VILLAGE OF PALATINE

VILLAGE HALL - COUNCIL CHAMBERS
200 E. WOOD STREET
PALATINE, IL 60067-5339 – (847) 359-9050
http://www.palatine.il.us

VILLAGE COUNCIL & COMMITTEE OF THE WHOLE

AGENDA

JUNE 12, 2023

Regular Meeting **7:00 PM**

I. ROLL CALL

II. PLEDGE TO THE FLAG

III. APPROVAL OF MINUTES

1. Village Council & Committee of the Whole - Regular Meeting - June 5, 2023

IV. MAYOR'S REPORT

1. Resolution of Appreciation - Dennis Dwyer, Plan Commission Chairman
2. As Submitted

V. RECESS TO THE COMMITTEE OF THE WHOLE

VI. COMMITTEE OF THE WHOLE

A. POLICE POLICY & CODE SERVICES COMMITTEE

TIM MILLAR, CHAIRMAN

1. Consider an Ordinance Transferring Special Use #O-87-12 to Permit the Continued Operation of a Yoga Studio at 1 N. Bothwell Street (Council District: Six)
2. Consider an Ordinance Granting a Minor Amendment to Allow a Business Plan and Floor Plan Amendment to Special Use #O-15-21 at Madcats (117 W. Slade Street) (Council District: Six)
3. As Submitted

B. ADMINISTRATION, TECHNOLOGY & COMMUNITY HEALTH COMMITTEE

KOLLIN KOZLOWSKI, CHAIRMAN

1. Consider a Motion Granting Approval of a Waiver of the Village's Sound Amplification Ordinance for the St. Theresa Picnic on Friday, June 30, 2023 (Council District: Six)

2. Consider a Motion Granting a Waiver of the Sound Amplification Ordinance, Closure of Village Parking Lots and a Portion of Slade Street, Waiver of Village Fees, and Waiver of the Village's Construction Hours for the Rotary Club of Palatine's Annual Oktoberfest Celebration to be Held on September 15 - 17, 2023 (Council District: Six)

3. Motion to Award Contract for Replacement Phone Handsets

4. Discussion Related to Video Gaming

5. As Submitted

C. COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE

BRAD HELMS, CHAIRMAN

1. Consider a Motion Opening the 30-Day Public Review and Comment Period for the 2023 CDBG Action Plan

2. As Submitted

D. BUSINESS FINANCE & BUDGET COMMITTEE

SCOTT LAMERAND, CHAIRMAN

1. Consider a Motion to Accept and Place on File the Annual Comprehensive Financial Report for the Year Ended December 31, 2022

2. Reserve and Fund Balance Policy

   A. Consider a Resolution Authorizing the Amendment of the Village of Palatine's Reserve Policy

   B. Consider a Motion to Accept Staff Recommendations for CY 2022 Reserves

3. Consider an Ordinance Amending Chapter 2, Division 2, Section 2-481, Issuance of Bonds, Authority of the Code of Ordinances of the Village of Palatine

4. Consider a Resolution Amending the Village of Palatine Investment Policy

5. As Submitted

E. FIRE POLICY & COMMUNITY INFORMATION COMMITTEE

GREG SOLBERG, CHAIRMAN

1. As Submitted

F. INFRASTRUCTURE & ENVIRONMENT COMMITTEE

DOUG MYSLINSKI, CHAIRMAN

1. As Submitted

VII. RECONVENE THE VILLAGE COUNCIL MEETING

VIII.CONSENT AGENDA

All items are considered to be routine by the Village Council and will be enacted by one motion, with waiver of first reading. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

1. Consider an Ordinance Transferring Special Use #O-87-12 to Permit the Continued Operation of a Yoga Studio at 1 N. Bothwell Street (Council District: Six)

2. Consider an Ordinance Granting a Minor Amendment to Allow a Business Plan and Floor Plan Amendment to Special Use #O-15-21 at Madcats (117 W. Slade Street) (Council District: Six)

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5. Motion to Award Contract for Replacement Phone Handsets

6. Consider a Motion Opening the 30-Day Public Review and Comment Period for the 2023 CDBG Action Plan

7. Consider a Motion to Accept and Place on File the Annual Comprehensive Financial Report for the Year Ended December 31, 2022

8. Consider a Resolution Authorizing the Amendment of the Village of Palatine's Reserve Policy

9. Consider a Motion to Accept Staff Recommendations for CY 2022 Reserves

10. Consider an Ordinance Amending Chapter 2, Division 2, Section 2-481, Issuance of Bonds, Authority of the Code of Ordinances of the Village of Palatine

11. Consider a Resolution Amending the Village of Palatine Investment Policy

12. Consider an Ordinance Decreasing the Number of Class G (Restaurant - Beer & Wine) Liquor Licenses by One for Bacci Pizzeria Located at 1116 W. Northwest Highway (Council District: One)

13. Consider a Motion to Accept and Place on File the Annual Treasurer's Report for Calendar Year 2022

14. Consider an Ordinance Authorizing the Village Manager to Grant Administrative Approval for Certain Items Recommended for Approval by the Planning and Zoning Commission

IX. REPORTS OF STANDING COMMITTEE

A. ADMINISTRATION, TECHNOLOGY & COMMUNITY HEALTH COMMITTEE

KOLLIN KOZLOWSKI, CHAIRMAN

1. As Submitted

B. BUSINESS FINANCE & BUDGET COMMITTEE

SCOTT LAMERAND, CHAIRMAN

1. As Submitted

C. COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE

BRAD HELMS, CHAIRMAN

1. As Submitted

D. FIRE POLICY & COMMUNITY INFORMATION COMMITTEE

GREG SOLBERG, CHAIRMAN

1. As Submitted

E. INFRASTRUCTURE & ENVIRONMENT COMMITTEE

DOUG MYSLINSKI, CHAIRMAN

1. As Submitted

F. POLICE POLICY & CODE SERVICES COMMITTEE

TIM MILLAR, CHAIRMAN

1. As Submitted

X. REPORTS OF THE VILLAGE OFFICERS

A. VILLAGE MANAGER

1. As Submitted

B. VILLAGE CLERK

1. As Submitted

C. VILLAGE ATTORNEY

1. As Submitted

XI. CLOSED SESSION AS REQUIRED

XII. RECOGNITION OF AUDIENCE

XIII. ADJOURNMENT

VILLAGE OF PALATINE

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VILLAGE COUNCIL & COMMITTEE OF THE WHOLE

MINUTES

JUNE 5, 2023

Regular Meeting **7:00 PM**

I. ROLL CALL – Time: 7:00 PM

Attendee Name	Title	Status	Arrived
Jim Schwantz	Mayor	Present	
Tim Millar	District 1 Councilman	Present	
Scott Lamerand	District 2 Councilman	Present	
Doug Myslinski	District 3 Councilman	Present	
Greg Solberg	District 4 Councilman	Present	
Kollin Kozlowski	District 5 Councilman	Late	7:02 PM
Brad Helms	District 6 Councilman	Present	

Also Present:
Village Clerk Marg Duer, Village Manager Reid Ottesen, Deputy Village Manager Hadley Skeffington-Vos, Village Attorney Patrick Brankin, Director of Community Development Mike Jacobs, Director of Planning & Zoning Ben Vyverberg, Director of Public Works Matt Barry, Police Chief Dave Daigle, Fire Chief Patrick Gratzianna, IT Director Larry Schroth, Director of Finance Paul Mehring, and Director of Human Resources Pam Jackson

II. PLEDGE TO THE FLAG – Time: 7:00 PM

Mayor Schwantz invited everyone to stand and join him in the Pledge to the Flag.

III. APPROVAL OF MINUTES – Time: 7:00 PM

1. Village Council & Committee of the Whole - Regular Meeting - May 15, 2023 - **Accepted**

RESULT:	**ACCEPTED [UNANIMOUS]**
MOVER:	Doug Myslinski, District 3 Councilman
SECONDER:	Tim Millar, District 1 Councilman
AYES:	Millar, Lamerand, Myslinski, Solberg, Helms

Minutes Acceptance: Minutes of Jun 5, 2023 7:00 PM (APPROVAL OF MINUTES)

IV. MAYOR'S REPORT

1. Certificates of Recognition - Eagle Scouts -

   Mayor Schwantz, with Scoutmaster Steven Cox presented Certificates of Recognition to Scouts who recently earned the prestigious title of Eagle Scout:

   Troop 182: Scoutmaster Kevin D. Reidel; Aaron Hardy, William Shoults, Matthew Stepp.

   Troop 188 Scoutmaster Jennifer L. Tobin; Patrick Dix, Matthew Olin, Colin O'Donnell.

   Troop 209: Scoutmasters Mike Blanck and Eric Hildebrandt; Theo Bachmann, Joseph Nowakowski, Anthony Pluta, Grace Ziomek.

   Troop 461: Scoutmaster Steven L. Cox; Pranav Bottu, Connor Cox.

2. As Submitted -

   Mayor Schwantz announced upcoming events:

   Thursday, June 8 & Friday June 10: 10AM-10PM
   Downtown Palatine Business Association Sidewalk Sales
   Downtown Palatine

   Saturday, June 10: 8AM-12PM
   Electronics Recycling Event
   Palatine Township

   The Village issued 4 proclamations in May and one for June, including LGBTQ Pride Month. These proclamations were executed and placed on file with the Village Clerk for anyone to request.

V. RECESS TO THE COMMITTEE OF THE WHOLE – Time: 7:07 PM

Recess to Committee of the Whole **- Motion Carried by Voice Vote**

RESULT:	**MOTION CARRIED BY VOICE VOTE [UNANIMOUS]**
MOVER:	Brad Helms, District 6 Councilman
SECONDER:	Tim Millar, District 1 Councilman
AYES:	Millar, Lamerand, Myslinski, Solberg, Helms

Minutes Acceptance: Minutes of Jun 5, 2023 7:00 PM (APPROVAL OF MINUTES)

VI. COMMITTEE OF THE WHOLE

A. FIRE POLICY & COMMUNITY INFORMATION COMMITTEE

GREG SOLBERG, CHAIRMAN

1. Consider an Amendment to the Jaycees 2023 Hometown Fest Approval Dates to Allow the Carnival Vendor, Windy City Amusements, to Open Their Food, Game and Ride Operations One Day Prior to the Official Opening of Hometown Fest, Thursday, June 29, from 5 PM - 9 PM **- Approved by Voice Vote** (Council District: Six)

   Hometown Fest Co-Chair, Andy Namowicz explained the carnival vendor for the Jaycees' Hometown Fest, Windy City Amusements, is requesting to open one day prior, Thursday, June 29th, to operate their food, games and rides from 5PM - 9PM. There will be no beer or other vendors open on Thursday. Hometown Fest will open Friday, June 30 -Tuesday, July 4. Any requested overnight security from the Palatine Police Department will be billed and paid for by the Jaycees. Staff recommends approval.

RESULT:	**APPROVED BY VOICE VOTE [UNANIMOUS]**
MOVER:	Brad Helms, District 6 Councilman
SECONDER:	Scott Lamerand, District 2 Councilman
AYES:	Schwantz, Millar, Lamerand, Myslinski, Solberg, Kozlowski, Helms

2. As Submitted **-**

   Nothing was submitted.

B. POLICE POLICY & CODE SERVICES COMMITTEE – Time: 7:10 PM

TIM MILLAR, CHAIRMAN

1. Consider an Ordinance Granting a Special Use to Permit a Car Wash at 2239 N. Rand Road **- Motion Carried by Voice Vote** (Council District: Three)

   Planning & Zoning Director Ben Vyverberg presented the Petitioner's request for a Special Use to demolish the existing structure on the property at 2239 N. Rand Road and redevelop the site with a drive-through touchless car wash “Zoomies Express Car Wash” with 27 bays of covered vacuums and car stacking space, with a cross access easement for the subject property for access to both Rand and Lake Cook Roads, connecting through the Patrick Hyundai access road. The Planning & Zoning Commission voted unanimously to approve the Special Use.

   Vyverberg commented on the wetland mitigation and landscaping.

   Alan Jacobs, 664 W Northwest Highway, noted on the renderings light, sound and environmental components. There will be no artificial light outside the property and they are well below decibel levels acceptable, and all plant-

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based soaps are used.

Nick Spallone stated water is not recycled, much air is driven onto the system so low levels of water is actually used (75-85 gallons are used per car). Water from the reuse bad water in beginning of the wash, clean water for the rest of the wash. He stated it is a touchless wash, safe for all car surfaces.

RESULT:	**MOTION CARRIED BY VOICE VOTE [UNANIMOUS]**
MOVER:	Doug Myslinski, District 3 Councilman
SECONDER:	Scott Lamerand, District 2 Councilman
AYES:	Schwantz, Millar, Lamerand, Myslinski, Solberg, Kozlowski, Helms

2. Consider an Ordinance Granting a Special Use to Permit an Addition to Encroach into the Required Side Yard Setback at 225 W. Kenilworth Avenue **- Motion Carried by Voice Vote** (Council District: Two)

   Planning & Zoning Director Ben Vyverberg presented the Petitioner's request for a Special Use to permit an addition to be set back 5 feet, from the side lot line (minimum required 10 feet) maintaining the existing 5.3-foot side yard setback for the legally non-conforming residence. A lot grading plan will be required during the building permit stage. The Planning & Zoning Commission voted unanimously to approve a Special Use and staff concurs.

RESULT:	**MOTION CARRIED BY VOICE VOTE [UNANIMOUS]**
MOVER:	Scott Lamerand, District 2 Councilman
SECONDER:	Doug Myslinski, District 3 Councilman
AYES:	Schwantz, Millar, Lamerand, Myslinski, Solberg, Kozlowski, Helms

3. Consider an Ordinance Granting a Special Use and Variation to Permit an Addition to Encroach into the Required Front Yard Setback and to Exceed Maximum Lot Coverage at 849 W. Kenilworth Avenue **- Motion Carried by Voice Vote** (Council District: One)

   Planning & Zoning Director Ben Vyverberg presented the Petitioner's request for a lot coverage Variation and a Special Use for a front yard setback reduction to permit a 2-story addition and covered porch along the front of the home, to be set back 20 feet from the front property line (minimum required 30 feet) and a Variation to permit lot coverage to be 48% (maximum permitted 45%). A formal engineering review will be done as part of the building permit process. Comparable relief was granted to the adjacent property at 879 W. Kenilworth Ave. In 2018 a Special Use was granted to permit the home to be set back 20 feet from the zoning front lot line off Crescent Avenue (minimum required 30 feet). The Planning and Zoning Commission voted unanimously to approve a Special Use and Variation, and staff concurs.

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RESULT:	**MOTION CARRIED BY VOICE VOTE [UNANIMOUS]**
MOVER:	Doug Myslinski, District 3 Councilman
SECONDER:	Scott Lamerand, District 2 Councilman
AYES:	Schwantz, Millar, Lamerand, Myslinski, Solberg, Kozlowski, Helms

4. Consider an Ordinance Amending Various Sections of the Village of Palatine Zoning Ordinance Related to Accessory Structures, Fences, and Above Ground Pools **- Motion Carried by Voice Vote**

   Planning & Zoning Director Ben Vyverberg presented the proposed text amendments eliminating some repetitive fencing code sections (Article VI - Accessory Structures Fences, and Accessory Uses) and clarifying above ground pools are not calculated into the accessory structure square footages, but are counted toward lot coverage. The fencing amendments would afford side yards abutting a street the same parameters permitted for front yard fencing. The amendments to the fencing Section 6.03 clarify the following: requirement that no fence shall interfere with the natural flow of stormwater; replacement of non-conforming fences must be a similar, or lower height, and style of openness; allow up to 20 feet of 3' high decorative fences in side yards abutting a street, which is similar to what is currently permitted in front yards. In Article X, there is a consistency update to amend accessory building to accessory structure. The Planning & Zoning Commission voted unanimously to approve the proposed text amendments and staff concurs.

   Vyverberg clarified details on decorative fences in response to Councilman Millar.

   Councilman Myslinski asked for clarification on the above ground pools.

RESULT:	**MOTION CARRIED BY VOICE VOTE [UNANIMOUS]**
MOVER:	Jim Schwantz, Mayor
SECONDER:	Doug Myslinski, District 3 Councilman
AYES:	Schwantz, Millar, Lamerand, Myslinski, Solberg, Kozlowski, Helms

5. As Submitted **-**

   Nothing was submitted.

C. INFRASTRUCTURE & ENVIRONMENT COMMITTEE – Time: 7:07 PM

DOUG MYSLINSKI, CHAIRMAN

1. Consider a Motion to Award a Contract for the 2023 Water Main Replacement Contract 2 Project **- Approved by Voice Vote**

   Public Works Director Matt Barry reported the water mains will be replaced on Lytle Drive from Morris Drive to Flake Drive and near 500 North Plum Grove Road from Plum Grove Road to Brockway Street. Barry recommended

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approving the low responsive and responsible bidder, Gerardi Sewer & Water Company of Addison, Illinois in the amount of $978,971.50.

RESULT:	**APPROVED BY VOICE VOTE [UNANIMOUS]**
MOVER:	Greg Solberg, District 4 Councilman
SECONDER:	Kollin Kozlowski, District 5 Councilman
AYES:	Schwantz, Millar, Lamerand, Myslinski, Solberg, Kozlowski, Helms

2. Consider a Motion Authorizing the Village Manager to Execute a Proposal for Construction Engineering Services for the 2023 Water Main Replacement Contract 1, Contract 2, and Contract 3 Projects **- Approved by Voice Vote**

   Public Works Director Matt Barry reported that Doland Engineering completed the design and permitting for the Contract 1 Phase 1 project and demonstrated their ability to perform construction engineering on behalf of the Village in 2022 for water main replacement projects. Staff recommends Doland Engineering for Construction Engineering Services for the Water Main Replacement Contract 1 Phase 1, Contract 2, and Contract 3 Projects. Funding is available in the Water Fund of the 2023 Capital Improvement Program.

RESULT:	**APPROVED BY VOICE VOTE [UNANIMOUS]**
MOVER:	Tim Millar, District 1 Councilman
SECONDER:	Jim Schwantz, Mayor
AYES:	Schwantz, Millar, Lamerand, Myslinski, Solberg, Kozlowski, Helms

3. As Submitted **-**

   Nothing was submitted.

D. ADMINISTRATION, TECHNOLOGY & COMMUNITY HEALTH COMMITTEE – Time: 7:28 PM

KOLLIN KOZLOWSKI, CHAIRMAN

1. As Submitted **-**

   Nothing was submitted.

E. BUSINESS FINANCE & BUDGET COMMITTEE – Time: 7:28 PM

SCOTT LAMERAND, CHAIRMAN

1. As Submitted **-**

   Nothing was submitted.

Minutes Acceptance: Minutes of Jun 5, 2023 7:00 PM (APPROVAL OF MINUTES)

F. COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE – Time: 7:28 PM

BRAD HELMS, CHAIRMAN

1. As Submitted **-**

VII. RECONVENE THE VILLAGE COUNCIL MEETING – Time: 7:28 PM

Reconvene the Village Council Meeting **- Motion Carried by Voice Vote**

RESULT:	**MOTION CARRIED BY VOICE VOTE [UNANIMOUS]**
MOVER:	Brad Helms, District 6 Councilman
SECONDER:	Tim Millar, District 1 Councilman
AYES:	Millar, Lamerand, Myslinski, Solberg, Kozlowski, Helms

VIII.CONSENT AGENDA

All items are considered to be routine by the Village Council and will be enacted by one motion, with waiver of first reading. There will be no separate discussion of these items unless a Council Member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

RESULT:	**ADOPTED BY ROLL CALL [UNANIMOUS]**
MOVER:	Scott Lamerand, District 2 Councilman
SECONDER:	Doug Myslinski, District 3 Councilman
AYES:	Millar, Lamerand, Myslinski, Solberg, Kozlowski, Helms

1. Consider a Motion to Approve 2023 Warrant #11 **- Approved**

2. Consider an Amendment to the Jaycees 2023 Hometown Fest Approval Dates to Allow the Carnival Vendor, Windy City Amusements, to Open Their Food, Game and Ride Operations One Day Prior to the Official Opening of Hometown Fest, Thursday, June 29, from 5 PM - 9 PM **- Approved** (Council District: Six)

3. Consider an Ordinance Granting a Special Use to Permit a Car Wash at 2239 N. Rand Road **- Approved** (Council District: Three)

   Ordinance #O-64-23

4. Consider an Ordinance Granting a Special Use to Permit an Addition to Encroach into the Required Side Yard Setback at 225 W. Kenilworth Avenue **- Approved** (Council District: Two)

   Ordinance #O-65-23

Minutes Acceptance: Minutes of Jun 5, 2023 7:00 PM (APPROVAL OF MINUTES)

5. Consider an Ordinance Granting a Special Use and Variation to Permit an Addition to Encroach into the Required Front Yard Setback and to Exceed Maximum Lot Coverage at 849 W. Kenilworth Avenue **- Approved** (Council District: One)

   Ordinance #O-66-23

6. Consider an Ordinance Amending Various Sections of the Village of Palatine Zoning Ordinance Related to Accessory Structures, Fences, and Above Ground Pools **- Approved**

   Ordinance #O-67-23

7. Consider a Motion to Award a Contract for the 2023 Water Main Replacement Contract 2 Project **- Approved**

8. Consider a Motion Authorizing the Village Manager to Execute a Proposal for Construction Engineering Services for the 2023 Water Main Replacement Contract 1, Contract 2, and Contract 3 Projects **- Approved**

9. Ordinance Amending Chapter 07 - Fire Prevention & Protection **- Approved**

   Ordinance #O-68-23

IX. REPORTS OF STANDING COMMITTEE

A. ADMINISTRATION, TECHNOLOGY & COMMUNITY HEALTH COMMITTEE

KOLLIN KOZLOWSKI, CHAIRMAN

1. As Submitted **-**

   No Report

B. BUSINESS FINANCE & BUDGET COMMITTEE

SCOTT LAMERAND, CHAIRMAN

1. As Submitted **-**

   No Report

C. COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE

BRAD HELMS, CHAIRMAN

1. As Submitted **-**

   No Report

Minutes Acceptance: Minutes of Jun 5, 2023 7:00 PM (APPROVAL OF MINUTES)

D. FIRE POLICY & COMMUNITY INFORMATION COMMITTEE

GREG SOLBERG, CHAIRMAN

1. As Submitted -

No Report

E. INFRASTRUCTURE & ENVIRONMENT COMMITTEE

DOUG MYSLINSKI, CHAIRMAN

1. As Submitted -

No Report

F. POLICE POLICY & CODE SERVICES COMMITTEE

TIM MILLAR, CHAIRMAN

1. As Submitted -

No Report

X. REPORTS OF THE VILLAGE OFFICERS

A. VILLAGE MANAGER

1. As Submitted -

No Report

B. VILLAGE CLERK

1. As Submitted -

No Report

C. VILLAGE ATTORNEY

1. As Submitted -

No Report

XI. CLOSED SESSION AS REQUIRED – Time: 7:29 PM

No Closed Session requested.

Minutes Acceptance: Minutes of Jun 5, 2023 7:00 PM (APPROVAL OF MINUTES)

XII. RECOGNITION OF AUDIENCE – Time: 7:30 PM

Roman Golash 418 E Juniper, asked for insights on the Bears pursuing Naperville.

XIII.ADJOURNMENT – Time: 7:30 PM

Adjourn the Village Council Meeting **- Motion Carried by Voice Vote**

RESULT:	**MOTION CARRIED BY VOICE VOTE [UNANIMOUS]**
MOVER:	Brad Helms, District 6 Councilman
SECONDER:	Tim Millar, District 1 Councilman
AYES:	Schwantz, Millar, Lamerand, Myslinski, Solberg, Kozlowski, Helms

SUBMITTED BY:

Margaret R. Duer
Village Clerk

Minutes Acceptance: Minutes of Jun 5, 2023 7:00 PM (APPROVAL OF MINUTES)

Resolution of Appreciation - Dennis Dwyer, Plan Commission Chairman

BACKGROUND:
On November 13, 1984, Dennis Dwyer was appointed to begin his service to the Village of Palatine as a member of the Plan Commission. He was subsequently appointed to Plan Commission Chair on August 28, 1989. After dedicating nearly 39 years of service to the Village of Palatine, Dennis retired from the Plan Commission, effective on May 1, 2023.

KEY ISSUES:

- Dennis played an important role in the Plan Commission review of every major commercial, industrial, and residential development project in the Village of Palatine since 1984. This includes every redevelopment project along the Dundee Road, Rand Road, and Northwest Highway commercial corridors. It also includes the planning for and implementing through project review, the redevelopment of Downtown Palatine, and the annexation growth of the Village over the last nearly 39 years.
- In his capacity on the Plan Commission, Dennis participated in the review of projects that saw Palatine's population grow from 49,000 in 1990 to almost 70,000 today. His steady and passionate leadership through the public reviews of all of the Plan Commission projects, for which he attended over nearly 39 years, is commendable and is measured through a desire to positively impact the Village.
- One of Chair Dwyer's essential roles was to direct the Plan Commission through the land use review of each project. This included suggesting specific conditions to address a potential concern for a proposal or clarifying a project's impact. Dennis calmly ensured that all viewpoints for each proposal were identified for the Plan Commission meetings.

ACTION REQUIRED:
The Mayor and Village Council, all Village of Palatine employees, the Plan Commission and Planning and Zoning Commission, and the entire Palatine community, offer their heartfelt thanks and appreciation to Dennis Dwyer for his commitment and dedication to the Village of Palatine for nearly 39 years of service and wish him the very best in his well-deserved retirement.

ATTACHMENTS:

- RESOLUTION OF APPRECIATION DWYER

RESOLUTION NO. R-__-23

RESOLUTION OF APPRECIATION
DENNIS DWYER, PLAN COMMISSION CHAIRMAN

WHEREAS, the Village of Palatine, on behalf of its citizens, desires to acknowledge its indebtedness and gratitude to Dennis Dwyer for his nearly 39 years of service to the Village of Palatine; and

WHEREAS, on November 13, 1984, Dennis Dwyer became a member of the Plan Commission and on August 28, 1989, was appointed Chair and he consistently worked to serve in the best interest of the residents of Palatine; and

WHEREAS, Dennis has diligently worked with, and as Chair, led the other Plan Commissioners and Staff over the incredible ensuing nearly 39 years; and

WHEREAS, he has provided thorough reviews and input for countless commercial and residential Plan Commission projects, text amendments, long range planning projects, and annexations, during this time; and

WHEREAS, one of his defining roles during this time was his insightful questions, comments, and direction during the meetings, along with his ability to summarize voluminous information during the Public Hearing; and

WHEREAS, Chairman Dwyer is honored for his commitment to public service, dedication to the Plan Commission and its service to the residents, the Village Code, Comprehensive Plan, and its stated goals and objectives; and

WHEREAS, in his service to the Plan Commission, Chairman Dwyer always strove for the betterment of a given project and sought to minimize a project's potential negative impact, while at the same time maximizing the overall quality of the development.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and Village Council of the Village of Palatine extends their heartfelt appreciation to Dennis Dwyer in recognition of his dedicated service to the Village of Palatine and wish he and his wife Carolyn, the best in the years to come.

DATED: June 12, 2023

_____

Jim Schwantz, Mayor

ATTEST:

_____

Margaret R. Duer, Village Clerk

Attachment: RESOLUTION OF APPRECIATION DWYER (Dennis Dwyer - Resolution of Appreciation)

Consider an Ordinance Transferring Special Use #O-87-12 to Permit the Continued Operation of a Yoga Studio at 1 N. Bothwell Street

BACKGROUND:
The Subject Property previously contained “New Level Hot Yoga”, which closed less than 6 months ago. Payton Kiely, of Peak Yoga and Wellness, LLC, is requesting a transfer of the existing Special Use to permit the continued operation of a yoga studio at this location. Therefore, the Petitioner is requesting approval of the following:

> **Transfer of Special Use Ordinance #O-87-12 to Payton Kiely (Peak Yoga and Wellness, LLC) to permit the continued operation of a Yoga Studio at 1 N. Bothwell Street.**

KEY ISSUES:
- A Special Use for the yoga studio was originally approved in 2012. The original Special Use was most recently transferred in 2014, per Ordinance #O-127-14.
- The Petitioner is not proposing any changes to the floor plan. Per the proposed business plan, the hours of operation would increase from 6:30 PM to 8:30 PM on Mondays - Thursdays and Sundays. As this extension in hours occurs outside the hours of operation of the majority of the surrounding businesses, impacts on parking should be limited. In addition, the tenant space has access to the existing parking lot located directly east of the building.

ALTERNATIVES:
1. Recommend approval of the Special Use Transfer.
2. Do not recommend approval of the Special Use Transfer.

RECOMMENDATION:
Staff recommends approval of the Special Use Transfer at 1 N. Bothwell Street.

ACTION REQUIRED:
A motion transferring Special Use Ordinance #O-87-12 to Payton Kiely, Peak Yoga and Wellness, LLC, to permit the continued operation of a yoga studio at 1 N. Bothwell Street.

ATTACHMENTS:
- Aerial Map
- ORD SUT 1 N. Bothwell Street
- EXHIBIT - Peak Yoga Business Plan
- Application
- SU ORD - #O-87-12 (Original Special Use)

GISConsortium

1 N Bothwell Street

0 100 200 ft

Print Date: 6/6/2023

Notes

Disclaimer: The GIS Consortium and MGP Inc. are not liable for any use, misuse, modification or disclosure of any map provided under applicable law. This map is for general information purposes only. Although the information is believed to be generally accurate, errors may exist and the user should independently confirm for accuracy. The map does not constitute a regulatory determination and is not a base for engineering design. A Registered Land Surveyor should be consulted to determine precise location boundaries on the ground.

Attachment: Aerial Map (1 N Bothwell Street - SU Transfer Yoga Studio)

ORDINANCE NO._____

AN ORDINANCE TRANSFERRING SPECIAL USE ORDINANCE #O-87-12 1 NORTH BOTHWELL STREET

WHEREAS, Ordinance # O-87-12 granted a Special Use to permit a yoga studio on the property commonly known as 1 North Bothwell Street; and

WHEREAS, pursuant to Section 14.05(h) in Appendix A of the Village of Palatine Code of Ordinances, in the event of the sale or lease of this business, the Special Use may be transferred after review and consent of the Village Council; and

WHEREAS, since the Village Council did meet on June 12, 2023 to review a request by Payton Kiely, Peak Yoga and Wellness, LLC that the Special Use be transferred to permit the continued operation of a yoga studio with no substantial changes and it was the recommendation of the Village Council that the transfer of the Special Use to Payton Kiely, Peak Yoga and Wellness, LLC be approved without amendment.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Village Council of the Village of Palatine:

SECTION 1: That the Special Use granted by Ordinance # O-87-12 is hereby transferred to Payton Kiely, Peak Yoga and Wellness, LLC, to permit the continued operation of a yoga studio.

Attachment: ORD SUT 1 N. Bothwell Street (1 N Bothwell Street - SU Transfer Yoga Studio)

SECTION 2: **All conditions of Special Use Ordinance #O-87-12 shall remain in full force and effect, excepting the previous business plan, which is replaced by the revised business plan submitted by Peak Yoga and Wellness LLC and is attached as an Exhibit hereto.**

DATED: This _____day of _____, 2023

AYES:_____ NAYS:_____ ABSENT:_____ PASS:_____

APPROVED by me this _____day of _____, 2023

_____
Mayor of the Village of Palatine

ATTEST and FILE in the office of the Village Clerk

this ____ day of _____, 2023.

