - | - | - | 6,616 | - |
| Accrued Interest | - | - | - | - | - | - |
| Due from Other Governments | 193,746 | 72,862 | - | - | - | - |
| TOTAL ASSETS | <u>\$ 3,490,858</u> | <u>\$ 72,862</u> | <u>\$ 1,152,386</u> | <u>\$ 553,935</u> | <u>\$ 968,680</u> | <u>\$ 2,276,505</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | |
| Liabilities | | | | | | |
| Accounts Payable | \$ 122,403 | \$ 72,862 | \$ 4,155 | \$ 25,103 | \$ 14,315 | \$ 217 |
| Deposits Payable | - | - | 148,135 | - | - | - |
| Unearned Revenue | - | - | - | - | - | - |
| Advances from Other Funds | - | 19,726 | - | - | 6,375 | 3,292,475 |
| Total Liabilities | <u>122,403</u> | <u>92,588</u> | <u>152,290</u> | <u>25,103</u> | <u>20,690</u> | <u>3,292,692</u> |
| Deferred Inflows of Resources | | | | | | |
| Deferred Property Tax Revenue | - | - | - | - | - | 2,276,505 |
| Total Deferred Inflows of Resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>2,276,505</u> |
| Fund Balances | | | | | | |
| Restricted | | | | | | |
| Economic Development | - | - | - | - | 947,990 | - |
| Streets & Highways | 3,368,455 | - | - | - | - | - |
| Public Safety | - | - | 1,000,096 | 528,832 | - | - |
| Assigned | | | | | | |
| Capital Acquisitions | - | - | - | - | - | - |
| Unassigned | - | (19,726) | - | - | - | (3,292,692) |
| Total Fund Balances | <u>3,368,455</u> | <u>(19,726)</u> | <u>1,000,096</u> | <u>528,832</u> | <u>947,990</u> | <u>(3,292,692)</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | <u>\$ 3,490,858</u> | <u>\$ 72,862</u> | <u>\$ 1,152,386</u> | <u>\$ 553,935</u> | <u>\$ 968,680</u> | <u>\$ 2,276,505</u> |

| Special Revenue Funds | | | Debt Service Fund | Capital Projects Funds | | | Total Nonmajor Governmental Funds |
|-----------------------|---------------------------------|---------------------|-------------------|------------------------|-------------------|------------------------|-----------------------------------|
| TIF #5 (Perry/Lee) | TIF #7 (Mannheim/Higgins South) | TIF #8 (Oakton) | Debt Service | Equipment Replacement | I.T. Replacement | Facilities Replacement | |
| \$ 262,429 | \$ - | \$ 1,180,474 | \$ - | \$ 5,356,462 | \$ 169,395 | \$ 10,355,579 | \$ 23,289,836 |
| 181,142 | 441,800 | 1,274,115 | - | - | - | - | 4,173,562 |
| - | - | - | - | - | - | 23,352 | 29,968 |
| - | - | - | - | 14,689 | - | - | 14,689 |
| - | - | - | - | - | - | - | 266,608 |
| <u>\$ 443,571</u> | <u>\$ 441,800</u> | <u>\$ 2,454,589</u> | <u>\$ -</u> | <u>\$ 5,371,151</u> | <u>\$ 169,395</u> | <u>\$ 10,378,931</u> | <u>\$ 27,774,663</u> |
| | | | | | | | |
| \$ 1,042 | \$ 216 | \$ - | \$ - | \$ 63,855 | \$ 9,178 | \$ 406,309 | \$ 719,655 |
| - | - | - | - | - | - | - | 148,135 |
| - | - | - | - | - | - | 45,136 | 45,136 |
| - | 2,442,279 | - | - | - | - | - | 5,760,855 |
| <u>1,042</u> | <u>2,442,495</u> | <u>-</u> | <u>-</u> | <u>63,855</u> | <u>9,178</u> | <u>451,445</u> | <u>6,673,781</u> |
| | | | | | | | |
| 181,142 | 441,800 | 1,268,741 | - | - | - | - | 4,168,188 |
| <u>181,142</u> | <u>441,800</u> | <u>1,268,741</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,168,188</u> |
| | | | | | | | |
| 261,387 | - | 1,185,848 | - | - | - | - | 2,395,225 |
| - | - | - | - | - | - | - | 3,368,455 |
| - | - | - | - | - | - | - | 1,528,928 |
| - | - | - | - | 5,307,296 | 160,217 | 9,927,486 | 15,394,999 |
| - | (2,442,495) | - | - | - | - | - | (5,754,913) |
| <u>261,387</u> | <u>(2,442,495)</u> | <u>1,185,848</u> | <u>-</u> | <u>5,307,296</u> | <u>160,217</u> | <u>9,927,486</u> | <u>16,932,694</u> |
| | | | | | | | |
| <u>\$ 443,571</u> | <u>\$ 441,800</u> | <u>\$ 2,454,589</u> | <u>\$ -</u> | <u>\$ 5,371,151</u> | <u>\$ 169,395</u> | <u>\$ 10,378,931</u> | <u>\$ 27,774,663</u> |

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year-Ended December 31, 2020

| | Special Revenue Funds | | | | | |
|--|-----------------------|---|---------------------|-------------------------------|-------------------|------------------------|
| | Motor Fuel Tax | Community Development Block Grant | Asset Seizure | Foreign Fire Insurance Tax | Escrow Fund | TIF #3 (Wille Road) |
| Revenues | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ 126,271 | \$ - | \$ 2,170,210 |
| Intergovernmental | 3,406,082 | 357,322 | 204,634 | - | - | - |
| Fines, Forfeitures and Penalties | - | - | 1,977 | - | - | - |
| Developer Fees | - | - | - | - | 408,817 | - |
| Investment Income | 9,306 | - | 927 | 1,275 | - | 159 |
| Miscellaneous | - | - | - | - | 421,080 | - |
| Total Revenues | <u>3,415,388</u> | <u>357,322</u> | <u>207,538</u> | <u>127,546</u> | <u>829,897</u> | <u>2,170,369</u> |
| Expenditures | | | | | | |
| Current: | | | | | | |
| General Government | - | - | - | - | 425,039 | - |
| Public Safety | - | - | 71,714 | 81,409 | 339 | - |
| Streets and Highways | 819,722 | - | - | - | - | - |
| Economic Development | - | 377,378 | - | - | 122,725 | 2,219 |
| Debt Service | | | | | | |
| Principal | - | - | - | - | - | 1,490,000 |
| Interest and Fiscal Charges | - | - | - | - | - | 390,777 |
| Capital Outlay | 428,370 | - | 155,033 | 10,680 | - | - |
| Total Expenditures | <u>1,248,092</u> | <u>377,378</u> | <u>226,747</u> | <u>92,089</u> | <u>548,103</u> | <u>1,882,996</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>2,167,296</u> | <u>(20,056)</u> | <u>(19,209)</u> | <u>35,457</u> | <u>281,794</u> | <u>287,373</u> |
| Other Financing Sources (Uses) | | | | | | |
| Proceeds from sale of capital assets | - | - | 12,106 | - | - | - |
| Transfers In | - | - | - | - | - | - |
| Transfers Out | - | - | - | - | - | (7,000) |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>12,106</u> | <u>-</u> | <u>-</u> | <u>(7,000)</u> |
| Net Change in Fund Balances | 2,167,296 | (20,056) | (7,103) | 35,457 | 281,794 | 280,373 |
| Fund Balances at Beginning of Year | <u>1,201,159</u> | <u>330</u> | <u>1,007,199</u> | <u>493,375</u> | <u>666,196</u> | <u>(3,573,065)</u> |
| Fund Balances at End of Year | <u>\$ 3,368,455</u> | <u>\$ (19,726)</u> | <u>\$ 1,000,096</u> | <u>\$ 528,832</u> | <u>\$ 947,990</u> | <u>\$ (3,292,692)</u> |

(Continued)

| Special Revenue Funds | | | Debt Service Fund | Capital Projects Funds | | | Total Nonmajor Governmental Funds |
|-----------------------|--|---------------------|-------------------|------------------------|-------------------|------------------------|-----------------------------------|
| TIF #5 (Perry/Lee) | TIF #7 (Mannheim/ Higgins South) | TIF #8 (Oakton) | Debt Service | Equipment Replacement | I.T. Replacement | Facilities Replacement | |
| \$ 178,345 | \$ 21,498 | \$ 1,185,841 | \$ - | \$ - | \$ - | \$ - | \$ 3,682,165 |
| - | - | - | - | - | - | - | 3,968,038 |
| - | - | - | - | - | - | - | 1,977 |
| - | - | - | - | - | - | - | 408,817 |
| 3 | 2 | 7 | - | 64,130 | 617 | - | 76,426 |
| - | - | - | - | - | - | 110,386 | 531,466 |
| <u>178,348</u> | <u>21,500</u> | <u>1,185,848</u> | <u>-</u> | <u>64,130</u> | <u>617</u> | <u>110,386</u> | <u>8,668,889</u> |
| - | - | - | - | - | 55,149 | 511,965 | 992,153 |
| - | - | - | - | - | - | - | 153,462 |
| - | - | - | - | - | - | - | 819,722 |
| 2,419 | 4,437 | - | - | - | - | - | 509,178 |
| 105,000 | - | - | - | 87,500 | - | - | 1,682,500 |
| 5,369 | - | - | - | - | - | - | 396,146 |
| <u>2,576</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>813,390</u> | <u>420,264</u> | <u>1,365,966</u> | <u>3,196,279</u> |
| <u>115,364</u> | <u>4,437</u> | <u>-</u> | <u>-</u> | <u>900,890</u> | <u>475,413</u> | <u>1,877,931</u> | <u>7,749,440</u> |
| <u>62,984</u> | <u>17,063</u> | <u>1,185,848</u> | <u>-</u> | <u>(836,760)</u> | <u>(474,796)</u> | <u>(1,767,545)</u> | <u>919,449</u> |
| - | - | - | - | 121,352 | - | - | 133,458 |
| - | - | - | - | 1,500,000 | 350,000 | 8,000,000 | 9,850,000 |
| - | (40,000) | - | (156,614) | - | - | - | (203,614) |
| - | (40,000) | - | (156,614) | 1,621,352 | 350,000 | 8,000,000 | 9,779,844 |
| 62,984 | (22,937) | 1,185,848 | (156,614) | 784,592 | (124,796) | 6,232,455 | 10,699,293 |
| <u>198,403</u> | <u>(2,419,558)</u> | <u>-</u> | <u>156,614</u> | <u>4,522,704</u> | <u>285,013</u> | <u>3,695,031</u> | <u>6,233,401</u> |
| <u>\$ 261,387</u> | <u>\$ (2,442,495)</u> | <u>\$ 1,185,848</u> | <u>\$ -</u> | <u>\$ 5,307,296</u> | <u>\$ 160,217</u> | <u>\$ 9,927,486</u> | <u>\$ 16,932,694</u> |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MOTOR FUEL TAX FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 |
|--|------------------------------|---------------------|---|---------------------|
| | Original and Final Budget | Actual | | Actual |
| Revenues | | | | |
| Intergovernmental | \$ 1,400,000 | \$ 3,406,082 | \$ 2,006,082 | \$ 1,914,684 |
| Investment Income | 10,000 | 9,306 | (694) | 30,348 |
| Total Revenues | <u>1,410,000</u> | <u>3,415,388</u> | <u>2,005,388</u> | <u>1,945,032</u> |
| Expenditures | | | | |
| Streets and Highways | | | | |
| Contractual Services | 334,000 | 306,985 | 27,015 | 603,583 |
| Commodities | 635,000 | 512,737 | 122,263 | 578,912 |
| Capital Outlay | 500,000 | 428,370 | 71,630 | 594,335 |
| Total Expenditures | <u>1,469,000</u> | <u>1,248,092</u> | <u>220,908</u> | <u>1,776,830</u> |
| Net Change in Fund Balance | <u>\$ (59,000)</u> | 2,167,296 | <u>\$ 2,226,296</u> | 168,202 |
| Fund Balance at Beginning of Year | | <u>1,201,159</u> | | <u>1,032,957</u> |
| Fund Balance at End of Year | | <u>\$ 3,368,455</u> | | <u>\$ 1,201,159</u> |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 Actual |
|--|------------------------------|--------------------|---|----------------|
| | Original and Final Budget | Actual | | |
| Revenues | | | | |
| Intergovernmental | \$ 302,509 | \$ 357,322 | \$ 54,813 | \$ 279,354 |
| Total Revenues | <u>302,509</u> | <u>357,322</u> | <u>54,813</u> | <u>279,354</u> |
| Expenditures | | | | |
| Economic Development | | | | |
| Salaries | 49,323 | 54,855 | (5,532) | 52,235 |
| Benefits | 9,300 | 9,766 | (466) | 8,570 |
| Contractual Services | 249,153 | 312,757 | (63,604) | 218,094 |
| Capital Outlay | - | - | - | (7,962) |
| Total Expenditures | <u>307,776</u> | <u>377,378</u> | <u>(69,602)</u> | <u>270,937</u> |
| Net Change in Fund Balance | <u>\$ (5,267)</u> | (20,056) | <u>\$ (14,789)</u> | 8,417 |
| Fund Balance at Beginning of Year | | <u>330</u> | | <u>(8,087)</u> |
| Fund Balance at End of Year | | <u>\$ (19,726)</u> | | <u>\$ 330</u> |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TIF #3 (WILLE ROAD) FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 |
|--|------------------------------|-----------------------|---|-----------------------|
| | Original and Final Budget | Actual | | Actual |
| Revenues | | | | |
| Taxes | \$ 2,077,083 | \$ 2,170,210 | \$ 93,127 | \$ 1,709,939 |
| Investment Income | 600 | 159 | (441) | 594 |
| Total Revenues | <u>2,077,683</u> | <u>2,170,369</u> | <u>92,686</u> | <u>1,710,533</u> |
| Expenditures | | | | |
| Economic Development | | | | |
| Contractual Services | 10,460 | 2,219 | 8,241 | 70 |
| Total Economic Development | <u>10,460</u> | <u>2,219</u> | <u>8,241</u> | <u>70</u> |
| Debt Service | | | | |
| Principal | 1,490,000 | 1,490,000 | - | 1,475,000 |
| Interest and Fiscal Charges | 390,953 | 390,777 | 176 | 432,561 |
| Total Debt Service | <u>1,880,953</u> | <u>1,880,777</u> | <u>176</u> | <u>1,907,561</u> |
| Total Expenditures | <u>1,891,413</u> | <u>1,882,996</u> | <u>8,417</u> | <u>1,907,631</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>186,270</u> | <u>287,373</u> | <u>101,103</u> | <u>(197,098)</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers Out | (7,000) | (7,000) | - | (6,000) |
| Total Other Financing Sources (Uses) | <u>(7,000)</u> | <u>(7,000)</u> | <u>-</u> | <u>(6,000)</u> |
| Net Change in Fund Balance | <u>\$ 179,270</u> | 280,373 | <u>\$ 101,103</u> | (203,098) |
| Fund Balance at Beginning of Year | | (3,573,065) | | (3,369,967) |
| Fund Balance at End of Year | | <u>\$ (3,292,692)</u> | | <u>\$ (3,573,065)</u> |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TIF #5 (PERRY/LEE) FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 |
|--|------------------------------|-------------------|---|-------------------|
| | Original and Final Budget | Actual | | Actual |
| Revenues | | | | |
| Taxes | \$ 172,645 | \$ 178,345 | \$ 5,700 | \$ 157,981 |
| Investment Income | 100 | 3 | (97) | 56 |
| Total Revenues | <u>172,745</u> | <u>178,348</u> | <u>5,603</u> | <u>158,037</u> |
| Expenditures | | | | |
| Economic Development | | | | |
| Contractual Services | 660 | 2,419 | (1,759) | - |
| Capital Outlay | - | 2,576 | (2,576) | 52,500 |
| Total Economic Development | <u>660</u> | <u>4,995</u> | <u>(4,335)</u> | <u>52,500</u> |
| Debt Service | | | | |
| Principal | 105,000 | 105,000 | - | 100,000 |
| Interest and Fiscal Charges | 5,375 | 5,369 | 6 | 7,869 |
| Total Debt Service | <u>110,375</u> | <u>110,369</u> | <u>6</u> | <u>107,869</u> |
| Total Expenditures | <u>111,035</u> | <u>115,364</u> | <u>(4,329)</u> | <u>160,369</u> |
| Net Change in Fund Balance | <u>\$ 61,710</u> | 62,984 | <u>\$ 1,274</u> | (2,332) |
| Fund Balance at Beginning of Year | | <u>198,403</u> | | <u>200,735</u> |
| Fund Balance at End of Year | | <u>\$ 261,387</u> | | <u>\$ 198,403</u> |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TIF #7 (MANNHEIM/HIGGINS SOUTH) FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 |
|--|------------------------------|-----------------------|---|-----------------------|
| | Original and Final Budget | Actual | | Actual |
| Revenues | | | | |
| Taxes | \$ 51,890 | \$ 21,498 | \$ (30,392) | \$ 70,827 |
| Investment Income | 50 | 2 | (48) | 66 |
| Total Revenues | <u>51,940</u> | <u>21,500</u> | <u>(30,440)</u> | <u>70,893</u> |
| Expenditures | | | | |
| Economic Development | | | | |
| Contractual Services | 28,270 | 4,437 | 23,833 | 122,424 |
| Commodities | - | - | - | 2,775 |
| Capital Outlay | - | - | - | 724,418 |
| Total Expenditures | <u>28,270</u> | <u>4,437</u> | <u>23,833</u> | <u>849,617</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>23,670</u> | <u>17,063</u> | <u>(6,607)</u> | <u>(778,724)</u> |
| Other Financing Sources (Uses) | | | | |
| Proceeds from sale of capital assets | - | - | - | 287,477 |
| Transfers Out | (40,000) | (40,000) | - | (49,000) |
| Total Other Financing Sources (Uses) | <u>(40,000)</u> | <u>(40,000)</u> | <u>-</u> | <u>238,477</u> |
| Net Change in Fund Balance | <u>\$ (16,330)</u> | <u>(22,937)</u> | <u>\$ (6,607)</u> | <u>(540,247)</u> |
| Fund Balance at Beginning of Year | | <u>(2,419,558)</u> | | <u>(1,879,311)</u> |
| Fund Balance at End of Year | | <u>\$ (2,442,495)</u> | | <u>\$ (2,419,558)</u> |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
TIF #8 (OAKTON) FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 Actual |
|--|------------------------------|---------------------|---|----------------|
| | Original and Final Budget | Actual | | |
| Revenues | | | | |
| Taxes | \$ - | \$ 1,185,841 | \$ 1,185,841 | \$ - |
| Investment Income | - | 7 | 7 | - |
| Total Revenues | <u>-</u> | <u>1,185,848</u> | <u>1,185,848</u> | <u>-</u> |
| Expenditures | | | | |
| Economic Development | | | | |
| Contractual Services | 175,000 | - | 175,000 | - |
| Capital Outlay | <u>11,500</u> | <u>-</u> | <u>11,500</u> | <u>-</u> |
| Total Expenditures | <u>186,500</u> | <u>-</u> | <u>186,500</u> | <u>-</u> |
| Net Change in Fund Balance | <u>\$ (186,500)</u> | 1,185,848 | <u>\$ 1,372,348</u> | - |
| Fund Balance at Beginning of Year | | <u>-</u> | | <u>-</u> |
| Fund Balance at End of Year | | <u>\$ 1,185,848</u> | | <u>\$ -</u> |

