



2021

ANNUAL COMPREHENSIVE FINANCIAL REPORT



THE CITY OF DES PLAINES, ILLINOIS

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the Fiscal Year-ended
December 31, 2021

Prepared by the Finance Department

Dorothy Wisniewski
Assistant City Manager/Director of Finance

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INTRODUCTORY SECTION
(Unaudited)

June 10, 2022

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

The Annual Comprehensive Financial Report of the City of Des Plaines (City) for the year ended December 31, 2021, 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, 2021. 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 60,675, an increase from the 2010 Census population of 58,364. The Chicago Metropolitan Agency for Planning (CMAP) population projection for 2050 is 68,877.

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

The City has an above average residential base that is supplemented by substantial commercial and industrial real estate development. As of December 31, 2021, the City contains 14,991,207 square feet of industrial/manufacturing and over 8,201,994 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

Evident through increased building permit volume from 2020 to 2021, similar construction value, and a similar number of new business registrations, Des Plaines' economy showed strength and resilience through the second full year of the COVID-19 pandemic. The City's resilience is buoyed by the diversity in the tax base. The City's total equalized assessed valuation (EAV) for the 2020 property tax levy collected in 2021 was \$2,292,781,709. This represents a 1.8 percent increase from the 2019 EAV. The economic base of Des Plaines is diverse as residential property comprises 35.8% of the City, commercial and industrial property represent 6.7% and 9.7% respectively¹.

Major employers located within the City's boundaries include Rivers Casino, Universal Oil Products, Oakton Community College, Sysco Food Services, Juno Lighting, Holy Family Medical Center, Wheels Inc., and LSG Sky Chefs. According to the City of Des Plaines Business Registration records, the City has approximately 1,500 retail trade or commercial establishments. According to the December 2021 edition of Where Workers Work (Illinois Department of Employment Security IDES), Des Plaines is comprised of 36,122 private sector jobs; of them, 11.2 percent are in the manufacturing sector, 10.1 percent are in the wholesale sector, 12.7 percent are in the transportation and warehousing sector, 5.7 percent are in the professional and scientific service sector, 7.3 percent are in retail trade and 12 percent are in healthcare and social assistance. While COVID-19 affected employment, Des Plaines' workforce has been relatively stable. The City's resident unemployment rate was 4.0 percent in December 2021 compared to 3.2 percent in December 2019 (Bureau of Labor Statistics).

Building permit issuance increased 16 percent in 2021, with 3,193 permits issued compared to 2,750 issued in 2020. The declared building permit valuation in 2021 totaled \$127,809,011 representing a slight decrease from the 2020 valuation of \$139,578,227. Despite the slight valuation decrease, long-term trends show construction activity significantly higher than it was a decade ago. Overall construction investment signals a very strong local economy and validates that the efficient entitlement process and economic development incentives offered in the City of Des Plaines are working.

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

Long-term Financial Planning

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

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

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

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

Maintaining a healthy fund balance to insure the City's financial strength remains one of the City Council's long-term financial goals. At the close of the fiscal year 2021, the City's total General Fund balance was \$69.2 million, of which the unassigned fund balance was \$34.2 million or 52.2 percent of the General Fund expenditures.

The Water and Sewer fund is the City's major enterprise fund that accounts for revenues and expenses associated with the sale of water and the sanitary sewer system. Prior to 2021, this fund had been operating in an unbalanced position for several years and, as a result, expenses began outpacing revenues. In an effort to reverse the operating spending deficit, preserve the enterprise fund reserves, provide funding for investment in equipment and infrastructure renewal and improve quality of water and sewer service for the long term, the City Council approved an automatic annual adjustment that matches the City of Chicago annual water rate increase and ensures that the cost of water is covered by user fees. To absorb the increase of the delivery cost that includes operation and maintenance expense as well as capital projects, the City completed construction of an alternative water supply source in 2016 and now purchases the majority of its water supply from the Northwest Water Commission. In addition, City Council also approved changes to the utility rate structure which included two new charge categories (Capital Fees and Fixed Facility Charges) being allocated to the Water and Sewer fund and a 5-year rate increase schedule effective January 1st, 2020. At the end of 2021, the unrestricted net position was a positive \$6.8 million, an increase of \$2.1 million from \$4.7 million in 2020, while the total net position at the end of the year was \$49 million.

Despite experiencing a significant decrease in revenue in 2020 due to the effects of the COVID-19 pandemic, the Gaming Tax fund has rebounded in 2021 and continues to provide the City with the additional resources needed for an early debt payoff and infrastructure projects.

Relevant Financial Policies

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

- An investment policy, providing for a high investment return while protecting principal;
- A purchasing policy, setting forth the procedures for ensuring that the best products and services are received at the lowest possible price;
- A policy requiring a 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 2021 some of the City's accomplishments included:

- Community Character:
 - ✓ The successful renovation and re-opening of the historic Des Plaines Theatre served as a point of pride for both longtime and new residents.
 - ✓ The COVID-19 pandemic continued to affect the business community. The City deployed pandemic-related assistance to 21 businesses through a combination of a local Safe Reopening grant program (approximately \$16,000) and federal CARES Act relief, in partnership with local agency Center of Concern (approximately \$150,000).
 - ✓ The Building Department re-opened its counter for in-person service in June 2021 but continued to see a preference for electronic submittals. Nonetheless, the technician staff takes pride in "over-the-counter" issuance of same-day permits, typically residential such as roofs, siding, and fences.
- Re-imagined Growth:
 - ✓ The Des Plaines Theatre opened for its first show on October 31, 2021, bringing hundreds of weekly visitors to downtown Des Plaines.
 - ✓ The City provided a \$47,753 Business Assistance Grant to the owners of At 7 Bar and Grill, a new restaurant located at 1472 Market Street. This leveraged a \$131,000-investment by the restaurant owner to open.
 - ✓ The Bayview-Compasspoint LLC continued construction on the 212-unit, Ellinwood Apartments with 10,000 square feet of commercial/restaurant space in downtown Des Plaines. Occupancy is expected in 2022. The construction value of this project is \$45.0 million.
 - ✓ The City Council approved two large residential developments on vacant land, each designed to galvanize current or future-planned train station and commercial areas: 378 multifamily units at 414 E. Golf Road (Cumberland Crossings), near the Cumberland Metra station, and 125 townhome units at 1050 E. Oakton Street, within a 10-minute walk of a proposed Oakton Metra station along the North Central Service / Canadian National rail line. The latter is expected to bolster the increment in TIF District No. 8, created in 2019, by an estimated \$800,000-\$1,000,000 per year. Construction is expected in 2022-2023.
 - ✓ The City Council also approved support and consent to four new and four renewed Cook County Class 6b Tax Incentives for approximately 888,000 square feet of building and redevelopment improvements.

- ✓ In 2021, 51 new businesses registered with the City, slightly down from the 60 new registrants in 2020.
 - ✓ The City acquired property for the future Oakton train station.
- Infrastructure and Mobility:
 - ✓ Over \$7 million was invested in 2021 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, City Hall renovations, Civic Center Park Deck Replacement, Lee Street and Forest Avenue Traffic Signal installation and numerous State and Local Projects.
 - ✓ The City completed over half a million dollars in sidewalk and curb repairs throughout the City.
 - Municipal Excellence:
 - ✓ Developed the 2022 Budget document while maintaining a 25% fund balance.
 - ✓ Increased the level of Police and Fire pension funding based on the current actuarial reports.
 - ✓ Received the first tranche of American Rescue Plan (ARPA) Funds, and City Council approved the allocation to be utilized for stormwater management.
 - ✓ Closed Tax Increment Financing District (TIF) #1, downtown TIF. The taxing jurisdictions will now enjoy the benefit of the new assessed value.
 - ✓ The City relocated Media services to the 2nd floor of City Hall and upgraded all new equipment and created a broadcast studio to enhance communication and viewership for our residents.
 - The Finance Department, for the ninth 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 2020 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 thirteen consecutive years, the City has been a recipient of the Government Finance Officers Association of the United States and Canada's (GFOA) Distinguished Budget Presentation Award in recognition that the City's budget document meets or exceeds the guidelines established by the National Advisory Council of State and Local Budgeting and the GFOA's best practices.

Awards

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Des Plaines for its annual comprehensive financial report for the fiscal year ended December 31, 2020. This was the forty first consecutive year the City has achieved this prestigious award. This award is nationally recognized and represents a significant accomplishment for the City and its management. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgments

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

Respectfully submitted,



Michael G. Bartholomew
City Manager



Dorothy Wisniewski
Assistant City Manager/Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Des Plaines
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO



2021 ANNUAL COMPREHENSIVE FINANCIAL REPORT

ELECTED OFFICIALS

Andrew Goczkowski, Mayor
Jessica M. Mastalski, City Clerk

CITY COUNCIL

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

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

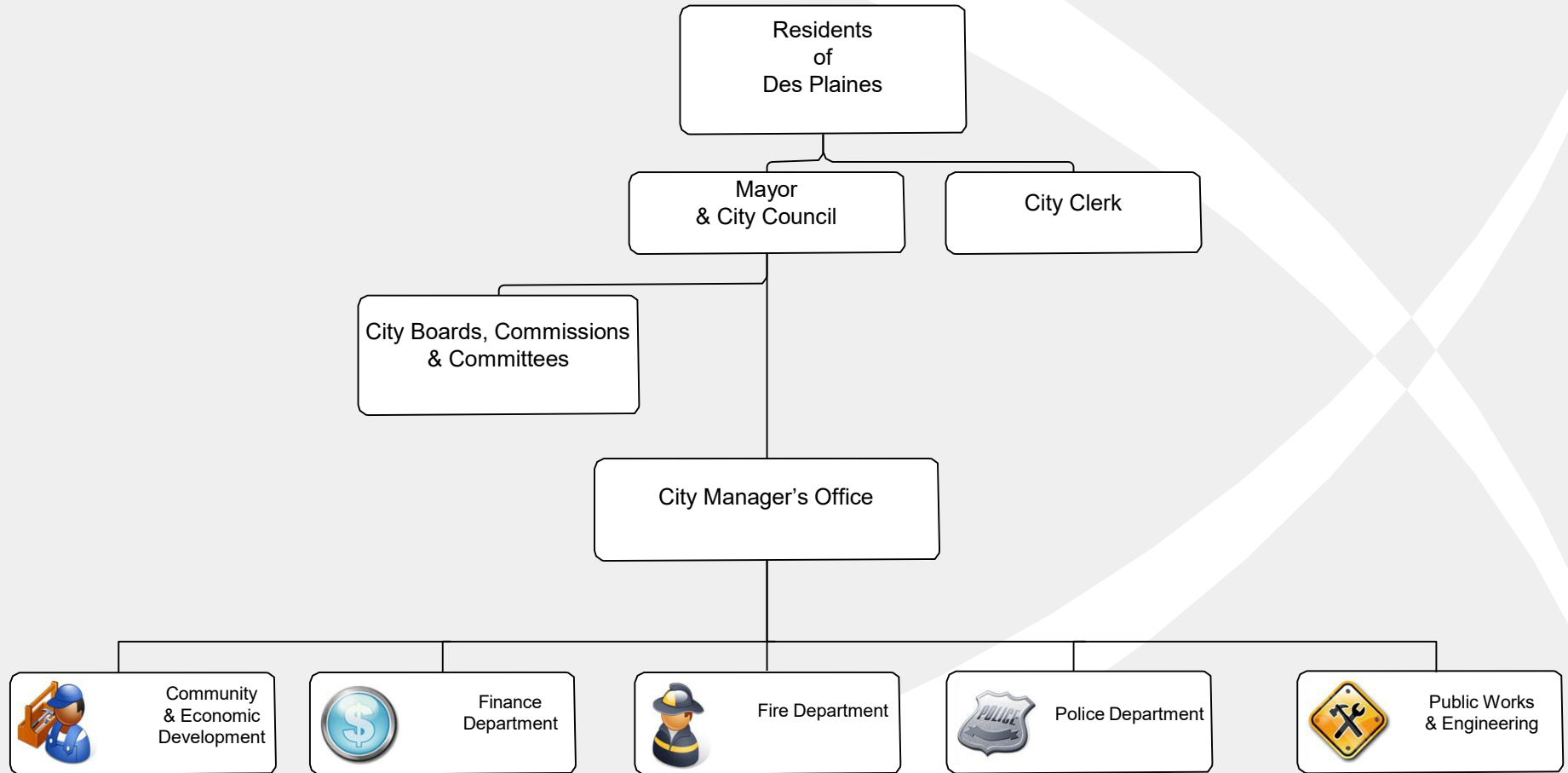
ADMINISTRATION

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

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

As of December 31, 2021

City of Des Plaines



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Des Plaines, Illinois ("City"), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

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

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

Required Supplementary Information

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

Supplementary Information

Our audit for the year ended December 31, 2021 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and schedules and other supplementary schedules for the year ended December 31, 2021 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended December 31, 2021 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and other supplementary schedules for the year ended December 31, 2021 are fairly stated, in all material respects, in relation to the basic financial statements as a whole. The accompanying combining and individual fund financial statements and schedules and other supplementary schedules for the year ended December 31, 2020 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 10, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Crowe LLP

Crowe LLP

Oak Brook, Illinois
June 10, 2022

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

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2021

The following is a discussion and analysis of the City of Des Plaines' (the "City") financial performance for the fiscal year ended December 31, 2021. Use this section in conjunction with the City's basic financial statements. Comparative data is available and presented for this 2021 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 \$230.1 million (*net position*) as of December 31, 2021. The net position is comprised of \$296.1 million in net investment in capital assets, \$8.6 million in restricted for streets and highways, Rebuild Illinois bond funds projects, public safety, and economic development, offset by a negative \$74.6 million in unrestricted net position.

Fund Level

Governmental Funds: As of December 31, 2021, the City's governmental funds reported a combined ending fund balance of \$94.6 million, an increase of \$16.9 million from fiscal 2020. The City reported a positive unassigned fund balance of \$4.5 million in fiscal 2021.

- The City's General Fund ended the year with total revenues exceeding total expenditures by \$8.2 million. Combined with other financing net uses of \$306 thousand, the December 31, 2021 fund balance increased by \$7.9 million.
- Local government state shared revenues, i.e. state income, municipal sales and personal property replacement tax increased by \$4.9 million.
- The City received \$25.2 million in taxes generated from the revenues at Rivers Casino, \$2.3 million in admission tax (\$1 per admission) and \$22.9 million in wagering tax (5 percent of all wagering activities), an increase of \$12.4 million or 97 percent due to a rebound of Casino revenues back to pre COVID-19 pandemic levels as well as operating a total of 347 days in 2021 as compared to 216 days in 2020. Pursuant to the contractual agreement with Midwest Gaming, the City is required and has distributed \$9.5 million of the total gaming tax revenue to the State of Illinois with an additional \$6.3 million (40 percent of the total revenue over \$9.5 million) amongst the 10 benefiting communities named in the agreement. The remaining amount of \$9.4 million in gaming tax revenue will be discussed by the City Council as part of the 2023 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 \$56.6 million as of December 31, 2021, an increase of \$3.6 million from fiscal 2020.

Debt Service: The City's total bonds outstanding decreased by \$2.9 million or 19.1 percent during fiscal 2021. This amount represents the payments made of debt during the year.

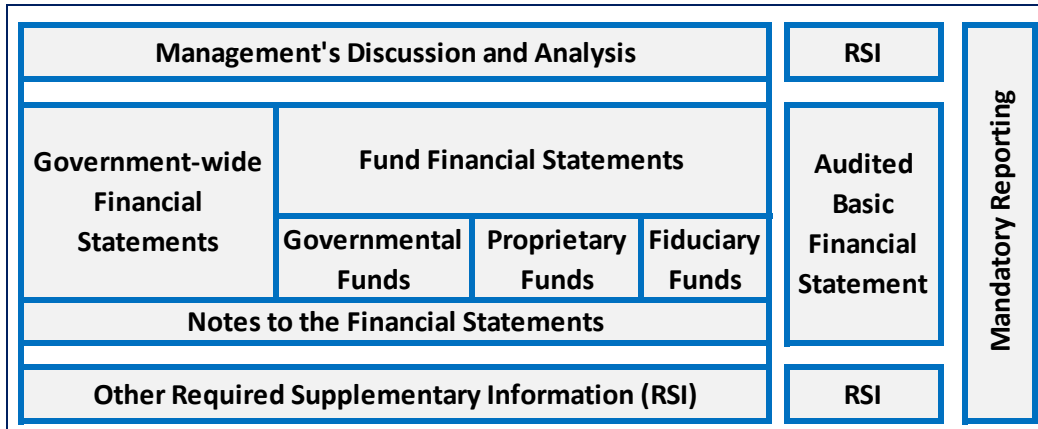
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CITY OF DES PLAINES, ILLINOIS
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More detailed information regarding the government-wide, fund level and long-term debt activities can be found in the debt administration section of this management's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

OVERVIEW OF THE FINANCIAL STATEMENTS

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



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

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

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

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 #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.

CITY OF DES PLAINES, ILLINOIS
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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 increased by \$32.6 million from \$140.5 million in fiscal year 2020 to \$173.1 million in fiscal year 2021 and the business-type activities increased by \$3.7 million to \$57.0 million.

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
ASSETS						
Current & Other Assets	\$ 171,792,374	\$ 139,195,269	\$ 15,900,307	\$ 11,294,856	\$ 187,692,681	\$ 150,490,125
Capital Assets	261,504,797	256,147,877	48,671,109	47,112,560	310,175,906	303,260,437
Total Assets	<u>433,297,171</u>	<u>395,343,146</u>	<u>64,571,416</u>	<u>58,407,416</u>	<u>497,868,587</u>	<u>453,750,562</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>21,098,366</u>	<u>28,338,290</u>	<u>517,665</u>	<u>653,178</u>	<u>21,616,031</u>	<u>28,991,468</u>
LIABILITIES						
Current Liabilities	27,205,975	15,783,752	2,127,062	1,393,266	29,333,037	17,177,018
Noncurrent Liabilities	192,342,429	212,617,207	1,963,953	2,036,288	194,306,382	214,653,495
Total Liabilities	<u>219,548,404</u>	<u>228,400,959</u>	<u>4,091,015</u>	<u>3,429,554</u>	<u>223,639,419</u>	<u>231,830,513</u>
DEFERRED INFLOWS OF RESOURCES	<u>61,757,184</u>	<u>54,820,162</u>	<u>4,017,529</u>	<u>2,307,361</u>	<u>65,774,713</u>	<u>57,127,523</u>
NET POSITION						
Net Investment in Capital Assets	247,582,879	240,675,606	48,560,097	46,763,483	296,142,976	287,439,089
Restricted	8,558,590	7,292,608	-	-	8,558,590	7,292,608
Unrestricted	<u>(83,051,520)</u>	<u>(107,507,899)</u>	<u>8,420,440</u>	<u>6,560,196</u>	<u>(74,631,080)</u>	<u>(100,947,703)</u>
Total Net Position	<u>\$ 173,089,949</u>	<u>\$ 140,460,315</u>	<u>\$ 56,980,537</u>	<u>\$ 53,323,679</u>	<u>\$ 230,070,486</u>	<u>\$ 193,783,994</u>

The increase in net position of governmental activities was primarily attributable to an increase in Total Assets of \$38.0 million and a decrease in deferred pension and OPEB outflows of \$7.2 million. Total assets of the City as of December 31, 2021, were \$497.9 million, an increase of \$44.1 million or 9.7 percent. Total liabilities as of December 31, 2021, were \$223.6 million, a decrease of \$8.2 million or 3.5 percent. Fluctuations to these amounts are explained in further detail below.

Of the City's net position, \$296.1 million was net investment in capital assets, while \$8.6 million was restricted by the source of funding or other legal requirements and was not available to finance day-to-day operations of the City. Unrestricted net position increased \$26.3 million to negative \$74.6 million primarily due to a decrease in unrestricted net position within governmental activities in the amount of \$24.5 million, offset by an increase in business type activities unrestricted net position of \$1.9 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	
	2021	2020	2021	2020	2021	2020
REVENUES						
Program Revenues:						
Fees, Fines & Charges for Services	\$ 9,900,945	\$ 11,761,101	\$ 18,323,334	\$ 17,638,828	\$ 28,224,279	\$ 29,399,929
Operating Grants & Contributions	3,340,557	4,395,873	4,114	5,476	3,344,671	4,401,349
Capital Grants & Contributions	4,520,797	342,832	-	-	4,520,797	342,832
Total Program Revenues	17,762,299	16,499,806	18,327,448	17,644,304	36,089,747	34,144,110
General Revenues:						
Property Taxes	36,322,212	34,042,738	-	-	36,322,212	34,042,738
Other Taxes	72,709,050	51,731,104	-	-	72,709,050	51,731,104
Investment Income	52,240	789,086	-	-	52,240	789,086
Miscellaneous Revenue	1,801,770	721,177	19,746	24,835	1,821,516	746,012
Total General Revenues	110,885,272	87,284,105	19,746	24,835	110,905,018	87,308,940
Total Revenues	128,647,571	103,783,911	18,347,194	17,669,139	146,994,765	121,453,050
EXPENSES						
General Government	27,319,744	22,643,447	-	-	27,319,744	22,643,447
Public Safety	46,365,424	55,550,270	-	-	46,365,424	55,550,270
Public Works	6,217,512	8,899,928	-	-	6,217,512	8,899,928
Streets and Highways	13,366,970	11,549,183	-	-	13,366,970	11,549,183
Economic Development	2,760,028	5,369,720	-	-	2,760,028	5,369,720
Interest	493,259	597,850	-	-	493,259	597,850
Water/Sewer	-	-	13,254,080	13,403,286	13,254,080	13,403,286
Parking System	-	-	931,256	785,526	931,256	785,526
Emergency Comm. System	-	-	-	-	-	-
Total Expenses	96,522,937	104,610,398	14,185,336	14,188,812	110,708,273	118,799,210
Excess (Deficiency) Before Transfers						
	32,124,634	(826,487)	4,161,858	3,480,327	36,286,492	2,653,840
Transfers	505,000	(303,440)	(505,000)	303,440	-	-
Changes in Net Position	32,629,634	(1,129,927)	3,656,858	3,783,767	36,286,492	2,653,840
Net Position, Beginning Balance	140,460,315	140,924,046	53,323,679	49,539,912	193,783,994	190,463,958
Change in Accounting Principle	-	666,196	-	-	-	666,196
Net Position, As Restated	140,460,315	141,590,242	53,323,679	49,539,912	193,783,994	191,130,154
Net Position, Ending Balance	\$ 173,089,949	\$ 140,460,315	\$ 56,980,537	\$ 53,323,679	\$ 230,070,486	\$ 193,783,994

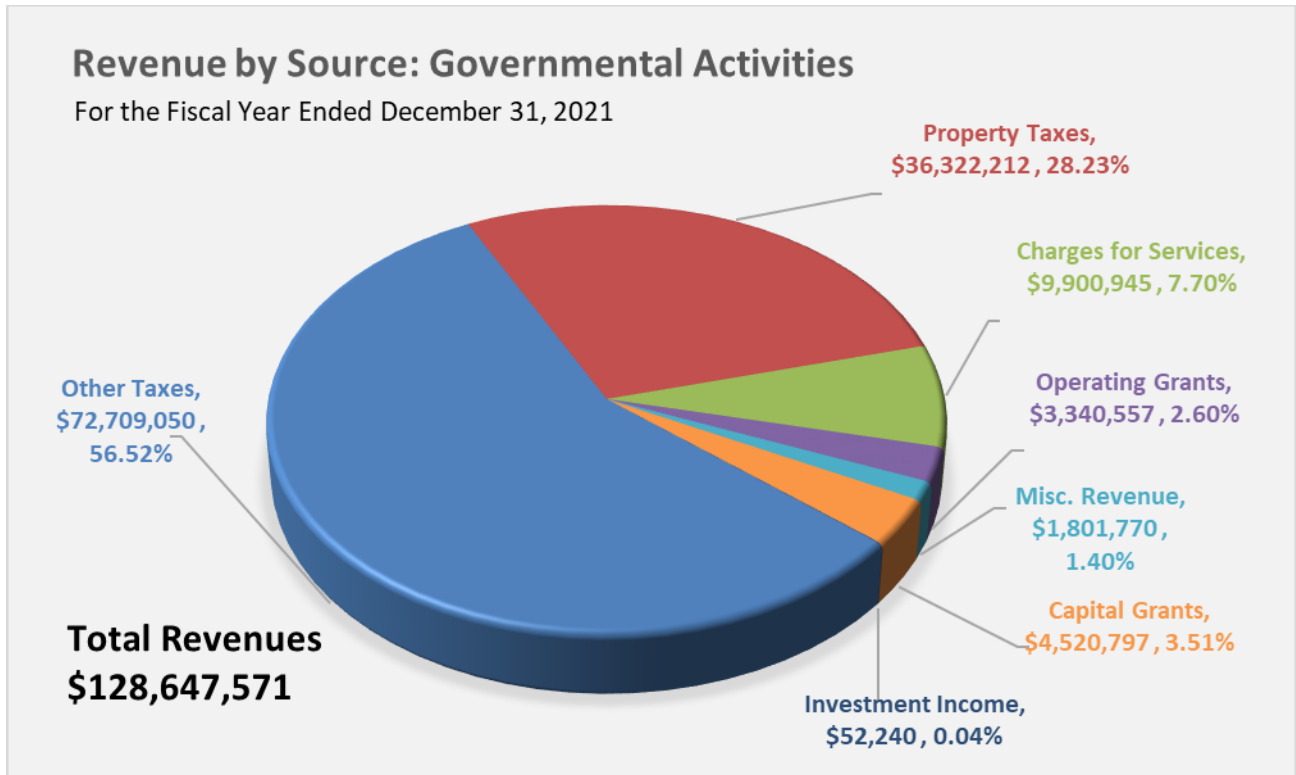
The City's net position as of December 31, 2021 increased by \$36.3 million. The City earned program revenues of \$36.1 million and general revenues of \$110.9 million, for total revenues of \$147.0 million, an increase of \$25.5 million or 21.0 percent from fiscal year 2020. The expenses of the City were \$110.7 million, a decrease of \$8.1 million or 6.8 percent from fiscal year 2020.

The City's net position increase is primarily attributable to the \$23.6 million rebound of state shared revenues back to pre COVID-19 pandemic levels, a \$2.0 million increase in the City's program revenues and an \$8.1 million decrease in the City's expenses as a strategic response to the post COVID-19 pandemic budgetary establishments.

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Governmental Activities: The governmental activities program revenue was \$17.8 million, including charges for services of \$9.9 million, operating grants and contributions of \$3.3 million and capital grants and contributions of \$4.5 million. This is an increase of \$1.3 million over the prior year primarily related to a capital grant funding.

The general revenue was \$110.9 million, including property taxes of \$36.3 million and other taxes revenue of \$72.7 million. The general revenue increased \$23.6 million due to an increase in gaming taxes, state shared revenues and local taxes including sales tax. The following chart represents revenues from governmental activities by source.



The 2020 equalized assessed value (EAV) increased by 1.8 percent from the 2019 EAV as the result of higher 2020 final equalization factor of 3.2234 compared to 2019 equalization factor of 2.9160 to ensure that the total EAV of real property in all counties in Illinois equals 33.33% of the fair market value (process of inter-county equalization).

	Tax Levy 2020	Tax Levy 2019	Increase / (Decrease)	Change (%)
Equalized Assessed Valuation (EAV)	\$ 2,292,781,709	\$ 2,252,496,910	\$ 40,284,799	1.8%

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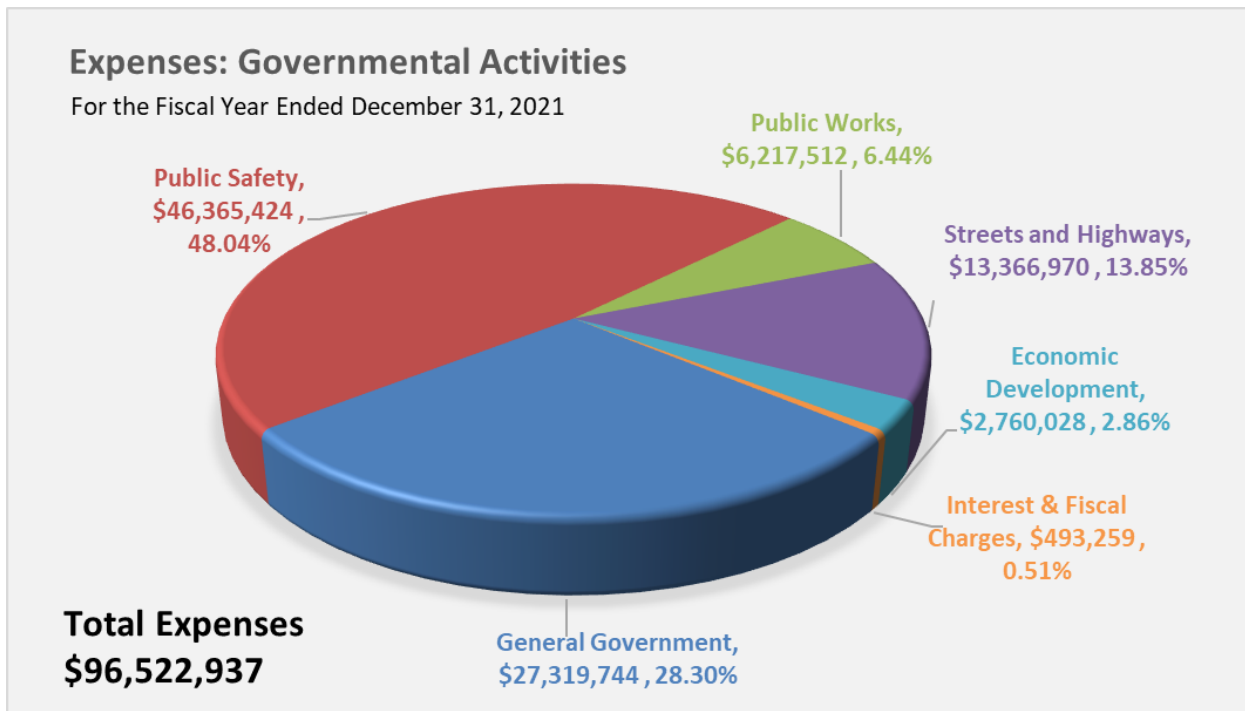
The *General Fund* state per-capita shared revenues from *income tax* and *use tax* increased by 18.3 percent mainly driven by an increase in state income tax primary due to the delayed deadline during the prior year for filing income tax returns and an economic recovery that improved income and sales tax collections above the anticipated levels.

Illinois State Shared Tax Revenue	Fiscal Year 2021	Fiscal Year 2020	Increase / (Decrease)	Change (%)
State Income Tax	\$ 8,311,489	\$ 6,531,025	\$ 1,780,464	27.3%
Use Tax	2,429,271	2,545,557	(116,286)	-4.6%
Total	\$ 10,740,760	\$ 9,076,582	\$ 1,664,178	18.3%

The City's *municipal sales tax* revenue (one percent share of the State collected tax, not including home rule tax) increased by \$2.3 million or approximately 19.7 percent from the previous year. This is a result of a rebound experienced post the COVID-19 pandemic.

	Fiscal Year 2021	Fiscal Year 2020	Increase / (Decrease)	Change (%)
Municipal Sales Tax Revenue	\$ 13,931,164	\$ 11,634,916	\$ 2,296,248	19.7%

The following chart represents expenses from governmental activities.



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Governmental activities expenses were \$96.5 million. All functions of governmental activities in the government-wide statement of activities have a net cost. The general government, public safety and streets and highways account for 90.2 percent of governmental activities expenses and 91.1 percent of the net cost. The property tax and tax collections of the state shared revenues provide the primary source of funding, which when added to program revenues, support payment for governmental services.

Business-type Activities: Business-type activities generated program revenue of \$18.3 million from fees, fines and charges for services. The total expenses for business-type activities were \$14.2 million. Compared to December 31, 2020, business-type program revenues increased by \$683 thousand and expenses remained relatively the same. Including transfers from other funds, the net position increased by \$3.7 million to \$57.0 million.

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

Expenses and Program Revenues: Business-type Activities		
For the Fiscal Year Ended December 31, 2021		
Activities	Expenses	Program Revenues
Water	\$ 13,254,080	\$ 18,088,491
Parking	931,256	238,957
	<u>\$ 14,185,336</u>	<u>\$ 18,327,448</u>

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Governmental Funds

As of December 31, 2021, governmental funds reported fund balances of \$94.6 million. The general fund reported a positive \$69.2 million fund balance.

General Fund: The fund balance for the general fund as of December 31, 2021, was \$69.2 million, an increase of \$7.9 million from fiscal year 2020, as a result of the revenue rebound after the COVID-19 pandemic and the recapture of revenues from 2020 that were received in 2021. The nonspendable fund balance was \$25.8 million and the assigned fund balance was \$9.3 million, resulting in the unassigned fund balance of \$34.1 million. The unassigned balance of the general fund can be used to cover the day-to-day service delivery and was at 52.1 percent of the 2021 general fund expenditures.