_____
Village Clerk

Attachment: ORD SUT 1 N. Bothwell Street (1 N Bothwell Street - SU Transfer Yoga Studio)

Outline

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Attachment: EXHIBIT - Peak Yoga Business Plan (1 N Bothwell Street - SU Transfer Yoga Studio)

Executive Summary

Venture Description

Peak Yoga and Wellness is a fitness studio and wellness center providing yoga classes, meditation, lifestyle courses, and educational programs to improve the health and happiness of clients in the northwestern suburbs of Chicago. The facility will have a welcoming lobby area, a studio for sessions, retail space offering training equipment and apparel, a check-in desk, two locker rooms, and an office space. The studio's decor will be inviting to those of all genders and races by maintaining a bohemian theme. Clients will be offered both monthly memberships, session packages, and workshop passes. In addition to teaching yoga to our clients, we will host workshops and courses focused on all areas of wellness including but not limited to emotional health, physical health, financial stability and spiritual enlightenment. We will connect with industry leaders in these areas of expertise to provide our clients the highest level of education. Expanding our offerings beyond yoga classes allows us to broaden our capabilities and expand as a company.

Peak Yoga and Wellness will market our studio through direct advertising, live events and event sponsorship.Our advertising consists of SEA, SMA, and direct mailers. We will be an active part in our community by volunteering with local non-profits and even offering free yoga classes outdoors in the summer months. Our variety of monthly offers outside of yoga classes will maintain a high level of interest from both our clients and the community. These programs are implemented as a tool for learning, inspiration, as well as staff development.

As the company matures, we will introduce a retail product line, teacher training programs to educate others and recruit staff members, and offer in-house specialties like reiki and nutritional counseling. We will expand our offerings into weekend or week long yoga retreats and yoga festivals to create a deeper sense of community. We intend to grow into multiple locations within the Chicagoland area.

Opportunity/Need

The yoga industry is currently a $30 billion industry, expected to grow to $67 billion by 2027. Practicing yoga and focusing on our personal wellness improves our overall physical, mental, spiritual and social lives. The growing desire for these types of communities and practices within our busy lives has made yoga and meditation a popular need. The Palatine, Schaumburg, and Arlington Heights area does not have a prestigious studio offering quality classes and courses that help elevate all areas of life.

Changes to Building

The only changes we will be making to the interior of 1 N Bothwell will be to change the flooring in the studio space to hardwood and painting the studio and bathroom walls.

Attachment: EXHIBIT - Peak Yoga Business Plan (1 N Bothwell Street - SU Transfer Yoga Studio)

Marketing Plan

5 P's - Product, Price, Place, Promotion, and People

Our product will consist of a variety of yoga and meditation classes, workshops and lifestyle courses. We will have space available within the studio to offer reiki, massage, sound healings, and nutritional counseling. It will have a neutral appearance to appeal to all genders, races, and age groups. We will be working with trained professionals to offer the highest quality classes and courses within the area. We will host a retail space selling yoga mats, apparel, books, and jewelry. We will have water bottles and snack bars available for purchase. Clients will be able to rent sweat and shower towels as well as yoga mats for use. Every client will be required to sign a waiver and keep a credit card on file.

Our pricing will be broken into multiple structures that are consistent within this type of community. We will offer memberships starting at 8 classes a month for $99, 1 Month unlimited yoga/meditation classes at $119, 3 month unlimited for $335, and a yearly unlimited for $1,199. Clients can drop in to a class without a membership for $20. We will offer a 5 class pack for $80, a 10 class for $160, and 20 for $300. One-off workshops can range from $15-100 per workshop. Multiple week long courses will range about $170. New clients can enjoy their first week of classes for free or one month unlimited for $50. Memberships will start on the date they signed up and auto-renew either monthly, every 3 months, or every year. We will offer summer discount memberships to students and teachers.

Our place will be located in downtown Palatine which is a lively area filled with many restaurants, bars, and other retail stores. There is a train station and grocery store nearby. It is easily accessible off one of the main roads that travels from downtown into surrounding neighborhoods. It can even be walked to from many nearby apartments and condos. The space itself is open and bright, which offers a very welcoming environment. The studio room can hold about 25 students per class. The lobby is large which offers opportunities for workshops, wellness expos, and other classes to be held. The lobby also creates a perfect environment for people to hangout after class and enjoy community engagement. The men and women's locker rooms provide clients everything they need to freshen up after class before heading out into their day. A small room to the side provides a perfect place for additional wellness services like reiki, massage, and nutritional counseling.

Our promotion will come largely from our community engagement. We intend to be a part of all the area's local festivals and gatherings to engage with those in the community we serve. We will use direct mail marketing, SMA, and SEA to target the clients who would benefit most from a consistent yoga practice. We will have a strong presence on social media platforms like facebook and instagram to continue engagement with the community and members outside of our space.

Our people will be welcoming, friendly, and non-discriminatory. Our instructors will be highly trained within their craft and encouraged to continue furthering their education. Our staff will be knowledgeable not just in teaching yoga, but in other ways they can contribute to the wellness of our

Attachment: EXHIBIT - Peak Yoga Business Plan (1 N Bothwell Street - SU Transfer Yoga Studio)

members. They will be a diverse group of humans so that people of all shapes, genders, and races can feel at home within our space.

Target Markets

Our target market will be women in the age range of 20-55 with medium to high income. They will be moms and/or already showing interest in health/fitness. They will live within a 5-10 mile radius from our studio location.

Market Analysis

Yoga has become one of the most popular fitness and mental health practices around the world, and its rapid growth is showing no signs of slowing. Here are some statistics on the yoga industry:

- More than 36 million Americans practice yoga.
- The average American yoga practitioner spends $1,080 a year on classes, workshops, and Equipment.
- There are 48,547 yoga and pilates studios in the U.S.
- The U.S. yoga industry earns $9.09 billion in annual revenue.
- The yoga industry is expected to have a CAGR of 9.6% from 2021 to 2027.
- The average yoga practitioner in the U.S. spends $62,640 on yoga classes, workshops, and equipment over their lifetime.
- The percentage of American adults doing yoga increased from 9.5% in 2012 to 14.3% in 2017.
- The number of Americans doing yoga increased by 10.99 million from 2008 to 2018

Why people buy yoga:

- 61% of people use yoga to improve mobility and flexibility
- 54% of people said they started practicing yoga to release tension.
- 52% said they did it to improve their physical and mental strength
- 43% said they did it to feel happier
- 27% said they took up yoga to get more time for themselves
- 21% to feel less lonely
- 20% to help them unplug from technology

References:

- https://www.zippia.com/advice/yoga-industry-statistics/#:~:text=The%20global%20yoga%20industry%20is%20projected%20to%20be%20worth%20%2466.23,with%20a%20CAGR%20of%2010.8%25.
- https://blog.gitnux.com/yoga-industry-statistics/#:~:text=The%20U.S.%20market%20size%20of,reach%20%2411.6%20billion%20by%202020.

Attachment: EXHIBIT - Peak Yoga Business Plan (1 N Bothwell Street - SU Transfer Yoga Studio)

- https://www.zippia.com/advice/health-and-wellness-industry-statistics/#:~:text=Here%20are%20some%20statistics%20about,products%20is%20about%20%24186%20billion.

Purchasing Patterns and Frequency:

Like most of the fitness and health industry, the peak season for Yoga is at the start of the year. People make new year's resolutions and are ready to take on new ventures to help them reach those goals. The industry stays fairly steady through the spring months, but notices a dip during summertime. This is due to rising temperatures which can be a turn off for a hotter style class. Members also travel more during these times, have children off of school they need to tend to, or take more of their movement outside. As summertime dies down and fall begins to kick in, numbers begin to pick up and continue to rapidly grow throughout the winter.

Differentiation and Competitive Advantage

There are a few things that will set us apart from other yoga studios within the area. The biggest being that we are also a wellness center built in. Our world is one where people love convenience, so being more of a one-stop-shop for their health needs is essential. Another major item that sets us apart from the competition is the use of aerial yoga. This is a niche within the market that has only recently started being tapped into. Most studios offering this style of yoga are located in downtown Chicago, and definitely no others within our area. Another competitive advantage is the wide variety of classes and workshops we have to offer. Meditation specifically is not typically offered weekly within yoga studios, but it is something people are becoming more and more interested in as the scientific benefits start to come out. Our workshops will appeal to those who may not be interested in a more traditional yoga class.

Social Media and Community Involvement

The main social media platforms we will be focusing on are facebook, instagram, and tik tok. Both facebook and instagram appeal to the masses, but tik tok has become one of the most important apps for promotion and becoming discovered. We will have a small budget to pay for advertisements on fb/instagram. We will also have a fb group for our members as another place to keep them updated on the happenings around the studio. The biggest way we will communicate directly to members will be through newsletters to their email.

We will host donation based yoga classes outdoors in the summer months. We understand yoga is not always affordable or accessible to all, so this is one way we can share the gift within our community. We will have a marketing booth set up at Palatine Jaycees Hometown Fest and the Palatine Street Fest to further engage with our community and let them know what we are about and how we can help them. By joining the Downtown Palatine Business association, we will be a part of the “Girls on the Town” event in May, Sidewalk sales in June, and Holidays on the town In November. We will donate to the Sweet Pea

Attachment: EXHIBIT - Peak Yoga Business Plan (1 N Bothwell Street - SU Transfer Yoga Studio)

Pet Parade during streetfest. A few times out of the year we will find ways to support a non-profit with our staff and members like working at a local food kitchen or hosting food/clothing drives. One to two times a year we will host a wellness expo to promote small businesses and other wellness companies in the area.

Branding

Our logo will be a simple design of a triangle to symbolize the peak of a mountain. We will use powerful verbiage and imagery of mountain ranges to indicate how clients themselves will reach new “peaks” through mindfulness, movement, and meditation. We will use soft but bright variants of blues and purples that appeal to all genders.Our wording will be inviting to clients to discover “a new you”.

Management Team:

Mission

Our mission is to help others connect and discover the happiest, healthies, and most aligned versions of themselves through the tools of yoga, meditation, and wellness.

Vision

Our vision is to become the leading space for our community to come to to move their body, quiet their mind, and elevate their wellness in all areas of life. We will have connections with nutritionists, health coaches, reiki/massage therapists, financial advisors, people with expertise in areas outside of yoga to guide our clients to the happiest and healthiest version of themselves. I will be a source for my teachers to continue to grow and learn so they can achieve their own goals.

Roles and Responsibilities

As the sole proprietor and manager of the business, I will be fully responsible for all tasks at the studio with hopes to grow enough to have a studio manager's assistance. My mother, Sharon Pinsky, will be on staff to assist with accounting and payroll. Other staff members will have the opportunity to assist with minor things around the studio like cleaning and working the front desk.

Growth Plan

Once we have a steady pace of memberships, we will begin to introduce workshops and courses on topics that will appeal to members of all types. We will start with a book club to begin introducing deeper topics of yoga in a way that is easily relatable. We will host a chakras painting workshop as a fun night out that still encompasses learning. We plan to host mommy and me yoga classes a few times throughout the year. From there, we will continue to offer at minimum 1-2 workshops a month to expand our offerings and opportunities for clientele. We will also implement 4 week long courses with more detailed topics like “yoga for sedentary lifestyle” As the interest grows, about 2-3 years in we will begin to host our own

Attachment: EXHIBIT - Peak Yoga Business Plan (1 N Bothwell Street - SU Transfer Yoga Studio)

teacher training programs to educate others and assist with recruiting staff members. These will also help to increase our monthly revenue by taking large sum payments or offering payment plans.

To expand into yoga retreats, we will start by hosting a long weekend long retreat somewhere close by in the midwest area. As our knowledge in this realm grows, we will look to expand to week long trips somewhere more tropical like Costa Rica. We will have workshops and yoga classes at both music and yoga festivals, with the potential to create our own festival down the line.

At year 4-5, we will reassess and see if we are ready to expand into a second location.

Operations:

Policies and Procedures

Our studio will be open:

Mondays 9:00 AM - 1:30 PM, 5:00 PM - 8:30 PM

Tuesdays 6:00 AM - 10:30 PM , 5:00 PM - 8:30 PM

Wednesdays 9:00 AM - 1:30 PM, 5:00 PM - 8:30 PM

Thursdays 6:00 AM - 10:30 PM , 5:00 PM - 8:30 PM

Fridays: 6:00 AM - 1:30 PM

Saturdays 7:30 AM - 1:30 PM

Sundays 7:30 AM - 1:30 PM , 6:30 PM - 8:30 PM

Code of Conduct

Our code of conduct is a tool to keep consistency with all of our employees. It indicates our company's core values and expectations.

Dress Code: Instructors are expected to show up in professional yoga gear with their hair tied back in a neat fashion. Our personal branded shirts are not required, but highly encouraged. For any staff hosting Reiki/Massage/Nutritional counseling, we require a more casual but professional look. No shorts or crop tops.

Technology Use: Staff will only use their phones to play music for the studio. Absolutely no texting is allowed while leading a class. The staff tablet is to only be used for our software program to help sign in clients and ring in sales. Staff should be comfortable with the studio software to the point they can handle these things on their own.

Expectations of company culture and behavior: Instructors are expected to arrive at the studio 30 minutes prior to their class start. This time should be used to set up the room as needed for your class, to check members in, and prepare for your class. Preparation may include putting on music in the studio and

Attachment: EXHIBIT - Peak Yoga Business Plan (1 N Bothwell Street - SU Transfer Yoga Studio)

lobby, starting the heat for the studio room, setting up props for class, and turning on candles in the studio. We encourage staff to check the bathrooms prior to class to make sure toilet paper and hand towels are stocked and everything tidy. Once all members are inside for class, the doors to the building will be locked until class is complete. After class, the instructor is required to mop the studio floor, tidy up any props, turn off the candles/music/heating equipment. Doors should be locked as the instructor leaves the studio. If an instructor is continuously calling out sick, requesting time off, or subbing their classes out to another instructor, disciplinary actions will be taken. We understand things come up, but the use of this should not be taken advantage of. We want our staff to enjoy coming in to work. If a substitute for your classes is needed, please reach out to management asap to find a solution. Staff should be able to speak confidently to our different membership options, workshops, and any other happenings around the studio. Our staff is expected to treat every member and non-member that walks through our doors with courtesy and respect. If any harassment or discrimination takes place, the staff member will be fired immediately. If there is any issue with another staff member, please bring it to the attention of management immediately.

Disciplinary actions: As stated above, if harassment or discrimination takes place against any other staff members, studio members, or potential clients that walk through our door, the staff member will be fired immediately. If a staff member does not align with our company morals, the staff member will be let go. We have a high standard of culture here at Peak, and our staff should reflect those morals. In the act of a staff member inconsistently showing up for their shifts, a warning and discussion will take place. If no changes in behavior are shown, the staff member will be let go.

Terms of employment: All instructors will be on a 60 day trial. Each staff member will go through training with management on how to operate the software system. Management will educate instructors on how to operate all studio equipment including the heating for the studio space. Management will work with each staff member to make sure their teaching is consistent with all other staff members and to offer any further guidance and training as needed. During this time frame, if the instructor does not seem to match the morals or teaching style of our studio, either further training will take place or the staff member will be let go. All instructors will start with a base rate of $25/per class. If a staff member shows improvement within their teaching and numbers of students per class, a raise will be discussed. Staff members have the option to make more income by hosting their own workshops, reiki services, or other wellness services in house. Compensation will be fairly discussed based on the service. If a staff member is unable to show up to their shift due to being sick or vacation, no compensation will be made and the staff member filling in will be compensated for their coverage.

Safety Policies

Safety is our number one priority. There is a fully staffed first aid kit in the back room near the cleaning supplies to be used as needed. In case of an emergency such as a fire, the staff member on duty is expected to safely evacuate all clients from the building. During the act of a tornado, the staff member will

Attachment: EXHIBIT - Peak Yoga Business Plan (1 N Bothwell Street - SU Transfer Yoga Studio)

guide all members into the women's restroom until sirens have stopped and the news reports are all clear. For safety while hosting a class, staff members should be knowledgeable in ways to modify postures as needed for clients. Blocks, straps, bolsters, and blankets will be provided in the studio space and encouraged for use. In the act of an injury, 911 and management should be called immediately. Each member that signs up will be required to sign a waiver and include a safety/personal contact on their account.

Privacy Policies

Absolutely no member information should be shared to outside sources by any staff members under any circumstance.

Payment Policies

Clients are required to have an active membership, class pack, or drop in to be signed up for class. Walkins are welcomed, but will be turned away if the class is filled. For memberships that auto-charge monthly, clients will be required to have an active card on file. To avoid higher card processing fees, clients may also link their bank account to their membership profile. If a payment fails, clients will need to update their payment method for their membership to become valid again. If no new payment is added, the membership will be dropped. No classes will be allowed if the client does not have a membership, class pack, drop in, or new member trial.

Daily Operations

Our main focus for day to day operations will be leading our yoga and meditation courses. Each day will have 4 classes that run either 60-75 minutes long. Fridays and Saturdays will have 3 classes to start. When classes are not in session, the owner will be working within our software system to create weekly newsletters to keep our email list up to date with the studio happenings. The system will also be used to create custom workflows to reach out to new members/leads/members that have not been to the studio in a while. These will be automated communications that show we care and to assist with drawing in new clients. This will also be used for members we haven't seen in a while to also help get them back into classes. The owner will be using software to create marketing pieces to share around the studio, social media marketing, and within the community. Our in-house accountant will help with budgeting and payroll tracking.

An average of 2 times a week we will also host a variety of workshops, book clubs, or courses to keep members and non-members engaged with themselves and the learning process. We will also have an on-call policy for our instructors hosting services such as reiki, tarot, and nutritional counseling. These services will only be offered during our normal business hours but will help to generate more income.

Attachment: EXHIBIT - Peak Yoga Business Plan (1 N Bothwell Street - SU Transfer Yoga Studio)

Retail Management

Our studio software will work as our point of sale system to track what we have in stock. Our retail section will mainly consist of yoga and wellness books. We will sell yoga clothes with our logo and name on them. We will also sell some yoga mats and accessories like headbands. We will feature handmade jewelry that ties in with our brand and theme. We will feature yoga mats, water bottles, and towels for rent. We will also have some snack bars to buy to refuel after class. We will add more options overtime as the need grows.

Teacher Trainings

About 1-2 years in is when we will introduce our own teacher training program. This will give plenty of time for our students to grow and see the benefits of the practice enough to want to share it with the world. These programs will be a tool to engage the community with deeper understanding of yoga. They will also be a way for us to grow our own team of instructors. Our training will meet 3 times a week (one week night, a Friday and Sundays). The training will cover everything from history, anatomy, teaching styles, philosophy, etc… They will be an excellent source of extra income as the program will be $2,500. Payment plans will be available with a discount to those who choose to pay in full.

Special Events

More details to come, but as we have discussed in prior sections we will be a part of all the Downtown Palatine Association events. We will also plan to run our own wellness expo 1-2 times per year. We will host 4-6 week long courses on specific topics like yoga for athletes and yoga for sedentary lifestyle. One off workshops from wellness industry professionals will include topics like nutrition and financial stability. In house workshops will cover things like breathwork, learning the chakras/energy systems through painting, book clubs, and more. Each event will provide a chance for members to learn and grow. Around the holidays we will host food and clothing drives with a local charity.

Appreciation Days

Staff appreciation will be held in the form of a team outing around the holiday season. Each team member will also be celebrated on their birthday with a personalized gift and a card signed by all other staff members.

Member appreciation will be in honor of clients hitting class mile markers like 100, 200, etc… Depending on the mile marker, this will be celebrated with things like free merch, a free pass to a workshop, gift cards, etc..

Appreciation for our community will be shown through our outings of working together with local non-profit organizations. We will also show our appreciation by hosting our donation based outdoor yoga classes.

Attachment: EXHIBIT - Peak Yoga Business Plan (1 N Bothwell Street - SU Transfer Yoga Studio)

Attachment: EXHIBIT - Peak Yoga Business Plan (1 N Bothwell Street - SU Transfer Yoga Studio)

dotloop signature verification: dtlp.us/OVAu-tvJF-4uOz

VILLAGE OF PALATINE

SPECIAL USE TRANSFER

Department of Planning & Zoning
200 E. Wood Street · Palatine, IL · 60067-5339
Telephone: (847) 359-9047 · Fax (847) 963-6247

Required Materials

- □ Application Form
- □ Business Plan (including but not limited to nature of business, hours or operation, number of employees, floor plan, menu, and any proposed changes to the business
- □ Proof of Ownership

Business Owner(s):

Payton Faye Kiely

Subject Property Address:

1 N Bothwell Palatine IL 60067

The owner(s) listed above are requesting that Special Use Ordinance # O-87-12 be transferred from New Level Hot Yoga to individuals(s) and/or company listed above. I have read the ordinance(s) and agree to comply with all applicable ordinance(s) and any conditions contained therein. As the new business owner(s), the following changes (if any) are proposed to the business operation and/or floor plan:

Please refer to attached business plan for further details. The floor plan will stay the same. Expected employees to range from 4-8.

Business hours as follows:

Monday and Wednesday 9:00AM - 1:30PM, 5:00 PM - 8:30 PM

Tuesday and Thursdays 6:00 AM - 1:30 PM, 5:00 PM - 8:30 PM

Fridays 6:00 AM - 1: 30 PM

Saturdays 7:30 AM - 1:30 PM

Sundays 7:30 AM - 1:30 PM, 6:30 PM - 8:30 PM

I understand that if the Village determines the nature or characteristics of the business will substantially change, a new Special Use may be required.

Attachment: Application (1 N Bothwell Street - SU Transfer Yoga Studio)

ORDINANCE NO. 0-87-12

AN ORDINANCE GRANTING A SPECIAL USE FOR 1 N. BOTHWELL STREET (CASE NO. 12-48)

Attachment: SU ORD - #O-87-12 (Original Special Use) (1 N Bothwell Street - SU Transfer Yoga Studio)

Published in pamphlet form by authority of the
Mayor and Village Council of the Village of Palatine
on June 25, 2012

ORDINANCE NO. 0-87-12

AN ORDINANCE GRANTING A SPECIAL USE FOR
1 N. BOTHWELL STREET (CASE NO. 12-48)

WHEREAS, pursuant to a petition and public hearing on June 12, 2012, of which public notice was given as required by law, the Zoning Board of Appeals of the Village of Palatine, in accordance with the Zoning Ordinance of the Village of Palatine, in such case made and provided, has held such public hearing and reported their findings relative to a request for a Special Use to permit a health club (Yoga Studio) larger than 3,000 square feet pursuant to Section 11.02(d)(17) of the Palatine Zoning Ordinance, on the following legally described property:

> Lot 4 in Block "M" in the Town of Palatine, a subdivision of the West 16 2/3 acres of the South 31 acres of the South 31 acres of the West 1/2 of the Southwest 1/4 of Section 14 and the Southeast 24.12 acres of the South 31 acres of the East 1/2 of the Southeast 1/4 of Section 15, Township 42 North, Range 10 East of the Third Principal Meridian, in Cook County, Illinois
>
> commonly known as 1N. Bothwell Street (PIN #02-15-431-008)

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Village Council of the Village of Palatine, Cook County, Illinois, acting in the exercise of their home rule power that:

SECTION 1: A Special Use to permit a health club (Yoga Studio) larger than 3,000 square feet pursuant to Section 11.02(d)(17) of the Palatine Zoning Ordinance, is hereby granted, subject to the following condition:

Attachment: SU ORD - #O-87-12 (Original Special Use) (1 N Bothwell Street - SU Transfer Yoga Studio)

1. The Special Use shall substantially conform to the Floor Plan attached hereto as Exhibit 'A" and the Business Plan attached hereto as Exhibit 'B," except as such plans may be changed to conform to Village Codes and Ordinances.

SECTION 2: That a copy of the public notice and the report of the hearing be attached hereto and form a part of this ordinance.

SECTION 3: That this ordinance shall be in full force and effect from and after its passage and approval as provided by law.

PASSED: This 25th day of June, 2012

AYES: 5 NAYS: 0 ABSENT: 1 PASS: 0

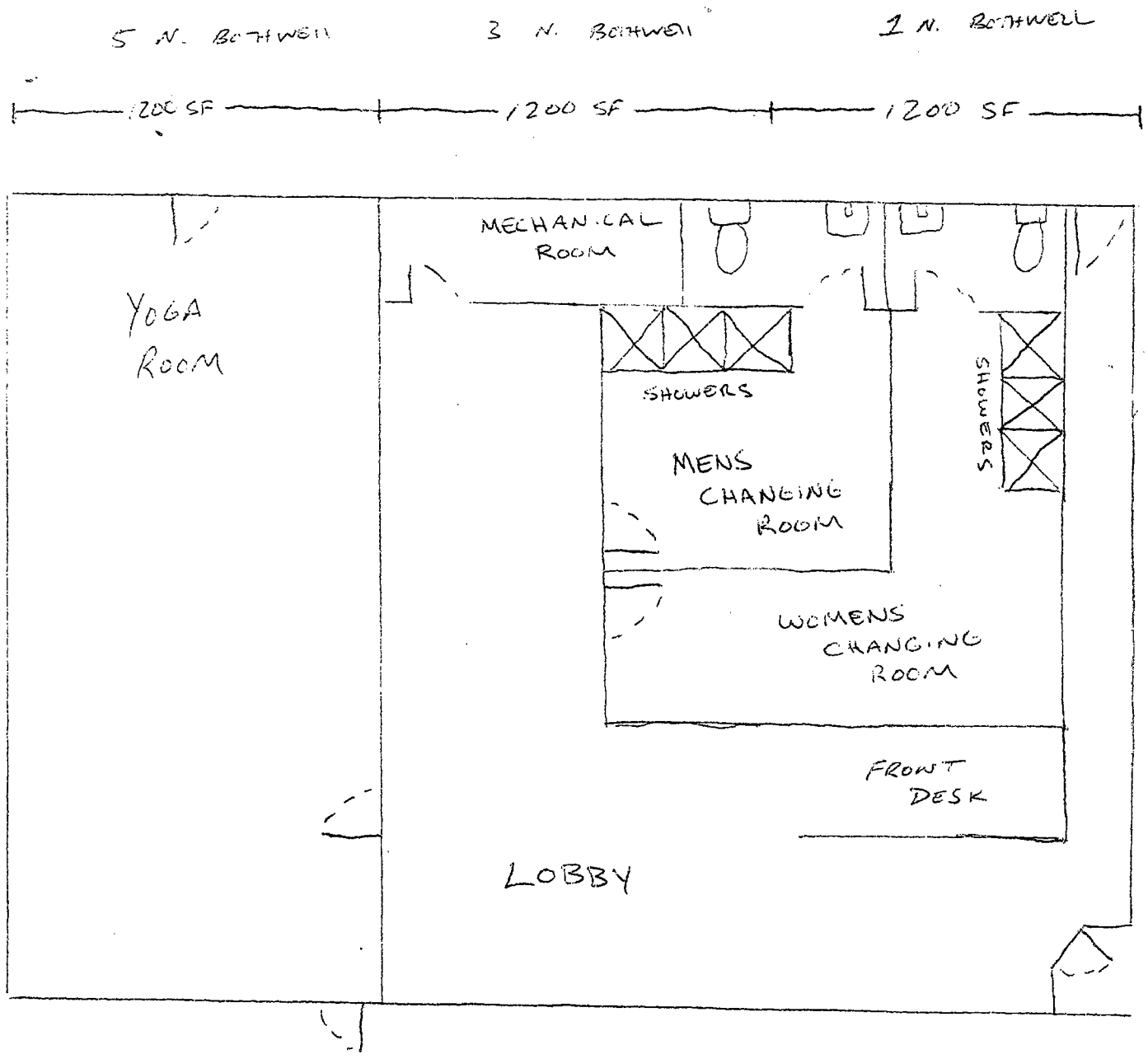
APPROVED by me this 25th day of June, 2012

Mayor of the Village of Palatine

ATTESTED and FILED in the office of the Village Clerk this 25th day of June, 2012

Village Clerk

Attachment: SU ORD - #O-87-12 (Original Special Use) (1 N Bothwell Street - SU Transfer Yoga Studio)


5 N. BOTHWELL
3 N. BOTHWELL
1 N. BOTHWELL
1200 SF
1200 SF
1200 SF
YOGA ROOM
MECHANICAL ROOM
SHOWERS
SHOWERS
MENS CHANGING ROOM
WOMENS CHANGING ROOM
FRONT DESK
LOBBY
← PALATINE RD →
← BOTHWELL ST →

Proposed Opening Day Class Schedule
All Classes 90 minutes in length.

Monday		9:30a	12:00p	4:00p	6:30p
Tuesday		9:30a		4:00p	6:30p
Wednesday		9:30a	12:00p	4:00p	6:30p
Thursday		9:30a		4:00p	6:30p
Friday		9:30a	12:00p	4:00p	
Saturday	8:00a	10:30a		4:00p	
Sunday	8:00a	10:30a		4:00p	

At our current location in St. Charles, IL we average 20 students per class throughout the year.
Summer time is slower, Winter is busier.

EMPLOYEES 2-8

Attachment: SU ORD - #O-87-12 (Original Special Use) (1 N Bothwell Street - SU Transfer Yoga Studio)

VILLAGE OF PALATINE
DEPARTMENT OF PLANNING & ZONING
200 E. Wood Street · Palatine, IL · 60067-5339
Telephone: (847) 359-9047 · Fax (847) 963-6247
www.palatine.il.us · Action Line (847) 705-5200

DATE:	June 12, 2012
TO:	Mayor and Village Council
FROM:	Jan Wood, Chair, Zoning Board of Appeals
RE:	Findings of Fact
ZONING CASE:	12-48
PETITIONER:	Doug O'Neil and Agata O'Neil dba Trikanasana, Inc.
LOCATION:	1 N. Bothwell Street
PROPOSAL:	Special Use to permit a health club (Yoga Studio) larger than 3,000 square feet pursuant to Section 11.02 (d) (17) of the Palatine Zoning Ordinance.

PUBLIC HEARING:

After due notice as required by law, the Zoning Board of Appeals conducted a hearing relative to the above mentioned petition on June 12, 2012.

The petitioners, Doug O'Neil and Agata O'Neil, were present and provided testimony as to the reasons for the request and why he believed that the petition met the necessary standards. No objectors were present.

Christina Johnson, Planning and Zoning Department, was present and testified it was Staff's recommendation to approve the proposal.

FINDINGS:

The Standards have been met.

RECOMMENDATION:

Therefore, by a vote of 9 Ayes to 0 Nays, the Zoning Board of Appeals voted to recommend approval of the Special Use to permit the above proposal subject to the following conditions:

1. The Special Use shall substantially conform to the floor plan attached hereto as Exhibit "A" and the business plan attached hereto as Exhibit "B" except as such plans may be changed to conform to Village Codes and Ordinances.
2. In accordance with the business plan, the maximum class size shall not exceed 20 students.

Attachment: SU ORD - #O-87-12 (Original Special Use) (1 N Bothwell Street - SU Transfer Yoga Studio)

IV. **12-48** **1 N. Bothwell Street**
Special Use to permit a health club (Yoga Studio) larger than 3,000 square feet pursuant to Section 11.02(d)(17) of the Palatine Zoning Ordinance.