CITY OF DES PLAINES, ILLINOIS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 DEBT SERVICE FUND
 Year-Ended December 31, 2020
 With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 Actual |
|---|------------------------------|------------------|---|-------------------|
| | Original and Final Budget | Actual | | |
| Other Financing Sources (Uses) | | | | |
| Transfers Out | \$ - | \$ (156,614) | \$ (156,614) | \$ - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>(156,614)</u> | <u>(156,614)</u> | <u>-</u> |
| Net Change in Fund Balance | <u>\$ -</u> | <u>(156,614)</u> | <u>\$ (156,614)</u> | <u>-</u> |
| Fund Balance at Beginning of Year | | <u>156,614</u> | | <u>156,614</u> |
| Fund Balance at End of Year | | <u>\$ -</u> | | <u>\$ 156,614</u> |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EQUIPMENT REPLACEMENT FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 |
|--|------------------------------|---------------------|---|---------------------|
| | Original and Final Budget | Actual | | Actual |
| Revenues | | | | |
| Investment Income | \$ 75,000 | \$ 64,130 | \$ (10,870) | \$ 80,602 |
| Total Revenues | <u>75,000</u> | <u>64,130</u> | <u>(10,870)</u> | <u>80,602</u> |
| Expenditures | | | | |
| General Government | | | | |
| Contractual Services | - | - | - | 600 |
| Capital Outlay | <u>1,503,500</u> | <u>813,390</u> | <u>690,110</u> | <u>1,154,955</u> |
| Total General Government | <u>1,503,500</u> | <u>813,390</u> | <u>690,110</u> | <u>1,155,555</u> |
| Debt Service | | | | |
| Principal | <u>50,000</u> | <u>87,500</u> | <u>(37,500)</u> | <u>50,000</u> |
| Total Debt Service | <u>50,000</u> | <u>87,500</u> | <u>(37,500)</u> | <u>50,000</u> |
| Total Expenditures | <u>1,553,500</u> | <u>900,890</u> | <u>652,610</u> | <u>1,205,555</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(1,478,500)</u> | <u>(836,760)</u> | <u>641,740</u> | <u>(1,124,953)</u> |
| Other Financing Sources (Uses) | | | | |
| Proceeds from sale of capital assets | 65,000 | 121,352 | 56,352 | 147,685 |
| Transfers In | <u>1,500,000</u> | <u>1,500,000</u> | <u>-</u> | <u>1,500,000</u> |
| Total Other Financing Sources (Uses) | <u>1,565,000</u> | <u>1,621,352</u> | <u>56,352</u> | <u>1,647,685</u> |
| Net Change in Fund Balance | <u>\$ 86,500</u> | 784,592 | <u>\$ 698,092</u> | 522,732 |
| Fund Balance at Beginning of Year | | <u>4,522,704</u> | | <u>3,999,972</u> |
| Fund Balance at End of Year | | <u>\$ 5,307,296</u> | | <u>\$ 4,522,704</u> |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
I.T. REPLACEMENT FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 |
|--|------------------------------|-------------------|---|-------------------|
| | Original and Final Budget | Actual | | Actual |
| Revenues | | | | |
| Investment Income | \$ 1,000 | \$ 617 | \$ (383) | \$ 1,960 |
| Total Revenues | <u>1,000</u> | <u>617</u> | <u>(383)</u> | <u>1,960</u> |
| Expenditures | | | | |
| General Government | | | | |
| Contractual Services | 49,644 | 54,465 | (4,821) | 50,445 |
| Commodities | - | 684 | (684) | - |
| Capital Outlay | 513,481 | 420,264 | 93,217 | 190,299 |
| Total Expenditures | <u>563,125</u> | <u>475,413</u> | <u>87,712</u> | <u>240,744</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(562,125)</u> | <u>(474,796)</u> | <u>87,329</u> | <u>(238,784)</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers In | 350,000 | 350,000 | - | 250,000 |
| Total Other Financing Sources (Uses) | <u>350,000</u> | <u>350,000</u> | <u>-</u> | <u>250,000</u> |
| Net Change in Fund Balance | <u>\$ (212,125)</u> | <u>(124,796)</u> | <u>\$ 87,329</u> | <u>11,216</u> |
| Fund Balance at Beginning of Year | | <u>285,013</u> | | <u>273,797</u> |
| Fund Balance at End of Year | | <u>\$ 160,217</u> | | <u>\$ 285,013</u> |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FACILITIES REPLACEMENT FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 |
|--|------------------------------|---------------------|---|---------------------|
| | Original and Final Budget | Actual | | Actual |
| Revenues | | | | |
| Rental Income | \$ 86,332 | \$ 109,697 | \$ 23,365 | \$ 40,520 |
| Miscellaneous Revenues | - | 689 | 689 | 126,230 |
| Total Revenues | <u>86,332</u> | <u>110,386</u> | <u>24,054</u> | <u>166,750</u> |
| Expenditures | | | | |
| General Government | | | | |
| Contractual Services | 1,600,000 | 437,917 | 1,162,083 | - |
| Commodities | 750,000 | 74,048 | 675,952 | - |
| Capital Outlay | <u>9,100,000</u> | <u>1,365,966</u> | <u>7,734,034</u> | <u>198,201</u> |
| Total Expenditures | <u>11,450,000</u> | <u>1,877,931</u> | <u>9,572,069</u> | <u>198,201</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(11,363,668)</u> | <u>(1,767,545)</u> | <u>9,596,123</u> | <u>(31,451)</u> |
| Other Financing Sources (Uses) | | | | |
| Proceeds from sale of capital assets | - | - | - | 878,175 |
| Transfers In | <u>8,000,000</u> | <u>8,000,000</u> | <u>-</u> | <u>1,082,394</u> |
| Total Other Financing Sources (Uses) | <u>8,000,000</u> | <u>8,000,000</u> | <u>-</u> | <u>1,960,569</u> |
| Net Change in Fund Balance | <u>\$ (3,363,668)</u> | 6,232,455 | <u>\$ 9,596,123</u> | 1,929,118 |
| Fund Balance at Beginning of Year | | <u>3,695,031</u> | | <u>1,765,913</u> |
| Fund Balance at End of Year | | <u>\$ 9,927,486</u> | | <u>\$ 3,695,031</u> |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
WATER/SEWER FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 Actual |
|---|------------------------------|----------------------|---|----------------------|
| | Original and Final Budget | Actual | | |
| Operating Revenues | | | | |
| Charges for Services | | | | |
| Water Sales | \$ 12,007,500 | \$ 12,531,643 | \$ 524,143 | \$ 12,685,029 |
| Sewer Sales | 1,900,000 | 1,975,798 | 75,798 | 1,987,208 |
| Sales of Water Meters | 4,500 | 20,646 | 16,146 | 17,413 |
| Water Permit Fees | 1,000 | 1,700 | 700 | 1,800 |
| Service Charges, Cut Off and Connector Fees | 137,000 | 55,830 | (81,170) | 233,548 |
| Other Charges for Services | 1,500 | 2,592,895 | 2,591,395 | 156,462 |
| Total Charges for Services | <u>14,051,500</u> | <u>17,178,512</u> | <u>3,127,012</u> | <u>15,081,460</u> |
| Miscellaneous | <u>208,779</u> | <u>236,820</u> | <u>28,041</u> | <u>196,464</u> |
| Total Operating Revenues | <u>14,260,279</u> | <u>17,415,332</u> | <u>3,155,053</u> | <u>15,277,924</u> |
| Operating Expenses | | | | |
| Salaries | 3,263,461 | 3,043,812 | 219,649 | 2,957,921 |
| Benefits | 1,471,428 | 738,347 | 733,081 | 1,361,421 |
| Contractual Services | 1,433,955 | 1,136,477 | 297,478 | 1,285,586 |
| Commodities | 7,124,900 | 6,551,233 | 573,667 | 7,104,103 |
| Capital Outlay | 2,924,500 | - | 2,924,500 | (20,306) |
| Depreciation | - | 1,793,643 | (1,793,643) | 1,690,547 |
| Total Operating Expenses | <u>16,218,244</u> | <u>13,263,512</u> | <u>2,954,732</u> | <u>14,379,272</u> |
| Operating Income (Loss) | <u>(1,957,965)</u> | <u>4,151,820</u> | <u>6,109,785</u> | <u>898,652</u> |
| Nonoperating Revenues and (Expenses) | | | | |
| Intergovernmental | 4,750 | 5,476 | 726 | 9,290 |
| Loss on Disposal of Assets | - | (57,626) | (57,626) | (156,675) |
| Total Nonoperating Revenues and (Expenses) | <u>4,750</u> | <u>(52,150)</u> | <u>(56,900)</u> | <u>(147,385)</u> |
| Income (Loss) Before Transfers | <u>(1,953,215)</u> | <u>4,099,670</u> | <u>6,052,885</u> | <u>751,267</u> |
| Transfers | | | | |
| Transfers In | <u>770,758</u> | <u>339,956</u> | <u>(430,802)</u> | <u>5,895,758</u> |
| Total Transfers | <u>770,758</u> | <u>339,956</u> | <u>(430,802)</u> | <u>5,895,758</u> |
| Change in Net Position | <u>\$ (1,182,457)</u> | <u>4,439,626</u> | <u>\$ 5,622,083</u> | <u>6,647,025</u> |
| Net Position at Beginning of Year | | <u>40,313,786</u> | | <u>33,666,761</u> |
| Net Position at End of Year | | <u>\$ 44,753,412</u> | | <u>\$ 40,313,786</u> |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET (BUDGET BASIS) AND ACTUAL
PARKING SYSTEM FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 Actual |
|---|------------------------------|---------------------|---|---------------------|
| | Original and Final Budget | Actual | | |
| Operating Revenues | | | | |
| Charges for Services | | | | |
| Parking Lots, Garages, Permits, and Other | \$ 383,770 | \$ 248,331 | \$ (135,439) | \$ 374,889 |
| Miscellaneous | - | - | - | 158 |
| Total Operating Revenues | <u>383,770</u> | <u>248,331</u> | <u>(135,439)</u> | <u>375,047</u> |
| Operating Expenses | | | | |
| Contractual Services | 119,140 | 48,972 | 70,168 | 82,709 |
| Commodities | 187,600 | 83,032 | 104,568 | 131,098 |
| Capital Outlay | 500,000 | - | 500,000 | 29,977 |
| Total Operating Expenses | <u>806,740</u> | <u>132,004</u> | <u>674,736</u> | <u>243,784</u> |
| Income (Loss) Before Transfers - budgetary | <u>(422,970)</u> | <u>116,327</u> | <u>539,297</u> | <u>131,263</u> |
| Transfers | | | | |
| Transfers Out | (36,516) | (36,516) | - | (36,516) |
| Total Transfers | <u>(36,516)</u> | <u>(36,516)</u> | <u>-</u> | <u>(36,516)</u> |
| Adjustments to GAAP basis - depreciation | - | (653,621) | - | (653,621) |
| Change in Net Position | <u>\$ (459,486)</u> | <u>(573,810)</u> | <u>\$ 539,297</u> | <u>(558,874)</u> |
| Net Position at Beginning of Year | | <u>8,858,280</u> | | <u>9,417,154</u> |
| Net Position at End of Year | | <u>\$ 8,284,470</u> | | <u>\$ 8,858,280</u> |

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 December 31, 2020

| | Risk Management | Health Benefits | Total Internal Service Funds |
|---|---------------------|---------------------|---------------------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and Investments | \$ 743,887 | \$ 453,967 | \$ 1,197,854 |
| Prepaid Items | 722,735 | 3,542,234 | 4,264,969 |
| Other Receivables | 10,727 | 23,799 | 34,526 |
| Total Current Assets | <u>1,477,349</u> | <u>4,020,000</u> | <u>5,497,349</u> |
| TOTAL ASSETS | <u>1,477,349</u> | <u>4,020,000</u> | <u>5,497,349</u> |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Accounts Payable | 20,395 | 1,089 | 21,484 |
| Unearned Revenue | 762 | 10,446 | 11,208 |
| Long-term Obligations, Due Within One Year: | | | |
| Early Retirement Incentive Program Payable | - | 603,030 | 603,030 |
| Total Current Liabilities | <u>21,157</u> | <u>614,565</u> | <u>635,722</u> |
| Noncurrent Liabilities: | | | |
| Long-term Obligations, Due in More Than One Year: | | | |
| Early Retirement Incentive Program Payable | - | 477,203 | 477,203 |
| Total Noncurrent Liabilities | <u>-</u> | <u>477,203</u> | <u>477,203</u> |
| TOTAL LIABILITIES | <u>21,157</u> | <u>1,091,768</u> | <u>1,112,925</u> |
| NET POSITION | | | |
| Unrestricted | 1,456,192 | 2,928,232 | 4,384,424 |
| TOTAL NET POSITION | <u>\$ 1,456,192</u> | <u>\$ 2,928,232</u> | <u>\$ 4,384,424</u> |

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN NET POSITION
 INTERNAL SERVICE FUNDS
 Year-Ended December 31, 2020

| | Risk Management | Health Benefits | Total Internal Service Funds |
|--|---------------------|---------------------|---------------------------------|
| Operating Revenues | | | |
| Charges for Services | \$ 2,625,658 | \$ 7,881,912 | \$ 10,507,570 |
| Miscellaneous | 153,024 | - | 153,024 |
| Total Operating Revenues | 2,778,682 | 7,881,912 | 10,660,594 |
| Operating Expenses | | | |
| Claims Expense | - | 7,067,479 | 7,067,479 |
| Insurance and Processing Fees | 2,270,212 | 710,618 | 2,980,830 |
| Miscellaneous | 106,265 | 6,891 | 113,156 |
| Early Retirement Incentive | - | 1,211,174 | 1,211,174 |
| Total Operating Expenses | 2,376,477 | 8,996,162 | 11,372,639 |
| Change in Net Position | 402,205 | (1,114,250) | (712,045) |
| Net Position at Beginning of Year | 1,053,987 | 4,042,482 | 5,096,469 |
| Net Position at End of Year | \$ 1,456,192 | \$ 2,928,232 | \$ 4,384,424 |

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 Year-Ended December 31, 2020

| | Risk Management | Health Benefits | Total Internal Service Funds |
|--|--------------------|---------------------|---------------------------------|
| Cash Flows from Operating Activities | | | |
| Cash Received from Customers | \$ 2,615,693 | \$ 7,827,735 | \$ 10,443,428 |
| Receipts from Miscellaneous Revenues | 153,024 | - | 153,024 |
| Cash Payments to Suppliers for Goods and Services | <u>(2,289,191)</u> | <u>(8,290,021)</u> | <u>(10,579,212)</u> |
| Net Cash Provided/(Used) by Operating Activities | <u>479,526</u> | <u>(462,286)</u> | <u>17,240</u> |
| Net Increase (Decrease) in Cash & Investments | 479,526 | (462,286) | 17,240 |
| Cash & Investments, Beginning of Year | <u>264,361</u> | <u>916,253</u> | <u>1,180,614</u> |
| Cash & Investments, End of Year | <u>\$ 743,887</u> | <u>\$ 453,967</u> | <u>\$ 1,197,854</u> |
| Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities | | | |
| Operating Income/(Loss) | \$ 402,205 | \$ (1,114,250) | \$ (712,045) |
| Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities | | | |
| Decrease (Increase) in Prepaid Items | 73,937 | (374,091) | (300,154) |
| Decrease (Increase) in Other Receivables | (10,727) | (21,676) | (32,403) |
| (Decrease) Increase in Accounts Payable | 13,349 | (1) | 13,348 |
| (Decrease) Increase in Early Retirement Payable | - | 1,080,233 | 1,080,233 |
| (Decrease) Increase in Unearned Revenue | <u>762</u> | <u>(32,501)</u> | <u>(31,739)</u> |
| Total Adjustments | <u>77,321</u> | <u>651,964</u> | <u>729,285</u> |
| Net Cash Provided/(Used) by Operating Activities | <u>\$ 479,526</u> | <u>\$ (462,286)</u> | <u>\$ 17,240</u> |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
RISK MANAGEMENT FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 |
|--|------------------------------|---------------------|---|---------------------|
| | Original and Final Budget | Actual | | Actual |
| Operating Revenues | | | | |
| Charges for Services | \$ 2,496,644 | \$ 2,625,658 | \$ 129,014 | \$ 2,595,902 |
| Miscellaneous | 150,000 | 153,024 | 3,024 | 32,007 |
| Total Operating Revenues | <u>2,646,644</u> | <u>2,778,682</u> | <u>132,038</u> | <u>2,627,909</u> |
| Operating Expenses | | | | |
| Salaries | 23,785 | - | 23,785 | 8,872 |
| Benefits | 4,484 | - | 4,484 | 1,453 |
| Claims Expense | | | | |
| Workers' Compensation Claims | 25,000 | - | 25,000 | - |
| Total Claims Expense | <u>25,000</u> | <u>-</u> | <u>25,000</u> | <u>-</u> |
| Insurance and Processing Fees | | | | |
| Claims Administrative Fees | 2,500 | - | 2,500 | - |
| Insurance Premiums | 16,201 | 6,962 | 9,239 | 27,402 |
| MICA Loss Fund | 2,509,516 | 2,242,142 | 267,374 | 2,525,273 |
| MICA Deductible | 75,000 | 21,108 | 53,892 | 56,261 |
| Total Insurance and Processing Fees | <u>2,603,217</u> | <u>2,270,212</u> | <u>333,005</u> | <u>2,608,936</u> |
| Miscellaneous | | | | |
| City-wide Substance Abuse Program | - | 81 | (81) | 383 |
| Self-insurance Losses | 75,000 | 30,045 | 44,955 | 4,318 |
| Miscellaneous Contractual Services | 89,567 | 76,139 | 13,428 | 58,707 |
| Total Miscellaneous | <u>164,567</u> | <u>106,265</u> | <u>58,302</u> | <u>63,408</u> |
| Total Operating Expenses | <u>2,821,053</u> | <u>2,376,477</u> | <u>444,576</u> | <u>2,682,669</u> |
| Change in Net Position | <u>\$ (174,409)</u> | 402,205 | <u>\$ 576,614</u> | (54,760) |
| Net Position at Beginning of Year | | <u>1,053,987</u> | | <u>1,108,747</u> |
| Net Position at End of Year | | <u>\$ 1,456,192</u> | | <u>\$ 1,053,987</u> |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
HEALTH BENEFITS FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 |
|---|------------------------------|---------------------|---|---------------------|
| | Original and Final Budget | Actual | | Actual |
| Operating Revenues | | | | |
| Charges for Services | \$ 7,986,525 | \$ 7,881,912 | \$ (104,613) | \$ 7,689,798 |
| Total Operating Revenues | <u>7,986,525</u> | <u>7,881,912</u> | <u>(104,613)</u> | <u>7,689,798</u> |
| Operating Expenses | | | | |
| Claims Expense | | | | |
| Claims Paid - City - PPO | 5,902,979 | 5,517,584 | 385,395 | 5,056,720 |
| Claims Paid - City - HMO | 1,466,093 | 1,549,895 | (83,802) | 1,547,543 |
| Total Claims Expense | <u>7,369,072</u> | <u>7,067,479</u> | <u>301,593</u> | <u>6,604,263</u> |
| Insurance and Processing Fees | | | | |
| Dental Claims and Administration Fee | 569,504 | 517,616 | 51,888 | 537,064 |
| Life Insurance Premium | 279,446 | 193,002 | 86,444 | 199,610 |
| Total Insurance and Processing Fees | <u>848,950</u> | <u>710,618</u> | <u>138,332</u> | <u>736,674</u> |
| Miscellaneous | 50,000 | 6,891 | 43,109 | 7,033 |
| Early Retirement Incentive | - | 1,211,174 | (1,211,174) | - |
| Total Operating Expenses | <u>8,268,022</u> | <u>8,996,162</u> | <u>(728,140)</u> | <u>7,347,970</u> |
| Operating Income (Loss) | <u>(281,497)</u> | <u>(1,114,250)</u> | <u>(832,753)</u> | <u>341,828</u> |
| Nonoperating Revenues and (Expenses) | | | | |
| Investment Income | 300 | - | (300) | - |
| Total Nonoperating Revenues and (Expenses) | <u>300</u> | <u>-</u> | <u>(300)</u> | <u>-</u> |
| Change in Net Position | <u>\$ (281,197)</u> | <u>(1,114,250)</u> | <u>\$ (833,053)</u> | <u>341,828</u> |
| Net Position at Beginning of Year | | <u>4,042,482</u> | | <u>3,700,654</u> |
| Net Position at End of Year | | <u>\$ 2,928,232</u> | | <u>\$ 4,042,482</u> |

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 PENSION TRUST FUNDS
 December 31, 2020

| | Firefighters' Pension | Police Pension | Total Pension Trust Funds |
|---|--------------------------|----------------------|------------------------------|
| ASSETS | | | |
| Cash and Cash Equivalents | \$ 3,589,036 | \$ 4,554,767 | \$ 8,143,803 |
| Investments | | | |
| U.S. Government and Agency Obligations | 14,491,277 | 14,719,953 | 29,211,230 |
| State and Local Obligations | 251,611 | 332,492 | 584,103 |
| Corporate Bonds | 12,887,253 | 12,180,109 | 25,067,362 |
| Mutual Funds | 40,999,704 | 34,106,137 | 75,105,841 |
| Stocks | 20,559,775 | 18,652,875 | 39,212,650 |
| Insurance Contracts | - | 1,565 | 1,565 |
| Receivables | | | |
| Accrued Interest | 127,031 | 125,173 | 252,204 |
| Prepaid Items | 8,806 | 8,726 | 17,532 |
| TOTAL ASSETS | 92,914,493 | 84,681,797 | 177,596,290 |
| LIABILITIES AND NET POSITION | | | |
| Liabilities | | | |
| Accounts Payable | 56,292 | 53,588 | 109,880 |
| Total Liabilities | 56,292 | 53,588 | 109,880 |
| Net Position | | | |
| Restricted for Pensions | 92,858,201 | 84,628,209 | 177,486,410 |
| TOTAL LIABILITIES AND NET POSITION | \$ 92,914,493 | \$ 84,681,797 | \$ 177,596,290 |

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 PENSION TRUST FUNDS
 Year-Ended December 31, 2020

| | Firefighters' Pension | Police Pension | Total Pension Trust Funds |
|---|--------------------------|----------------------|------------------------------|
| Additions | | | |
| Contributions | | | |
| Employer | \$ 5,697,690 | \$ 6,019,107 | \$ 11,716,797 |
| Plan Members | 915,532 | 1,028,868 | 1,944,400 |
| Other | - | 2,518 | 2,518 |
| Total Contributions | <u>6,613,222</u> | <u>7,050,493</u> | <u>13,663,715</u> |
| Investment Income | 11,351,689 | 9,602,884 | 20,954,573 |
| Less Investment Expense | <u>(309,681)</u> | <u>(285,966)</u> | <u>(595,647)</u> |
| Net Investment Income | <u>11,042,008</u> | <u>9,316,918</u> | <u>20,358,926</u> |
| Total Additions | <u>17,655,230</u> | <u>16,367,411</u> | <u>34,022,641</u> |
| Deductions | | | |
| Administration | 77,140 | 90,655 | 167,795 |
| Benefits and Refunds | <u>9,038,052</u> | <u>8,427,154</u> | <u>17,465,206</u> |
| Total Deductions | <u>9,115,192</u> | <u>8,517,809</u> | <u>17,633,001</u> |
| Net Increase in Net Position | 8,540,038 | 7,849,602 | 16,389,640 |
| Plan Net Position at Beginning of Year | <u>84,318,163</u> | <u>76,778,607</u> | <u>161,096,770</u> |
| Plan Net Position at End of Year | <u>\$ 92,858,201</u> | <u>\$ 84,628,209</u> | <u>\$ 177,486,410</u> |

CITY OF DES PLAINES, ILLINOIS
 COMPONENT UNIT - LIBRARY
 STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 December 31, 2020

| | General | Capital Projects | Total |
|---|---------------------|---------------------|----------------------|
| ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | | | |
| Assets | | | |
| Cash | \$ 2,390,739 | \$ 2,103,750 | \$ 4,494,489 |
| Property Tax Receivable | 6,081,491 | - | 6,081,491 |
| Other Receivable | 23,247 | - | 23,247 |
| Due from Other Funds | - | - | - |
| Prepaid Items | 50,154 | - | 50,154 |
| Capital Assets, Net | - | - | - |
| Net Pension Asset | - | - | - |
| Total Assets | <u>8,545,631</u> | <u>2,103,750</u> | <u>10,649,381</u> |
| Deferred Outflows of Resources | | | |
| Deferred Pension Outflows | - | - | - |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | <u>\$ 8,545,631</u> | <u>\$ 2,103,750</u> | <u>\$ 10,649,381</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION | | | |
| Liabilities | | | |
| Accounts Payable | \$ 119,046 | \$ - | \$ 119,046 |
| Accrued Payroll | 40,371 | - | 40,371 |
| Due to Other Funds | 97,085 | - | 97,085 |
| Noncurrent Liabilities | | | |
| Due within One Year | - | - | - |
| Due in More than One Year | - | - | - |
| Total Liabilities | <u>256,502</u> | <u>-</u> | <u>256,502</u> |
| Deferred Inflows of Resources | | | |
| Unavailable Property Tax Revenue | 6,069,500 | - | 6,069,500 |
| Deferred Pension Inflows | - | - | - |
| Total Deferred Inflows of Resources | <u>6,069,500</u> | <u>-</u> | <u>6,069,500</u> |
| Fund Balances/Net Position | | | |
| Net Investment in Capital Assets | - | - | - |
| Restricted for Culture and Recreation | 2,219,629 | 2,103,750 | 4,323,379 |
| Total Fund Balances/Net Position | <u>2,219,629</u> | <u>2,103,750</u> | <u>4,323,379</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION | <u>\$ 8,545,631</u> | <u>\$ 2,103,750</u> | <u>\$ 10,649,381</u> |

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

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

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

| Internal Service Fund Compensated Absences | Adjustments | | | | | Statement of Net Position |
|---|----------------------|------------------------|---------------------------------|---------------------|-------------|------------------------------|
| | Internal Balances | Net OPEB Obligation | Net Pension Asset/ Liability | Long-Term Assets | | |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,494,489 |
| - | - | - | - | - | - | 6,081,491 |
| - | - | - | - | - | - | 23,247 |
| 97,085 | (97,085) | - | - | - | - | - |
| - | - | - | - | - | - | 50,154 |
| - | - | - | - | 2,560,784 | - | 2,560,784 |
| - | - | - | 1,279,667 | - | - | 1,279,667 |
| <u>97,085</u> | <u>(97,085)</u> | <u>-</u> | <u>1,279,667</u> | <u>2,560,784</u> | <u>-</u> | <u>14,489,832</u> |
| - | - | - | 204,823 | - | - | 204,823 |
| <u>\$ 97,085</u> | <u>\$ (97,085)</u> | <u>\$ -</u> | <u>\$ 1,484,490</u> | <u>\$ 2,560,784</u> | <u>\$ -</u> | <u>\$ 14,694,655</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 119,046 |
| - | - | - | - | - | - | 40,371 |
| - | (97,085) | - | - | - | - | - |
| 97,085 | - | - | - | - | - | 97,085 |
| - | - | 486,865 | - | - | - | 486,865 |
| <u>97,085</u> | <u>(97,085)</u> | <u>486,865</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>743,367</u> |
| - | - | - | - | - | - | 6,069,500 |
| - | - | - | 2,030,723 | - | - | 2,030,723 |
| - | - | - | 2,030,723 | - | - | 8,100,223 |
| - | - | - | - | 2,560,784 | - | 2,560,784 |
| - | - | (486,865) | (546,233) | - | - | 3,290,281 |
| - | - | (486,865) | (546,233) | 2,560,784 | - | 5,851,065 |
| <u>\$ 97,085</u> | <u>\$ (97,085)</u> | <u>\$ -</u> | <u>\$ 1,484,490</u> | <u>\$ 2,560,784</u> | <u>\$ -</u> | <u>\$ 14,694,655</u> |
| <u>\$ 97,085</u> | <u>\$ (97,085)</u> | | | | | |
| | | <u>\$ 486,865</u> | <u>\$ 546,233</u> | | | |
| | | | | <u>\$ 2,560,784</u> | | |