Gaming Tax Fund: The fund balance for the gaming tax fund as of December 31, 2021 was \$20.2 million, an increase of \$1.5 million from fiscal year 2020 due to a rebound of Casino revenues back to pre COVID-19 pandemic levels as well as operating a total of 347 days in 2021 as compared to 216 days in 2020.

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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 2021 total governmental fund balance is primarily due to deficit fund balances in TIF #3 (Wille Road) of \$2.8 million and TIF #6 (Mannheim/Higgins) of \$16.6 million related to an outstanding debt burden. TIF #1 (Downtown) has accumulated a deficit of \$432 thousand 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 \$1.5 million which is \$960 thousand higher than the 2020 levels.

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, 2021, totaled \$9.5 million, an increase of \$2.7 million since December 31, 2020 due to a combination of decreased capital outlay projects activity and a rebound of sales taxes as compared to the 2020 COVID-19 pandemic year.

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 \$56.6 million as of December 31, 2021.

Water/Sewer Fund: Water and sewer fund's net position as of December 31, 2021, totaled \$49.0 million, an increase of \$4.3 million from the prior year as a result of a conscious effort to set fees at levels that are adequate to cover expenses. The unrestricted net position has increased from \$4.7 million to \$6.9 million.

Parking System Fund: Net Position of \$7.6 million is a decrease of \$703 thousand from fiscal 2020 since the revenue from charges for services continues to lag behind the operating expenses and the depreciation. Additionally, the ridership decline experienced in 2020 as a result of the COVID-19 pandemic has not rebounded to pre-pandemic levels.

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GENERAL FUND BUDGETARY HIGHLIGHTS

Table 3: General Fund Budgetary Highlights

For the Year Ended December 31, 2021

	Original and Final Budget	Actual	Variance from Fund Budget Positive (Negative)
Revenues	\$ 61,327,020	\$ 73,765,439	\$ 12,438,419
Expenditures	<u>71,655,446</u>	<u>65,521,844</u>	<u>6,133,602</u>
Excess of Revenues Over Expenditures	<u>(10,328,426)</u>	<u>8,243,595</u>	<u>18,572,021</u>
Other Financing Sources (Uses)	(181,000)	(306,000)	(125,000)
Net Changes in Fund Balance	<u><u>\$(10,509,426)</u></u>	<u><u>\$ 7,937,595</u></u>	<u><u>\$ 18,447,021</u></u>

General fund actual revenues were \$12.4 million or 20.3 percent greater than the budgeted amount while general fund actual expenditures were \$6.1 million or 8.6 percent lower than the budgeted amount. The revenues from local taxes, intergovernmental payments as well as interest income were higher than anticipated as a result of revenue rebound post COVID-19 pandemic and a conservative approach to budgeting utilized in 2021. The expenditures were below the budget expectations based on the City's conservative approach to spending.

CAPITAL ASSETS

As of December 31, 2021, the City had \$310.2 million in net capital assets. This total represents an increase of \$6.9 million in total capital assets or 2.3 percent from fiscal 2020. The following table illustrates the changes in capital assets.

Table 4: Capital Assets - Net of Depreciation

December 31, 2021 and 2020

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Land	\$ 31,301,920	\$ 29,604,920	\$ 1,891,770	\$ 1,891,770	\$ 33,193,690	\$ 31,496,690
Land right of way	52,889,789	52,889,789	-	-	52,889,789	52,889,789
Buildings	25,464,463	11,013,095	4,744,031	5,404,732	30,208,494	16,417,827
Building improvements	26,551,311	27,771,437	40,781,365	38,500,078	67,332,676	66,271,515
Equipment	2,453,879	2,869,884	375,346	292,922	2,829,225	3,162,806
Vehicles	5,974,446	5,658,774	860,243	1,002,940	6,834,689	6,661,714
Infrastructure	116,688,473	115,246,085	-	-	116,688,473	115,246,085
Construction in progress	180,515	11,093,893	18,354	20,118	198,869	11,114,011
Total Capital Assets	<u><u>\$ 261,504,797</u></u>	<u><u>\$ 256,147,877</u></u>	<u><u>\$ 48,671,109</u></u>	<u><u>\$ 47,112,560</u></u>	<u><u>\$ 310,175,906</u></u>	<u><u>\$ 303,260,437</u></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 2021 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 civic center parking deck.

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

DEBT OUTSTANDING

The City, under its home rule authority, does not have a legal debt limit. The City's outstanding general obligation debt rating of "Aa2" has been reaffirmed as part of the annual comment in January 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.

Table 5: Outstanding Bonded Debt						
December 31, 2021 and 2020						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
General obligation bonds	\$12,387,698	\$ 15,319,431	\$ -	\$ -	\$12,387,698	\$15,319,431
Total Bonded Debt	<u>\$12,387,698</u>	<u>\$ 15,319,431</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$12,387,698</u>	<u>\$15,319,431</u>

The City had \$12.4 million in principal outstanding general obligation debt from governmental activities and no principal outstanding from business-type activities for the year ended December 31, 2021. The majority of the City's debt burden is General Obligation bonds that were issued within our TIF Districts and will be paid off utilizing TIF revenues. The City does not have any property tax supported debt. The City's net direct debt ratio to EAV continues to fluctuate around 1 percent. Additional information on the City's long-term debt can be found in Note 7 – Long-Term Obligations of the 2021 Annual Comprehensive Financial Report.

CITY OF DES PLAINES, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2021

ECONOMIC FACTORS

The COVID-19 pandemic strongly reaffirmed the importance of the fiscal stability that the City continuously strives for by maintaining a healthy fund balance and conservative approach to spending. Despite the many challenges of 2020, Des Plaines' 2021 economy showed strength and resilience through the second full year of the pandemic. The potential economic and financial impacts of the pandemic continue to be closely monitored by the City.

Some of the economic factors related to the recent year are as follows:

- Property taxes imposed on property within the City's corporate limits provide a stable revenue source. The property of the City's ten largest taxpayers accounted for only 10.0 percent of the City's total 2020 EAV.
- The City has a diverse revenue base with only 28.2 percent of its revenue derived from property taxes. The additional revenue sources include other taxes of 35.3 percent, intergovernmental taxes of 21.2 percent, and charges for services of 7.6 percent.
- In December 2021, Des Plaines' unemployment rate was 4.0 percent compared to 2020's rate of 9.7 percent.
- The median household income is on solid ground with an estimated median household income of \$73,639, which is higher than Cook County's median household income of \$67,889.
- The Des Plaines Theatre opened for its first show on October 31, 2021, bringing hundreds of weekly visitors to downtown Des Plaines.
- Building permit issuance increased 16.1 percent in 2021, with 3,193 permits issued compared to 2,750 issued in 2020. The declared building permit valuation in 2021 totaled \$127,809,011, representing a slight decrease from 2020's valuation of \$139,578,227. Despite the slight valuation decrease, long-term trends show construction activity significantly higher than it was a decade ago.
- In 2021, 51 new businesses registered with the City, slightly down from the 60 new registrants in 2020.
- The City acquired property for the future Oakton train station.
- Cost containment and the use of budgetary reserves remains key to the continued improvement of the financial position. FY 2022 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, 2021

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

BASIC FINANCIAL STATEMENTS

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF NET POSITION
December 31, 2021

	Primary Government			Component Unit (Library)
	Governmental Activities	Business-Type Activities	Total Primary Government	
ASSETS				
Cash and Investments	\$ 108,425,885	\$ 7,503,986	\$ 115,929,871	\$ 4,705,841
Receivables (Net)				
Property Taxes	28,934,235	-	28,934,235	6,156,841
Accounts	160,306	3,092,221	3,252,527	-
Accrued Interest	25,155	-	25,155	-
Other Taxes	1,141,047	-	1,141,047	-
Other	234,978	4,499	239,477	23,247
Prepaid Items	4,258,240	-	4,258,240	16,011
Inventories	-	213,902	213,902	-
Due from Other Governmental Units	15,463,734	-	15,463,734	-
Internal Balances	(233,567)	233,567	-	-
Capital Assets Not Being Depreciated	84,372,224	1,910,124	86,282,348	-
Capital Assets Being Depreciated, Net	177,132,573	46,760,985	223,893,558	2,584,532
Net Pension Asset	13,382,361	4,852,132	18,234,493	4,117,207
TOTAL ASSETS	<u>433,297,171</u>	<u>64,571,416</u>	<u>497,868,587</u>	<u>17,603,679</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Amounts from Refunding of Debt	28,994	-	28,994	-
Deferred Pension Outflows	16,796,215	86,948	16,883,163	71,328
Deferred OPEB Outflows	4,273,157	430,717	4,703,874	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>21,098,366</u>	<u>517,665</u>	<u>21,616,031</u>	<u>71,328</u>
LIABILITIES				
Accounts Payable	21,289,691	1,852,624	23,142,315	96,416
Accrued Payroll	1,658,384	2,554	1,660,938	48,089
Accrued Liabilities	9,963	92,203	102,166	-
Accrued Interest Payable	25,297	-	25,297	-
Unearned Revenue	4,104,983	179,681	4,284,664	23,869
Deposits Payable	117,657	-	117,657	-
Long-Term Obligations				
Due Within One Year	5,359,822	156,241	5,516,063	82,847
Due in More Than One Year	186,982,607	1,807,712	188,790,319	405,203
TOTAL LIABILITIES	<u>219,548,404</u>	<u>4,091,015</u>	<u>223,639,419</u>	<u>656,424</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	28,566,034	-	28,566,034	6,069,500
Deferred Pension Inflows	32,199,902	3,927,043	36,126,945	3,424,019
Deferred OPEB Inflows	991,248	90,486	1,081,734	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>61,757,184</u>	<u>4,017,529</u>	<u>65,774,713</u>	<u>9,493,519</u>
NET POSITION				
Net Investment in Capital Assets	247,582,879	48,560,097	296,142,976	2,584,532
Restricted for				
Streets and Highways	2,859,478	-	2,859,478	-
Rebuild Illinois Bond Funds Projects	848,711	-	848,711	-
Public Safety	1,735,227	-	1,735,227	-
Economic Development	3,115,174	-	3,115,174	-
Culture and Recreation	-	-	-	4,940,532
Unrestricted	(83,051,520)	8,420,440	(74,631,080)	-
TOTAL NET POSITION	<u>\$ 173,089,949</u>	<u>\$ 56,980,537</u>	<u>\$ 230,070,486</u>	<u>\$ 7,525,064</u>

CITY OF DES PLAINES, ILLINOIS
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2021

	Major Governmental Funds					Nonmajor Governmental Funds	Total Governmental Funds
	General	TIF #6 (Mannheim/ Higgins)	Gaming Tax	Grant Funded Projects	Capital Projects		
ASSETS							
Cash and Investments	\$ 38,080,732	\$ -	\$ 33,180,338	\$ -	\$ 9,061,144	\$ 26,372,647	\$ 106,694,861
Receivables (net)							
Property Tax Receivable	24,390,547	143,248	-	-	7,899	4,392,541	28,934,235
Other Taxes	893,408	-	-	-	247,639	-	1,141,047
Accounts Receivable	101,366	-	21,919	-	18,571	38,266	180,122
Accrued Interest	6,934	-	-	-	-	18,221	25,155
Other	241,279	-	-	27,841	-	3,954	273,074
Prepaid Items	203,053	-	-	-	-	-	203,053
Due from Other Governments	8,073,562	-	2,818,375	3,228,594	1,106,982	236,221	15,463,734
Advances to Other Funds	25,552,496	-	-	-	-	-	25,552,496
TOTAL ASSETS	\$ 97,543,377	\$ 143,248	\$ 36,020,632	\$ 3,256,435	\$ 10,442,235	\$ 31,061,850	\$ 178,467,777
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities							
Accounts Payable	\$ 1,699,871	\$ -	\$ 15,815,628	\$ 1,434,800	\$ 924,703	\$ 1,338,819	\$ 21,213,821
Accrued Payroll	1,658,384	-	-	-	-	-	1,658,384
Accrued Liabilities	9,963	-	-	-	-	-	9,963
Deposits Payable	-	-	-	-	6,397	169,172	175,569
Advances from Other Funds	-	16,611,402	-	4,083,632	22,435	4,716,809	25,434,278
Unearned Revenue	170,729	-	-	3,859,110	-	47,236	4,077,075
Total Liabilities	3,538,947	16,611,402	15,815,628	9,377,542	953,535	6,272,036	52,569,090
Deferred Inflows of Resources							
Deferred Property Tax Revenue	24,244,258	143,248	-	-	7,626	4,170,902	28,566,034
Unavailable Other Revenue	555,280	-	-	2,151,567	15,238	-	2,722,085
Total Deferred Inflows of Resources	24,799,538	143,248	-	2,151,567	22,864	4,170,902	31,288,119
Fund Balances							
Nonspendable							
Prepaid Items	203,053	-	-	-	-	-	203,053
Long-Term Interfund Advances	25,552,496	-	-	-	-	-	25,552,496
Restricted							
Economic Development	-	-	-	-	-	3,115,174	3,115,174
Debt Retirement/Infrastructure	-	-	20,205,004	-	-	-	20,205,004
Streets and Highways	-	-	-	-	-	2,859,478	2,859,478
Rebuild Illinois Bond Funds Projects	-	-	-	-	-	848,711	848,711
Public Safety	-	-	-	-	-	1,735,227	1,735,227
Assigned							
Infrastructure	9,300,000	-	-	-	9,465,836	-	18,765,836
Capital Acquisitions	-	-	-	-	-	16,823,318	16,823,318
Unassigned	34,149,343	(16,611,402)	-	(8,272,674)	-	(4,762,996)	4,502,271
Total Fund Balances	69,204,892	(16,611,402)	20,205,004	(8,272,674)	9,465,836	20,618,912	94,610,568
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 97,543,377	\$ 143,248	\$ 36,020,632	\$ 3,256,435	\$ 10,442,235	\$ 31,061,850	\$ 178,467,777

CITY OF DES PLAINES, ILLINOIS
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
December 31, 2021

Total Fund Balances - Governmental Funds \$ 94,610,568

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:

	\$	417,264,443	
Capital Assets			
Accumulated Depreciation		(155,759,646)	
Net Capital Assets			261,504,797

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. 2,722,085

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. 28,994

Generally, interest on long-term debt is not accrued in governmental funds, but rather is recognized when due. (25,297)

Deferred outflows of resources related to pensions do not involve available financial resources and accordingly are not reported on the fund financial statements. 16,796,215

Deferred outflows of resources related to OPEB do not involve available financial resources and accordingly are not reported on the fund financial statements. 4,273,157

Deferred inflows of resources related to pensions do not involve available financial resources and accordingly are not reported on the fund financial statements. (32,199,902)

Deferred inflows of resources related to OPEB do not involve available financial resources and accordingly are not reported on the fund financial statements. (991,248)

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

	(4,429,578)		
Compensated Absences Payable			
TIF General Obligation Bonds Payable	(12,387,698)		
Unamortized Bond Premiums and Discounts	(136,892)		
Net Pension Liabilities and Assets	(143,322,567)		
Other Post Employment Benefits (OPEB) Liability	(18,206,994)		
Total Long-Term Liabilities			(178,483,729)

Internal service funds are reported in the Statement of Net Position as Governmental Activities. 4,854,309

Net Position of Governmental Activities \$ 173,089,949

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year-Ended December 31, 2021

	Major Governmental Funds					Nonmajor Governmental Funds	Total Governmental Funds
	General	TIF #6 (Mannheim/ Higgins)	Gaming Tax	Grant Funded Projects	Capital Projects		
Revenues							
Property Taxes	\$ 24,228,906	\$ 123,507	\$ -	\$ -	\$ 15,411	\$ 11,954,388	\$ 36,322,212
Other Taxes	13,652,898	-	25,224,001	-	6,125,814	145,989	45,148,702
Licenses and Permits	2,030,245	-	-	-	-	-	2,030,245
Intergovernmental	27,691,047	-	-	2,124,954	-	4,366,668	34,182,669
Charges for Services	4,983,272	-	-	-	-	-	4,983,272
Fines, Forfeitures and Penalties	655,524	-	-	-	-	303	655,827
Developer Fees	-	-	-	-	-	196,157	196,157
Investment Income	25,844	4	-	154	-	26,238	52,240
Miscellaneous	497,703	215	-	-	9,433	1,397,829	1,905,180
Total Revenues	<u>73,765,439</u>	<u>123,726</u>	<u>25,224,001</u>	<u>2,125,108</u>	<u>6,150,658</u>	<u>18,087,572</u>	<u>125,476,504</u>
Expenditures							
Current							
General Government	8,819,530	-	15,852,949	1,161,809	-	2,999,311	28,833,599
Public Safety	47,544,601	-	-	-	-	201,805	47,746,406
Public Works	4,618,911	-	-	-	962,585	-	5,581,496
Streets and Highways	4,395,892	-	-	-	-	1,042,902	5,438,794
Economic Development	142,910	40	-	-	-	2,249,724	2,392,674
Debt Service							
Principal	-	1,440,000	-	-	-	1,635,000	3,075,000
Interest and Fiscal Charges	-	30,618	-	-	-	351,019	381,637
Capital Outlay	-	-	-	4,329,249	2,966,308	8,419,322	15,714,879
Total Expenditures	<u>65,521,844</u>	<u>1,470,658</u>	<u>15,852,949</u>	<u>5,491,058</u>	<u>3,928,893</u>	<u>16,899,083</u>	<u>109,164,485</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>8,243,595</u>	<u>(1,346,932)</u>	<u>9,371,052</u>	<u>(3,365,950)</u>	<u>2,221,765</u>	<u>1,188,489</u>	<u>16,312,019</u>
Other Financing Sources (Uses)							
Proceeds from Sale of Capital Assets	-	-	-	-	-	72,609	72,609
Transfer In	594,000	-	-	992,665	1,500,000	7,280,000	10,366,665
Transfer Out	(900,000)	(3,000)	(7,880,000)	-	(1,017,665)	(61,000)	(9,861,665)
Total Other Financing Sources (Uses)	<u>(306,000)</u>	<u>(3,000)</u>	<u>(7,880,000)</u>	<u>992,665</u>	<u>482,335</u>	<u>7,291,609</u>	<u>577,609</u>
Net Change in Fund Balances	7,937,595	(1,349,932)	1,491,052	(2,373,285)	2,704,100	8,480,098	16,889,628
Fund Balances at Beginning of Year	<u>61,267,297</u>	<u>(15,261,470)</u>	<u>18,713,952</u>	<u>(5,899,389)</u>	<u>6,761,736</u>	<u>5,567,205</u>	<u>71,149,331</u>
Fund Balances at End of Year	<u>\$ 69,204,892</u>	<u>\$ (16,611,402)</u>	<u>\$ 20,205,004</u>	<u>\$ (8,272,674)</u>	<u>\$ 9,465,836</u>	<u>\$ 20,618,912</u>	<u>\$ 94,610,568</u>

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, 2021

Net Change in Fund Balances - Total Governmental Funds \$ 16,889,628

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

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

Capital Expenditures	\$	15,781,311	
Depreciation		(9,961,837)	
Loss on Disposal of Capital Assets		<u>(462,554)</u>	
Capital Expenditures in Excess of Depreciation and Other Transactions			5,356,920

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. 1,290,372

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		18,068	
Accretion of Interest on Capital Appreciation Bonds		(143,267)	
Change in Accrued Interest Payable		6,365	
Change in Pension Liability, Asset, and Deferral Items		<u>5,780,452</u>	
Total Expenses of Noncurrent Resources			5,236,753

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

TIF General Obligation Bonds Payable		3,075,000	
Amortization of Premiums, Discounts, and Loss on Refunding		<u>25,279</u>	
Net Adjustment			3,100,279

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. 755,682

Change in Net Position of Governmental Activities \$ 32,629,634

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2021

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Funds			Internal Service Funds
	Water/Sewer	Parking System	Total Enterprise Funds	
ASSETS				
Current Assets				
Cash and Investments	\$ 6,282,529	\$ 1,221,457	\$ 7,503,986	\$ 1,731,024
Receivables (Net)				
Accounts	3,092,221	-	3,092,221	-
Other	-	4,499	4,499	-
Prepaid Items	-	-	-	4,055,187
Inventories	213,902	-	213,902	-
Total Current Assets	<u>9,588,652</u>	<u>1,225,956</u>	<u>10,814,608</u>	<u>5,786,211</u>
Noncurrent Assets				
Capital Assets				
Capital Assets Not Being Depreciated	233,828	1,676,296	1,910,124	-
Capital Assets Being Depreciated, Net	42,057,131	4,703,854	46,760,985	-
Net Pension Asset	4,852,132	-	4,852,132	-
Total Noncurrent Assets	<u>47,143,091</u>	<u>6,380,150</u>	<u>53,523,241</u>	<u>-</u>
TOTAL ASSETS	<u>56,731,743</u>	<u>7,606,106</u>	<u>64,337,849</u>	<u>5,786,211</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Outflows	86,948	-	86,948	-
Deferred OPEB Outflows	430,717	-	430,717	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>517,665</u>	<u>-</u>	<u>517,665</u>	<u>-</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	1,828,327	24,297	1,852,624	75,870
Accrued Liabilities	94,757	-	94,757	-
Unearned Revenue	179,681	-	179,681	27,908
Long-Term Obligations, Due Within One Year				
Compensated Absences	156,241	-	156,241	-
Early Retirement Incentive Program Payable	-	-	-	476,339
Total Current Liabilities	<u>2,259,006</u>	<u>24,297</u>	<u>2,283,303</u>	<u>580,117</u>
Noncurrent Liabilities				
Advances from Other Funds	118,218	-	118,218	-
Long-Term Obligations, Due in More Than One Year				
Total OPEB Liability	1,628,941	-	1,628,941	-
Compensated Absences	178,771	-	178,771	-
Total Noncurrent Liabilities	<u>1,925,930</u>	<u>-</u>	<u>1,925,930</u>	<u>-</u>
TOTAL LIABILITIES	<u>4,184,936</u>	<u>24,297</u>	<u>4,209,233</u>	<u>580,117</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Inflows	3,927,043	-	3,927,043	-
Deferred OPEB Inflows	90,486	-	90,486	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>4,017,529</u>	<u>-</u>	<u>4,017,529</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	42,179,947	6,380,150	48,560,097	-
Unrestricted	6,866,996	1,201,659	8,068,655	5,206,094
TOTAL NET POSITION	<u>\$ 49,046,943</u>	<u>\$ 7,581,809</u>	<u>56,628,752</u>	<u>\$ 5,206,094</u>
Adjustment to Reflect the Consolidation of Internal Service Funds Activities:				
Related to Enterprise Funds			351,785	
Net Position of Business-Type Activities			<u>\$ 56,980,537</u>	

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year-Ended December 31, 2021

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Funds		Total Enterprise Funds	Internal Service Funds
	Water/Sewer	Parking System		
Operating Revenues				
Charges for Services	\$ 17,865,649	\$ 238,957	\$ 18,104,606	\$ 10,346,497
Miscellaneous	<u>1,797,080</u>	<u>-</u>	<u>1,797,080</u>	<u>77,039</u>
Total Operating Revenues	<u>19,662,729</u>	<u>238,957</u>	<u>19,901,686</u>	<u>10,423,536</u>
Operating Expenses				
Salaries	2,988,688	-	2,988,688	-
Benefits	1,441,510	-	1,441,510	-
Contractual Services	1,934,102	199,231	2,133,333	-
Commodities	6,390,412	78,766	6,469,178	-
Capital Outlay	101,039	-	101,039	-
Claims Expense	-	-	-	6,671,065
Insurance and Processing Fees	-	-	-	2,807,703
Miscellaneous	-	-	-	123,098
Depreciation	<u>1,964,356</u>	<u>653,621</u>	<u>2,617,977</u>	<u>-</u>
Total Operating Expenses	<u>14,820,107</u>	<u>931,618</u>	<u>15,751,725</u>	<u>9,601,866</u>
Operating Income (Loss)	<u>4,842,622</u>	<u>(692,661)</u>	<u>4,149,961</u>	<u>821,670</u>
Nonoperating Revenues and (Expenses)				
Intergovernmental	4,114	-	4,114	-
Loss on Disposal of Assets	<u>(58,205)</u>	<u>-</u>	<u>(58,205)</u>	<u>-</u>
Total Nonoperating Revenues and (Expenses)	<u>(54,091)</u>	<u>-</u>	<u>(54,091)</u>	<u>-</u>
Income (Loss) Before Transfers	<u>4,788,531</u>	<u>(692,661)</u>	<u>4,095,870</u>	<u>821,670</u>
Transfers				
Transfers In	5,000	-	5,000	-
Transfers Out	<u>(500,000)</u>	<u>(10,000)</u>	<u>(510,000)</u>	<u>-</u>
Total Transfers	<u>(495,000)</u>	<u>(10,000)</u>	<u>(505,000)</u>	<u>-</u>
Change in Net Position	4,293,531	(702,661)	3,590,870	821,670
Net Position at Beginning of Year	<u>44,753,412</u>	<u>8,284,470</u>	<u>53,037,882</u>	<u>4,384,424</u>
Net Position at End of Year	<u>\$ 49,046,943</u>	<u>\$ 7,581,809</u>	56,628,752	<u>\$ 5,206,094</u>
Adjustment to Reflect the Consolidation of Internal Service Funds Activities:				
Related to Enterprise Funds			<u>65,988</u>	
Change in Net Position of Business-Type Activities			<u>\$ 3,656,858</u>	

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year-Ended December 31, 2021

	Business-Type Activities - Enterprise Funds			Governmental Activities
	Major Funds			Internal Service Funds
	Water/Sewer	Parking System	Total Enterprise Funds	
Cash Flows from Operating Activities				
Cash Received from Customers	\$ 18,142,648	\$ 225,618	\$ 18,368,266	\$ 10,397,723
Receipts from Miscellaneous Revenues	1,791,666	-	1,791,666	77,039
Cash Payments to Suppliers for				
Goods and Services	(7,498,060)	(271,130)	(7,769,190)	(9,941,592)
Cash Payments to Employees for Services	(5,934,657)	-	(5,934,657)	-
Net Cash Provided/(Used) by Operating Activities	<u>6,501,597</u>	<u>(45,512)</u>	<u>6,456,085</u>	<u>533,170</u>
Cash Flows from Noncapital Financing Activities				
Transfers In	5,000	-	5,000	-
Transfers Out	(500,000)	(10,000)	(510,000)	-
Interfund Advances	7,243	-	7,243	-
Proceeds from Grants	4,114	-	4,114	-
Net Cash Provided/(Used) by Noncapital Financing Activities	<u>(483,643)</u>	<u>(10,000)</u>	<u>(493,643)</u>	<u>-</u>
Cash Flows from Capital and Related Financing Activities				
Sale of Capital Assets	-	2,012	2,012	-
Acquisition and Construction of Capital Assets	(4,474,560)	(248)	(4,474,808)	-
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>(4,474,560)</u>	<u>1,764</u>	<u>(4,472,796)</u>	<u>-</u>
Net Increase (Decrease) in Cash & Investments Cash & Investments, Beginning of Year	1,543,394	(53,748)	1,489,646	533,170
Cash & Investments, Beginning of Year	4,739,135	1,275,205	6,014,340	1,197,854
Cash & Investments, End of Year	<u>\$ 6,282,529</u>	<u>\$ 1,221,457</u>	<u>\$ 7,503,986</u>	<u>\$ 1,731,024</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities				
Operating Income/(Loss)	\$ 4,842,622	\$ (692,661)	\$ 4,149,961	\$ 821,670
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities				
Depreciation	1,964,356	653,621	2,617,977	-
Decrease (Increase) in Receivables	276,999	(13,339)	263,660	34,526
Decrease (Increase) in Prepaid Items	-	-	-	209,782
Decrease (Increase) in Inventories	(22,947)	-	(22,947)	-
Decrease (Increase) in Deferred Outflows - Pension	400,412	-	400,412	-
Decrease (Increase) in Deferred Outflows - OPEB	(264,899)	-	(264,899)	-
(Decrease) Increase in Accounts Payable	950,440	6,867	957,307	54,386
(Decrease) Increase in Early Retirement Payable	-	-	-	(603,894)
(Decrease) Increase in Accrued Liabilities	28,808	-	28,808	-
(Decrease) Increase in Unearned Revenue	(5,414)	-	(5,414)	16,700
(Decrease) Increase in Total OPEB Liability	(54,850)	-	(54,850)	-
(Decrease) Increase in Deferred Inflows - OPEB	41,031	-	41,031	-
(Decrease) Increase in Compensated Absences Payable	(17,485)	-	(17,485)	-
Total Adjustments	<u>1,658,975</u>	<u>647,149</u>	<u>2,306,124</u>	<u>(288,500)</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ 6,501,597</u>	<u>\$ (45,512)</u>	<u>\$ 6,456,085</u>	<u>\$ 533,170</u>
Noncash Capital and Related Financing Activities				
Capital Assets Included in Accounts Payable	\$ 111,012	\$ -	\$ 111,012	\$ -

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2021

	Pension Trust Funds
ASSETS	
Cash and Cash Equivalents	\$ 17,157,629
Investments	
U.S. Government and Agency Obligations	36,158,129
State and Local Obligations	643,939
Corporate Bonds	18,483,497
Mutual Funds	76,710,175
Stocks	46,329,591
Insurance Contracts	1,582
Receivables (Net)	
Accrued Interest	255,874
Prepaid Items	17,928
TOTAL ASSETS	\$ 195,758,344
LIABILITIES AND NET POSITION	
Liabilities	
Accounts Payable	\$ 131,525
Total Liabilities	131,525
Net Position	
Restricted for Pensions	195,626,819
TOTAL LIABILITIES AND NET POSITION	\$ 195,758,344

CITY OF DES PLAINES, ILLINOIS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
Year-Ended December 31, 2021

	<u>Pension Trust Funds</u>
Additions	
Contributions	
Employer	\$ 15,038,629
Plan Members	1,818,816
Other	<u>45,516</u>
Total Contributions	<u>16,902,961</u>
Investment Income	21,187,636
Less Investment Expense	<u>(778,561)</u>
Net Investment Income	<u>20,409,075</u>
Total Additions	<u>37,312,036</u>
Deductions	
Administration	144,643
Benefits and Refunds	<u>19,026,984</u>
Total Deductions	<u>19,171,627</u>
Net Increase in Net Position	18,140,409
Plan Net Position at Beginning of Year	<u>177,486,410</u>
Plan Net Position at End of Year	<u><u>\$ 195,626,819</u></u>

CITY OF DES PLAINES, ILLINOIS
INDEX TO NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Reporting Entity:

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

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

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

Government-Wide and Fund Financial Statements:

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

The City reports the following major governmental funds:

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major enterprise funds:

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

The City reports the following nonmajor governmental funds:

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

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

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

Equipment Replacement
I.T. Replacement
Facilities Replacement

In addition, the City reports the following fund types:

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

Risk Management
Health Benefits

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

Firefighters' Pension
Police Pension

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

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

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

Concentration of Credit Risk: The City's and Pension Funds' investment policies require diversification of the investment portfolio to minimize risk of loss resulting from over concentration in a particular type of security, risk factor, issuer, or maturity. The City's and Police Pension Fund's policy further states that no financial institution shall hold more than 50% of the City's investment portfolio at the current time of investment placement. The City operates its investments as an internal investment pool where each fund reports its pro rata share of the investments made by the City. In this internal investment pool there were no investments which are subject to concentration of credit risk that represent more than 50% of the portfolio as of December 31, 2021.

(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, 2021, the City had 40% invested in cash, 48% 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, 2021, the Police Pension Trust Fund had 9% invested in cash, 30% invested in fixed income securities, 38% in mutual funds, and 23% in equities.

The Firefighters' Pension Fund investment policy places a minimum of 2% and maximum of 20% concentration on cash, a minimum of 30% and maximum of 68% on fixed income securities, a minimum of 0% and maximum of 10% on mutual funds, a minimum of 10% and maximum of 20% on foreign equities, and a minimum of 20% and maximum of 40% on equities. As of December 31, 2021, the Firefighters' Pension Trust Fund had 9% invested in cash, 26% invested in fixed income securities, 40% in mutual funds, and 25% 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, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables: Property taxes for levy year 2020 attach as an enforceable lien on January 1, 2020, 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 2020 are collected during the 2021 calendar year.

Tax bills are prepared by the County and issued on or about February 1, 2021 and August 1, 2021, and are payable in two installments, on or about March 1, 2021 and September 1, 2021 or within 30 days of the tax bills being issued.

The County collects such taxes and remits them periodically. The 2021 property tax levy is recognized as a receivable and deferred inflow of resources in fiscal year 2021, net the allowance for uncollectible. The 2021 property tax levy is intended to finance 2022. At December 31, 2021, the property taxes receivable and deferred inflow of resources consisted of the estimated amount collectible from the 2021 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, 2021.

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

(Continued)

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

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

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

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

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, 2021

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, 2021 of \$4,764,590, 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 (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Plan (IMRF) and additions to/deductions from IMRF's fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

(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, 2021, 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, 2021

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: In response to the COVID-19 pandemic, Congress passed the American Rescue Plan Act. As a result, the City was awarded \$7,787,945 in Coronavirus State and Local Fiscal Recovery Funds from the U.S. Department of Treasury. Half of the award was received in 2021, and the City spent \$47,856. The remainder of the award is available to be expended in future fiscal years.