Notice was published on May 28, 2012, and mailed to nearby property owners.

Petitioner's exhibits:
1. Letter of intent
2. Plat of survey
3. Business plan
4. Floor plan

Ms. Johnson gave the background to this request. The Subject Property contains three tenant spaces in the shopping center at the northeast corner of Bothell Street and Palatine Road. The Petitioners, lessees of the property, wish to operate a yoga studio. Therefore, the Petitioners are seeking a Special Use.

ANALYSIS:

- The Subject Property is zoned B-1, General Business.
- Businesses within the strip center include restaurant/bar and several vacant spaces.
- Petitioner is proposing to open a yoga studio and occupy tenant spaces 1- 5 N. Bothwell.

Business Operations

- Business name would be Birkram Yoga Palatine.
- The business would employee 2-8 people.
- The proposed hours of operation are Monday – Friday, 9:30am to approx. 8:00pm, Saturday and Sunday, 8:00am to approx. 5:30pm.
- The business plan indicated that there are no more than 4 classes per day, 90 min in length.
- There is an average of 20 students per class.

Floor Plan

- The tenant space is approximately 3,600 square feet. A complete remodel of the space is proposed.
- The new space will include a lobby area, men's and woman's changing rooms with showers, mechanical room and yoga room.

Parking

- The approximate size of the space is 3,600 square feet; 12 parking spaces would be required (1 space per 300 s.f.). With the added business service, Staff has no concerns about the parking.
- In addition to street parking, there are 3 near by public lots which could be utilized by customers.
- The property owner has received approval from the Village for a new parking lot to the east of this building which could be utilized by customers. The new lot would contain 13 parking spaces and a loading area.

DEPARTMENTAL REVIEWS:

Community Services	No comments.
Engineering	No comments.

DRAFT

Attachment: SU ORD - #O-87-12 (Original Special Use) (1 N Bothwell Street - SU Transfer Yoga Studio)

Environmental Health	N/A
Fire Prevention	Existing fire alarm system from previous tenant (restaurant) will need to be removed.

Ms. Johnson reviewed a photo of the property.

Ms. Roth-Wurster asked if the petitioners would take over the 1 North, 3 North and 5 North addresses; yes, the spaces would be combined into 1 North Bothwell Street.

The Petitioners, Aga and Doug O'Neil of Elgin, were sworn in. Mr. O'Neil said they have owned a yoga studio in St. Charles for four years and want to add a second location. They have students from North Barrington and the Palatine area, and they have family in the area, so they chose Palatine.

Mr. Coleman asked if they'd spoken to the neighboring businesses; no. They've communicated with the building owner, who said there would be no problem with their business. He asked about signage; there are 2 awnings which would have signage, one on Bothwell and the other on Palatine Road. There are lightboxes. He asked how long they'd be lit; that will be decided at the permit stage. Mr. Coleman asked what requirements or regulations the State has for this type of business; none.

Ms. Wood asked the number of students expected, their age, parking demand; Mr. O'Neill said the classes average 20 people, from 5 to 40 people in one class. Winter is busier for them. The average age is 30-45, a mix of 12 to 70 years of age. Some people walk or bike to class. Ms. O'Neill added that they are near the train station.

Mr. Friedman asked the petitioners to explain 'hot yoga'; the temperature of 105 degrees is up, so the students sweat for 90 minutes, giving a deep cleansing. He asked if there is more mechanical equipment for the heat; no, they will use the rooftop units that are existing, and a humidifier.

Ms. Wood asked about evening parking demand in the winter months; he drove by today and counted 35 open parking spaces on Railroad Avenue and the parking lot on Palatine Road. They want good parking, too, as that is good for their business. They will hold 4 classes per day, maximum of 5 classes, if they add a 6:00 AM class. They won't have classes on Friday and Saturday evening. They don't have those class times at their current St. Charles location

Ms. Roth-Wurster asked if the bathrooms will be ADA compliant; yes, the existing restrooms are currently ADA compliant.

Mr. Christopher asked what the procedure is if someone has a health issue like overexertion, is there first aid; most of their teachers are CPR certified. Mr. O'Neill said that 'hot yoga' is not as scary as it sounds. Mr. Christopher asked if there is any first aider; no response from the petitioner. Ms. O'Neill stated that first time students are given an intro with how to prepare for the classes and told to lay down or leave the room if needed, that not every posture needs to be done.

Ms. Wood asked about staffing; each of the O'Neills will be at one of their locations, they may hire a manager for the other (St. Charles) location.

DRAFT

Attachment: SU ORD - #O-87-12 (Original Special Use) (1 N Bothwell Street - SU Transfer Yoga Studio)

Ms. Johnson stated they have removed Condition #2 of Staff's recommendation.

Ms. Johnson stated that the Special Use requested for a yoga studio should not have any negative impacts to surrounding business or residents, as it will only have limited class times which would be spaced out through the day. Staff believes this complimentary use to the downtown. Therefore, Staff recommends approval of the Special Use with the following condition:

1. The Special Use shall substantially conform to the Floor Plan attached hereto as Exhibit 'A" and the Business Plan attached hereto as Exhibit 'B," except as such plans may be changed to conform to Village Codes and Ordinances.
2. In accordance with the business plan, the maximum class size shall not exceed 20 students.

Ms. Wood asked Staff about peak parking demand in downtown; after work, dinner time, and later on Friday and Saturday evenings.

Ms. Roth-Wurster asked about the gravel area behind the property, if it will be paved before this business opens; Staff said no permits have been received for this work yet.

There was nothing further. There were no audience comments. The public hearing was closed.

Deliberations:

Ms. Roth-Wurster made a motion to approve the request, subject to Staff's recommendation; seconded by Mr. Coleman. Ms. Roth-Wurster said the standards have been met, that this would be a welcome business at this location. She is comfortable with the plan; Ms. Wood agreed.

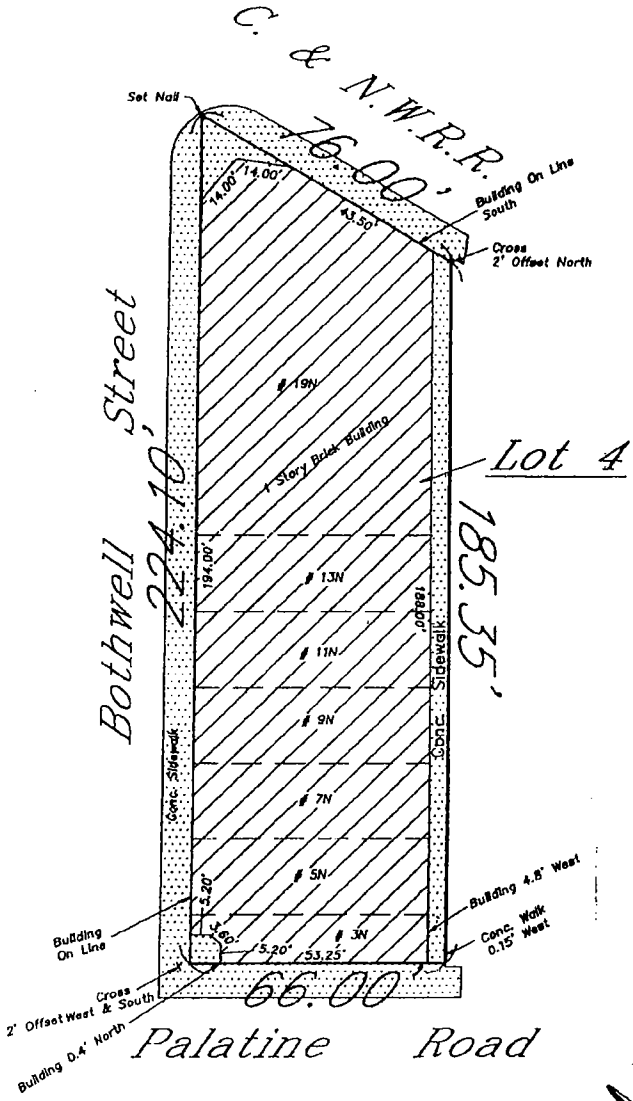
Vote: All Ayes (9-0)

DRAFT

Attachment: SU ORD - #O-87-12 (Original Special Use) (1 N Bothwell Street - SU Transfer Yoga Studio)

PLAT OF SURVEY

LOT 4 IN BLOCK "M" IN THE TOWN OF PALATINE, A SUBDIVISION OF THE WEST 16 2/3 ACRES OF THE SOUTH 31 ACRES OF THE SOUTH 31 ACRES OF THE WEST 1/2 OF THE SOUTH WEST 1/4 OF SECTION 14 AND THE SOUTH EAST 24.12 ACRES OF THE SOUTH 31 ACRES OF THE EAST 1/2 OF THE SOUTH EAST 1/4 OF SECTION 15, TOWNSHIP 42 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.



STATE OF ILLINOIS)
COUNTY OF McHENRY) S.S.

ILLINI TECHNICAL CONSULTANTS HEREBY CERTIFY THAT THEY HAVE SURVEYED THE ABOVE DESCRIBED PROPERTY, AND THAT THIS PLAT CORRECTLY REPRESENTS SAID SURVEY PERFORMED, AND THE ON SITE CONDITIONS PRESENT ON THAT DATE.

DATED: 3-11-99

ILLINOIS LAND SURVEYOR # 2834

WAYNE A. SCHULTZ 2834 REGISTERED LAND SURVEYOR OF ILLINOIS

JOB NUMBER: 99-369B

ILLINI TECHNICAL CONSULTANTS P.C.
LAND SURVEYORS- SITE DEVELOPMENT MANAGEMENT
807 GLENDALE DRIVE
CRYSTAL LAKE, ILLINOIS
(815) 455-7

PETITIONER'S EXHIBIT
4

Attachment: SU ORD - #O-87-12 (Original Special Use) (1 N Bothwell Street - SU Transfer Yoga Studio)

VILLAGE OF PALATINE

SPECIAL USE

Department of Planning & Zoning
200 E. Wood Street · Palatine, IL · 60067-5339
Telephone: (847) 359-9047 · Fax (847) 963-6247

Office Use Only		
	Project Planner	Zoning Case # 12-48
	Filing Fee	Notification Deadline
	ZBA Public Hearing Date	Village Council Date

RECEIVED
MAY 23 2012
PLANNING & ECONOMIC DEVELOPMENT
date received

Background Information

Petitioner(s) DOUG O'NEIL

Business Name (if applicable) TRIKANASANA INC.

Subject Property Address 1 N. BOTHWELL PALATINE

Authorized Agent (if applicable)

Business Name (if applicable)

Address

City/State/Zip Code

Telephone	Fax	Email

Relationship to Petitioner (contractor, architect, etc.)

Type of Application (check one)

☒ Special Use ☐ Special Use Amendment ☐ Variation

Existing Zoning District	Existing Land Use	Proposed Land Use
B-1		

Generally describe your request: I WOULD LIKE TO TURN 1 N. BOTHWELL INTO A HOT YOGA STUDIO.

PETITIONER'S EXHIBIT
1

Attachment: SU ORD - #O-87-12 (Original Special Use) (1 N Bothwell Street - SU Transfer Yoga Studio)

VILLAGE OF PALATINE

SPECIAL USE

Required Materials

- ☐ Filing Fee of $ _____
- ☐ Application Form
- ☐ Plat of Survey (must show all current improvements and be sealed by an Illinois certified surveyor)
- ☐ Site Plan (dimension, location, and setbacks of all existing and proposed buildings) – **one 11x17 copy, electronic version preferred**
- ☐ Real Estate Interest Disclosure Form (see attached)
- ☐ Proof of Ownership or Lease (e.g. Title Insurance Policy, Deed, or Purchase Contract)
- ☐ Business Plan (if applicable; including, but not limited to nature of business, hours of operation number of employees, floor plan, and menu)

Additional Materials (as required by the Village)

- ☐ Elevation Plan (front, side, and rear elevations of a proposed building), and/or Floor Plan (proposed interior layout) – **one 11x17 copy of each plan, electronic versions preferred**
- ☐ Engineering Plans (must indicate existing conditions, topography, storm water management, tree preservation, utility connections, detention calculations, and a cost estimate)
- ☐ Photographs (e.g. ground-level or aerials)
- ☐ Other materials as deemed necessary by the Village

Petitioner Justification

The Petitioner is required to present specific evidence related to each of the following standards to justify the request (paraphrased from Section 14.05 of the Palatine Zoning Ordinance). Attach a separate sheet if necessary.

1. The use is deemed necessary for the public convenience at that location
   WE CURRENTLY OPEN STUDIO IN ST. CHARLES CURRENTLY DRAWS STUDENTS FROM THIS AREA. THIS IS A GOOD VISIBLE LOCATION FOR US W/ AMPLE PARKING IN PALATINE
2. The use is designed, located, and proposed to be operated that the public health, safety and welfare will be protected
   NOT ONLY ARE PROTECTING PUBLIC HEALTH, WE ARE INCREASING IT IN A WAY PALATINE DOES NOT YET OFFER
3. The use will not cause substantial injury to nearby property values
   WE CAN INCREASE SURROUNDING BUSINESSES REVENUE BY BRINGING MORE PEOPLE TO THE AREA.
4. With respect to live entertainment uses, the use shall not:
   a. Produce noise levels so great as to constitute an unreasonable interference for persons outside the confines of the establishment
   b. Impose undue health, sanitation or safety burdens on the village
   c. Create excessive demands on the Village of Palatine Police Department
   d. Be of a nature otherwise prohibited by law or village ordinance
5. For fence standards, see Section 14.05 of the Palatine Zoning Ordinance

Attachment: SU ORD - #O-87-12 (Original Special Use) (1 N Bothwell Street - SU Transfer Yoga Studio)

PUBLIC NOTICE

A public hearing will be held before the Palatine Zoning Board of Appeals on Tuesday, June 12, 2012, at 7:00 PM, in the Village Council Chambers in the Palatine Community Center, 200 E. Wood Street, relative to a request for:
Special Use to permit a health club (Yoga Studio) larger than 3,000 square feet pursuant to Section 11.02(d)(17) of the Palatine Zoning Ordinance.
The property is commonly known as 1N. Bothwell Street (PIN #02-15-431-008).
The Petitioner is requesting to operate a yoga studio. The business would be 3,600 square feet in size and located in tenant spaces 1-5 N. Bothwell Street.
The above petition has been filed by Doug O'Neil and is available for examination in the office of the Village Clerk, 200 E. Wood Street.
ZONING DOCKET: 12-04B
VILLAGE OF PALATINE
Jan Wood, Chair
Zoning Board of Appeals
DATED: This 28th day of May, 2012
Published in Daily Herald
May 28, 2012 (4302654)

CERTIFICATE OF PUBLICATION

Paddock Publications, Inc.

Daily Herald

Corporation organized and existing under and by virtue of the laws of the State of Illinois, DOES HEREBY CERTIFY that it is the publishe of the **DAILY HERALD**. That said **DAILY HERALD** is a secular newspaper and has been circulated daily in the Village(s) of Algonquin, Antioch, Arlington Heights, Aurora, Barrington, Barrington Hills, Lake Barrington, North Barrington, South Barringto Bartlett, Batavia, Buffalo Grove, Burlington, Campton Hills, Carpentersville,Cary,Deer Park, Des Plaines, South Elgin, East Dunde Elburn, Elgin,Elk Grove Village, Fox Lake, Fox River Grove, Geneva Gilberts,Grayslake, Green Oaks, Gurnee, Hainesville, Hampshire, Hanover Park,Hawthorn Woods, Hoffman Estates, Huntley, Inverness Island Lake,Kildeer, Lake Villa, Lake in the Hills, Lake Zurich, Libertyville,Lincolnshire, Lindenhurst, Long Grove, Mt.Prospect, Mundelein,Palatine, Prospect Heights, Rolling Meadows, Round Lake Round Lake Beach,Round Lake Heights,Round Lake park,Schaumbur Sleepy Hollow, St. Charles, Streamwood, Tower Lakes, Vernon Hills, Volo, Wauconda, Wheeling, West Dundee, Wildwood, Sugar Grove, North Aurora

County(ies) of Cook, Kane, Lake, McHenry
and State of Illinois, continuously for more than one year prior to the date of the first publication of the notice hereinafter referred to and is general circulation throughout said Village(s), County(ies) and State.

I further certify that the DAILY HERALD is a newspaper as defined i "an Act to revise the law in relation to notices" as amended in 1992 Illinois Compiled Statutes, Chapter 7150, Act 5, Section 1 and 5. That notice of which the annexed printed slip is a true copy, was published May 28, 2012 in said DAILY HERALD.

IN WITNESS WHEREOF, the undersigned, the said PADDOCK PUBLICATIONS, Inc., has caused this certificate to be signed by, this authorized agent, at Arlington Heights, Illinois.

PADDOCK PUBLICATIONS, INC.
DAILY HERALD NEWSPAPERS

BY _____
Authorized Agent

Control # 4302654

Attachment: SU ORD - #O-87-12 (Original Special Use) (1 N Bothwell Street - SU Transfer Yoga Studio)

TYPE: ORDINANCE **SUBMITTED BY:** PLANNING & ZONING **DATE:** 06/25/2012
DESCRIPTION: Special Use to permit a health club (yoga studio) greater than 3,000 square feet at 1 N. Bothwell Street
(O'Neil, Case No.12-48) (District: 6)

COMMITTEE ACTION: **DATE:**

BACKGROUND:

The Subject Property contains a multi tenant building and shopping center at the northwest corner of Bothwell Street and Palatine Road. The Petitioners, lessees of the property, want to operate a yoga studio. Therefore they are seeking:

Special Use to permit a health club (Yoga Studio) larger than 3,000 square feet pursuant to Section 11.02(d)(17) of the Palatine Zoning Ordinance.

ANALYSIS:

- The Subject Property is zoned B-1, General Business. Petitioners are proposing to open a yoga studio and occupy tenant spaces at 1- 5 N. Bothwell.
- Business name would be Bikram Yoga Palatine. The business would employee 2-8 people.
- The proposed hours of operation are Monday – Friday, 9:30am to approx. 8:00pm, Saturday and Sunday, 8:00am to approx. 5:30pm.
- The business plan indicated that there are no more than 4 classes per day, 90 min in length. Based upon the proposed class schedule and size of the tenant space, the Petitioners anticipate an average of 20 students per class. This is reflected in the submitted business plan and a component of the proposed Special Use ordinance.
- The tenant space is approximately 3,600 square feet. A complete remodel of the space is anticipated.
- The new space will include a lobby area, men's and woman's changing rooms with showers, mechanical room and a yoga studio room.
- The approximate size of the space is 3,600 square feet; 12 parking spaces would be required (1 space per 300 sf). Staff has no concerns about the parking.
- In addition to street parking, there are 3 near by public parking lots which could be utilized by customers and the property owner is constructing a 13-stall parking lot, with loading zone, directly east of the building.
- The Petitioners have operated a yoga studio in St. Charles for four years. This would be their second location.

ALTERNATIVES:

1. Recommend approval of the Special Use.
2. Do not recommend approval of the Special Use.

RECOMMENDATION:

Public Hearing:	June 12, 2012, Zoning Board of Appeals
Residents Testifying:	None
Concerns:	None
Vote:	The ZBA voted 9-0 to approve the request. Staff concurs with this recommendation.

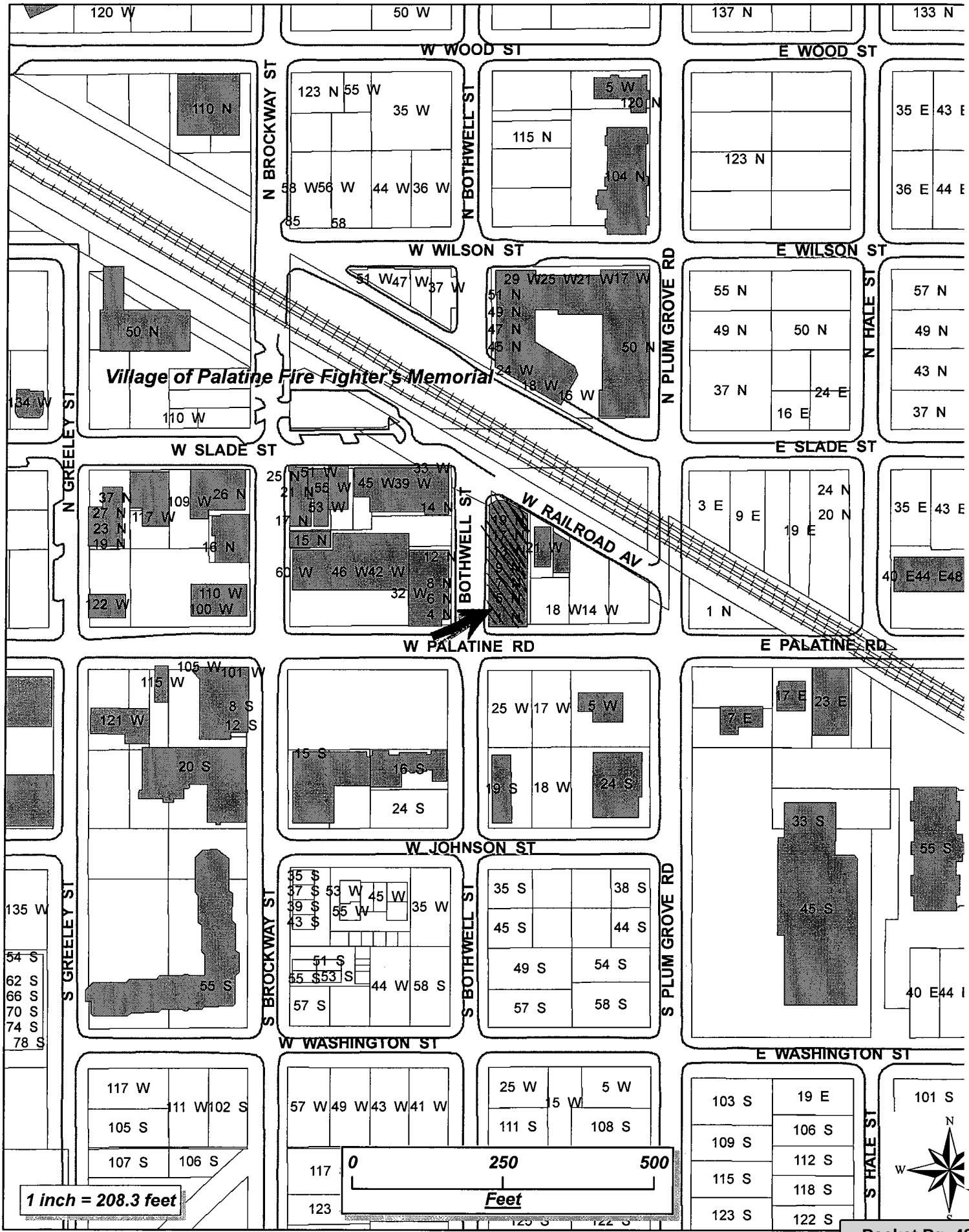
ACTION REQUIRED:

Special Use to permit a health club (yoga studio) greater than 3,000 square feet at 1 N. Bothwell Street (O'Neil).

Attachment: SU ORD - #O-87-12 (Original Special Use) (1 N Bothwell Street - SU Transfer Yoga Studio)

VILLAGE OF PALATINE

1 N. BOTHWELL STREET



Attachment: SU ORD - #O-87-12 (Original Special Use) (1 N Bothwell Street - SU Transfer Yoga Studio)

Consider an Ordinance Granting a Minor Amendment to Allow a Business Plan and Floor Plan Amendment to Special Use #O-15-21 at Madcats (117 W. Slade Street)

BACKGROUND:
The Subject Property contains a multi-tenant building on Slade Street. Madcats restaurant/bar and live entertainment venue received Special Use approval in February 2021

KEY ISSUES:

- The existing Special Use was approved with an auxiliary room (disconnected from the main tenant area, accessed via a shared hallway), which allowed for in-person dining, with a server attending. The Petitioner also contemplated using the auxiliary room for Special Events. Although the initial Special Use allowed limited use of the auxiliary room, the space was never utilized by Madcats.
- The owner of Madcats is now requesting a Minor Amendment to their Special Use to allow the placement of a pool table and stools in the auxiliary room. Restaurant service would be provided to the auxiliary room and the room would be monitored from the main restaurant/bar area via a surveillance camera.
- As a condition of approval, the proposed hours of operation would be limited to those hours in which the adjacent My Flavor It Place! business is closed. Attached you will find a letter from the owner of My Flavor It Place stating she does not object to the proposed use of the auxiliary room, provided it occurs outside of her business hours.

ALTERNATIVES:
1. Approve the ordinance granting a Minor Amendment to the Special Use.
2. Do not approve the ordinance granting a Minor Amendment to the Special Use.

RECOMMENDATION:
Staff recommends action at the discretion of the Village Council.

ACTION REQUIRED:
A motion to approve the ordinance granting a Minor Amendment to Special Use Ordinance #O-15-21.

ATTACHMENTS:

- Aerial Map
- ORD - 117 W. Slade Street - Madcats MASU
- Exhibit A - Madcats Amended Business Plan and Floor Plan for Auxiliary Room
- Matcats Pool Room letter from My Flavor It Place - May 15 2023
- ORD #O-15-21 - Madcats 2021 Special Use

GISConsortium | 117 W. Slade Street

Legend

0 150 300 ft

Print Date: 1/11/2023

Notes

Disclaimer: The GIS Consortium and MGP Inc. are not liable for any use, misuse, modification or disclosure of any map provided under applicable law. This map is for general information purposes only. Although the information is believed to be generally accurate, errors may exist and the user should independently confirm for accuracy. The map does not constitute a regulatory determination and is not a base for engineering design. A Registered Land Surveyor should be consulted to determine precise location boundaries on the ground.

ORDINANCE NO._____

AN ORDINANCE APPROVING A MINOR AMENDMENT TO SPECIAL USE ORDINANCE #O-15-21 117 W. SLADE STREET (MADCATS)

WHEREAS, Ordinance #O-15-21 granted a Special Use for a restaurant/bar, with live entertainment (Madcats) on the property commonly known as 117 W. Slade Street; and

WHEREAS, pursuant to Section 14.05 in Appendix A of the Village of Palatine Code of Ordinances a Minor Amendment to the Special Use approved per Ordinance #O-15-21 for an amendment to the business plan and floor plan for the auxiliary room to allow the placement of a pool table and stools, in place of the previously approved tables and chairs, may be approved with the review and consent of the Village Council; and

WHEREAS, since the Village Council did meet on June 12, 2023 to review the Minor Amendment to the Special Use it was the recommendation of the Village Council that the auxiliary room business plan and floor plan amendment be approved, subject to the recommended conditions.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Village Council of the Village of Palatine:

SECTION 1: That a Minor Amendment to the Special Use granted by Ordinance #O-15-21 is hereby granted, subject to the following conditions:

1. **The Minor Special Use shall substantially conform to the amended business plan and floor plan, attached hereto as Exhibit A, except as such floor plan may be changed to conform to Village of Palatine Codes and Ordinances.**

2. **The auxiliary room modification will include a pool table and, the lesser of 21 stools or the final permitted occupancy amount.**

3. **The auxiliary room cannot be utilized from Memorial Day through Labor Day until 10 PM, and at no time may the auxiliary room be used during any**

Attachment: ORD - 117 W. Slade Street - Madcats MASU (117 W. Slade Street - Madcats - Minor Special Use Floorplan Amendment)

time in which My Flavor It Place is open for business.

SECTION 2: All conditions of Special Use Ordinance #O-43-22 shall remain in full force and effect.

DATED: This _____day of _____, 2023

AYES:_____ NAYS:_____ ABSENT:_____ PASS:_____

APPROVED by me this _____day of _____, 2023

_____
Mayor of the Village of Palatine

ATTEST and FILE in the office of the Village Clerk

this ____ day of _____, 2023

_____
Village Clerk

Attachment: ORD - 117 W. Slade Street - Madcats MASU (117 W. Slade Street - Madcats - Minor Special Use Floorplan Amendment)

Exhibit A

Madcats' Amended Business Plan & Floor Plan

Auxiliary Room Business Plan - Amended

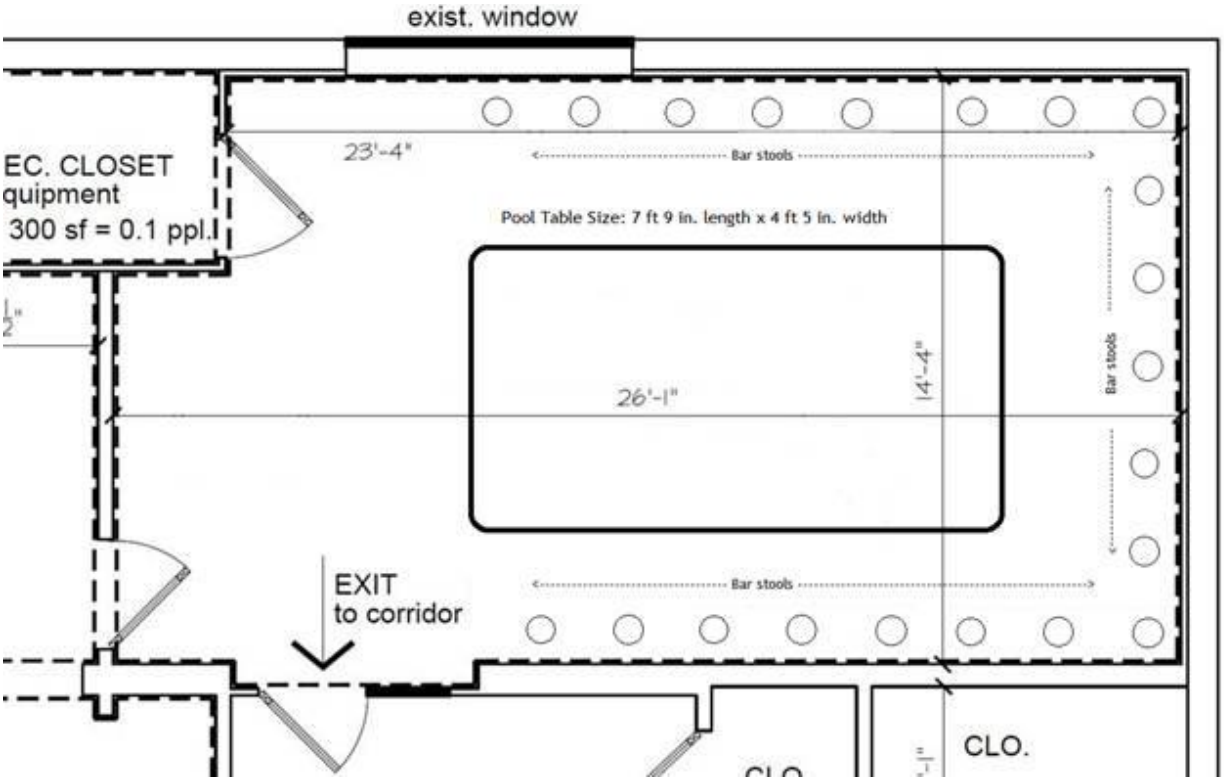
The auxiliary room will include a juke box, TV and pool table. The TV will also be able to stream a performance from the stage area. There will be no live performances planned in this room. There will be food and liquor service provided by wait staff directly in the room. The room will be used in the spring/fall (before Memorial Day and after school starts) after 8 PM Sun – Thur and after 9 PM Fri & Sat, and in the summer after 10 PM daily. There would be no applicable hour limits during the winter months when My Flavor It Place is closed.