CITY OF DES PLAINES, ILLINOIS
 COMPONENT UNIT - LIBRARY
 STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES/NET POSITION
 Year-Ended December 31, 2020

| | General | Capital Projects | Total |
|--|---------------------|---------------------|---------------------|
| Revenues | | | |
| Property Taxes | \$ 5,997,162 | \$ - | \$ 5,997,162 |
| Intergovernmental | 173,443 | - | 173,443 |
| Charges for Services | 7,851 | - | 7,851 |
| Fines | 16,920 | - | 16,920 |
| Investment Income | 16,160 | 9,862 | 26,022 |
| Miscellaneous | 56,496 | - | 56,496 |
| Total Revenues | <u>6,268,032</u> | <u>9,862</u> | <u>6,277,894</u> |
| Expenditures | | | |
| Civic and Cultural | 5,581,340 | 900 | 5,582,240 |
| Capital Outlay | 126,684 | 176,627 | 303,311 |
| Total Expenditures | <u>5,708,024</u> | <u>177,527</u> | <u>5,885,551</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | 560,008 | (167,665) | 392,343 |
| Other Financing Sources (Uses) | | | |
| Transfers in | - | 500,000 | 500,000 |
| Transfers out | (500,000) | - | (500,000) |
| Total Other Financing Sources (Uses) | <u>(500,000)</u> | <u>500,000</u> | <u>-</u> |
| Net Change in Fund Balance/Net Position | 60,008 | 332,335 | 392,343 |
| Fund Balance/Net Position, Beginning of Year | <u>2,159,621</u> | <u>1,771,415</u> | <u>3,931,036</u> |
| Fund Balance/Net Position, End of Year | <u>\$ 2,219,629</u> | <u>\$ 2,103,750</u> | <u>\$ 4,323,379</u> |

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

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

Grant revenues previously reported in the statement of activities that did provide current financial resources are reported as revenues in the funds.

| Adjustments | | | | | |
|---------------------|----------------------|------------------------|---------------------------------|----------------------------|--|
| Long-Term Assets | Internal Balances | Net OPEB Obligation | Net Pension Asset/ Liability | Statement of Activities | |
| \$ - | \$ - | \$ - | \$ - | \$ 5,997,162 | |
| - | - | - | - | 173,443 | |
| - | - | - | - | 7,851 | |
| - | - | - | - | 16,920 | |
| - | - | - | - | 26,022 | |
| - | - | - | - | 56,496 | |
| - | - | - | - | 6,277,894 | |
| 175,650 | - | (16,497) | (614,829) | 5,126,564 | |
| (156,626) | - | - | - | 146,685 | |
| 19,024 | - | (16,497) | (614,829) | 5,273,249 | |
| (19,024) | - | 16,497 | 614,829 | 1,004,645 | |
| - | (500,000) | - | - | - | |
| - | 500,000 | - | - | - | |
| - | - | - | - | - | |
| (19,024) | - | 16,497 | 614,829 | 1,004,645 | |
| 2,579,808 | - | (503,362) | (1,161,062) | 4,846,420 | |
| <u>\$ 2,560,784</u> | <u>\$ -</u> | <u>\$ (486,865)</u> | <u>\$ (546,233)</u> | <u>\$ 5,851,065</u> | |
| | | | | | |
| <u>\$ (19,024)</u> | | | | | |
| | | | | | |
| | | <u>\$ 16,497</u> | <u>\$ 614,829</u> | | |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LIBRARY - GENERAL FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 Actual |
|--|------------------------------|---------------------|---|---------------------|
| | Original and Final Budget | Actual | | |
| Revenues | | | | |
| Property Taxes | \$ 6,100,000 | \$ 5,997,162 | \$ (102,838) | \$ 6,069,879 |
| Replacement Taxes | 92,988 | 92,988 | - | 92,988 |
| State Grants | 76,000 | 80,455 | 4,455 | 75,955 |
| Charges for Services | 6,000 | 7,851 | 1,851 | 25,836 |
| Fines | 66,000 | 16,920 | (49,080) | 55,947 |
| Investment Income | 76,000 | 16,160 | (59,840) | 74,622 |
| Miscellaneous | 61,500 | 56,496 | (5,004) | 116,957 |
| Total Revenues | <u>6,478,488</u> | <u>6,268,032</u> | <u>(210,456)</u> | <u>6,512,184</u> |
| Expenditures | | | | |
| Civic and Cultural | | | | |
| Salaries | 3,245,573 | 2,737,410 | 508,163 | 2,976,690 |
| Benefits | 1,156,323 | 1,008,993 | 147,330 | 802,611 |
| Contractual Services | 1,089,856 | 1,004,319 | 85,537 | 1,133,176 |
| Commodities | 999,630 | 830,618 | 169,012 | 970,670 |
| Total Civic and Cultural | <u>6,491,382</u> | <u>5,581,340</u> | <u>910,042</u> | <u>5,883,147</u> |
| Capital Outlay | 197,375 | 126,684 | 70,691 | 155,457 |
| Total Expenditures | <u>6,688,757</u> | <u>5,708,024</u> | <u>980,733</u> | <u>6,038,604</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(210,269)</u> | <u>560,008</u> | <u>770,277</u> | <u>473,580</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers Out | (500,000) | (500,000) | - | (600,000) |
| Total Other Financing Sources (Uses) | <u>(500,000)</u> | <u>(500,000)</u> | <u>-</u> | <u>(600,000)</u> |
| Net Change in Fund Balance | <u>\$ (710,269)</u> | <u>60,008</u> | <u>\$ 770,277</u> | <u>(126,420)</u> |
| Fund Balance at Beginning of Year | | <u>2,159,621</u> | | <u>2,286,041</u> |
| Fund Balance at End of Year | | <u>\$ 2,219,629</u> | | <u>\$ 2,159,621</u> |

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LIBRARY - CAPITAL PROJECTS FUND
Year-Ended December 31, 2020
With Comparative Actual Amounts for the Year-Ended December 31, 2019

| | 2020 | | Variance from Final Budget Positive (Negative) | 2019 |
|--|------------------------------|---------------------|---|---------------------|
| | Original and Final Budget | Actual | | Actual |
| Revenues | | | | |
| Investment Income | \$ 100 | \$ 9,862 | \$ 9,762 | \$ 25,077 |
| Total Revenues | <u>100</u> | <u>9,862</u> | <u>9,762</u> | <u>25,077</u> |
| Expenditures | | | | |
| Capital Outlay | 283,250 | 176,627 | 106,623 | 169,805 |
| Contractual Services | 40,000 | 900 | 39,100 | - |
| Total Expenditures | <u>323,250</u> | <u>177,527</u> | <u>145,723</u> | <u>169,805</u> |
| Excess (Deficiency) of Revenues over (under) Expenditures | <u>(323,150)</u> | <u>(167,665)</u> | <u>155,485</u> | <u>(144,728)</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers In | 500,000 | 500,000 | - | 600,000 |
| Total Other Financing Sources (Uses) | <u>500,000</u> | <u>500,000</u> | <u>-</u> | <u>600,000</u> |
| Net Change in Fund Balance | <u>\$ 176,850</u> | 332,335 | <u>\$ 155,485</u> | 455,272 |
| Fund Balance at Beginning of Year | | <u>1,771,415</u> | | <u>1,316,143</u> |
| Fund Balance at End of Year | | <u>\$ 2,103,750</u> | | <u>\$ 1,771,415</u> |

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2008A (TIF#3 PORTION)
December 31, 2020

| | |
|-------------------------|-----------------------------|
| Date of issue | April 1, 2008 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 1,241,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.25% to 5.25% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|------------------|-----------------|--------------|---------------|---------------|-------------------|---------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2021 | \$ 125,000 | \$ 6,562 | \$ 131,562 | 2021 | \$ 3,281 | 2021 | \$ 3,281 |
| | \$ 125,000 | \$ 6,562 | \$ 131,562 | | \$ 3,281 | | \$ 3,281 |

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2009A (TIF #6, CAPITAL APPRECIATION)
December 31, 2020

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Capital Appreciation Bonds | | | | Total Principal <u>Requirement</u> |
|--|----------------------------|----------------------|---------------------|---------------------|--|
| | Original Amount | Accretion to Date | Current Payable | Future Accretion | |
| 2021 | \$ 225,713 | \$ 194,967 | \$ 420,680 | \$ 24,320 | \$ 445,000 |
| 2022 | 750,424 | 655,755 | 1,406,179 | 168,821 | 1,575,000 |
| 2023 | <u>333,112</u> | <u>294,460</u> | <u>627,572</u> | <u>117,428</u> | <u>745,000</u> |
| | <u>\$ 1,309,249</u> | <u>\$ 1,145,182</u> | <u>\$ 2,454,431</u> | <u>\$ 310,569</u> | <u>\$ 2,765,000</u> |

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011A (TOTAL ISSUE)
December 31, 2020

| | |
|-------------------------|-----------------------------|
| Date of issue | December 22, 2011 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 3,540,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.00% to 2.50% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|-------------------|-----------------|-------------------|---------------|-----------------|-------------------|-----------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2021 | <u>\$ 285,000</u> | <u>\$ 7,126</u> | <u>\$ 292,126</u> | 2021 | <u>\$ 3,563</u> | 2021 | <u>\$ 3,563</u> |
| | <u>\$ 285,000</u> | <u>\$ 7,126</u> | <u>\$ 292,126</u> | | <u>\$ 3,563</u> | | <u>\$ 3,563</u> |

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011A (TIF #3 PORTION)
December 31, 2020

| | |
|-------------------------|-----------------------------|
| Date of issue | December 22, 2011 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 755,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.00% to 2.50% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|------------------|-----------------|--------------|---------------|---------------|-------------------|---------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2021 | \$ 155,000 | \$ 3,876 | \$ 158,876 | 2021 | \$ 1,938 | 2021 | \$ 1,938 |
| | \$ 155,000 | \$ 3,876 | \$ 158,876 | | \$ 1,938 | | \$ 1,938 |

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011A (TIF #5 PORTION)
December 31, 2020

| | |
|-------------------------|-----------------------------|
| Date of issue | December 22, 2011 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 980,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.00% to 2.50% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|-------------------|-----------------|-------------------|---------------|-----------------|-------------------|-----------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2021 | <u>\$ 105,000</u> | <u>\$ 2,626</u> | <u>\$ 107,626</u> | 2021 | <u>\$ 1,313</u> | 2021 | <u>\$ 1,313</u> |
| | <u>\$ 105,000</u> | <u>\$ 2,626</u> | <u>\$ 107,626</u> | | <u>\$ 1,313</u> | | <u>\$ 1,313</u> |

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011A (TIF #6 PORTION)
December 31, 2020

| | |
|-------------------------|-----------------------------|
| Date of issue | December 22, 2011 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 250,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 2.00% to 2.50% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|------------------|-----------------|--------------|---------------|---------------|-------------------|---------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2021 | \$ 25,000 | \$ 624 | \$ 25,624 | 2021 | \$ 312 | 2021 | \$ 312 |
| | \$ 25,000 | \$ 624 | \$ 25,624 | | \$ 312 | | \$ 312 |

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013 (TOTAL ISSUE)
December 31, 2020

| | |
|-------------------------|-----------------------------|
| Date of issue | December 17, 2013 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 7,945,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.00% to 3.30% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|-------------------|------------------|-------------------|---------------|------------------|-------------------|------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2021 | <u>\$ 690,000</u> | <u>\$ 22,772</u> | <u>\$ 712,772</u> | 2021 | <u>\$ 11,386</u> | 2021 | <u>\$ 11,386</u> |
| | <u>\$ 690,000</u> | <u>\$ 22,772</u> | <u>\$ 712,772</u> | | <u>\$ 11,386</u> | | <u>\$ 11,386</u> |

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013 (TIF #3 PORTION)
December 31, 2020

| | |
|-------------------------|-----------------------------|
| Date of issue | December 17, 2013 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 565,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.00% to 3.30% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|------------------|-----------------|------------------|---------------|-----------------|-------------------|-----------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2021 | <u>\$ 75,000</u> | <u>\$ 2,476</u> | <u>\$ 77,476</u> | 2021 | <u>\$ 1,238</u> | \$ 2,021 | <u>\$ 1,238</u> |
| | <u>\$ 75,000</u> | <u>\$ 2,476</u> | <u>\$ 77,476</u> | | <u>\$ 1,238</u> | | <u>\$ 1,238</u> |

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2013 (TIF #6 PORTION)
December 31, 2020

| | |
|-------------------------|-----------------------------|
| Date of issue | December 17, 2013 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 4,390,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 3.00% to 3.30% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|-------------------|------------------|-------------------|---------------|------------------|-------------------|------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2021 | <u>\$ 615,000</u> | <u>\$ 20,296</u> | <u>\$ 635,296</u> | 2021 | <u>\$ 10,148</u> | 2021 | <u>\$ 10,148</u> |
| | <u>\$ 615,000</u> | <u>\$ 20,296</u> | <u>\$ 635,296</u> | | <u>\$ 10,148</u> | | <u>\$ 10,148</u> |

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION BONDS, SERIES 2014A (TIF #6)
December 31, 2020

| | |
|-------------------------|-----------------------------|
| Date of issue | September 4, 2014 |
| Date of maturity | December 1, 2021 |
| Authorized issue | \$ 2,020,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 1.00% to 2.60% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|-------------------|-----------------|-------------------|---------------|-----------------|-------------------|-----------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2021 | \$ 355,000 | \$ 9,230 | \$ 364,230 | 2021 | \$ 4,615 | 2021 | \$ 4,615 |
| | <u>\$ 355,000</u> | <u>\$ 9,230</u> | <u>\$ 364,230</u> | | <u>\$ 4,615</u> | | <u>\$ 4,615</u> |

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS, SERIES 2014B (TIF #3 PORTION)
December 31, 2020

| | |
|-------------------------|-----------------------------|
| Date of issue | September 4, 2014 |
| Date of maturity | December 1, 2022 |
| Authorized issue | \$ 2,720,000 |
| Denomination of bonds | \$ 5,000 |
| Interest rates | 0.75% to 3.00% |
| | |
| Interest dates | June 1 and December 1 |
| Principal maturity date | December 1 |
| Payable at | Amalgamated Bank of Chicago |

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|------------------|-----------------|--------------|---------------|---------------|-------------------|---------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2021 | \$ 455,000 | \$ 19,562 | \$ 474,562 | 2021 | \$ 9,781 | 2021 | \$ 9,781 |
| 2022 | 465,000 | 10,466 | 475,466 | 2022 | 5,233 | 2022 | 5,233 |
| | \$ 920,000 | \$ 30,028 | \$ 950,028 | | \$ 15,014 | | \$ 15,014 |

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2018 (TIF #3 PORTION)
December 31, 2020

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

| Fiscal Year Ending <u>December 31</u> | Requirements | | | Interest Due | | | |
|--|----------------------|---------------------|----------------------|---------------|-------------------|-------------------|-------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> | <u>June 1</u> | <u>Amount</u> | <u>December 1</u> | <u>Amount</u> |
| 2021 | \$ 720,000 | \$ 314,700 | \$ 1,034,700 | 2021 | \$ 157,350 | 2021 | \$ 157,350 |
| 2022 | 1,085,000 | 293,100 | 1,378,100 | 2022 | 146,550 | 2022 | 146,550 |
| 2023 | 1,845,000 | 260,550 | 2,105,550 | 2023 | 130,275 | 2023 | 130,275 |
| 2024 | 1,905,000 | 205,200 | 2,110,200 | 2024 | 102,600 | 2024 | 102,600 |
| 2025 | 1,960,000 | 148,050 | 2,108,050 | 2025 | 74,025 | 2025 | 74,025 |
| 2026 | 2,160,000 | 89,250 | 2,249,250 | 2026 | 44,625 | 2026 | 44,625 |
| 2027 | 400,000 | 24,450 | 424,450 | 2027 | 12,225 | 2027 | 12,225 |
| 2028 | 415,000 | 12,450 | 427,450 | 2028 | 6,225 | 2028 | 6,225 |
| | <u>\$ 10,490,000</u> | <u>\$ 1,347,750</u> | <u>\$ 11,837,750</u> | | <u>\$ 673,875</u> | | <u>\$ 673,875</u> |

CITY OF DES PLAINES, ILLINOIS
STATISTICAL SECTION
December 31, 2020

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

Contents

Financial Trends

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

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

Revenue Capacity

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

Assessed Value and Actual Value of Taxable Property – Last Ten Levy Years
Trend of Equalized Assessed Valuations – Last Ten Levy Years
Maine Township Typical Tax Rates Per \$100 of Equalized Assessed Valuation – Last Ten Calendar Years
Maine Township Allocation of the 2019 Property Tax Levy Collected in 2020
Elk Grove Township Typical Tax Rates Per \$100 of Equalized Assessed Valuation – Last Ten Calendar Years
Elk Grove Township Allocation of the 2019 Property Tax Levy Collected in 2020
Property Tax Rates and Extensions – Last Ten Calendar Years
Principal Property Tax Payers – Current Calendar Year and Nine Years Ago
Property Tax Levies and Collections – Last Ten Calendar Years
Property Value and Construction – Last Ten Calendar Years
Taxable Sales by Category – Last Ten Calendar Years

Debt Capacity

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

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

(Continued)

Demographic and Economic Information

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

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

Operating Information

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

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

CITY OF DES PLAINES

CHANGES IN NET POSITION Last Ten Calendar Years (accrual basis of accounting) 12/31/2020

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|
| Expenses | | | | | |
| Governmental activities | | | | | |
| General government | \$ 18,270,898 | \$ 26,776,957 | \$ 26,119,801 | \$ 25,998,813 | \$ 26,508,887 |
| Public safety | 38,529,145 | 37,899,640 | 38,792,971 | 38,962,218 | 47,386,563 |
| Public works | 8,537,753 | 7,637,527 | 8,448,448 | 7,632,615 | 9,687,304 |
| Streets and highways | 10,341,746 | 10,686,981 | 11,450,291 | 13,643,574 | 15,713,911 |
| Economic development | 1,161,997 | 1,553,448 | 1,906,584 | 2,346,862 | 1,980,456 |
| Interest | 3,274,304 | 3,046,102 | 2,709,144 | 1,679,828 | 1,459,709 |
| Total governmental activities expenses | <u>80,115,843</u> | <u>87,600,655</u> | <u>89,427,239</u> | <u>90,263,910</u> | <u>102,736,830</u> |
| Business-type activities | | | | | |
| Water | 12,528,325 | 14,161,409 | 15,412,364 | 16,528,659 | 17,830,764 |
| Parking system | 802,934 | 783,586 | 808,793 | 833,974 | 834,894 |
| Emergency communications | - | - | 2,247,933 | 4,057,033 | 234,127 |
| Total business-type activities | <u>13,331,259</u> | <u>14,944,995</u> | <u>18,469,090</u> | <u>21,419,666</u> | <u>18,899,785</u> |
| Total primary government expenses | <u>\$ 93,447,102</u> | <u>\$ 102,545,650</u> | <u>\$ 107,896,329</u> | <u>\$ 111,683,576</u> | <u>\$ 121,636,615</u> |
| Component unit - public library | <u>\$ 5,798,824</u> | <u>\$ 5,648,933</u> | <u>\$ 6,073,379</u> | <u>\$ 6,362,235</u> | <u>\$ 7,053,356</u> |
| Program Revenues | | | | | |
| Governmental activities | | | | | |
| Charges for services | | | | | |
| General government | \$ 6,223,077 | \$ 5,869,247 | \$ 5,774,206 | \$ 5,828,028 | \$ 5,343,730 |
| Public safety | 3,740,733 | 3,745,369 | 3,259,941 | 3,003,477 | 3,889,312 |
| Public works | 3,826,957 | 3,955,349 | 4,092,464 | 3,225,062 | 2,927,288 |
| Streets and highways | 2,323,567 | 2,434,345 | 2,288,299 | 2,221,419 | 1,317,109 |
| Economic Development | - | - | - | - | - |
| Operating grants and contributions | 3,797,791 | 2,762,161 | 2,996,521 | 2,307,571 | 2,759,817 |
| Capital grants and contributions | 4,851,117 | 3,267,066 | 576,573 | 4,109,373 | 11,967,751 |
| Total governmental activities program Revenues | <u>24,763,242</u> | <u>22,033,537</u> | <u>18,988,004</u> | <u>20,694,930</u> | <u>28,205,007</u> |
| Business-type activities | | | | | |
| Charges for services | | | | | |
| Water | 11,286,580 | 14,162,219 | 13,810,387 | 14,550,984 | 14,454,347 |
| Parking system | 283,554 | 370,038 | 336,051 | 365,811 | 333,908 |
| Emergency communications | - | - | 2,089,579 | 3,136,798 | - |
| Operating grants and contributions | 4,691 | 2,039 | 8,237 | 5,804 | 3,471 |
| Capital grants and contributions | - | - | - | - | - |
| Total business-type activities program Revenues | <u>11,574,825</u> | <u>14,534,296</u> | <u>16,244,254</u> | <u>18,059,397</u> | <u>14,791,726</u> |
| Total primary government program | <u>\$ 36,338,067</u> | <u>\$ 36,567,833</u> | <u>\$ 35,232,258</u> | <u>\$ 38,754,327</u> | <u>\$ 42,996,733</u> |
| Component unit - public library | | | | | |
| Charges for services | \$ 147,023 | \$ 156,752 | \$ 164,584 | \$ 151,688 | \$ 157,902 |
| Operating grants | 64,080 | 59,852 | 63,977 | 72,955 | 72,955 |
| Total component unit - public library Revenues | <u>\$ 211,103</u> | <u>\$ 216,604</u> | <u>\$ 228,561</u> | <u>\$ 224,643</u> | <u>\$ 230,857</u> |
| Net (expense)/revenue | | | | | |
| Governmental activities | \$ (55,352,601) | \$ (65,567,118) | \$ (70,439,235) | \$ (69,568,980) | \$ (74,531,823) |
| Business-type activities | (1,756,434) | (410,699) | (2,224,836) | (3,360,269) | (4,108,059) |
| Total primary government net expense | <u>\$ (57,109,035)</u> | <u>\$ (65,977,817)</u> | <u>\$ (72,664,071)</u> | <u>\$ (72,929,249)</u> | <u>\$ (78,639,882)</u> |
| Component unit - public library net Expense | <u>\$ (5,587,721)</u> | <u>\$ (5,432,329)</u> | <u>\$ (5,844,818)</u> | <u>\$ (6,137,592)</u> | <u>\$ (6,822,499)</u> |