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>	<u>Budgeted Expenses/ Expenditures</u>	<u>Actual Expenses/ Expenditures</u>	<u>Excess Expenses/ Expenditures Over Budget</u>
Gaming Tax Fund	\$ 14,640,000	\$ 15,852,949	\$ (1,212,949)
Community Development Block Grant	505,481	523,275	(17,794)
TIF #1 (Downtown)	-	2,672,381	(2,672,381)
TIF #5 (Perry/Lee)	108,151	128,622	(20,471)
Equipment Replacement	1,142,760	1,291,582	(148,822)

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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, 2021, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>
Community Development Block Grant	\$ 62,374
TIF #1 (Downtown)	432,237
TIF #3 (Wille Road)	2,786,017
TIF #6 (Mannheim/Higgins)	16,611,402
TIF #7 (Mannheim/Higgins South)	1,482,368
Grant Funded Projects	8,272,674

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

NOTE 3 - DEPOSITS AND INVESTMENTS

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

	<u>Carrying Value</u>	<u>Statement Balance</u>	<u>Associated Risks</u>
Petty cash	\$ 2,950	\$ 2,950	N/A
Deposits	46,537,230	44,123,099	Custodial
Illinois funds	56,208,406	56,208,406	Credit, interest rate
U.S. government and agency obligations	36,158,129	36,158,129	Custodial, credit, interest rate, concentration of credit
State and local obligations	4,200,743	4,200,743	Custodial, interest rate, concentration of credit
Money market mutual funds	26,782,110	26,782,110	Credit, interest rate
Mutual funds	76,710,175	76,710,175	Credit
Corporate bonds	18,483,497	18,483,497	Custodial, credit, interest rate, concentration of credit
Common and preferred stock	46,329,591	46,329,591	Custodial, concentration of credit
Insurance contracts	<u>1,582</u>	<u>1,582</u>	Custodial, credit, concentration of credit
Total deposits and investments	<u>\$ 311,414,413</u>	<u>\$ 309,000,282</u>	

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Reconciliation to Financial Statements:

Per statement of net position	
Cash and investments	\$ 115,929,871
Per statement of fiduciary net position - pension trust funds	
Cash and cash equivalents	17,157,629
U.S. government and agency obligations	36,158,129
Mutual funds	76,710,175
Corporate bonds	18,483,497
Stocks	46,329,591
Insurance contracts	1,582
State and local obligations	<u>643,939</u>
 Total deposits and investments	 <u><u>\$ 311,414,413</u></u>

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

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

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

As of December 31, 2021, credit ratings for the City, Police Pension, and Fire Pension investments in debt securities are as follows:

<u>City</u>	<u>Standard and Poor's Ratings</u>					<u>Total</u>
<u>Investment Type</u>	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB</u>	<u>NR</u>	
Illinois Municipal Bonds	\$ -	\$ 1,806,877	\$ 436,369	\$ 875,218	\$ 438,340	\$ 3,556,804
Illinois Funds	56,208,406	-	-	-	-	56,208,406

<u>Police Pension</u>	<u>Bloomberg Composite Ratings</u>					<u>Total</u>
<u>Investment Type</u>	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB</u>	<u>NR</u>	
U.S. Treasuries	\$ -	\$ -	\$ -	\$ -	\$ 13,892,931	\$ 13,892,931
State and Local Obligations	-	348,582	42,294	-	-	390,876
U.S. Government Agencies	89,358	215,534	-	-	3,889,903	4,194,795
Corporate Bonds	210,540	603,291	4,374,306	3,833,921	586,162	9,608,220

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Firefighters' Pension

<u>Investment Type</u>	<u>Bloomberg Composite Ratings</u>						<u>Total</u>
	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB</u>	<u>NR</u>		
U.S. Treasuries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,096,475	\$ 13,096,475
State and Local Obligations	-	253,063	-	-	-	-	253,063
U.S. Government Agencies	-	56,222	-	-	-	4,917,706	4,973,928
Corporate Bonds	526,350	1,241,019	3,580,918	2,595,273	931,717	8,875,277	

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, 2021, the City had investments in Hobart, Indiana and Port of Portland that represented 7.98% and 5.10% 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, 2021

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

As of December 31, 2021, the City and Pension Funds' investments were as follows:

Investment Type	Maturity (in years)			
	Total	Less Than One Year	One to Five Years	Over Five Years
City				
Illinois municipal bonds	\$ 3,556,804	\$ 1,894,782	\$ 1,662,022	\$ -
Money market mutual fund	9,905,221	9,905,221	-	-
Illinois funds	<u>56,208,406</u>	<u>56,208,406</u>	-	-
City investment total	<u>69,670,431</u>	<u>68,008,409</u>	<u>1,662,022</u>	<u>-</u>
Police Pension				
U.S. Treasuries	13,892,931	3,513,968	5,682,756	4,696,207
State and local obligations	390,876	-	42,294	348,582
Money market mutual funds	8,129,059	8,129,059	-	-
Other U.S. government agencies	4,194,795	110,013	261,908	3,822,874
Corporate bonds	<u>9,608,220</u>	<u>743,580</u>	<u>4,232,831</u>	<u>4,631,809</u>
Police pension investment total	<u>36,215,881</u>	<u>12,496,620</u>	<u>10,219,789</u>	<u>13,499,472</u>
Firefighters' Pension				
U.S. Treasuries	13,096,475	4,091,691	2,519,363	6,485,421
State and local obligations	253,063	-	-	253,063
Money market mutual funds	8,747,830	8,747,830	-	-
Other U.S. government agencies	4,973,928	-	-	4,973,928
Corporate bonds	<u>8,875,277</u>	<u>1,083,804</u>	<u>3,055,684</u>	<u>4,735,789</u>
Firefighters' pension investment total	<u>35,946,573</u>	<u>13,923,325</u>	<u>5,575,047</u>	<u>16,448,201</u>
Totals	<u>141,832,885</u>	<u>\$ 94,428,354</u>	<u>\$ 17,456,858</u>	<u>\$ 29,947,673</u>
Investments not sensitive to risk:				
Mutual funds	76,710,175			
Common and preferred stock	46,329,591			
Insurance contracts	<u>1,582</u>			
Total investments	<u>\$ 264,874,233</u>			

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

The City and Pension Funds categorize their fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs and are valued using a matrix pricing model; Level 3 inputs are significant unobservable inputs. The City and Pension Funds have the following recurring fair value measurements as of December 31, 2021:

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				
Illinois municipal bonds	\$ 3,556,804	\$ -	\$ 3,556,804	\$ -
Money market mutual fund	9,905,221	9,905,221	-	-
City investment total	<u>13,462,025</u>	<u>9,905,221</u>	<u>3,556,804</u>	<u>-</u>
Police Pension				
U.S. Treasuries	13,892,931	-	13,892,931	-
State and local obligations	390,876	-	390,876	-
Money market mutual funds	8,129,059	8,129,059	-	-
Other U.S. government agencies	4,194,795	-	4,194,795	-
Corporate bonds	9,608,220	-	9,608,220	-
Mutual funds	35,859,059	35,859,059	-	-
Equity Securities	21,248,075	21,248,075	-	-
Police pension investment total	<u>93,323,015</u>	<u>65,236,193</u>	<u>28,086,822</u>	<u>-</u>
Firefighters' Pension				
U.S. Treasuries	13,096,475	-	13,096,475	-
State and local obligations	253,063	-	253,063	-
Money market mutual funds	8,747,830	8,747,830	-	-
Other U.S. government agencies	4,973,928	-	4,973,928	-
Corporate bonds	8,875,277	-	8,875,277	-
Mutual funds	40,851,116	40,851,116	-	-
Equity Securities	25,081,516	25,081,516	-	-
Firefighters' pension investment total	<u>101,879,205</u>	<u>74,680,462</u>	<u>27,198,743</u>	<u>-</u>
Totals	<u>\$ 208,664,245</u>	<u>\$ 149,821,876</u>	<u>\$ 58,842,369</u>	<u>\$ -</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2021

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	\$ -	\$ 28,566,034	\$ -	\$ 28,566,034
Other receivables	570,518	-	217,965	788,483
Grant receivables	<u>2,151,567</u>	<u>-</u>	<u>3,859,110</u>	<u>6,010,677</u>
 Total deferred inflows/unearned revenue for governmental funds	 <u>\$ 2,722,085</u>	 <u>\$ 28,566,034</u>	 <u>\$ 4,077,075</u>	 <u>\$ 35,365,194</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year-ended December 31, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Additions/ Transfers In</u>	<u>Deletions/ Transfers Out</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Capital assets not being depreciated				
Land	\$ 8,331,060	\$ 241,000	\$ -	\$ 8,572,060
Land Improvement	21,273,860	1,456,000	-	22,729,860
Land right of way	52,889,789	-	-	52,889,789
Construction in Progress	<u>11,093,893</u>	<u>-</u>	<u>(10,913,378)</u>	<u>180,515</u>
Total capital assets not being depreciated	<u>93,588,602</u>	<u>1,697,000</u>	<u>(10,913,378)</u>	<u>84,372,224</u>
Capital assets being depreciated				
Buildings	23,109,992	15,184,515	-	38,294,507
Improvements	52,421,378	210,781	(54,854)	52,577,305
Equipment	6,572,394	157,588	(17,145)	6,712,837
Vehicles	11,534,208	1,263,823	(349,803)	12,448,228
Infrastructure	<u>215,027,112</u>	<u>8,180,982</u>	<u>(348,752)</u>	<u>222,859,342</u>
Total capital assets being depreciated	<u>308,665,084</u>	<u>24,997,689</u>	<u>(770,554)</u>	<u>332,892,219</u>
Total capital assets	<u>402,253,686</u>	<u>26,694,689</u>	<u>(11,683,932)</u>	<u>417,264,443</u>
Less accumulated depreciation for				
Buildings	(12,096,897)	(733,147)	-	(12,830,044)
Improvements	(24,649,941)	(1,377,698)	1,646	(26,025,993)
Equipment	(3,702,510)	(559,020)	2,572	(4,258,958)
Vehicles	(5,875,434)	(883,915)	285,567	(6,473,782)
Infrastructure	<u>(99,781,027)</u>	<u>(6,408,057)</u>	<u>18,215</u>	<u>(106,170,869)</u>
Total accumulated depreciation	<u>(146,105,809)</u>	<u>(9,961,837)</u>	<u>308,000</u>	<u>(155,759,646)</u>
Net capital assets being depreciated	<u>162,559,275</u>	<u>15,035,852</u>	<u>(462,554)</u>	<u>177,132,573</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 256,147,877</u>	<u>\$ 16,732,852</u>	<u>\$ (11,375,932)</u>	<u>\$ 261,504,797</u>

Depreciation expense was charged to functions as follows:

<u>Governmental activities</u>	
General government	\$ 326,442
Public safety	906,714
Public works	1,501,732
Streets and highways	6,769,645
Economic development	<u>457,304</u>
	<u>\$ 9,961,837</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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	20,118	248	(2,012)	18,354
Total capital assets not being depreciated	1,911,888	248	(2,012)	1,910,124
Capital assets being depreciated				
Buildings	18,934,555	-	-	18,934,555
Improvements	62,967,494	4,092,833	(52,649)	67,007,678
Equipment	911,213	143,662	(30,814)	1,024,061
Vehicles	2,291,981	-	-	2,291,981
Total capital assets being depreciated	85,105,243	4,236,495	(83,463)	89,258,275
Total capital assets	87,017,131	4,236,743	(85,475)	91,168,399
Less accumulated depreciation for				
Buildings	(13,529,823)	(660,701)	-	(14,190,524)
Improvements	(24,467,416)	(1,761,047)	2,150	(26,226,313)
Equipment	(618,291)	(53,532)	23,108	(648,715)
Vehicles	(1,289,041)	(142,697)	-	(1,431,738)
Total accumulated depreciation	(39,904,571)	(2,617,977)	25,258	(42,497,290)
Net capital assets being depreciated	45,200,672	1,618,518	(58,205)	46,760,985
Total business-type activities capital assets, net of accumulated depreciation	\$ 47,112,560	\$ 1,618,766	\$ (60,217)	\$ 48,671,109

Depreciation expense was charged to functions as follows:

<u>Business-type Activities</u>	
Parking	\$ 653,621
Water/Sewer	1,964,356
Depreciation expense	\$2,617,977

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 6 - INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS

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

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Advances To/From Amount Not Due Within One Year</u>	<u>Due To/From Amount Due Within One Year</u>
General	TIF #6 (Mannheim/Higgins)	\$ 16,611,402	\$ 16,611,402	\$ -
General	Grant Funded Projects	4,083,632	4,083,632	-
General	Capital Projects	22,435	22,435	-
General	Non-major Governmental	4,716,809	4,716,809	-
General	Water/Sewer	118,218	118,218	-
Total - Fund financial statements		<u>\$ 25,552,496</u>	<u>\$ 25,552,496</u>	<u>\$ -</u>
Less: Fund eliminations		(25,434,278)		
Less: Interfund receivables created with internal service fund eliminations		<u>(351,785)</u>		
Total internal balances - Government-wide statement of net position		<u>\$ (233,567)</u>		

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

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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	\$ 61,000	To transfer unrestricted general fund revenues to finance programs
General	Parking system	5,000	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
General	Water	500,000	Transfer per budget to reimburse for prior capital expenditures
Grant funded projects	Capital projects	992,665	To transfer the City's share of grant expenses
Non-major governmental	General	500,000	Transfer per budget for future equipment and depreciation
Non-major governmental	General	400,000	Transfer per budget for future IT equipment and depreciation
Non-major governmental	Gaming tax	6,380,000	Transfer per budget for systematic replacement or renovation of capital assets
Capital projects	Gaming tax	1,500,000	Transfer per budget for infrastructure costs
Water	Parking system	<u>5,000</u>	Transfer per budget for water meter replacement
Total - Fund financial statements		10,371,665	
Less: Fund eliminations		<u>(10,876,665)</u>	
Total - Government-Wide statement of activities		<u>\$ (505,000)</u>	

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

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 7 – LONG-TERM OBLIGATIONS

Long-Term Obligations: Long-term obligations activity for the year-ended December 31, 2021, 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	\$ 15,319,431	\$ 143,267	\$ 3,075,000	\$ 12,387,698	\$ 3,125,000
Unamortized (discounts)/premiums	<u>189,283</u>	<u>-</u>	<u>52,391</u>	<u>136,892</u>	<u>-</u>
Total bonds and notes payable	15,508,714	143,267	3,127,391	12,524,590	3,125,000
Other liabilities					
Vested compensated absences	4,447,646	1,833,651	1,851,719	4,429,578	1,758,483
Early retirement incentive	1,080,233	-	603,894	476,339	476,339
Net pension liability - Police pension	90,270,229	-	5,358,427	84,911,802	-
Net pension liability - Firefighters' pension	82,559,228	-	10,766,102	71,793,126	-
Total OPEB liability	<u>18,751,157</u>	<u>-</u>	<u>544,163</u>	<u>18,206,994</u>	<u>-</u>
Total other liabilities	<u>197,108,493</u>	<u>1,833,651</u>	<u>19,124,305</u>	<u>179,817,839</u>	<u>2,234,822</u>
Total governmental activities	<u>\$ 212,617,207</u>	<u>\$ 1,976,918</u>	<u>\$ 22,251,696</u>	<u>\$ 192,342,429</u>	<u>\$ 5,359,822</u>

Governmental activities general obligation debt increases includes \$143,267 of accretion on the 2009A capital appreciation bonds.

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Business-Type Activities</u>					
Other liabilities					
Vested compensated absences	\$ 352,497	\$ 139,307	\$ 156,792	\$ 335,012	\$ 156,241
Total OPEB liability	<u>1,683,791</u>	<u>-</u>	<u>54,850</u>	<u>1,628,941</u>	<u>-</u>
Total business-type activities	<u>\$ 2,036,288</u>	<u>\$ 139,307</u>	<u>\$ 211,642</u>	<u>\$ 1,963,953</u>	<u>\$ 156,241</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 7 - LONG-TERM OBLIGATIONS (Continued)

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

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates (Fixed)</u>	<u>Original Indebtedness</u>	<u>Balance Outstanding</u>
Governmental Activities					
Series 2009A Taxable GO Refunding (Capital Appreciation) Bonds, due in annual installments of \$170,000 to \$1,575,000 Debt retired from TIF #6 fund	November 3, 2009	December 1, 2023	3.00%-5.80%	\$ 5,430,000	\$ 2,152,698 *
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	465,000
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>9,770,000</u>
Total governmental activities general obligation debt					<u>\$ 12,387,698</u>

*A portion of the December 31, 2021 balance for the 2009A bonds represents accretion on debt from the date of issuance until December 31, 2021.

Debt service requirements to maturity are as follows (Principal Totals for Governmental Activities differs from the outstanding balance noted above in the amount of \$167,302, due to the future accretion on the 2009A Capital Appreciation Bonds):

<u>Years</u>	<u>Governmental Activities General Obligation Debt</u>	
	<u>Principal</u>	<u>Interest</u>
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	2,160,000	89,250
2027-2028	815,000	36,900
	<u>\$ 12,555,000</u>	<u>\$ 1,043,516</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2021

NOTE 7 – LONG-TERM OBLIGATIONS (Continued)

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

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

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

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

Early Retirement Incentive: In 2020, the City offered a voluntary Early Retirement Incentive (ERI) program to all eligible City employees. Those incentives included cash payments equal to one week of severance pay for each year of service up to a maximum of eight weeks or two years of health coverage with 100% of the premium for such coverage paid by the City. Twenty-nine City employees participated in the ERI program offered throughout the organization. The City's estimated total future ERI liability is \$476,339.

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	\$ 816,925	\$ 645,878	Custodial
Illinois funds	3,888,416	3,888,416	Credit, interest rate
Petty cash	<u>500</u>	<u>-</u>	N/A
Total deposits and investments	<u>\$4,705,841</u>	<u>\$4,534,294</u>	

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 8 - COMPONENT UNIT (Continued)

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

Cash: The carrying amount of deposits was \$816,925 at December 31, 2021, while the bank balances were \$645,878. 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, 2021, the Library held \$3,888,416 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 \$3,888,416 was due upon demand.

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

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

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

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 8 - COMPONENT UNIT (Continued)

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

Property taxes for 2020 attach as an enforceable lien on January 1, 2020, 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, 2021 and August 1, 2021 and are payable in two installments, on or about March 1, 2021 and September 1, 2021. The County collects such taxes and remits them periodically.

The Library recognizes property tax revenues in the fiscal year that the tax levy is intended to finance. Therefore, the entire 2021 tax levy has been recorded as a deferred inflow of resources.

The Library recognizes grant revenues when they become both measurable and available in the fiscal year that the grant is intended to finance. Therefore, the portion of 2021 grant revenue that was not received within the first 60 days of 2022 has been recorded as a deferred inflow of resources.

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 8 - COMPONENT UNIT (Continued)

Capital Assets:

<u>Component Unit</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets being depreciated				
Improvements	\$ 2,461,912	\$ -	\$ -	\$ 2,461,912
Equipment	1,427,309	197,302	-	1,624,611
Vehicles	24,954	-	-	24,954
Total capital assets being depreciated	<u>3,914,175</u>	<u>197,302</u>	<u>-</u>	<u>4,111,477</u>
Less accumulated depreciation for				
Improvements	(510,966)	(82,301)	-	(593,267)
Equipment	(819,970)	(88,754)	-	(908,724)
Vehicles	(22,455)	(2,499)	-	(24,954)
Total accumulated depreciation	<u>(1,353,391)</u>	<u>(173,554)</u>	<u>-</u>	<u>(1,526,945)</u>
Total component unit capital assets, net of accumulated depreciation	<u>\$ 2,560,784</u>	<u>\$ 23,748</u>	<u>\$ -</u>	<u>\$ 2,584,532</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, 2021 was \$97,085. During 2021, there were additions of \$82,847 and reductions of \$97,085 leaving the liability balance as of December 31, 2021 at \$82,847. The current portion of this liability is \$82,847.

Total Other Post-Employment Benefits Liability: The liability balance at January 1, 2021 was \$486,865. During 2021, there were service costs and interest of \$16,603, changes in assumptions of \$(62,583) and contributions of \$(35,682) leaving the liability balance as of December 31, 2021 at \$405,203. See Note 12 for further details on the plan.

Illinois Municipal Retirement Fund: The net pension asset for the Library's portion at January 1, 2021 was \$1,279,667. During 2021, there were additions of \$2,837,540 leaving an asset balance as of December 31, 2021 at \$4,117,207. See Note 9 for further details on the plan.

(Continued)

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM

Illinois Municipal Retirement Fund

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

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

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

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

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

Employees Covered by Benefit Terms: As of December 31, 2021 the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	539
Active Plan Members	<u>190</u>
Total	<u><u>729</u></u>

(Continued)

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Contributions: As set by statute, the City's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statutes require employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual required contribution rate for calendar year 2021 was 10.51%. For the fiscal year-ended December 31, 2021, the City contributed \$1,440,176 to the plan. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability (Asset)

The City's net pension liability (asset) for IMRF was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial assumptions: The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

A detailed description of the actuarial assumptions and methods can be found in the December 31, 2021 Illinois Municipal Retirement Fund annual actuarial valuation. The investment rate of return of 7.25% did not change from the prior year rate of 7.25%. There were no other significant changes in assumptions. There were no benefit changes during the year. The City is not aware of any changes that have occurred subsequent to the measurement date that are expected to have a significant effect on the net pension liability (asset).

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	39%	1.90%
International Equities	15%	3.15%
Fixed Income	25%	-0.60%
Real Estate	10%	3.30%
Alternatives	10%	1.70%-5.50%
Cash Equivalents	1%	-0.90%
	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, 2021 to arrive at the discount rate used to determine the total pension liability. For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, which is unchanged from the prior year. The fund is expected to be fully funded through December 31, 2121.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Primary government:			
Balances at January 1, 2021	\$ 105,533,080	\$ 111,945,984	\$ (6,412,904)
Changes for the year:			
Service cost	1,056,292	-	1,056,292
Interest	7,318,633	-	7,318,633
Actuarial experience	134,741	-	134,741
Assumption changes	-	-	-
Contributions - Employer	-	1,174,894	(1,174,894)
Contributions - Employee	-	505,255	(505,255)
Net investment income	-	18,862,853	(18,862,853)
Benefit payments, including refunds	(6,207,813)	(6,207,813)	-
Change in proportionate share	137,313	-	137,313
Other (net transfer)	-	(74,434)	74,434
Net changes	<u>2,439,166</u>	<u>14,260,755</u>	<u>(11,821,589)</u>
Balances at December 31, 2021	<u>\$ 107,972,246</u>	<u>\$ 126,206,739</u>	<u>\$ (18,234,493)</u>

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Component unit:			
Balances at January 1, 2021	\$ 21,363,909	\$ 22,643,576	\$ (1,279,667)
Changes for the year:			
Service cost	238,503	-	238,503
Interest	1,652,491	-	1,652,491
Actuarial experience	30,424	-	30,424
Assumption changes	-	-	-
Contributions - Employer	-	265,282	(265,282)
Contributions - Employee	-	114,083	(114,083)
Net investment income	-	4,259,087	(4,259,087)
Benefit payments, including refunds	(1,401,676)	(1,401,676)	-
Change in proportionate share	(137,313)	-	(137,313)
Other (net transfer)	-	(16,807)	16,807
Net changes	<u>382,429</u>	<u>3,219,969</u>	<u>(2,837,540)</u>
Balances at December 31, 2021	<u>\$ 21,746,338</u>	<u>\$ 25,863,545</u>	<u>\$ (4,117,207)</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

As reported in	
City's governmental activities	\$ 13,382,361
City's business-type activities	4,852,132
Library	4,117,207
	\$ 22,351,700

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

	1% Decrease	Current	1% Increase
	6.25%	Discount Rate 7.25%	8.25%
Primary government	\$ (7,026,096)	\$(18,234,493)	\$(27,182,293)
Component unit	(1,586,438)	(4,117,207)	(6,137,552)
City's net pension liability (asset) for the IMRF plan	\$ (8,612,534)	\$(22,351,700)	\$(33,319,845)

Pension Income and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year-ended December 31, 2021, the primary government and component unit recognized pension income of \$4,621,762 and \$1,043,558 respectively, for the IMRF plan. At December 31, 2021, the City reported deferred inflows of resources and deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary government:		
Differences between expected and actual experience	\$ 346,286	\$ -
Assumption changes	-	218,722
Net difference between projected and actual earnings on pension plan investments	-	14,830,054
Change in proportionate share between City and discretely presented component unit	175,568	78,339
	\$ 521,854	\$ 15,127,115
Component unit:		
Differences between expected and actual experience	\$ 71,328	\$ -
Assumption changes	-	43,645
Net difference between projected and actual earnings on pension plan investments	-	3,283,145
Change in proportionate share between City and discretely presented component unit	-	97,229
	\$ 71,328	\$ 3,424,019

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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
2022	\$ (3,073,032)	\$ (789,334)
2023	(5,646,855)	(1,272,742)
2024	(3,671,509)	(790,741)
2025	(2,213,865)	(499,874)
Total	\$ (14,605,261)	\$ (3,352,691)

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, 2021, the date of the latest actuarial valuation, the Police Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	124
Inactive plan members entitled to but not yet receiving benefits	11
Active plan members	86
Total	221

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, 2021, the City's contribution was 81.41% 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, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2021.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 9 - EMPLOYEES' RETIREMENT SYSTEM (Continued)

Actuarial assumptions: The total pension liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions (economic)

Discount rate used for the total pension liability	6.75%
Long-Term expected rate of return on plan assets	6.75%
High quality 20-year tax-exempt G.O. bond rate	2.06%
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 2.12% to 2.06% for the current year. The underlying index used is The Bond Buyer 20-Year Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year-end based on changes in market conditions as reflected in the Index.

Post-employment benefit changes: Eligibility for post-employment benefit increases is determined based on the Illinois Pension code. Tier 1 Police retirees are provided with an annual 3.0% increase in retirement benefits by statute when eligible. Tier 2 Police retirees are provided post-employment benefit increases based on the lesser of 3.0% of the original retirement benefits or one-half of the Consumer Price Index - Urban (CPI-U) for the prior September. The CPI-U for September 1991 was 137.2. The CPI-U for September 2021 was 274.31. The average increase in the CPI-U for September 1991 through September 2021 was 2.34% (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, 2021

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%	6.05%
US SMID Cap Equity	14%	5.85%
REITs	3%	4.15%
Non-US Developed Equity	16%	5.05%
Emerging Markets	8%	6.65%
Fixed Income	38%	1.45%
Cash	2%	0.85%
	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 1.75% 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 30, 2021 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, 2021

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	\$ 109,408,957	\$ 84,911,802	\$ 64,885,926

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, 2021	\$ 174,898,438	\$ 84,628,209
Changes for the year:			
Service cost	2,092,958	-	2,092,958
Interest	11,433,340	-	11,433,340
Actuarial experience	(674,686)	-	(674,686)
Assumptions changes	-	-	-
Changes of benefit terms	-	-	-
Contributions - employer	-	7,772,633	(7,772,633)
Contributions - employee	-	946,194	(946,194)
Contributions - other	-	45,370	(45,370)
Net investment income	-	9,514,715	(9,514,715)
Benefit payments, including refunds	(9,417,982)	(9,417,982)	-
Administrative expense	-	(68,873)	68,873
Net changes	3,433,630	8,792,057	(5,358,427)
Balances at December 31, 2021	\$ 178,332,068	\$ 93,420,266	\$ 84,911,802

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year-ended December 31, 2021 the City recognized pension expense of \$7,338,308 for the Police Pension Plan. At December 31, 2021, 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	\$ 3,432,895	\$ 878,844
Changes of assumptions	3,837,787	870,579
Net difference between projected and actual earnings on investments	-	6,545,546
Total	\$ 7,270,682	\$ 8,294,969

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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	
2022	\$ 884,539
2023	(1,739,074)
2024	83,510
2025	(242,641)
2026	(10,621)
Total	<u>\$ (1,024,287)</u>

Rate of return: For the year-ended December 31, 2021, the annual money-weighted rate of return on the Police Pension Plan’s assets, net of pension plan investment expense, was 11.32%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Firefighters’ Pension:

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

At January 1, 2021, the date of the latest actuarial valuation, the Firefighters’ Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	126
Inactive plan members entitled to but not yet receiving benefits	4
Active plan members	<u>88</u>
Total	<u>218</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, 2021

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, 2021, 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, 2021, the City's contribution was 78.90% 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, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2021.

Actuarial assumptions: The total pension liability in the January 1, 2021 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	2.06%
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, 2021

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 2.12% to 2.06% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year-end based on changes in market conditions as reflected in the Index.

Post-employment benefit changes: Eligibility for post-employment benefit increases is determined based on the Illinois Pension code. Tier 1 Firefighter retirees are provided with an annual 3.0% increase in retirement benefits by statute when eligible. Tier 2 Firefighter retirees are provided post-employment benefit increases based on the lesser of 3.0% of the original retirement benefits or one-half of the Consumer Price Index - Urban (CPI-U) for the prior September. The CPI-U for September 1991 was 137.2. The CPI-U for September 2021 was 274.31. The average increase in the CPI-U for September 1991 through September 2021 was 2.34% (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, 2021

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%	6.05%
US SMID Equity	14.00%	5.85%
REITS	3.00%	4.15%
Non US Developed Equity	16.00%	5.05%
Emerging Markets	8.00%	6.65%
Fixed Income	38.00%	1.45%
Cash	2.00%	0.85%
	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 1.75% 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, 2021 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, 2021

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	\$ 94,754,172	\$ 71,793,126	\$ 52,888,611

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at January 1, 2021	\$ 175,417,429	\$ 92,858,201	\$ 82,559,228
Changes for the year:			
Service cost	2,290,427	-	2,290,427
Interest	11,155,091	-	11,155,091
Actuarial experience	(5,254,266)	-	(5,254,266)
Assumptions changes	-	-	-
Changes of Benefit Terms	-	-	-
Contributions - employer	-	7,265,996	(7,265,996)
Contributions - employee	-	872,622	(872,622)
Contributions - other	-	146	(146)
Net investment income	-	10,894,360	(10,894,360)
Benefit payments, including refunds	(9,609,002)	(9,609,002)	-
Administrative expense	-	(75,770)	75,770
Net changes	(1,417,750)	9,348,352	(10,766,102)
Balances at December 31, 2021	\$ 173,999,679	\$ 102,206,553	\$ 71,793,126

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year-ended December 31, 2021 the City recognized pension expense of \$6,156,010 for the Firefighters' Pension Plan. At December 31, 2021, 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	\$ 4,763,436	\$ 4,338,888
Changes of assumptions	4,327,191	-
Net difference between projected and actual earnings on investments	-	8,365,973
Total	\$ 9,090,627	\$ 12,704,861

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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	
2022	\$ 866,103
2023	(2,054,069)
2024	(660,644)
2025	(1,088,248)
2026	(677,376)
Total	<u>\$ (3,614,234)</u>

Rate of return: For the year-ended December 31, 2021, the annual money-weighted rate of return on the Firefighters' Pension Plan's assets, net of pension plan investment expense, was 11.87%. 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	\$ 9,007,632	\$ 8,149,997	\$ 17,157,629
Investments			
U.S. government and agency obligations	18,070,403	18,087,725	36,158,129
State and local obligations	253,063	390,876	643,939
Corporate bonds	8,875,277	9,608,220	18,483,497
Mutual funds	40,851,116	35,859,059	76,710,175
Stocks	25,081,516	21,248,075	46,329,591
Insurance contracts	-	1,582	1,582
Accrued interest	124,832	131,042	255,874
Prepaid items	9,016	8,912	17,928
Total assets	<u>102,272,856</u>	<u>93,485,488</u>	<u>195,758,344</u>
Liabilities			
Accounts payable	66,303	65,222	131,525
Total liabilities	<u>66,303</u>	<u>65,222</u>	<u>131,525</u>
Net position	<u>\$ 102,206,553</u>	<u>\$ 93,420,266</u>	<u>\$ 195,626,819</u>

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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	\$ 7,265,996	\$ 7,772,633	\$ 15,038,629
Plan members	872,622	946,194	1,818,816
Other	146	45,370	45,516
Total contributions	8,138,764	8,764,197	16,902,961
Investment income	11,296,245	9,891,391	21,187,636
Less investment expense	(401,885)	(376,676)	(778,561)
Net investment income	10,894,360	9,514,715	20,409,075
Total additions	19,033,124	18,278,912	37,312,036
Deductions			
Administration	75,770	68,873	144,643
Benefits and refunds	9,609,002	9,417,982	19,026,984
Total deductions	9,684,772	9,486,855	19,171,627
Change in plan net position	9,348,352	8,792,057	18,140,409
Plan net position, beginning of year	92,858,201	84,628,209	177,486,410
Plan net position, end of year	\$ 102,206,553	\$ 93,420,266	\$ 195,626,819

Summary of pension items as of and for the year-ended December 31, 2021:

	<u>IMRF</u>	<u>Police</u>	<u>Firefighters'</u>	<u>Total</u>
Net Pension Liability (Asset)	\$ (22,351,700)	\$ 84,911,802	\$ 71,793,126	\$ 134,353,228
Deferred Outflows of Resources	593,182	7,270,682	9,090,627	16,954,491
Deferred Inflows of Resources	18,551,134	8,294,969	12,704,861	39,550,964
Pension Expense (Income)	(5,665,320)	7,338,308	6,156,010	7,828,998

	<u>Primary</u> <u>Government</u>	<u>Component</u> <u>Unit</u>	<u>Total</u>
Net Pension Liability (Asset)	\$ 138,470,435	\$ (4,117,207)	\$ 134,353,228
Deferred Pension Outflows	16,883,163	71,328	16,954,491
Deferred Pension Inflows	36,126,945	3,424,019	39,550,964
Pension Expense (Income)	8,872,556	(1,043,558)	7,828,998

(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	517,616	551,007
Claim payments	(517,616)	(551,007)
Unpaid claims - end of year	\$ -	\$ -

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

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

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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)	\$ 86,731	\$ 20,404
Reconstruct RR Crossing - River Rd WM (R-142-18)	651,203	392,916
Touhy Ave Reconstruction Cost Share (R-171-19)	-	125,324
Civic Center Parking Deck Replacement (R-204-19)	14,997,657	295,343
Creek Improvements Ballard Rd @ Farmers (IDOT 62J27) (R-95-20)	97,818	51,682
CIP Cont A St & ADA Improvements (R-125-20)	3,522,030	775,858
Grant Improvements - Contract 62267 River Rd Recon (R-141-18)	99,899	835,392
Task Order #3 Programable Logic Controller Replacement (R-40-21)	151,627	46,577
Construction-Golf Rd/Cumberland Circle (R-114-17 & R-191-17)	-	532,112
US 14 @ Broadway Intersection Improvements (R-182-16 & R-191-16)	-	329,562
Construction-Lee-Forest Signalization (R-67-19)	433,680	26,320
FEMA Pre-Disaster Mitigation Program Demolition Contract (R-33-21)	101,278	129,497
2021 CIP Street & Utility Improvements (R-88-21)	2,276,711	355,912
2021 CIP Street & Utility Improvements (R-81-21)	4,189,379	189,884
2021 CIP Concrete Improvements (R-82-21)	670,130	60,259
Building Maintenance Repair Services - Des Plaines City Hall AHU Replace	-	1,279,950
2021 CIP Sign Replacement for Districts 2, 3 & 4 (R-70-21)	-	384,901
Potable Water Valve Maple St Pump Station (R-125-21)	52,080	41,660
Maple Reservoir Fill Improvements (R-152-21)	-	1,111,350
Task Order #1-Alg Rd Grade Separation Phase 1 Engr (R-171-21)	-	1,021,341
US14 @ Mt. Prospect Rd Intersection Improvements (R-141-21)	108,606	27,152
	<u>\$ 27,438,829</u>	<u>\$ 8,033,396</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, 2021

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, 2021 of \$1,219,206.