This room will be designated as "Above 21" only. It will have a video surveillance camera which shall provide an unobstructed view of the entire room, streaming to a monitor installed in the bar area to ensure that staff and managers on duty can monitor this room.

This room is not contiguous with the rest of the restaurant and therefore requires patrons to enter via the hallway from the front area of the restaurant. There will be an entrance to this room directly from the kitchen which will be used for service only.

Auxiliary Room Floor Plan - Amended

Attachment: Exhibit A - Madcats Amended Business Plan and Floor Plan for Auxiliary Room (117 W. Slade Street - Madcats - Minor Special Use



Attachment: Exhibit A - Madcats Amended Business Plan and Floor Plan for Auxiliary Room (117 W. Slade Street - Madcats - Minor Special Use

May 15th, 2023

To whom it may concern:

I, Cally Razes, owner of My Flavor It Place, do not object to the use of the back room by Madcats as a pool room so long as it's use is after our business is closed.

Our hours change depending on the season; In the Spring while school is in session, we close at 8pm on weekdays and 9 pm on weekends. During the Summer months after Memorial Day we close at 10pm daily. In the Fall when school is back in session, we will again close at 8pm on weekdays and 9pm on weekends. We will be closed during the Winter months. Our current updated hours are physically posted on our shop window as well as on Google, our website, our social media pages and other internet outlets.

We thank you for your consideration and for working with our business as well.

Sincerely,

Cally Razes

-My Flavor It Place
MyFlavorItPlace@gmail.com

Attachment: Matcats Pool Room letter from My Flavor It Place - May 15 2023 (117 W. Slade Street - Madcats - Minor Special Use Floorplan

Attachment: ORD #O-15-21 - Madcats 2021 Special Use (117 W. Slade Street - Madcats - Minor Special Use Floorplan Amendment)

ORDINANCE NO. O-15-21

AN ORDINANCE GRANTING A SPECIAL USE
117 W. SLADE STREET

Published in pamphlet form by authority of the Mayor and Village Council of the Village of Palatine on February 1, 2021

ORDINANCE NO. 015-21

AN ORDINANCE GRANTING A SPECIAL USE
117 W SLADE STREET

WHEREAS, pursuant to a petition and public hearing on December 22, 2020, of which public notice was given as required by law, the Zoning Board of Appeals of the Village of Palatine, in accordance with the Zoning Ordinance of the Village of Palatine, in such case made and provided, has held such public hearing and reported their findings relative to a request for a Special Uses to permit a restaurant/bar with Live Entertainment pursuant to Section 11.02 (d) (11) & (19) of the Palatine Zoning Ordinance, on the following legally described property:

> **Lot 3 in Block "K" in the Town of Palatine, according to the map of Joel Woods Subdivision of part of the Southeast 1/4 of Section 15, Township 42 North, Range 10, East of the Third Principal Meridian, in Cook County, Illinois, recorded December 7, 1855 in Book 96 of Maps, Page 28, in Cook County, Illinois.**
>
> **Commonly known as 117 W. Slade Street (02-15-429-003).**

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Village Council of the Village of Palatine, Cook County, Illinois, acting in the exercise of their home rule power that:

SECTION 1: Special Uses to permit a restaurant/bar with Live Entertainment pursuant to Section 11.02 (d) (11) & (19) of the Palatine Zoning Ordinance, is hereby granted, subject to the following condition(s):

1. **The Special Use shall substantially conform to the revised business operations plan submitted by the Petitioner on 01/26/21 and floor plan prepared by Warren Johnson Architects initially dated 10/20/20, last revised on 01/26/21, attached hereto except as such plans shall be revised to conform to Village Codes and Ordinances.**

Attachment: ORD #O-15-21 - Madcats 2021 Special Use (117 W. Slade Street - Madcats - Minor Special Use Floorplan Amendment)

2. The smoking plan shall utilize the designated outdoor area in the rear of the property and to the west of the building, in compliance with Code. Per the smoking management plan, the Petitioner shall install signage in the building directing patrons to the compliant smoking area and discouraging smoking anywhere else. MadCats' staff will inspect the smoking area no less than every 30 minutes to monitor for any disturbances or nuisances. Staff will also monitor the sidewalk on the north side of the building and area on the east side of the property for smoking compliance, in compliance with Code.

3. All employees shall enroll in and utilize the Downtown Employee parking program.

4. All doors to the Subject Property shall remain closed when the business is open to the Public, other than for when an employee or patron passes through the doorways.

5. The exit door on the west side of the building shall be equipped with an alarm that notifies MadCats' Staff of the opening of the door.

6. The common hallway shall be equipped and maintained with a security camera system in a manner acceptable to the Village Manager.

7. Any approval shall be subject to a three-month and nine-month review before the Village Council following their opening and ongoing operations. The Village Council reserves the right to impose any additional conditions on the Special Use without further public hearing at such time of the three-month and nine-month review. Nothing shall preclude the Village from any other enforcement and/or compliance actions afforded under the Code of Ordinances.

8. The auxiliary dining room shall only provide liquor service and/or allow liquor for customer dining. No private events shall involve liquor in the auxiliary dining room, until further review and approval of the Village Council and Palatine Liquor Commission. Said review shall not take place until authorized by the Village Manager. In no circumstances shall it be prior to the three-month review of operations.

Attachment: ORD #O-15-21 - Madcats 2021 Special Use (117 W. Slade Street - Madcats - Minor Special Use Floorplan Amendment)

9. A Staff review of the Live Entertainment component of this Special Use shall be conducted in conjunction with the three-month and nine-month review referenced in condition 7 to determine if additional noise control measures are necessary, at the discretion of the Village. The Village reserves the right to impose additional conditions to the Live Entertainment component of the Special Use.

SECTION 2: That a copy of the public notice is attached hereto and form a part of this ordinance.

SECTION 3: That this ordinance shall be in full force and effect from and after its passage and approval as provided by law.

PASSED: This 1 day of February, 2021

AYES: 5 NAYS: 0 ABSENT: 1 PASS: 0

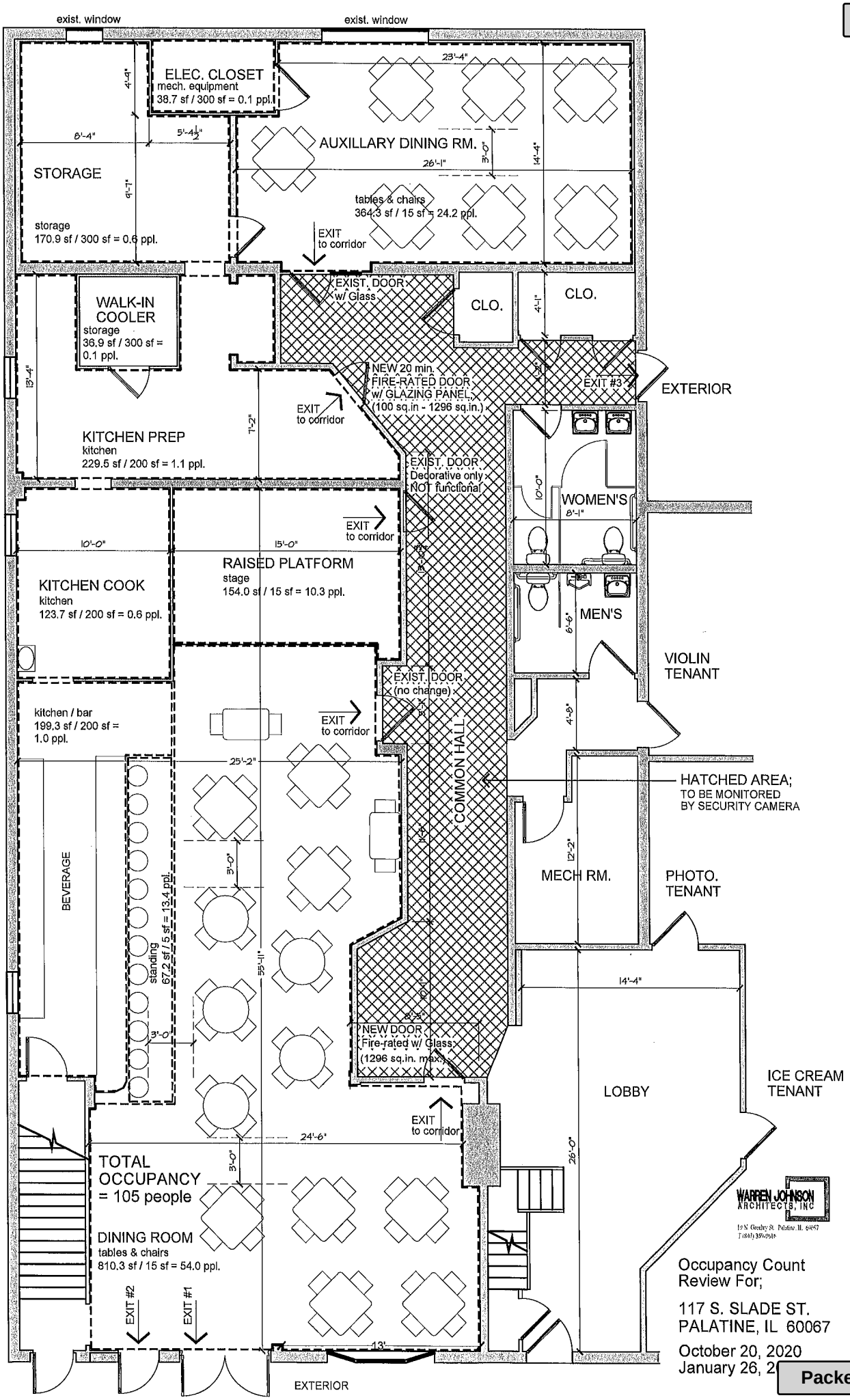
APPROVED by me this 1 day of February, 2021

Mayor of the Village of Palatine

ATTESTED and FILED in the office of the Village Clerk this 1 day of February, 2021

Village Clerk

Attachment: ORD #O-15-21 - Madcats 2021 Special Use (117 W. Slade Street - Madcats - Minor Special Use Floorplan Amendment)



Attachment: ORD #O-15-21 - Madcats 2021 Special Use (117 W. Slade Street - Madcats - Minor Special Use Floorplan Amendment)

PUBLIC NOTICE
A public hearing will be held before the Palatine Zoning Board of Appeals on Tuesday, December 22, 2020 at 7:00 PM, in the Village Council Chambers in the Palatine Village Hall, 200 E. Wood Street, relative to a request for the following:
Special Uses to permit a restaurant/bar with Live Entertainment pursuant to Section 11.02 (d) (11) & (19) of the Palatine Zoning Ordinance.
The property is commonly known as 117 W. Slade Street (02-15-429-003).
The Petitioner is proposing to open a restaurant/bar with live entertainment, MadCats.
The above petition has been filed by Wisewolf LLC and is available for examination in the office of the Village Clerk, 200 E. Wood Street.
FILE #: 20-49
VILLAGE OF PALATINE
Jan Wood, Chair
Palatine Zoning Board of Appeals
DATED: This 7th day of December, 2020
Published in Daily Herald December 7, 2020(4555359)

CERTIFICATE OF PUBLICATION

Paddock Publications, Inc.

Daily Herald

Corporation organized and existing under and by virtue of the laws of the State of Illinois, DOES HEREBY CERTIFY that it is the publisher of the **DAILY HERALD**. That said **DAILY HERALD** is a secular newspaper and has been circulated daily in the Village(s) of Algonquin,Antioch,Arlington Heights,Aurora,North Aurora,Bannockburn, Barrington,Barrington Hills,Lake Barrington,North Barrington,South Barrington,Bartlett,Batavia,Buffalo Grove,Burlington,Campton Hills, Carpentersville,Cary,Crystal Lake,Deerfield,Deer Park,Des Plaines,Elburn, East Dundee,Elgin,South Elgin,Elk Grove Village,Fox Lake, Fox River Grove,Franklin Park,Geneva,Gilberts,Glenview,Grayslake, Green Oaks,Gurnee,Hainesville,Hampshire,Hanover Park,Hawthorn Woods, Highland Park,Highwood,Hoffman Estates,Huntley,Inverness,Island Lake, Kildeer,Lake Bluff,Lake Forest,Lake in the Hills,Lake Villa,Lake Zurich, Libertyville,Lincolnshire,Lindenhurst,Long Grove,Melrose Park,Montgomery, Morton Grove,Mt.Prospect,Mundelein,Niles,Northbrook,Northfield,Northlake, Palatine,Park Ridge,Prospect Heights,River Grove,Riverwoods, Rolling Meadows,Rosemont,Round Lake,Round Lake Beach, Round Lake Heights,Round Lake Park,Schaumburg,Schiller Park,Sleepy Hollo St. Charles,Streamwood,Sugar Grove,Third Lake,Tower Lakes,Vernon Hills, Volo,Wadsworth,Wauconda,Waukegan,West Dundee,Wheeling,Wildwood, Wilmette
County(ies) of Cook, Kane, Lake, McHenry
and State of Illinois, continuously for more than one year prior to the date of the first publication of the notice hereinafter referred to and is of general circulation throughout said Village(s), County(ies) and State.

I further certify that the DAILY HERALD is a newspaper as defined in "an Act to revise the law in relation to notices" as amended in 1992 Illinois Compiled Statutes, Chapter 715, Act 5, Section 1 and 5. That a notice of which the annexed printed slip is a true copy, was published 12/07/2020 in said DAILY HERALD.

IN WITNESS WHEREOF, the undersigned, the said PADDOCK PUBLICATIONS, Inc., has caused this certificate to be signed by, this authorized agent, at Arlington Heights, Illinois.

PADDOCK PUBLICATIONS, INC.
DAILY HERALD NEWSPAPERS

BY _____
Authorized Agent

Control # 4555359

Attachment: ORD #O-15-21 - Madcats 2021 Special Use (117 W. Slade Street - Madcats - Minor Special Use Floorplan Amendment)

Consider a Motion Granting Approval of a Waiver of the Village's Sound Amplification Ordinance for the St. Theresa Picnic on Friday, June 30, 2023

BACKGROUND:
St. Theresa wishes to host a picnic event on Friday, June 30, 2023 at 457 N. Benton Street. The picnic entails a night of food and music. In conjunction with the event, St. Theresa is requesting the following approvals:

Waiver of the Sound Amplification Ordinance for a 50's Band on Friday, June 30 from 6 - 9 PM.

KEY ISSUES:
The Picnic event details are as follows:

- Friday, June 30 from 5 PM to 9 PM;
- Bring together parishioners and community for a night of food and music;
- *50's* Band will play from 6 PM - 9 PM at the Dolan Center steps;
- Grilling burgers and hot dogs, supplied by the Knights of Columbus.

ALTERNATIVES:
1. Approve the St. Theresa Picnic event.
2. Do not approve the event.

RECOMMENDATION:
Staff recommends approval of the St. Theresa Picnic Event.

ACTION REQUIRED:
A motion to approve the St. Theresa Picnic Event and related sound waiver request.

ATTACHMENTS:

- St Theresa Picnic

VILLAGE OF PALATINE
SPECIAL EVENT PERMIT APPLICATION

THIS FORM MUST BE COMPLETED IN FULL AND SUBMITTED 60 DAYS PRIOR TO THE EVENT
Village Manager's Office, 200 E. Wood St., Palatine, IL 60067 Fax: 847-359-9094

INSTRUCTIONS: PLEASE TYPE OR PRINT CLEARLY. INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED.

GENERAL EVENT INFORMATION

Name of Event
St Theresa Picnic

Exact Address of Event
457 N Benton St

Type of Event (Check all applicable)

☒ Festival ☐ Run/Walk ☐ Parade ☐ Car Show ☐ Craft Fair ☐ Fireworks ☐ Other

Date(s) of Event	Hours of Event	Total Hours (Step-up - Tear down)
6/30/2023	5 PM until 9 PM	4

Phone number/website for publication	Estimated attendance	Last years actual attendance
847-358-7760 www.sttheresachurch.org	200	N/A

Describe the event's community and/or cultural benefit

St. Theresa will host a picnic for parishioners and open it up to the community. There will be a free concert showcasing a 50's band. The band will perform from 6:30 until 9 PM (sound check to start at 5:30 PM). Separately permitted is temporary food – hot dogs / hamburgers supplied by Knights of Columbus

SPONSORING ORGANIZATION INFORMATION

Name of Sponsoring Organization	Contact person from Sponsoring Organization	
St. Theresa Parish	Thomas G. Galvan	
Sponsoring Organization Address	**City**	**Zip**
445 N Benton St	Palatine	60067
Phone Number	**E-Mail**	**Website**
847-358-7760 ext 105	tomg@sttheresachurch.org	www.sttheresachurch.org

ORGANIZER/COORDINATOR INFORMATION

Name of Organizer/Coordinator	E-mail	
Thomas G Galvan	tomg@sttheresachurch.org	
Organizer/Coordinator Address	**City**	**Zip**
455 N Benton St	Palatine	60067
Phone Number	**Cell Phone Number**	**Fax Number**
847-358-7760 ext 105	847-254-7722	847-202-8941

EMERGENCY CONTACT INFORMATION

Name of Emergency Contact	E-mail	
Rev. Timothy J Fairman	frtim@sttheresachurch.org	
Emergency Contact Address	**City**	**Zip**
467 N Benton ST	Palatine	60067
Phone Number (24hours)	**Cell Phone Number**	**Fax Number**
847-358-7760 ext 101	847-736-1238	847-202-8941

Attachment: St Theresa Picnic (St. Theresa Picnic 2023)

VILLAGE OF PALATINE
SPECIAL EVENT PERMIT APPLICATION

THIS FORM MUST BE COMPLETED IN FULL AND SUBMITTED 60 DAYS PRIOR TO THE EVENT
Village Manager's Office, 200 E. Wood St., Palatine, IL 60067 Fax: 847-359-9094

INSTRUCTIONS: PLEASE TYPE OR PRINT CLEARLY. INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED.

EVENT OVERVIEW

Are you providing/serving food at your event that is considered potentially hazardous, being prepared on-site, or being re-packed and sold in bulk? Below are some foods exempt from a permit (not all are listed): -Pre-packaged, non-potentially hazardous foods (i.e. packaged cookies, chips, crackers, bread, etc.) -Non-potentially hazardous, minimally cut, unprocessed fruits or vegetables (ie. apples, bananas, etc.) QUESTIONS ON WHAT QUALIFIES AS EXEMPT? CALL (847) 359-9090.	☑ Yes	☐ No	If yes, how many vendors? _____ Each vendor must submit a Temporary Food Event Permit Application 14 days prior to the event. Applications can be found at: https://permits.palatine.il.us/EnerGov_Prod/SelfService/PalatineILProd#/home Questions? Contact (847) 359-9090. Please see application for full details on what is required.
Are you erecting either: (1) tent(s) larger than 20'x40' (or 800 sq. ft.) or (2) that accommodates more than 100 people or (3) temporary structure(s) (ie. stage) taller than 2' in height or (4) that will be equipped with temporary electrical power?	☐ Yes	☑ No	If yes, you must submit a Temporary Structure Permit Application 30 days prior to the event. Applications can be found at: https://permits.palatine.il.us/EnerGov_Prod/SelfService/PalatineILProd#/home Questions? Contact (847) 359-9037. Electric submissions are required. Please see application for full details on what is required.
Are you serving alcoholic beverages at your event?	☐ Yes	☑ No	Alcohol vendors must submit a Special Event Liquor License 60 days prior to the event. You must obtain a Special Event Liquor License for each liquor vendor. Applications can be found at: http://www.palatine.il.us/events/forms/applications.aspx, Questions? Contact (847) 359-9031.
Will the event include a Race/Walk or Parade?	☐ Yes	☑ No	If yes, you must complete, Page 3, Section 1.
Will electronic sound amplification equipment or a public address system be used at the event?	☑ Yes	☐ No	If yes, you must complete, Page 3, Section 2.
Are you utilizing any public parking lots, Village streets or other Village property for your event?	☐ Yes	☑ No	If yes, you must complete, Page 3, Section 3.

ACKNOWLEDGEMENT/SIGNATURE

By signing this document, I certify that the information provided above is correct. I agree to conduct the special event in compliance with all applicable codes, ordinances, laws and the conditions contained in the special event permit.

T Thomas J. Gal
Signature of Organizer

06/02/2023
Date

Application must include the following documentation

- ☑ Special Event Application (Page 1, 2, 3, 4)
- ☑ Certificate of Insurance (see Section 5)
- ☑ Site Plan and/or Race/Parade Route Map

You MUST submit a new site plan or parade/race route on an annual basis.

APPLICATIONS WITH MISSING INFORMATION WILL NOT BE PROCESSED.

Attachment: St Theresa Picnic (St. Theresa Picnic 2023)

VILLAGE OF PALATINE
SPECIAL EVENT PERMIT APPLICATION

THIS FORM MUST BE COMPLETED IN FULL AND SUBMITTED 60 DAYS PRIOR TO THE EVENT
Village Manager's Office, 200 E. Wood St., Palatine, IL 60067 Fax: 847-359-9094

INSTRUCTIONS: PLEASE TYPE OR PRINT CLEARLY. INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED.

Name of Event

St. Theresa Picnic

SECTION 1: RACE/WALK/PARADE INFORMATION ☒ Not Applicable

Starting Location	Ending Location
Approximate Number of Attendees (runners/marchers)	Approximate Number of Vehicles (cars/floats)
Location of Assemble (Registration)	Location of Personal Vehicle Parking

Please attach a course map, with location of the staging area, start/finish lines, and water/first aid stations

SECTION 2: NOISE CONTROL PLAN ☐ Not Applicable

Please attach a Site Plan, with the location of the stages and sound systems, the location and direction of all speakers, and the proximity to residential properties

Amplified sound will be used from: (am/pm)	Amplified sound will be used to: (am/pm)
6:00 PM	9:00 PM

Describe the sound system(s)

See attached Sound Permit Detail

Explain how the sound will be controlled and identify the means by which it can be further controlled if necessary:

See attached Sound Permit Detail

The Village has the right to require applicants to revise locations, hours, or plans to control amplified music/speech.

SECTION 3: PARKING LOT/PROPERTY USAGE/CLOSURE INFORMATION ☒ Not Applicable

Public Parking Lot / Property Intended for "Event"

Lot Number or Location	Date of Closure	Time of Closure	Date to Reopen	Time of Reopen

1. No staking in the street or public parking lot is permitted.
2. Only chalk or other Village approved marking is permitted (no spray paint).
3. Any debris/stains must be removed immediately prior to the opening of the street/public parking lot.
4. No structures may be erected on any street/public parking Lot without prior approval/permit.

Attachment: St Theresa Picnic (St. Theresa Picnic 2023)

VILLAGE OF PALATINE
SPECIAL EVENT PERMIT APPLICATION

THIS FORM MUST BE COMPLETED IN FULL AND SUBMITTED 60 DAYS PRIOR TO THE EVENT
Village Manager's Office, 200 E. Wood St., Palatine, IL 60067 Fax: 847-359-9094

INSTRUCTIONS: PLEASE TYPE OR PRINT CLEARLY. INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED.

SECTION 4: INDEMNITY/HOLD HARMLESS AGREEMENT

Name of Sponsoring Organization
St Theresa Parish

Name of Event
St Theresa Picnic

Date(s) of Event
6/30/2023

To the fullest extent permitted by law, the Organization hereby agrees to defend, indemnify and hold harmless the Village of Palatine, its officials, agents and employees, against all injuries, deaths, loss, damages, claims, patent claims, suits, liabilities, judgments, cost and expenses, which may in any way accrue against the Village of Palatine, its officials, agents and employees, arising in whole or in part or in consequence of the Event, and/or its employees, and or subcontractors' participation in Event, or which may in any way result therefore. The Organization shall, at its own expense, appear, defend and pay all charges of attorneys and all costs and other expenses arising therefore or incurred in connection therewith, and, if any judgment shall be rendered against the Village of Palatine, its officials, agents and employees, in any such action, the Organization shall, at its own expense, satisfy and discharge the same.

The Organization expressly understands and agrees that any performance bond or insurance policies required by the Village of Palatine, or otherwise provided by the Organization shall in no way limit the responsibility to indemnify, keep and save harmless and defend the Village of Palatine, its officials, agents and employees as herein provided.

The Organization expressly understands and agrees that the Village shall be named as an additional insured party on the insurance policy and that the Organization shall have no permission or authority to engage in the Event until evidence deemed acceptable to the Village has been provided to establish that the Village has been named as an additional insured party on the insurance policy .

Thomas G Galvan

SIGNATURE

Thomas G Galvan	Business Manager	06/02/23
PRINT NAME	TITLE/POSITION	DATE

SECTION 5: INSURANCE REQUIREMENTS

INSURANCE REQUIREMENTS

Sponsoring Organization will be required to provide an original Certificate of Insurance, as well as the additional insured endorsement evidencing the following insurance minimums: Commercial General Liability - minimum $1,000,000 per occurrence. Final acceptance of applicant is contingent on applicant naming the Village of Palatine, their employees, agents and officials as additional insured on a primary and non-contributory basis.

Attachment: St Theresa Picnic (St. Theresa Picnic 2023)

St. Theresa Parish
Parish Picnic
Sound Permit Detail

Information provided by the band:

The only sound being projected is from

2- 12" Powered speakers for Mains

4 - 8" Powered speakers for monitors.

3- Instrument Amps.

The sound is totally contained on their campus. 2 - 12" speakers. I do not think the sound will even make it outside the area.

We have a sound person coming to control the sound volume and mixing. He'll be set up at the foot of the stairs and will need a table to set up the board.

The band will set up at the top of the stairs with our mains on either side of the platform. We'll have drums, a bass amp, 2 guitar amps, and a keyboard which will be plugged into the board. We have 6 people singing on mics and we have 2 saxes on mic. This will require at least 4 more floor monitors for the musicians to be able to hear.

See attached series of drawings:

A. **Main speakers 12"** – 2 at top of stair / landing projecting sound down and intersecting to crowd at bottom of stairs. Also **Sound mixer and controller** at bottom of stairs. (Speakers not drawn to scale nor actual units...for drawings only)
B. **Band Members, Monitors and amps** – between and slightly behind main speakers
C. **Map of proximity to neighbors map**

Attachment: St Theresa Picnic (St. Theresa Picnic 2023)

A. Main speakers and sound controller/mixer

Attachment: St Theresa Picnic (St. Theresa Picnic 2023)

Consider a Motion Granting a Waiver of the Sound Amplification Ordinance, Closure of Village Parking Lots and a Portion of Slade Street, Waiver of Village Fees, and Waiver of the Village's Construction Hours for the Rotary Club of Palatine's Annual Oktoberfest Celebration to be Held on September 15 - 17, 2023

BACKGROUND:
The Rotary Club of Palatine plans to hold their annual Oktoberfest Celebration on September 15 - 17, 2023 (Friday - Sunday). The Rotary Club will again utilize the Village's commuter parking lots located north of Slade Street, between Smith and Greeley Streets. All requests are consistent with those in past years.

KEY ISSUES:
The Rotary Club of Palatine is requesting approval of the following:

1. Temporary waiver of sound amplification ordinance for live music and performances during the following hours:
    a. Friday, September 15: 5 p.m. to 12 a.m.
    b. Saturday, September 16: 12 p.m. to 12 a.m.
    c. Sunday, September 17: 12 p.m. to 6 p.m.
2. Temporary closure of parking lots J, K, and L and closure of Slade Street, between Smith and Greeley Streets from September 15 - 17 to accommodate the event's tents and stage. All tents and equipment will be removed Sunday evening.
3. Waiver of fees for Village services, permits, and licenses.
4. Waiver of Construction Hours for the construction and removal of tents:
    a. Friday, September 15: Construction to begin at 6 a.m.
    b. Sunday, September 17: Removal of tents will begin at 6 p.m.

ALTERNATIVES:
1. Approve Oktoberfest 2023.
2. Refer back to Staff with comments.

RECOMMENDATION:
Staff recommends action at the Village Council's discretion for approval of Oktoberfest 2023 and related requests.

ACTION REQUIRED:
A motion to approve the Rotary Club of Palatine's Annual Oktoberfest and related requests.

ATTACHMENTS:

- Oktoberfest
- Oktoberfest Layout

VILLAGE OF PALATINE
SPECIAL EVENT PERMIT APPLICATION

THIS FORM MUST BE COMPLETED IN FULL AND SUBMITTED 60 DAYS PRIOR TO THE EVENT
Village Manager's Office, 200 E. Wood St., Palatine, IL 60067 Fax: 847-359-9094

INSTRUCTIONS: PLEASE TYPE OR PRINT CLEARLY. INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED.

GENERAL EVENT INFORMATION

Name of Event
OKTOBERFEST

Exact Address of Event
55 N Smith St (Parking Lots J, K and L)

Type of Event (Check all applicable)

☒ Festival ☐ Run/Walk ☐ Parade ☐ Car Show ☐ Craft Fair ☐ Fireworks ☐ Other _____

Date(s) of Event	Hours of Event	Total Hours (Set-Up - Tear Down)
September 15-17, 2023	5p-12a,12p-12a,12p-6p	64

Phone number/website for publication	Estimated attendance	Last years actual attendance
palatinerotary.org/oktoberfest	10,000	10,000

Describe the event's community and/or cultural benefit

Raising funds primarily for local charities and organizations with some funds going to international causes and disaster relief.

SPONSORING ORGANIZATION INFORMATION

Name of Sponsoring Organization	Contact person from Sponsoring Organization	
Rotary Club of Palatine	Randy Klingner	
Sponsoring Organization Address	**City**	**Zip**
PO Box 412	Palatine	60078
Phone Number	**E-Mail**	**Website**
847-271-3873	rkbaseball@comcast.net	palatinerotary.org

ORGANIZER/COORDINATOR INFORMATION

Name of Organizer/Coordinator	E-mail	
Michael Reiss	michael@reissfamily.org	
Organizer/Coordinator Address	**City**	**Zip**
435 S Williams Ave	Palatine	60074
Phone Number	**Cell Phone Number**	**Fax Number**
847-867-6061		

EMERGENCY CONTACT INFORMATION

Name of Emergency Contact	E-mail	
Michael Reiss	michael@reissfamily.org	
Emergency Contact Address	**City**	**Zip**
435 S Williams Ave	Palatine	60074
Phone Number (24hours)	**Cell Phone Number**	**Fax Number**
847-867-6061		

Attachment: Oktoberfest (Oktoberfest 2023)

VILLAGE OF PALATINE
SPECIAL EVENT PERMIT APPLICATION

THIS FORM MUST BE COMPLETED IN FULL AND SUBMITTED 60 DAYS PRIOR TO THE EVENT
Village Manager's Office, 200 E. Wood St., Palatine, IL 60067 Fax: 847-359-9094

INSTRUCTIONS: PLEASE TYPE OR PRINT CLEARLY. INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED.