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|----|---------------------|------------------------|-------------------------|------------------------|------------------------|
| \$ | 27,240,159 | \$ 27,415,182 | \$ 26,796,798 | \$ 28,327,286 | \$ 22,643,447 |
| | 49,009,727 | 49,963,574 | 81,695,891 | 26,774,186 | 55,550,270 |
| | 8,176,306 | 9,022,143 | 9,497,058 | 10,313,635 | 8,899,928 |
| | 11,961,177 | 21,798,069 | 14,704,099 | 13,174,021 | 11,549,183 |
| | 3,650,262 | 2,808,022 | 5,345,138 | 5,016,519 | 5,369,720 |
| | 1,411,210 | 1,300,991 | 1,304,502 | 690,046 | 597,850 |
| | <u>101,448,841</u> | <u>112,307,981</u> | <u>139,343,486</u> | <u>84,295,693</u> | <u>104,610,398</u> |
| | 15,145,099 | 13,890,269 | 13,677,543 | 14,517,017 | 13,403,286 |
| | 835,342 | 854,840 | 908,148 | 897,441 | 785,526 |
| | - | - | - | - | - |
| | <u>15,980,441</u> | <u>14,745,109</u> | <u>14,585,691</u> | <u>15,414,458</u> | <u>14,188,812</u> |
| \$ | <u>117,429,282</u> | <u>\$ 127,053,090</u> | <u>\$ 153,929,177</u> | <u>\$ 99,710,151</u> | <u>\$ 118,799,210</u> |
| \$ | <u>6,624,251</u> | <u>\$ 6,292,523</u> | <u>\$ 6,318,952</u> | <u>\$ 6,357,548</u> | <u>\$ 5,273,249</u> |
| \$ | 5,359,454 | \$ 5,839,543 | \$ 5,406,195 | \$ 5,751,285 | \$ 4,650,267 |
| | 4,150,297 | 3,951,813 | 3,297,604 | 3,227,799 | 3,393,416 |
| | 3,094,047 | 3,044,288 | 3,171,589 | 3,238,402 | 3,305,870 |
| | 1,335,654 | 1,250,252 | 1,314,298 | 1,241,013 | 2,731 |
| | - | - | - | - | 408,817 |
| | 2,352,503 | 2,319,131 | 3,162,267 | 4,963,883 | 4,395,873 |
| | 2,312,985 | 12,776,042 | 7,075,824 | 11,310,234 | 342,832 |
| | <u>18,604,940</u> | <u>29,181,069</u> | <u>23,427,777</u> | <u>29,732,616</u> | <u>16,499,806</u> |
| | 14,817,561 | 13,924,481 | 14,881,022 | 15,270,671 | 17,390,497 |
| | 345,158 | 351,522 | 334,777 | 374,889 | 248,331 |
| | - | - | - | - | - |
| | 3,633 | 6,901 | 8,870 | 9,290 | 5,476 |
| | - | - | - | - | - |
| | <u>15,166,352</u> | <u>14,282,904</u> | <u>15,224,669</u> | <u>15,654,850</u> | <u>17,644,304</u> |
| \$ | <u>33,771,292</u> | <u>\$ 43,463,973</u> | <u>\$ 38,652,446</u> | <u>\$ 45,387,466</u> | <u>\$ 34,144,110</u> |
| \$ | 115,486 | \$ 108,980 | \$ 80,937 | \$ 81,783 | \$ 24,771 |
| | 44,990 | 45,716 | 74,455 | 75,955 | 80,455 |
| \$ | <u>160,476</u> | <u>\$ 154,696</u> | <u>\$ 155,392</u> | <u>\$ 157,738</u> | <u>\$ 105,226</u> |
| \$ | (82,843,901) | \$ (83,126,912) | \$ (115,915,709) | \$ (54,563,077) | \$ (88,110,592) |
| | (814,089) | (462,205) | 638,978 | 240,392 | 3,455,492 |
| \$ | <u>(83,657,990)</u> | <u>\$ (83,589,117)</u> | <u>\$ (115,276,731)</u> | <u>\$ (54,322,685)</u> | <u>\$ (84,655,100)</u> |
| \$ | <u>(6,463,775)</u> | <u>\$ (6,137,827)</u> | <u>\$ (6,163,560)</u> | <u>\$ (6,199,810)</u> | <u>\$ (5,168,023)</u> |

CITY OF DES PLAINES

CHANGES IN NET POSITION Last Ten Calendar Years (accrual basis of accounting) 12/31/2020

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| General Revenues and Other Changes in Net Position | | | | | |
| Governmental activities | | | | | |
| Taxes | | | | | |
| Property | \$ 29,671,822 | \$ 28,841,683 | \$ 28,575,125 | \$ 28,442,253 | \$ 28,607,185 |
| Home rule sales | 5,034,311 | 5,544,261 | 5,640,304 | 5,934,305 | 5,711,272 |
| Utility | 3,401,735 | 3,239,299 | 3,264,076 | 3,358,459 | 3,033,933 |
| Food and beverage | 1,059,647 | 1,236,942 | 1,177,511 | 1,190,477 | 1,228,581 |
| Hotel/motel | 1,440,269 | 1,675,772 | 1,752,342 | 1,988,301 | 2,145,985 |
| Real estate transfer | 393,417 | 407,884 | 436,309 | 610,997 | 597,813 |
| Local option motor fuel | 1,719,941 | 1,685,069 | 1,707,152 | 1,624,707 | 1,540,285 |
| Gaming | 10,819,591 | 24,802,456 | 24,662,123 | 24,792,544 | 24,654,889 |
| Other | 4,541,664 | 4,735,420 | 4,277,423 | 3,923,909 | 4,081,651 |
| Unrestricted intergovernmental | | | | | |
| Sales | 8,690,828 | 9,695,640 | 13,486,496 | 12,354,237 | 12,042,780 |
| Income | 4,515,411 | 5,376,774 | 5,643,512 | 5,667,460 | 6,232,000 |
| Replacement | 1,207,737 | 1,143,050 | 1,341,936 | 1,303,645 | 1,245,069 |
| Investment income | 82,369 | 160,289 | 89,626 | 73,812 | 189,691 |
| Miscellaneous | 783,626 | 1,280,897 | 899,031 | 862,423 | 982,019 |
| Gain (loss) on sale of capital assets | - | - | - | - | - |
| Transfers | (236,313) | 15,758 | (49,992) | (284,242) | (6,692,243) |
| Total governmental activities | <u>73,126,055</u> | <u>89,841,194</u> | <u>92,902,974</u> | <u>91,843,287</u> | <u>85,600,910</u> |
| Business-type activities | | | | | |
| Investment income | 1,519 | 5,228 | 1,776 | 1,392 | 1,340 |
| Miscellaneous | 845 | 2,756 | 5,388 | 716,306 | 8,824 |
| Transfers | 236,313 | (15,758) | 49,992 | 284,242 | 6,692,243 |
| Total business-type activities | <u>238,677</u> | <u>(7,774)</u> | <u>57,156</u> | <u>1,001,940</u> | <u>6,702,407</u> |
| Total primary government | <u>\$ 73,364,732</u> | <u>\$ 89,833,420</u> | <u>\$ 92,960,130</u> | <u>\$ 92,845,227</u> | <u>\$ 92,303,317</u> |
| Component unit - public library | | | | | |
| Taxes | | | | | |
| Property | \$ 6,625,483 | \$ 6,398,159 | \$ 6,289,369 | \$ 6,144,530 | \$ 6,072,634 |
| Unrestricted intergovernmental | | | | | |
| Replacement | 92,988 | 92,988 | 92,988 | 92,988 | 92,988 |
| Investment income | 2,434 | 5,364 | 1,945 | 1,104 | 2,554 |
| Other general revenues | 32,010 | 36,573 | 23,173 | 44,221 | 13,918 |
| Total component unit - public library | <u>\$ 6,752,915</u> | <u>\$ 6,533,084</u> | <u>\$ 6,407,475</u> | <u>\$ 6,282,843</u> | <u>\$ 6,182,094</u> |
| Changes in Net Position | | | | | |
| Governmental activities | \$ 17,773,454 | \$ 24,274,076 | \$ 22,463,739 | \$ 22,274,307 | \$ 11,069,087 |
| Business-type activities | (1,517,757) | (418,473) | (2,167,680) | (2,358,329) | 2,594,348 |
| Total primary government | <u>\$ 16,255,697</u> | <u>\$ 23,855,603</u> | <u>\$ 20,296,059</u> | <u>\$ 19,915,978</u> | <u>\$ 13,663,435</u> |
| Total component unit - public library | <u>\$ 1,165,194</u> | <u>\$ 1,100,755</u> | <u>\$ 562,657</u> | <u>\$ 145,251</u> | <u>\$ (640,405)</u> |

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|----|--------------------|----------------------|------------------------|-----------------------|----------------------|
| \$ | 29,254,397 | \$ 29,611,170 | \$ 29,099,377 | \$ 31,124,250 | \$ 34,042,738 |
| | 6,104,292 | 6,412,186 | 6,804,742 | 6,694,443 | 5,768,006 |
| | 3,069,270 | 3,006,537 | 3,121,450 | 3,597,332 | 2,877,443 |
| | 1,268,923 | 1,330,150 | 1,346,268 | 1,415,745 | 1,002,905 |
| | 2,069,830 | 1,908,782 | 1,995,330 | 1,917,755 | 763,390 |
| | 842,326 | 883,175 | 808,982 | 761,871 | 705,412 |
| | 1,754,240 | 1,768,066 | 1,782,386 | 1,567,933 | 2,012,304 |
| | 24,685,996 | 24,762,107 | 25,065,880 | 25,466,799 | 12,833,854 |
| | 3,988,052 | 3,679,988 | 3,467,035 | 3,204,837 | 3,411,748 |
| | 12,805,450 | 13,572,289 | 15,779,169 | 15,227,378 | 14,291,701 |
| | 5,556,999 | 5,363,901 | 5,570,605 | 6,229,784 | 6,531,025 |
| | 1,285,820 | 1,258,212 | 1,213,702 | 1,587,468 | 1,533,316 |
| | 365,137 | 627,226 | 1,335,078 | 1,937,137 | 789,086 |
| | 688,554 | 2,431,632 | 2,586,220 | 2,220,951 | 721,177 |
| | - | - | - | - | - |
| | <u>(5,801,963)</u> | <u>15,758</u> | <u>(7,634,242)</u> | <u>(5,859,242)</u> | <u>(303,440)</u> |
| | <u>87,937,323</u> | <u>96,631,179</u> | <u>92,341,982</u> | <u>97,094,441</u> | <u>86,980,665</u> |
| | 3,056 | - | - | - | - |
| | 5,762 | 9,111 | 9,012 | 7,411 | 24,835 |
| | <u>5,801,963</u> | <u>(15,758)</u> | <u>7,634,242</u> | <u>5,859,242</u> | <u>303,440</u> |
| | <u>5,810,781</u> | <u>(6,647)</u> | <u>7,643,254</u> | <u>5,866,653</u> | <u>328,275</u> |
| \$ | <u>93,748,104</u> | <u>\$ 96,624,532</u> | <u>\$ 99,985,236</u> | <u>\$ 102,961,094</u> | <u>\$ 87,308,940</u> |
| \$ | 6,065,699 | \$ 6,003,992 | \$ 5,993,622 | \$ 6,069,879 | \$ 5,997,162 |
| | 92,988 | 92,988 | 92,988 | 92,988 | 92,988 |
| | 14,614 | 36,881 | 80,048 | 99,699 | 26,022 |
| | 61,144 | 55,006 | 68,581 | 116,957 | 56,496 |
| \$ | <u>6,234,445</u> | <u>\$ 6,188,867</u> | <u>\$ 6,235,239</u> | <u>\$ 6,379,523</u> | <u>\$ 6,172,668</u> |
| \$ | 5,093,422 | \$ 13,504,267 | \$ (23,573,727) | \$ 42,531,364 | \$ (1,129,927) |
| | <u>4,996,692</u> | <u>(468,852)</u> | <u>8,282,232</u> | <u>6,107,045</u> | <u>3,783,767</u> |
| \$ | <u>10,090,114</u> | <u>\$ 13,035,415</u> | <u>\$ (15,291,495)</u> | <u>\$ 48,638,409</u> | <u>\$ 2,653,840</u> |
| \$ | <u>(229,330)</u> | <u>\$ 51,040</u> | <u>\$ 71,679</u> | <u>\$ 179,713</u> | <u>\$ 1,004,645</u> |

CITY OF DES PLAINES

NET POSITION BY COMPONENT
Last Ten Calendar Years
(accrual basis of accounting)
December 31, 2020

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Governmental Activities | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 116,287,802 | \$ 127,408,625 | \$ 141,973,412 | \$ 156,111,648 | \$ 167,177,408 | \$ 182,246,337 | \$ 196,250,010 | \$ 205,869,137 | \$ 227,330,641 | \$ 240,675,606 |
| Restricted | 9,031,827 | 10,266,294 | 14,869,706 | 7,201,606 | 7,229,324 | 8,933,922 | 9,570,315 | 10,381,412 | 8,863,085 | 7,292,608 |
| Unrestricted | 36,535,484 | 47,759,170 | 51,054,710 | 66,858,881 | (60,572,629) | (72,252,734) | (73,388,533) | (117,857,867) | (95,269,680) | (107,507,899) |
| Total Governmental Activities Net Position | \$ 161,855,113 | \$ 185,434,089 | \$ 207,897,828 | \$ 230,172,135 | \$ 113,834,103 | \$ 118,927,525 | \$ 132,431,792 | \$ 98,392,682 | \$ 140,924,046 | \$ 140,460,315 |
| Business-type Activities | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 30,336,201 | \$ 29,713,208 | \$ 29,853,240 | \$ 29,636,936 | \$ 33,676,322 | \$ 40,123,012 | \$ 40,412,151 | \$ 44,262,265 | \$ 47,655,343 | \$ 46,763,483 |
| Unrestricted | 4,180,116 | 4,379,302 | 2,456,225 | 314,200 | (2,098,497) | (3,548,495) | (4,306,486) | (829,398) | 1,884,569 | 6,560,196 |
| Total Business-type Activities Net Position | \$ 34,516,317 | \$ 34,092,510 | \$ 32,309,465 | \$ 29,951,136 | \$ 31,577,825 | \$ 36,574,517 | \$ 36,105,665 | \$ 43,432,867 | \$ 49,539,912 | \$ 53,323,679 |
| Primary Government | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 146,624,003 | \$ 157,121,833 | \$ 171,826,652 | \$ 185,748,584 | \$ 200,853,730 | \$ 222,369,349 | \$ 236,662,161 | \$ 250,131,402 | \$ 274,985,984 | \$ 287,439,089 |
| Restricted | 9,031,827 | 10,266,294 | 14,869,706 | 7,201,606 | 7,229,324 | 8,933,922 | 9,570,315 | 10,381,412 | 8,863,085 | 7,292,608 |
| Unrestricted | 40,715,600 | 52,138,472 | 53,510,935 | 67,173,081 | (62,671,126) | (75,801,229) | (77,695,019) | (118,687,265) | (93,385,111) | (100,947,703) |
| Total Primary Government Net Position | \$ 196,371,430 | \$ 219,526,599 | \$ 240,207,293 | \$ 260,123,271 | \$ 145,411,928 | \$ 155,502,042 | \$ 168,537,457 | \$ 141,825,549 | \$ 190,463,958 | \$ 193,783,994 |
| Component Unit - Public Library | | | | | | | | | | |
| Net Investment in Capital Assets | \$ 814,501 | \$ 802,700 | \$ 862,543 | \$ 821,084 | \$ 1,260,468 | \$ 2,901,897 | \$ 2,786,046 | \$ 2,643,647 | \$ 2,579,808 | \$ 2,560,784 |
| Restricted | 3,640,135 | 4,752,691 | 5,255,505 | 5,442,215 | 3,897,801 | 2,027,042 | 2,193,933 | 2,023,060 | 2,266,612 | 3,290,281 |
| Total Component Unit Net Position | \$ 4,454,636 | \$ 5,555,391 | \$ 6,118,048 | \$ 6,263,299 | \$ 5,158,269 | \$ 4,928,939 | \$ 4,979,979 | \$ 4,666,707 | \$ 4,846,420 | \$ 5,851,065 |

CITY OF DES PLAINES

FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Calendar Years
(modified accrual basis of accounting)
December 31, 2020

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund | | | | | | | | | | |
| Reserved | | | | | | | | | | |
| Unreserved | | | | | | | | | | |
| Nonspendable | \$ 8,162,664 | \$ 8,606,709 | \$ 9,900,296 | \$ 13,885,051 | \$ 15,702,116 | \$ 20,451,434 | \$ 24,834,213 | \$ 18,279,838 | \$ 20,139,602 | \$ 28,857,447 |
| Assigned | - | 4,161,818 | 13,633,108 | 9,150,000 | 6,455,851 | 7,549,251 | 6,250,829 | 11,370,310 | 7,517,500 | 2,000,000 |
| Unassigned | <u>21,080,549</u> | <u>22,966,242</u> | <u>20,107,209</u> | <u>19,047,354</u> | <u>21,989,485</u> | <u>21,833,793</u> | <u>22,135,880</u> | <u>26,643,211</u> | <u>31,828,170</u> | <u>30,409,850</u> |
| Total general fund | <u>29,243,213</u> | <u>35,734,769</u> | <u>43,640,613</u> | <u>42,082,405</u> | <u>44,147,452</u> | <u>49,834,478</u> | <u>53,220,922</u> | <u>56,293,359</u> | <u>59,485,272</u> | <u>61,267,297</u> |
| All Other Governmental Funds | | | | | | | | | | |
| Restricted | | | | | | | | | | |
| Unassigned, reported in | | | | | | | | | | |
| Special revenue funds | | | | | | | | | | |
| Capital projects funds | | | | | | | | | | |
| Restricted | 12,910,496 | 23,036,807 | 29,327,541 | 28,716,570 | 27,582,864 | 29,389,921 | 30,976,615 | 30,995,961 | 31,100,356 | 26,006,560 |
| Assigned | 4,276,184 | 5,329,691 | 7,458,773 | 9,143,577 | 11,670,656 | 10,629,560 | 12,549,719 | 14,057,505 | 14,449,833 | 22,156,735 |
| Unassigned | <u>(8,473,704)</u> | <u>(8,604,223)</u> | <u>(9,898,603)</u> | <u>(11,311,814)</u> | <u>(13,551,392)</u> | <u>(16,617,185)</u> | <u>(20,781,703)</u> | <u>(24,745,594)</u> | <u>(19,990,071)</u> | <u>(31,709,652)</u> |
| Total all other governmental funds | <u>8,712,976</u> | <u>19,762,275</u> | <u>26,887,711</u> | <u>26,548,333</u> | <u>25,702,128</u> | <u>23,402,296</u> | <u>22,744,631</u> | <u>20,307,872</u> | <u>25,560,118</u> | <u>16,453,643</u> |
| Total Fund Balances | <u>\$ 37,956,189</u> | <u>\$ 55,497,044</u> | <u>\$ 70,528,324</u> | <u>\$ 68,630,738</u> | <u>\$ 69,849,580</u> | <u>\$ 73,236,774</u> | <u>\$ 75,965,553</u> | <u>\$ 76,601,231</u> | <u>\$ 85,045,390</u> | <u>\$ 77,720,940</u> |

Note: The change in the classifications of fund balance amounts in 2011 are discussed in Footnote 1 of the Financial Statements. Amounts prior to 2011 have not been restated for the implementation of Statement 54.

CITY OF DES PLAINES

CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS Last Ten Calendar Years (modified accrual basis of accounting) December 31, 2020

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|---------------------|----------------------|----------------------|-----------------------|---------------------|---------------------|---------------------|--------------------|---------------------|-----------------------|
| Revenues | | | | | | | | | | |
| Taxes | \$ 57,820,338 | \$ 71,792,893 | \$ 71,304,087 | \$ 71,718,684 | \$ 71,308,608 | \$ 72,841,989 | \$ 73,149,164 | \$ 73,391,392 | \$ 75,582,470 | \$ 62,667,324 |
| Licenses and permits | 3,086,311 | 2,781,329 | 2,924,191 | 3,331,833 | 2,921,119 | 3,147,534 | 3,556,348 | 3,708,677 | 3,822,654 | 2,036,569 |
| Intergovernmental | 21,250,400 | 20,898,936 | 23,322,717 | 24,709,609 | 30,460,684 | 27,605,915 | 32,852,498 | 31,852,420 | 45,845,514 | 27,868,237 |
| Charges for services | 8,668,091 | 9,123,875 | 8,534,072 | 7,286,945 | 7,112,363 | 7,353,189 | 7,049,701 | 6,674,391 | 6,878,010 | 6,167,021 |
| Fines and forfeits | 1,605,620 | 1,385,406 | 1,438,877 | 1,339,069 | 1,399,110 | 1,429,415 | 1,338,860 | 1,260,540 | 1,118,343 | 740,990 |
| Developer Fees | - | - | - | - | - | - | - | - | - | 408,817 |
| Investment income | 81,711 | 159,756 | - | - | - | 302,128 | 572,919 | 1,288,922 | 1,937,137 | 789,086 |
| Contributions | 848,601 | 96,019 | 89,592 | 73,796 | 189,649 | - | - | - | - | - |
| Miscellaneous | 653,854 | 655,432 | 630,969 | 521,110 | 608,783 | 387,335 | 677,046 | 2,552,341 | 829,827 | 783,883 |
| Total revenues | <u>94,014,926</u> | <u>106,893,646</u> | <u>108,244,505</u> | <u>108,981,046</u> | <u>114,000,316</u> | <u>113,067,505</u> | <u>119,196,536</u> | <u>120,728,683</u> | <u>136,013,955</u> | <u>101,461,927</u> |
| Expenditures | | | | | | | | | | |
| General government | 14,294,213 | 23,581,990 | 23,406,276 | 23,731,696 | 23,872,798 | 24,608,571 | 24,885,651 | 25,158,103 | 26,569,349 | 19,488,441 |
| Public safety | 37,181,399 | 37,425,172 | 38,330,364 | 38,839,128 | 42,089,956 | 42,554,371 | 44,022,632 | 44,481,393 | 45,251,535 | 45,728,933 |
| Public works | 7,365,744 | 6,353,113 | 7,012,067 | 6,205,746 | 8,478,634 | 7,657,446 | 8,577,607 | 9,149,459 | 8,822,110 | 7,588,861 |
| Streets and highways | 5,042,655 | 5,121,531 | 6,363,552 | 6,973,465 | 14,377,215 | 4,780,492 | 5,439,242 | 5,537,005 | 5,480,966 | 4,570,351 |
| Economic development | 1,195,611 | 1,435,613 | 1,855,126 | 2,238,851 | 3,353,616 | 2,349,895 | 1,857,238 | 2,252,812 | 3,555,924 | 16,274,171 |
| Capital outlay | 15,060,979 | 7,157,384 | 12,433,717 | 15,218,577 | 9,002,696 | 17,195,681 | 26,199,915 | 20,328,299 | 28,719,653 | 11,147,075 |
| Debt service | | | | | | | | | | |
| Principal retirement | 7,152,599 | 5,094,229 | 9,793,365 | 8,151,298 | 4,459,385 | 3,982,633 | 6,611,053 | 4,959,652 | 4,045,940 | 4,317,427 |
| Interest and fiscal charges | 2,362,196 | 2,087,675 | 2,036,609 | 1,325,139 | 867,944 | 749,259 | 649,961 | 699,551 | 585,011 | 486,530 |
| Payment to Refunding Bond Escrow | 815,034 | 1,171,690 | - | - | - | - | - | - | - | - |
| Total expenditures | <u>90,470,430</u> | <u>89,428,397</u> | <u>101,231,076</u> | <u>102,683,900</u> | <u>106,502,244</u> | <u>103,878,348</u> | <u>118,243,299</u> | <u>112,566,274</u> | <u>123,030,488</u> | <u>109,601,789</u> |
| Excess (deficiency) of revenues over expenditures | <u>3,544,496</u> | <u>17,465,249</u> | <u>7,013,429</u> | <u>6,297,146</u> | <u>7,498,072</u> | <u>9,189,157</u> | <u>953,237</u> | <u>8,162,409</u> | <u>12,983,467</u> | <u>(8,139,862)</u> |
| Other financing sources (uses) | | | | | | | | | | |
| Proceeds from issuance of debt | 3,540,000 | 3,765,000 | 7,945,000 | 7,620,000 | - | - | - | 12,410,000 | - | - |
| Premium on bond issuance | 40,452 | 41,230 | - | 160,309 | - | - | - | 297,149 | - | - |
| Discount on bond issuance | - | - | 215,045 | - | - | - | - | - | - | - |
| Proceeds from sale of capital assets | - | - | - | - | - | - | 1,759,784 | - | 1,319,934 | 133,458 |
| Payments to escrow agent | (3,541,973) | (3,746,382) | - | (15,723,599) | - | - | - | (12,599,628) | - | - |
| Transfers in | 3,800,215 | 2,284,805 | 10,035,399 | 11,070,507 | 8,499,420 | 6,499,811 | 12,091,093 | 10,950,607 | 11,663,240 | 10,466,261 |
| Transfers (out) | (3,637,516) | (2,269,047) | (10,177,593) | (11,321,949) | (14,778,650) | (12,301,774) | (12,075,335) | (18,584,849) | (17,522,482) | (10,450,503) |
| Total other financing sources (uses) | <u>201,178</u> | <u>75,606</u> | <u>8,017,851</u> | <u>(8,194,732)</u> | <u>(6,279,230)</u> | <u>(5,801,963)</u> | <u>1,775,542</u> | <u>(7,526,721)</u> | <u>(4,539,308)</u> | <u>149,216</u> |
| Special Items | <u>1,900,746</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Net Changes in Fund Balance | <u>\$ 5,646,420</u> | <u>\$ 17,540,855</u> | <u>\$ 15,031,280</u> | <u>\$ (1,897,586)</u> | <u>\$ 1,218,842</u> | <u>\$ 3,387,194</u> | <u>\$ 2,728,779</u> | <u>\$ 635,688</u> | <u>\$ 8,444,159</u> | <u>\$ (7,990,646)</u> |
| Debt service as a percentage of noncapital expenditures | 12.1% | 8.5% | 13.2% | 10.6% | 5.8% | 5.4% | 7.8% | 6.0% | 4.9% | 5.5% |