Total OPEB Liability: The City's total OPEB liability was measured as of December 31, 2021 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	2.06%
Long-Term expected rate of return on plan assets	N/A
High quality 20-year tax-exempt G.O. bond rate	2.06%
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, 2021

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

All rates shown in the economic assumptions are assumed to be annual rates, compounded on an annual basis. Mortality rates are based on the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study improved to 2017 using MP-2019 Improvement Rates. These rates are then improved generationally using MP-2019 Improvement Rates. Other demographic assumption rates are based on a review of assumptions in the L&A 2020 study for retiree Illinois Firefighters and Police.

Assumption changes: The assumed rate on High Quality 20-Year Tax-Exempt G.O. Bonds was changed from 2.12% to 2.06% 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. The following assumptions were changed in the current year: mortality rates, mortality improvement rates, retirement rates, termination rates and disability rates.

Discount rate: The discount rate used to measure the total OPEB liability was 2.06%, a decrease of 0.06% 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 30, 2021. 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, 2021

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

Changes in the Total OPEB Liability:

	Increase (Decrease)
	Total OPEB Liability
Balance at January 1, 2021	\$ 20,434,948
Changes for the year:	
Service cost	810,790
Interest	420,297
Change of Benefit Terms	-
Actuarial experience	-
Assumptions changes	(610,894)
Contributions - employer	-
Contributions - employee	-
Net investment income	-
Benefit payments, including refunds	(1,219,206)
Administrative expense	-
Net changes	(599,013)
Balance at December 31, 2021	\$ 19,835,935

OPEB Expense: For the year-ended, December 31, 2021, the City recognized OPEB expense of \$1,686,895.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: At December 31, 2021, the City reported deferred inflows of resources and deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,685,529	\$ -
Changes of assumptions	3,018,345	1,081,734
Total	\$ 4,703,874	\$ 1,081,734

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

Year-Ended December 31	Deferred Outflows of Resources
2022	\$ 455,808
2023	455,808
2024	455,808
2025	455,808
2026	463,295
Thereafter	1,335,613
Total	\$ 3,622,140

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

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 2.06% 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 1.06%	Current Rate 2.06%	1% Increase 3.06%
Total OPEB Liability	\$ 22,348,308	\$ 19,835,935	\$ 17,781,553

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	\$ 17,116,824	\$ 19,835,935	\$ 23,280,473

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 not make contributions during the year-ended December 31, 2021.

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS (Continued)

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

<u>Actuarial Assumptions (economic)</u>	
Discount rate used for the total OPEB liability	2.06%
Long-Term expected rate of return on plan assets	N/A
High quality 20-year tax-exempt G.O. bond rate	2.06%
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	PubG-2010(B) Improved Generationally using MP-2020 Improvement Rates, weighted per IMRF Experience Study dated December 14, 2020; Age 83 for Males, Age 87 for Females
Retirement rates	Based on Rates from IMRF Experience Study dated December 14, 2020; Age 61 for Tier I, Age 62 for Tier II
Disability rates	Based on Rates from IMRF Experience Study dated December 14, 2020
Withdrawal rates	80.00% for retirees receiving medical coverage at age 65.
Marriage	25.00% of employees were assumed to elect spousal coverage and females were assumed to be three years younger than males.
Participation rate	35.00% of employees currently enrolled in medical plans were assumed to participate in the plan. If an employee has waived active active medical coverage, it is assumed they will elect coverage in the retiree medical plan as one-third the rate of active employees.

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 2.12% to 2.06% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year-end based on changes in market conditions as reflected in the Index. The above assumptions were changed in the current year: mortality rates, mortality improvement rates, retirement rates, termination rates and disability rates.

Discount rate: The discount rate used to measure the total OPEB liability was 2.06% a decrease of 0.06% 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 30, 2021. 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

(Continued)

CITY OF DES PLAINES, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
December 31, 2021

NOTE 12 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Investors Service's Aa2 rating and Standard & Poor's Corp.'s AA. The indexes represent theoretical yields rather than actual price or yield quotations. Municipal bond traders are asked to estimate what a current-coupon bond for each issuer in the indexes would yield if the bond was sold at par value. The indexes are simple averages of the average estimated yields of the bonds.

Changes in the Total OPEB Liability:

	<u>Increase (Decrease)</u>
	<u>Total OPEB</u>
	<u>Liability</u>
Balances at January 1, 2021	\$ 486,865
Changes for the year:	
Service cost	6,660
Interest	9,943
Actuarial experience	-
Assumptions changes	(62,583)
Contributions - employer	-
Contributions - employee	-
Net investment income	-
Benefit payments, including refunds	(35,682)
Administrative expense	-
Net changes	(81,662)
Balances at December 31, 2021	\$ 405,203

OPEB Income: For the year-ended, December 31, 2021, the Library recognized OPEB income of \$45,980.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: At December 31, 2021, the Library did not report deferred inflows of resources or deferred outflows of resources related to OPEB.

Rate Sensitivity: The table below presents the total OPEB liability of the Library calculated using the discount rate of 2.06% 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 1.06%	Current Rate 2.06%	1% Increase 3.06%
Total OPEB Liability	\$ 474,402	\$ 405,203	\$ 350,735

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	\$ 346,480	\$ 405,203	\$ 478,689

(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 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. 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.

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

NOTE 15 – TAX ABATEMENTS

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

(Continued)

NOTE 15 – TAX ABATEMENTS (Continued)

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

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

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

For the fiscal year ending December 31, 2021, the City's share of the abatement granted to the Class 6b, 7a, and 7b properties was approximately \$1,286,000.

NOTE 16 – SUBSEQUENT EVENTS

In December 2019, Illinois Governor Pritzker signed into law Public Act 101-0610, which provided for the mandatory consolidation of the investment assets of the State's public safety pension funds into two consolidated investment funds – one for police pension funds (Article 3 Funds) and one for firefighter pension funds (Article 4 Funds). Each newly created consolidated investment fund is governed by an independent and autonomous nine-member Board of Trustees, who have been charged with overseeing the investment directives of the newly formed investment funds. The consolidation of these assets into two state-wide investment funds has created the need for all local police and firefighter pension funds to transfer their asset holdings to the two newly created investment funds. In January 2022, the assets of the Firefighters' Pension Fund were transferred to the consolidated investment fund.

REQUIRED SUPPLEMENTARY INFORMATION:

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

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 GENERAL FUND
 Year-Ended December 31, 2021
 With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Property Taxes				
Property Taxes	\$ 9,282,822	\$ 9,190,449	\$ (92,373)	\$ 12,410,510
Police Pension	7,856,751	7,772,544	(84,207)	6,018,678
Fire Pension	7,349,577	7,265,913	(83,664)	5,697,286
Total Property Taxes	<u>24,489,150</u>	<u>24,228,906</u>	<u>(260,244)</u>	<u>24,126,474</u>
Local Taxes				
Utility Taxes	2,900,000	3,040,783	140,783	2,877,443
Gas and Use Tax	375,000	349,703	(25,297)	348,219
Franchise Tax	780,000	818,415	38,415	681,466
Food and Beverage Tax	1,000,000	1,382,127	382,127	1,002,905
Telecommunication Tax	1,565,000	1,263,627	(301,373)	1,449,593
Hotel/Motel Tax	1,425,000	1,383,960	(41,040)	763,390
Auto Rental Tax	60,000	30,973	(29,027)	16,263
Parking Tax	150	11,738	11,588	-
Real Estate Transfer Tax	520,000	1,470,369	950,369	705,412
Home Rule Sales Tax	2,550,000	3,887,683	1,337,683	3,309,015
PEG Fees Tax	19,500	13,520	(5,980)	17,962
Total Local Taxes	<u>11,194,650</u>	<u>13,652,898</u>	<u>2,458,248</u>	<u>11,171,668</u>
Licenses				
Business	225,000	346,519	121,519	336,041
Liquor	220,000	244,592	24,592	216,127
Vehicle	-	-	-	19,740
Other Licenses	151,750	184,103	32,353	189,859
Total Licenses	<u>596,750</u>	<u>775,214</u>	<u>178,464</u>	<u>761,767</u>
Permits				
Building	700,000	1,238,261	538,261	1,250,045
Other Permits	5,750	16,770	11,020	24,757
Total Permits	<u>705,750</u>	<u>1,255,031</u>	<u>549,281</u>	<u>1,274,802</u>
Intergovernmental				
State Income Tax	5,475,000	8,311,489	2,836,489	6,531,025
Local Use Tax	1,300,000	2,429,271	1,129,271	2,545,557
Personal Property Replacement Tax	1,041,250	2,662,588	1,621,338	1,533,316
Municipal Sales Tax	9,675,000	13,931,164	4,256,164	11,634,916
Road and Bridge Tax	225,000	238,617	13,617	237,525
Federal, State, and Local Grants	108,798	110,918	2,120	182,037
Federal Grants	-	7,000	7,000	614,738
Total Intergovernmental	<u>17,825,048</u>	<u>27,691,047</u>	<u>9,865,999</u>	<u>23,279,114</u>
Charges for Services				
Ambulance Fees	1,525,000	4,081,934	2,556,934	2,536,993
Refuse Collection	3,385,000	551,489	(2,833,511)	3,305,870
Other Fees	283,000	349,849	66,849	321,427
Total Charges for Services	<u>5,193,000</u>	<u>4,983,272</u>	<u>(209,728)</u>	<u>6,164,290</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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020 Actual
	Original and Final Budget	Actual		
Fines and Forfeits				
Court Costs, Fees & Charges	\$ 320,000	\$ 245,084	\$ (74,916)	\$ 192,772
Other Fines and Forfeits	452,500	410,440	(42,060)	546,241
Total Fines and Forfeits	772,500	655,524	(116,976)	739,013
Investment Income				
Investment Income	400,000	25,844	(374,156)	256,138
Miscellaneous				
Miscellaneous	150,172	497,703	347,531	242,472
Total Revenues	61,327,020	73,765,439	12,438,419	68,015,738
Expenditures				
General Government				
Elected Office				
Salaries	294,285	292,345	1,940	286,045
Benefits	253,202	258,315	(5,113)	234,889
Contractual Services	249,200	230,377	18,823	201,745
Commodities	8,050	10,003	(1,953)	4,548
Capital Outlay	-	1,336	(1,336)	-
Total Elected Office	804,737	792,376	12,361	727,227
City Manager Division				
Salaries	346,284	327,531	18,753	323,516
Benefits	105,786	111,796	(6,010)	106,686
Contractual Services	28,535	6,795	21,740	5,273
Commodities	4,150	2,108	2,042	2,726
Total City Manager Division	484,755	448,230	36,525	438,201
Media Services				
Salaries	340,052	350,645	(10,593)	274,087
Benefits	94,298	121,457	(27,159)	81,204
Contractual Services	199,035	179,633	19,402	102,021
Commodities	33,300	24,473	8,827	13,114
Capital Outlay	750	40,887	(40,137)	24,308
Total Media Services	667,435	717,095	(49,660)	494,734
Legal Department				
Salaries	100,282	-	100,282	80,773
Benefits	45,006	-	45,006	38,736
Contractual Services	602,620	446,683	155,937	504,298
Commodities	950	-	950	193
Total Legal Department	748,858	446,683	302,175	624,000
Department of Finance - Fiscal Services				
Salaries	947,853	819,672	128,181	800,528
Benefits	340,749	292,314	48,435	283,885
Contractual Services	102,085	79,874	22,211	71,214
Commodities	13,350	7,853	5,497	8,750

(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, 2021
 With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020 Actual
	Original and Final Budget	Actual		
Capital Outlay	\$ 2,500	\$ 358	\$ 2,142	\$ 790
Total Department of Finance - Fiscal Services	<u>1,406,537</u>	<u>1,200,071</u>	<u>206,466</u>	<u>1,165,167</u>
Information Technologies				
Salaries	483,262	476,247	7,015	456,980
Benefits	184,990	155,722	29,268	171,509
Contractual Services	499,140	457,520	41,620	382,025
Commodities	31,850	41,072	(9,222)	31,461
Capital Outlay	20,000	-	20,000	4,850
Total Information Technologies	<u>1,219,242</u>	<u>1,130,561</u>	<u>88,681</u>	<u>1,046,825</u>
Overhead Division - Contractual Services				
Contractual Services	681,100	708,740	(27,640)	664,444
Commodities	75,450	26,968	48,482	29,017
Capital Outlay	-	17,358	(17,358)	5,931
Total Overhead Division - Contractual Services	<u>756,550</u>	<u>753,066</u>	<u>3,484</u>	<u>699,392</u>
Building Code Enforcement				
Salaries	1,037,162	1,069,115	(31,953)	1,086,389
Benefits	425,197	441,157	(15,960)	467,966
Contractual Services	249,375	300,869	(51,494)	241,194
Commodities	6,650	9,678	(3,028)	7,017
Capital Outlay	1,000	750	250	529
Total Building Code Enforcement	<u>1,719,384</u>	<u>1,821,569</u>	<u>(102,185)</u>	<u>1,803,095</u>
Planning and Zoning				
Salaries	333,219	276,241	56,978	302,806
Benefits	81,903	69,241	12,662	72,065
Contractual Services	19,040	30,514	(11,474)	15,433
Commodities	2,850	3,167	(317)	1,886
Capital Outlay	1,000	73	927	397
Total Planning and Zoning	<u>438,012</u>	<u>379,236</u>	<u>58,776</u>	<u>392,587</u>
Human Resources				
Salaries	337,538	318,674	18,864	308,881
Benefits	126,493	122,167	4,326	132,168
Contractual Services	119,720	75,364	44,356	105,704
Commodities	4,840	3,663	1,177	3,962
Capital Outlay	-	-	-	550
Total Human Resources	<u>588,591</u>	<u>519,868</u>	<u>68,723</u>	<u>551,265</u>
Health and Human Services				
Salaries	60,534	65,340	(4,806)	65,159
Benefits	11,096	11,942	(846)	12,144
Contractual Services	324,790	309,226	15,564	249,734
Commodities	575	272	303	296
Total Health and Human Services	<u>396,995</u>	<u>386,780</u>	<u>10,215</u>	<u>327,333</u>
Geographic Information Systems (GIS)				
Contractual Services	264,250	223,995	40,255	253,725

(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, 2021
 With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020 Actual
	Original and Final Budget	Actual		
Commodities	\$ 200	\$ -	\$ 200	\$ -
Total Geographic Information Systems (GIS)	<u>264,450</u>	<u>223,995</u>	<u>40,455</u>	<u>253,725</u>
Total General Government	<u>9,495,546</u>	<u>8,819,530</u>	<u>676,016</u>	<u>8,523,551</u>
Public Safety				
Police Department - Administration				
Salaries	257,137	229,337	27,800	332,238
Benefits	101,571	126,005	(24,434)	155,998
Contractual Services	10,255	9,296	959	9,126
Commodities	500	163	337	1,812
Total Police Department - Administration	<u>369,463</u>	<u>364,801</u>	<u>4,662</u>	<u>499,174</u>
Police Department - Uniformed Patrol				
Salaries	8,089,493	7,666,446	423,047	7,828,318
Benefits	7,444,850	7,454,901	(10,051)	6,234,513
Contractual Services	193,400	190,367	3,033	127,552
Commodities	28,200	26,907	1,293	18,034
Total Police Department - Uniformed Patrol	<u>15,755,943</u>	<u>15,338,621</u>	<u>417,322</u>	<u>14,208,417</u>
Police Department - Criminal Investigation				
Salaries	2,405,874	2,170,804	235,070	2,323,763
Benefits	2,263,399	2,150,395	113,004	1,932,738
Contractual Services	99,765	86,709	13,056	85,923
Commodities	3,450	2,610	840	5,158
Total Police Department - Criminal Investigation	<u>4,772,488</u>	<u>4,410,518</u>	<u>361,970</u>	<u>4,347,582</u>
Police Department - Supporting Services				
Salaries	2,136,814	1,791,728	345,086	1,931,485
Benefits	1,263,897	1,223,547	40,350	1,235,600
Contractual Services	1,374,147	1,235,173	138,974	1,777,260
Commodities	83,430	78,957	4,473	91,138
Capital Outlay	-	4,888	(4,888)	52,164
Total Police Department - Supporting Services	<u>4,858,288</u>	<u>4,334,293</u>	<u>523,995</u>	<u>5,087,647</u>
Fire Department - Administration				
Salaries	906,568	853,162	53,406	646,620
Benefits	687,895	738,943	(51,048)	524,264
Contractual Services	32,189	27,193	4,996	27,076
Commodities	6,310	4,562	1,748	4,676
Capital Outlay	-	762	(762)	7,111
Total Fire Department - Administration	<u>1,632,962</u>	<u>1,624,622</u>	<u>8,340</u>	<u>1,209,747</u>
Fire Department - Emergency Services				
Salaries	9,857,847	9,314,765	543,082	9,691,816
Benefits	9,857,686	9,783,156	74,530	8,501,987
Contractual Services	1,107,313	1,065,023	42,290	979,876
Commodities	245,305	267,207	(21,902)	256,273
Capital Outlay	126,925	121,471	5,454	112,857
Total Fire Department - Emergency Services	<u>21,195,076</u>	<u>20,551,622</u>	<u>643,454</u>	<u>19,542,809</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, 2021
 With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020 Actual
	Original and Final Budget	Actual		
Fire Department - Fire Prevention Services				
Salaries	\$ 388,429	\$ 303,159	\$ 85,270	\$ 241,625
Benefits	321,549	353,576	(32,027)	242,714
Contractual Services	65,325	47,270	18,055	16,819
Commodities	19,570	8,942	10,628	2,744
Total Fire Department - Fire Prevention Services	794,873	712,947	81,926	503,902
Emergency Management Agency				
Salaries	58,710	95,226	(36,516)	77,787
Benefits	-	16	(16)	25,984
Contractual Services	-	-	-	34,602
Commodities	-	-	-	5,973
Total Emergency Management Agency	58,710	95,242	(36,532)	144,346
Board of Police and Fire Commission				
Contractual Services	83,040	111,155	(28,115)	31,075
Commodities	1,850	780	1,070	772
Total Board of Police and Fire Commission	84,890	111,935	(27,045)	31,847
Total Public Safety	49,522,693	47,544,601	1,978,092	45,575,471
Public Works				
Vehicle Maintenance Division				
Salaries	456,498	443,922	12,576	491,519
Benefits	218,328	218,790	(462)	234,083
Contractual Services	184,745	180,079	4,666	109,941
Commodities	626,050	572,525	53,525	405,754
Capital Outlay	30,000	8,119	21,881	33,113
Total Vehicle Maintenance Division	1,515,621	1,423,435	92,186	1,274,410
Public Works Administration				
Salaries	179,465	190,202	(10,737)	205,040
Benefits	75,918	88,538	(12,620)	85,115
Contractual Services	3,449,560	875,007	2,574,553	3,038,855
Commodities	14,500	6,120	8,380	10,575
Total Public Works Administration	3,719,443	1,159,867	2,559,576	3,339,585
Facilities and Grounds Division				
Salaries	590,258	629,481	(39,223)	537,242
Benefits	335,347	366,951	(31,604)	311,996
Contractual Services	763,375	755,398	7,977	943,242
Commodities	299,950	273,983	25,967	227,595
Capital Outlay	7,500	9,796	(2,296)	47
Total Facilities and Grounds Division	1,996,430	2,035,609	(39,179)	2,020,122
Total Public Works	7,231,494	4,618,911	2,612,583	6,634,117

(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, 2021
 With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020 Actual
	Original and Final Budget	Actual		
Streets and Highways				
Engineering Department				
Salaries	\$ 352,266	\$ 329,368	\$ 22,898	\$ 569,565
Benefits	108,710	116,739	(8,029)	249,009
Contractual Services	30,810	24,477	6,333	17,994
Commodities	4,400	1,085	3,315	1,575
Total Engineering Department	<u>496,186</u>	<u>471,669</u>	<u>24,517</u>	<u>838,143</u>
Street Department				
Salaries	1,570,079	1,257,977	312,102	1,179,987
Benefits	761,346	689,099	72,247	652,918
Contractual Services	1,853,658	1,841,586	12,072	962,128
Commodities	289,925	121,395	168,530	100,647
Capital Outlay	17,500	14,166	3,334	16,806
Total Street Department	<u>4,492,508</u>	<u>3,924,223</u>	<u>568,285</u>	<u>2,912,486</u>
Total Streets and Highways	<u>4,988,694</u>	<u>4,395,892</u>	<u>592,802</u>	<u>3,750,629</u>
Economic Development				
Economic Development				
Salaries	106,292	28,702	77,590	55,956
Benefits	39,917	10,835	29,082	15,596
Contractual Services	263,810	102,131	161,679	200,598
Commodities	7,000	1,242	5,758	167
Total Economic Development	<u>417,019</u>	<u>142,910</u>	<u>274,109</u>	<u>272,317</u>
Total Economic Development	<u>417,019</u>	<u>142,910</u>	<u>274,109</u>	<u>272,317</u>
Total Expenditures	<u>71,655,446</u>	<u>65,521,844</u>	<u>6,133,602</u>	<u>64,756,085</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(10,328,426)</u>	<u>8,243,595</u>	<u>18,572,021</u>	<u>3,259,653</u>
Other Financing Sources (Uses)				
Transfer In	719,000	594,000	(125,000)	372,372
Transfer Out	(900,000)	(900,000)	-	(1,850,000)
Total Other Financing Sources (Uses)	<u>(181,000)</u>	<u>(306,000)</u>	<u>(125,000)</u>	<u>(1,477,628)</u>
Net Change in Fund Balance	<u>\$ (10,509,426)</u>	<u>7,937,595</u>	<u>\$ 18,447,021</u>	<u>1,782,025</u>
Fund Balance at Beginning of Year		<u>61,267,297</u>		<u>59,485,272</u>
Fund Balance at End of Year		<u>\$ 69,204,892</u>		<u>\$ 61,267,297</u>

(Continued)

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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Property Taxes	\$ 144,695	\$ 123,507	\$ (21,188)	\$ 125,389
Investment Income	25	4	(21)	13
Miscellaneous	-	215	215	-
Total Revenues	<u>144,720</u>	<u>123,726</u>	<u>(20,994)</u>	<u>125,402</u>
Expenditures				
Economic Development				
Contractual Services	8,040	40	8,000	2,309
Commodities	52	-	52	-
Total Economic Development	<u>8,092</u>	<u>40</u>	<u>8,052</u>	<u>2,309</u>
Debt Service				
Principal	1,440,000	1,440,000	-	1,400,000
Interest and Fiscal Charges	31,265	30,618	647	57,137
Total Debt Service	<u>1,471,265</u>	<u>1,470,618</u>	<u>647</u>	<u>1,457,137</u>
Total Expenditures	<u>1,479,357</u>	<u>1,470,658</u>	<u>8,699</u>	<u>1,459,446</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,334,637)</u>	<u>(1,346,932)</u>	<u>(12,295)</u>	<u>(1,334,044)</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>\$ (1,337,637)</u>	<u>(1,349,932)</u>	<u>\$ (12,295)</u>	<u>(1,337,044)</u>
Fund Balances at Beginning of Year		<u>(15,261,470)</u>		<u>(13,924,426)</u>
Fund Balances at End of Year		<u>\$ (16,611,402)</u>		<u>\$ (15,261,470)</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, 2021
 With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020
	Original and Final Budget	Actual		Actual
Revenues				
Gaming Tax	\$ 21,600,000	\$ 25,224,001	\$ 3,624,001	\$ 12,833,854
Investment Income	250,000	-	(250,000)	369,087
Total Revenues	<u>21,850,000</u>	<u>25,224,001</u>	<u>3,374,001</u>	<u>13,202,941</u>
Expenditures				
General Government				
Contractual Services	14,640,000	15,852,949	(1,212,949)	8,684,226
Total Expenditures	<u>14,640,000</u>	<u>15,852,949</u>	<u>(1,212,949)</u>	<u>8,684,226</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>7,210,000</u>	<u>9,371,052</u>	<u>2,161,052</u>	<u>4,518,715</u>
Other Financing Sources (Uses)				
Transfers Out	(8,000,000)	(7,880,000)	120,000	(8,000,000)
Total Other Financing Sources (Uses)	<u>(8,000,000)</u>	<u>(7,880,000)</u>	<u>120,000</u>	<u>(8,000,000)</u>
Net Change in Fund Balance	<u>\$ (790,000)</u>	1,491,052	<u>\$ 2,281,052</u>	(3,481,285)
Fund Balance at Beginning of Year		<u>18,713,952</u>		<u>22,195,237</u>
Fund Balance at End of Year		<u>\$ 20,205,004</u>		<u>\$ 18,713,952</u>

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN FIREFIGHTERS' PENSION FUND NET PENSION
 LIABILITY AND RELATED RATIOS
 December 31, 2021

	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability								
Service cost	\$ 2,290,427	\$ 2,373,109	\$ 2,148,094	\$ 2,101,377	\$ 1,845,967	\$ 1,725,203	\$ 1,693,381	\$ 2,300,527
Interest	11,155,091	11,218,807	10,113,399	9,720,687	9,513,008	9,118,538	8,520,291	7,744,456
Changes of benefit terms	-	-	452,965	-	-	-	-	-
Differences between expected and actual experience	(5,254,266)	4,231,700	2,320,892	2,142,077	4,328	361,031	4,451,348	1,651,529
Changes of assumptions	-	1,298,538	4,689,323	-	4,343,417	1,587,093	596,180	5,636,351
Benefit payments, including refunds of member contributions	(9,609,002)	(9,038,052)	(8,438,967)	(7,853,384)	(7,339,931)	(6,973,210)	(6,456,438)	(6,042,592)
Net change in total pension liability	(1,417,750)	10,084,102	11,285,706	6,110,757	8,366,789	5,818,655	8,804,762	11,290,271
Total pension liability - beginning	175,417,429	165,333,327	154,047,621	147,936,864	139,570,075	133,751,420	124,946,658	113,656,387
Total pension liability - ending (a)	\$ 173,999,679	\$ 175,417,429	\$ 165,333,327	\$ 154,047,621	\$ 147,936,864	\$ 139,570,075	\$ 133,751,420	\$ 124,946,658
Plan fiduciary net position								
Contributions - employer	\$ 7,265,996	\$ 5,697,690	\$ 5,708,218	\$ 5,141,314	\$ 4,916,225	\$ 4,433,104	\$ 4,304,044	\$ 4,155,983
Contributions - employee	872,622	915,532	878,682	878,172	867,424	828,889	836,027	883,723
Net investment income	10,894,360	11,042,008	14,266,878	(6,754,749)	11,548,953	4,601,922	(1,048,749)	4,411,965
Benefit payments, including refunds of member contributions	(9,609,002)	(9,038,052)	(8,438,967)	(7,853,384)	(7,339,931)	(6,973,210)	(6,456,438)	(6,042,592)
Administrative expense	(75,770)	(77,140)	(95,047)	(71,027)	(103,917)	(67,265)	(76,989)	(327,080)
Other	146	-	-	-	-	787	-	-
Net change in plan fiduciary net position	9,348,352	8,540,038	12,319,764	(8,659,674)	9,888,754	2,824,227	(2,442,105)	3,081,999
Plan fiduciary net position - beginning	92,858,201	84,318,163	71,998,399	80,658,073	70,769,319	67,945,092	70,387,197	67,305,198
Plan fiduciary net position - ending (b)	\$ 102,206,553	\$ 92,858,201	\$ 84,318,163	\$ 71,998,399	\$ 80,658,073	\$ 70,769,319	\$ 67,945,092	\$ 70,387,197
City's net pension liability (a-b)	\$ 71,793,126	\$ 82,559,228	\$ 81,015,164	\$ 82,049,222	\$ 67,278,791	\$ 68,800,756	\$ 65,806,328	\$ 54,559,461
Plan fiduciary net position as a percentage of the total pension liability	58.74%	52.94%	51.00%	46.74%	54.52%	50.71%	50.80%	56.33%
Covered payroll	\$ 9,208,702	\$ 9,668,809	\$ 9,279,992	\$ 9,268,972	\$ 9,243,675	\$ 8,931,087	\$ 8,480,084	\$ 8,694,151
Plan's net pension liability (asset) as a percentage of covered payroll	779.62%	853.87%	873.01%	885.20%	727.84%	770.35%	776.01%	627.54%

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

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FIREFIGHTERS' PENSION FUND CONTRIBUTIONS
 December 31, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution	\$ 7,349,577	\$ 6,294,838	\$ 5,731,966	\$ 5,110,496	\$ 4,893,942	\$ 4,356,282	\$ 3,953,299	\$ 3,941,652	\$ 3,671,041	\$ 3,577,776
Contributions in relation to the actuarially determined contribution	<u>7,265,996</u>	<u>5,697,690</u>	<u>5,708,218</u>	<u>5,141,314</u>	<u>4,916,225</u>	<u>4,433,104</u>	<u>4,304,044</u>	<u>4,155,983</u>	<u>3,945,005</u>	<u>3,655,295</u>
Contribution deficiency (excess)	<u>\$ 83,581</u>	<u>\$ 597,148</u>	<u>\$ 23,748</u>	<u>\$ (30,818)</u>	<u>\$ (22,283)</u>	<u>\$ (76,822)</u>	<u>\$ (350,745)</u>	<u>\$ (214,331)</u>	<u>\$ (273,964)</u>	<u>\$ (77,519)</u>
Covered payroll	\$ 9,208,702	\$ 9,668,809	\$ 9,279,992	\$ 9,268,972	\$ 9,243,675	\$ 8,931,087	\$ 8,480,084	\$ 8,694,151	\$ 8,408,155	\$ 8,216,028
Contributions as a percentage of covered payroll	78.90%	58.93%	61.51%	55.47%	53.18%	49.64%	50.75%	47.80%	46.92%	44.49%

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 2021 contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll
Remaining amortization period	21 years
Asset valuation method	5-Year smoothed market value
Salary increases	3.25% - 7.99%
Expected return on investments	6.75%
Inflation	2.25%
Mortality	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described
Retirement	L&A 2020 Illinois Firefighters' Retirement Rates Capped at age 65
Disability Rates	L&A 2020 Illinois Firefighters' Disability Rates
Termination Rates	L&A 2020 Illinois Firefighters' Termination Rates