EVENT OVERVIEW

Are you providing/serving food at your event that is considered potentially hazardous, being prepared on-site, or being re-packed and sold in bulk? Below are some foods exempt from a permit (not all are listed). -Pre-packaged, non-potentially hazardous foods (i.e. packaged cookies, chips, crackers, bread, etc.) -Non-potentially hazardous, minimally cut, unprocessed fruits or vegetables (ie. apples, bananas, etc.) QUESTIONS ON WHAT QUALIFIES AS EXEMPT? CALL (847) 359-9090.	☑ Yes ☐ No	If yes, how many vendors? 10 Each vendor must submit a Temporary Food Event Permit Application 14 days prior to the event. Applications can be found at: http://www.palatine.il.us/events/forms/applications.aspx. Questions? Contact (847) 359-9090. Please see application for full details on what is required.
Are you erecting either: **(1)** tent(s) larger than 20'x40' (or 800 sq. ft.) or **(2)** that accommodates more than 100 people or **(3)** temporary structure(s) (ie. stage) taller than 2' in height or **(4)** that will be equipped with temporary electrical power?	☑ Yes ☐ No	If yes, you must submit a Temporary Structure Permit Application 30 days prior to the event. Applications can be found at: http://www.palatine.il.us/events/forms/applications.aspx. Questions? Contact (847) 359-9037. Electric submissions are NOT accepted. Please see application for full details on what is required.
Are you serving alcoholic beverages at your event?	☑ Yes ☐ No	Alcohol vendors must submit a Special Event Liquor License 60 days prior to the event. You must obtain a Special Event Liquor License for each liquor vendor. Applications can be found at: http://www.palatine.il.us/events/forms/applications.aspx. Questions? Contact (847) 359-9031.
Will the event include a Race/Walk or Parade?	☐ Yes ☑ No	If yes, you must complete, Page 3, Section 1.
Will electronic sound amplification equipment or a public address system be used at the event?	☑ Yes ☐ No	If yes, you must complete, Page 3, Section 2.
Are you utilizing any public parking lots, Village streets or other Village property for your event?	☑ Yes ☐ No	If yes, you must complete, Page 3, Section 3.

ACKNOWLEDGEMENT/SIGNATURE

By signing this document, I certify that the information provided above is correct. I agree to conduct the special event in compliance with all applicable codes, ordinances, laws and the conditions contained in the special event permit.

Michael P. Reis
Signature of Organizer

May 2, 2023
Date

Application must include the following documentation

- ☑ Special Event Application (Page 1, 2, 3, 4)
- ☑ Certificate of Insurance (see Section 5)
- ☑ Site Plan and/or Race/Parade Route Map

You MUST submit a new site plan or parade/race route on an annual basis.

APPLICATIONS WITH MISSING INFORMATION WILL NOT BE PROCESSED.

Attachment: Oktoberfest (Oktoberfest 2023)

VILLAGE OF PALATINE
SPECIAL EVENT PERMIT APPLICATION

THIS FORM MUST BE COMPLETED IN FULL AND SUBMITTED 60 DAYS PRIOR TO THE EVENT
Village Manager's Office, 200 E. Wood St., Palatine, IL 60067 Fax: 847-359-9094

INSTRUCTIONS: PLEASE TYPE OR PRINT CLEARLY. INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED.

Name of Event

OKTOBERFEST

SECTION 1: RACE/WALK, PARADE INFORMATION ■ Not Applicable

Starting Location	Ending Location
Approximate Number of Attendees (runners/marchers)	**Approximate Number of Vehicles (cars/floats)**
Location of Assemble (Registration)	**Location of Personal Vehicle Parking**

Please attach a course map, with location of the staging area, start/finish lines, and water/first aid stations

SECTION 2: NOISE CONTROL PLAN ☐ Not Applicable

Please attach a Site Plan, with the location of the stages and sound systems, the location and direction of all speakers, and the proximity to residential properties

Amplified sound will be used from: (am/pm)	Amplified sound will be used to: (am/pm)
Fri 9/15 (5pm-12am), Sat 9/16 (12pm-12am),	Sun 9/17 (12pm-6pm)

Describe the sound system(s)

Park District to provide speakers and amplifiers for main stage consistent with prior years.

Explain how the sound will be controlled and identify the means by which it can be further controlled if necessary:

Park District to provide volume/mixing controls. Stage oriented to face North to reduce impact to residential area directly to the South.

The Village has the right to require applicants to revise locations, hours, or plans to control amplified music/speech.

SECTION 3: PARKING LOT/PROPERTY USAGE/CLOSURE INFORMATION ☐ Not Applicable

Public Parking Lot / Property Intended for "Event"

Lot Number or Location	Date of Closure	Time of Closure	Date to Reopen	Time of Reopen
Lots J,K,L	9/14/2023	4am	9/17/2023	8pm
Slade St (Smith to Greeley)	9/15/2023	2pm	9/17/2023	8pm

1. No staking in the street or public parking lot is permitted.
2. Only chalk or other Village approved marking is permitted (no spray paint).
3. Any debris/stains must be removed immediately prior to the opening of the street/public parking lot.
4. No structures may be erected on any street/public parking Lot without prior approval/permit.

Attachment: Oktoberfest (Oktoberfest 2023)

VILLAGE OF PALATINE
SPECIAL EVENT PERMIT APPLICATION

THIS FORM MUST BE COMPLETED IN FULL AND SUBMITTED 60 DAYS PRIOR TO THE EVENT
Village Manager's Office, 200 E. Wood St., Palatine, IL 60067 Fax: 847-359-9094

INSTRUCTIONS: PLEASE TYPE OR PRINT CLEARLY. INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED.

SECTION 4: INDEMNITY/HOLD HARMLESS AGREEMENT

Name of Sponsoring Organization
ROTARY CLUB OF PALATINE

Name of Event
OKTOBERFEST

Date(s) of Event
Friday, September 15, 2023 through Sunday, September 17, 2023

To the fullest extent permitted by law, the Organization hereby agrees to defend, indemnify and hold harmless the Village of Palatine, its officials, agents and employees, against all injuries, deaths, loss, damages, claims, patent claims, suits, liabilities, judgments, cost and expenses, which may in any way accrue against the Village of Palatine, its officials, agents and employees, arising in whole or in part or in consequence of the Event, and/or its employees, and or subcontractors' participation in Event, or which may in any way result therefore. The Organization shall, at its own expense, appear, defend and pay all charges of attorneys and all costs and other expenses arising therefore or incurred in connection therewith, and, if any judgment shall be rendered against the Village of Palatine, its officials, agents and employees, in any such action, the Organization shall, at its own expense, satisfy and discharge the same.

The Organization expressly understands and agrees that any performance bond or insurance policies required by the Village of Palatine, or otherwise provided by the Organization shall in no way limit the responsibility to indemnify, keep and save harmless and defend the Village of Palatine, its officials, agents and employees as herein provided.

The Organization expressly understands and agrees that the Village shall be named as an additional insured party on the insurance policy and that the Organization shall have no permission or authority to engage in the Event until evidence deemed acceptable to the Village has been provided to establish that the Village has been named as an additional insured party on the insurance policy .

Michael P. Reiss

SIGNATURE

Michael P Reiss	Treasurer	May 2, 2023
PRINT NAME	TITLE/POSITION	DATE

SECTION 5: INSURANCE REQUIREMENTS

INSURANCE REQUIREMENTS

Sponsoring Organization will be required to provide an original Certificate of Insurance evidencing the following insurance minimums:

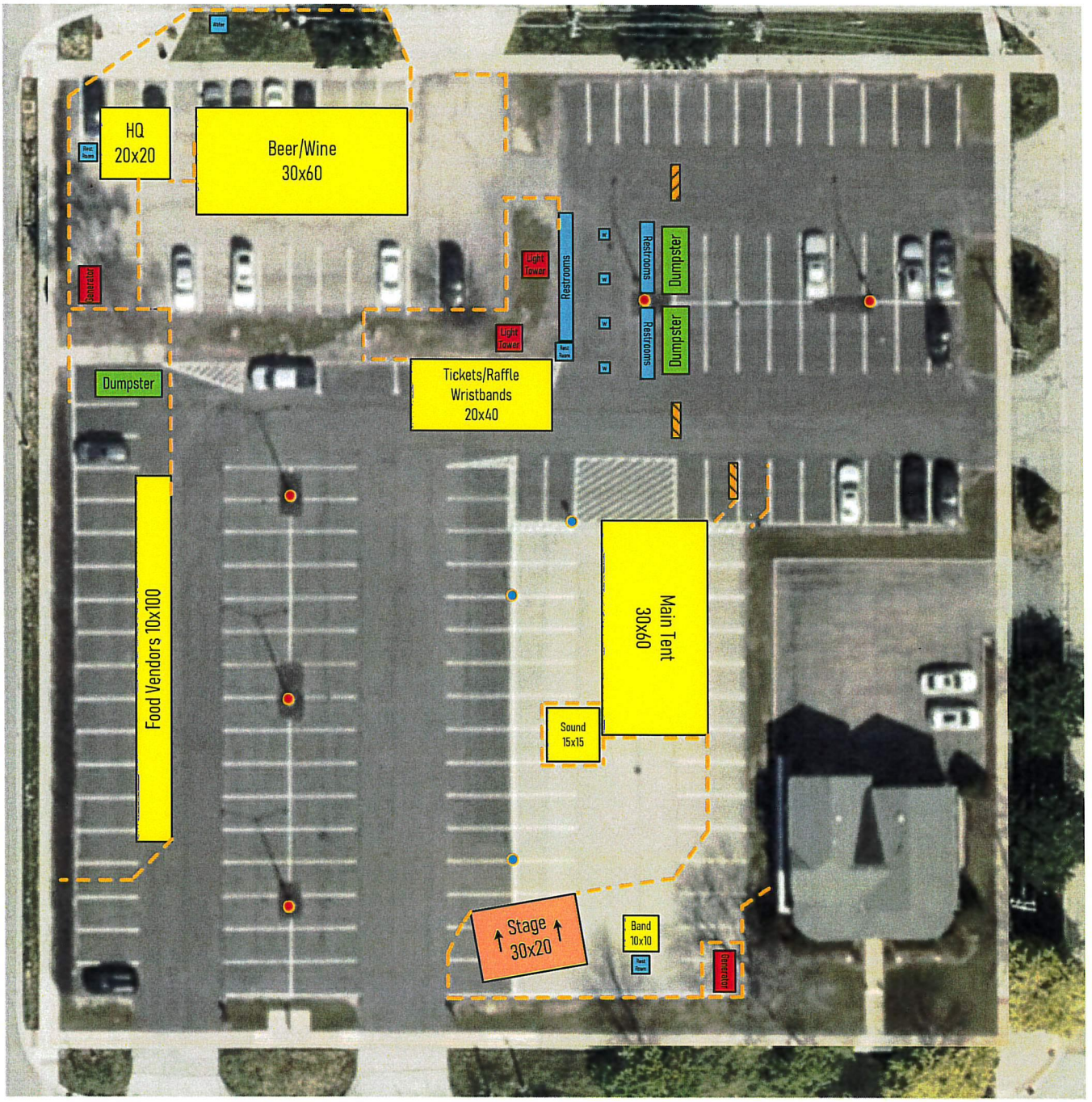
Commercial General Liability - minimum $1,000,000 per occurrence

Final acceptance of applicant is contingent on applicant naming the Village of Palatine, their employees, agents and officials as additional insured.

Attachment: Oktoberfest (Oktoberfest 2023)

ROTARY CLUB OF PALATINE
OKTOBERFEST SITE LAYOUT
SEPTEMBER 15-17, 2023
PARKING LOTS J, K, L

W WILSON ST



N SMITH ST

N OAKLEY ST

W SLADE ST

Attachment: Oktoberfest Layout (Oktoberfest 2023)

Motion to Award Contract for Replacement Phone Handsets

BACKGROUND:
Palatine's village-wide phone system was installed with the Police Station, about ten years ago. During this time, staff has been upgrading / maintaining the core phone system, but our handsets encountering hardware problems and, in the future, the current handsets will be unsupported by the core phone system.

We received eight responses to our Request for Proposal for around 300 phones replacement phones, with Prospect Communications providing the lowest bid at $46,748.00.

KEY ISSUES:
- Phone handsets are starting to encounter hardware problems.
- Phone handsets may be unsupported in future software releases.

ALTERNATIVES:
1. Approve the Motion to award contract to Prospect Communications.
2. Refer back to staff.

RECOMMENDATION:
Staff recommends approval of the award of contract to Prospect Communications.

ACTION REQUIRED:
A motion to approve the award of the contract to Prospect Communications for $46,748.

ATTACHMENTS:

- Phone Bid Results
- Phone Specifications

2023 MITEL PHONES
BID OPENING: MAY 31, 2023
INFORMATION TECHNOLOGY

Bidder Name	Proposal Signed Y/N	Bid Bond Attached Y/N	Total Bid Price
CMS Communications, Inc.	Y		$59,486.00
Forerunner Technologies, Inc.	Y		$58,481.33
IT Savy	Y		$59,877.95
Prospect Communications	Y		$46,748
RocketDrop	Y		$53,203
Telcom Innovations Group	N		$55,330.70
Telesource Service, Inc.	Y		$61,441.82
Tiles In Style LLC dba Taza Supplies	Y		$65,175.76

Attachment: Phone Bid Results (Replacement Phone Award)

MiVoice 6900 Series IP Phones

Versatile family of 'Mobile First' IP Phones designed for today's mobile work style

The Mitel 6900 series is a family of powerful 'Mobile First' IP phones offering advanced integration with mobile phone calls and applications. Mitel's Mobile Integration capability enables the user's mobile phone to pair directly with the 6900's Bluetooth interface to deliver access to mobile phone features from the desk phone allowing both cellphone and IP calls to be managed from a single device. Mobile Integration allows mobile phone users to leverage the exceptional HD audio and comfortable ergonomics of the 6900 series phones for both IP and cellphone calls. The 6900 phones deliver crystal clear audio through a unique corded or cordless voice optimized handset and high performance hands-free speakerphone. Unparalleled flexibility is achieved through a broad array of add-on user installable accessories that enable the phones to be tailored to specific user needs. The 6900 family provides the flexibility and capability needed to meet the demanding needs of today's users.

Mitel
Powering connections

Attachment: Phone Specifications (Replacement Phone Award)

Mitel 6900 Series IP Phones

MiVoice 6920 IP Phone

The MiVoice 6920 IP phone is designed from the ground up for the enterprise user who requires an exceptional HD audio experience via its unique voice optimized handset. It offers a large color LCD display, dual GigE, programmable personal keys and context-sensitive soft keys, support for both USB & Analog headsets.

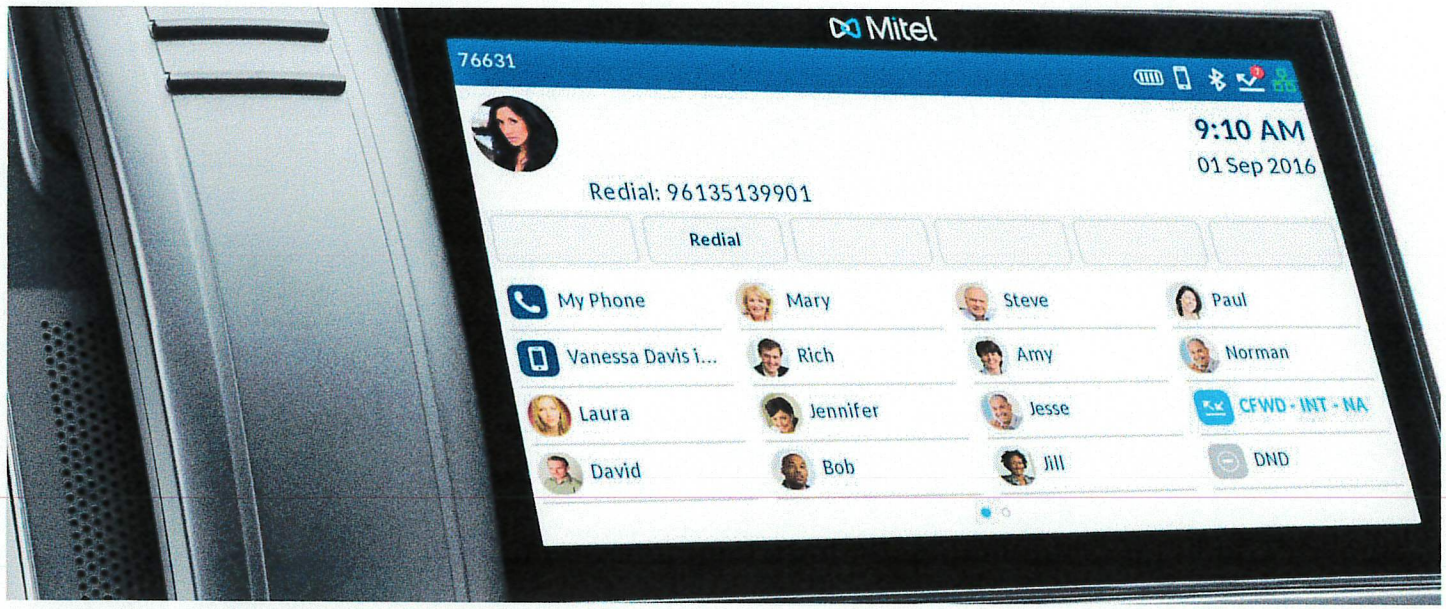
- 3.5" QVGA (320x240 pixel) color display
- Speech optimized corded handset
- Programmable personal and Context sensitive soft keys
- Native DHSG/EHS analog headset support
- USB port for headsets and accessories

MiVoice 6930 IP Phone

The MiVoice 6930 IP phone commands the desktop with its large 4.3" color display, powerful crystal clear HD audio through the voice optimized handset, programmable personal keys, Bluetooth 4.1 with Mobile Integration, mobile phone USB charging point and choice of expansion modules makes the 6930 the choice of power users.

- 4.3" (480x272 pixel) color display
- Bluetooth 4.1
- Mobile Integration
- USB Mobile phone charging point
- Programmable personal and Context sensitive soft keys
- Speech optimized corded handset
- Support for optional Cordless handset
- Enhanced full-duplex speakerphone
- Highly customizable via optional accessories

Attachment: Phone Specifications (Replacement Phone Award)



MiVoice 6940 IP Phone

The MiVoice 6940 IP Phone is designed for executive users who demand a lot from their phone. The 6940 offers a large 7" touch display, powerful crystal clear HD audio through a unique cordless Bluetooth voice optimized handset and programmable personal keys. Mobile Integration, Dual Gigabit Ethernet ports and the full-duplex speakerphone ensure the 6940 delivers a robust, productivity-enhancing executive desktop communication tool.

- 7" (800x480 pixel) color LCD Touch Display
- Bluetooth 4.1
- Mobile Integration
- Mobile phone charging point
- Cordless BT speech optimized handset
- Enhanced full-duplex speakerphone
- Programmable personal and Context sensitive soft keys
- Highly customizable via broad array of optional add-on accessories

Common features for all Mitel 6900 phones & Comparison Feature Matrix

System Software Requirements

- MiVoice Business, R8
- MiVoice Office 400 R5.0
- MiVoice 5000 R6.4
- MiVoice MX-One R6.3
- MiCollab Client, Release 7.2.2

Audio and Codec

- Mitel Hi-Q Audio Technology
- Voice optimized handsets
- Hearing Aid Compatible (HAC) handset
- High quality full-duplex speakerphone
- Codecs (not all codecs supported by MiNet and SIP firmware):
  - G.711, G.729, G.722
  - G.722.1 (MiNet only);
  - G.726, iLBC AMR, AMR-WB (G.722.2) (SIP only)
- Headset connection interfaces – USB, Analog DHSG/EHS port, Bluetooth 4.1 (standard on 6930/40)

Integration and Connectivity

- Mobile Integration (standard on 6930/40)
  - *Mobile Call Audio via desk phone*
  - *Mobile Contact Sync*
- Support for Mitel Teleworker Solution, Automatic Call Distribution (ACD) agent and supervisor, hot desking and resiliency
- Support for use with MiCollab Client
- Multiple-languages Support: English, French, German, Italian, Portuguese, Spanish and Dutch (downloadable language packs for SIP)
- Secure encrypted voice communication
- Quality of Service support – IEEE 802.1 p/Q VLAN and priority tagiing
- IEEE 802.1x authentication support
- Dual 10/100/1000 Mbps Ethernet ports (LAN/PC)
- Bluetooth 4.1 wireless interface (standard on 6930/40)
- Powered USB 2.0 Host port (100mA on 6920, 500mA on 6930/40)
- Sidecar expansion port
- Dedicated 4-pin modular headset port convertible to DHSG/EHS capable

Comparison Feature Matrix

	6920	6930	6940
Color LCD Display	3.5" (320x240) LCD	4.3" (480x272) LCD	7" (800x480) Touchscreen LCD
Mobile Integration	Yes via USB BT dongle	Yes	Yes
Dedicated LED for call, message waiting and Mobile Device Indication	Yes	Yes	Yes
Ethernet Ports	2 x GigE	2 x GigE	2 x GigE
Wideband Speakerphone	Yes	Yes	Yes
Bluetooth 4.1 Support	Future offering through BT USB dongle	Yes (built-in)	Yes (built-in)

Attachment: Phone Specifications (Replacement Phone Award)

Bluetooth Handset Support	Future offering through BT USB dongle	Yes (optional)	Yes (standard)
Wired Analog Headset Support	Yes	Yes	No
EHS Headset Support	Yes	Yes	No
USB Headset Support	Yes	Yes	Yes
Integrated DECT Headset	-	Yes (optional)	Yes (optional)
Detachable Keyboard Support	Yes	Yes	No (on screen keyboard)
Optional Wall Mount Support	Yes	Yes	Yes
LCD PKM Support	Yes (3 max)	Yes (3 max)	Yes (3 max)

Attachment: Phone Specifications (Replacement Phone Award)

Accessories

INTEGRATED DECT HEADSET

The Integrated DECT Headset delivers a range of up to 300 feet (100 meters) of personal area mobility, helping users avoid missed calls while stepping away to the printer, copier or colleagues' offices. Mitel's DECT Accessories are an ideal fit for all organizations and verticals including call centers, education, healthcare, hospitality and retail environments.

- DECT wireless technology – 300 foot (100 meter) range
- Premium mono-ear headset from Jabra
- Attaches to phone via phone's Expansion Por
- Powered directly by the IP phone
- Headset Call control buttons
- Supported on 6930 & 6940
- Available today for MiVoice Business. Q1 2018 for MiVoice Office 400, MiVoice 5000 and MiVoice MX-ONE

MiVoice S720 Bluetooth Speakerphone

The MiVoice S720 Bluetooth Speakerphone gives users the ability to untether themselves from their desk and take advantage of the added productivity that wireless communication delivers. Adding the benefit of completely hands-free communication, the MiVoice S720 enables users to work on their computers, handle documents, or take notes during conference calls. Making it the ideal fit for all organizations and verticals including office workers, education, healthcare, hospitality and retail environments.

- Battery powered with USB charging
- Dual connect – desk phone & mobile phone
- Ability to link two speakerphones together wirelessly
- Play stereo music from mobile
- Extend conference phone range
- Supported on the 6930 & 6940 IP Phone
- Available today for MiVoice Business. Q1 2018 for MiVoice Office 400, MiVoice 5000 and MiVoice MX-ONE

Attachment: Phone Specifications (Replacement Phone Award)

CORDLESS VOICE OPTIMIZED HANDSET

The cordless voice optimized handset allows users to enjoy clearly discernable conversations in a variety of environments without being physically tied to their desk phone. 6930 users can enjoy the freedom of cordless conversations for both IP and Mobile Integration calls by upgrading to the cordless handset.

- Supported on the 6930 (standard equipment on 6940)
- End user installable – 6930 comes standard with cordless handset charging contacts
- Answer/hang-up, mute and volume up/down buttons provided
- Ringtone played through handset while out of the phone cradle
- BT 4.1 Class 2 (10 meter / 30 feet range) wireless interface

WLAN ADAPTER

The WLAN Adapter delivers wireless 802.11 a/b/g/n dual band (2.4Ghz / 5Ghz) network connectivity to your 6900, 5300 or 6800 series phone. Wirelessly enable your IP Phone by simply connecting the WLAN Adapter to the Phone's network port via the supplied Ethernet cable and then configure the adapter to connect to your home office or enterprise wireless network. The WLAN Adapter supplies POE power to the connected phone for a clean and simple single wall adapter solution. The WLAN Adapter supports connection of a PC to the PC port of the connected phone with true 2x2 MIMO (300Mb/s) throughput. The WLAN Adapter delivers enterprise grade dual antenna connectivity and up to 802.1x security plus comes with a remote management application that allows administrators to remotely manage adapters deployed within their user community.

Features	Mitel WLAN Adapter
Wireless	802.11a/b/g/n (dual band 2.4 and 5 GHz)
Ethernet	10/100/1000
Security	WPA/WPA2 Personal Enterprise with 802.1x Authentication
Antenna	Two (internal)
MIMO	2x2 MIMO
Max Link Rate	MSC0 to MSC15 (300Mb/s)

Attachment: Phone Specifications (Replacement Phone Award)

Additional Software Security	Ethernet MAC Address Intrusion Alert
Config from Phone	Yes (Future)
MAC Address Transparency	Yes
Support PC plugged into Phone	Yes
POE+	Yes to power the phone + installed accessories
Remote Management	Yes via Remote Management Application
Bulk updates	Yes via Remote Management Application
Set Up	WPS, Remote Manager, Direct Config, Web

EXPANSION MODULES

The Mitel M695 can easily add 28 buttons to the existing Personal keys on a 6920, 6930 or 6940, enabling the MiVoice 6900 Series IP phones to become robust productivity enhancing desktop communication tools for users who need to monitor a large number of lines or Busy Lamp Fields. The M695 attaches easily to the 6900's sidecar expansion port which provides power to the attached PKM(s) for a clutter free desktop. Up to three modules can be daisy-chained together to provide up to 84 programmable keys that can be programmed with all of the same feature types available on the Personal keys of the base phone.

- Supported on the 6920, 6930 and 6940
- 28 programmable keys
- 4.3" 480x272 pixel color backlit LCD display
- Additional M695 PKM's can be daisy-chained for a combined total of up to 3 modules
- All attached PKM's powered by the phone – no separate power adapter required

Attachment: Phone Specifications (Replacement Phone Award)

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Mitel 6910 IP Phone

The ideal option for businesses who need a modern and reliable office phone for standard communications.

Key Features

- 3.4" 128x48 pixel LCD display with soft white backlighting
- HD wideband audio
- Eight programmable personal keys with LED indicator
- 4-way navigation key with Select/OK button
- Dual Gigabit Ethernet ports
- Native EHS/DHSG headset support
- PoE Class 2

The Mitel 6910 IP Phone offers exceptional quality and standard telephony functions in an enterprise grade IP desktop phone. The Mitel 6910 features Dual Gigabit Ethernet ports and a large 3.4" LCD display with soft white backlighting and large fonts, making the screen easy to read in any lighting condition. With eight programmable keys, native DHSG/ EHS analog headset support, and high definition audio quality, the Mitel 6910 IP Phone is ideal for business of all sizes.

Remarkable Audio

The Mitel 6910 IP phones feature high definition audio technology to deliver enhanced performance and voice clarity. Integrating HD wideband audio codecs, advanced audio processing and hardware components that support a true wideband frequency range, the 6910 offers a superior voice experience on each audio path – handset, speakerphone or headset port – making conversations crystal clear and more life-like.

Flexible Headset Options

The Mitel 6910 IP Phone features an innovative headset port that uniquely provides support for wired analog headsets with or without Electronic Hook Switch (EHS/DHSG). Users with wireless headsets that support EHS/DHSG can connect directly to the 6910 using available third-party cables.

Mitel
Powering connections

Attachment: Phone Specifications (Replacement Phone Award)

Enhanced Call Management

With an extensive array of supported features including directory, calls logs, voicemail and eight programmable keys, the Mitel 6910 IP Phone is designed for easy access to all the most frequently used call management features.

Feature Keys

- *8 Programmable Personal keys with LEDs for Call Appearances and, Speed Dials*
- *4-way navigation key with Select/OK button*
- *Dedicated function keys, including Conference, Transfer, Contacts, Call History, Voicemail, Hold, Redial, Goodbye, Options, Volume Up/Down key, Mute (with LED) and Speaker/Headset (with LED)*

Audio and Codecs

- *Mitel Hi-Q Audio Technology*
- *Hearing aid compatible (HAC) handset*
- *Full-duplex speakerphone*
- *Wideband handset and speakerphone*
- *Codecs: G.711 μ-law / A-law, iLBC, G.722, G.726, Linear 16, G.729*
- *EHS/DHSG and 4-pin modular analog headset supported*

Display and Indicators

- *3.4" 128x48 pixel graphical display*
- *Soft white backlight for user comfort in any lighting condition*
- *Call and message waiting indicator*
- *8 Programmable Personal key indicators (single color)*
- *Speaker/Headset & Mute State Indicators*

Protocol Support

- *Mitel IP (Minet) protocol support*
- *SIP (Session Initiation Protocol) Support*

System Software Requirements

- *MiCloud Connect*

Integration and Connectivity

- *Dual 10/100/1000 Mbps Ethernet ports (LAN/PC)*
- *Support for use with Mitel Connect Client*
- *Multiple-languages support: English, French, German, Spanish, Dutch*
- *Secure encrypted voice communication*
- *Quality of Service support – IEEE 802.1 p/Q VLAN and priority tagging*
- *IEEE 802.1x authentication support*
- *Dedicated 4-pin RJ9 modular headset port convertible to EHS/DHSG capable headset port*

Powering

- *PoE Class 2 or DC via option power supply*
- *Level "V" energy efficiency rated power adapters available*

Environmental / Regulatory Standards

- Operational:
  - *» Operational +4°C to +49°C*
  - *» Humidity 34% at +49°C 95% at +29°C*
- Storage:
  - *» Operational -30°C to +70°C*
  - *» Humidity 15% at +70°C 95% at +29°C*

Mitel
Powering connections

Attachment: Phone Specifications (Replacement Phone Award)

EMC

- *Canada: ICES-003 (Class B)*
  - *Rss-247*
- *USA: CFR Title 47, Part 15 (Class B)*
  - *FCC Part 15 Subpart C*
- *European Union: EN55024 (EU)*
  - *EN55032 (Class B)*
  - *EN 301-489-1-17*
  - *EN300 328*
  - *EN 50360*
- *Australia / New Zealand: AS / NZS CISPR 22*

Safety

- *Canada: CSA C22.2 NO. 60950-1*
- *USA: UL 60950-1*
- *European Union: EN 60950-1*
- *Australia / New Zealand: AS / NZS 60950 - 1*

Other

- *Size (L x W x H): 8.9 in x 5.9in x 7.5 in (22.5cm x 15cm x 19cm)*
- *Weight: 2.2 lbs. or 0.98 kg*

**Feature support may not be applicable to all solutions*

Attachment: Phone Specifications (Replacement Phone Award)

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DS-MiVoice_6920-160417-EN-v01

Discussion Related to Video Gaming

Earlier this year, the Village Council had a discussion regarding the status of video gaming following its approval one year ago. The outcome of this discussion was to schedule follow-up discussions related to any mandatory investment requirement and the status of the moratorium on the issuance of new licenses.