CITY OF DES PLAINES

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

December 31, 2020

| Levy Year | Equalized Assessed Value | | | Total Equalized Assessed Value | Total Direct Rate | Estimated Actual Value |
|-----------|--------------------------|--------------------------------|-------------------|--------------------------------|-------------------|------------------------|
| | Real Estate Property | Air Pollution Control District | Railroad Property | | | |
| 2010 | \$ 2,392,169,028 | \$ 825 | \$ 2,507,411 | \$ 2,394,677,264 | 0.999 | \$ 7,184,031,792 |
| 2011 | 2,181,773,562 | 1,131 | 2,558,611 | 2,184,333,304 | 1.089 | 6,552,999,912 |
| 2012 | 2,037,389,908 | 797 | 2,548,662 | 2,039,939,367 | 1.166 | 6,119,818,101 |
| 2013 | 1,694,234,225 | 799 | 3,052,320 | 1,697,287,344 | 1.401 | 5,091,862,032 |
| 2014 | 1,714,411,339 | 799 | 3,244,878 | 1,717,657,016 | 1.385 | 5,152,971,048 |
| 2015 | 1,660,821,222 | 761 | 3,898,188 | 1,664,720,171 | 1.429 | 4,994,160,513 |
| 2016 | 1,911,003,028 | 721 | 4,026,136 | 1,915,029,885 | 1.242 | 5,745,089,655 |
| 2017 | 1,951,955,171 | 766 | 3,960,310 | 1,955,916,247 | 1.216 | 5,867,748,741 |
| 2018 | 1,927,585,357 | 766 | 4,241,510 | 1,931,827,633 | 1.306 | 5,795,482,899 |
| 2019 | 2,247,921,425 | 745 | 4,574,740 | 2,252,496,910 | 1.120 | 6,757,490,730 |

Source: Cook County Clerk's Office

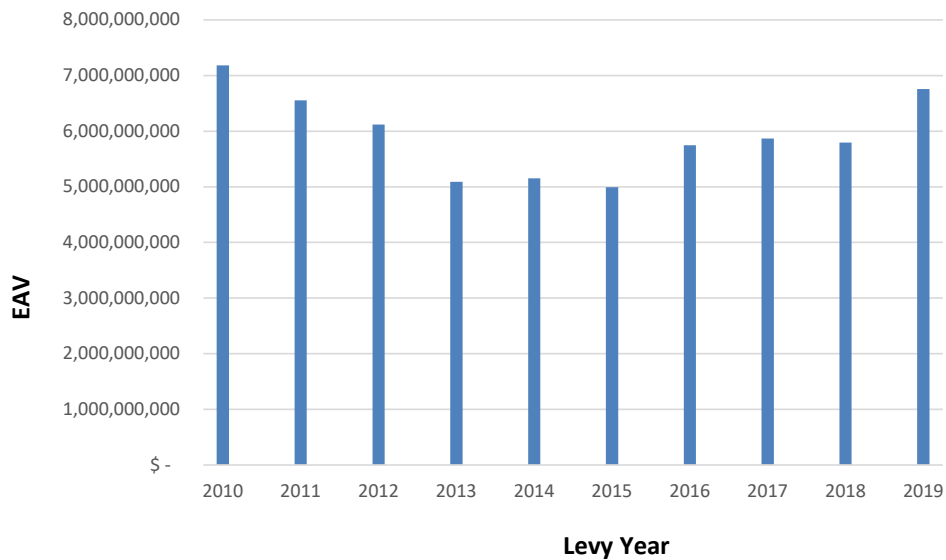
Note: Property is reassessed once every three years. Property is assessed at 1/3 actual value. Tax rates are per \$100 of assessed value. Fiscal year data is based on the previous calendar year's (levy year) assessed value (i.e. data presented for the Fiscal Year-ended December 31, 2020 is based on the 2019 assessed value). In 2020, the Estimated Actual Value amounts were restated using 1/3 as the calculating factor instead of 0.33333.

CITY OF DES PLAINES

TREND OF EQUALIZED ASSESSED VALUATIONS Last Ten Levy Years December 31, 2020

| Levy Year | Equalized Assessed Value | Percentage Increase (Decrease) | Estimated Actual Value | Ratio of Equalized Assessed Value to Estimated Actual Value |
|-----------|--------------------------|--------------------------------|------------------------|---|
| 2010 | \$ 2,394,677,264 | (5.29%) | \$ 7,184,031,792 | 33.33% |
| 2011 | 2,184,333,304 | (8.78%) | 6,552,999,912 | 33.33% |
| 2012 | 2,039,939,367 | (6.61%) | 6,119,818,101 | 33.33% |
| 2013 | 1,697,287,344 | (16.80%) | 5,091,862,032 | 33.33% |
| 2014 | 1,717,657,016 | 1.20% | 5,152,971,048 | 33.33% |
| 2015 | 1,664,720,171 | (3.08%) | 4,994,160,513 | 33.33% |
| 2016 | 1,915,029,885 | 15.04% | 5,745,089,655 | 33.33% |
| 2017 | 1,955,916,247 | 2.14% | 5,867,748,741 | 33.33% |
| 2018 | 1,931,827,633 | (1.23%) | 5,795,482,899 | 33.33% |
| 2019 | 2,252,496,910 | 16.60% | 6,757,490,730 | 33.33% |

Source: Cook County Clerk's Office



CITY OF DES PLAINES

MAINE TOWNSHIP TYPICAL TAX RATES PER \$100
OF EQUALIZED ASSESSED VALUATION
Last Ten Calendar Years
December 31, 2020

| Tax Levy Year | City | | | | | | Library | Cook County | Water Reclamation District | Park District | School (1) | Other (2) |
|---------------------|--------|---------------|-----------|---------------------|-------------------|-----------------|---------|----------------|----------------------------------|------------------|------------|-----------|
| | Total | Total City | Corporate | Bonds & Interest | Police Pension | Fire Pension | | | | | | |
| 2010 | 7.188 | 0.999 | 0.6569 | 0.0515 | 0.1436 | 0.1461 | 0.280 | 0.423 | 0.274 | 0.338 | 4.683 | 0.191 |
| 2011 | 8.090 | 1.089 | 0.7509 | 0.0052 | 0.1637 | 0.1687 | 0.300 | 0.462 | 0.320 | 0.379 | 5.298 | 0.242 |
| 2012 | 8.975 | 1.166 | 0.7900 | 0.0054 | 0.1849 | 0.1854 | 0.317 | 0.531 | 0.370 | 0.425 | 5.924 | 0.242 |
| 2013 | 10.840 | 1.401 | 0.8906 | 0.0067 | 0.2518 | 0.2518 | 0.375 | 0.560 | 0.417 | 0.531 | 7.233 | 0.323 |
| 2014 | 10.858 | 1.384 | 0.8619 | 0.0067 | 0.2579 | 0.2579 | 0.365 | 0.568 | 0.430 | 0.529 | 7.290 | 0.292 |
| 2015 | 11.329 | 1.429 | 0.8400 | 0.0067 | 0.3094 | 0.2722 | 0.373 | 0.552 | 0.426 | 0.556 | 7.659 | 0.334 |
| 2016 | 9.913 | 1.242 | 0.6901 | 0.0057 | 0.2824 | 0.2635 | 0.324 | 0.533 | 0.406 | 0.485 | 6.659 | 0.264 |
| 2017 | 9.916 | 1.216 | 0.6495 | - | 0.2923 | 0.2738 | 0.322 | 0.527 | 0.402 | 0.493 | 6.701 | 0.255 |
| 2018 | 10.274 | 1.306 | 0.6752 | - | 0.3249 | 0.3056 | 0.326 | 0.489 | 0.396 | 0.515 | 7.019 | 0.223 |
| 2019 | 9.229 | 1.120 | 0.5752 | - | 0.2796 | 0.2650 | 0.279 | 0.484 | 0.389 | 0.453 | 6.349 | 0.155 |

Notes:

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

(2) Suburban T.B. Sanitarium, Northwest Mosquito Abatement District, Maine Township, Road & Bridge, General Assistance, Consolidated General Elections, & Forest Preserve

Source: Cook County Clerk's Office

CITY OF DES PLAINES

MAINE TOWNSHIP
 ALLOCATION OF THE 2019 PROPERTY TAX LEVY COLLECTED IN 2020
 December 31, 2020

| | 2010 | | 2011 | | 2012 | | 2013 | | 2014 | |
|------------------------------|--|-----------------|--|-----------------|--|-----------------|--|-----------------|--|-----------------|
| | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage |
| City of Des Plaines | \$ 0.999 | 0.139 % | \$ 1.089 | 0.135 % | \$ 1.166 | 0.130 % | \$ 1.401 | 0.129 % | \$ 1.385 | 0.128 % |
| Des Plaines Library | 0.280 | 0.039 | 0.300 | 0.037 | 0.317 | 0.035 | 0.375 | 0.035 | 0.365 | 0.034 |
| High School District 207 | 1.782 | 0.248 | 1.995 | 0.247 | 2.215 | 0.247 | 2.722 | 0.251 | 2.739 | 0.252 |
| Oakton College District | 0.160 | 0.022 | 0.196 | 0.024 | 0.219 | 0.024 | 0.256 | 0.024 | 0.258 | 0.024 |
| School District 62 | 2.741 | 0.381 | 3.107 | 0.384 | 3.490 | 0.389 | 4.255 | 0.393 | 4.293 | 0.395 |
| Des Plaines Park District | 0.338 | 0.047 | 0.379 | 0.047 | 0.425 | 0.047 | 0.531 | 0.049 | 0.529 | 0.049 |
| Cook County | 0.423 | 0.059 | 0.462 | 0.057 | 0.531 | 0.059 | 0.560 | 0.052 | 0.568 | 0.052 |
| Metro Water Reclamation Dist | 0.274 | 0.038 | 0.320 | 0.040 | 0.370 | 0.041 | 0.417 | 0.038 | 0.430 | 0.040 |
| N.W. Mosquito Abatement Dist | 0.009 | 0.001 | 0.010 | 0.001 | 0.011 | 0.001 | 0.013 | 0.001 | 0.013 | 0.001 |
| Maine Township | 0.131 | 0.018 | 0.174 | 0.022 | 0.168 | 0.019 | 0.241 | 0.022 | 0.210 | 0.019 |
| Cook County Forest Preserve | <u>0.051</u> | <u>0.007</u> | <u>0.058</u> | <u>0.007</u> | <u>0.063</u> | <u>0.007</u> | <u>0.069</u> | <u>0.006</u> | <u>0.069</u> | <u>0.006</u> |
| TOTAL | \$ 7.188 | 100.00 % | \$ 8.090 | 100.00 % | \$ 8.975 | 100.00 % | \$ 10.840 | 100.00 % | \$ 10.859 | 100.00 % |

(Continued)

Source: Cook County Clerk's Office

CITY OF DES PLAINES

MAINE TOWNSHIP
 ALLOCATION OF THE 2019 PROPERTY TAX LEVY COLLECTED IN 2020
 December 31, 2020

| | 2015 | | 2016 | | 2017 | | 2018 | | 2019 | |
|------------------------------|--|-----------------|--|-----------------|--|-----------------|--|-----------------|--|-----------------|
| | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage |
| City of Des Plaines | \$ 1.429 | 0.126 % | \$ 1.242 | 0.125 % | \$ 1.216 | 0.123 % | \$ 1.306 | 0.127 % | 1.120 | 0.121 % |
| Des Plaines Library | 0.373 | 0.033 | 0.324 | 0.033 | 0.322 | 0.032 | 0.326 | 0.032 | 0.279 | 0.030 |
| High School District 207 | 2.901 | 0.256 | 2.507 | 0.253 | 2.529 | 0.255 | 2.652 | 0.258 | 2.553 | 0.277 |
| Oakton College District | 0.271 | 0.024 | 0.231 | 0.023 | 0.232 | 0.023 | 0.246 | 0.024 | 0.221 | 0.024 |
| School District 62 | 4.487 | 0.396 | 3.921 | 0.396 | 3.940 | 0.397 | 4.121 | 0.401 | 3.575 | 0.387 |
| Des Plaines Park District | 0.556 | 0.049 | 0.485 | 0.049 | 0.493 | 0.050 | 0.515 | 0.050 | 0.453 | 0.049 |
| Cook County | 0.552 | 0.049 | 0.533 | 0.054 | 0.527 | 0.053 | 0.489 | 0.048 | 0.484 | 0.052 |
| Metro Water Reclamation Dist | 0.426 | 0.038 | 0.406 | 0.041 | 0.402 | 0.041 | 0.396 | 0.039 | 0.389 | 0.042 |
| N.W. Mosquito Abatement Dist | 0.011 | 0.001 | 0.010 | 0.001 | 0.010 | 0.001 | 0.011 | 0.001 | 0.010 | 0.001 |
| Maine Township | 0.254 | 0.022 | 0.191 | 0.019 | 0.183 | 0.018 | 0.152 | 0.015 | 0.086 | 0.009 |
| Cook County Forest Preserve | <u>0.069</u> | <u>0.006</u> | <u>0.063</u> | <u>0.006</u> | <u>0.062</u> | <u>0.006</u> | <u>0.060</u> | <u>0.006</u> | <u>0.059</u> | <u>0.006</u> |
| TOTAL | \$ 11.329 | 100.00 % | \$ 9.913 | 100.00 % | \$ 9.916 | 100.00 % | \$ 10.274 | 100.00 % | \$ 9.229 | 100.00 % |

CITY OF DES PLAINES

ELK GROVE TOWNSHIP TYPICAL TAX RATES PER \$100 OF EQUALIZED ASSESSED VALUATION Last Ten Calendar Years December 31, 2020

| Tax Levy Year | Total | City | | | | | Library | Cook County | Water Reclamation District | Park District (3) | School (1) | Other (2) |
|---------------------|--------|---------------|-----------|---------------------|-------------------|-----------------|---------|----------------|----------------------------------|----------------------|------------|-----------|
| | | Total City | Corporate | Bonds & Interest | Police Pension | Fire Pension | | | | | | |
| 2010 | 6.823 | 0.999 | 0.6569 | 0.0515 | 0.1436 | 0.1461 | 0.280 | 0.423 | 0.274 | 0.453 | 4.263 | 0.131 |
| 2011 | 7.670 | 1.089 | 0.7509 | 0.0052 | 0.1637 | 0.1687 | 0.300 | 0.462 | 0.320 | 0.502 | 4.823 | 0.174 |
| 2012 | 8.477 | 1.166 | 0.7900 | 0.0054 | 0.1849 | 0.1854 | 0.317 | 0.531 | 0.370 | 0.557 | 5.370 | 0.166 |
| 2013 | 10.018 | 1.401 | 0.8906 | 0.0067 | 0.2518 | 0.2518 | 0.375 | 0.560 | 0.417 | 0.657 | 6.384 | 0.224 |
| 2014 | 9.997 | 1.384 | 0.8619 | 0.0067 | 0.2579 | 0.2579 | 0.365 | 0.568 | 0.430 | 0.654 | 6.403 | 0.193 |
| 2015 | 10.326 | 1.429 | 0.8400 | 0.0067 | 0.3094 | 0.2722 | 0.373 | 0.552 | 0.426 | 0.681 | 6.638 | 0.227 |
| 2016 | 9.208 | 1.242 | 0.6901 | 0.0057 | 0.2824 | 0.2635 | 0.324 | 0.533 | 0.406 | 0.594 | 5.941 | 0.168 |
| 2017 | 9.261 | 1.216 | 0.6495 | - | 0.2923 | 0.2738 | 0.322 | 0.527 | 0.402 | 0.609 | 6.019 | 0.166 |
| 2018 | 9.601 | 1.306 | 0.6752 | - | 0.3249 | 0.3056 | 0.326 | 0.489 | 0.396 | 0.633 | 6.285 | 0.166 |
| 2019 | 8.478 | 1.120 | 0.5752 | - | 0.2796 | 0.2650 | 0.279 | 0.484 | 0.389 | 0.547 | 5.510 | 0.149 |

Notes:

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

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

(3) Mount Prospect Park District

Source: Cook County Clerk's Office

CITY OF DES PLAINES

ELK GROVE TOWNSHIP
 ALLOCATION OF THE 2019 PROPERTY TAX LEVY COLLECTED IN 2020
 December 31, 2020

| | 2010 | | 2011 | | 2012 | | 2013 | | 2014 | |
|----------------------------------|--|-----------------|--|-----------------|--|-----------------|--|-----------------|--|-----------------|
| | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage |
| City of Des Plaines | \$ 0.999 | 0.146 % | \$ 1.089 | 0.142 % | \$ 1.166 | 0.138 % | \$ 1.401 | 0.140 % | \$ 1.385 | 0.139 % |
| Des Plaines Library | 0.280 | 0.041 | 0.300 | 0.039 | 0.317 | 0.037 | 0.375 | 0.037 | 0.365 | 0.037 |
| High School District 214 | 1.839 | 0.270 | 2.067 | 0.269 | 2.324 | 0.274 | 2.768 | 0.276 | 2.776 | 0.278 |
| Harper College District 512 | 0.295 | 0.043 | 0.334 | 0.044 | 0.373 | 0.044 | 0.444 | 0.044 | 0.451 | 0.045 |
| School District 59 | 2.129 | 0.312 | 2.422 | 0.316 | 2.673 | 0.315 | 3.172 | 0.317 | 3.176 | 0.318 |
| Mt. Prospect Park District | 0.453 | 0.066 | 0.502 | 0.065 | 0.557 | 0.066 | 0.657 | 0.066 | 0.654 | 0.065 |
| Cook County | 0.423 | 0.062 | 0.462 | 0.060 | 0.531 | 0.063 | 0.560 | 0.056 | 0.568 | 0.057 |
| Metro Water Reclamation District | 0.274 | 0.040 | 0.320 | 0.042 | 0.370 | 0.044 | 0.417 | 0.042 | 0.430 | 0.043 |
| N.W. Mosquito Abatement District | 0.009 | 0.001 | 0.010 | 0.001 | 0.011 | 0.001 | 0.013 | 0.001 | 0.013 | 0.001 |
| Elk Grove Township | 0.071 | 0.010 | 0.106 | 0.014 | 0.092 | 0.011 | 0.142 | 0.014 | 0.111 | 0.011 |
| Forest Preserve District | <u>0.051</u> | <u>0.007</u> | <u>0.058</u> | <u>0.008</u> | <u>0.063</u> | <u>0.007</u> | <u>0.069</u> | <u>0.007</u> | <u>0.069</u> | <u>0.007</u> |
| TOTAL | <u>\$ 6.823</u> | <u>100.00 %</u> | <u>\$ 7.670</u> | <u>100.00 %</u> | <u>\$ 8.477</u> | <u>100.00 %</u> | <u>\$ 10.018</u> | <u>100.00 %</u> | <u>\$ 9.998</u> | <u>100.00 %</u> |

Source: Cook County Clerk's Office

(Continued)

CITY OF DES PLAINES

ELK GROVE TOWNSHIP
 ALLOCATION OF THE 2019 PROPERTY TAX LEVY COLLECTED IN 2020
 December 31, 2020

| | 2015 | | 2016 | | 2017 | | 2018 | | 2019 | |
|----------------------------------|---|-----------------|---|-----------------|---|-----------------|---|-----------------|---|-----------------|
| | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage | Tax per \$100 of Equalized Assessed Valuation | Percentage |
| City of Des Plaines | % \$ 1.429 | 0.138 % | \$ 1.242 | 0.135 % | \$ 1.216 | 0.131 % | \$ 1.306 | 0.136 % | \$ 1.120 | 0.132 % |
| Des Plaines Library | 0.373 | 0.036 | 0.324 | 0.035 | 0.322 | 0.035 | 0.326 | 0.034 | 0.279 | 0.033 |
| High School District 214 | 2.881 | 0.279 | 2.527 | 0.274 | 2.563 | 0.277 | 2.669 | 0.278 | 2.356 | 0.278 |
| Harper College District 512 | 0.466 | 0.045 | 0.416 | 0.045 | 0.425 | 0.046 | 0.443 | 0.046 | 0.403 | 0.048 |
| School District 59 | 3.291 | 0.319 | 2.998 | 0.326 | 3.031 | 0.327 | 3.173 | 0.330 | 2.751 | 0.324 |
| Mt. Prospect Park District | 0.681 | 0.066 | 0.594 | 0.065 | 0.609 | 0.066 | 0.633 | 0.066 | 0.547 | 0.065 |
| Cook County | 0.552 | 0.053 | 0.533 | 0.058 | 0.527 | 0.057 | 0.489 | 0.051 | 0.484 | 0.057 |
| Metro Water Reclamation District | 0.426 | 0.041 | 0.406 | 0.044 | 0.402 | 0.043 | 0.396 | 0.041 | 0.389 | 0.046 |
| N.W. Mosquito Abatement District | 0.011 | 0.001 | 0.010 | 0.001 | 0.010 | 0.001 | 0.011 | 0.001 | 0.010 | 0.001 |
| Elk Grove Township | 0.147 | 0.014 | 0.095 | 0.010 | 0.094 | 0.010 | 0.095 | 0.010 | 0.080 | 0.009 |
| Forest Preserve District | <u>0.069</u> | <u>0.007</u> | <u>0.063</u> | <u>0.007</u> | <u>0.062</u> | <u>0.007</u> | <u>0.060</u> | <u>0.006</u> | <u>0.059</u> | <u>0.007</u> |
| TOTAL | \$ 10.326 | 100.00 % | \$ 9.208 | 100.00 % | \$ 9.261 | 100.00 % | \$ 9.601 | 100.00 % | \$ 8.478 | 100.00 % |

CITY OF DES PLAINES

PROPERTY TAX RATES AND EXTENSIONS

Last Ten Calendar Years

December 31, 2020

| Property Tax Levy Year | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Property tax rates (1) | | | | | | | | | | |
| General corporate | 0.6569 | 0.7509 | 0.7900 | 0.8906 | 0.8619 | 0.8400 | 0.6901 | 0.6495 | 0.6752 | 0.5752 |
| Police pension | 0.1436 | 0.1637 | 0.1849 | 0.2518 | 0.2579 | 0.3094 | 0.2824 | 0.2923 | 0.3249 | 0.2796 |
| Firefighters' pension | 0.1461 | 0.1687 | 0.1854 | 0.2518 | 0.2579 | 0.2722 | 0.2635 | 0.2738 | 0.3056 | 0.2650 |
| General bond retirement | 0.0515 | 0.0052 | 0.0054 | 0.0067 | 0.0067 | 0.0067 | 0.0057 | - | - | - |
| Total property tax rates | <u>0.9981</u> | <u>1.0885</u> | <u>1.1657</u> | <u>1.4009</u> | <u>1.3844</u> | <u>1.4283</u> | <u>1.2417</u> | <u>1.2156</u> | <u>1.3057</u> | <u>1.1198</u> |
| Property tax extensions (2) | | | | | | | | | | |
| General corporate | \$ 15,731,420 | \$ 16,402,317 | \$ 16,114,550 | \$ 15,115,868 | \$ 14,804,849 | \$ 13,984,176 | \$ 13,215,003 | \$ 12,703,145 | \$ 13,043,045 | \$ 12,955,495 |
| Police pension | 3,438,335 | 3,576,720 | 3,771,360 | 4,274,500 | 4,429,000 | 5,150,000 | 5,407,500 | 5,716,500 | 6,276,820 | 6,298,450 |
| Firefighters' pension | 3,497,476 | 3,685,109 | 3,781,172 | 4,274,500 | 4,429,000 | 4,532,000 | 5,047,000 | 5,356,000 | 5,903,960 | 5,969,880 |
| General bond retirement | 1,233,477 | 113,663 | 110,670 | 112,928 | 114,986 | 111,594 | 108,203 | - | - | - |
| Total property tax extensions | <u>\$ 23,900,708</u> | <u>\$ 23,777,809</u> | <u>\$ 23,777,752</u> | <u>\$ 23,777,796</u> | <u>\$ 23,777,835</u> | <u>\$ 23,777,770</u> | <u>\$ 23,777,706</u> | <u>\$ 23,775,645</u> | <u>\$ 25,223,825</u> | <u>\$ 25,223,825</u> |