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FIREFIGHTERS' PENSION FUND
INVESTMENT RATE OF RETURN
December 31, 2021

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

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

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF CHANGES IN POLICE PENSION FUND NET PENSION LIABILITY AND RELATED RATIOS
 December 31, 2021

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

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

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF POLICE PENSION FUND CONTRIBUTIONS
 December 31, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution	\$ 7,856,751	\$ 6,656,557	\$ 6,093,933	\$ 5,442,364	\$ 5,237,462	\$ 4,877,047	\$ 4,011,887	\$ 3,895,329	\$ 3,661,515	\$ 3,472,544
Contributions in relation to the actuarially determined contribution	<u>7,772,633</u>	<u>6,019,107</u>	<u>6,061,959</u>	<u>5,484,051</u>	<u>5,262,020</u>	<u>5,036,133</u>	<u>4,304,873</u>	<u>4,154,166</u>	<u>3,921,472</u>	<u>3,542,231</u>
Contribution deficiency (excess)	<u>\$ 84,118</u>	<u>\$ 637,450</u>	<u>\$ 31,974</u>	<u>\$ (41,687)</u>	<u>\$ (24,558)</u>	<u>\$ (159,086)</u>	<u>\$ (292,986)</u>	<u>\$ (258,837)</u>	<u>\$ (259,957)</u>	<u>\$ (69,687)</u>
Covered payroll	\$ 9,547,866	\$ 10,382,108	\$ 9,804,262	\$ 9,843,268	\$ 8,881,617	\$ 8,581,272	\$ 8,461,825	\$ 8,532,924	\$ 7,904,124	\$ 7,703,991
Contributions as a percentage of covered payroll	81.41%	57.98%	61.83%	55.71%	59.25%	58.69%	50.87%	48.68%	49.61%	45.98%

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 2021 contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll
Remaining amortization period	21 years
Asset valuation method	5-Year smoothed market value
Salary increases	3.25% - 11.25%
Expected return on investments	6.75%
Inflation	2.25%
Mortality	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described
Retirement	L&A 2020 Illinois Police Retirement Rates Capped at age 65
Disability Rates	L&A 2020 Illinois Police Disability Rates
Termination Rates	L&A 2020 Illinois Police Termination Rates

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF POLICE PENSION FUND
INVESTMENT RATE OF RETURN
December 31, 2021

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

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

CITY OF DES PLAINES, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN ILLINOIS MUNICIPAL RETIREMENT FUND NET PENSION LIABILITY
AND RELATED RATIOS
December 31, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability								
Service cost	\$ 1,294,795	\$ 1,471,344	\$ 1,471,710	\$ 1,424,254	\$ 1,495,731	\$ 1,528,647	\$ 1,655,441	\$ 1,838,415
Interest	8,971,124	8,751,863	8,483,359	8,327,421	8,276,408	8,127,770	7,847,845	7,396,361
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	165,165	1,006,485	476,501	(565,583)	386,968	(2,115,982)	(300,852)	(1,614,019)
Changes of assumptions	-	(842,055)	-	3,119,435	(3,524,106)	(256,324)	128,456	3,699,751
Benefit payments, including refunds of member contributions	<u>(7,609,489)</u>	<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	2,821,595	3,446,980	3,916,461	6,121,274	981,065	1,786,903	4,057,889	6,454,458
Total pension liability - beginning	<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>	<u>100,131,959</u>
Total pension liability - ending (a)	<u>\$ 129,718,584</u>	<u>\$ 126,896,989</u>	<u>\$ 123,450,009</u>	<u>\$ 119,533,548</u>	<u>\$ 113,412,274</u>	<u>\$ 112,431,209</u>	<u>\$ 110,644,306</u>	<u>\$ 106,586,417</u>
Plan fiduciary net position								
Contributions - employer	\$ 1,440,176	\$ 1,580,499	\$ 1,228,045	\$ 1,641,785	\$ 1,738,214	\$ 1,695,162	\$ 1,796,025	\$ 2,256,489
Contributions - employee	619,338	648,365	651,222	646,373	656,293	617,687	718,234	737,722
Net investment income	23,121,940	17,384,730	20,000,331	(6,430,893)	18,185,816	6,817,667	495,909	5,843,461
Benefit payments, including refunds of member contributions	<u>(7,609,489)</u>	<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>
Other	<u>(91,241)</u>	<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	17,480,724	13,389,818	15,522,475	(9,085,837)	12,435,349	3,655,752	(1,889,068)	3,830,709
Plan fiduciary net position - beginning	<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>	<u>96,730,362</u>
Plan fiduciary net position - ending (b)	<u>\$ 152,070,284</u>	<u>\$ 134,589,560</u>	<u>\$ 121,199,742</u>	<u>\$ 105,677,267</u>	<u>\$ 114,763,104</u>	<u>\$ 102,327,755</u>	<u>\$ 98,672,003</u>	<u>\$ 100,561,071</u>
City's net pension liability (asset) (a-b)	<u>\$ (22,351,700)</u>	<u>\$ (7,692,571)</u>	<u>\$ 2,250,267</u>	<u>\$ 13,856,281</u>	<u>\$ (1,350,830)</u>	<u>\$ 10,103,454</u>	<u>\$ 11,972,303</u>	<u>\$ 6,025,346</u>
Plan fiduciary net position as a percentage of the total pension liability	117.23%	106.06%	98.18%	88.41%	101.19%	91.01%	89.18%	94.35%
Covered payroll	\$ 13,783,987	\$ 14,329,104	\$ 14,363,106	\$ 14,363,816	\$ 14,485,115	\$ 13,681,698	\$ 14,379,703	\$ 14,547,339
Plan's net pension liability (asset) as a percentage of covered payroll	-162.16%	-53.68%	15.67%	96.47%	-9.33%	73.85%	83.26%	41.42%

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

CITY OF DES PLAINES, ILLINOIS
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF ILLINOIS MUNICIPAL RETIREMENT FUND CONTRIBUTIONS
 December 31, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Actuarially determined contribution	\$ 1,448,697	\$ 1,580,500	\$ 1,228,046	\$ 1,641,784	\$ 1,738,214	\$ 1,695,162	\$ 1,844,916	\$ 2,071,541	\$ 2,383,786	\$ 2,343,437
Contributions in relation to the actuarially determined contribution	<u>1,440,176</u>	<u>1,580,499</u>	<u>1,228,045</u>	<u>1,641,785</u>	<u>1,738,214</u>	<u>1,695,162</u>	<u>1,796,025</u>	<u>2,256,489</u>	<u>2,383,786</u>	<u>2,250,700</u>
Contribution deficiency (excess)	<u>\$ 8,521</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,891</u>	<u>\$ (184,948)</u>	<u>\$ -</u>	<u>\$ 92,737</u>
Covered payroll	\$ 13,783,987	\$ 14,329,104	\$ 14,363,106	\$ 14,363,816	\$ 14,485,115	\$ 13,681,698	\$ 14,379,703	\$ 14,547,339	\$ 15,946,135	\$ 16,592,625
Contributions as a percentage of covered payroll	10.45%	11.03%	8.55%	11.43%	12.00%	12.39%	12.49%	15.51%	14.95%	13.56%

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 2021 contribution rates:

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	22-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 2021 contribution rate was based on valuation assumptions used in the December 31, 2019 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, 2021

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

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

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

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GRANT FUNDED PROJECTS FUND
Year-Ended December 31, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020
	Original and Final Budget	Actual		Actual
Revenues				
Intergovernmental	\$ 13,696,721	\$ 2,124,954	\$ (11,571,767)	\$ 621,085
Investment Income	-	154	154	2,355
Total Revenues	<u>13,696,721</u>	<u>2,125,108</u>	<u>(11,571,613)</u>	<u>623,440</u>
Expenditures				
General Government				
Salaries	48,600	35,668	12,932	46,323
Contractual Services	592,006	1,125,247	(533,241)	1,242,188
Commodities	-	894	(894)	-
Capital Outlay	14,755,391	4,329,249	10,426,142	5,405,185
Total Expenditures	<u>15,395,997</u>	<u>5,491,058</u>	<u>9,904,939</u>	<u>6,693,696</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,699,276)</u>	<u>(3,365,950)</u>	<u>(1,666,674)</u>	<u>(6,070,256)</u>
Other Financing Sources (Uses)				
Transfers In	1,699,276	992,665	(706,611)	243,889
Total Other Financing Sources (Uses)	<u>1,699,276</u>	<u>992,665</u>	<u>(706,611)</u>	<u>243,889</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>(2,373,285)</u>	<u>\$ (2,373,285)</u>	<u>(5,826,367)</u>
Fund Balance at Beginning of Year		<u>(5,899,389)</u>		<u>(73,022)</u>
Fund Balance at End of Year		<u>\$ (8,272,674)</u>		<u>\$ (5,899,389)</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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Property Taxes	\$ 16,565	\$ 15,411	\$ (1,154)	\$ 30,482
Home Rule Option Sales Tax - General	2,550,000	3,887,683	1,337,683	2,458,991
Local Use	1,575,000	2,238,131	663,131	2,012,304
Storm Sewers	-	-	-	2,731
Investment Income	50,000	-	(50,000)	69,442
Miscellaneous	18,000	9,433	(8,567)	9,945
Total Revenues	<u>4,209,565</u>	<u>6,150,658</u>	<u>1,941,093</u>	<u>4,583,895</u>
Expenditures				
Public Works				
Salaries	414,100	387,848	26,252	282,031
Benefits	141,237	144,558	(3,321)	92,896
Contractual Services	324,510	429,529	(105,019)	520,521
Commodities	3,000	650	2,350	59,296
Capital Outlay	4,500,000	2,966,308	1,533,692	2,509,157
Total Public Works	<u>5,382,847</u>	<u>3,928,893</u>	<u>1,453,954</u>	<u>3,463,901</u>
Economic Development				
Capital Outlay	-	-	-	36,454
Total Economic Development	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,454</u>
Total Expenditures	<u>5,382,847</u>	<u>3,928,893</u>	<u>1,453,954</u>	<u>3,500,355</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,173,282)</u>	<u>2,221,765</u>	<u>3,395,047</u>	<u>1,083,540</u>
Other Financing Sources (Uses)				
Transfers In	1,500,000	1,500,000	-	-
Transfers Out	(1,724,276)	(1,017,665)	706,611	(268,889)
Total Other Financing Sources (Uses)	<u>(224,276)</u>	<u>482,335</u>	<u>706,611</u>	<u>(268,889)</u>
Net Change in Fund Balance	<u>\$ (1,397,558)</u>	2,704,100	<u>\$ 4,101,658</u>	814,651
Fund Balance at Beginning of Year		<u>6,761,736</u>		<u>5,947,085</u>
Fund Balance at End of Year		<u>\$ 9,465,836</u>		<u>\$ 6,761,736</u>

NONMAJOR GOVERNMENTAL FUNDS

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

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

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

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

CITY OF DES PLAINES, ILLINOIS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 December 31, 2021

	Special Revenue Funds					
	Motor Fuel Tax	Community Development Block Grant	Asset Seizure	Foreign Fire Insurance Tax	Escrow Fund	TIF #1 (Downtown)
ASSETS						
Cash and Investments	\$ 3,861,687	\$ -	\$ 1,305,663	\$ 585,436	\$ 484,975	\$ -
Receivables (Net)						
Property Taxes	-	-	-	-	-	72,798
Accounts Receivable	-	-	-	-	18,450	-
Accrued Interest	-	-	-	-	-	-
Other	-	-	3,954	-	-	-
Due from Other Governments	217,036	19,185	-	-	-	-
TOTAL ASSETS	<u>\$ 4,078,723</u>	<u>\$ 19,185</u>	<u>\$ 1,309,617</u>	<u>\$ 585,436</u>	<u>\$ 503,425</u>	<u>\$ 72,798</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities						
Accounts Payable	\$ 370,534	\$ 63,612	\$ 10,259	\$ 1,432	\$ 16,859	\$ 187,566
Deposits Payable	-	-	148,135	-	-	19,232
Unearned Revenue	-	-	-	-	-	-
Advances from Other Funds	-	17,947	-	-	-	298,237
Total Liabilities	<u>370,534</u>	<u>81,559</u>	<u>158,394</u>	<u>1,432</u>	<u>16,859</u>	<u>505,035</u>
Deferred Inflows of Resources						
Deferred Property Tax Revenue	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances						
Restricted						
Economic Development	-	-	-	-	486,566	-
Streets & Highways	2,859,478	-	-	-	-	-
Rebuild Illinois Bond Funds Projects	848,711	-	-	-	-	-
Public Safety	-	-	1,151,223	584,004	-	-
Assigned						
Capital Acquisitions	-	-	-	-	-	-
Unassigned	-	(62,374)	-	-	-	(432,237)
Total Fund Balances	<u>3,708,189</u>	<u>(62,374)</u>	<u>1,151,223</u>	<u>584,004</u>	<u>486,566</u>	<u>(432,237)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 4,078,723</u>	<u>\$ 19,185</u>	<u>\$ 1,309,617</u>	<u>\$ 585,436</u>	<u>\$ 503,425</u>	<u>\$ 72,798</u>

Special Revenue Funds				Capital Projects Funds			Total Nonmajor Governmental Funds
TIF #3 (Wille Road)	TIF #5 (Perry/Lee)	TIF #7 (Mannheim/ Higgins South)	TIF #8 (Oakton)	Equipment Replacement	I.T. Replacement	Facilities Replacement	
\$ -	\$ 343,022	\$ -	\$ 2,277,236	\$ 4,639,594	\$ 324,491	\$ 12,550,543	\$ 26,372,647
2,276,505	183,856	574,040	1,285,342	-	-	-	4,392,541
-	-	-	-	-	-	19,816	38,266
-	-	-	-	18,221	-	-	18,221
-	-	-	-	-	-	-	3,954
-	-	-	-	-	-	-	236,221
<u>\$ 2,276,505</u>	<u>\$ 526,878</u>	<u>\$ 574,040</u>	<u>\$ 3,562,578</u>	<u>\$ 4,657,815</u>	<u>\$ 324,491</u>	<u>\$ 12,570,359</u>	<u>\$ 31,061,850</u>
\$ -	\$ 2,198	\$ -	\$ 4,248	\$ 46,671	\$ 13,917	\$ 621,523	\$ 1,338,819
-	-	-	1,805	-	-	-	169,172
-	-	-	-	-	-	47,236	47,236
2,786,017	-	1,614,608	-	-	-	-	4,716,809
<u>2,786,017</u>	<u>2,198</u>	<u>1,614,608</u>	<u>6,053</u>	<u>46,671</u>	<u>13,917</u>	<u>668,759</u>	<u>6,272,036</u>
<u>2,276,505</u>	<u>183,856</u>	<u>441,800</u>	<u>1,268,741</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,170,902</u>
<u>2,276,505</u>	<u>183,856</u>	<u>441,800</u>	<u>1,268,741</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,170,902</u>
-	340,824	-	2,287,784	-	-	-	3,115,174
-	-	-	-	-	-	-	2,859,478
-	-	-	-	-	-	-	848,711
-	-	-	-	-	-	-	1,735,227
-	-	-	-	4,611,144	310,574	11,901,600	16,823,318
(2,786,017)	-	(1,482,368)	-	-	-	-	(4,762,996)
<u>(2,786,017)</u>	<u>340,824</u>	<u>(1,482,368)</u>	<u>2,287,784</u>	<u>4,611,144</u>	<u>310,574</u>	<u>11,901,600</u>	<u>20,618,912</u>
<u>\$ 2,276,505</u>	<u>\$ 526,878</u>	<u>\$ 574,040</u>	<u>\$ 3,562,578</u>	<u>\$ 4,657,815</u>	<u>\$ 324,491</u>	<u>\$ 12,570,359</u>	<u>\$ 31,061,850</u>

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 Year-Ended December 31, 2021

	Special Revenue Funds					
	Motor Fuel Tax	Community Development Block Grant	Asset Seizure	Foreign Fire Insurance Tax	Escrow Fund	TIF #1 (Downtown)
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ 145,989	\$ -	\$ 7,033,786
Intergovernmental	3,568,957	480,627	317,084	-	-	-
Fines, Forfeitures and Penalties	-	-	303	-	-	-
Developer Fees	-	-	-	-	196,157	-
Investment Income	981	-	455	871	-	238
Miscellaneous	-	-	-	-	305,930	-
Total Revenues	<u>3,569,938</u>	<u>480,627</u>	<u>317,842</u>	<u>146,860</u>	<u>502,087</u>	<u>7,034,024</u>
Expenditures						
Current:						
General Government	-	-	-	-	298,247	-
Public Safety	-	-	118,065	83,288	452	-
Streets and Highways	1,042,902	-	-	-	-	-
Economic Development	-	523,275	-	-	664,812	1,047,340
Debt Service						
Principal	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-
Capital Outlay	2,187,302	-	48,985	8,400	-	1,625,041
Total Expenditures	<u>3,230,204</u>	<u>523,275</u>	<u>167,050</u>	<u>91,688</u>	<u>963,511</u>	<u>2,672,381</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>339,734</u>	<u>(42,648)</u>	<u>150,792</u>	<u>55,172</u>	<u>(461,424)</u>	<u>4,361,643</u>
Other Financing Sources (Uses)						
Proceeds from sale of capital assets	-	-	335	-	-	-
Transfers In	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>335</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	339,734	(42,648)	151,127	55,172	(461,424)	4,361,643
Fund Balances at Beginning 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>(4,793,880)</u>
Fund Balances at End of Year	<u>\$ 3,708,189</u>	<u>\$ (62,374)</u>	<u>\$ 1,151,223</u>	<u>\$ 584,004</u>	<u>\$ 486,566</u>	<u>\$ (432,237)</u>

(Continued)

Special Revenue Funds				Capital Projects Funds			Total Nonmajor Governmental Funds
TIF #3 (Wille Road)	TIF #5 (Perry/Lee)	TIF #7 (Mannheim/ Higgins South)	TIF #8 (Oakton)	Equipment Replacement	I.T. Replacement	Facilities Replacement	
\$ 2,389,876	\$ 207,841	\$ 973,166	\$ 1,349,719	\$ -	\$ -	\$ -	\$ 12,100,377
-	-	-	-	-	-	-	4,366,668
-	-	-	-	-	-	-	303
-	-	-	-	-	-	-	196,157
263	218	6	18	23,154	34	-	26,238
-	-	-	-	2	-	1,091,897	1,397,829
<u>2,390,139</u>	<u>208,059</u>	<u>973,172</u>	<u>1,349,737</u>	<u>23,156</u>	<u>34</u>	<u>1,091,897</u>	<u>18,087,572</u>
-	-	-	-	-	92,363	2,608,701	2,999,311
-	-	-	-	-	-	-	201,805
-	-	-	-	-	-	-	1,042,902
70	-	45	14,182	-	-	-	2,249,724
1,530,000	105,000	-	-	-	-	-	1,635,000
348,394	2,625	-	-	-	-	-	351,019
-	20,997	-	190,619	1,291,582	157,314	2,889,082	8,419,322
<u>1,878,464</u>	<u>128,622</u>	<u>45</u>	<u>204,801</u>	<u>1,291,582</u>	<u>249,677</u>	<u>5,497,783</u>	<u>16,899,083</u>
<u>511,675</u>	<u>79,437</u>	<u>973,127</u>	<u>1,144,936</u>	<u>(1,268,426)</u>	<u>(249,643)</u>	<u>(4,405,886)</u>	<u>1,188,489</u>
-	-	-	-	72,274	-	-	72,609
-	-	-	-	500,000	400,000	6,380,000	7,280,000
(5,000)	-	(13,000)	(43,000)	-	-	-	(61,000)
<u>(5,000)</u>	<u>-</u>	<u>(13,000)</u>	<u>(43,000)</u>	<u>572,274</u>	<u>400,000</u>	<u>6,380,000</u>	<u>7,291,609</u>
506,675	79,437	960,127	1,101,936	(696,152)	150,357	1,974,114	8,480,098
<u>(3,292,692)</u>	<u>261,387</u>	<u>(2,442,495)</u>	<u>1,185,848</u>	<u>5,307,296</u>	<u>160,217</u>	<u>9,927,486</u>	<u>12,138,814</u>
<u>\$ (2,786,017)</u>	<u>\$ 340,824</u>	<u>\$ (1,482,368)</u>	<u>\$ 2,287,784</u>	<u>\$ 4,611,144</u>	<u>\$ 310,574</u>	<u>\$ 11,901,600</u>	<u>\$ 20,618,912</u>

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, 2021
 With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020
	Original and Final Budget	Actual		Actual
Revenues				
Intergovernmental	\$ 2,632,139	\$ 3,568,957	\$ 936,818	\$ 3,406,082
Investment Income	10,000	981	(9,019)	9,306
Total Revenues	<u>2,642,139</u>	<u>3,569,938</u>	<u>927,799</u>	<u>3,415,388</u>
Expenditures				
Streets and Highways				
Contractual Services	499,000	456,594	42,406	306,985
Commodities	655,000	586,308	68,692	512,737
Capital Outlay	<u>2,900,000</u>	<u>2,187,302</u>	<u>712,698</u>	<u>428,370</u>
Total Expenditures	<u>4,054,000</u>	<u>3,230,204</u>	<u>823,796</u>	<u>1,248,092</u>
Net Change in Fund Balance	<u>\$ (1,411,861)</u>	339,734	<u>\$ 1,751,595</u>	2,167,296
Fund Balance at Beginning of Year		<u>3,368,455</u>		<u>1,201,159</u>
Fund Balance at End of Year		<u>\$ 3,708,189</u>		<u>\$ 3,368,455</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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Intergovernmental	\$ 488,055	\$ 480,627	\$ (7,428)	\$ 357,322
Total Revenues	<u>488,055</u>	<u>480,627</u>	<u>(7,428)</u>	<u>357,322</u>
Expenditures				
Economic Development				
Salaries	50,031	50,857	(826)	54,855
Benefits	11,426	8,821	2,605	9,766
Contractual Services	<u>444,024</u>	<u>463,597</u>	<u>(19,573)</u>	<u>312,757</u>
Total Expenditures	<u>505,481</u>	<u>523,275</u>	<u>(17,794)</u>	<u>377,378</u>
Net Change in Fund Balance	<u>\$ (17,426)</u>	(42,648)	<u>\$ (25,222)</u>	(20,056)
Fund Balance at Beginning of Year		<u>(19,726)</u>		<u>330</u>
Fund Balance at End of Year		<u>\$ (62,374)</u>		<u>\$ (19,726)</u>

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, 2021
 With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Property Taxes	\$ 5,729,482	\$ 7,033,786	\$ 1,304,304	\$ 6,225,997
Investment Income	10,000	238	(9,762)	15,625
Total Revenues	<u>5,739,482</u>	<u>7,034,024</u>	<u>1,294,542</u>	<u>6,241,622</u>
Expenditures				
Economic Development				
Contractual Services	-	1,047,340	(1,047,340)	3,601,826
Commodities	-	-	-	321,962
Capital Outlay	-	1,625,041	(1,625,041)	11,566,579
Total Economic Development	<u>-</u>	<u>2,672,381</u>	<u>(2,672,381)</u>	<u>15,490,367</u>
Debt Service				
Principal	-	-	-	1,234,927
Interest and Fiscal Charges	-	-	-	33,247
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,268,174</u>
Total Expenditures	<u>-</u>	<u>2,672,381</u>	<u>(2,672,381)</u>	<u>16,758,541</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>5,739,482</u>	<u>4,361,643</u>	<u>(1,377,839)</u>	<u>(10,516,919)</u>
Other Financing Sources (Uses)				
Transfer Out	-	-	-	(125,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(125,000)</u>
Net Change in Fund Balance	<u>\$ 5,739,482</u>	4,361,643	<u>\$ (1,377,839)</u>	(10,641,919)
Fund Balance at Beginning of Year		<u>(4,793,880)</u>		<u>5,848,039</u>
Fund Balance at End of Year		<u>\$ (432,237)</u>		<u>\$ (4,793,880)</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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020
	Original and Final Budget	Actual		Actual
Revenues				
Taxes	\$ 2,299,500	\$ 2,389,876	\$ 90,376	\$ 2,170,210
Investment Income	250	263	13	159
Total Revenues	<u>2,299,750</u>	<u>2,390,139</u>	<u>90,389</u>	<u>2,170,369</u>
Expenditures				
Economic Development				
Contractual Services	10,470	70	10,400	2,219
Total Economic Development	<u>10,470</u>	<u>70</u>	<u>10,400</u>	<u>2,219</u>
Debt Service				
Principal	1,530,000	1,530,000	-	1,490,000
Interest and Fiscal Charges	352,354	348,394	3,960	390,777
Total Debt Service	<u>1,882,354</u>	<u>1,878,394</u>	<u>3,960</u>	<u>1,880,777</u>
Total Expenditures	<u>1,892,824</u>	<u>1,878,464</u>	<u>14,360</u>	<u>1,882,996</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>406,926</u>	<u>511,675</u>	<u>104,749</u>	<u>287,373</u>
Other Financing Sources (Uses)				
Transfers Out	(5,000)	(5,000)	-	(7,000)
Total Other Financing Sources (Uses)	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>(7,000)</u>
Net Change in Fund Balance	<u>\$ 401,926</u>	506,675	<u>\$ 104,749</u>	280,373
Fund Balance at Beginning of Year		<u>(3,292,692)</u>		<u>(3,573,065)</u>
Fund Balance at End of Year		<u>\$ (2,786,017)</u>		<u>\$ (3,292,692)</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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020
	Original and Final Budget	Actual		Actual
Revenues				
Taxes	\$ 182,972	\$ 207,841	\$ 24,869	\$ 178,345
Investment Income	50	218	168	3
Total Revenues	<u>183,022</u>	<u>208,059</u>	<u>25,037</u>	<u>178,348</u>
Expenditures				
Economic Development				
Contractual Services	400	-	400	2,419
Capital Outlay	-	20,997	(20,997)	2,576
Total Economic Development	<u>400</u>	<u>20,997</u>	<u>(20,597)</u>	<u>4,995</u>
Debt Service				
Principal	105,000	105,000	-	105,000
Interest and Fiscal Charges	2,751	2,625	126	5,369
Total Debt Service	<u>107,751</u>	<u>107,625</u>	<u>126</u>	<u>110,369</u>
Total Expenditures	<u>108,151</u>	<u>128,622</u>	<u>(20,471)</u>	<u>115,364</u>
Net Change in Fund Balance	<u>\$ 74,871</u>	79,437	<u>\$ 4,566</u>	62,984
Fund Balance at Beginning of Year		<u>261,387</u>		<u>198,403</u>
Fund Balance at End of Year		<u>\$ 340,824</u>		<u>\$ 261,387</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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020
	Original and Final Budget	Actual		Actual
Revenues				
Taxes	\$ 446,263	\$ 973,166	\$ 526,903	\$ 21,498
Investment Income	25	6	(19)	2
Total Revenues	<u>446,288</u>	<u>973,172</u>	<u>526,884</u>	<u>21,500</u>
Expenditures				
Economic Development				
Contractual Services	<u>28,260</u>	<u>45</u>	<u>28,215</u>	<u>4,437</u>
Total Expenditures	<u>28,260</u>	<u>45</u>	<u>28,215</u>	<u>4,437</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>418,028</u>	<u>973,127</u>	<u>555,099</u>	<u>17,063</u>
Other Financing Sources (Uses)				
Transfers Out	<u>(13,000)</u>	<u>(13,000)</u>	<u>-</u>	<u>(40,000)</u>
Total Other Financing Sources (Uses)	<u>(13,000)</u>	<u>(13,000)</u>	<u>-</u>	<u>(40,000)</u>
Net Change in Fund Balance	<u>\$ 405,028</u>	960,127	<u>\$ 555,099</u>	(22,937)
Fund Balance at Beginning of Year		<u>(2,442,495)</u>		<u>(2,419,558)</u>
Fund Balance at End of Year		<u>\$ (1,482,368)</u>		<u>\$ (2,442,495)</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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020
	Original and Final Budget	Actual		Actual
Revenues				
Taxes	\$ 1,281,557	\$ 1,349,719	\$ 68,162	\$ 1,185,841
Investment Income	-	18	18	7
Total Revenues	<u>1,281,557</u>	<u>1,349,737</u>	<u>68,180</u>	<u>1,185,848</u>
Expenditures				
Economic Development				
Contractual Services	218,000	14,182	203,818	-
Capital Outlay	11,500	190,619	(179,119)	-
Total Expenditures	<u>229,500</u>	<u>204,801</u>	<u>24,699</u>	<u>-</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>1,052,057</u>	<u>1,144,936</u>	<u>92,879</u>	<u>1,185,848</u>
Other Financing Sources (Uses)				
Transfers Out	(43,000)	(43,000)	-	-
Total Other Financing Sources (Uses)	<u>(43,000)</u>	<u>(43,000)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 1,009,057</u>	1,101,936	<u>\$ 92,879</u>	1,185,848
Fund Balance at Beginning of Year		<u>1,185,848</u>		<u>-</u>
Fund Balance at End of Year		<u>\$ 2,287,784</u>		<u>\$ 1,185,848</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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020
	Original and Final Budget	Actual		Actual
Revenues				
Investment Income	\$ 75,000	\$ 23,154	\$ (51,846)	\$ 64,130
Miscellaneous	-	2	2	-
Total Revenues	<u>75,000</u>	<u>23,156</u>	<u>(51,844)</u>	<u>64,130</u>
Expenditures				
General Government				
Capital Outlay	1,142,760	1,291,582	(148,822)	813,390
Total General Government	<u>1,142,760</u>	<u>1,291,582</u>	<u>(148,822)</u>	<u>813,390</u>
Debt Service				
Principal	-	-	-	87,500
Total Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,500</u>
Total Expenditures	<u>1,142,760</u>	<u>1,291,582</u>	<u>(148,822)</u>	<u>900,890</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(1,067,760)</u>	<u>(1,268,426)</u>	<u>(200,666)</u>	<u>(836,760)</u>
Other Financing Sources (Uses)				
Proceeds from sale of capital assets	65,000	72,274	7,274	121,352
Transfers In	500,000	500,000	-	1,500,000
Total Other Financing Sources (Uses)	<u>565,000</u>	<u>572,274</u>	<u>7,274</u>	<u>1,621,352</u>
Net Change in Fund Balance	<u>\$ (502,760)</u>	(696,152)	<u>\$ (193,392)</u>	784,592
Fund Balance at Beginning of Year		<u>5,307,296</u>		<u>4,522,704</u>
Fund Balance at End of Year		<u>\$ 4,611,144</u>		<u>\$ 5,307,296</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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Investment Income	\$ 1,000	\$ 34	\$ (966)	\$ 617
Total Revenues	<u>1,000</u>	<u>34</u>	<u>(966)</u>	<u>617</u>
Expenditures				
General Government				
Contractual Services	87,651	92,363	(4,712)	54,465
Commodities	-	-	-	684
Capital Outlay	<u>245,265</u>	<u>157,314</u>	<u>87,951</u>	<u>420,264</u>
Total Expenditures	<u>332,916</u>	<u>249,677</u>	<u>83,239</u>	<u>475,413</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(331,916)</u>	<u>(249,643)</u>	<u>82,273</u>	<u>(474,796)</u>
Other Financing Sources (Uses)				
Transfers In	<u>400,000</u>	<u>400,000</u>	<u>-</u>	<u>350,000</u>
Total Other Financing Sources (Uses)	<u>400,000</u>	<u>400,000</u>	<u>-</u>	<u>350,000</u>
Net Change in Fund Balance	<u>\$ 68,084</u>	150,357	<u>\$ 82,273</u>	(124,796)
Fund Balance at Beginning of Year		<u>160,217</u>		<u>285,013</u>
Fund Balance at End of Year		<u>\$ 310,574</u>		<u>\$ 160,217</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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Rental Income	\$ 86,332	\$ 90,439	\$ 4,107	\$ 109,697
Miscellaneous Revenues	-	1,001,458	1,001,458	689
Total Revenues	<u>86,332</u>	<u>1,091,897</u>	<u>1,005,565</u>	<u>110,386</u>
Expenditures				
General Government				
Contractual Services	3,960,354	2,176,431	1,783,923	437,917
Commodities	750,000	432,270	317,730	74,048
Capital Outlay	8,000,000	2,889,082	5,110,918	1,365,966
Total Expenditures	<u>12,710,354</u>	<u>5,497,783</u>	<u>7,212,571</u>	<u>1,877,931</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(12,624,022)</u>	<u>(4,405,886)</u>	<u>8,218,136</u>	<u>(1,767,545)</u>
Other Financing Sources (Uses)				
Transfers In	6,380,000	6,380,000	-	8,000,000
Total Other Financing Sources (Uses)	<u>6,380,000</u>	<u>6,380,000</u>	<u>-</u>	<u>8,000,000</u>
Net Change in Fund Balance	<u>\$ (6,244,022)</u>	1,974,114	<u>\$ 8,218,136</u>	6,232,455
Fund Balance at Beginning of Year		<u>9,927,486</u>		<u>3,695,031</u>
Fund Balance at End of Year		<u>\$ 11,901,600</u>		<u>\$ 9,927,486</u>