Required Reinvestment

The Village Council has indicated that they would like to see the establishments with approved video gaming licenses reinvest some of their increased revenues back into the business. However, this would be voluntary at this time. This evening we will attempt to determine whether there is a majority of the Council that would like to mandate the reinvestment.

The threshold question is whether four elected officials want to mandate the reinvestment of revenues. If there is support, staff suggests the following issues need to be addressed by the Council:

Time Period for Reinvestment

- Staff would recommend the reinvestment requirement not commence until the 2024/25 license year, as by that time a decision will have been made as to whether the video gaming sunset provision has been lifted.
- A decision needs to be made as to whether the reinvestment is measured on an annual basis or over a multi-year period. Staff would recommend a multi-year period as that would allow for a more significant project through accumulation of funds. Perhaps every three years is appropriate.

Amount of Reinvestment

- A percent of gaming receipts should be established to determine whether proper reinvestment is taking place.
- Based upon the initial revenues and looking at other communities, it is reasonable to expect the revenues received by the establishments to range from $12,000 to over $150,000.
- Staff will need to develop the required documentation and process to audit the reinvestment. This could include paid receipts and lien waivers being required.

What Constitutes Reinvestment

- Staff has developed a list for discussion purposes as to the type of activity that could be considered as reinvestment. The Village Manager has met or talked to nine of the 11 establishments (one owner with two establishments did not attend the meeting nor contacted the Manager). Based upon the meeting and discussions, the attached list was developed for discussion.
- One issue raised by the establishments was that reinvestment can be very different for someone that owns their property compared to an establishment that is a tenant. This is a real factor in what would be reinvested.

Moratorium and New Licenses

Initial Licenses

- As previously discussed, the Village Council approved 11 initial VG licenses that

met all qualifications for approval.
- Two establishments met requirements **except** for one year of operation.
- One establishment did not have proper liquor license and subsequently withdrew its application.
- Three establishments had past due payments within 12 months of application and were thus ineligible.

Future Licenses
- There are a variety of options available to the Village Council/Liquor Commission related to future licenses. Presently the moratorium on new licenses is in place through the end of August. The options include:
    - Freeze the number of Video Gaming (VG) licenses at the current 11.
    - Reopen application to any holder of a Class D License.
    - Consider only the two applications that were on file but did not meet the requirement for one year of operation.
    - Adopt new requirements for a VG license prior to opening the application process. These new requirements could include:
        - Percent of sales generated from alcohol. This would focus gaming more on the "bar" type restaurant. Staff would suggest a minimum alcohol sales of 40% to 50%. This would apply to all new VG licenses.
        - Require minimum establishment square footage for video gaming.

Direction Required

1. Require Reinvestment - If yes, then the following needs direction:
    a. What is the measuring period
        i. Annual
        ii. Every 3 years
        iii. Something else
    b. How much reinvestment
        i. 10% of gaming revenues
        ii. 25% of gaming revenues
        iii. Some other percent
    c. What expenses qualify for reinvestment

2. Future Licenses:
    a. Hard cap at 11
    b. Eliminate cap and open to all Class D
    c. Consider 2 original applicants
    d. Establish new criteria for VG license

Staff would like direction on the above issues so that any necessary ordinances can be prepared and considered prior to the expiration of the moratorium and so existing establishments will know what requirements are in place, if any, for reinvestment.

ATTACHMENTS:

- VG Reinvestment Criteria

Reinvestment Threshold

- Minimum of (10% or 25% or something else) of previous year gaming receipts

  OR

- Three-year average of ___% of gaming receipts

What is Reinvestment

- Physical upgrades and improvements to establishment
  - Exterior improvements – building, landscaping, fencing, parking, lighting, etc
  - New permanent kitchen equipment
  - Remodeled and improved restroom facilities
  - Flooring replacement
  - Window replacement
  - Mechanical system replacement and upgrades
  - Furniture replacement (limited to once per 5-year cycle)
  - Electrical improvements and lighting upgrades
  - Roof replacement or modifications
  - Other similar capital type investments into the structure
  - ADA accommodations

- Specific across the board wage increase for employees (not ownership) as part of retention effort
  - Increased salaries will receive 50% credit towards reinvestment for the 3-year average

- Expansion of licensed establishment space through acquisition or expanded lease
  - Costs of expansion can be an eligible reinvestment expense for a 5-year period

- Sponsorship of local organizations/teams

What is Not Considered Reinvestment

- Painting and other cosmetic updates

- Covering higher costs of food and supplies

- Any expenditure that is part of a government loan or grant matching program

When Does Investment Need to Occur

- Establishments must submit documentation by April 1st of every calendar year summarizing reinvestment from previous calendar year

Areas for Discussion/Consideration

- Require **ALL** Class VG license holders to get Village Council approval on VG license renewal on annual basis

Attachment: VG Reinvestment Criteria (Disccussion Related to Video Gaming)

Consider a Motion Opening the 30-Day Public Review and Comment Period for the 2023 CDBG Action Plan

BACKGROUND:
The FY2023 CDBG Subrecipient Application period for CDBG funding occurred from March 24 - April 20. Per HUD requirements, Palatine's Draft Action Plan is now available for the required 30-day public review and comment period. The required Public Hearing will occur on July 6th at 1PM at Village Hall (Community Room A) for additional input about the Action Plan. Per the Village's annual process, the Draft Plan will be available for review at the Village Clerk's Office and posted on the Village's website. The final version of the Action Plan will be submitted to HUD, though the Cook County Consortium in August. Therefore, Staff is recommending the following:

Motion commencing the 30-day public review and comment period for the FY2023 Action Plan.

KEY ISSUES:
The Village's anticipated CDBG FY2023 entitlement amount is $497,467, which represents a 2.5% increase from last year. Palatine's program-year runs from September 1 through August 31. Per HUD regulations, the Village may recommend up to 15% ($74,620) for social service providers and up to 20% ($99,493) for program administration. The 2023 requested subrecipient funding totaled $81,000. The subrecipient application notice was posted on the Village website on March 24 and staff sent FY2023 CDBG notices to all social service agencies that applied for or received funding over the past four years.

The FY2023 Action Plan recommends CDBG funding for the following activities: program administration, public infrastructure, facility improvements (eligible projects associated with low- to moderate-income areas and clientele), childcare/community center administration, homelessness service and prevention, emergency transitional shelter program, supportive services for senior citizens, and counseling and advocacy for abuse victims. As required, the 30-day public comment period was noticed in the Daily Herald and began on June 8, 2023. Staff recommends the following CDBG expenditures for FY2023:

Administration and Infrastructure/Public Facilities			
Organization	**Activity**	**Funding Requested**	**Funding Recommended**
Village of Palatine Planning & Zoning	CDBG Administration (maximum 20%)	$99,493	$99,493
Village of Palatine Public Works	Public Improvement Projects	$323,354	$323,354
Public Services	Social Service Agencies (maximum 15%)	$81,000	$74,620
	Total Requested	**$503,847**	
	Total Available		**$497,467**

Organization	Activity	Funding Requested	Funding Recommended
Children's Advocacy Center	Child Abuse Counseling	$5,000	$5,000
Family Forward	Financial Assistance for Rent and Case Management	$3,000	$3,000
JOURNEYS	Homeless Services	$19,000	$19,000
POC	Case Management Service Coordinator	$28,000	$24,000
Palatine Township	Support Services for Older Adults	$10,000	$4,620
PTSCC	Resources and Programs for Very Low-Income Clients	$15,000	$15,000
WINGS	Homeless Services for Domestic Violence Victims	$5,000	$4,000
	Total Requested	**$81,000**	
	Total Available		**$74,620**

The full draft FY2023 Action Plan can be reviewed on the Village Website at www.palatine.il.us/163/News-Events

ALTERNATIVES:

1. Recommend commencing the required 30-day public review and comment period.
2. Refer back to staff with comments.

RECOMMENDATION:

Staff recommends a motion commencing the required 30-day public review and comment period. If the public comment and review period does not commence, the Village risks losing its CDBG 2023 funding.

ACTION REQUIRED:

A motion commencing the 30-day public review and comment period for the Village of Palatine FY2023 Action Plan.

Consider a Motion to Accept and Place on File the Annual Comprehensive Financial Report for the Year Ended December 31, 2022

BACKGROUND:
State statute requires that an annual audit of the financial records and accounts of the Village be made. The audit was performed in accordance with generally accepted auditing standards. The audit will be submitted as required to the Cook County Clerk, State Comptroller of Illinois, and other interested oversight agencies as well as to interested financial institutions that sell or hold Village bonds. This report will also be submitted to the Government Finance Officers' Association for consideration of their Certificate for Excellence in Financial Reporting.

KEY ISSUES:
- The Village's auditors, Sikich LLP, have completed their audit of 2022 and rendered an unmodified opinion, the best opinion they can give, on the Village's financial statements for the year ended December 31, 2022.
- The 2022 Annual Comprehensive Financial Report (ACFR) will be posted on the Village's website.
- As in previous years, the Management Letter has no findings. This is a testament to the stewardship exhibited by all Staff within the Village.

RECOMMENDATION:
Staff recommends that the Mayor and Village Council accept and place on file the Annual Comprehensive Financial Report for the year ended December 31, 2022.

ACTION REQUIRED:
Motion to accept and place on file the Annual Comprehensive Financial Report for the year ended December 31, 2022.

ATTACHMENTS:
- 22 Final Audit - VO Palatine

VILLAGE OF PALATINE, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED
DECEMBER 31, 2022

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended
December 31, 2022

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Prepared by the Finance Department

Paul D. Mehring, CPA
Finance Director/Village Treasurer

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INTRODUCTORY SECTION

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VILLAGE OF PALATINE, ILLINOIS

PRINCIPAL OFFICIALS

December 31, 2022

MAYOR

Jim Schwantz

VILLAGE COUNCIL

Tim Millar	District 1
Scott Lamerand	District 2
Doug Myslinski	District 3
Greg Solberg	District 4
Kollin Kozlowski	District 5
Brad Helms	District 6

VILLAGE CLERK

Margaret Duer

ADMINISTRATIVE

Reid Ottesen	Village Manager
Patrick Brankin	Village Attorney
Paul Mehring	Finance Director/Village Treasurer

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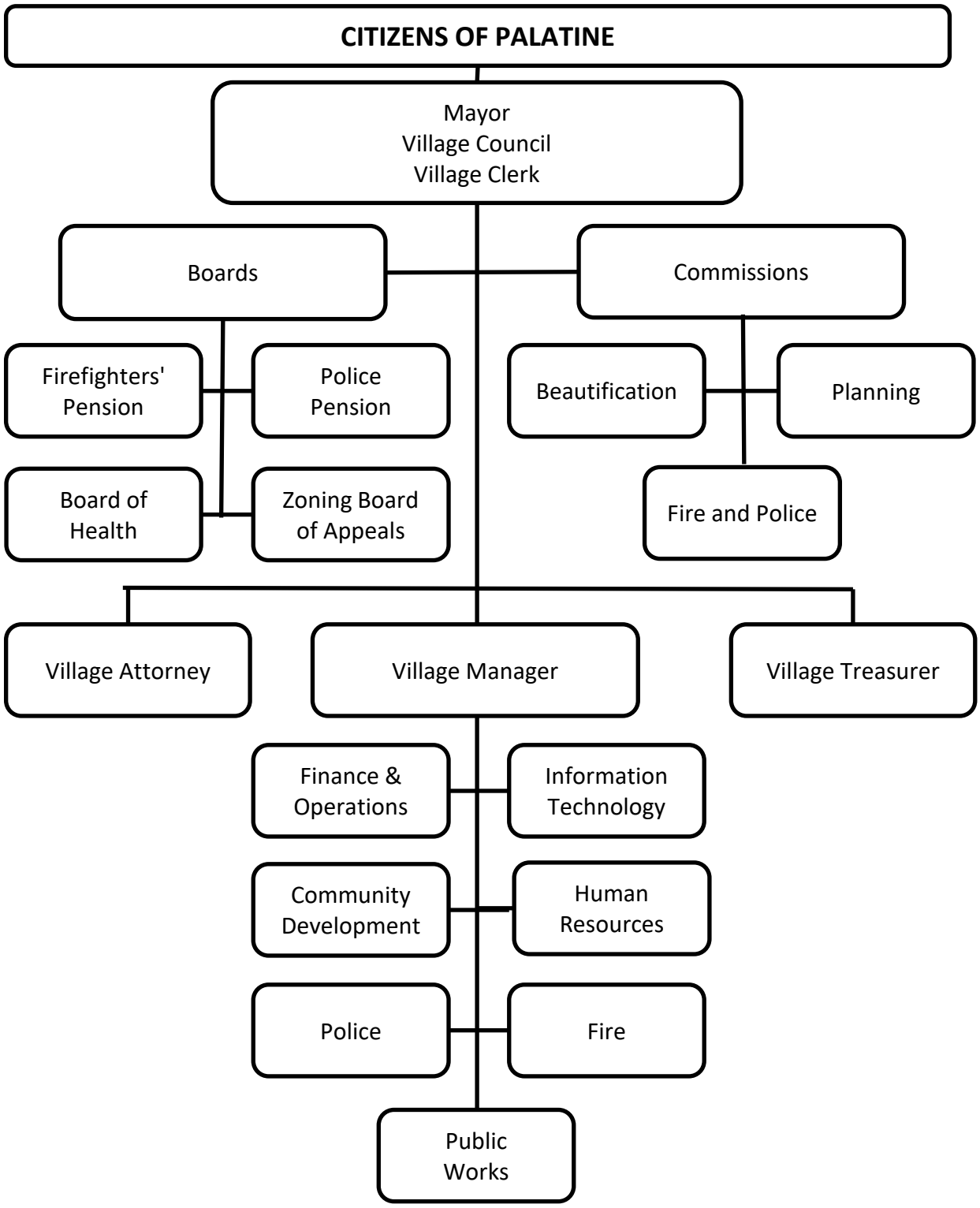
VILLAGE OF PALATINE, ILLINOIS

ORGANIZATION CHART

December 31, 2021



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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Village of Palatine
Illinois

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morrill

Executive Director/CEO

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VILLAGE of PALATINE

DEPARTMENT OF FINANCE & OPERATIONS
200 E. Wood Street · Palatine, IL 60067-5339
Telephone (847) 359-9088 · Fax (847) 202-6672
www.palatine.il.us

May 15, 2023

Mayor Schwantz
Members of the Village Council
Village Manager Ottesen
Citizens of the Village of Palatine, Illinois

State law requires that all general-purpose governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the Village of Palatine, Illinois for the year ended December 31, 2022.

This report consists of management's representations concerning the finances of the Village. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the Village has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Village's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Village's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Village's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Village for the calendar year ended December 31, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Village's financial statements for the calendar year ended December 31, 2020, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Village's MD&A can be found immediately following the report of the independent auditors.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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Profile of the Village of Palatine

The Village of Palatine, incorporated on March 19, 1866, is located approximately 30 miles northwest of the City of Chicago in Cook County. The Village has a land area of 15 square miles and a population of 67,713. The Village is empowered to levy a property tax on real property located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing council.

The Village operates under the Council/Manager form of government. It is a home-rule community as defined by the Illinois Constitution. Policy-making and legislative authority are vested in a governing council consisting of the mayor and six other members. The governing council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring both the government's manager and attorney. The government's manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The council is elected on a non-partisan basis. Council members serve four-year staggered terms, with three council members elected every two years. The mayor is elected to serve a four-year term. The council members are elected by district and the mayor is elected at large.

The Village provides a full range of municipal services as contemplated by statute or charter. These services include public safety, highways and streets, health services, refuse collection, public improvements, planning and zoning, engineering and inspection, water and sewer utility services, and general administrative services. Separately governed taxing bodies provide other public services such as library services, education, and parks and recreation.

The Village of Palatine has adopted sections 5/8-2-9.1, through and including sections 5/8-2-9.10 of Chapter 65 of the Illinois Compiled Statutes providing for an annual municipal budget in lieu of the passage of an annual appropriation ordinance. The annual budget serves as the foundation for the Village's financial planning and control. All departments of the Village are required to submit requests for appropriation to the Village Manager each year. The Village Manager uses these requests as the starting point for developing a proposed budget. The Village Manager then presents this proposed budget to the Mayor and Village Council for review. The Mayor and Council are required to hold public hearings on the proposed budget and to adopt a final budget by no later than December 31, the close of the Village's fiscal year. The appropriated budget is prepared by fund and department. The Village Manager may make transfers of appropriations within a fund. Transfers of appropriations between funds, however, require the special approval of the governing council. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, Downtown TIF Fund, Coronavirus State and Local Fiscal Recovery Grant Fund, and Capital Equipment Replacement Fund this comparison is presented on pages 75-77 as part of the basic financial statements for the governmental funds. For governmental funds, other than the major funds, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page94.

There are many factors that influence the economy of a specific community and various measures are used to gauge the economic outlook. Perhaps four of the most objective measures are the level of retail sales, the employment level of the community, income levels in the community, and building activity. In Illinois, sales taxes are collected based upon the point-of-sale, and accordingly represent the sales in the community. Total sales tax revenue for calendar year 2022 increased by 45% over the prior year.

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Palatine's average unemployment rate is some 1.3% lower than the state average and has consistently been 1% to 2% lower than state and national averages. Palatine's median family income, as of the 2020 census, ranked the Village 197th in the State of Illinois and 21.2% higher than the median for the State of Illinois. Currently, the Village is realizing the results of economic growth over the last ten years. This growth has come through increased residential and commercial/industrial construction.

In a suburban setting where it is often difficult to distinguish the boundaries of one community from a neighboring community, the economic activity of the "region" is a major influence on the economies of the individual communities. The Village of Palatine is located on the northern edge of the "I–90 Corridor" which extends along Interstate 90 from O'Hare Airport to Elgin, a stretch of approximately 25 miles. The Village of Palatine benefits from easy access to the northwest suburban road network (including Northwest Highway, Rand Road, Dundee Road, Route 53, and Interstates 90, and 290). In addition, downtown Palatine contains a train station on Metra's Northwest Line (which provides service to communities from Harvard to Chicago).

The following is a discussion of some of the major development projects recently completed, under construction, or recently approved:

Northwest Highway Corridor – The redevelopment of the former Weber-Stephen property near Northwest Highway and Hicks Road (approximately 25 acres) has been completed, consisting of two warehouse/distribution buildings totaling nearly 425,000 square feet. The re-establishment of a gas station at the corner of Northwest Highway and Creekside Drive has received zoning approval. This will include the replacement of the underground fuel storage tanks and the conversion of the existing building into two separate commercial tenant spaces.

Rand and Dundee Corridors – The redevelopment of the remainder of the former Knupper Nursery site on Rand Road is complete, resulting in the opening of an approximately 16,000 square foot Volkswagen dealership. This new Volkswagen dealership is located directly north of the Napleton Automotive Group's new Mazda and Subaru dealerships. The construction of a new Belle Tire store is underway just south of the Arlington Toyota site. Building and façade renovations were completed at the Park Place shopping center for a new U-Haul Self Storage facility. The Village approved a redevelopment agreement with the shopping center owner to facilitate a new grocery store to occupy the former Whole Foods tenant space. The redevelopment agreement provides TIF assistance towards planned façade improvements and potential out lot development. Lastly, McGrath Kia has received Village zoning approvals to remodel and expand their existing Kia dealership on Dundee Road and construct a new service center on an adjacent property.

Other Areas – An approximately 25 acre site on Algonquin Road is currently being developed with a new 368,000 square foot warehouse/distribution building.

Long-Term Financial Planning and Major Initiatives

In addition to the economic development projects mentioned above, the Village has demonstrated a commitment to maintaining its infrastructure. In 2022, the Village spent over $8.5 million to maintain and improve its transportation system. The Village uses the PAVER system to track the condition of its streets. This system assigns a rating to a street based on an assessment of its physical condition. The Village uses these ratings to annually develop a prioritized listing of streets in need of repair.

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The Village has placed a heavy focus on its aging utility (water and sewer) infrastructure. In 2022, the Village performed a Village-wide study and evaluation of the current state of its storm water infrastructure in addition to looking out twenty years to determine what will be required to maintain the system over that horizon. This study resulted in a long-term maintenance and replacement plan to ensure the systems continue functioning as required by the Village's customers. For 2022, over $3.6 million was spent to maintain and improve water and sewer infrastructure.

Palatine will continue to participate in the strong economic growth of the area through its emergence as an ideal place to live and raise a family. One of Palatine's strongest qualities is the residential character of the Village. With an excellent range of housing, increasing property values, access to transportation, outstanding schools and parks, a power shopping corridor on Dundee Road, and economical municipal services, Palatine will continue to attract residents, employers and customers to the Village. These factors coupled with the commitment by Village officials to address emergent issues should enable the Village to maintain its economic stability for years to come.

Relevant Financial Policies

As in previous years, during 2022, the Village provided for General Fund contributions above and beyond the actuarially required amount to the Police and Firefighters' Pension Funds to amortize the unfunded liability more quickly, which will save future property tax dollars.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Palatine for its annual comprehensive financial report for the fiscal year ended December 31, 2021. This was the 22nd consecutive year that the Village has received this prestigious award. To be awarded a Certificate of Achievement, the Village published an easily readable and efficiently organized report. This report satisfied both GAAP and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report.

Additionally, I would like to acknowledge the Mayor, Village Council, and Village Manager for their leadership and support in planning and conducting the financial operations of the Village in a responsible and progressive manner.

Respectfully submitted,

Paul D. Mehring, CPA
Finance Director/Village Treasurer

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the Village Council
Village of Palatine, Illinois

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Village of Palatine, Illinois as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the investment in the joint venture of the Northwest Water Commission, which represents 28.28%, 31.18% and 4.80%, respectively, of the assets, net position and revenues of the Water Fund information that are included in the Village's financial statements as an equity joint venture. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Village's investment in joint venture, is based on the report of the other auditor.

Change in Accounting Principle

As described in Note 16 to the financial statements, in 2022, the Village adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

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 these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Village and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of Northwest Water Commission were not audited in accordance with *Government Auditing Standards.*

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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 Village's ability to continue as a going concern for 12 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 Village's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Village's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information 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

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Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village's basic financial statements. The combining and individual fund financial statements and schedules and supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules and supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory, statistical sections and additional disclosures required by SEC Rule 15c2-12 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 May 15, 2023 on our consideration of the Village's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 Village's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Village's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
May 15, 2023

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General Purpose External Financial Statements

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The Village of Palatine Management Discussion and Analysis (MD&A) is designed to 1) assist the reader in focusing on significant financial issues, 2) provide an overview of the Village's financial activity, 3) identify changes in the Village's financial position (its ability to address the next and subsequent year challenges), 4) identify any material deviations from the financial plan (the approved budget), and 5) identify individual fund issues or concerns.

As management of the Village of Palatine (Village), we offer readers of the Village's financial statements this narrative overview and analysis of the financial activities of the Village. We encourage readers of this document to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal that begins on page iv and the Village's financial statements that begin on page 3.

FINANCIAL HIGHLIGHTS

VILLAGE FUNDS AS A WHOLE

On December 1, 2022, the Village called and redeemed the outstanding $1,840,000 principal of the General Obligation Refunding Bonds, Series 2014A. This redemption reduced future debt service payments by $2,022,812 and resulted in interest savings of $182,812.

The Village's combined contribution to the PPERS and FPERS exceeded the actuarially required contribution by $3.5 million to accelerate the amortization of the net pension liability beyond the actuarially calculated amount.

The Village implemented GASB Statement Number 101, *Compensated Absences*.

The statement of net position presents information on all the Village's assets/deferred outflows and liabilities/deferred inflows with the difference reported as net position.

- **Net position** was $228.1 million.
- **Change in net position** was an increase of $24.6 million.
- **Combined revenues** totaled $120.3 million, an increase of 9.5%
- **Combined expenses** totaled $95.7 million, an increase of 21.9%

GENERAL FUND

- **Revenues** for the fiscal year totaled $72.6 million, an increase of $5.0 million.
- **Expenditures** for the fiscal year totaled $65.2 million, an increase of $6.6 million.
- **Fund Balance** as of year-end was $40.9 million.
- **Net change in fund balance** was an increase of $5.7 million.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

BUSINESS-TYPE ACTIVITIES

- **Operating revenues** totaled $22.1 million, an increase of $0.4 million.
- **Operating expenses** totaled $13.9 million, a decrease of $0.3 million.
- **Depreciation of capital assets,** a non-cash expense totaling $3.0 million, is not included in the operating expenses total.

LONG-TERM DEBT

- **Bonded Debt for governmental activities outstanding** at year-end decreased $5.2 million to $29.4 million during the year.
- **Bonded Debt for business-type activities outstanding** at year-end decreased $3.6 million to $2.5 million during the year.
- **Net Pension Liability for Public Safety Pensions** increased $56.5 million to $136.2 million. This includes the liabilities for both Police and Firefighters' Pension Funds.
- **Net Pension Liability for IMRF** (non-sworn employees) decreased $7.4 million and is now an asset of $9.3 million as of December 31, 2021.

CAPITAL INVESTMENT

- **Village-wide assets,** net of depreciation, total $255.3 million at year-end, an increase of $2.1 million.
- **Governmental capital assets,** net of depreciation, decreased $0.2 million to $205.6 million.
- **Business-type capital assets,** net of depreciation, increased $2.3 million to $49.7 million, primarily for infrastructure.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the Village's basic financial statements. The notes to the financial statements are considered integral to the financial statements. In addition to the basic financial statements and notes, this report also contains required supplementary, other supplementary, and statistical information.

The Village's basic financial statements comprise two components: 1) Government-wide financial statements and 2) Fund financial statements. The combination of government-wide and fund financial statements allows the Village to present fairly and with full disclosure, the funds and activities of the Village and to demonstrate compliance with finance-related legal and contractual provisions.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Government-wide Financial Statements are intended to provide an aggregated overview of the Village's net position and changes in net position. The government-wide financial statements report on the government as a whole using the same basis of accounting and measurement focus as a private-sector business. The government-wide financial statements can be found on pages 4 – 6 of this report.

Fund financial statements assist in assessing whether the government has raised and spent financial resources in accordance with budget plans and in compliance with finance-related legal requirements. Certain funds, referred to as governmental funds, focus on the short-term flow of current financial resources, rather than on the flow of economic resources. Other funds, referred to as proprietary and fiduciary funds, account for the business-type and certain fiduciary activities of the government. These funds follow accounting and reporting principles similar to those of business organizations.

Governmental funds. These funds are a generic classification used to refer to all funds other than proprietary and fiduciary funds. The Village has sixteen (16) governmental funds to account for governmental functions. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balance for those governmental funds considered to be "major" funds.

Governmental funds account for the inflows and outflows of current financial resources. No long-lived assets such as land, buildings, and equipment, nor any long-term liabilities such as bonds payable, are reported on the governmental funds balance sheet. Financial resources must be available to pay current-period obligations. The basic governmental fund financial statements can be found on pages 7 - 12 of this report.

Proprietary funds. These funds are sometimes referred to as business-type funds of local government. Examples of proprietary funds are enterprise funds and internal service funds. The Village maintains four enterprise funds: the Waterworks, Sewerage, Motor Vehicle Parking System, and Refuse Collection Funds. The Waterworks and Sewerage Funds are considered to be major funds of the Village. The Village maintains two internal service funds: the Fleet Services and Casualty and Liability Insurance Funds. The basic proprietary fund financial statements can be found on pages 13 - 18 of this report.

Fiduciary funds. These funds are used to account for resources held for the benefit of parties outside the government. This includes the Village's two pension trust funds. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Village's own programs. The basic fiduciary fund financial statements can be found on pages 19 - 20 of this report.

Notes to the financial statements. These notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 21 - 74 of this report.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Village's progress in funding its obligation to provide pension benefits, as well as budgetary comparison schedules for major funds for which an appropriation was approved. Required supplementary information can be found on pages 79 - 93 of this report.

Other supplementary information. This includes combining and individual fund statements and schedules, which can be found beginning on page 127 of this report.

Statistical information. The statistical section of the annual report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementation information says about the Village's overall financial health. Statistical information can be found beginning on page 144.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net Position

The Statement of Net Position (presented in millions) is a high-level view of the total assets, deferred outflows, liabilities and deferred inflows of the primary government. The resulting net position is allocated to three categories: Net Investment in Capital Assets, Restricted funds and Unrestricted funds. Net assets may serve over time as a useful indicator of a government's financial position.

	Current Year			*Prior Year*		
	Govern-mental Activities	*Business-type Activities*	*Total*	*Govern-mental Activities*	*Business-type Activities*	*Total*
Current and other assets	$ 144.8	$ 36.1	$ 180.9	$ 121.6	$ 36.3	$ 157.9
Capital assets	205.6	49.7	255.3	205.8	47.4	253.2
Total Assets	350.4	85.8	436.2	327.4	83.7	411.1
Deferred outflows of resources	48.2	1.6	49.8	12.6	1.7	14.3
Noncurrent liabilities	180.5	4.3	184.8	132.8	8.1	140.9
Other liabilities	16.3	2.4	18.7	11.3	2.1	13.4
Total liabilities	196.8	6.7	203.5	144.1	10.2	154.3
Deferred inflows of resources	52.3	2.1	54.4	66.2	1.4	67.6
Net position						
Net investment in capital assets	179.8	46.9	226.7	177.2	41.0	218.2
Restricted	24.1	-	24.1	16.9	-	16.9
Unrestricted	(54.4)	31.7	(22.7)	(64.4)	32.8	(31.6)
Total net position	$ 149.5	$ 78.6	$ 228.1	$ 129.7	$ 73.8	$ 203.5

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Total assets increased $25.1 million during the year, including a decrease of $2.2 million in cash and investments due to net operations. The current year also includes an increase of $0.6 million for a total of $15.1 million in the Village's equity investment in Northwest Water Commission (NWC). The Village is a member of NWC which consists of four municipalities. NWC is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. NWC is empowered to plan, construct, improve, extend, acquire, finance, operate and maintain a water supply system to serve its members and other potential water purchasers. Capital assets increased $2.1 million for the year.

Deferred outflows of resources increased $35.6 million over the year. This is mostly attributable to the pension items for the Police and Firefighters Pension Funds, which increased a combined $35.8 million due to negative investment experience during the year. Other Post-Employment Benefits (OPEB) saw a decrease of $0.3 million. OPEB liability relates to health insurance provided to 1) retired eligible employees who pay the full premium, and 2) health insurance costs for any public safety employees awarded Public Safety Employee Benefits Act (PSEBA) benefits due to sustained catastrophic injuries while responding to emergencies. Another required deferred outflow represents the cost to retire water wells from service calculated at $1.2 million.

Total liabilities increased $49.2 million for the year. Other liabilities increased $5.3 million. Non-current liabilities increased $43.9 million. Of this amount, the increase to net pension liability for public safety pensions (sworn employees) totaled $56.5 million. The net pension liability for non-sworn employees through the Illinois Municipal Retirement Fund (IMRF) decreased $7.4 million, making it a net pension asset of $9.3 million. Outstanding bonded debt decreased $8.8 million.

Deferred inflows of resources decreased $13.2 million over the year. Deferred inflows for pension items accounted for most of the net decrease. While IMRF increased $4.3 million, the police and fire pensions saw a combined decrease of $20.3 million. Changes to deferred inflows relating to the property tax levy and other postemployment benefits make up the remainder of the change.