Notes:

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

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

Source: Cook County Clerk's Office

CITY OF DES PLAINES

PRINCIPAL PROPERTY TAX PAYERS
Current Calendar Year and Nine Years Ago
December 31, 2020

| <u>Taxpayer</u> | <u>Type of Business/Property</u> | <u>2019 Equalized Assessed Valuation</u> | <u>Percentage of Total Taxable Assessed Value</u> | <u>2010 Equalized Assessed Valuation</u> | <u>Percentage of Total Taxable Assessed Value</u> |
|-------------------------------|----------------------------------|--|---|--|---|
| Midwest Gaming | Rivers Casino | \$ 70,571,145 | 3.13% | \$ - | 0.00% |
| Sysco Chicago | Real Property | 25,987,964 | 1.15% | - | 0.00% |
| Dante Monteverde | Real Property | 18,995,527 | 0.84% | - | 0.00% |
| Honeywell Specialty MA | Real Property | 18,432,546 | 0.82% | - | 0.00% |
| Juno Lighting | Lighting Fixtures | 16,038,000 | 0.71% | 16,772,108 | 0.70% |
| Marc Realty LLC | Real Property | 16,028,832 | 0.71% | - | 0.00% |
| Cambridge Realty | Real Property | 13,200,693 | 0.59% | - | 0.00% |
| Apple Reit Ten | Real Property | 13,122,000 | 0.58% | - | 0.00% |
| EGP 2300 Des Plaines | Real Property | 12,976,200 | 0.58% | - | 0.00% |
| Abbott Labs Tax Dept | Pharmaceutical Products | 12,028,500 | 0.53% | 14,020,423 | 0.59% |
| Universal Oil Products | Chemicals Manufacturer | - | 0.00% | 35,148,489 | 1.47% |
| O'Hare Lake Office Park LLC | Office Complex | - | 0.00% | 27,933,702 | 1.17% |
| Individual | Real Property | - | 0.00% | 24,782,555 | 1.03% |
| MLRP Messenger LLC | Real Property | - | 0.00% | 23,535,299 | 0.98% |
| AMB Property Corp | Real Estate | - | 0.00% | 19,072,710 | 0.80% |
| Crane and Norcross | Law Firm | - | 0.00% | 11,316,978 | 0.47% |
| Mariner Higgins Centre | Real Property | - | 0.00% | 11,121,717 | 0.46% |
| Michael Alesia and Associated | Real Estate | - | - | 10,772,596 | 0.45% |
| Total | | <u>\$ 217,381,407</u> | <u>9.65%</u> | <u>\$ 194,476,577</u> | <u>8.12%</u> |

Data Sources

- (1) Continuing Disclosure Speer Financial
- (2) Cook County Assessor

CITY OF DES PLAINES

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Calendar Years

December 31, 2020

| Year of Collections | Tax Levy Year | Tax Levy | Loss Levy | Total Tax Levy (1) | Collections of Current Years' Taxes During Fiscal Period | Percentage of Levy Collected Fiscal Period (1) | Collections in Subsequent Fiscal Periods (2) | Total Collections | Ratio of Total Collections to Tax Levy |
|------------------------|---------------------|---------------|--------------|--------------------------|--|--|--|----------------------|--|
| 2011 | 2010 | \$ 23,181,760 | \$ 718,948 | \$ 23,900,708 | \$ 23,930,344 | 100.12% | \$ (730,289) | \$ 23,200,055 | 97.07% |
| 2012 | 2011 | 23,083,150 | 694,659 | 23,777,809 | 23,423,462 | 98.51% | (297,398) | 23,126,064 | 97.26% |
| 2013 | 2012 | 23,083,150 | 694,602 | 23,777,752 | 23,119,146 | 97.23% | 179,738 | 23,298,884 | 97.99% |
| 2014 | 2013 | 23,083,150 | 694,646 | 23,777,796 | 23,285,158 | 97.93% | 105,305 | 23,390,463 | 98.37% |
| 2015 | 2014 | 23,083,150 | 694,685 | 23,777,835 | 23,169,971 | 97.44% | 390,101 | 23,560,072 | 99.08% |
| 2016 | 2015 | 23,083,150 | 694,620 | 23,777,770 | 23,444,923 | 98.60% | - | 23,444,923 | 98.60% |
| 2017 | 2016 | 23,083,150 | 694,556 | 23,777,706 | 23,583,596 | 99.18% | - | 23,583,596 | 99.18% |
| 2018 | 2017 | 23,083,150 | 692,495 | 23,775,645 | 23,684,019 | 99.61% | (189,982) | 23,494,037 | 98.82% |
| 2019 | 2018 | 24,489,150 | 734,675 | 25,223,825 | 25,048,080 | 99.30% | (273,001) | 24,775,079 | 98.22% |
| 2020 | 2019 | 24,489,150 | 734,675 | 25,223,825 | 24,313,586 | 96.39% | 405,603 | 24,719,189 | 98.00% |

Notes:

(1) Total tax levy includes the "loss levy" of 3% for corporate purposes and 5% for debt service which is extended by the County to cover the County's operating costs.

(2) Negative amount indicates that refunds made in subsequent years for tax payments exceeded the additional amount collected.

(3) Levy amount and collections refer only to City, and not the Library Component Unit.

Source: Cook County Clerk's Office

CITY OF DES PLAINES

PROPERTY VALUE AND CONSTRUCTION Last Ten Calendar Years December 31, 2020

| Calendar Year | Property Value (2) | Construction (1) | | | | Total Value of All Construction (including Commercial) |
|---------------|--------------------|-------------------|----------|-------------------|----------|--|
| | | Single Family | | Multi Family | | |
| | | Number of Permits | Value | Number of Permits | Value | |
| 2011 | \$ 7,184,032 | 2 | \$ 1,002 | 9 | \$ 6,022 | \$ 50,293 |
| 2012 | 6,553,000 | 2 | 1,153 | 4 | 2,860 | 29,994 |
| 2013 | 6,119,818 | 3 | 1,424 | 7 | 5,459 | 39,964 |
| 2014 | 5,091,862 | 4 | 2,312 | 0 | - | 92,500 |
| 2015 | 5,152,971 | 9 | 5,384 | 0 | - | 56,344 |
| 2016 | 4,994,161 | 28 | 9,084 | 2 | 7,915 | 91,643 |
| 2017 | 5,745,090 | 87 | 20,474 | 3 | 65,192 | 145,923 |
| 2018 | 5,867,749 | 97 | 22,065 | 1 | 19,658 | 123,519 |
| 2019 | 5,795,483 | 44 | 11,524 | 0 | - | 186,627 |
| 2020 | 6,757,491 | 41 | 10,809 | 1 | 45,377 | 139,578 |

Source:

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

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

Note: Property Values in Thousands. In 2020, the estimated value amounts were restated using 1/3 as the calculating factor instead of 0.33333.

CITY OF DES PLAINES

TAXABLE SALES BY CATEGORY Last Ten Calendar Years December 31, 2020

Taxable Sales

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|--------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|-------------------------|
| General merchandise | \$ 65,039,100 | \$ 82,451,794 | \$ 84,312,307 | \$ 93,275,606 | \$ 100,099,051 |
| Food stores | 125,744,900 | 127,806,151 | 124,996,898 | 120,614,055 | 108,321,547 |
| Drinking & eating places | 72,985,400 | 74,194,121 | 73,037,730 | 72,325,651 | 76,909,780 |
| Apparel | 19,819,600 | 2,996,674 | 2,642,396 | 2,862,560 | 2,716,360 |
| Furniture, household & radio | 3,258,200 | 2,632,102 | 3,223,992 | 3,601,935 | 4,973,366 |
| Lumber, building & hardware | 26,991,600 | 31,747,475 | 32,356,025 | 40,960,823 | 38,800,644 |
| Automotive & filling stations | 182,879,100 | 211,968,095 | 199,656,247 | 200,108,721 | 198,372,235 |
| Drugs and miscellaneous retail | 76,114,400 | 106,200,248 | 495,625,797 | 316,973,432 | 245,409,242 |
| Agriculture & all others | 161,674,000 | 213,750,496 | 224,023,628 | 236,368,575 | 269,355,814 |
| Manufacturers | 46,963,600 | 23,956,283 | 8,232,122 | 34,309,375 | 29,507,385 |
| Total | \$ 781,469,900 | \$ 877,703,439 | \$ 1,248,107,142 | \$ 1,121,400,733 | \$ 1,074,465,424 |
| City direct sales tax rate | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |

Municipal Tax Receipts

| | | | | | |
|--------------------------------|---------------------|---------------------|----------------------|----------------------|----------------------|
| General merchandise | \$ 650,391 | \$ 824,518 | \$ 843,123 | \$ 932,756 | \$ 1,000,991 |
| Food stores | 1,257,449 | 1,278,062 | 1,249,969 | 1,206,141 | 1,083,215 |
| Drinking & eating places | 729,854 | 741,941 | 730,377 | 723,257 | 769,098 |
| Apparel | 198,196 | 29,967 | 26,424 | 28,626 | 27,164 |
| Furniture, household & radio | 32,582 | 26,321 | 32,240 | 36,019 | 49,734 |
| Lumber, building & hardware | 269,916 | 317,475 | 323,560 | 409,608 | 388,006 |
| Automotive & filling stations | 1,828,791 | 2,119,681 | 1,996,562 | 2,001,087 | 1,983,722 |
| Drugs and miscellaneous retail | 761,144 | 1,062,002 | 4,956,258 | 3,169,734 | 2,454,092 |
| Agriculture & all others | 1,616,740 | 2,137,505 | 2,240,236 | 2,363,686 | 2,693,558 |
| Manufacturers | 469,636 | 239,563 | 82,321 | 343,094 | 295,074 |
| Total | \$ 7,814,699 | \$ 8,777,034 | \$ 12,481,071 | \$ 11,214,007 | \$ 10,744,654 |
| City direct sales tax rate | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |

Source: Illinois Department of Revenue

Notes:

- (1) Effective July 1, 2006 the Home Rule Tax is one percent.
- (2) Distribution of 1% municipal tax used to estimate taxable sales.
- (3) In 2013 the City received in excess of \$3 million as the result of an Illinois Department of Revenue audit on a local business.

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|----|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| \$ | 35,167,584 | \$ 27,978,102 | \$ 28,132,749 | \$ 27,172,065 | \$ 24,006,627 |
| | 163,688,429 | 196,586,098 | 228,074,499 | 210,242,005 | 223,366,007 |
| | 102,934,518 | 112,375,617 | 116,873,415 | 120,714,535 | 80,795,114 |
| | 2,360,370 | 2,596,049 | 2,775,415 | 2,330,147 | 1,491,265 |
| | 5,990,700 | 5,652,031 | 6,479,594 | 6,769,379 | 7,399,296 |
| | 38,026,972 | 42,380,819 | 43,414,194 | 43,890,578 | 41,989,268 |
| | 213,047,106 | 232,453,450 | 269,867,872 | 298,951,411 | 233,713,735 |
| | 260,867,328 | 271,432,828 | 374,442,861 | 270,568,214 | 242,754,810 |
| | 281,690,560 | 272,499,793 | 294,101,456 | 304,495,513 | 259,599,863 |
| | <u>35,014,657</u> | <u>42,300,721</u> | <u>42,220,486</u> | <u>43,587,023</u> | <u>48,375,587</u> |
| | <u>\$ 1,138,788,224</u> | <u>\$ 1,206,255,508</u> | <u>\$ 1,406,382,541</u> | <u>\$ 1,328,720,870</u> | <u>\$ 1,163,491,572</u> |
| | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |

| | | | | | |
|----|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ | 351,676 | \$ 279,781 | \$ 281,327 | \$ 271,721 | \$ 240,066 |
| | 1,636,884 | 1,965,861 | 2,280,745 | 2,102,420 | 2,233,660 |
| | 1,029,345 | 1,123,756 | 1,168,734 | 1,207,145 | 807,951 |
| | 23,604 | 25,960 | 27,754 | 23,301 | 14,913 |
| | 59,907 | 56,520 | 64,796 | 67,694 | 73,993 |
| | 380,270 | 423,808 | 434,142 | 438,906 | 419,893 |
| | 2,130,471 | 2,324,535 | 2,698,679 | 2,989,514 | 2,337,137 |
| | 2,608,673 | 2,714,328 | 3,744,429 | 2,705,682 | 2,427,548 |
| | 2,816,906 | 2,724,998 | 2,941,015 | 3,044,955 | 2,595,999 |
| | <u>350,147</u> | <u>423,007</u> | <u>422,205</u> | <u>435,870</u> | <u>483,756</u> |
| | <u>\$ 11,387,882</u> | <u>\$ 12,062,555</u> | <u>\$ 14,063,825</u> | <u>\$ 13,287,209</u> | <u>\$ 11,634,916</u> |
| | 1.00% | 1.00% | 1.00% | 1.00% | 1.00% |

CITY OF DES PLAINES

RATIO OF OUTSTANDING DEBT BY TYPE (1) Last Ten Calendar Years December 31, 2020

| Fiscal Year | Governmental Activities | | | | | | |
|----------------|--|---|---|---|---|---|----------------------------------|
| | Debt Service General Obligation Bonds | Tax Increment Financing General Obligation Bonds | Tax Increment Financing Capital Appreciation Bonds (2) | Capital Projects General Obligation Bonds | Equipment Replacement Installment Notes Payable | Tax Increment Revenue Note Incentive Agreement | Short Term Note Payable |
| 2011 | \$ 875,000 | \$ 28,880,000 | \$ 10,225,477 | \$ 22,930,000 | \$ 268,651 | \$ 591,330 | \$ - |
| 2012 | 800,000 | 27,415,000 | 10,561,878 | 18,540,000 | 212,500 | 538,252 | - |
| 2013 | 725,000 | 32,675,000 | 10,929,315 | 11,745,000 | 200,000 | 482,387 | - |
| 2014 | 645,000 | 22,465,000 | 11,193,625 | 6,375,000 | 187,500 | 423,590 | - |
| 2015 | 560,000 | 20,025,000 | 11,510,688 | 4,775,000 | 175,000 | 361,705 | - |
| 2016 | 475,000 | 17,865,400 | 11,866,615 | 3,555,812 | 162,500 | 296,572 | - |
| 2017 | - | 15,097,532 | 11,742,741 | 936,980 | 150,000 | 228,019 | - |
| 2018 | - | 20,140,000 | 2,921,421 | - | 137,500 | 155,867 | - |
| 2019 | - | 16,545,000 | 2,764,246 | - | 87,500 | 79,926 | - |
| 2020 | - | 12,865,000 | 2,454,431 | - | - | - | - |

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

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

Source: Audited financial statements

Business-Type Activities

| <u>Water General Obligation Bonds</u> | <u>Unamortized (Discounts) / Premiums</u> | <u>Total Primary Government</u> | <u>Outstanding Debt as Percentage of Personal Income</u> | <u>Outstanding Debt Per Capita</u> | <u>Personal Income (thousands) of dollars)</u> | <u>Population</u> |
|---|---|---|--|--|--|-------------------|
| \$ 730,000 | \$ 409,325 | \$ 64,909,783 | 1.96% | 1,112 | \$ 3,319,219 | \$ 58,364 |
| 365,000 | 370,687 | 58,803,317 | 1.77% | 1,008 | 3,319,219 | 58,364 |
| - | 541,672 | 57,298,374 | 1.73% | 982 | 3,319,219 | 58,364 |
| - | 386,636 | 41,676,351 | 1.26% | 714 | 3,319,219 | 58,364 |
| - | 287,237 | 37,694,630 | 1.14% | 646 | 3,319,219 | 58,364 |
| - | | 34,221,899 | 1.03% | 586 | 3,319,219 | 58,364 |
| - | - | 28,155,272 | 0.85% | 482 | 3,319,219 | 58,364 |
| - | 338,990 | 23,693,778 | 0.71% | 406 | 3,319,219 | 58,364 |
| - | 256,889 | 19,733,561 | 0.59% | 338 | 3,319,219 | 58,364 |
| - | 189,283 | 15,508,714 | 0.47% | 266 | 3,319,219 | 58,364 |

CITY OF DES PLAINES

RATIO NET GENERAL OBLIGATION BONDED DEBT TO
 ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
 Last Ten Calendar Years
 December 31, 2020

| Fiscal Year | Population (1) | Equalized Assessed Value (2) | Net General Obligation Bonded Debt (3) | Ratio of Bonded Debt to Equalized Assessed Value | Bonded Debt Per Capita |
|----------------|----------------|------------------------------------|--|--|------------------------------|
| 2011 | 58,364 | \$ 2,394,677,264 | \$ 64,909,783 | 2.71 | \$ 1,112.15 |
| 2012 | 58,364 | 2,184,333,304 | 58,803,317 | 2.69 | 1,007.53 |
| 2013 | 58,364 | 2,039,939,367 | 57,298,374 | 2.81 | 981.74 |
| 2014 | 58,364 | 1,697,287,344 | 41,676,351 | 2.46 | 714.08 |
| 2015 | 58,364 | 1,717,657,016 | 37,694,630 | 2.19 | 645.85 |
| 2016 | 58,364 | 1,664,720,171 | 34,221,899 | 2.06 | 586.35 |
| 2017 | 58,364 | 1,915,029,885 | 28,155,272 | 1.47 | 482.41 |
| 2018 | 58,364 | 1,955,916,247 | 23,693,778 | 1.21 | 405.97 |
| 2019 | 58,364 | 1,931,827,633 | 19,733,561 | 1.02 | 338.11 |
| 2020 | 58,364 | 2,252,496,910 | 15,508,714 | 0.68 | 262.48 |

Data Source

(1) U.S. Census Bureau/City of Des Plaines' Community Development Department.

(2) Cook County Clerk's Office

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

CITY OF DES PLAINES

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION
BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES
Last Ten Calendar Years
December 31, 2020

| Fiscal Year | Principal | Interest and Fiscal Charges | Total Debt Service | Total General Expenditures (1) | Ratio of Debt Service to Total General Expenditures |
|----------------|--------------|--------------------------------|-----------------------|--------------------------------------|--|
| 2011 | \$ 7,152,599 | \$ 2,362,196 | \$ 9,514,795 | \$ 79,447,160 | 11.98 |
| 2012 | 6,259,229 | 2,055,352 | 8,314,581 | 85,029,226 | 9.78 |
| 2013 | 9,181,565 | 2,032,855 | 11,214,420 | 90,440,682 | 12.40 |
| 2014 | 8,151,298 | 1,325,139 | 9,476,437 | 91,752,984 | 10.33 |
| 2015 | 4,459,385 | 867,944 | 5,327,329 | 93,056,764 | 5.72 |
| 2016 | 3,982,633 | 749,259 | 4,731,892 | 91,341,493 | 5.18 |
| 2017 | 6,611,053 | 644,685 | 7,255,738 | 95,788,403 | 7.57 |
| 2018 | 4,959,652 | 582,824 | 5,542,476 | 112,566,274 | 4.92 |
| 2019 | 4,045,940 | 585,011 | 4,630,951 | 117,036,571 | 3.75 |
| 2020 | 4,317,427 | 486,530 | 4,803,957 | 109,601,789 | 4.38 |

Notes :

(1) Includes General, Special Revenue, Debt Service Funds and Component Unit - Library Funds

Data Source

City of Des Plaines Annual Financial Reports

CITY OF DES PLAINES

SCHEDULE FOR DIRECT AND OVERLAPPING DEBT December 31, 2020

| Governmental Unit | Outstanding Debt (1) | Applicable to the City | |
|---|-------------------------|------------------------|-----------------------|
| | | Percent (2) | Amount |
| <u>City of Des Plaines</u> | | | |
| General Obligation Debt | \$ 15,319,431 | 100.00% | \$ 15,319,431 |
| Tax Increment Financing Revenue Bonds | - | 100.00% | - |
| Loans Payable | - | 100.00% | - |
| Unamortized (Discounts) / Premiums | 189,283 | 100.00% | 189,283 |
| Subtotal - Direct Debt | <u>15,508,714</u> | | <u>\$ 15,508,714</u> |
| | | | |
| Cook County | \$ 2,663,661,751 | 1.35% | \$ 35,872,202 |
| Cook County Forest Preserve District | 125,285,000 | 1.35% | 1,687,245 |
| Metropolitan Water Reclamation District | 2,694,934,289 | 1.37% | 36,926,710 |
| Des Plaines Park District | 6,630,000 | 91.27% | 6,050,870 |
| Mt. Prospect Park District | 17,405,568 | 18.39% | 3,200,079 |
| School District No. 26 | 12,445,000 | 6.93% | 862,488 |
| School District No. 57 | 5,970,000 | 1.16% | 69,523 |
| School District No. 59 | 32,355,000 | 10.83% | 3,503,294 |
| School District No. 62 | 28,790,000 | 89.54% | 25,779,302 |
| School District No. 64 | 340,000 | 0.02% | 68 |
| High School District No. 207 | 120,325,000 | 34.58% | 41,603,050 |
| High School District No. 214 | 20,360,000 | 3.69% | 751,284 |
| Harper Community College District No. 512 | 254,770,000 | 1.72% | 4,387,697 |
| Oakton Community College District No. 535 | 47,200,000 | 7.36% | 3,476,004 |
| Subtotal - Overlapping Debt | <u>6,030,471,608</u> | | <u>164,169,816</u> |
| | | | |
| Total Direct and Overlapping Debt | <u>\$ 6,045,980,322</u> | | <u>\$ 179,678,530</u> |

Notes:

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

(2) Applicable percentages are based on 2018 assessed valuations and were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Data Sources

Continuing Disclosure Speer Financial
Assessed Valuation - Cook County Clerk
Outstanding Bonds - Cook County Clerk

CITY OF DES PLAINES

DEMOGRAPHIC STATISTICS Last Ten Calendar Years December 31, 2020

| Fiscal Year | Population (1) | Personal Income (thousands) (1) | Median Household Income (1) | Per Capita Income (1) | Median Age (1) | Education Level in Years of Schooling | School Enrollment (2) | Unemploy- ment Rate (3) |
|----------------|----------------|---------------------------------------|-----------------------------------|-----------------------------|-------------------|---|--------------------------|-------------------------------|
| 2011 | 58,364 | \$ 3,319,219 | \$ 56,871 | \$ 27,562 | 42.0 | 12+ | 8,000 | 9.2 |
| 2012 | 58,364 | 3,319,219 | 56,871 | 27,562 | 42.0 | 12+ | 8,490 | 8.4 |
| 2013 | 58,364 | 3,319,219 | 56,871 | 27,562 | 42.0 | 12+ | 7,836 | 8.0 |
| 2014 | 58,364 | 3,319,219 | 56,871 | 27,562 | 42.0 | 12+ | 8,516 | 4.9 |
| 2015 | 58,364 | 3,319,219 | 56,871 | 27,562 | 42.0 | 12+ | 8,465 | 5.1 |
| 2016 | 58,364 | 3,319,219 | 56,871 | 27,562 | 42.0 | 12+ | 8,442 | 5.2 |
| 2017 | 58,364 | 3,319,219 | 56,871 | 27,562 | 42.0 | 12+ | 8,353 | 4.3 |
| 2018 | 58,364 | 3,319,219 | 56,871 | 27,562 | 42.0 | 12+ | 8,262 | 3.6 |
| 2019 | 58,364 | 3,319,219 | 56,871 | 27,562 | 42.0 | 12+ | 8,049 | 3.2 |
| 2020 | 58,364 | 3,319,219 | 56,871 | 27,562 | 42.0 | 12+ | 7,961 | 9.7 |