ENTERPRISE FUNDS

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

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

CITY OF DES PLAINES, ILLINOIS
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
WATER/SEWER FUND
Year-Ended December 31, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020
	Original and Final Budget	Actual		Actual
Operating Revenues				
Charges for Services				
Water Sales	\$ 13,505,000	\$ 12,736,299	\$ (768,701)	\$ 12,531,643
Sewer Sales	1,850,000	1,993,385	143,385	1,975,798
Sales of Water Meters	7,500	4,351	(3,149)	20,646
Water Permit Fees	1,200	13,900	12,700	1,700
Service Charges, Cut Off and Connector Fees	80,000	174,209	94,209	55,830
Other Charges for Services	<u>2,000,750</u>	<u>2,943,505</u>	<u>942,755</u>	<u>2,592,895</u>
Total Charges for Services	<u>17,444,450</u>	<u>17,865,649</u>	<u>421,199</u>	<u>17,178,512</u>
Miscellaneous	<u>203,779</u>	<u>1,797,080</u>	<u>1,593,301</u>	<u>236,820</u>
Total Operating Revenues	<u>17,648,229</u>	<u>19,662,729</u>	<u>2,014,500</u>	<u>17,415,332</u>
Operating Expenses				
Salaries	3,360,597	2,988,688	371,909	3,043,812
Benefits	1,512,571	1,441,510	71,061	738,347
Contractual Services	2,160,390	1,934,102	226,288	1,136,477
Commodities	7,094,050	6,390,412	703,638	6,551,233
Capital Outlay	7,308,800	101,039	7,207,761	-
Depreciation	<u>-</u>	<u>1,964,356</u>	<u>(1,964,356)</u>	<u>1,793,643</u>
Total Operating Expenses	<u>21,436,408</u>	<u>14,820,107</u>	<u>6,616,301</u>	<u>13,263,512</u>
Operating Income (Loss)	<u>(3,788,179)</u>	<u>4,842,622</u>	<u>8,630,801</u>	<u>4,151,820</u>
Nonoperating Revenues and (Expenses)				
Intergovernmental	3,500	4,114	614	5,476
Loss on Disposal of Assets	<u>-</u>	<u>(58,205)</u>	<u>(58,205)</u>	<u>(57,626)</u>
Total Nonoperating Revenues and (Expenses)	<u>3,500</u>	<u>(54,091)</u>	<u>(57,591)</u>	<u>(52,150)</u>
Income (Loss) Before Transfers	<u>(3,784,679)</u>	<u>4,788,531</u>	<u>8,573,210</u>	<u>4,099,670</u>
Transfers				
Transfers In	10,000	5,000	(5,000)	339,956
Transfers Out	<u>(500,000)</u>	<u>(500,000)</u>	<u>-</u>	<u>-</u>
Total Transfers	<u>(490,000)</u>	<u>(495,000)</u>	<u>(5,000)</u>	<u>339,956</u>
Change in Net Position	<u>\$ (4,274,679)</u>	<u>4,293,531</u>	<u>\$ 8,568,210</u>	<u>4,439,626</u>
Net Position at Beginning of Year		<u>44,753,412</u>		<u>40,313,786</u>
Net Position at End of Year		<u>\$ 49,046,943</u>		<u>\$ 44,753,412</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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020
	Original and Final Budget	Actual		Actual
Operating Revenues				
Charges for Services				
Parking Lots, Garages, Permits, and Other	\$ 338,670	\$ 238,957	\$ (99,713)	\$ 248,331
Total Operating Revenues	<u>338,670</u>	<u>238,957</u>	<u>(99,713)</u>	<u>248,331</u>
Operating Expenses				
Contractual Services	334,920	199,231	135,689	48,972
Commodities	<u>137,350</u>	<u>78,766</u>	<u>58,584</u>	<u>83,032</u>
Total Operating Expenses	<u>472,270</u>	<u>277,997</u>	<u>194,273</u>	<u>132,004</u>
Income (Loss) Before Transfers - budgetary	<u>(133,600)</u>	<u>(39,040)</u>	<u>94,560</u>	<u>116,327</u>
Transfers				
Transfers Out	<u>(20,000)</u>	<u>(10,000)</u>	<u>10,000</u>	<u>(36,516)</u>
Total Transfers	<u>(20,000)</u>	<u>(10,000)</u>	<u>10,000</u>	<u>(36,516)</u>
Adjustments to GAAP basis - depreciation	<u>-</u>	<u>(653,621)</u>	<u>-</u>	<u>(653,621)</u>
Change in Net Position	<u>\$ (153,600)</u>	<u>(702,661)</u>	<u>\$ 104,560</u>	<u>(573,810)</u>
Net Position at Beginning of Year		<u>8,284,470</u>		<u>8,858,280</u>
Net Position at End of Year		<u>\$ 7,581,809</u>		<u>\$ 8,284,470</u>

INTERNAL SERVICE FUNDS

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

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

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 December 31, 2021

	<u>Risk Management</u>	<u>Health Benefits</u>	<u>Total Internal Service Funds</u>
ASSETS			
Current Assets			
Cash and Investments	\$ 1,240,309	\$ 490,715	\$ 1,731,024
Prepaid Items	<u>660,246</u>	<u>3,394,941</u>	<u>4,055,187</u>
Total Current Assets	<u>1,900,555</u>	<u>3,885,656</u>	<u>5,786,211</u>
TOTAL ASSETS	<u>1,900,555</u>	<u>3,885,656</u>	<u>5,786,211</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	74,732	1,138	75,870
Unearned Revenue	-	27,908	27,908
Long-term Obligations, Due Within One Year:			
Early Retirement Incentive Program Payable	<u>-</u>	<u>476,339</u>	<u>476,339</u>
Total Current Liabilities	<u>74,732</u>	<u>505,385</u>	<u>580,117</u>
TOTAL LIABILITIES	<u>74,732</u>	<u>505,385</u>	<u>580,117</u>
NET POSITION			
Unrestricted	<u>1,825,823</u>	<u>3,380,271</u>	<u>5,206,094</u>
TOTAL NET POSITION	<u>\$ 1,825,823</u>	<u>\$ 3,380,271</u>	<u>\$ 5,206,094</u>

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN NET POSITION
 INTERNAL SERVICE FUNDS
 Year-Ended December 31, 2021

	Risk Management	Health Benefits	Total Internal Service Funds
Operating Revenues			
Charges for Services	\$ 2,473,566	\$ 7,872,931	\$ 10,346,497
Miscellaneous	77,039	-	77,039
Total Operating Revenues	<u>2,550,605</u>	<u>7,872,931</u>	<u>10,423,536</u>
Operating Expenses			
Claims Expense	-	6,671,065	6,671,065
Insurance and Processing Fees	2,068,051	739,652	2,807,703
Miscellaneous	112,923	10,175	123,098
Total Operating Expenses	<u>2,180,974</u>	<u>7,420,892</u>	<u>9,601,866</u>
Change in Net Position	369,631	452,039	821,670
Net Position at Beginning of Year	<u>1,456,192</u>	<u>2,928,232</u>	<u>4,384,424</u>
Net Position at End of Year	<u>\$ 1,825,823</u>	<u>\$ 3,380,271</u>	<u>\$ 5,206,094</u>

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 Year-Ended December 31, 2021

	<u>Risk Management</u>	<u>Health Benefits</u>	<u>Total Internal Service Funds</u>
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 2,483,531	\$ 7,914,192	\$ 10,397,723
Receipts from Miscellaneous Revenues	77,039	-	77,039
Cash Payments to Suppliers for Goods and Services	<u>(2,064,148)</u>	<u>(7,877,444)</u>	<u>(9,941,592)</u>
Net Cash Provided/(Used) by Operating Activities	<u>496,422</u>	<u>36,748</u>	<u>533,170</u>
Net Increase (Decrease) in Cash & Investments	496,422	36,748	533,170
Cash & Investments, Beginning of Year	743,887	453,967	1,197,854
Cash & Investments, End of Year	<u>\$ 1,240,309</u>	<u>\$ 490,715</u>	<u>\$ 1,731,024</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities			
Operating Income/(Loss)	\$ 369,631	\$ 452,039	\$ 821,670
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities			
Decrease (Increase) in Prepaid Items	62,489	147,293	209,782
Decrease (Increase) in Other Receivables	10,727	23,799	34,526
(Decrease) Increase in Accounts Payable	54,337	49	54,386
(Decrease) Increase in Early Retirement Payable	-	(603,894)	(603,894)
(Decrease) Increase in Unearned Revenue	<u>(762)</u>	<u>17,462</u>	<u>16,700</u>
Total Adjustments	<u>126,791</u>	<u>(415,291)</u>	<u>(288,500)</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ 496,422</u>	<u>\$ 36,748</u>	<u>\$ 533,170</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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020
	Original and Final Budget	Actual		Actual
Operating Revenues				
Charges for Services	\$ 2,532,125	\$ 2,473,566	\$ (58,559)	\$ 2,625,658
Miscellaneous	80,000	77,039	(2,961)	153,024
Total Operating Revenues	<u>2,612,125</u>	<u>2,550,605</u>	<u>(61,520)</u>	<u>2,778,682</u>
Operating Expenses				
Salaries	25,857	-	25,857	-
Benefits	4,740	-	4,740	-
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	15,810	8,322	7,488	6,962
MICA Loss Fund	2,385,025	2,043,226	341,799	2,242,142
MICA Deductible	50,000	16,503	33,497	21,108
Total Insurance and Processing Fees	<u>2,453,335</u>	<u>2,068,051</u>	<u>385,284</u>	<u>2,270,212</u>
Miscellaneous				
City-wide Substance Abuse Program	-	-	-	81
Self-insurance Losses	75,000	24,155	50,845	30,045
Miscellaneous Contractual Services	157,567	88,768	68,799	76,139
Total Miscellaneous	<u>232,567</u>	<u>112,923</u>	<u>119,644</u>	<u>106,265</u>
Total Operating Expenses	<u>2,741,499</u>	<u>2,180,974</u>	<u>560,525</u>	<u>2,376,477</u>
Change in Net Position	<u>\$ (129,374)</u>	369,631	<u>\$ 499,005</u>	402,205
Net Position at Beginning of Year		<u>1,456,192</u>		<u>1,053,987</u>
Net Position at End of Year		<u>\$ 1,825,823</u>		<u>\$ 1,456,192</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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020
	Original and Final Budget	Actual		Actual
Operating Revenues				
Charges for Services	\$ 9,572,040	\$ 7,872,931	\$ (1,699,109)	\$ 7,881,912
Total Operating Revenues	<u>9,572,040</u>	<u>7,872,931</u>	<u>(1,699,109)</u>	<u>7,881,912</u>
Operating Expenses				
Claims Expense				
Claims Paid - City - PPO	6,710,380	5,167,968	1,542,412	5,517,584
Claims Paid - City - HMO	<u>1,501,549</u>	<u>1,503,097</u>	<u>(1,548)</u>	<u>1,549,895</u>
Total Claims Expense	<u>8,211,929</u>	<u>6,671,065</u>	<u>1,540,864</u>	<u>7,067,479</u>
Insurance and Processing Fees				
Dental Claims and Administration Fee	568,024	551,007	17,017	517,616
Vision Insurance Premium	47,245	40,144	7,101	40,070
Life Insurance Premium	<u>177,070</u>	<u>148,501</u>	<u>28,569</u>	<u>152,932</u>
Total Insurance and Processing Fees	<u>792,339</u>	<u>739,652</u>	<u>52,687</u>	<u>710,618</u>
Miscellaneous	847,312	10,175	837,137	6,891
Early Retirement Incentive	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,211,174</u>
Total Operating Expenses	<u>9,851,580</u>	<u>7,420,892</u>	<u>2,430,688</u>	<u>8,996,162</u>
Change in Net Position	<u>\$ (279,540)</u>	452,039	<u>\$ 731,579</u>	(1,114,250)
Net Position at Beginning of Year		<u>2,928,232</u>		<u>4,042,482</u>
Net Position at End of Year		<u>\$ 3,380,271</u>		<u>\$ 2,928,232</u>

FIDUCIARY FUNDS

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

Pension Trust

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

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 PENSION TRUST FUNDS
 December 31, 2021

	<u>Firefighters' Pension</u>	<u>Police Pension</u>	<u>Total Pension Trust Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 9,007,632	\$ 8,149,997	\$ 17,157,629
Investments			
U.S. Government and Agency Obligations	18,070,403	18,087,725	36,158,129
State and Local Obligations	253,063	390,876	643,939
Corporate Bonds	8,875,277	9,608,220	18,483,497
Mutual Funds	40,851,116	35,859,059	76,710,175
Stocks	25,081,516	21,248,075	46,329,591
Insurance Contracts	-	1,582	1,582
Receivables			
Accrued Interest	124,832	131,042	255,874
Prepaid Items	9,016	8,912	17,928
TOTAL ASSETS	<u>\$ 102,272,856</u>	<u>\$ 93,485,488</u>	<u>\$ 195,758,344</u>
LIABILITIES AND NET POSITION			
Liabilities			
Accounts Payable	\$ 66,303	\$ 65,222	\$ 131,525
Total Liabilities	<u>66,303</u>	<u>65,222</u>	<u>131,525</u>
Net Position			
Restricted for Pensions	<u>102,206,553</u>	<u>93,420,266</u>	<u>195,626,819</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 102,272,856</u>	<u>\$ 93,485,488</u>	<u>\$ 195,758,344</u>

CITY OF DES PLAINES, ILLINOIS
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 PENSION TRUST FUNDS
 Year-Ended December 31, 2021

	Firefighters' Pension	Police Pension	Total Pension Trust Funds
Additions			
Contributions			
Employer	\$ 7,265,996	\$ 7,772,633	\$ 15,038,629
Plan Members	872,622	946,194	1,818,816
Other	146	45,370	45,516
Total Contributions	<u>8,138,764</u>	<u>8,764,197</u>	<u>16,902,961</u>
Investment Income	11,296,245	9,891,391	21,187,636
Less Investment Expense	(401,885)	(376,676)	(778,561)
Net Investment Income	<u>10,894,360</u>	<u>9,514,715</u>	<u>20,409,075</u>
Total Additions	<u>19,033,124</u>	<u>18,278,912</u>	<u>37,312,036</u>
Deductions			
Administration	75,770	68,873	144,643
Benefits and Refunds	9,609,002	9,417,982	19,026,984
Total Deductions	<u>9,684,772</u>	<u>9,486,855</u>	<u>19,171,627</u>
Net Increase in Net Position	9,348,352	8,792,057	18,140,409
Plan Net Position at Beginning of Year	<u>92,858,201</u>	<u>84,628,209</u>	<u>177,486,410</u>
Plan Net Position at End of Year	<u>\$ 102,206,553</u>	<u>\$ 93,420,266</u>	<u>\$ 195,626,819</u>

COMPONENT UNIT

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

COMPONENT UNIT – LIBRARY

CITY OF DES PLAINES, ILLINOIS
 COMPONENT UNIT - LIBRARY
 STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 December 31, 2021

	General	Capital Projects	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets			
Cash	\$ 2,808,906	\$ 1,896,935	\$ 4,705,841
Property Tax Receivable	6,156,841	-	6,156,841
Other Receivable	23,247	-	23,247
Due from Other Funds	-	-	-
Prepaid Items	16,011	-	16,011
Capital Assets, Net	-	-	-
Net Pension Asset	-	-	-
Total Assets	<u>9,005,005</u>	<u>1,896,935</u>	<u>10,901,940</u>
Deferred Outflows of Resources			
Deferred Pension Outflows	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 9,005,005</u>	<u>\$ 1,896,935</u>	<u>\$ 10,901,940</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION			
Liabilities			
Accounts Payable	\$ 96,416	\$ -	\$ 96,416
Accrued Payroll	48,089	-	48,089
Unearned Revenue	23,869	-	23,869
Due to Other Funds	82,847	-	82,847
Noncurrent Liabilities			
Due within One Year	-	-	-
Due in More than One Year	-	-	-
Total Liabilities	<u>251,221</u>	<u>-</u>	<u>251,221</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			
Nonspendable - Prepaid Items	16,011	-	16,011
Net Investment in Capital Assets	-	-	-
Restricted for Culture and Recreation	2,668,273	1,896,935	4,565,208
Total Fund Balances/Net Position	<u>2,684,284</u>	<u>1,896,935</u>	<u>4,581,219</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION	<u>\$ 9,005,005</u>	<u>\$ 1,896,935</u>	<u>\$ 10,901,940</u>

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

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

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

Adjustments						
Internal Service Fund Compensated Absences	Internal Balances	Net Position	Net OPEB Obligation	Net Pension Asset/ Liability	Long-Term Assets	Statement of Net Position
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,705,841
-	-	-	-	-	-	6,156,841
-	-	-	-	-	-	23,247
82,847	(82,847)	-	-	-	-	-
-	-	-	-	-	-	16,011
-	-	-	-	-	2,584,532	2,584,532
-	-	-	-	4,117,207	-	4,117,207
<u>82,847</u>	<u>(82,847)</u>	<u>-</u>	<u>-</u>	<u>4,117,207</u>	<u>2,584,532</u>	<u>17,603,679</u>
-	-	-	-	71,328	-	71,328
<u>\$ 82,847</u>	<u>\$ (82,847)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,188,535</u>	<u>\$ 2,584,532</u>	<u>\$ 17,675,007</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 96,416
-	-	-	-	-	-	48,089
-	-	-	-	-	-	23,869
-	(82,847)	-	-	-	-	-
82,847	-	-	-	-	-	82,847
-	-	-	405,203	-	-	405,203
<u>82,847</u>	<u>(82,847)</u>	<u>-</u>	<u>405,203</u>	<u>-</u>	<u>-</u>	<u>656,424</u>
-	-	-	-	-	-	6,069,500
-	-	-	-	3,424,019	-	3,424,019
-	-	-	-	3,424,019	-	9,493,519
-	-	(16,011)	-	-	-	-
-	-	-	-	-	2,584,532	2,584,532
-	-	16,011	(405,203)	764,516	-	4,940,532
-	-	-	(405,203)	764,516	2,584,532	7,525,064
<u>\$ 82,847</u>	<u>\$ (82,847)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,188,535</u>	<u>\$ 2,584,532</u>	<u>\$ 17,675,007</u>
<u>\$ 82,847</u>	<u>\$ (82,847)</u>					
			<u>\$ 405,203</u>	<u>\$ (764,516)</u>		
					<u>\$ 2,584,532</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, 2021

	General	Capital Projects	Total
Revenues			
Property Taxes	\$ 6,084,741	\$ -	\$ 6,084,741
Intergovernmental	175,164	-	175,164
Charges for Services	373	-	373
Fines	17,169	-	17,169
Investment Income	1,091	785	1,876
Miscellaneous	44,739	-	44,739
Total Revenues	<u>6,323,277</u>	<u>785</u>	<u>6,324,062</u>
Expenditures			
Civic and Cultural	5,718,920	323	5,719,243
Capital Outlay	139,702	207,277	346,979
Total Expenditures	<u>5,858,622</u>	<u>207,600</u>	<u>6,066,222</u>
Excess (Deficiency) of Revenues over (under) Expenditures	464,655	(206,815)	257,840
Other Financing Sources (Uses)			
Transfers in	-	-	-
Transfers out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance/Net Position	464,655	(206,815)	257,840
Fund Balance/Net Position, Beginning of Year	<u>2,219,629</u>	<u>2,103,750</u>	<u>4,323,379</u>
Fund Balance/Net Position, End of Year	<u>\$ 2,684,284</u>	<u>\$ 1,896,935</u>	<u>\$ 4,581,219</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
\$ -	\$ -	\$ -	\$ -	\$ 6,084,741
-	-	-	-	175,164
-	-	-	-	373
-	-	-	-	17,169
-	-	-	-	1,876
-	-	-	-	44,739
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,324,062</u>
173,554	-	(81,662)	(1,310,749)	4,500,386
<u>(197,302)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>149,677</u>
<u>(23,748)</u>	<u>-</u>	<u>(81,662)</u>	<u>(1,310,749)</u>	<u>4,650,063</u>
23,748	-	81,662	1,310,749	1,673,999
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
23,748	-	81,662	1,310,749	1,673,999
<u>2,560,784</u>	<u>-</u>	<u>(486,865)</u>	<u>(546,233)</u>	<u>5,851,065</u>
<u>\$ 2,584,532</u>	<u>\$ -</u>	<u>\$ (405,203)</u>	<u>\$ 764,516</u>	<u>\$ 7,525,064</u>
<u>\$ 23,748</u>				
		<u>\$ 81,662</u>	<u>\$ 1,310,749</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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Property Taxes	\$ 6,100,000	\$ 6,084,741	\$ (15,259)	\$ 5,997,162
Replacement Taxes	92,988	92,988	-	92,988
State Grants	76,000	82,176	6,176	80,455
Charges for Services	12,500	373	(12,127)	7,851
Fines	21,500	17,169	(4,331)	16,920
Investment Income	28,000	1,091	(26,909)	16,160
Miscellaneous	55,500	44,739	(10,761)	56,496
Total Revenues	<u>6,386,488</u>	<u>6,323,277</u>	<u>(63,211)</u>	<u>6,268,032</u>
Expenditures				
Civic and Cultural				
Salaries	3,313,524	2,862,111	451,413	2,737,410
Benefits	1,200,744	942,279	258,465	1,008,993
Contractual Services	1,175,116	1,052,521	122,595	1,004,319
Commodities	1,039,830	862,009	177,821	830,618
Total Civic and Cultural	<u>6,729,214</u>	<u>5,718,920</u>	<u>1,010,294</u>	<u>5,581,340</u>
Capital Outlay	60,305	139,702	(79,397)	126,684
Total Expenditures	<u>6,789,519</u>	<u>5,858,622</u>	<u>930,897</u>	<u>5,708,024</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(403,031)</u>	<u>464,655</u>	<u>867,686</u>	<u>560,008</u>
Other Financing Sources (Uses)				
Transfers Out	(500,000)	-	500,000	(500,000)
Total Other Financing Sources (Uses)	<u>(500,000)</u>	<u>-</u>	<u>500,000</u>	<u>(500,000)</u>
Net Change in Fund Balance	<u>\$ (903,031)</u>	<u>464,655</u>	<u>\$ 1,367,686</u>	<u>60,008</u>
Fund Balance at Beginning of Year		<u>2,219,629</u>		<u>2,159,621</u>
Fund Balance at End of Year		<u>\$ 2,684,284</u>		<u>\$ 2,219,629</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, 2021
With Comparative Actual Amounts for the Year-Ended December 31, 2020

	2021		Variance from Final Budget Positive (Negative)	2020
	Original and Final Budget	Actual		Actual
Revenues				
Investment Income	\$ 17,000	\$ 785	\$ (16,215)	\$ 9,862
Total Revenues	<u>17,000</u>	<u>785</u>	<u>(16,215)</u>	<u>9,862</u>
Expenditures				
Capital Outlay	239,980	207,277	32,703	176,627
Contractual Services	40,000	323	39,677	900
Total Expenditures	<u>279,980</u>	<u>207,600</u>	<u>72,380</u>	<u>177,527</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>(262,980)</u>	<u>(206,815)</u>	<u>56,165</u>	<u>(167,665)</u>
Other Financing Sources (Uses)				
Transfers In	500,000	-	(500,000)	500,000
Total Other Financing Sources (Uses)	<u>500,000</u>	<u>-</u>	<u>(500,000)</u>	<u>500,000</u>
Net Change in Fund Balance	<u>\$ 237,020</u>	(206,815)	<u>\$ (443,835)</u>	332,335
Fund Balance at Beginning of Year		<u>2,103,750</u>		<u>1,771,415</u>
Fund Balance at End of Year		<u>\$ 1,896,935</u>		<u>\$ 2,103,750</u>

OTHER SUPPLEMENTARY SCHEDULES

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2009A (TIF #6, CAPITAL APPRECIATION)
December 31, 2021

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

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending <u>December 31</u>	Capital Appreciation Bonds				Total Principal <u>Requirement</u>
	<u>Original Amount</u>	<u>Accretion to Date</u>	<u>Current Payable</u>	<u>Future Accretion</u>	
2022	\$ 750,424	\$ 655,755	\$ 1,406,179	\$ 168,821	\$ 1,575,000
2023	333,112	294,460	627,572	117,428	745,000
	<u>\$ 1,083,536</u>	<u>\$ 950,215</u>	<u>\$ 2,033,751</u>	<u>\$ 286,249</u>	<u>\$ 2,320,000</u>

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BONDS, SERIES 2014B (TIF #3 PORTION)
December 31, 2021

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>
2022	\$ 465,000	\$ 10,466	\$ 475,466	2022	\$ 5,233	2022	\$ 5,233
	<u>\$ 465,000</u>	<u>\$ 10,466</u>	<u>\$ 475,466</u>		<u>\$ 5,233</u>		<u>\$ 5,233</u>

CITY OF DES PLAINES, ILLINOIS
LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BONDS, SERIES 2018 (TIF #3 PORTION)
December 31, 2021

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>
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
	\$ 9,770,000	\$ 1,033,050	\$ 10,803,050		\$ 516,525		\$ 516,525

CITY OF DES PLAINES, ILLINOIS
STATISTICAL SECTION
(Unaudited)
December 31, 2021

This part of the City of Des Plaines' annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Financial Trends

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

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

Revenue Capacity

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

Assessed Value and Actual Value of Taxable Property – Last Ten Levy Years
Trend of Equalized Assessed Valuations – Last Ten Levy Years
Maine Township Typical Tax Rates Per \$100 of Equalized Assessed Valuation – Last Ten Calendar Years
Maine Township Allocation of the 2020 Property Tax Levy Collected in 2021
Elk Grove Township Typical Tax Rates Per \$100 of Equalized Assessed Valuation – Last Ten Calendar Years
Elk Grove Township Allocation of the 2020 Property Tax Levy Collected in 2021
Property Tax Rates and Extensions – Last Ten Calendar Years
Principal Property Tax Payers – Current Calendar Year and Nine Years Ago
Property Tax Levies and Collections – Last Ten Calendar Years
Property Value and Construction – Last Ten Calendar Years
Taxable Sales by Category – Last Ten Calendar Years

Debt Capacity

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

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

(Continued)

CITY OF DES PLAINES, ILLINOIS
STATISTICAL SECTION
(Unaudited)
December 31, 2021

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) 12/31/2021

	2012	2013	2014	2015	2016
Expenses					
Governmental activities					
General government	\$ 26,776,957	\$ 26,119,801	\$ 25,998,813	\$ 26,508,887	\$ 27,240,159
Public safety	37,899,640	38,792,971	38,962,218	47,386,563	49,009,727
Public works	7,637,527	8,448,448	7,632,615	9,687,304	8,176,306
Streets and highways	10,686,981	11,450,291	13,643,574	15,713,911	11,961,177
Economic development	1,553,448	1,906,584	2,346,862	1,980,456	3,650,262
Interest	3,046,102	2,709,144	1,679,828	1,459,709	1,411,210
Total governmental activities expenses	<u>87,600,655</u>	<u>89,427,239</u>	<u>90,263,910</u>	<u>102,736,830</u>	<u>101,448,841</u>
Business-type activities					
Water	14,161,409	15,412,364	16,528,659	17,830,764	15,145,099
Parking system	783,586	808,793	833,974	834,894	835,342
Emergency communications	-	2,247,933	4,057,033	234,127	-
Total business-type activities	<u>14,944,995</u>	<u>18,469,090</u>	<u>21,419,666</u>	<u>18,899,785</u>	<u>15,980,441</u>
Total primary government expenses	<u>\$ 102,545,650</u>	<u>\$ 107,896,329</u>	<u>\$ 111,683,576</u>	<u>\$ 121,636,615</u>	<u>\$ 117,429,282</u>
Component unit - public library	<u>\$ 5,648,933</u>	<u>\$ 6,073,379</u>	<u>\$ 6,362,235</u>	<u>\$ 7,053,356</u>	<u>\$ 6,624,251</u>
Program Revenues					
Governmental activities					
Charges for services					
General government	\$ 5,869,247	\$ 5,774,206	\$ 5,828,028	\$ 5,343,730	\$ 5,359,454
Public safety	3,745,369	3,259,941	3,003,477	3,889,312	4,150,297
Public works	3,955,349	4,092,464	3,225,062	2,927,288	3,094,047
Streets and highways	2,434,345	2,288,299	2,221,419	1,317,109	1,335,654
Economic Development	-	-	-	-	-
Operating grants and contributions	2,762,161	2,996,521	2,307,571	2,759,817	2,352,503
Capital grants and contributions	3,267,066	576,573	4,109,373	11,967,751	2,312,985
Total governmental activities program Revenues	<u>22,033,537</u>	<u>18,988,004</u>	<u>20,694,930</u>	<u>28,205,007</u>	<u>18,604,940</u>
Business-type activities					
Charges for services					
Water	14,162,219	13,810,387	14,550,984	14,454,347	14,817,561
Parking system	370,038	336,051	365,811	333,908	345,158
Emergency communications	-	2,089,579	3,136,798	-	-
Operating grants and contributions	2,039	8,237	5,804	3,471	3,633
Capital grants and contributions	-	-	-	-	-
Total business-type activities program Revenues	<u>14,534,296</u>	<u>16,244,254</u>	<u>18,059,397</u>	<u>14,791,726</u>	<u>15,166,352</u>
Total primary government program	<u>\$ 36,567,833</u>	<u>\$ 35,232,258</u>	<u>\$ 38,754,327</u>	<u>\$ 42,996,733</u>	<u>\$ 33,771,292</u>
Component unit - public library					
Charges for services	\$ 156,752	\$ 164,584	\$ 151,688	\$ 157,902	\$ 115,486
Operating grants	59,852	63,977	72,955	72,955	44,990
Total component unit - public library Revenues	<u>\$ 216,604</u>	<u>\$ 228,561</u>	<u>\$ 224,643</u>	<u>\$ 230,857</u>	<u>\$ 160,476</u>
Net (expense)/revenue					
Governmental activities	\$ (65,567,118)	\$ (70,439,235)	\$ (69,568,980)	\$ (74,531,823)	\$ (82,843,901)
Business-type activities	(410,699)	(2,224,836)	(3,360,269)	(4,108,059)	(814,089)
Total primary government net expense	<u>\$ (65,977,817)</u>	<u>\$ (72,664,071)</u>	<u>\$ (72,929,249)</u>	<u>\$ (78,639,882)</u>	<u>\$ (83,657,990)</u>
Component unit - public library net Expense	<u>\$ (5,432,329)</u>	<u>\$ (5,844,818)</u>	<u>\$ (6,137,592)</u>	<u>\$ (6,822,499)</u>	<u>\$ (6,463,775)</u>

	2017	2018	2019	2020	2021
\$	27,415,182	\$ 26,796,798	\$ 28,327,286	\$ 22,643,447	\$ 27,319,744
	49,963,574	81,695,891	26,774,186	55,550,270	46,365,424
	9,022,143	9,497,058	10,313,635	8,899,928	6,217,512
	21,798,069	14,704,099	13,174,021	11,549,183	13,366,970
	2,808,022	5,345,138	5,016,519	5,369,720	2,760,028
	1,300,991	1,304,502	690,046	597,850	493,259
	<u>112,307,981</u>	<u>139,343,486</u>	<u>84,295,693</u>	<u>104,610,398</u>	<u>96,522,937</u>
	13,890,269	13,677,543	14,517,017	13,403,286	13,254,080
	854,840	908,148	897,441	785,526	931,256
	-	-	-	-	-
	<u>14,745,109</u>	<u>14,585,691</u>	<u>15,414,458</u>	<u>14,188,812</u>	<u>14,185,336</u>
\$	<u>127,053,090</u>	<u>\$ 153,929,177</u>	<u>\$ 99,710,151</u>	<u>\$ 118,799,210</u>	<u>\$ 110,708,273</u>
\$	<u>6,292,523</u>	<u>\$ 6,318,952</u>	<u>\$ 6,357,548</u>	<u>\$ 5,273,249</u>	<u>\$ 4,650,063</u>
\$	5,839,543	\$ 5,406,195	\$ 5,751,285	\$ 4,650,267	\$ 4,266,480
	3,951,813	3,297,604	3,227,799	3,393,416	4,886,819
	3,044,288	3,171,589	3,238,402	3,305,870	551,489
	1,250,252	1,314,298	1,241,013	2,731	-
	-	-	-	408,817	196,157
	2,319,131	3,162,267	4,963,883	4,395,873	3,340,557
	12,776,042	7,075,824	11,310,234	342,832	4,520,797
	<u>29,181,069</u>	<u>23,427,777</u>	<u>29,732,616</u>	<u>16,499,806</u>	<u>17,762,299</u>
	13,924,481	14,881,022	15,270,671	17,390,497	18,084,377
	351,522	334,777	374,889	248,331	238,957
	-	-	-	-	-
	6,901	8,870	9,290	5,476	4,114
	-	-	-	-	-
	<u>14,282,904</u>	<u>15,224,669</u>	<u>15,654,850</u>	<u>17,644,304</u>	<u>18,327,448</u>
\$	<u>43,463,973</u>	<u>\$ 38,652,446</u>	<u>\$ 45,387,466</u>	<u>\$ 34,144,110</u>	<u>\$ 36,089,747</u>
\$	108,980	\$ 80,937	\$ 81,783	\$ 24,771	\$ 17,542
	45,716	74,455	75,955	80,455	82,176
\$	<u>154,696</u>	<u>\$ 155,392</u>	<u>\$ 157,738</u>	<u>\$ 105,226</u>	<u>\$ 99,718</u>
\$	(83,126,912)	\$ (115,915,709)	\$ (54,563,077)	\$ (88,110,592)	\$ (78,760,638)
	(462,205)	638,978	240,392	3,455,492	4,142,112
\$	<u>(83,589,117)</u>	<u>\$ (115,276,731)</u>	<u>\$ (54,322,685)</u>	<u>\$ (84,655,100)</u>	<u>\$ (74,618,526)</u>
\$	<u>(6,137,827)</u>	<u>\$ (6,163,560)</u>	<u>\$ (6,199,810)</u>	<u>\$ (5,168,023)</u>	<u>\$ (4,550,345)</u>