As of year-end, net position for the Village was $228.1 million. The largest portion of the Village's net position reflects its investment in capital assets (e.g., land, infrastructure, buildings, and equipment) less any related debt used to acquire those assets still outstanding. Although the Village's investment in its capital assets is reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the Village's net assets ($24.1 million) represents resources that are subject to external restrictions relative to their use.

The remaining balance of unrestricted net position may be used to meet the Village's ongoing obligations to citizens and creditors. Unrestricted net position is in a deficit position at year-end as GASB requires the Village to recognize the net pension liability totaling $136.2 million at year-end for its three pension plans and requires the Village to recognize net other postemployment

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benefit obligations totaling $10.6 million. Unrestricted net position increased $8.9 million from the previous fiscal year primarily due to revenues exceeding expenses.

Statement of Activities

The Statement of Activities illustrates the change in net position throughout the fiscal year. A snapshot of the statement is provided below, with greater detail on pages 5 – 6 of this report.

	Current Year			*Prior Year*		
	Govern-mental Activities	*Business-type Activities*	*Total*	*Govern-mental Activities*	*Business-type Activities*	*Total*
Revenues						
Program revenues						
Charges for services	$ 15.3	$ 22.7	$ 38.0	$ 12.7	$ 21.9	$ 34.6
Operating grants	3.8	-	3.8	3.6	-	3.6
Capital grants and contributions	4.7	-	4.7	1.8	-	1.8
General revenues						
Property taxes	35.4	-	35.4	34.8	-	34.8
Other taxes	11.0	-	11.0	10.4	-	10.4
Other revenues	27.7	(0.3)	27.4	24.7	-	24.7
Total revenues	97.9	22.4	120.3	88.0	21.9	109.9
Expenses						
Governmental activities						
General government	3.9	-	3.9	3.4	-	3.4
Public safety	56.6	-	56.6	41.8	-	41.8
Public works	12.4	-	12.4	11.1	-	11.1
Economic development	5.0	-	5.0	3.9	-	3.9
Interest & fiscal charges	0.9	-	0.9	1.1	-	1.1
Business-type activities						
Waterworks	-	7.7	7.7	-	8.0	8.0
Sewerage	-	3.5	3.5	-	3.5	3.5
Motor vehicle parking	-	1.2	1.2	-	1.3	1.3
Refuse collection	-	4.5	4.5	-	4.4	4.4
Total expenses	78.8	16.9	95.7	61.3	17.2	78.5
Change in net position before transfers	19.1	5.5	24.6	26.7	4.7	31.4
Transfers	0.7	(0.7)	-	1.1	(1.1)	-
Change in net position	19.8	4.8	24.6	27.8	3.6	31.4
Net position, beginning	129.7	73.8	203.5	101.9	70.2	172.1
Net position, ending	$ 149.5	$ 78.6	$ 228.1	$ 129.7	$ 73.8	$ 203.5

Overall, revenues for the Village totaled $120.3 million, an increase of $10.4 million from the prior year. Expenses village-wide totaled $95.4 million, an increase of $17.2 million from the prior

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

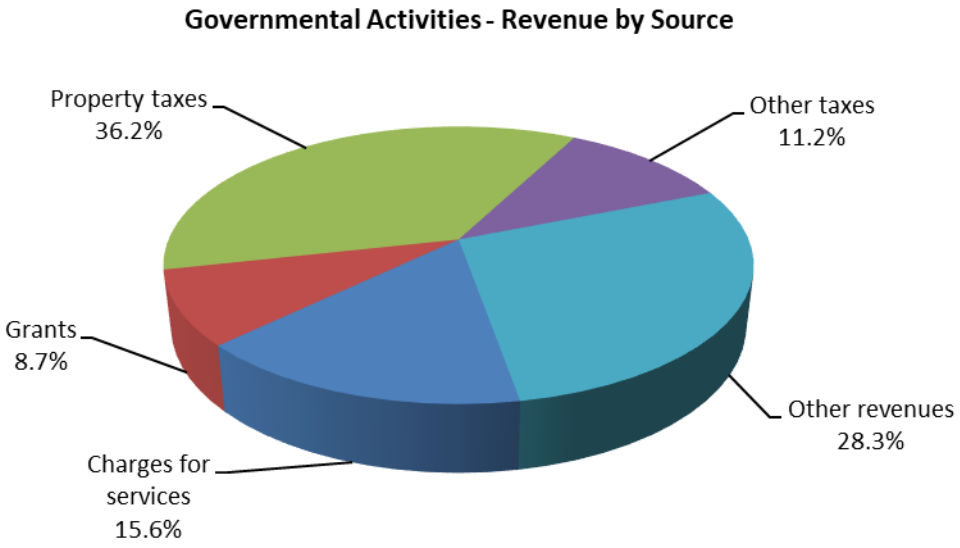
year. The resulting change from the fiscal year activities is an increase in net position of $24.6 million, representing growth of 12.3%.

Governmental Activities

As is typical for governmental activities of local governments, program revenues cover a small percentage of program expenses, with general revenues covering the majority of expenses. For this year, governmental program expenses of $78.8 million exceeded program revenues of $23.8 million by $55.0 million; general revenues of $74.1 million are used to make up the difference. With governmental revenues performing better than anticipated while expenses remained low, the Village experienced an $19.8 million surplus in governmental activities.

Revenues

The following graph indicates the breakdown of governmental revenue by type for the year. Diversification by source is an important factor in financial stability. The Village does not rely heavily on any one category.



- Charges for services increased $2.6 million for the year and grant revenues also increased by $3.1 million. In the current year, the Village recognized $3.3 million in pandemic-related grants.
- Revenue from taxes increased $1.2 million. The Property Tax and Home Rule Sales Tax increased by $0.5 million and$2.4 million, respectively.
- Other revenues of $27.7 million (including transfers) increased $3.0 million. This category includes state shared sales and income taxes, other intergovernmental revenues, investment income, and other miscellaneous revenues.

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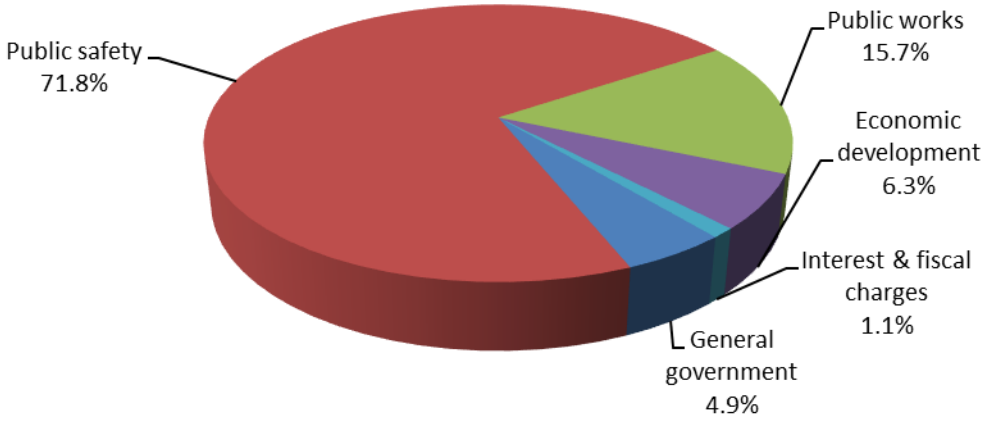
Expenses

Governmental activity expenses represent the costs to operate the Village's core services, excluding water , sewer, and refuse service and commuter parking. The following chart shows the breakdown of governmental expenses by activity.

Governmental Activities - Expenses by Function



- Public safety expenses, which account for the largest share, increased by $14.8 million (35.4%) to $56.6 million. Most of the increase in police and fire pension liability due to negative market returns represents a significant portion of the increase in public safety expenses. As the change in pension obligation is not a source or use of funds, it is only shown in the high-level Statement of Activities and not the remainder of financial reports within the report. There was also a large capital outlay expenditure related to pandemic grant funding.
- Public works expenses increased $1.3 million (11.7%) over the prior year. This increase is due to increased capital outlay expenditures on the Village's transportation systems (streets, sidewalks, rights-of-way).
- General government expenses increased $0.5 million (14.7%) from the prior year due to an increase in expenditures that had been suspended/delayed due to the pandemic.

Business-Type Activities

The Waterworks, Sewerage, Commuter Parking System, and Refuse Funds' activity resulted in an increase to net position of $4.8 million from the year's activity. Net position ended the year with $78.6 million.

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Revenues
Total revenue for the business-type activities experienced a $0.5 million (2.3%) increase in the current year, mainly due to increased water and sewer rates.

Expenses
Business-type activity total expenses decreased by $.03 million (1.7%), which was mainly a result of a decrease in water capital outlay.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

At the end of the year, the Village's governmental funds reported combined ending fund balances of $82.8 million, an increase of $10.7 million from the prior year. The unassigned portion of the ending fund balances totaled $40.2 million and is available to spend at the Village's discretion. The remainder of the combined ending fund balance is restricted or assigned to indicate it is not available for spending. Restricted and assigned funds are reserved to pay debt service, street improvement or other specific costs.

General Fund
At the end of the year, the General Fund had a fund balance of $40.9 million, with $40.2 million as unassigned. As a measure of the General Fund's capacity to provide a sufficient cash flow for day-to-day operations, offset unanticipated downturns to General Fund revenues or provide an ability to make emergency purchases, it may be useful to compare unassigned fund balance to operating expenditures. The unassigned fund balance represented 61.7% of General Fund operating expenditures.

The ending fund balance of the General Fund increased by $5.7 million. General Fund revenues totaled $72.6 million, an increase of $5.0 million (7.4%). Intergovernmental revenue was up $2.9 million. Sales Tax increased $1.3 million to $18.2 million and State Income Tax increased $2.0 million to $11.1 million. Charges for services were up $3.6 million, mainly based upon a $3.5 million increase in Ambulance Fees related to the Village accessing the State of Illinois' GEMT Program. General Fund expenditures totaled $65.2 million, an increase of $6.6 million (11.2%). This increase was driven by an additional payment to the Village's two public safety pension plans in the amount of $3.0 million to accelerate the amortization of the unfunded liability and a $1.6 million increase in fees payable to the State of Illinois to participate in the GEMT Program.

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Downtown TIF Fund
The Downtown TIF Fund had a fund balance of $14.9 million. This was an increase of $3.8 million from annual activity. Revenues increased $0.3 million (4.7%) to $7.7 million. The primary revenue source of the Fund is incremental property taxes. Expenditures of TIF dollars are restricted in Illinois State Statutes – generally, infrastructure improvements and economic development-related expenditures. Expenditures increased $0.2 million (4.4%) representing increased capital outlay and redevelopment agreements.

Coronavirus State and Local Fiscal Recovery Grant Fund
This Fund had a fund balance of $0.2 million. This was an increase of $0.2 million from annual activity. Revenues increased $3.3 million to $3.3 million. The primary revenue source of the Fund is the Coronavirus State and Local Fiscal Recovery Grant from the Department of Treasury. Expenditures increased $3.1 million representing capital outlay for eligible projects, most notably body-worn cameras for the Police Department.

Capital Equipment Acquisition Fund
The Capital Equipment Acquisition Fund had a fund balance of $7.1 million. This was a decrease of $0.4 million from annual activity. Revenues decreased $0.1 million (13.4%) to $0.9 million. The primary revenue sources are Telecommunication and Electric Use Taxes and rental income from communication tower rentals. Additionally, several other funds transfer money into this Fund. Expenditures increased $1.3 million (170.1%) representing increased capital outlay resulting from supply chain issues from the prior year and moving certain outlays forward from the following year due to availability.

Other Governmental Funds
The Village maintains several other governmental funds. In aggregate, fund balances of other governmental funds increased $1.4 million from the previous year. Highlights from some of these funds include:

- The Motor Fuel Tax Fund had a fund balance of $2.9 million, a decrease of $0.1 million. The entire balance is restricted for purposes of roadway improvements. Expenditures of Motor Fuel Tax dollars require authorization from the Illinois Department of Transportation.
- The Federal Equitable Sharing and State Equitable Sharing Funds consist of revenues collected by the Police Department related to asset forfeitures. These restricted accounts are governed by State or Federal statutes. These funds are limited in their potential uses and must be used by the Police Department for purposes allowed by the governing statutes – generally, drug related enforcement and prevention. The ending fund balance in the Federal Equitable Sharing and State Equitable Sharing Funds was $0.5 million and $0.6 million, an increase of $3k and $0.3 million, both respectively.
- The Rand Road Corridor TIF Fund had a fund balance of $5.6 million, a decrease of $0.6 million. The primary revenue source of the Fund is incremental property taxes. The entire

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balance is restricted for purposes of economic development. Expenditures of TIF dollars are restricted in Illinois State Statutes – generally, infrastructure improvements and economic development-related expenditures.

- The Rand/Lake Cook TIF Fund had a fund balance of $2.5 million, a decrease of $1.0 million. The primary revenue source of the Fund is incremental property taxes. The entire balance is restricted for purposes of economic development. Expenditures of TIF dollars are restricted in Illinois State Statutes – generally, infrastructure improvements and economic development-related expenditures.

Proprietary Funds

Proprietary funds are sometimes referred to as business-type funds of a local government. The Village maintains six proprietary funds (four enterprise and two internal service). The Waterworks, Sewerage, Commuter Parking System, and Refuse Collection enterprise funds are used to account for the acquisition, operations and maintenance of Waterworks, Sewerage, Commuter Parking System, and Refuse Collection facilities and services and are predominately self-supporting through user charges. The Fleet Services and Casualty and Liability Insurance Funds are internal service funds that accounts for assets associated with funding the maintenance activities of the Village's fleet and funding the Village's casualty and liability self-insurance program through charges to the various Village Departments.

Total combined net position of the enterprise funds increased $4.7 million through annual activity to $78.5 million at year-end. Of the total, $46.9 million represents the City's net investment in capital assets. The remaining $31.6 million of total net position represents unrestricted net position. Expenses include water and sewer system maintenance, flood control improvements, maintenance of parking facilities, and collection and disposal of refuse.

The internal service funds had a combined ending fund balance of $5.3 million, all of which is unrestricted. Most revenues ($3.2 million) came from charges to the various Village Departments. Expenditures of $1.8 million and $1.8 million represent fleet maintenance activities and liability insurance premiums and claims, respectively.

GENERAL FUND BUDGETARY HIGHLIGHTS

As the main operating fund of the Village, the General Fund represents a range of revenues and expenditures. Revenues that are not restricted, committed, or assigned to other functions are recorded in the General Fund. Operating costs of most major departments are recorded here as well, such as police and fire protection, street maintenance, economic development, planning and zoning, code enforcement, engineering, and administration.

Actual revenues of $72.6 million surpassed budget expectations by $8.2 million.

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Expenditures ended the year $2.4 million below budget. Other financing uses ended the year right on budget, primarily due to a transfer from the General Fund to the Debt Service Fund. This planned transfer utilizes $1.8 million of operating surplus to provide funding of a debt service reserve to call and redeem outstanding debt service.

General Fund Budgetary Highlights
(presented in millions)

	Current Year			*Prior Year*
	Original Budget	***Final Budget***	***Actual***	***Actual***
Revenues	$ 62.9	$ 64.4	$ 72.6	$ 67.6
Expenditures	63.1	67.6	65.2	58.6
Excess (deficiency) of revenues over expenditures	(0.2)	(3.2)	7.4	9.0
Other financing sources (uses)	-	(1.8)	(1.7)	-
Net change in fund balance	$ (0.2)	$ (5.0)	$ 5.7	$ 9.0

The General Fund expenditure budget was amended during the fiscal year to reflect encumbrance items from the prior year, transfers of excess reserves as defined by the Village's Reserve Policy, and projects deemed necessary during the year.

Major General Fund Revenues

State Sales Tax receipts of $11.8 million surpassed its budgeted amount by $2.6 million. Receipts from sales tax have not only rebounded from the COVID-19 pandemic but also continue to grow as prices rise with inflation. Starting January 2021, the State began classifying online retail purchases into the State Sales Tax distributions by purchase destination rather than as Use Tax and distributed per capita. So, in addition to sales of groceries and general merchandise, online purchases are now supporting State Sales Tax revenues.

Home Rule Sales Tax receipts of $6.5 million exceeded budgeted expectations by $2.1 million. Purchases of groceries are exempt from Home Rule Sales Tax, however staple items and online retail orders are not exempted.

State Income Tax receipts of $11.1 million exceeded amounts budgeted by $3.1 million. An improving labor market and higher corporate income tax receipts have helped to bolster the Village's income tax revenue.

Use Tax totaled $2.7 million for 2022. This was just short of its budgeted expectation by $0.2 million.

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Building permits of $1.6 million exceeded budgeted expectations by $0.5 million. Several large industrial warehouse projects were constructed at the old Weber Grill location and at the recently annexed parcel south of Algonquin Road.

Investment earnings of -$56k were short of budget expectations by $157k. The decrease in investment earnings was mainly driven by lower bond prices due to a rise in interest rates. As the Village is restricted statutorily on the types of investment vehicles, the Village invests idle funds with a professional investment management firm to maximize earning potential while remaining compliant with restrictive investment options allowed by Illinois Statute.

Charges for services ended the year at $7.7 million, which was $1.6 million above budgeted expectations. Effective, January 1, 2022, the Village began participating in the State of Illinois' GEMT Program, which provides enhanced Ambulance Fee revenues. This one source alone ended the year at $5.2 million, which was $1.3 million above budget expectations.

Major General Fund Expenditures

Across all functions, spending within the General Fund ended the fiscal year under budget. This is a combination of savings from a variety of items. Some savings include the following:

- Personnel and related expenditures ended the year $1.7 million below budget due to staff turnover, which created attrition savings.
- Supplies and Services expenditures ended the year $0.7 million below budget due to reduced outlays for deferred projects (red light cameras and permit software maintenance) and a reduction in training.

CAPITAL ASSETS

The Village's investment in capital assets for its governmental and business-type activities amounts to $255.3 million. The investment in capital assets includes land, buildings, equipment, improvements other than buildings, underground systems, infrastructure, and construction in progress. This amount represents a $2.1 million net increase (including additions and deductions) from the prior year. Detailed information regarding the change in capital assets for governmental and business-type activities is included in the Notes to the Financial Statements on pages 35–36.

The net capital assets for governmental activities decreased by $0.2 million and net capital assets for business-type activities increased from last year by $2.3 million. The change in net capital assets for governmental activities was due to net depreciation exceeding capital additions and business-type activities was due mainly to capital additions exceeding net depreciation.

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DEBT OUTSTANDING

The Village currently has six general obligation bond series and one tax increment revenue limited obligation redevelopment notes series outstanding. $31.9 million of general obligation bonds and $31 thousand of tax increment revenue limited obligation redevelopment notes are currently outstanding.

$1.4 million (4.47%) of the $31.9 million currently outstanding general obligation bonds were issued for improvements in the Village's various TIF Districts. The issuance of these bonds did not produce capital assets for the Village; therefore, the unrestricted net position for Governmental Activities have been reduced by the amount of these bonds.

The Village, under its home rule authority, does not have a legal debt limit. At the date of this report, the Village maintained an AA+ rating from Standard and Poor's and an AA2 rating from Moody's Investors Service.

Additional information of the Village's long-term debt can be found in the Notes to the Financial Statements on pages 36-41.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

In additional to the residual impacts of the pandemic, high inflation, supply chain issues, and geopolitical conflicts continue to inject uncertainty into the economy. However, the Village enjoys a healthy mix of retail diversity which has proven to weather economic downturns well. Management continually monitors revenues sources and cash balances into order to ensure sufficient resources are available to support Village services.

Some revenue sources of the Village rely on the allocation and distribution of funds from the State of Illinois, such as Income Tax and Use Tax. The State has reduced the municipal share of Income Tax historically and may look to this source again to offset their own fiscal shortages. The State budget contains a structural financial imbalance. Since the pressures of this imbalance will continue into the next budget, it is likely that additional local government diversions may be proposed in future years.

To keep the calendar year 2023 budget balanced, the Village continues to utilize spending control measures that include taking advantage of cooperative purchasing opportunities through joint purchasing agreements, seeking competitive bids, and avoiding filling vacated positions unless they are critical to Village operations. Whenever possible, grant funding is sought to offset program and project costs.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

A combined water and sewer rate increase of 4.7% and a 5% increase in refuse rates will go into effect on January 1, 2023. These increases provide a necessary funding mechanism to allow these funds to remain financially independent and provide for increased capital investment to maintain water and sewer infrastructure systems.

The fiscal year 2023 budget continues funding the General Fund in a progressive and responsible manner inclusive of a 2% decrease in the property tax levy. This marks the ninth time in the last eleven years that the levy has either decreased or remained constant from the prior year. General Fund services include Police, Fire, Community Development, Streets, Forestry, Facilities Maintenance, as well as Legal, and Village Administration. Bonds are not to be used to finance operating deficits and fund balances are maintained in accordance with Village financial policies.

CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors, and creditors with a general overview of the Village's finances and to demonstrate the Village's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Paul D. Mehring, CPA, Finance Director/Village Treasurer, Village of Palatine, 200 E. Wood Street, Palatine, IL 60067.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	$ 86,365,581	$ 17,059,033	$ 103,424,614
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	29,636,947	-	29,636,947
Accounts	-	2,133,901	2,133,901
Other	1,459,463	81,842	1,541,305
Due from other governments	6,035,929	5,677	6,041,606
Accrued interest	22,125	10,111	32,236
Leases	6,684,141	183,804	6,867,945
Prepaid items	2,585,572	-	2,585,572
Inventories	233,459	-	233,459
Land held for resale	4,082,000	-	4,082,000
Net pension asset	7,798,131	1,506,298	9,304,429
Capital assets not being depreciated	151,371,945	4,858,690	156,230,635
Capital assets being depreciated (net of accumulated depreciation)	54,207,395	44,822,670	99,030,065
Investment in joint venture	-	15,071,500	15,071,500
Total assets	350,482,688	85,733,526	436,216,214
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized loss on refunding	48,765	-	48,765
Asset retirement obligation items	-	1,165,950	1,165,950
Pension items	46,269,844	421,449	46,691,293
OPEB items	1,906,008	37,708	1,943,716
Total deferred outflows of resources	48,224,617	1,625,107	49,849,724
LIABILITIES			
Accounts payable	3,322,516	1,767,984	5,090,500
Accrued payroll	894,344	38,261	932,605
Accrued interest payable	75,915	9,500	85,415
Due to fiduciary funds	2,271,438	-	2,271,438
Deposits payable	703,161	382,989	1,086,150
Claims payable	210,375	-	210,375
Unearned revenues	8,846,824	143,420	8,990,244
Noncurrent liabilities			
Due within one year	3,368,933	823,224	4,192,157
Due in more than one year	177,132,048	3,497,276	180,629,324
Total liabilities	196,825,554	6,662,654	203,488,208
DEFERRED INFLOWS OF RESOURCES			
Property tax revenue	22,536,834	-	22,536,834
Pension items	16,476,232	1,800,178	18,276,410
OPEB items	6,991,907	138,326	7,130,233
Lease items	6,334,812	176,457	6,511,269
Total deferred inflows of resources	52,339,785	2,114,961	54,454,746
NET POSITION			
Net investment in capital assets	179,772,791	46,908,460	226,681,251
Restricted for			
Streets and highways	2,854,294	-	2,854,294
Debt service	1,991,184	-	1,991,184
Public safety	1,400,184	-	1,400,184
Economic development	17,925,396	-	17,925,396
Unrestricted	(54,401,883)	31,672,558	(22,729,325)
TOTAL NET POSITION	$ 149,541,966	$ 78,581,018	$ 228,122,984

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2022

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Grants and Contributions: Operating	Program Revenues: Grants and Contributions: Capital
PRIMARY GOVERNMENT				
Governmental Activities				
General government	$ 3,904,060	$ 1,335,988	$ 133,445	$ 2,316
Public safety	56,557,069	12,327,021	708,115	-
Public works	12,391,484	1,627,947	2,750,657	1,530,495
Economic development	4,951,483	-	169,730	-
Interest and fiscal charges	911,591	-	-	-
Total governmental activities	78,715,687	15,290,956	3,761,947	1,532,811
Business-Type Activities				
Waterworks	7,746,433	13,201,026	-	-
Sewerage	3,487,048	4,483,549	-	-
Motor vehicle parking system	1,253,862	331,785	-	-
Refuse collection	4,561,219	4,715,125	-	-
Total business-type activities	17,048,562	22,731,485	-	-
TOTAL PRIMARY GOVERNMENT	$ 95,764,249	$ 38,022,441	$ 3,761,947	$ 1,532,811

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

	Net (Expense) Revenue and Change in Net Position		
	Primary Government		
	Governmenal Activities	Business-Type Activities	Total
	$ (2,432,311)	$ -	$ (2,432,311)
	(43,521,933)	-	(43,521,933)
	(6,482,385)	-	(6,482,385)
	(4,781,753)	-	(4,781,753)
	(911,591)	-	(911,591)
	(58,129,973)	-	(58,129,973)
	-	5,454,593	5,454,593
	-	996,501	996,501
	-	(922,077)	(922,077)
	-	153,906	153,906
	-	5,682,923	5,682,923
	(58,129,973)	5,682,923	(52,447,050)
General Revenues			
Taxes			
Property	35,397,436	-	35,397,436
Home rule sales	6,457,178	-	6,457,178
Telecommunications	740,280	-	740,280
Electric utility use	2,164,566	-	2,164,566
Other	1,685,377	-	1,685,377
State shared sales taxes (unrestricted)	14,464,458	-	14,464,458
State shared income tax (unrestricted)	11,065,424	-	11,065,424
Other intergovernmental revenues (unrestricted)	4,357,999	-	4,357,999
Investment income (loss)	458,914	(275,577)	183,337
Miscellaneous	525,078	3,436	528,514
Transfers	670,000	(670,000)	-
Total	77,986,710	(942,141)	77,044,569
CHANGE IN NET POSITION	19,856,737	4,740,782	24,597,519
NET POSITION, JANUARY 1	130,309,734	73,866,956	204,176,690
RESTATEMENT (See Notes to Financial Statements 16)	(624,505)	(26,720)	(651,225)
NET POSITION, JANUARY 1, AS RESTATED	129,685,229	73,840,236	203,525,465
NET POSITION, DECEMBER 31	$ 149,541,966	$ 78,581,018	$ 228,122,984

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2022

	General	Downtown TIF	Coronavirus State and Local Fiscal Recovery Grant	Capital Equipment Acquisition	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and investments	$ 36,423,778	$ 9,374,296	$ 9,011,519	$ 6,859,676	$ 18,452,040	$ 80,121,309
Receivables (net, where applicable, of allowances for uncollectibles)						
Property taxes	25,210,243	1,407,061	-	-	3,019,643	29,636,947
Other	1,444,472	-	-	-	-	1,444,472
Due from other governments	5,507,641	-	-	105,377	422,911	6,035,929
Accrued interest	9,784	-	-	2,437	5,445	17,666
Leases	113,175	-	-	6,570,966	-	6,684,141
Due from other funds	22,238	-	-	-	-	22,238
Prepaid items	76,447	-	-	-	-	76,447
Land held for resale	-	4,082,000	-	-	-	4,082,000
TOTAL ASSETS	$ 68,807,778	$ 14,863,357	$ 9,011,519	$ 13,538,456	$ 21,900,039	$ 128,121,149

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

	General	Downtown TIF	State and Local Fiscal Recovery Grant	Capital Equipment Acquisition	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES						
Accounts payable	$ 2,728,427	$ 9,396	$ -	$ 162,102	$ 289,783	$ 3,189,708
Accrued payroll	879,651	-	-	-	4,236	883,887
Due to other funds	-	-	-	-	22,238	22,238
Due to fiduciary funds	2,271,438	-	-	-	-	2,271,438
Deposits payable	703,161	-	-	-	-	703,161
Unearned revenues	-	-	8,846,824	-	-	8,846,824
Total liabilities	6,582,677	9,396	8,846,824	162,102	316,257	15,917,256
DEFERRED INFLOWS OF RESOURCES						
Property tax revenue	20,757,678	-	-	-	1,779,156	22,536,834
Unavailable revenue - Park District loan	508,273	-	-	-	-	508,273
Lease items	85,441	-	-	6,249,371	-	6,334,812
Total deferred inflows of resources	21,351,392	-	-	6,249,371	1,779,156	29,379,919
Total liabilities and deferred inflows of resources	27,934,069	9,396	8,846,824	6,411,473	2,095,413	45,297,175
FUND BALANCES						
Nonspendable in form						
Prepaid items	76,447	-	-	-	-	76,447
Restricted for streets and highways	-	-	-	-	2,854,294	2,854,294
Restricted for debt service	-	-	-	-	2,067,099	2,067,099
Restricted for public safety	-	-	-	-	1,400,184	1,400,184
Restricted for economic development	-	14,853,961	164,695	-	8,093,422	23,112,078
Unrestricted						
Assigned for capital projects	-	-	-	7,126,983	5,389,627	12,516,610
Assigned for future appropriation	374,387	-	-	-	-	374,387
Unassigned	40,422,875	-	-	-	-	40,422,875
Total fund balances	40,873,709	14,853,961	164,695	7,126,983	19,804,626	82,823,974
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 68,807,778	$ 14,863,357	$ 9,011,519	$ 13,538,456	$ 21,900,039	$ 128,121,149

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

December 31, 2022

FUND BALANCES OF GOVERNMENTAL FUNDS	$	82,823,974
Amounts reported for governmental activities in the statement of net position are different because:		
Long-term intergovernmental assets are not available to pay for current period expenditures and, therefore, are deferred inflows of resources in the governmental funds		508,273
Amounts paid in advance are recorded as expenditures in the governmental funds using the purchase method but are recorded as prepaid items on the statement of net position using the consumption method		2,509,125
Capital and intangible assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds		205,579,340
Long-term liabilities, including bonds and leases payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds		(29,466,682)
Unamortized discount on long-term debt are expenditures in governmental funds in the year of issuance but are capitalized and amortized on the statement of net position		5,080
Unamortized premium on long-term debt are expenditures in governmental funds in the year of issuance but are capitalized and amortized on the statement of net position		(1,580,394)
Charges on refundings are reported as a deferred outflow of resources on the statement of net position		48,765
Accrued interest on long-term debt is reported as a liability on the statement of net position		(75,915)
Compensated absences payable is not due and payable in the current period and, therefore, is not reported in governmental funds		(2,130,585)
Less compensated absences payable reported in internal service funds		31,190
The net position of internal service funds is included in the governmental activities in the statement of net position		5,265,792
The following items related to OPEB are not current financial resources and, therefore, are not reported in the governmental funds		
Deferred outflows		1,906,008
Less deferred outflows reported in internal service funds		(9,524)
Deferred inflows		(6,991,907)
Less deferred inflows reported in internal service funds		34,938
Net OPEB liability		(10,362,217)
Less net OPEB liablilty reported in internal service funds		51,780
The following items related to pensions are not current financial resources and, therefore, are not reported in the governmental funds		
Deferred outflows		46,269,844
Less deferred outflows reported in internal service funds		(64,610)
Deferred inflows		(16,476,232)
Less deferred inflows reported in internal service funds		667,338
Net pension asset		7,798,131
Less net pension asset reported in internal service funds		(638,358)
Net pension liability		(136,161,188)
NET POSITION OF GOVERNMENTAL ACTIVITIES	$	149,541,966