Data Sources

(1) U.S. Census Bureau

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

(3) Bureau of Labor Statistics

CITY OF DES PLAINES

PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago
December 31, 2020

| Employer | 2020 | | 2011 | |
|-------------------------------|-------------------|----------------------------------|-------------------|----------------------------------|
| | Employees (1) | Percentage City Total Employment | Employees | Percentage City Total Employment |
| Rivers Casino | 1,500 | 3.8% | 1,377 | 4.6% |
| Universal Oil Products | 1,300 | 3.3% | 1,500 | 5.0% |
| Holy Family | 896 | 2.3% | 1,036 | 3.4% |
| Oakton Community College | 855 | 2.1% | 990 | 3.3% |
| School District 62 | 830 | 2.1% | 706 | 2.3% |
| Sysco Food Services | 729 | 1.8% | 650 | 2.2% |
| Acuity Brands (Juno Lighting) | 701 | 1.8% | 400 | 1.3% |
| Wheels Inc. | 550 | 1.4% | 550 | 1.8% |
| LSG SkyChefs | 500 | 1.3% | | 0.0% |
| Warehouse Direct | 500 | 1.3% | | 0.0% |
| Abbot Molecular | 500 | 1.3% | 400 | 1.3% |
| American Eagle | 250 | 0.6% | | 0.0% |
| W-Diamond Group | 200 | 0.5% | 350 | 1.2% |
| Total | 9,311 | 23.4% | 7,959 | 26.4% |
| City Total Employment (2) | 39,805 | | 30,204 | |

(1) Data Axle Reference Solution and Direct Reporting

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

CITY OF DES PLAINES

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION Last Ten Calendar Years December 31, 2020

| <u>Function/Program</u> | <i>Note</i> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
|----------------------------------|-------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Elected Office | | 2.75 | 3.00 | 3.00 | 3.00 | 3.25 | 3.25 | 3.25 | 3.25 | 3.75 | 3.75 |
| General Government | | | | | | | | | | | |
| Manager's Department | | 16.75 | 16.75 | 14.75 | 14.75 | 15.50 | 16.00 | 19.25 | 21.00 | 20.50 | 21.50 |
| Finance | | 14.00 | 14.00 | 14.00 | 15.75 | 16.25 | 16.25 | 16.25 | 16.50 | 16.50 | 17.50 |
| Police | | | | | | | | | | | |
| Officers | | 95.00 | 95.00 | 95.00 | 96.00 | 97.00 | 97.00 | 98.00 | 98.00 | 100.00 | 97.00 |
| Civilians | | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 | 21.00 | 20.00 | 22.00 |
| Fire | | | | | | | | | | | |
| Firefighters and officers | | 96.00 | 96.00 | 96.00 | 96.00 | 96.00 | 96.00 | 96.00 | 96.00 | 96.00 | 96.00 |
| Civilians | | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 | 2.50 | 2.75 | 2.75 | 2.75 |
| Public Works and Engineering | | | | | | | | | | | |
| Public Works & Engineering (new) | | 79.25 | 79.25 | 79.50 | 80.00 | 81.00 | 81.00 | 81.00 | 82.00 | 82.75 | 82.50 |
| Community Development | | 16.00 | 16.00 | 16.00 | 16.00 | 18.25 | 18.25 | 18.25 | 18.75 | 18.75 | 19.00 |
| EMA | | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.50 | 1.50 | 1.50 |
| DPECC | (1) | - | - | 22.75 | 23.00 | 21.00 | - | - | - | - | - |
| Subtotal | | 344.25 | 344.50 | 365.50 | 369.00 | 372.75 | 352.25 | 356.50 | 360.75 | 362.50 | 363.50 |
| Library | | <u>66.50</u> | <u>64.80</u> | <u>64.80</u> | <u>64.80</u> | <u>64.60</u> | <u>65.10</u> | <u>66.70</u> | <u>66.70</u> | <u>66.90</u> | <u>69.10</u> |
| Total | | <u>410.75</u> | <u>409.30</u> | <u>430.30</u> | <u>433.80</u> | <u>437.35</u> | <u>417.35</u> | <u>423.20</u> | <u>427.45</u> | <u>429.40</u> | <u>432.60</u> |

Source: Finance Departmental Budgets

Notes:

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

CITY OF DES PLAINES

OPERATING INDICATORS BY FUNCTION / PROGRAMS

Last Ten Calendar Years

December 31, 2020

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Function/Program | | | | | | | | | | |
| Police | | | | | | | | | | |
| Physical arrests (1) | 1,279 | 2,208 | 1,150 | 892 | 812 | 885 | 753 | 594 | 546 | 413 |
| Compliance and Parking Violations | 16,228 | 13,656 | 12,871 | 10,973 | 7,234 | 7,407 | 10,212 | 11,329 | 12,287 | 4,448 |
| Traffic violations | 7,309 | 6,643 | 5,506 | 4,590 | 3,188 | 2,083 | 1,046 | 3,420 | 3,014 | 1,407 |
| Fire | | | | | | | | | | |
| Emergency Medical Calls | 5,244 | 5,451 | 5,382 | 5,647 | 5,842 | 6,060 | 6,126 | 6,720 | 7,013 | 6,553 |
| Fires/Reports of Fires | 1,085 | 1,120 | 1,088 | 1,172 | 1,100 | 924 | 1,045 | 1,158 | 1,202 | 1,196 |
| Other Emergency Calls | 1,261 | 1,024 | 1,063 | 1,084 | 958 | 1,010 | 879 | 1,063 | 971 | 791 |
| Inspections | 4,962 | 4,304 | 4,312 | 4,177 | 3,534 | 3,233 | 3,803 | 3,211 | 4,146 | 2,801 |
| Engineering | | | | | | | | | | |
| Street resurfacing (square yards) | 51,500 | 29,700 | 60,903 | 167,781 | 113,115 | 17,016 | 107,860 | 21,942 | 95,939 | 49,481 |
| Sidewalks removed & replaced (sq ft) | 37,000 | 69,300 | 141,162 | 173,959 | 101,456 | 54,635 | 164,542 | 126,882 | 158,174 | 50,640 |
| Snow and ice control (tons of salt) | 1,781 | 1,143 | 6,350 | 4,290 | 5,600 | 2,983 | 2,436 | 4,738 | 4,724 | 3,551 |
| Community Development | | | | | | | | | | |
| Building permits issued | 3,366 | 2,679 | 2,956 | 2,758 | 2,766 | 3,105 | 2,994 | 3,258 | 2,831 | 2,750 |
| Overall inspection totals | 15,804 | 15,804 | 12,760 | 13,079 | 11,400 | 12,304 | 13,190 | 17,478 | 17,408 | 11,912 |
| Health | | | | | | | | | | |
| Home health visits | 119 | 91 | 79 | 73 | 87 | 101 | 61 | 34 | 18 | 6 |
| Library | | | | | | | | | | |
| Volumes in collection (3) | 263,736 | 257,406 | 255,559 | 251,361 | 310,678 | 318,170 | 358,969 | 325,358 | 396,332 | 499,550 |
| Total volumes borrowed | 1,176,477 | 1,173,113 | 1,133,142 | 1,106,219 | 1,022,448 | 1,111,614 | 1,094,683 | 1,074,697 | 944,426 | 678,141 |
| Total annual attendance | 598,389 | 575,017 | 564,257 | 549,244 | 590,284 | 496,845 | 439,369 | 417,030 | 397,612 | 162,987 |
| Total resident library cards still active | 33,784 | 34,440 | 34,347 | 34,845 | 33,270 | 33,805 | 32,644 | 28,404 | 26,151 | 26,347 |
| Water | | | | | | | | | | |
| Water Main Breaks | 96 | 170 | 141 | 105 | 80 | 124 | 88 | 122 | 94 | 85 |
| New Connections | 40 | 20 | 19 | 36 | 8 | 23 | 37 | 126 | 76 | 46 |
| Number of Consumers | 17,036 | 17,033 | 17,058 | 17,072 | 17,068 | 17,091 | 17,070 | 17,143 | 17,102 | 17,263 |
| Miles of Water Mains | 221 | 221 | 221 | 221 | 225 | 225 | 225 | 225 | 225 | 233 |
| Average daily consumption (gallons) | 6,752,000 | 7,188,000 | 6,718,635 | 6,349,202 | 6,528,887 | 6,651,885 | 6,318,907 | 6,304,457 | 6,133,294 | 5,943,919 |
| Daily average consumption per Capita (gallons) | 116 | 123 | 115 | 109 | 112 | 114 | 108 | 108 | 105 | 102 |
| Number of Fire Hydrants | 2,681 | 2,350 | 2,350 | 2,350 | 2,350 | 2,350 | 2,350 | 2,350 | 2,350 | 2,350 |
| Sewer | | | | | | | | | | |
| Sanitary sewer replaced (linear feet) | 65 | 341 | 1,164 | 470 | 372 | 339 | 306 | 1,012 | 525 | 126 |
| Sanitary sewer televised (linear feet) | 43,406 | 37,310 | 27,733 | 15,187 | 21,035 | 10,231 | 44,172 | 45,201 | 106,242 | 46,646 |
| Sanitary sewer cleaned (linear feet) | 131,496 | 179,998 | 98,777 | 91,738 | 121,331 | 98,420 | 157,396 | 165,213 | 201,822 | 174,767 |
| Sanitary sewer lined (linear feet) | 3,420 | 10,045 | - | 3,102 | 174 | 2,111 | 2,111 | 22,041 | 13,396 | 9,101 |
| Municipal Parking Lots | | | | | | | | | | |
| Metra (2) | 43,257 | 49,669 | 48,591 | 44,105 | 52,965 | 54,158 | 55,546 | 80,657 | 78,890 | 20,483 |
| City Owned (2) | 17,283 | 20,173 | 36,218 | 54,513 | 37,908 | 34,710 | 34,597 | 33,012 | 34,874 | 11,585 |
| Transit | | | | | | | | | | |
| Number of participants in the Taxi Voucher Program (4) | 780 | 938 | 1,076 | 1,124 | 1,112 | 1,109 | - | - | - | - |
| Handicapped Placards issued | 66 | 40 | 45 | 23 | 18 | 19 | 61 | 17 | 39 | 6 |

Source: Various City departments

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

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

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

(4) In 2011, the structure of the Taxi Voucher Program changed. The program now tracks total participants regardless of the number of voucher booklets obtained.

CITY OF DES PLAINES

CAPITAL ASSETS STATISTICS BY FUNCTION Last Ten Calendar Years December 31, 2020

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| <u>Function/Program</u> | | | | | | | | | | |
| Police | | | | | | | | | | |
| Station | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Fire | | | | | | | | | | |
| Station | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Other Public Works | | | | | | | | | | |
| Streets (miles)* | 145 | 145 | 145 | 145 | 145 | 145 | 145 | 145 | 145 | 145 |
| Streetlights | 722 | 723 | 723 | 787 | 787 | 787 | 787 | 787 | 832 | 832 |
| Traffic Signals | 2 | 2 | 2 | 1 | 4 | 3 | 3 | 3 | 3 | 5 |
| Water | | | | | | | | | | |
| Water mains (miles) | 221 | 221 | 221 | 221 | 225 | 225 | 225 | 225 | 225 | 233 |
| Fire hydrants | 2,681 | 2,350 | 2,350 | 2,350 | 2,350 | 2,350 | 2,350 | 2,350 | 2,350 | 2,350 |
| Storage capacity (millions of gallons) | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 |

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

Source: Various City departments

CITY OF DES PLAINES

WATER SOLD
Last Ten Calendar Years
(in thousands)
December 31, 2020

| | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <u>Gallons sold</u> | | | | | | | | | | |
| Residential | 1,274,242 | 1,448,567 | 1,258,528 | 1,252,771 | 1,224,260 | 1,154,518 | 1,215,247 | 1,179,747 | 1,198,481 | 1,231,402 |
| Commercial | 494,478 | 486,179 | 470,197 | 493,685 | 535,931 | 536,218 | 420,324 | 425,349 | 441,361 | 357,228 |
| Industrial | 131,321 | 112,454 | 113,281 | 119,147 | 102,580 | 112,064 | 108,287 | 120,994 | 124,873 | 116,088 |
| Totals | <u>1,900,041</u> | <u>2,047,200</u> | <u>1,842,006</u> | <u>1,865,603</u> | <u>1,862,771</u> | <u>1,802,800</u> | <u>1,743,858</u> | <u>1,726,090</u> | <u>1,764,715</u> | <u>1,704,718</u> |
| Water rate per 1,000 gallons | \$4.56 | \$5.45 | \$5.82 | \$6.25 | \$6.75 | \$6.75 | \$6.82 | \$6.88 | \$6.92 | \$7.04 |
| Storm Sewer rate per 1,000 gallons | \$1.20 | \$1.20 | \$1.20 | \$1.20 | \$0.76 | \$0.76 | \$0.76 | \$0.76 | \$0.76 | \$0.94 |

Source: *City of Des Plaines Water Consumption Report*

CITY OF DES PLAINES

MISCELLANEOUS STATISTICS December 31, 2020

| | |
|--|---------------|
| Date of incorporation (Town of Rand) | 1857 |
| Form of government | City Manager |
| Building permits: | |
| Permits issued | 2,750 |
| Estimated value | \$139,578,227 |
| Fire protection: | |
| Number of stations | 3 |
| Number of sworn firefighters | 96 |
| Police protection: | |
| Number of stations | 1 |
| Number of sworn police officers | 97 |
| Municipal water plant | |
| Number of consumers | 17,263 |
| Daily average consumption (gallons) | 5,943,919 |
| Daily average consumption per capita (gallons) | 102 |
| Miles of water mains | 233 |
| Number of fire hydrants | 2,350 |
| Employees as of December 31, 2020 | |
| Full time | 341.00 |
| Part time | 22.50 |
| Total | 363.50 (1) |
| Population | |
| 1880 | 818 |
| 1890 | 986 |
| 1900 | 1,666 |
| 1910 | 2,348 |
| 1920 | 3,451 |
| 1930 | 8,798 |
| 1940 | 9,518 |
| 1950 | 14,994 |
| 1960 | 34,886 |
| 1970 | 57,237 |
| 1980 | 53,568 |
| 1990 | 53,414 |
| 2000 | 56,945 |
| 2007 | 58,710 |
| 2010 | 58,364 |

CITY OF DES PLAINES

MISCELLANEOUS STATISTICS December 31, 2020

Area and land use - City of Des Plaines

Total area December 31, 2020 - 9,198.54 acres or 14.334 square miles (Based on municipal boundary data.)

Distribution of land uses

| | <u>Acres</u> | <u>Percent of Total</u> |
|--------------------------------|---------------------|-----------------------------|
| Residential | 3,952 | 43.4% |
| Manufacturing | 1,431 | 15.7% |
| Commercial services | 713 | 7.8% |
| Education and recreation | 1,447 | 15.9% |
| Streets, alleys, and railroads | 1,143 | 12.5% |
| Total developed | <u>8,686</u> | 95.3% |
| Vacant land | <u>433</u> | 4.7% |
| Total | <u><u>9,119</u></u> | <u><u>100.0%</u></u> |

Data Sources

U.S. Census Bureau and Various City Departments.

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

2021 DISCLOSURE

Relating to

**CITY OF DES PLAINES
Cook County, Illinois**

CUSIP NUMBER 250217

\$2,575,000 Taxable General Obligation Corporate Purpose Refunding Bonds, Series 2008A
\$3,173,084 Taxable General Obligation Refunding Bonds, Series 2009A (Capital Appreciation)
\$3,540,000 General Obligation Refunding Bonds, Series 2011
\$7,945,000 Taxable General Obligation Refunding Bonds, Series 2013
\$2,020,000 Taxable General Obligation Refunding Bonds, Series 2014A
\$5,600,000 General Obligation Refunding Bonds, Series 2014B
and
\$12,410,000 General Obligation Refunding Bonds, Series 2018

For further information please contact:

Ms. Dorothy Wisniewski
Director of Finance/Treasurer
City of Des Plaines
1420 Miner Street
Des Plaines, Illinois 60016-4498
Telephone Number: (847) 391-5317
Fax Number: (847) 391-5402
Email: dwisniewski@desplaines.org

6/11/2021

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

| State Fiscal Year Ending June 30 | State Sales Tax Distributions (2) | Home Rule Sales Tax Distributions | Total Distributions | Percentage Change + (-) |
|-------------------------------------|--------------------------------------|--------------------------------------|------------------------|----------------------------|
| 2011 | \$7,846,363 | \$4,882,813 | \$12,729,177 | 1.79% |
| 2012 | 8,040,265 | 5,191,286 | 13,231,552 | 3.95% |
| 2013 | 8,881,733 | 5,550,747 | 14,432,481 | 9.08% |
| 2014 | 12,653,049 | 5,693,658 | 18,346,707 | 27.12% |
| 2015 | 11,416,347 | 5,878,898 | 17,295,245 | (5.73%) |
| 2016 | 10,845,159 | 5,790,424 | 16,635,583 | (3.81%) |
| 2017 | 11,516,868 | 6,170,441 | 17,687,309 | 6.32% |
| 2018 | 13,338,688 | 6,544,475 | 19,883,163 | 12.41% |
| 2019 | 13,161,529 | 6,684,045 | 19,845,574 | (0.19%) |
| 2020 | 13,270,834 | 6,676,579 | 19,947,413 | 0.51% |
| Growth from 2011 to 2020 | | | | 56.71% |

Notes: (1) Source: Illinois Department of Revenue.

(2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Taxes, collected on behalf of the City, less a State administration fee. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State.

(3) The 2011 percentage is based on a 2010 sales tax receipts of \$12,505,000.

DEBT INFORMATION

General Obligation Debt – By Issue(1)

| Issue Date | Issue Name | Principal Outstanding | Supported By |
|----------------------------|---|--------------------------|---|
| 4/1/2008 | Taxable General Obligation Corporate Purpose Refunding Bonds, Series 2008A | \$ 125,000 | TIF Revenues |
| 11/3/2009 | Taxable General Obligation Refunding Bonds, Series 2009A ... | 1,309,249 | TIF Revenues |
| 12/22/2011 | General Obligation Refunding Bonds, Series 2011 | 285,000 | TIF Revenues |
| 12/17/2013 | Taxable General Obligation Refunding Bonds, Series 2013 ... | 690,000 | TIF Revenues |
| 9/4/2014 | Taxable General Obligation Refunding Bonds, Series 2014A ... | 355,000 | TIF Revenues |
| 9/4/2014 | General Obligation Refunding Bonds, Series 2014B | 920,000 | TIF Revenues, Sales and Utility Taxes/Fees |
| 3/20/2018 | General Obligation Refunding Bonds, Series 2018 | 10,490,000 | TIF Revenues |
| Total | | <u>\$ 14,174,249</u> | |
| Less Self Supporting | | (14,174,249) | |
| Tax Supported Debt | | <u>\$ 0</u> | |

Note: (1) Source: The City.

General Obligation Bonded Debt(1)
(Principal Only)

| Calendar Year | Total | Self- Supporting | Cumulative Retirement | |
|------------------|--------------|---------------------|-----------------------|---------|
| | | | Amount | Percent |
| 2021 | \$ 2,855,713 | \$ 2,855,713 | \$ 2,855,713 | 20.15% |
| 2022 | 2,300,424 | 2,300,425 | 5,156,137 | 36.38% |
| 2023 | 2,178,112 | 2,178,112 | 7,334,249 | 51.74% |
| 2024 | 1,905,000 | 1,905,000 | 9,239,249 | 65.18% |
| 2025 | 1,960,000 | 1,960,000 | 11,199,249 | 79.01% |
| 2026 | 2,160,000 | 2,160,000 | 13,359,249 | 94.25% |
| 2027 | 400,000 | 400,000 | 13,759,249 | 97.07% |
| 2028 | 415,000 | 415,000 | 14,174,249 | 100.00% |
| Total | \$14,174,249 | \$14,174,249 | | |

Note: (1) Source: The City.

Detailed Overlapping Bonded Debt(1)

| | Total Debt (2) | Applicable to the City | |
|---|-----------------|------------------------|----------------|
| | | Percent (3) | Amount |
| School District No. 26..... | \$ 12,445,000 | 6.93% | \$ 862,488 |
| School District No. 57..... | 5,970,000 | 1.16% | 69,523 |
| School District No. 59..... | 32,355,000 | 10.83% | 3,503,294 |
| School District No. 62..... | 28,790,000 | 89.54% | 25,779,302 |
| School District No. 64..... | 340,000 | 0.00% (4) | 68 |
| High School District No. 207..... | 120,325,000 | 34.58% | 41,603,050 |
| High School District No. 214..... | 20,360,000 | 3.69% | 751,284 |
| Harper Community College District Number 512..... | 254,770,000 | 1.72% | 4,387,697 |
| Oakton Community College District Number 535..... | 47,200,000 | 7.36% | 3,476,004 |
| Total Schools..... | | | \$ 80,432,711 |
| Other: | | | |
| Cook County..... | \$2,663,661,751 | 1.35% | \$ 35,872,202 |
| Cook County Forest Preserve District..... | 125,285,000 | 1.35% | 1,687,245 |
| Metropolitan Water Reclamation District..... | 2,694,934,289 | 1.37% | 36,926,710 |
| Des Plaines Park District..... | 6,630,000 | 91.27% | 6,050,870 |
| Mt. Prospect Park District..... | 17,405,568 | 18.39% | 3,200,079 |
| Total Others..... | | | \$ 83,737,106 |
| Total Overlapping Debt..... | | | \$ 164,169,817 |

- Notes: (1) Sources: Cook County Clerk and EMMA submissions.
(2) As of December 2020.
(3) Percentage based on 2019 EAVs, the most current available.
(4) Percentage equals 0.0011%.

Statement of Bonded Indebtedness(1)

| | Amount Applicable | Ratio To | | Per Capita (2010 Census 58,364) |
|---|----------------------|-----------------------|---------------------|---------------------------------------|
| | | Equalized Assessed | Estimated Actual | |
| City EAV of Taxable Property, 2019 (2) | \$2,252,496,910 | 100.00% | 33.33% | \$ 38,593.94 |
| Estimated Actual Value, 2019 (2) | \$6,757,490,730 | 300.00% | 100.00% | \$115,781.83 |
| Total Direct Bonded Debt | \$ 14,174,249 | 0.63% | 0.21% | \$ 242.86 |
| Less: Self Supporting | (14,174,249) | (0.63%) | (0.21%) | (242.86) |
| Net Direct Debt | \$ 0 | 0.00% | 0.00% | \$ 0 |
| Overlapping Bonded Debt(3) | | | | |
| Schools | \$ 80,432,711 | 3.57% | 1.19% | \$ 1,378.12 |
| Other | 83,737,106 | 3.72% | 1.24% | 1,434.74 |
| Total Overlapping Bonded Debt | \$ 164,169,817 | 7.29% | 2.43% | \$ 2,812.86 |
| Total Direct and Overlapping Bonded Debt(3) | \$ 164,169,817 | 7.29% | 2.43% | \$ 2,812.86 |

- Notes: (1) Source: Cook County Clerk.
(2) Excludes Tax Increment Financing District EAV ("TIF EAV") of \$118,089,106.
(3) As of December 2020.

PROPERTY ASSESSMENT AND TAX INFORMATION

City Equalized Assessed Valuation(1)

| Property Class | Levy Years | | | | |
|---------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | 2015 | 2016 (2) | 2017 | 2018 | 2019 |
| Residential | \$ 934,531,442 | \$1,102,738,212 | \$1,093,909,817 | \$1,070,529,854 | \$1,221,557,314 |
| Farm | 104,736 | 126,026 | 26,484 | 26,021 | 29,758 |
| Commercial | 435,494,200 | 482,306,610 | 505,009,862 | 508,958,522 | 599,100,198 |
| Industrial | 290,691,605 | 325,832,901 | 353,009,774 | 348,071,726 | 427,234,900 |
| Railroad | 3,898,188 | 4,026,136 | 3,960,310 | 4,241,510 | 4,574,740 |
| Total | \$1,664,720,171 | \$1,915,029,885 | \$1,955,916,247 | \$1,931,827,633 | \$2,252,496,910 |
| Percent Change +(-) | (3.08%) (3) | 15.04% | 2.14% | (1.23%) | 16.60% |

- Notes: (1) Source: Cook County Clerk. Excludes TIF EAV.
(2) Levy year was a triennial reassessment year.
(3) Percentage change based on 2014 EAV of \$1,717,657,016.