CITY OF DES PLAINES

CHANGES IN NET POSITION Last Ten Calendar Years (accrual basis of accounting) 12/31/2021

	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Position					
Governmental activities					
Taxes					
Property	\$ 28,841,683	\$ 28,575,125	\$ 28,442,253	\$ 28,607,185	\$ 29,254,397
Home rule sales	5,544,261	5,640,304	5,934,305	5,711,272	6,104,292
Utility	3,239,299	3,264,076	3,358,459	3,033,933	3,069,270
Food and beverage	1,236,942	1,177,511	1,190,477	1,228,581	1,268,923
Hotel/motel	1,675,772	1,752,342	1,988,301	2,145,985	2,069,830
Real estate transfer	407,884	436,309	610,997	597,813	842,326
Local option motor fuel	1,685,069	1,707,152	1,624,707	1,540,285	1,754,240
Gaming	24,802,456	24,662,123	24,792,544	24,654,889	24,685,996
Other	4,735,420	4,277,423	3,923,909	4,081,651	3,988,052
Unrestricted intergovernmental					
Sales	9,695,640	13,486,496	12,354,237	12,042,780	12,805,450
Income	5,376,774	5,643,512	5,667,460	6,232,000	5,556,999
Replacement	1,143,050	1,341,936	1,303,645	1,245,069	1,285,820
Investment income	160,289	89,626	73,812	189,691	365,137
Miscellaneous	1,280,897	899,031	862,423	982,019	688,554
Gain (loss) on sale of capital assets	-	-	-	-	-
Transfers	15,758	(49,992)	(284,242)	(6,692,243)	(5,801,963)
Total governmental activities	<u>89,841,194</u>	<u>92,902,974</u>	<u>91,843,287</u>	<u>85,600,910</u>	<u>87,937,323</u>
Business-type activities					
Investment income	5,228	1,776	1,392	1,340	3,056
Miscellaneous	2,756	5,388	716,306	8,824	5,762
Transfers	(15,758)	49,992	284,242	6,692,243	5,801,963
Total business-type activities	<u>(7,774)</u>	<u>57,156</u>	<u>1,001,940</u>	<u>6,702,407</u>	<u>5,810,781</u>
Total primary government	<u>\$ 89,833,420</u>	<u>\$ 92,960,130</u>	<u>\$ 92,845,227</u>	<u>\$ 92,303,317</u>	<u>\$ 93,748,104</u>
Component unit - public library					
Taxes					
Property	\$ 6,398,159	\$ 6,289,369	\$ 6,144,530	\$ 6,072,634	\$ 6,065,699
Unrestricted intergovernmental					
Replacement	92,988	92,988	92,988	92,988	92,988
Investment income	5,364	1,945	1,104	2,554	14,614
Other general revenues	36,573	23,173	44,221	13,918	61,144
Total component unit - public library	<u>\$ 6,533,084</u>	<u>\$ 6,407,475</u>	<u>\$ 6,282,843</u>	<u>\$ 6,182,094</u>	<u>\$ 6,234,445</u>
Changes in Net Position					
Governmental activities	\$ 24,274,076	\$ 22,463,739	\$ 22,274,307	\$ 11,069,087	\$ 5,093,422
Business-type activities	(418,473)	(2,167,680)	(2,358,329)	2,594,348	4,996,692
Total primary government	<u>\$ 23,855,603</u>	<u>\$ 20,296,059</u>	<u>\$ 19,915,978</u>	<u>\$ 13,663,435</u>	<u>\$ 10,090,114</u>
Total component unit - public library	<u>\$ 1,100,755</u>	<u>\$ 562,657</u>	<u>\$ 145,251</u>	<u>\$ (640,405)</u>	<u>\$ (229,330)</u>

	2017	2018	2019	2020	2021
\$	29,611,170	\$ 29,099,377	\$ 31,124,250	\$ 34,042,738	\$ 36,322,212
	6,412,186	6,804,742	6,694,443	5,768,006	7,775,366
	3,006,537	3,121,450	3,597,332	2,877,443	3,040,783
	1,330,150	1,346,268	1,415,745	1,002,905	1,382,127
	1,908,782	1,995,330	1,917,755	763,390	1,383,960
	883,175	808,982	761,871	705,412	1,470,369
	1,768,066	1,782,386	1,567,933	2,012,304	2,238,131
	24,762,107	25,065,880	25,466,799	12,833,854	25,224,001
	3,679,988	3,467,035	3,204,837	3,411,748	2,927,229
	13,572,289	15,779,169	15,227,378	14,291,701	16,293,007
	5,363,901	5,570,605	6,229,784	6,531,025	8,311,489
	1,258,212	1,213,702	1,587,468	1,533,316	2,662,588
	627,226	1,335,078	1,937,137	789,086	52,240
	2,431,632	2,586,220	2,220,951	721,177	1,801,770
	-	-	-	-	-
	15,758	(7,634,242)	(5,859,242)	(303,440)	505,000
	<u>96,631,179</u>	<u>92,341,982</u>	<u>97,094,441</u>	<u>86,980,665</u>	<u>111,390,272</u>
	-	-	-	-	-
	9,111	9,012	7,411	24,835	19,746
	(15,758)	7,634,242	5,859,242	303,440	(505,000)
	(6,647)	7,643,254	5,866,653	328,275	(485,254)
\$	<u>96,624,532</u>	<u>99,985,236</u>	<u>102,961,094</u>	<u>87,308,940</u>	<u>110,905,018</u>
\$	6,003,992	\$ 5,993,622	\$ 6,069,879	\$ 5,997,162	\$ 6,084,741
	92,988	92,988	92,988	92,988	92,988
	36,881	80,048	99,699	26,022	1,876
	55,006	68,581	116,957	56,496	44,739
\$	<u>6,188,867</u>	<u>6,235,239</u>	<u>6,379,523</u>	<u>6,172,668</u>	<u>6,224,344</u>
\$	13,504,267	\$ (23,573,727)	\$ 42,531,364	\$ (1,129,927)	\$ 32,629,634
	(468,852)	8,282,232	6,107,045	3,783,767	3,656,858
\$	<u>13,035,415</u>	<u>(15,291,495)</u>	<u>48,638,409</u>	<u>2,653,840</u>	<u>36,286,492</u>
\$	<u>51,040</u>	<u>71,679</u>	<u>179,713</u>	<u>1,004,645</u>	<u>1,673,999</u>

CITY OF DES PLAINES

NET POSITION BY COMPONENT
Last Ten Calendar Years
(accrual basis of accounting)
December 31, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Net Investment in Capital Assets	\$ 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	\$ 247,582,879
Restricted	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	8,558,590
Unrestricted	<u>47,759,170</u>	<u>51,054,710</u>	<u>66,858,881</u>	<u>(60,572,629)</u>	<u>(72,252,734)</u>	<u>(73,388,533)</u>	<u>(117,857,867)</u>	<u>(95,269,680)</u>	<u>(107,507,899)</u>	<u>(83,051,520)</u>
Total Governmental Activities Net Position	<u>\$ 185,434,089</u>	<u>\$ 207,897,828</u>	<u>\$ 230,172,135</u>	<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>	<u>\$ 140,460,315</u>	<u>\$ 173,089,949</u>
Business-type Activities										
Net Investment in Capital Assets	\$ 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	\$ 48,560,097
Unrestricted	<u>4,379,302</u>	<u>2,456,225</u>	<u>314,200</u>	<u>(2,098,497)</u>	<u>(3,548,495)</u>	<u>(4,306,486)</u>	<u>(829,398)</u>	<u>1,884,569</u>	<u>6,560,196</u>	<u>8,420,440</u>
Total Business-type Activities Net Position	<u>\$ 34,092,510</u>	<u>\$ 32,309,465</u>	<u>\$ 29,951,136</u>	<u>\$ 31,577,825</u>	<u>\$ 36,574,517</u>	<u>\$ 36,105,665</u>	<u>\$ 43,432,867</u>	<u>\$ 49,539,912</u>	<u>\$ 53,323,679</u>	<u>\$ 56,980,537</u>
Primary Government										
Net Investment in Capital Assets	\$ 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	\$ 296,142,976
Restricted	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	8,558,590
Unrestricted	<u>52,138,472</u>	<u>53,510,935</u>	<u>67,173,081</u>	<u>(62,671,126)</u>	<u>(75,801,229)</u>	<u>(77,695,019)</u>	<u>(118,687,265)</u>	<u>(93,385,111)</u>	<u>(100,947,703)</u>	<u>(74,631,080)</u>
Total Primary Government Net Position	<u>\$ 219,526,599</u>	<u>\$ 240,207,293</u>	<u>\$ 260,123,271</u>	<u>\$ 145,411,928</u>	<u>\$ 155,502,042</u>	<u>\$ 168,537,457</u>	<u>\$ 141,825,549</u>	<u>\$ 190,463,958</u>	<u>\$ 193,783,994</u>	<u>\$ 230,070,486</u>
Component Unit - Public Library										
Net Investment in Capital Assets	\$ 802,700	\$ 862,543	\$ 821,084	\$ 1,260,468	\$ 2,901,897	\$ 2,786,046	\$ 2,643,647	\$ 2,579,808	\$ 2,560,784	\$ 2,584,532
Restricted	<u>4,752,691</u>	<u>5,255,505</u>	<u>5,442,215</u>	<u>3,897,801</u>	<u>2,027,042</u>	<u>2,193,933</u>	<u>2,023,060</u>	<u>2,266,612</u>	<u>3,290,281</u>	<u>4,940,532</u>
Total Component Unit Net Position	<u>\$ 5,555,391</u>	<u>\$ 6,118,048</u>	<u>\$ 6,263,299</u>	<u>\$ 5,158,269</u>	<u>\$ 4,928,939</u>	<u>\$ 4,979,979</u>	<u>\$ 4,666,707</u>	<u>\$ 4,846,420</u>	<u>\$ 5,851,065</u>	<u>\$ 7,525,064</u>

CITY OF DES PLAINES

FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Calendar Years
(modified accrual basis of accounting)
December 31, 2021

	<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>2021</u>
General Fund										
Reserved										
Unreserved										
Nonspendable	\$ 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	\$ 25,755,549
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	9,300,000
Unassigned	<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>	<u>34,149,343</u>
Total general fund	<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>	<u>69,204,892</u>
All Other Governmental Funds										
Restricted	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	28,763,594
Assigned	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	26,289,154
Unassigned	<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>	<u>(29,647,072)</u>
Total all other governmental funds	<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>	<u>25,405,676</u>
Total Fund Balances	<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>	<u>\$ 94,610,568</u>

CITY OF DES PLAINES

CHANGE IN FUND BALANCES, GOVERNMENTAL FUNDS Last Ten Calendar Years (modified accrual basis of accounting) December 31, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	\$ 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	\$ 81,470,914
Licenses and permits	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	2,030,245
Intergovernmental	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	34,182,669
Charges for services	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	4,983,272
Fines and forfeits	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	655,827
Developer Fees	-	-	-	-	-	-	-	-	408,817	196,157
Investment income	159,756	-	-	-	302,128	572,919	1,288,922	1,937,137	789,086	52,240
Contributions	96,019	89,592	73,796	189,649	-	-	-	-	-	-
Miscellaneous	655,432	630,969	521,110	608,783	387,335	677,046	2,552,341	829,827	783,883	1,905,180
Total revenues	<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>	<u>125,476,504</u>
Expenditures										
General government	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	28,833,599
Public safety	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	47,746,406
Public works	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	5,581,496
Streets and highways	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	5,438,794
Economic development	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	2,392,674
Capital outlay	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	15,714,879
Debt service										
Principal retirement	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	3,075,000
Interest and fiscal charges	2,087,675	2,036,609	1,325,139	867,944	749,259	649,961	699,551	585,011	486,530	381,637
Payment to Refunding Bond Escrow	1,171,690	-	-	-	-	-	-	-	-	-
Total expenditures	<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>	<u>109,164,485</u>
Excess (deficiency) of revenues over expenditures	<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>	<u>16,312,019</u>
Other financing sources (uses)										
Proceeds from issuance of debt	3,765,000	7,945,000	7,620,000	-	-	-	12,410,000	-	-	-
Premium on bond issuance	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	72,609
Payments to escrow agent	(3,746,382)	-	(15,723,599)	-	-	-	(12,599,628)	-	-	-
Transfers in	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	10,366,665
Transfers (out)	(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)	(9,861,665)
Total other financing sources (uses)	<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>	<u>577,609</u>
Net Changes in Fund Balance	<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>	<u>\$ 16,889,628</u>
Debt service as a percentage of noncapital expenditures	8.5%	13.2%	10.6%	5.8%	5.4%	7.8%	6.0%	4.9%	5.5%	3.7%

CITY OF DES PLAINES

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

December 31, 2021

Levy Year	Equalized Assessed Value			Total Equalized Assessed Value	Total Direct Rate	Estimated Actual Value
	Real Estate Property	Air Pollution Control District	Railroad Property			
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
2020	2,288,048,011	745	4,732,953	2,292,781,709	1.100	6,878,345,127

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, 2021 is based on the 2020 assessed value). In 2021, the Estimated Actual Value amounts were restated using 1/3 as the calculating factor instead of 0.33333.

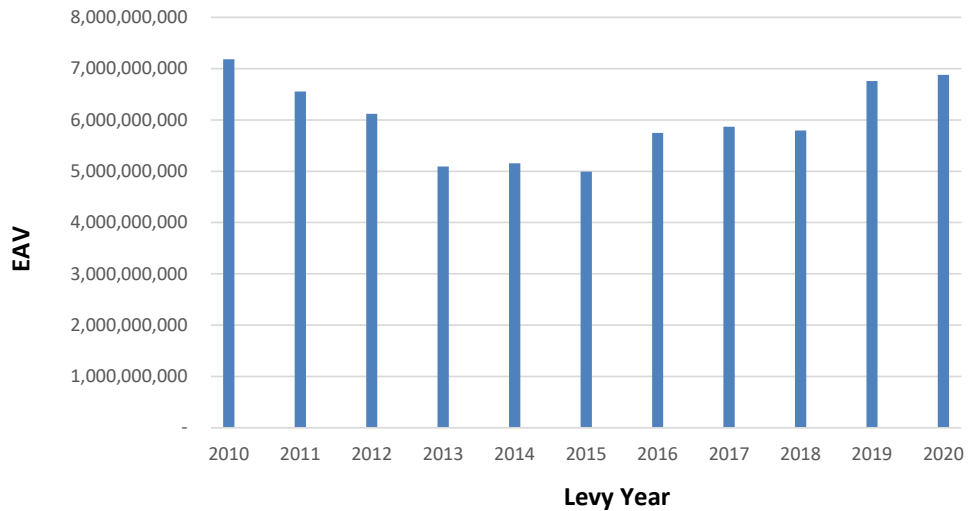
CITY OF DES PLAINES

TREND OF EQUALIZED ASSESSED VALUATIONS Last Ten Levy Years December 31, 2021

Levy Year	Equalized Assessed Value	Percentage Increase (Decrease)	Estimated Actual Value	Ratio of Equalized Assessed Value to Estimated Actual Value
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%
2020	2,292,781,709	1.79%	6,878,345,127	33.33%

Source: Cook County Clerk's Office

EAV Trend over 10 Years



CITY OF DES PLAINES

MAINE TOWNSHIP TYPICAL TAX RATES PER \$100
OF EQUALIZED ASSESSED VALUATION
Last Ten Calendar Years
December 31, 2021

Tax Levy Year	City							Cook County	Water Reclamation District	Park District	School (1)	Other (2)
	Total	Total City	Corporate	Bonds & Interest	Police Pension	Fire Pension	Library					
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
2020	9.374	1.100	0.4170	-	0.3530	0.3302	0.274	0.453	0.378	0.463	6.562	0.144

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 2020 PROPERTY TAX LEVY COLLECTED IN 2021
 December 31, 2021

	2011		2012		2013		2014		2015	
	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	\$ 1.089	0.135 %	\$ 1.166	0.130 %	\$ 1.401	0.129 %	\$ 1.385	0.128 %	\$ 1.429	0.126 %
Des Plaines Library	0.300	0.037	0.317	0.035	0.375	0.035	0.365	0.034	0.373	0.033
High School District 207	1.995	0.247	2.215	0.247	2.722	0.251	2.739	0.252	2.901	0.256
Oakton College District	0.196	0.024	0.219	0.024	0.256	0.024	0.258	0.024	0.271	0.024
School District 62	3.107	0.384	3.490	0.389	4.255	0.393	4.293	0.395	4.487	0.396
Des Plaines Park District	0.379	0.047	0.425	0.047	0.531	0.049	0.529	0.049	0.556	0.049
Cook County	0.462	0.057	0.531	0.059	0.560	0.052	0.568	0.052	0.552	0.049
Metro Water Reclamation Dist	0.320	0.040	0.370	0.041	0.417	0.038	0.430	0.040	0.426	0.038
N.W. Mosquito Abatement Dist	0.010	0.001	0.011	0.001	0.013	0.001	0.013	0.001	0.011	0.001
Maine Township	0.174	0.022	0.168	0.019	0.241	0.022	0.210	0.019	0.254	0.022
Cook County Forest Preserve	<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>	<u>0.069</u>	<u>0.006</u>
TOTAL	\$ 8.090	100.00 %	\$ 8.975	100.00 %	\$ 10.840	100.00 %	\$ 10.859	100.00 %	\$ 11.329	100.00 %

(Continued)

Source: Cook County Clerk's Office

CITY OF DES PLAINES

MAINE TOWNSHIP
 ALLOCATION OF THE 2020 PROPERTY TAX LEVY COLLECTED IN 2021
 December 31, 2021

	2016		2017		2018		2019		2020	
	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	\$ 1.242	0.125 %	\$ 1.216	0.123 %	\$ 1.306	0.127 %	\$ 1.120	0.121 %	1.100	0.117 %
Des Plaines Library	0.324	0.033	0.322	0.032	0.326	0.032	0.279	0.030	0.274	0.029
High School District 207	2.507	0.253	2.529	0.255	2.652	0.258	2.553	0.277	2.639	0.282
Oakton College District	0.231	0.023	0.232	0.023	0.246	0.024	0.221	0.024	0.227	0.024
School District 62	3.921	0.396	3.940	0.397	4.121	0.401	3.575	0.387	3.696	0.394
Des Plaines Park District	0.485	0.049	0.493	0.050	0.515	0.050	0.453	0.049	0.463	0.049
Cook County	0.533	0.054	0.527	0.053	0.489	0.048	0.484	0.052	0.453	0.048
Metro Water Reclamation Dist	0.406	0.041	0.402	0.041	0.396	0.039	0.389	0.042	0.378	0.040
N.W. Mosquito Abatement Dist	0.010	0.001	0.010	0.001	0.011	0.001	0.010	0.001	0.010	0.001
Maine Township	0.191	0.019	0.183	0.018	0.152	0.015	0.086	0.009	0.076	0.008
Cook County Forest Preserve	<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>	<u>0.058</u>	<u>0.006</u>
TOTAL	<u>\$ 9.913</u>	<u>100.00 %</u>	<u>\$ 9.916</u>	<u>100.00 %</u>	<u>\$ 10.274</u>	<u>100.00 %</u>	<u>\$ 9.229</u>	<u>100.00 %</u>	<u>\$ 9.374</u>	<u>100.00 %</u>

CITY OF DES PLAINES

ELK GROVE TOWNSHIP TYPICAL TAX RATES PER \$100
OF EQUALIZED ASSESSED VALUATION
Last Ten Calendar Years
December 31, 2021

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						
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
2020	8.430	1.100	0.4170	-	0.3530	0.3302	0.274	0.453	0.378	0.554	5.526	0.145

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 2020 PROPERTY TAX LEVY COLLECTED IN 2021
 December 31, 2021

	2011		2012		2013		2014		2015	
	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	\$ 1.089	0.142 %	\$ 1.166	0.138 %	\$ 1.401	0.140 %	\$ 1.385	0.139 %	\$ 1.429	0.138 %
Des Plaines Library	0.300	0.039	0.317	0.037	0.375	0.037	0.365	0.037	0.373	0.036
High School District 214	2.067	0.269	2.324	0.274	2.768	0.276	2.776	0.278	2.881	0.279
Harper College District 512	0.334	0.044	0.373	0.044	0.444	0.044	0.451	0.045	0.466	0.045
School District 59	2.422	0.316	2.673	0.315	3.172	0.317	3.176	0.318	3.291	0.319
Mt. Prospect Park District	0.502	0.065	0.557	0.066	0.657	0.066	0.654	0.065	0.681	0.066
Cook County	0.462	0.060	0.531	0.063	0.560	0.056	0.568	0.057	0.552	0.053
Metro Water Reclamation District	0.320	0.042	0.370	0.044	0.417	0.042	0.430	0.043	0.426	0.041
N.W. Mosquito Abatement District	0.010	0.001	0.011	0.001	0.013	0.001	0.013	0.001	0.011	0.001
Elk Grove Township	0.106	0.014	0.092	0.011	0.142	0.014	0.111	0.011	0.147	0.014
Forest Preserve District	<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>	<u>0.069</u>	<u>0.007</u>
TOTAL	<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>	<u>\$ 10.326</u>	<u>100.00 %</u>

Source: Cook County Clerk's Office

(Continued)

CITY OF DES PLAINES

ELK GROVE TOWNSHIP
 ALLOCATION OF THE 2020 PROPERTY TAX LEVY COLLECTED IN 2021
 December 31, 2021

	2016		2017		2018		2019		2020	
	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	% \$ 1.242	0.135 %	\$ 1.216	0.131 %	\$ 1.306	0.136 %	\$ 1.120	0.132 %	\$ 1.100	0.130 %
Des Plaines Library	0.324	0.035	0.322	0.035	0.326	0.034	0.279	0.033	0.274	0.033
High School District 214	2.527	0.274	2.563	0.277	2.669	0.278	2.356	0.278	2.382	0.283
Harper College District 512	0.416	0.045	0.425	0.046	0.443	0.046	0.403	0.048	0.409	0.049
School District 59	2.998	0.326	3.031	0.327	3.173	0.330	2.751	0.324	2.735	0.324
Mt. Prospect Park District	0.594	0.065	0.609	0.066	0.633	0.066	0.547	0.065	0.554	0.066
Cook County	0.533	0.058	0.527	0.057	0.489	0.051	0.484	0.057	0.453	0.054
Metro Water Reclamation District	0.406	0.044	0.402	0.043	0.396	0.041	0.389	0.046	0.378	0.045
N.W. Mosquito Abatement District	0.010	0.001	0.010	0.001	0.011	0.001	0.010	0.001	0.010	0.001
Elk Grove Township	0.095	0.010	0.094	0.010	0.095	0.010	0.080	0.009	0.077	0.009
Forest Preserve District	<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>	<u>0.058</u>	<u>0.007</u>
TOTAL	\$ 9.208	100.00 %	\$ 9.261	100.00 %	\$ 9.601	100.00 %	\$ 8.478	100.00 %	\$ 8.430	100.00 %

CITY OF DES PLAINES

PROPERTY TAX RATES AND EXTENSIONS

Last Ten Calendar Years

December 31, 2021

Property Tax Levy Year	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Property tax rates (1)										
General corporate	0.7509	0.7900	0.8906	0.8619	0.8400	0.6901	0.6495	0.6752	0.5752	0.4170
Police pension	0.1637	0.1849	0.2518	0.2579	0.3094	0.2824	0.2923	0.3249	0.2796	0.3530
Firefighters' pension	0.1687	0.1854	0.2518	0.2579	0.2722	0.2635	0.2738	0.3056	0.2650	0.3302
General bond retirement	0.0052	0.0054	0.0067	0.0067	0.0067	0.0057	-	-	-	-
Total property tax rates	1.0885	1.1657	1.4009	1.3844	1.4283	1.2417	1.2156	1.3057	1.1198	1.1002
Property tax extensions (2)										
General corporate	\$ 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	\$ 9,561,307
Police pension	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	8,092,454
Firefighters' pension	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	7,570,064
General bond retirement	113,663	110,670	112,928	114,986	111,594	108,203	-	-	-	-
Total property tax extensions	\$ 23,777,809	\$ 23,777,752	\$ 23,777,796	\$ 23,777,835	\$ 23,777,770	\$ 23,777,706	\$ 23,775,645	\$ 25,223,825	\$ 25,223,825	\$ 25,223,825

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, 2021

Taxpayer	Type of Business/Property	2020 Equalized Assessed Valuation	Percentage of Total Taxable Assessed Value	2011 Equalized Assessed Valuation	Percentage of Total Taxable Assessed Value
Midwest Gaming	Riv Rivers Casino	\$ 73,913,136	3.22%	\$ 29,979,892	1.37%
Wille Road LLC	Ind Real Property	21,527,161	0.94%	-	0.00%
Sysco Chicago	For Real Property	19,466,161	0.85%	-	0.00%
Juno Lighting	Lig Real Property	17,728,700	0.77%	15,097,947	0.69%
Cambridge Realty	Re: Lighting Fixtures	17,264,386	0.75%	-	0.00%
Marc Realty LLC	Re: Real Property	16,911,068	0.74%	-	0.00%
Universal Oil Products (UOP)	Pe: Real Property	16,088,198	0.70%	31,640,030	1.45%
Co Prologis	Ind Real Property	15,500,961	0.68%	-	0.00%
EGP 2300 Des Plaines	Re: Real Property	15,445,437	0.67%	-	0.00%
James Campbell Co LLC	Re: Pharmaceutical Products	14,921,798	0.65%	-	0.00%
Individual	Re: Chemicals Manufacturer	-	0.00%	15,220,154	0.70%
MLRP Messenger LLC	Re: Office Complex	-	0.00%	9,205,509	0.42%
O'Hare Lake Office Park LLC	Off Real Property	-	0.00%	23,849,435	1.09%
Crane and Norcross	Re: Real Property	-	0.00%	20,329,262	0.93%
Abbott Labs Tax Dept	Ph: Real Estate	-	0.00%	12,620,930	0.58%
SBC Ameritech	Re: Law Firm	-	0.00%	9,525,137	0.44%
Apple Reit Ten	Re: Real Property	-	0.00%	9,190,531	0.42%
Total		<u>\$ 228,767,006</u>	<u>9.98%</u>	<u>\$ 176,658,827</u>	<u>8.09%</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, 2021

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
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%
2021	2020	24,489,150	734,675	25,223,825	24,946,736	98.90%	(168,307)	24,778,429	98.23%

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, 2021

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	
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
2021	6,878,345	10	5,734	0	-	127,809

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 2021, 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, 2021

Taxable Sales	2012	2013	2014	2015	2016
General merchandise	\$ 82,451,794	\$ 84,312,307	\$ 93,275,606	\$ 100,099,051	\$ 35,167,584
Food stores	127,806,151	124,996,898	120,614,055	108,321,547	163,688,429
Drinking & eating places	74,194,121	73,037,730	72,325,651	76,909,780	102,934,518
Apparel	2,996,674	2,642,396	2,862,560	2,716,360	2,360,370
Furniture, household & radio	2,632,102	3,223,992	3,601,935	4,973,366	5,990,700
Lumber, building & hardware	31,747,475	32,356,025	40,960,823	38,800,644	38,026,972
Automotive & filling stations	211,968,095	199,656,247	200,108,721	198,372,235	213,047,106
Drugs and miscellaneous retail	106,200,248	495,625,797	316,973,432	245,409,242	260,867,328
Agriculture & all others	213,750,496	224,023,628	236,368,575	269,355,814	281,690,560
Manufacturers	<u>23,956,283</u>	<u>8,232,122</u>	<u>34,309,375</u>	<u>29,507,385</u>	<u>35,014,657</u>
Total	<u>\$ 877,703,439</u>	<u>\$ 1,248,107,142</u>	<u>\$ 1,121,400,733</u>	<u>\$ 1,074,465,424</u>	<u>\$ 1,138,788,224</u>

City direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%
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Municipal Tax Receipts

General merchandise	\$ 824,518	\$ 843,123	\$ 932,756	\$ 1,000,991	\$ 351,676
Food stores	1,278,062	1,249,969	1,206,141	1,083,215	1,636,884
Drinking & eating places	741,941	730,377	723,257	769,098	1,029,345
Apparel	29,967	26,424	28,626	27,164	23,604
Furniture, household & radio	26,321	32,240	36,019	49,734	59,907
Lumber, building & hardware	317,475	323,560	409,608	388,006	380,270
Automotive & filling stations	2,119,681	1,996,562	2,001,087	1,983,722	2,130,471
Drugs and miscellaneous retail	1,062,002	4,956,258	3,169,734	2,454,092	2,608,673
Agriculture & all others	2,137,505	2,240,236	2,363,686	2,693,558	2,816,906
Manufacturers	<u>239,563</u>	<u>82,321</u>	<u>343,094</u>	<u>295,074</u>	<u>350,147</u>
Total	<u>\$ 8,777,034</u>	<u>\$ 12,481,071</u>	<u>\$ 11,214,007</u>	<u>\$ 10,744,654</u>	<u>\$ 11,387,882</u>

City direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%
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Source: Illinois Department of Revenue

Notes:

- (1) 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.

2017	2018	2019	2020	2021
\$ 27,978,102	\$ 28,132,749	\$ 27,172,065	\$ 24,006,627	\$ 14,982,666
196,586,098	228,074,499	210,242,005	223,366,007	235,155,413
112,375,617	116,873,415	120,714,535	80,795,114	106,840,163
2,596,049	2,775,415	2,330,147	1,491,265	3,650,560
5,652,031	6,479,594	6,769,379	7,399,296	11,532,530
42,380,819	43,414,194	43,890,578	41,989,268	45,031,689
232,453,450	269,867,872	298,951,411	233,713,735	270,554,247
271,432,828	374,442,861	270,568,214	242,754,810	317,179,313
272,499,793	294,101,456	304,495,513	259,599,863	332,304,672
<u>42,300,721</u>	<u>42,220,486</u>	<u>43,587,023</u>	<u>48,375,587</u>	<u>55,885,149</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>	<u>\$ 1,393,116,402</u>
1.00%	1.00%	1.00%	1.00%	1.00%

\$ 279,781	\$ 281,327	\$ 271,721	\$ 240,066	\$ 149,827
1,965,861	2,280,745	2,102,420	2,233,660	2,351,554
1,123,756	1,168,734	1,207,145	807,951	1,068,402
25,960	27,754	23,301	14,913	36,506
56,520	64,796	67,694	73,993	115,325
423,808	434,142	438,906	419,893	450,317
2,324,535	2,698,679	2,989,514	2,337,137	2,705,542
2,714,328	3,744,429	2,705,682	2,427,548	3,171,793
2,724,998	2,941,015	3,044,955	2,595,999	3,323,047
<u>423,007</u>	<u>422,205</u>	<u>435,870</u>	<u>483,756</u>	<u>558,851</u>
<u>\$ 12,062,555</u>	<u>\$ 14,063,825</u>	<u>\$ 13,287,209</u>	<u>\$ 11,634,916</u>	<u>\$ 13,931,164</u>
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, 2021

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
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	-	-	-	-
2021	-	10,235,000	2,152,698	-	-	-	-

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>
\$ 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
-	136,892	12,524,590	0.28%	206	4,468,046	60,675

CITY OF DES PLAINES

RATIO NET GENERAL OBLIGATION BONDED DEBT TO
 ASSESSED VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
 Last Ten Calendar Years
 December 31, 2021

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
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
2021	60,675	2,292,781,709	12,524,590	0.55	206.42

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, 2021

Fiscal Year	Principal	Interest and Fiscal Charges	Total Debt Service	Total General Expenditures (1)	Ratio of Debt Service to Total General Expenditures
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
2021	3,075,000	380,544	3,455,544	109,164,485	3.17

Notes :

(1) Includes all Governmental Funds

Data Source

City of Des Plaines Annual Financial Reports

CITY OF DES PLAINES

SCHEDULE FOR DIRECT AND OVERLAPPING DEBT December 31, 2021

Governmental Unit	Outstanding Debt (1)	Applicable to the City	
		Percent (2)	Amount
<u>City of Des Plaines</u>			
General Obligation Debt	\$ 12,387,698	100.00%	\$ 12,387,698
Unamortized (Discounts) / Premiums	136,892	100.00%	136,892
Subtotal - Direct Debt	<u>12,524,590</u>		<u>\$ 12,524,590</u>
Cook County	2,425,146,750	1.32%	31,916,833
Cook County Forest Preserve District	140,011,723	1.32%	1,842,664
Metropolitan Water Reclamation District	2,696,453,416	1.34%	36,102,268
Des Plaines Park District	7,184,000	91.42%	6,567,616
Mt. Prospect Park District	13,300,415	18.38%	2,444,684
School District No. 26	11,765,000	6.83%	803,024
School District No. 57	5,470,000	1.10%	60,228
School District No. 59	28,830,000	10.70%	3,084,324
School District No. 62	21,885,000	90.85%	19,882,724
School District No. 64	22,780,000	0.00%	68
High School District No. 207	167,610,000	35.40%	59,335,187
High School District No. 214	25,000,000	3.69%	922,500
Harper Community College District No. 512	243,530,000	1.73%	4,224,916
Oakton Community College District No. 535	45,110,000	7.45%	3,362,218
Subtotal - Overlapping Debt	<u>5,854,076,304</u>		<u>170,549,254</u>
Total Direct and Overlapping Debt	<u>\$ 5,866,600,894</u>		<u>\$ 183,073,844</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, 2021

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)
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
2021	60,675	4,468,046	73,639	37,220	42.8	12+	7,766	4.0

Data Sources

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

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

(3) Bureau of Labor Statistics

CITY OF DES PLAINES

PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago
December 31, 2021

Employer	2021		2012	
	Employees (1)	Percentage City Total Employment	Employees	Percentage City Total Employment
Rivers Casino	1,500	4.2%	1,424	3.7%
Universal Oil Products	1,300	3.6%	1,500	3.9%
Oakton Community College	1,200	3.3%	990	2.6%
School District 62	830	2.3%	724	1.9%
Sysco Food Services	729	2.0%	650	1.7%
Acuity Brands (Juno Lighting)	701	1.9%	unavailable	unavailable
Holy Family	606	1.7%	1,036	2.7%
Wheels Inc.	550	1.5%	650	1.7%
LSG SkyChefs	500	1.4%	unavailable	unavailable
Warehouse Direct	400	1.1%		0.0%
Abbot Molecular	500	1.4%	unavailable	unavailable
American Eagle	250	0.7%	unavailable	unavailable
Total	9,066	25.1%	6,974	18.1%
City Total Employment (2)	36,122		38,505	

(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, 2021

<u>Function/Program</u>	<i>Note</i>	<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>2021</u>
Elected Office		3.00	3.00	3.00	3.25	3.25	3.25	3.25	3.75	3.75	3.5
General Government											
Manager's Department		16.75	14.75	14.75	15.50	16.00	19.25	21.00	20.50	21.50	20.25
Finance		14.00	14.00	15.75	16.25	16.25	16.25	16.50	16.50	17.50	17.50
Police											
Officers		95.00	95.00	96.00	97.00	97.00	98.00	98.00	100.00	97.00	97.00
Civilians		21.00	21.00	21.00	21.00	21.00	21.00	21.00	20.00	22.00	15.00
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	2.75	2.75	2.75	3.50
Public Works and Engineering											
Public Works & Engineering (new)		79.25	79.50	80.00	81.00	81.00	81.00	82.00	82.75	82.50	80.50
Community Development		16.00	16.00	16.00	18.25	18.25	18.25	18.75	18.75	19.00	18.00
EMA		1.00	1.00	1.00	1.00	1.00	1.00	1.50	1.50	1.50	0.00
DPECC	(1)	-	22.75	23.00	21.00	-	-	-	-	-	-
Subtotal		344.50	365.50	369.00	372.75	352.25	356.50	360.75	362.50	363.50	351.25
Library		<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>	<u>66.90</u>
Total		<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>	<u>418.15</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, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function/Program										
Police										
Physical arrests (1)	2,208	1,150	892	812	885	753	594	546	413	505
Compliance and Parking Violations	13,656	12,871	10,973	7,234	7,407	10,212	11,329	12,287	4,448	5,598
Traffic violations	6,643	5,506	4,590	3,188	2,083	1,046	3,420	3,014	1,407	1,667
Fire										
Emergency Medical Calls	5,451	5,382	5,647	5,842	6,060	6,126	6,720	7,013	6,553	7,427
Fires/Reports of Fires	1,120	1,088	1,172	1,100	924	1,045	1,158	1,202	1,196	1,168
Other Emergency Calls	1,024	1,063	1,084	958	1,010	879	1,063	971	791	944
Inspections	4,304	4,312	4,177	3,534	3,233	3,803	3,211	4,146	2,801	2,655
Engineering										
Street resurfacing (square yards)	29,700	60,903	167,781	113,115	17,016	107,860	21,942	95,939	49,481	98,501
Sidewalks removed & replaced (sq ft)	69,300	141,162	173,959	101,456	54,635	164,542	126,882	158,174	50,640	86,184
Snow and ice control (tons of salt)	1,143	6,350	4,290	5,600	2,983	2,436	4,738	4,724	3,551	4,785
Community Development										
Building permits issued	2,679	2,956	2,758	2,766	3,105	2,994	3,258	2,831	2,750	3,193
Overall inspection totals	15,804	12,760	13,079	11,400	12,304	13,190	17,478	17,408	11,912	7,396
Health										
Home health visits	91	79	73	87	101	61	34	18	6	63
Library										
Volumes in collection (3)	257,406	255,559	251,361	310,678	318,170	358,969	325,358	396,332	499,550	377,940
Total volumes borrowed	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	609,136
Total annual attendance	575,017	564,257	549,244	590,284	496,845	439,369	417,030	397,612	162,987	175,610
Total resident library cards still active	34,440	34,347	34,845	33,270	33,805	32,644	28,404	26,151	26,347	20,337
Water										
Water Main Breaks	170	141	105	80	124	88	122	94	85	97
New Connections	20	19	36	8	23	37	126	76	46	17
Number of Consumers	17,033	17,058	17,072	17,068	17,091	17,070	17,143	17,102	17,263	16,942
Miles of Water Mains	221	221	221	225	225	225	225	225	233	233
Average daily consumption (gallons)	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	6,424,368
Daily average consumption per Capita (gallons)	123	115	109	112	114	108	108	105	102	106
Number of Fire Hydrants	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350	2,350
Sewer										
Sanitary sewer replaced (linear feet)	341	1,164	470	372	339	306	1,012	525	126	121
Sanitary sewer televised (linear feet)	37,310	27,733	15,187	21,035	10,231	44,172	45,201	106,242	46,646	21,074
Sanitary sewer cleaned (linear feet)	179,998	98,777	91,738	121,331	98,420	157,396	165,213	201,822	174,767	69,228
Sanitary sewer lined (linear feet)	10,045	-	3,102	174	2,111	2,111	22,041	13,396	9,101	6,501
Municipal Parking Lots										
Metra (2)	49,669	48,591	44,105	52,965	54,158	55,546	80,657	78,890	20,483	9,791
City Owned (2)	20,173	36,218	54,513	37,908	34,710	34,597	33,012	34,874	11,585	7,399
Transit										
Number of participants in the Taxi Voucher Program (4)	938	1,076	1,124	1,112	1,109	-	-	-	-	135
Handicapped Placards issued	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, 2021

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<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	723	723	787	787	787	787	787	832	832	832
Traffic Signals	2	2	1	4	3	3	3	3	5	5
Water										
Water mains (miles)	221	221	221	225	225	225	225	225	233	233
Fire hydrants	2,350	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, 2021

	<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>2021</u>
<u>Gallons sold</u>										
Residential	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	1,344,076
Commercial	486,179	470,197	493,685	535,931	536,218	420,324	425,349	441,361	357,228	424,570
Industrial	<u>112,454</u>	<u>113,281</u>	<u>119,147</u>	<u>102,580</u>	<u>112,064</u>	<u>108,287</u>	<u>120,994</u>	<u>124,873</u>	<u>116,088</u>	<u>125,277</u>
Totals	<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>	<u>1,893,921</u>
Water rate per 1,000 gallons	\$5.45	\$5.82	\$6.25	\$6.75	\$6.75	\$6.82	\$6.88	\$6.92	\$7.04	\$7.10
Storm Sewer rate per 1,000 gallons	\$1.20	\$1.20	\$1.20	\$0.76	\$0.76	\$0.76	\$0.76	\$0.76	\$0.94	\$1.07

Source: *City of Des Plaines Water Consumption Report*

CITY OF DES PLAINES

MISCELLANEOUS STATISTICS December 31, 2021

Date of incorporation (Town of Rand)	1857
Form of government	City Manager
Building permits:	
Permits issued	3,193
Estimated value	\$127,809,011
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	16,942
Daily average consumption (gallons)	6,424,368
Daily average consumption per capita (gallons)	106
Miles of water mains	233
Number of fire hydrants	2,350
Employees as of December 31, 2021	
Full time	330.00
Part time	21.25
Total	351.25 (1)
Population	
1880	818
1890	986
1900	1,666
1910	2,348
1920	3,451
1930	8,798
1940	9,518
1950	14,994
1960	34,886
1970	57,237
1980	53,568
1990	53,414
2000	56,945
2007	58,710
2010	58,364
2020	60,675

CITY OF DES PLAINES

MISCELLANEOUS STATISTICS

December 31, 2021

Area and land use - City of Des Plaines

Total area December 31, 2021 - 9,198.54 acres or 14.334 square miles (Based on municipal boundary data.)

Distribution of land uses

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

OTHER INFORMATION

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

2022 DISCLOSURE

Relating to

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

CUSIP NUMBER 250217

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

\$3,540,000 General Obligation Refunding Bonds, Series 2011

\$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

5/26/2022

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 + (-)
2012	\$ 8,040,265	\$5,191,286	\$13,231,552	3.95% (3)
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%
2021	11,507,378	5,817,120	17,324,498	(13.15%)
Growth from 2012 to 2021				36.10%

- 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 2012 percentage is based on a 2011 sales tax receipts of \$112,729,177.

DEBT INFORMATION

General Obligation Debt – By Issue(1)

Issue Date	Issue Name	Principal Outstanding	Supported By
11/3/2009	Taxable General Obligation Refunding Bonds, Series 2009A	\$ 1,083,536	TIF Revenues
9/4/2014	General Obligation Refunding Bonds, Series 2014B	465,000	TIF Revenues, Sales and Utility Taxes/Fees
3/20/2018	General Obligation Refunding Bonds, Series 2018	9,770,000	TIF Revenues
Total		\$ 11,318,536	
Less Self Supporting		(11,318,536)	
Tax Supported Debt		\$ 0	

Note: (1) Source: The City.

General Obligation Bonded Debt(1) (Principal Only)

Calendar Year	Series 2009A	Series 2014B	Series 2018	Total	Self- Supporting	Cumulative Retirement Amount	Percent
2022	\$ 750,425	\$465,000	\$1,085,000	\$ 2,300,425	\$ 2,300,425	\$ 2,300,425	20.32%
2023	333,112	0	1,845,000	2,178,112	2,178,112	4,478,536	39.57%
2024	0	0	1,905,000	1,905,000	1,905,000	6,383,536	56.40%
2025	0	0	1,960,000	1,960,000	1,960,000	8,343,536	73.72%
2026	0	0	2,160,000	2,160,000	2,160,000	10,503,536	92.80%
2027	0	0	400,000	400,000	400,000	10,903,536	96.33%
2028	0	0	415,000	415,000	415,000	11,318,536	100.00%
Total	\$1,083,536	\$465,000	\$9,770,000	\$11,318,536	\$11,318,536		

Note: (1) Source: The City.

Detailed Overlapping Bonded Debt(1)

	Total Debt (2)	Applicable to the City	
		Percent (3)	Amount
School District No. 26	\$ 11,765,000	6.83%	\$ 803,024
School District No. 57	5,470,000	1.10%	60,228
School District No. 59	28,830,000	10.70%	3,084,324
School District No. 62	21,885,000	90.85%	19,882,724
School District No. 64	22,780,000	0.00% (4)	68
High School District No. 207	167,610,000	35.40%	59,335,187
High School District No. 214	25,000,000	3.69%	922,500
Harper Community College District Number 512.....	243,530,000	1.73%	4,224,916
Oakton Community College District Number 535.....	45,110,000	7.45%	3,362,218
Total Schools			\$ 91,675,189
Other:			
Cook County	\$2,425,146,750	1.32%	\$ 31,916,833
Cook County Forest Preserve District.....	140,011,723	1.32%	1,842,664
Metropolitan Water Reclamation District.....	2,696,453,416	1.34%	36,102,268
Des Plaines Park District	7,184,000	91.42%	6,567,616
Mt. Prospect Park District	13,300,415	18.38%	2,444,684
Total Others			\$ 78,874,065
Total Overlapping Debt			\$170,549,255

- Notes: (1) Sources: Cook County Clerk and EMMA submissions.
(2) As of January 31, 2022.
(3) Percentage based on 2020 EAVs, the most current available.
(4) Percentage equals 0.0012%.

Statement of Bonded Indebtedness(1)

	Amount Applicable	Ratio To		Per Capita (2020 Census 60,675)
		Equalized Assessed	Estimated Actual	
City EAV of Taxable Property, 2020 (2)	\$2,292,781,709	100.00%	33.33%	\$ 37,787.91
Estimated Actual Value, 2020 (2)	\$6,878,345,127	300.00%	100.00%	\$113,363.74
Total Direct Bonded Debt	\$ 11,318,536	0.49%	0.16%	\$ 186.54
Less: Self Supporting	(11,318,536)	(0.49%)	(0.16%)	(186.54)
Net Direct Debt	\$ 0	0.00%	0.00%	\$ 0
Overlapping Bonded Debt: (3)				
Schools	\$ 91,675,189	4.00%	1.33%	\$ 1,510.92
Other	78,874,065	3.44%	1.15%	1,299.94
Total Overlapping Bonded Debt	\$ 170,549,254	7.44%	2.48%	\$ 2,810.87
Total Direct and Overlapping Bonded Debt(3).....	\$ 170,549,254	7.44%	2.48%	\$ 2,810.87

- Notes: (1) Source: Cook County Clerk.
(2) Excludes Tax Increment Financing District EAV ("TIF EAV") of \$128,160,616.
(3) As of January 31, 2022.

PROPERTY ASSESSMENT AND TAX INFORMATION

City Equalized Assessed Valuation(1)

Property Class:	Levy Years				
	2016 (2)	2017	2018	2019	2020
Residential.....	\$1,102,738,212	\$1,093,909,817	\$1,070,529,854	\$1,221,557,314	\$1,221,653,051
Farm.....	126,026	26,484	26,021	29,758	32,895
Commercial.....	482,306,610	505,009,862	508,958,522	599,100,198	603,110,218
Industrial.....	325,832,901	353,009,774	348,071,726	427,234,900	463,252,592
Railroad.....	4,026,136	3,960,310	4,241,510	4,574,740	4,732,953
Total.....	\$1,915,029,885	\$1,955,916,247	\$1,931,827,633	\$2,252,496,910	\$2,292,781,709
Percent Change +(-)	15.04% (3)	2.14%	(1.23%)	16.60%	1.79%

- Notes: (1) Source: Cook County Clerk. Excludes TIF EAV.
 (2) Levy year was a triennial reassessment year.
 (3) Percentage change based on 2015 EAV of \$1,664,720,171.

Equalized Assessed Valuation by Township(1)

	2020			
	Elk Grove	Maine	Wheeling	Total
Real Estate Property.....	\$375,330,873	\$1,870,862,743	\$41,854,395	\$2,288,048,011
Pollution Control District.....	0	745	0	745
Railroad Property.....	0	4,732,953	0	4,732,953
Total.....	\$375,330,873	\$1,875,596,441	\$41,854,395	\$2,292,781,709

Note: (1) Source: Cook County Clerk. Excludes TIF EAV.

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

City Rates:	Levy Years				
	2016	2017	2018	2019	2020
General Corporate(2).....	\$1.2360	\$1.2160	\$ 1.3057	\$1.1200	\$1.1010
Public Library.....	0.3240	0.3210	0.3260	0.2789	0.2740
Bonds and Interest.....	0.0057	0.0000	0.0000	0.0000	0.0000
Total City Rates(3).....	\$1.5657	\$1.5370	\$ 1.6320	\$1.3990	\$1.3750
Cook County.....	\$0.5333	\$0.5270	\$ 0.4890	\$0.4540	\$0.4530
Cook County Forest Preserve.....	0.0630	0.0620	0.0600	0.0590	0.0580
Metropolitan Water Reclamation District.....	0.4060	0.4020	0.3960	0.3890	0.3780
Maine Township.....	0.1910	0.1830	0.1520	0.0860	0.0760
School District No. 62.....	3.9210	3.9400	4.1210	3.5750	3.6960
High School District No. 207.....	2.5070	2.5290	2.6520	2.5530	2.6390
Community College No. 535.....	0.2310	0.2320	0.2460	0.2210	0.2270
Des Plaines Park District.....	0.4850	0.4930	0.5150	0.4530	0.4630
Other Districts.....	0.0100	0.0100	0.0000	0.0400	0.0100
Total Tax Rates(4).....	\$9.9130	\$9.9160	\$10.2630	\$9.2290	\$9.3750

- 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 2020 EAV, the most recent available.

City Tax Levies and Collections(1)

Levy Year	Coll. Year	Taxes Levied (3) (4)	Total Collections (2)	
			Amount	Percent
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	24,126,474	98.52%
2020	2021	24,489,150	24,228,905	98.93%

- 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)

Taxpayer Name	Product/Business	2020 EAV (2)
Midwest Gaming	Rivers Casino	\$ 73,913,136
Wille Road LLC	Real Property	21,527,161
Sysco Chicago	Foodservice Distributor	19,466,161
Juno Lighting	Lighting Fixtures	17,728,700
Cambridge Realty	Real Property	17,264,381
Marc Realty LLC	Real Property	16,911,068
UOP LLC	Petroleum Research and Development Laboratories	16,088,198
Co Prologis Re Tax (Industrial)	Real Property	15,500,961
EGP 2300 Des Plaines	Real Property	15,445,437
James Campbell Co. LLC	Real Property	14,921,798
Total		\$228,767,001
Ten Largest as Percent of District's 2020 EAV (\$2,292,781,709)		9.98%

- 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 2020 EAV is the most current available.

FINANCIAL INFORMATION

Statement of Net Position Primary Government Governmental Activities

Audited as of December 31

	2016	2017	2018	2019	2020
ASSETS:					
Cash and Investments	\$ 83,326,480	\$ 83,158,109	\$ 102,908,170	\$ 102,534,974	\$ 85,598,743
Receivables, Net of Allowances for Uncollectibles:					
Property Taxes	29,544,209	29,460,067	31,537,886	31,623,167	34,360,012
Accounts	1,653,681	1,216,965	1,072,964	1,000,907	805,724
Accrued Interest	29,003	32,235	39,279	31,248	20,278
Other Taxes	1,368,270	1,193,049	1,466,992	1,184,096	954,440
Other	304,025	366,966	327,865	324,291	250,609
Prepaid Expenses	5,392,486	5,366,656	5,375,421	3,968,205	4,414,466
Due from Other Governments	12,284,266	15,603,582	17,325,078	11,353,109	8,098,434
Internal Balances	5,252,264	5,634,649	(184,889)	(1,677,808)	(174,822)
Due from Fiduciary Fund	0	0	0	10,558	0
Net Pension Asset	0	827,686	0	0	4,867,385
Capital Assets Not Being Depreciated	80,798,667	88,008,680	92,014,265	88,796,904	93,588,602
Capital Assets, Being Depreciated	131,745,598	132,200,215	136,431,292	157,179,054	162,559,275
Total Assets	<u>\$351,698,949</u>	<u>\$363,068,859</u>	<u>\$ 388,314,323</u>	<u>\$396,328,705</u>	<u>\$395,343,146</u>
DEFERRED OUTFLOWS OF RESOURCES:					
Deferred Amounts from Refunding of Debt	\$ 343,164	\$ 280,741	\$ 114,332	\$ 85,220	\$ 56,106
Deferred Pension Outflows	17,765,193	13,540,484	17,709,211	23,345,801	23,447,065
Deferred OPEB Outflows	0	0	0	0	4,835,119
Total Deferred Outflows of Resources	<u>\$ 18,108,357</u>	<u>\$ 13,821,225</u>	<u>\$ 17,823,543</u>	<u>\$ 23,431,021</u>	<u>\$ 28,338,290</u>
LIABILITIES:					
Accounts Payable	\$ 20,955,650	\$ 20,875,209	\$ 24,459,599	\$ 24,576,560	\$ 13,900,691
Accrued Liabilities	138,699	147,508	154,921	157,748	8,216
Accrued Payroll	2,125,748	1,982,512	1,827,462	2,420,458	1,456,243
Accrued Interest Payable	60,210	50,082	51,834	42,034	31,662
Unearned Revenue	3,798,262	1,794,339	13,100,558	240,222	277,735
Deposits Payable	66,753	198,880	60,896	92,219	109,205
Non-Current Liabilities:					
Due Within One Year	6,579,218	7,021,634	17,565	6,214,322	5,529,749
Due in More Than One Year	185,586,752	171,315,408	212,945,867	203,622,613	207,087,458
Total Liabilities	<u>\$219,311,292</u>	<u>\$203,385,572</u>	<u>\$ 252,618,702</u>	<u>\$237,366,176</u>	<u>\$228,400,959</u>
DEFERRED INFLOWS OF RESOURCES:					
Deferred Property Tax Revenue	\$ 29,151,337	\$ 29,359,456	\$ 31,468,472	\$ 31,631,986	\$ 34,244,281
Deferred Pension Inflows	2,417,152	11,713,261	17,658,010	9,837,518	19,991,699
Deferred OPEB Inflows	0	0	0	0	584,182
Total Deferred Inflows of Resources	<u>\$ 31,568,489</u>	<u>\$ 41,072,717</u>	<u>\$ 49,126,482</u>	<u>\$ 41,469,504</u>	<u>\$ 54,820,162</u>
NET POSITION:					
Investment in Capital Assets, Net of Related Debt..	\$182,246,337	\$196,250,010	\$ 205,869,137	\$227,330,641	\$240,675,606
Restricted For:					
Streets and Highways	719,632	879,849	1,032,957	1,201,159	3,368,455
Public Safety	1,636,610	1,384,584	1,305,100	1,500,574	1,528,928
Economic Development	6,180,466	7,292,165	7,938,575	6,046,772	2,395,225
Debt Service	397,214	13,717	104,780	114,580	0
Unrestricted	(72,252,734)	(73,388,533)	(117,857,867) (1)	(95,269,680)	(107,507,899)
Total Net Position	<u>\$118,927,525</u>	<u>\$132,431,792</u>	<u>\$ 98,392,682</u>	<u>\$140,924,046</u>	<u>\$140,460,315</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				
	2016	2017	2018	2019	2020
FUNCTIONS/PROGRAMS:					
PRIMARY GOVERNMENT:					
General Government	\$ (21,678,222)	\$ (21,358,613)	\$ (21,001,215)	\$ (22,296,647)	\$ (17,635,858)
Public Safety	(44,195,394)	(45,669,934)	(77,119,274)	(20,776,542)	(51,524,385)
Public Works	(5,082,259)	(5,977,855)	(6,325,469)	(7,075,233)	(5,594,058)
Streets and Highways	(7,939,188)	(18,348,048)	(7,487,300)	(3,664,054)	(8,623,814)
Economic Development	(2,537,628)	9,528,529	(2,677,949)	(60,555)	(4,134,627)
Interest	(1,411,210)	(1,300,991)	(1,304,502)	(690,046)	(597,850)
Total Governmental Activities(1)	<u>\$ (82,843,901)</u>	<u>\$ (83,126,912)</u>	<u>\$ (115,915,709)</u>	<u>\$ (54,563,077)</u>	<u>\$ (88,110,592)</u>
GENERAL REVENUES:					
Taxes:					
Property	\$ 29,254,397	\$ 29,611,170	\$ 29,099,377	\$ 31,124,250	\$ 34,042,738
Replacement	1,285,820	1,258,212	1,213,702	1,587,468	1,533,316
Sales	12,805,450	13,572,289	15,779,169	15,227,378	14,291,701
Utility	3,069,270	3,006,537	3,121,450	3,597,332	2,877,443
Income	5,556,999	5,363,901	5,570,605	6,229,784	6,531,025
Home Rule Sales	6,104,292	6,412,186	6,804,742	6,694,443	5,768,006
Food and Beverage Tax	1,268,923	1,330,150	1,346,268	1,415,745	1,002,905
Hotel/Motel	2,069,830	1,908,782	1,995,330	1,917,755	763,390
Real Estate Transfer	842,326	883,175	808,982	761,871	705,412
Local Option Motor Fuel	1,754,240	1,768,066	1,782,386	1,567,933	2,012,304
Gaming Taxes	24,685,996	24,762,107	25,065,880	25,466,799	12,833,854
Other Taxes	3,988,052	3,679,988	3,467,035	3,204,837	3,411,748
Investment Income	365,137	627,226	1,335,078	1,937,137	789,086
Miscellaneous	688,554	2,431,632	2,586,210	2,220,951	721,177
Transfers	(5,801,963)	15,758	(7,634,242)	(5,859,242)	(303,440)
Total	<u>\$ 87,937,323</u>	<u>\$ 96,631,179</u>	<u>\$ 92,341,972</u>	<u>\$ 97,094,441</u>	<u>\$ 86,980,665</u>
Change in Net Position	\$ 5,093,422	\$ 13,504,267	\$ (23,573,737)	\$ 42,531,364	\$ (1,129,927)
Net Position, January 1	113,834,103	118,927,525	121,966,419 (2) (3)	98,392,682	141,590,242 (2) (3)
Net Position, December 31	<u>\$118,927,525</u>	<u>\$132,431,792</u>	<u>\$ 98,392,682</u>	<u>\$140,924,046</u>	<u>\$140,460,315</u>

Notes: (1) Expenses less Charge for Services, Operating Grants and Capital Grants.
(2) As restated.
(3) Change in accounting principle.

General Fund Balance Sheet

Audited as of December 31

	2016	2017	2018	2019	2020
ASSETS:					
Cash and Equivalents	\$26,638,739	\$25,578,782	\$35,083,480	\$36,838,435	\$27,798,442
Receivables:					
Accounts	970,946	824,863	787,836	788,276	764,477
Property Taxes	22,850,880	22,936,008	24,256,973	24,268,873	24,334,709
Other Taxes	1,216,462	1,043,076	1,294,548	1,041,519	780,316
Other Receivables	301,195	359,153	282,618	325,356	386,562
Accrued Interest	8,383	8,885	10,827	8,613	5,589
Due from Other Governments	5,771,247	5,333,165	5,667,611	5,842,855	5,957,370
Due from Other Funds	0	0	10,168	10,558	0
Advances From/To Other Funds	<u>20,451,434</u>	<u>24,834,213</u>	<u>18,279,838</u>	<u>20,139,602</u>	<u>28,857,447</u>
Total Assets	<u>\$78,209,286</u>	<u>\$80,918,145</u>	<u>\$85,673,899</u>	<u>\$89,264,087</u>	<u>\$88,884,912</u>
LIABILITIES:					
Accounts Payable	\$ 1,547,482	\$ 1,737,941	\$ 2,430,562	\$ 2,257,032	\$ 1,184,756
Accrued Payroll	2,125,748	1,982,512	1,827,462	2,420,458	1,456,243
Accrued Liabilities	138,699	147,508	154,921	157,715	8,216
Deposits Payable	0	0	0	11,726	0
Deferred Revenue	<u>263,140</u>	<u>485,530</u>	<u>282,305</u>	<u>155,574</u>	<u>200,131</u>
Total Liabilities	<u>\$ 4,075,069</u>	<u>\$ 4,353,491</u>	<u>\$ 4,695,250</u>	<u>\$ 5,002,505</u>	<u>\$ 2,849,346</u>
DEFERRED INFLOWS OF RESOURCES:					
Deferred Property Tax Revenue	\$22,750,299	\$22,852,318	\$24,244,258	\$24,244,258	\$24,244,258
Unavailable Other Revenue	<u>1,549,440</u>	<u>491,414</u>	<u>441,032</u>	<u>532,052</u>	<u>524,011</u>
Total Deferred Inflows of Resources	<u>\$24,299,739</u>	<u>\$23,343,732</u>	<u>\$24,685,290</u>	<u>\$24,776,310</u>	<u>\$24,768,269</u>
FUND BALANCES:					
Non Spendable:					
Long-term Interfund Advances	\$20,451,434	\$24,834,213	\$18,279,838	\$20,139,602	\$28,857,447
Assigned:					
Infrastructure	1,023,433	900,000	900,000	3,250,000	2,000,000
Capital Acquisitions	4,250,000	4,975,000	10,470,310	500,000	0
General Fund Deficit	1,997,823	0	0	0	0
Economic Development	277,995	375,829	0	0	0
Subsequent Year's Budget:					
Appropriation of Fund Balance	0	0	0	3,767,500	0
Unassigned	<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 Fund Balances	<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>
Total Liabilities, Deferred Inflows of Resources and Fund Equity	<u>\$78,209,286</u>	<u>\$80,918,145</u>	<u>\$85,673,899</u>	<u>\$89,264,087</u>	<u>\$88,884,912</u>

**General Fund
Revenues and Expenditures**

	Audited Years Ending December 31				
	2016	2017	2018	2019	2020
REVENUES:					
Property Taxes	\$23,136,026	\$22,949,804	\$22,493,562	\$24,339,659	\$24,126,474
Other Taxes	12,464,143	12,093,495	12,161,007	12,212,773	11,171,668
Licenses and Permits	3,147,534	3,556,348	3,708,677	3,822,654	2,036,569
Intergovernmental	20,159,070	21,600,891	22,927,843	23,403,701	23,279,114
Charges for Services	5,028,694	5,115,581	5,360,093	5,636,997	6,164,290
Fines and Forfeits	1,366,866	1,318,279	1,239,342	1,115,938	739,013
Investment Income	121,454	197,738	440,109	766,711	256,138
Miscellaneous	276,388	610,113	985,423	272,457	242,472
Total Revenues	<u>\$65,700,175</u>	<u>\$67,442,249</u>	<u>\$69,316,056</u>	<u>\$71,570,890</u>	<u>\$68,015,738</u>
EXPENDITURES:					
Current:					
General Government	\$ 7,598,936	\$ 8,157,208	\$ 8,814,235	\$ 8,919,178	\$ 8,523,551
Public Safety	39,761,167	41,007,312	44,272,261	45,120,655	45,575,471
Public Works	6,420,613	7,211,011	7,069,260	7,025,113	6,634,117
Streets and Highways	3,778,900	4,046,140	3,988,318	4,298,471	3,750,629
Economic Development	312,003	309,661	338,356	383,382	272,317
Total Expenditures	<u>\$57,871,619</u>	<u>\$60,731,332</u>	<u>\$64,482,430</u>	<u>\$65,746,799</u>	<u>\$64,756,085</u>
Excess (Deficiency) of Revenues Over Expenditures	\$ 7,828,556	\$ 6,710,917	\$ 4,833,626	\$ 5,824,091	\$ 3,259,653
Other Financing Sources (Uses), net	\$(2,141,530)	\$(3,324,473)	\$(1,761,189)	\$(2,632,178)	\$(1,477,628)
Excess (Deficiency) of Revenues And Other Financing Sources Over Expenditures and Other Financing Uses	\$ 5,687,026	\$ 3,386,444	\$ 3,072,437	\$ 3,191,913	\$ 1,782,025
Balance, January 1	<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>
Balance, December 31	<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>

**General Fund
Budget Information(1)**

	Adopted Budget Fiscal Year 2021
REVENUES: (2)	
Taxes	\$35,683,800
Licenses & Permits.....	1,302,500
Intergovernmental.....	17,825,048
Charges for Services.....	5,193,000
Fines and Forfeits.....	772,500
Investment Income.....	400,000
Other	<u>869,172</u>
Total Revenue.....	\$62,046,020
EXPENDITURES:	
General Government.....	\$ 8,058,590
Public Safety.....	49,437,803
Economic Development.....	2,574,415
Public Works.....	<u>12,484,638</u>
Total Expenditures.....	\$72,555,446
Less: Transfers.....	<u>900,000</u>
Total Operating Expenditures.....	\$71,655,446
 Total Revenues Over Expenditures.....	 \$ (9,609,426)

- Note: (1) The 2021 Annual Budget of the City.
(2) Does not include prior year's fund balance.

INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the City of Des Plaines, Illinois' ("City's") compliance with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act during the year ended December 31, 2021. 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, in all material respects, with the aforementioned requirements during the year ended December 31, 2021.

Crowe LLP
Crowe LLP

Oak Brook, Illinois
June 10, 2022