Equalized Assessed Valuation by Township(1)

| | 2019 | | | Total |
|----------------------------|---------------|-----------------|--------------|-----------------|
| | Elk Grove | Maine | Wheeling | |
| Real Estate Property | \$368,287,295 | \$1,837,336,477 | \$42,297,653 | \$2,247,921,425 |
| Pollution Control District | 0 | 745 | 0 | 745 |
| Railroad Property | 0 | 4,574,740 | 0 | 4,574,740 |
| Total | \$368,287,295 | \$1,841,911,962 | \$42,297,653 | \$2,252,496,910 |

Note: (1) Source: Cook County Clerk. Excludes TIF EAV.

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

| City Rates: | Levy Years | | | | |
|---|---------------|---------------|---------------|---------------|---------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 |
| General Corporate(2) | \$ 1.4216 | \$1.2360 | \$1.2160 | \$ 1.3057 | \$1.1200 |
| Public Library | 0.3730 | 0.3240 | 0.3210 | 0.3260 | 0.2789 |
| Bonds and Interest | <u>0.0067</u> | <u>0.0057</u> | <u>0.0000</u> | <u>0.0000</u> | <u>0.0000</u> |
| Total City Rates(3) | \$ 1.8010 | \$1.5657 | \$1.5370 | \$ 1.6320 | \$1.3990 |
| Cook County | 0.5520 | 0.5333 | 0.5270 | 0.4890 | 0.4540 |
| Cook County Forest Preserve | 0.0690 | 0.0630 | 0.0620 | 0.0600 | 0.0590 |
| Metropolitan Water Reclamation District | 0.4260 | 0.4060 | 0.4020 | 0.3960 | 0.3890 |
| Maine Township | 0.2200 | 0.1910 | 0.1830 | 0.1520 | 0.0860 |
| School District No. 62 | 4.4870 | 3.9210 | 3.9400 | 4.1210 | 3.5750 |
| High School District No. 207 | 2.9010 | 2.5070 | 2.5290 | 2.6520 | 2.5530 |
| Community College No. 535 | 0.2710 | 0.2310 | 0.2320 | 0.2460 | 0.2210 |
| Des Plaines Park District | 0.5560 | 0.4850 | 0.4930 | 0.5150 | 0.4530 |
| Other Districts | <u>0.0460</u> | <u>0.0100</u> | <u>0.0100</u> | <u>0.0000</u> | <u>0.0400</u> |
| Total Tax Rates(4) | \$11.3290 | \$9.9130 | \$9.9160 | \$10.2630 | \$9.2290 |

- Notes: (1) Source: Cook County Clerk and the City.
(2) Includes Police and Firemen's Pension.
(3) As a home rule municipality, the City has no statutory tax rate limits.
(4) Representative tax rates for other government units are from Maine Township tax code 22028, which represents 61% of the City's 2019 EAV, the most recent available.

City Tax Levies and Collections(1)

| Levy Year | Coll. Year | Taxes Levied(3) (4) | Total Collections(2) | |
|-----------|------------|---------------------|----------------------|---------|
| | | | Amount | Percent |
| 2015 | 2016 | 23,083,150 | 23,771,775 | 102.98% |
| 2016 | 2017 | 23,083,150 | 23,066,806 | 99.93% |
| 2017 | 2018 | 23,083,150 | 23,684,019 | 102.60% |
| 2018 | 2019 | 24,489,150 | 24,339,660 | 99.39% |
| 2019 | 2020 | 24,489,150 | 24,915,957 | 101.74% |

- Notes: (1) Source: Cook County Clerk and the City.
(2) Total Collections reflect gross taxes distributed and are not adjusted for refunds.
(3) Total tax levy does not include the "loss levy" of 3% for corporate purposes and 5% for debt service which is extended by the County to cover the County's operating costs. The City may receive a portion of this "loss levy", and therefore the percentage of levy collected may exceed 100%.
(4) Levy amount and collections refer only to City, and not the Library Component Unit.

Principal City Taxpayers(1)

| <u>Taxpayer Name</u> | <u>Product/Business</u> | <u>2019 EAV (2)</u> |
|--|------------------------------|-----------------------|
| Midwest Gaming..... | Rivers Casino..... | \$ 70,571,145 |
| Sysco Chicago | Real Property..... | 25,987,964 |
| Dante Monteverde..... | Real Property..... | 18,995,527 |
| Honeywell Specialty MA..... | Real Property..... | 18,432,546 |
| Juno Lighting..... | Lighting Fixtures..... | 16,038,000 |
| Marc Realty LLC..... | Real Property..... | 16,028,832 |
| Cambridge Realty..... | Real Property..... | 13,200,693 |
| Apple Reit Ten..... | Real Property..... | 13,122,000 |
| EGP 2300 Des Plaines..... | Real Property..... | 12,976,200 |
| Abbott Labs Tax Dept..... | Pharmaceutical Products..... | <u>12,028,500</u> |
| Total..... | | <u>\$ 217,381,407</u> |
| Ten Largest as a Percent of the City's 2019 EAV (\$2,252,496,910)..... | | 9.65% |

Notes: (1) Source: Cook County Clerk.

(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2019 EAV is the most current available.

FINANCIAL INFORMATION

Statement of Net Position Primary Government Governmental Activities

Audited As of December 31

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|---|----------------------|----------------------|----------------------|--------------------------|----------------------|
| ASSETS: | | | | | |
| Cash and Investments..... | \$ 83,972,481 | \$ 83,326,480 | \$ 83,158,109 | \$102,908,170 | \$102,534,974 |
| Receivables, Net of Allowances For Uncollectibles | | | | | |
| Property Taxes..... | 28,512,667 | 29,544,209 | 29,460,067 | 31,537,886 | 31,623,167 |
| Accounts..... | 1,455,107 | 1,653,681 | 1,216,965 | 1,072,964 | 1,000,907 |
| Accrued Interest..... | 303,011 | 29,003 | 32,235 | 39,279 | 31,248 |
| Other Taxes..... | 1,284,854 | 1,368,270 | 1,193,049 | 1,466,992 | 1,184,096 |
| Other..... | 238,779 | 304,025 | 366,966 | 327,865 | 324,291 |
| Prepaid Expenses..... | 4,765,089 | 5,392,486 | 5,366,656 | 5,375,421 | 3,968,205 |
| Due from Other Governments..... | 11,833,506 | 12,284,266 | 15,603,582 | 17,325,078 | 11,353,109 |
| Internal Balances..... | 2,549,903 | 5,252,264 | 5,634,649 | (184,889) | (1,677,808) |
| Due from Fiduciary Fund..... | 0 | 0 | 0 | 0 | 10,558 |
| Net Pension Asset..... | 0 | 0 | 827,686 | 0 | 0 |
| Capital Assets Not Being Depreciated..... | 84,272,100 | 80,798,667 | 88,008,680 | 92,014,265 | 88,796,904 |
| Capital Assets, Being Depreciated..... | <u>120,157,580</u> | <u>131,745,598</u> | <u>132,200,215</u> | <u>136,431,292</u> | <u>157,179,054</u> |
| Total Assets..... | <u>\$339,345,077</u> | <u>\$351,698,949</u> | <u>\$363,068,859</u> | <u>\$388,314,323</u> | <u>\$396,328,705</u> |
| DEFERRED OUTFLOWS OF RESOURCES: | | | | | |
| Deferred Amounts from Refunding of Debt..... | \$ 442,358 | \$ 343,164 | \$ 280,741 | \$ 114,332 | \$ 85,220 |
| Deferred Pension Outflows..... | <u>19,732,357</u> | <u>17,765,193</u> | <u>13,540,484</u> | <u>17,709,211</u> | <u>23,345,801</u> |
| Total Deferred Outflows of Resources..... | <u>\$ 20,174,715</u> | <u>\$ 18,108,357</u> | <u>\$ 13,821,225</u> | <u>\$ 17,823,543</u> | <u>\$ 23,431,021</u> |
| LIABILITIES: | | | | | |
| Accounts Payable..... | \$ 21,635,661 | \$ 20,955,650 | \$ 20,875,209 | \$ 24,459,599 | \$ 24,576,560 |
| Accrued Liabilities..... | 145,293 | 138,699 | 147,508 | 154,921 | 157,748 |
| Accrued Payroll..... | 1,651,427 | 2,125,748 | 1,982,512 | 1,827,462 | 2,420,458 |
| Accrued Interest Payable..... | 69,945 | 60,210 | 50,082 | 51,834 | 42,034 |
| Unearned Revenue..... | 168,026 | 3,798,262 | 1,794,339 | 13,100,558 | 240,222 |
| Deposits Payable..... | 137,299 | 66,753 | 198,880 | 60,896 | 92,219 |
| Non Current Liabilities: | | | | | |
| Due Within One Year..... | 5,574,297 | 6,579,218 | 7,021,634 | 17,565 | 6,214,322 |
| Due in More Than One Year..... | <u>185,659,144</u> | <u>185,586,752</u> | <u>171,315,408</u> | <u>212,945,867</u> | <u>203,622,613</u> |
| Total Liabilities..... | <u>\$215,041,092</u> | <u>\$219,311,292</u> | <u>\$203,385,572</u> | <u>\$252,618,702</u> | <u>\$237,366,176</u> |
| DEFERRED INFLOWS OF RESOURCES: | | | | | |
| Deferred Property Tax Revenue..... | \$ 28,381,831 | \$ 29,151,337 | \$ 29,359,456 | \$ 31,468,472 | \$ 31,631,986 |
| Deferred Pension Inflows..... | <u>2,262,766</u> | <u>2,417,152</u> | <u>11,713,261</u> | <u>17,658,010</u> | <u>9,837,518</u> |
| Total Deferred Inflows of Resources..... | <u>\$ 30,644,597</u> | <u>\$ 31,568,489</u> | <u>\$ 41,072,717</u> | <u>\$ 49,126,482</u> | <u>\$ 41,469,504</u> |
| NET POSITION: | | | | | |
| Investment in Capital Assets, Net of Related Debt.. | \$167,177,408 | \$182,246,337 | \$196,250,010 | \$205,869,137 | \$227,330,641 |
| Restricted For: | | | | | |
| Streets and Highways..... | 364,274 | 719,632 | 879,849 | 1,032,957 | 1,201,159 |
| Public Safety..... | 1,582,538 | 1,636,610 | 1,384,584 | 1,305,100 | 1,500,574 |
| Economic Development..... | 4,895,473 | 6,180,466 | 7,292,165 | 7,938,575 | 6,046,772 |
| Debt Service..... | 387,039 | 397,214 | 13,717 | 104,780 | 114,580 |
| Unrestricted..... | <u>(60,572,629)</u> | <u>(72,252,734)</u> | <u>(73,388,533)</u> | <u>(117,857,867)</u> (1) | <u>(95,269,680)</u> |
| Total Net Position..... | <u>\$113,834,103</u> | <u>\$118,927,525</u> | <u>\$132,431,792</u> | <u>\$ 98,392,682</u> | <u>\$140,924,046</u> |

Notes: (1) The decrease in net position was primarily due to the implementation requirements of GASB Statement No. 75 related to the recognition of the City's OPEB Liabilities.

**Statement of Activities
Governmental Activities
Net (Expense) Revenue and Changes in Net Position**

Audited Year Ended December 31

| | 2015 | 2016 | 2017 | 2018 | 2019 |
|---------------------------------------|------------------------|------------------------|------------------------|----------------------------|------------------------|
| FUNCTIONS/PROGRAMS | | | | | |
| PRIMARY GOVERNMENT: | | | | | |
| General Government..... | \$ (20,789,844) | \$ (21,678,222) | \$ (21,358,613) | \$ (21,001,215) | \$ (22,296,647) |
| Public Safety..... | (42,539,595) | (44,195,394) | (45,669,934) | (77,119,274) | (20,776,542) |
| Public Works..... | (6,760,016) | (5,082,259) | (5,977,855) | (6,325,469) | (7,075,233) |
| Streets and Highways..... | (1,978,260) | (7,939,188) | (18,348,048) | (7,487,300) | (3,664,054) |
| Economic Development..... | (1,004,399) | (2,537,628) | 9,528,529 | (2,677,949) | (60,555) |
| Interest..... | (1,459,709) | (1,411,210) | (1,300,991) | (1,304,502) | (690,046) |
| Total Governmental Activities(1)..... | <u>\$ (74,531,823)</u> | <u>\$ (82,843,901)</u> | <u>\$ (83,126,912)</u> | <u>\$ (115,915,709)</u> | <u>\$ (54,563,077)</u> |
| GENERAL REVENUES: | | | | | |
| Taxes: | | | | | |
| Property..... | \$ 28,607,185 | \$ 29,254,397 | \$ 29,611,170 | \$ 29,099,377 | \$ 31,124,250 |
| Replacement..... | 1,245,069 | 1,285,820 | 1,258,212 | 1,213,702 | 1,587,468 |
| Sales..... | 12,042,780 | 12,805,450 | 13,572,289 | 15,779,169 | 15,227,378 |
| Utility..... | 3,033,933 | 3,069,270 | 3,006,537 | 3,121,450 | 3,597,332 |
| Income..... | 6,232,000 | 5,556,999 | 5,363,901 | 5,570,605 | 6,229,784 |
| Home Rule Sales..... | 5,711,272 | 6,104,292 | 6,412,186 | 6,804,742 | 6,694,443 |
| Food and Beverage Tax..... | 1,228,581 | 1,268,923 | 1,330,150 | 1,346,268 | 1,415,745 |
| Hotel/Motel..... | 2,145,985 | 2,069,830 | 1,908,782 | 1,995,330 | 1,917,755 |
| Real Estate Transfer..... | 597,813 | 842,326 | 883,175 | 808,982 | 761,871 |
| Local Option Motor Fuel..... | 1,540,285 | 1,754,240 | 1,768,066 | 1,782,386 | 1,567,933 |
| Gaming Taxes..... | 24,654,889 | 24,685,996 | 24,762,107 | 25,065,880 | 25,466,799 |
| Other Taxes..... | 4,081,651 | 3,988,052 | 3,679,988 | 3,467,035 | 3,204,837 |
| Investment Income..... | 189,691 | 365,137 | 627,226 | 1,335,078 | 1,937,137 |
| Miscellaneous..... | 982,019 | 688,554 | 2,431,632 | 2,586,210 | 2,220,951 |
| Transfers..... | (6,692,243) | (5,801,963) | 15,758 | (7,634,242) | (5,859,242) |
| Total..... | <u>\$ 85,600,910</u> | <u>\$ 87,937,323</u> | <u>\$ 96,631,179</u> | <u>\$ 92,341,972</u> | <u>\$ 97,094,441</u> |
| Change in Net Position..... | \$11,069,087 | \$5,093,422 | \$ 13,504,267 | \$ (23,573,737) | \$ 42,531,364 |
| Net Position, January 1..... | <u>102,765,016 (2)</u> | <u>113,834,103</u> | <u>118,927,525</u> | <u>121,966,419 (2) (3)</u> | <u>98,392,682</u> |
| Net Position, December 31..... | <u>\$113,834,103</u> | <u>\$118,927,525</u> | <u>\$132,431,792</u> | <u>\$ 98,392,682</u> | <u>\$140,924,046</u> |

- Notes: (1) Expenses less Charges for Services, Operating Grants and Capital Grants.
(2) As restated.
(3) Change in accounting principle.

General Fund Balance Sheet

Audited as of December 31

| ASSETS: | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Cash and Equivalents..... | \$25,129,459 | \$26,638,739 | \$25,578,782 | \$35,083,480 | \$36,838,435 |
| Receivables: | | | | | |
| Accounts | 997,226 | 970,946 | 824,863 | 787,836 | 788,276 |
| Property Taxes..... | 22,802,608 | 22,850,880 | 22,936,008 | 24,256,973 | 24,268,873 |
| Other Taxes..... | 1,158,799 | 1,216,462 | 1,043,076 | 1,294,548 | 1,041,519 |
| Other Receivables..... | 221,825 | 301,195 | 359,153 | 282,618 | 325,356 |
| Accrued Interest..... | 267,717 | 8,383 | 8,885 | 10,827 | 8,613 |
| Due From Other Governments..... | 5,806,373 | 5,771,247 | 5,333,165 | 5,667,611 | 5,842,855 |
| Due From Other Funds..... | 0 | 0 | 0 | 10,168 | 10,558 |
| Advances From/To Other Funds..... | 15,702,116 | 20,451,434 | 24,834,213 | 18,279,838 | 20,139,602 |
| Total Assets..... | <u>\$72,086,123</u> | <u>\$78,209,286</u> | <u>\$80,918,145</u> | <u>\$85,673,899</u> | <u>\$89,264,087</u> |
| LIABILITIES: | | | | | |
| Accounts Payable..... | \$ 1,583,040 | \$ 1,547,482 | \$ 1,737,941 | \$ 2,430,562 | \$ 2,257,032 |
| Accrued Payroll..... | 1,627,115 | 2,125,748 | 1,982,512 | 1,827,462 | 2,420,458 |
| Accrued Liabilities..... | 132,265 | 138,699 | 147,508 | 154,921 | 157,715 |
| Deposits Payable..... | 0 | 0 | 0 | 0 | 11,726 |
| Deferred Revenue..... | 168,026 | 263,140 | 485,530 | 282,305 | 155,574 |
| Total Liabilities..... | <u>\$ 3,510,446</u> | <u>\$ 4,075,069</u> | <u>\$ 4,353,491</u> | <u>\$ 4,695,250</u> | <u>\$ 5,002,505</u> |
| DEFERRED INFLOWS OF RESOURCES: | | | | | |
| Deferred Property Tax Revenue..... | \$22,747,101 | \$22,750,299 | \$22,852,318 | \$24,244,258 | \$24,244,258 |
| Unavailable Other Revenue..... | 1,681,124 | 1,549,440 | 491,414 | 441,032 | 532,052 |
| Total Deferred Inflows of Resources..... | <u>\$24,428,225</u> | <u>\$24,299,739</u> | <u>\$23,343,732</u> | <u>\$24,685,290</u> | <u>\$24,776,310</u> |
| FUND BALANCES: | | | | | |
| Non-Spendable: | | | | | |
| Long-term Interfund Advances..... | \$15,702,116 | \$20,451,434 | \$24,834,213 | \$18,279,838 | \$20,139,602 |
| Assigned: | | | | | |
| Infrastructure..... | 3,149,300 | 1,023,433 | 900,000 | 900,000 | 3,250,000 |
| Capital Acquisitions..... | 1,250,000 | 4,250,000 | 4,975,000 | 10,470,310 | 500,000 |
| General Fund Deficit..... | 1,705,551 | 1,997,823 | 0 | 0 | 0 |
| Economic Development..... | 0 | 277,995 | 375,829 | 0 | 0 |
| Emergency Telephone System Transfer of Surcharge | 351,000 | 0 | 0 | 0 | 0 |
| Subsequent Year's Budget: Appropriation of Fund Balance..... | 0 | 0 | 0 | 0 | 3,767,500 |
| Unassigned..... | 21,989,485 | 21,833,793 | 22,135,880 | 26,643,211 | 31,828,170 |
| Total Fund Balances..... | <u>\$44,147,452</u> | <u>\$49,834,478</u> | <u>\$53,220,922</u> | <u>\$56,293,359</u> | <u>\$59,485,272</u> |
| Total Liabilities, Deferred Inflows of Resources and Fund Equity..... | <u>\$72,086,123</u> | <u>\$78,209,286</u> | <u>\$80,918,145</u> | <u>\$85,673,899</u> | <u>\$89,264,087</u> |

General Fund Revenues and Expenditures

| | Audited Years Ending December 31 | | | | |
|---|----------------------------------|---------------------|---------------------|---------------------|---------------------|
| | 2015 | 2016 | 2017 | 2018 | 2019 |
| REVENUES: | | | | | |
| Property Taxes..... | \$22,952,517 | \$23,136,026 | \$22,949,804 | \$22,493,562 | \$24,339,659 |
| Other Taxes..... | 12,097,995 | 12,464,143 | 12,093,495 | 12,161,007 | 12,212,773 |
| Licenses and Permits..... | 2,921,119 | 3,147,534 | 3,556,348 | 3,708,677 | 3,822,654 |
| Intergovernmental..... | 19,780,209 | 20,159,070 | 21,600,891 | 22,927,843 | 23,403,701 |
| Charges for Services..... | 5,030,129 | 5,028,694 | 5,115,581 | 5,360,093 | 5,636,997 |
| Fines and Forfeits..... | 1,277,659 | 1,366,866 | 1,318,279 | 1,239,342 | 1,115,938 |
| Investment Income..... | 84,615 | 121,454 | 197,738 | 440,109 | 766,711 |
| Miscellaneous..... | 290,638 | 276,388 | 610,113 | 985,423 | 272,457 |
| Total Revenues..... | <u>\$64,434,881</u> | <u>\$65,700,175</u> | <u>\$67,442,249</u> | <u>\$69,316,056</u> | <u>\$71,570,890</u> |
| EXPENDITURES: | | | | | |
| Current: | | | | | |
| General Government..... | \$ 7,810,936 | \$ 7,598,936 | \$ 8,157,208 | \$ 8,814,235 | \$ 8,919,178 |
| Public Safety..... | 39,145,089 | 39,761,167 | 41,007,312 | 44,272,261 | 45,120,655 |
| Public Works..... | 7,037,522 | 6,420,613 | 7,211,011 | 7,069,260 | 7,025,113 |
| Streets and Highways..... | 4,387,902 | 3,778,900 | 4,046,140 | 3,988,318 | 4,298,471 |
| Economic Development..... | 304,357 | 312,003 | 309,661 | 338,356 | 383,382 |
| Total Expenditures..... | <u>\$58,685,806</u> | <u>\$57,871,619</u> | <u>\$60,731,332</u> | <u>\$64,482,430</u> | <u>\$65,746,799</u> |
| Excess (Deficiency) of Revenues Over Expenditures... | \$ 5,749,075 | \$ 7,828,556 | \$ 6,710,917 | \$ 4,833,626 | \$ 5,824,091 |
| Other Financing Sources (Uses), net..... | \$(3,684,028) | \$(2,141,530) | \$(3,324,473) | \$(1,761,189) | \$(2,632,178) |
| Excess (Deficiency) of Revenues And Other Financing Sources Over Expenditures and Other Financing Uses | \$ 2,065,047 | \$ 5,687,026 | \$ 3,386,444 | \$ 3,072,437 | \$ 3,191,913 |
| Balance, January 1..... | <u>\$42,082,405</u> | <u>\$44,147,452</u> | <u>\$49,834,478</u> | <u>\$53,220,922</u> | <u>\$56,293,359</u> |
| Balance, December 31..... | <u>\$44,147,452</u> | <u>\$49,834,478</u> | <u>\$53,220,922</u> | <u>\$56,293,359</u> | <u>\$59,485,272</u> |

**General Fund
Budget Information(1)**

| | Adopted Budget Fiscal Year <u>2020</u> |
|---|---|
| REVENUES: | |
| Taxes..... | \$35,646,750 |
| Licenses & Permits..... | 2,759,000 |
| Intergovernmental..... | 19,090,914 |
| Charges for Services..... | 5,128,000 |
| Fines and Forfeits..... | 967,000 |
| Investment Income..... | 400,000 |
| Other..... | <u>365,930</u> |
| Total Revenue..... | \$64,357,594 |
| EXPENDITURES: | |
| General Government..... | \$9,532,426 |
| Public Safety..... | 47,251,112 |
| Economic Development..... | 2,664,197 |
| Public Works..... | <u>14,402,278</u> |
| Total Expenditures..... | \$73,850,013 |
| Less: Transfers..... | <u>1,850,000</u> |
| Total Operating Expenditures..... | \$72,000,013 |
| Total Revenues Over Expenditures..... | \$(7,642,419) |

Note: (1) The 2020 Annual Budget of the City.

INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the City of Des Plaines, Illinois' ("City's") compliance with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act during the year ended December 31, 2020. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with specified requirements.

In our opinion, the City complied with the aforementioned requirements for the year ended December 31, 2020, in all material respects.



Crowe LLP

Oak Brook, Illinois
June 21, 2021