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2022

	General	Downtown TIF	Coronavirus State and Local Fiscal Recovery Grant	Capital Equipment Acquisition	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	$ 30,700,058	$ 7,489,554	$ -	$ 344,140	$ 7,911,085	$ 46,444,837
Licenses and permits	3,137,925	-	-	-	-	3,137,925
Intergovernmental	29,407,004	-	3,165,705	34,087	5,457,644	38,064,440
Charges for services	7,725,730	-	-	391,048	76,970	8,193,748
Fines and forfeits	1,198,466	-	-	-	-	1,198,466
Investment income	(55,988)	178,392	163,522	102,615	70,373	458,914
Miscellaneous	506,943	-	-	45	18,090	525,078
Total revenues	72,620,138	7,667,946	3,329,227	871,935	13,534,162	98,023,408
EXPENDITURES						
Current						
General government	4,937,310	-	-	-	-	4,937,310
Public safety	53,447,375	-	-	-	505,230	53,952,605
Public works	6,801,488	-	-	-	-	6,801,488
Economic development	-	42,030	-	-	4,909,453	4,951,483
Capital outlay	-	337,385	3,165,706	1,985,253	5,647,321	11,135,665
Debt service						
Principal retirement	-	3,339,000	-	-	1,880,000	5,219,000
Interest	-	115,706	-	-	972,849	1,088,555
Fiscal charges	-	946	-	-	2,650	3,596
Total expenditures	65,186,173	3,835,067	3,165,706	1,985,253	13,917,503	88,089,702

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

	General	Downtown TIF	Coronavirus State and Local Fiscal Recovery Grant	Capital Equipment Acquisition	Nonmajor Governmental Funds	Total Governmental Funds
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	$ 7,433,965	$ 3,832,879	$ 163,521	$ (1,113,318)	$ (383,341)	$ 9,933,706
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of capital assets	-	-	-	74,916	803	75,719
Transfers in	-	-	-	620,000	1,819,480	2,439,480
Transfers (out)	(1,769,480)	-	-	-	-	(1,769,480)
Total other financing sources (uses)	(1,769,480)	-	-	694,916	1,820,283	745,719
NET CHANGE IN FUND BALANCES	5,664,485	3,832,879	163,521	(418,402)	1,436,942	10,679,425
FUND BALANCES, JANUARY 1	35,209,224	11,021,082	1,174	7,545,385	18,367,684	72,144,549
FUND BALANCES, DECEMBER 31	$ 40,873,709	$ 14,853,961	$ 164,695	$ 7,126,983	$ 19,804,626	$ 82,823,974

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2022

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$	10,679,425
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities		2,705,235
Revenues in the statement of activities that are not available in governmental funds are not reported as a revenue in governmental funds until received		(130,985)
Some expenses in the statement of activities (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds		
Depreciation on capital assets and amortization on intangible capital assets		(2,902,765)
The repayment of principal on long-term debt is reported as an expenditure in governmental funds but as a reduction of principal outstanding in the statement of activities		
Principal repayment		5,219,000
The amortization of discount on long-term debt is reported as an expense on the statement of activities		(4,960)
The amortization of premium on long-term debt is reported as a reduction of expense on the statement of activities		214,360
The amortization of the loss on refunding on long-term debt is reported as an expense on the statement of activities		(39,510)
The change in the accrual of interest on long-term debt is reported as an expense on the statement of activities		10,670
The change in compensated absences payable is shown as an expense on the statement of activities		61,555
The change in net position of certain activities of internal service funds is reported in governmental funds on the statement of activities		(304,838)
The change in the following items are not current financial resources and, therefore, are not reported in the governmental funds		
Prepaid items		2,509,125
Deferred outflows related to OPEB		(275,287)
Deferred inflows related to OPEB		(3,744,392)
Total OPEB liability		3,759,752
Deferred outflows related to pensions		35,931,365
Deferred inflows related to pensions		(59,895,047)
Net pension liability/asset		26,064,034
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	$	19,856,737

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

December 31, 2022

	Business-Type Activities				Governmental Activities
	Waterworks	Sewerage	Nonmajor Enterprise	Total	Internal Service
CURRENT ASSETS					
Cash and investments	$ 9,708,153	$ 5,147,785	$ 2,203,095	$ 17,059,033	$ 6,244,272
Receivables (net, where applicable, of allowances for uncollectibles)					
Accounts	1,516,046	565,388	52,467	2,133,901	-
Other	25,737	4,664	51,441	81,842	14,991
Due from other governments	-	5,677	-	5,677	-
Accrued interest	7,572	2,232	307	10,111	4,459
Leases	-	-	183,804	183,804	-
Inventories	-	-	-	-	233,459
Total current assets	11,257,508	5,725,746	2,491,114	19,474,368	6,497,181
NONCURRENT ASSETS					
Net pension asset	960,985	545,313	-	1,506,298	638,358
Capital assets					
Land	740,200	-	4,118,490	4,858,690	-
Buildings and improvements	7,609,280	597,545	15,681,480	23,888,305	-
Systems and improvements	36,135,870	63,530,650	-	99,666,520	-
Machinery and equipment	2,575,285	263,395	-	2,838,680	-
Accumulated depreciation	(21,064,730)	(44,925,700)	(15,580,405)	(81,570,835)	-
Total capital assets	25,995,905	19,465,890	4,219,565	49,681,360	-
Other assets					
Investment in joint venture					
Northwest Water Commission	15,071,500	-	-	15,071,500	-
Total noncurrent assets	42,028,390	20,011,203	4,219,565	66,259,158	638,358
Total assets	53,285,898	25,736,949	6,710,679	85,733,526	7,135,539

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

	Business-Type Activities				Governmental Activities
	Waterworks	Sewerage	Nonmajor Enterprise	Total	Internal Service
DEFERRED OUTFLOWS OF RESOURCES					
Unamortized loss on refunding	$ -	$ -	$ -	$ -	$ -
Asset retirement obligation items	1,165,950	-	-	1,165,950	-
Pension items	354,072	67,377	-	421,449	64,610
OPEB items	28,184	9,524	-	37,708	9,524
Total deferred outflows of resources	1,548,206	76,901	-	1,625,107	74,134
CURRENT LIABILITIES					
Accounts payable	1,132,619	23,167	612,198	1,767,984	132,808
Accrued payroll	27,326	10,750	185	38,261	10,457
Accrued interest payable	7,600	1,900	-	9,500	-
Deposits payable	297,493	17	85,479	382,989	-
Claims payable	-	-	-	-	210,375
Unearned revenues	-	-	143,420	143,420	-
Compensated absences payable	20,635	7,740	-	28,375	6,240
Total OPEB liability	7,361	2,488	-	9,849	2,488
General obligation bonds payable	628,000	157,000	-	785,000	-
Total current liabilities	2,121,034	203,062	841,282	3,165,378	362,368
LONG-TERM LIABILITIES					
Claims payable	-	-	-	-	804,995
Compensated absences payable	82,530	30,940	-	113,470	24,950
Asset retirement obligation	1,200,750	-	-	1,200,750	-
Total OPEB liability	145,864	49,292	-	195,156	49,292
General obligation bonds payable	1,590,325	397,575	-	1,987,900	-
Total long-term liabilities	3,019,469	477,807	-	3,497,276	879,237
Total liabilities	5,140,503	680,869	841,282	6,662,654	1,241,605
DEFERRED INFLOWS OF RESOURCES					
Lease items	-	-	176,457	176,457	-
Pension items	1,246,374	553,804	-	1,800,178	667,338
OPEB items	103,388	34,938	-	138,326	34,938
Total deferred inflows of resources	1,349,762	588,742	176,457	2,114,961	702,276
NET POSITION					
Net investment in capital assets	23,777,580	18,911,315	4,219,565	46,908,460	-
Unrestricted	24,566,259	5,632,924	1,473,375	31,672,558	5,265,792
TOTAL NET POSITION	$ 48,343,839	$ 24,544,239	$ 5,692,940	$ 78,581,018	$ 5,265,792

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS

For the Year Ended December 31, 2022

	Business-Type Activities				Governmental Activities
	Waterworks	Sewerage	Nonmajor Enterprise	Total	Internal Service
OPERATING REVENUES					
Charges for services	$ 12,410,792	$ 4,483,549	$ 5,046,910	$ 21,941,251	$ 3,341,611
Miscellaneous	153,964	-	-	153,964	114,094
Total operating revenues	12,564,756	4,483,549	5,046,910	22,095,215	3,455,705
OPERATING EXPENSES EXCLUDING DEPRECIATION					
Costs of sales and services	6,722,854	2,111,005	5,031,046	13,864,905	3,614,493
Total operating expenses excluding depreciation	6,722,854	2,111,005	5,031,046	13,864,905	3,614,493
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	5,841,902	2,372,544	15,864	8,230,310	(158,788)
DEPRECIATION	964,620	1,233,305	784,035	2,981,960	-
OPERATING INCOME (LOSS)	4,877,282	1,139,239	(768,171)	5,248,350	(158,788)

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

	Business-Type Activities				Governmental Activities
	Waterworks	Sewerage	Nonmajor Enterprise	Total	Internal Service
NONOPERATING REVENUES (EXPENSES)					
Investment income	$ 63,194	$ 57,774	$ 30,125	$ 151,093	$ 39,992
Unrealized gain (loss) on investments	(279,608)	(128,349)	(18,713)	(426,670)	(186,042)
Interest expense	(32,310)	(142,738)	-	(175,048)	-
Loss on disposal of capital assets	(26,649)	-	-	(26,649)	-
Insurance recovery	3,436	-	-	3,436	-
Joint venture	636,270	-	-	636,270	-
Total nonoperating revenues (expenses)	364,333	(213,313)	11,412	162,432	(146,050)
NET INCOME (LOSS) BEFORE TRANSFERS	5,241,615	925,926	(756,759)	5,410,782	(304,838)
Transfers (out)	(310,000)	(310,000)	(50,000)	(670,000)	-
CHANGE IN NET POSITION	4,931,615	615,926	(806,759)	4,740,782	(304,838)
NET POSITION, JANUARY 1	43,435,604	23,931,653	6,499,699	73,866,956	5,576,990
RESTATEMENT (See Notes to Financial Statements 16)	(23,380)	(3,340)	-	(26,720)	(6,360)
NET POSITION, JANUARY 1, AS RESTATED	43,412,224	23,928,313	6,499,699	73,840,236	5,570,630
NET POSITION, DECEMBER 31	$ 48,343,839	$ 24,544,239	$ 5,692,940	$ 78,581,018	$ 5,265,792

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended December 31, 2022

	Business-Type Activities				Governmental Activities
	Waterworks	Sewerage	Nonmajor Enterprise	Total	Internal Service
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	$ 12,449,110	$ 4,476,963	$ 5,018,104	$ 21,944,177	$ 348,140
Receipts from interfund services transactions	-	-	-	-	3,137,555
Payments to suppliers	(4,377,647)	(930,479)	(4,713,323)	(10,021,449)	(3,820,970)
Payments to employees	(1,878,690)	(789,363)	(324)	(2,668,377)	(712,346)
Payments for interfund services transactions	(603,000)	(540,000)	(313,000)	(1,456,000)	-
Net cash from operating activities	5,589,773	2,217,121	(8,543)	7,798,351	(1,047,621)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Grants	-	90,376	-	90,376	-
Insurance recoveries	3,436	-	-	3,436	-
Transfers (out)	(310,000)	(310,000)	(50,000)	(670,000)	-
Net cash from noncapital financing activities	(306,564)	(219,624)	(50,000)	(576,188)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital assets purchased	(5,309,210)	-	-	(5,309,210)	-
Principal payments on long-term debt	(600,000)	(2,965,000)	-	(3,565,000)	-
Interest and fiscal charges paid on long-term debt	(117,680)	(112,983)	-	(230,663)	-
Net cash from capital and related financing activities	(6,026,890)	(3,077,983)	-	(9,104,873)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of investment securities	(938,668)	-	-	(938,668)	(938,668)
Interest received	60,373	57,774	30,125	148,272	38,093
Net cash from investing activities	(878,295)	57,774	30,125	(790,396)	(900,575)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,621,976)	(1,022,712)	(28,418)	(2,673,106)	(1,948,196)
CASH AND CASH EQUIVALENTS, JANUARY 1	3,230,803	2,330,607	1,729,526	7,290,936	3,100,676
CASH AND CASH EQUIVALENTS, DECEMBER 31	$ 1,608,827	$ 1,307,895	$ 1,701,108	$ 4,617,830	$ 1,152,480

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

	Business-Type Activities				Governmental Activities
	Waterworks	Sewerage	Nonmajor Enterprise	Total	Internal Service
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES					
Operating income (loss)	$ 4,877,282	$ 1,139,239	$ (768,171)	$ 5,248,350	$ (158,788)
Adjustments to reconcile operating income (loss) to net cash from operating activities					
Depreciation	964,620	1,233,305	784,035	2,981,960	-
(Increase) decrease in					
Accounts receivables	(135,524)	(7,149)	(52,467)	(195,140)	-
Other receivables	7,423	546	(44,096)	(36,127)	29,990
Leases	-	-	6,470	6,470	-
Inventories	-	-	-	-	(28,279)
Net pension asset	(806,447)	(366,567)	-	(1,173,014)	(439,880)
Deferred outflows - asset retirement obligation items	12,400	-	-	12,400	-
Deferred outflows - pension items	(32,175)	(6,797)	-	(38,972)	6,517
Deferred outflows - OPEB items	6,282	927	-	7,209	(2,631)
Increase (decrease) in					
Accounts payable	214,394	(5,002)	4,214	213,606	(624,496)
Accrued payroll	1,503	1,746	185	3,434	(1,458)
Deposits payable	12,455	17	67,473	79,945	-
Claims payable	-	-	-	-	(109,610)
Unearned revenue	-	-	6,570	6,570	-
Compensated absences payable	9,615	7,120	-	16,735	(10,270)
Net OPEB liability	(70,066)	(15,927)	-	(85,993)	7,122
Deferred inflows related to leases	-	-	(12,756)	(12,756)	-
Deferred inflows related to pensions	475,606	216,184	-	691,790	259,421
Deferred inflows related to OPEB	52,405	19,479	-	71,884	24,741
NET CASH FROM OPERATING ACTIVITIES	$ 5,589,773	$ 2,217,121	$ (8,543)	$ 7,798,351	$ (1,047,621)
CASH AND INVESTMENTS					
Cash and cash equivalents	$ 1,608,827	$ 1,307,895	$ 1,701,108	$ 4,617,830	$ 1,152,480
Investments	8,099,326	3,839,890	501,987	12,441,203	5,091,792
	$ 9,708,153	$ 5,147,785	$ 2,203,095	$ 17,059,033	$ 6,244,272
SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES					
Unrealized gain (loss) on investments	$ (279,608)	$ (128,349)	$ (18,713)	$ (426,670)	$ (186,042)
Loss on disposal of capital assets	(26,649)	-	-	(26,649)	-
Change in investment in joint venture	636,270	-	-	636,270	-
TOTAL NONCASH INVESTING AND FINANCING ACTIVITIES	$ 330,013	$ (128,349)	$ (18,713)	$ 182,951	$ (186,042)

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

STATEMENT OF NET POSITION
FIDUCIARY FUNDS

December 31, 2022

	Pension Trust
ASSETS	
Cash and cash equivalents	$ 6,749,322
Investments, at fair value	
Investments held in the	
Illinois Police Officers' Pension	
Investment Fund	95,463,028
Illinois Firefighters' Pension	
Investment Fund	85,802,957
Receivables	
Other	20,596
Due from primary government	2,271,437
Total assets	190,307,340
LIABILITIES	
Benefits payable	72,763
NET POSITION	
Restricted for pensions	190,234,577
Total net position	$ 190,234,577

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS

For the Year Ended December 31, 2022

	Pension Trust
ADDITIONS	
Contributions	
Employer	$ 14,564,800
Employee	2,156,340
Other	336,825
Total contributions	17,057,965
Investment earnings	
Net increase (decrease) in the fair value of investments	(33,690,991)
Interest	2,012,273
Total investment earnings	(31,678,718)
Less investment expense	(339,235)
Net investment earnings	(32,017,953)
Total additions	(14,959,988)
DEDUCTIONS	
Administration	37,969
Benefits and refunds	14,353,678
Total deductions	14,391,647
CHANGE IN NET POSITION	(29,351,635)
NET POSITION	
January 1	219,586,212
December 31	$ 190,234,577

See accompanying notes to financial statements.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

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NOTES TO FINANCIAL STATEMENTS

December 31, 2022

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Village of Palatine, Illinois (the Village) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

a. Reporting Entity

The Village was incorporated on March 19, 1866. The Village is a municipal corporation governed by an elected seven-member board. As required by GAAP, these financial statements present the Village (the primary government). Management has determined that there are two fiduciary component units that are required to be included in the financial statements of the Village as pension trust funds.

Police Pension Employees Retirement System (PPERS)

The Village's police employees participate in PPERS. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's Mayor, one elected pension beneficiary and two elected police employees constitute the pension board. The Village is obligated to fund all PPERS costs not funded by PPERS participants based upon actuarial valuations, which creates a financial burden on the Village. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the PPERS being fiscally dependent upon the Village. Although it possesses many of the 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 Village's police employees and because of the fiduciary nature of such activities, PPERS is reported as a pension trust fund. PPERS does not issue a stand-alone financial report.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Firefighters' Pension Employees Retirement System (FPERS)

The Village's sworn firefighters participate in FPERS. FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Village's Mayor, one elected pension beneficiary and two elected fire employees constitute the pension board. The Village is obligated to fund all FPERS costs not funded by FPERS participants based upon actuarial valuations, which creates a financial burden on the Village. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels, which results in the FPERS being fiscally dependent on the Village. 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 Village's fire employees and because of the fiduciary nature of such activities, FPERS is reported as a pension trust fund. FPERS does not issue a stand-alone financial report.

Joint Ventures

Northwest Water Commission (NWC)

NWC is a municipal corporation empowered to construct and maintain a joint water supply system to serve its member municipalities. Management consists of a Board of Directors comprised of one appointed representative from each member. The Village does not exercise any control over the activities of NWC beyond its representation on the Board of Directors. NWC is reported as a proprietary joint venture.

Solid Waste Agency of Northern Cook County (SWANCC)

SWANCC is a municipal corporation empowered to plan, finance, construct and operate a solid waste disposal system to serve its member municipalities. Management consists of a Board of Directors comprised of one appointed representative from each member. The Village does not exercise any control over the activities of SWANCC beyond its representation on the Board of Directors. SWANCC is reported as a non-equity proprietary joint venture.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Fund Accounting

The Village uses fund accounting to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The minimum number of funds is maintained consistent with legal and managerial requirements. Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of revenues which are restricted or committed for specific purposes (special revenue funds), the acquisition or construction of general capital assets (capital projects funds), the servicing of general long-term debt (debt service funds) and the management of funds held in trust that can be used for governmental services (permanent fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the Village (internal service funds).

Fiduciary funds are used to account for fiduciary activities that meet the definition contained in GASB Statement No. 84, *Fiduciary Activities*. The Village utilizes pension trust funds for its Police and Firefighters' Pension Funds to account for assets that the Village holds in a fiduciary capacity.

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Village. The effect of material interfund activity has been eliminated from these statements except for interfund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, 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.

The Village reports the following major governmental funds:

The General Fund accounts for the resources traditionally associated with governments, which are not accounted for in another fund.

The Downtown TIF Fund accounts for the development and debt service costs associated with a tax increment financing redevelopment project within the Downtown Business District. Financing is provided by incremental taxes derived from the TIF District.

Coronavirus State and Local Fiscal Recovery Grant Fund accounts for the resources provided by the federal government in connection with the American Rescue Plan Act. These expenditures must follow the guidelines promulgated by the U.S. Department of the Treasury.

Capital Equipment Acquisition Fund accounts for the acquisition of new and replacement capital equipment for all departments of the Village.

The Village reports the following major proprietary funds:

The Waterworks Fund accounts for the provision of water services to incorporated and unincorporated residents.

The Sewerage Fund accounts for the provision of sewer services to incorporated and unincorporated residents.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements (Continued)

Additionally, the Village reports the following proprietary funds:

Internal Service Funds account for the Village's self-insurance program and the provision of fleet services to various departments of the Village. Financing is provided through fees charged to various village departments. These are reported as part of the governmental activities on the government-wide financial statements as they provide services to the Village's governmental funds/activities.

The Village reports pension trust funds as fiduciary funds to account for the Police Pension Fund and Firefighters' Pension Fund.

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as nonoperating.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers revenues to be available if they are collected within 60 days, except for sales tax and telecommunication taxes which use a 90-day period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due.

Property taxes, sales taxes owed to the Village at year end, franchise taxes, licenses, charges for services and investment income associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permit revenue are considered to be measurable and available only when cash is received by the Village.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidelines. There are, however, essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Village; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The Village reports unearned/unavailable revenue on its financial statements. Unearned/unavailable revenue arises when potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unearned/unavailable revenue also arises when resources are received by the government before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or earned, or when the Village has a legal claim to the resources, the liability or deferred inflow of resources for unearned/unavailable revenue is removed from the financial statements and revenue is recognized.

e. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Village's proprietary funds consider their equity in pooled cash and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due from/to other funds" (i.e., the current portion of interfund loans) or "advances from/to other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due from/to other funds."

Advances between funds, if reported in the fund financial statements, are offset by a nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

g. Inventories

Inventories are valued at cost using the first-in/first-out (FIFO) method. The cost of governmental fund inventories are recorded as expenditures when consumed rather than when purchased.

h. Deferred Charge on Refunding

Deferred outflows in the government-wide and enterprise fund financial statements represent unamortized deferred charges on refunding which are being amortized over the life of the bonds.

i. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses and are recognized as expenditures proportionately over the periods that the service is provided.

j. Land Held for Resale

Land held for resale is valued at cost. Reported land held for resale is equally offset by a restricted fund balance, which indicates that it is restricted for a specific purpose. The land held consists of numerous parcels within the Downtown TIF District that the Village owns and is holding until sold.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, storm water) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Village as assets with an initial, individual cost in excess of the following and an estimated useful life in excess of one year.

Asset Class	Capitalization Threshold
Buildings and land improvements	$ 200,000
Infrastructure	250,000
Vehicles, machinery, equipment and software	50,000

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property, plant and equipment is depreciated/amortized using the straight-line method over the following estimated useful lives:

Asset Class	Years
Buildings	25-50
Improvements	10-20
Machinery, equipment, vehicles and software	3-10
Infrastructure	40

l. Compensated Absences

The Village implemented GASB Statement 101, *Compensated Absences* in 2022. Village policy permits employees to accumulate earned but unused leave including sick leave, vacation, compensatory time, and holiday leave (Police only). The entire balance of vacation, compensatory, and holiday leave are recognized as a liability at year end. Sick leave is recognized as a liability if it is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Compensated Absences (Continued)

The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

m. Rebatable Arbitrage

As of the date of this report, the Village has accrued no potential arbitrage liability. Where applicable, any liability for rebatable arbitrage is reported in the funds in which the excess interest income was recorded.

n. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund financial statements. Bond premiums and discounts, and refunding losses, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium and discount. Loss on bond refunding are reported as deferred outflows and amortized over the term of the related debt.

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

o. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not spendable in form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or internally restricted via enabling legislation. Committed fund balance is constrained by formal actions of the Village Council, which is considered the Village's highest level of decision making

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Fund Balance/Net Position (Continued)

authority. Formal actions include resolutions and ordinances approved by the Village Council, which are considered to be equally binding. Assigned fund balance represents amounts constrained by the Village's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the Finance Director by the Village Council per the fund balance policy adopted by resolution. Any residual fund balance is reported as unassigned. The General Fund is the only fund that reports a positive unassigned fund balance.

The Village's flow of funds assumption prescribes that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the Village considers committed funds to be expended first followed by assigned and then unassigned funds.

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets. None of the net positions or fund balances is restricted as a result from enabling legislation adopted by the Village.

The Village has a policy to maintain unassigned fund balance in the General Fund at a level of 3 to 4 months (25% to 33%) of budget operating expenditures.

p. Accounting Estimates

The preparation of financial statements in conformity with GAAP 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.

q. Interfund Transactions

Interfund services transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/ expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except interfund services transactions and reimbursements, are reported as transfers.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

r. 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. 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.

2. DEPOSITS AND INVESTMENTS

The Village and pension funds categorize the 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 Level 3 inputs are significant unobservable inputs.

Village Deposits and Investments

The Village's investment policy authorizes the Village to invest in all instruments permitted by the Illinois Public Funds Investment Act. This act permits deposits and investments in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, obligations of states and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services and any Public Treasurers' Investment Pool created under Section 17 of the State Treasurer Act.

The Village's investment policy does limit their deposits to financial institutions that are members of the FDIC system and are capable of posting collateral for amounts in excess of FDIC insurance. Additionally, the Village will not invest in any institution in which the Village's funds on deposit are in excess of 75% of the institution's capital stock and surplus.

It is the policy of the Village to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Village and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety of principal, liquidity and rate of return.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

2. DEPOSITS AND INVESTMENTS (Continued)

Village Deposits and Investments (Continued)

The Village maintains a cash and investment pool that is available for use by all funds, except the foreign fire tax fund and pension trust funds. In addition, investments are separately held by several of the Village's funds. The deposits and investments of the foreign fire tax fund and pension trust funds are held separately from those of other funds.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village's investment policy requires pledging of collateral for all bank balances in excess of federal depository insurance, at an amount not less than 110% of the fair value of the funds secured, with the collateral held by the Village, an independent third party or the Federal Reserve Bank of Chicago. As of the date of this report, deposits in the Foreign Fire Tax Fund totaling $57,395 were uninsured and uncollateralized.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in the following external investment pools.

Illinois Public Treasurers' Investment Pool (rated AAAm by Standard & Poor's), known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, Certain External Investment Pools and Pool Participants, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

2. DEPOSITS AND INVESTMENTS (Continued)

Deposits with Financial Institutions (Continued)

Illinois Public Reserves Investment Management Trust Investment Shares Series (rated AAAm by Standard & Poor's), known as IPRIME IS, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, Certain External Investment Pools and Pool Participants, and thus, reports all investments at amortized cost rather than fair value. The investment in IPRIME IS by participants is also reported at amortized cost. The IPRIME IS does not have any limitations or restrictions on participant withdrawals.

Illinois Public Reserves Investment Management Trust LTD Shares Series (rated AAAm by Standard & Poor's), known as IPRIME LTD, reports all investments at fair value. The investment in IPRIME LTD by participants is also reported at fair value. Quarterly withdrawals are available on the third Wednesday of each quarter-end month upon at least two weeks advance notice.

The following table presents the investments and maturities of the Village's debt securities as of the date of this report:

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1 - 5	6 - 10	Greater Than 10
U.S. Treasury obligations	$ 23,283,746	$ -	$ 23,283,746	$ -	$ -
Negotiable CDs	990,912	990,912	-	-	-
IPRIME LTD Shares	14,963,982	-	14,963,982	-	-
Total	$ 39,238,640	$ 990,912	$ 38,247,728	$ -	$ -

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

Concentration of credit risk is the risk that the Village has a high percentage of their investments invested in one type of investment. At the date of this report, the Village did not have more than 5% of its overall portfolio invested in any one type of investment. The Village's investment policy requires diversification of investment to avoid unreasonable risk but only has set percentage limits on investments by institution.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

2. DEPOSITS AND INVESTMENTS (Continued)

Deposits with Financial Institutions (Continued)

The Village has the following recurring fair value measurements as of the date of this report. The U.S. Treasury obligations are valued using quoted prices in active markets for identical assets (Level 1 inputs). The negotiable cds are valued using quoted matrix pricing models (Level 2 inputs). The IPRIME LTD Shares are valued based on the fair value of the underlying investments in the fund (Level 3 input).

3. RECEIVABLES

a. Property taxes

Property taxes for 2022 attach as an enforceable lien on January 1, 2022, 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 and July 1 each year and are payable in two installments, on or about March 1 and August 1. For 2022, the second installment bills were issued on December 1 and due on December 30. The County collects such taxes and remits them periodically.

The Village has elected, under governmental accounting standards, to match its property tax revenues to the fiscal year that the tax levy is intended to finance. Therefore, the entire 2022 tax levy has been recorded as unavailable/deferred revenue on the financial statements.

b. Other Receivables

At the date of this report, the Village had other receivables as follows:

GOVERNMENTAL ACTIVITIES		
Hotel occupancy tax	$	11,025
Ambulance service and fees		735,310
Cable franchise fees		246,940
Food and beverage tax		155,490
Red light violations		2,700
Electric utility tax		180,545
Billed miscellaneous receivables		127,453
Total governmental activities		1,459,463
BUSINESS-TYPE ACTIVITIES		
Billed miscellaneous receivables		59,878
Parking fees		17,300
Sewer loan program		4,664
Total business-type activities		81,842
TOTAL OTHER RECEIVABLES	$	1,541,305

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

3. RECEIVABLES (Continued)

c. Due from Other Governments

At the date of this report, the Village had amounts due from other governments as follows:

GOVERNMENTAL ACTIVITIES	
State sales tax	$ 3,081,338
Home rule sales tax	1,749,705
Loan to park district	508,273
Grants	84,555
Video gaming tax	21,297
Court fines	47,150
Other state sources	97,746
Motor fuel tax allotments	265,048
Telecommunications tax	180,817
Total governmental activities	6,035,929
BUSINESS-TYPE ACTIVITIES	
Grants	5,677
TOTAL DUE FROM OTHER GOVERNMENTS	$ 6,041,606

4. CAPITAL ASSETS

Capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	$ 11,565,020	$ -	$ -	$ 11,565,020
Land right of way	139,806,925	-	-	139,806,925
Total capital assets not being depreciated	151,371,945	-	-	151,371,945
Capital assets being depreciated				
Buildings and improvements	52,208,475	-	-	52,208,475
Machinery and equipment	12,503,930	1,187,775	648,705	13,043,000
Streets	33,545,255	1,517,460	71,065	34,991,650
Bridges	1,596,735	-	-	1,596,735
Total capital assets being depreciated	99,854,395	2,705,235	719,770	101,839,860
Less accumulated depreciation for				
Buildings and improvements	17,645,045	1,226,835	-	18,871,880
Machinery and equipment	8,366,650	924,575	648,705	8,642,520
Streets	18,398,940	727,135	71,065	19,055,010
Bridges	1,038,835	24,220	-	1,063,055
Total accumulated depreciation	45,449,470	2,902,765	719,770	47,632,465
Total capital assets being depreciated, net	54,404,925	(197,530)	-	54,207,395
TOTAL GOVERNMENTAL ACTIVITIES	$ 205,776,870	$ (197,530)	$ -	$ 205,579,340

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	$ 4,858,690	$ -	$ -	$ 4,858,690
Total capital assets not being depreciated	4,858,690	-	-	4,858,690
Capital assets being depreciated				
Equipment	2,838,680	-	-	2,838,680
Buildings and improvements	8,027,370	179,455	-	8,206,825
Water system	31,140,549	5,129,755	134,434	36,135,870
Sewer system	63,530,650	-	-	63,530,650
Parking improvements	15,681,480	-	-	15,681,480
Total capital assets being depreciated	121,218,729	5,309,210	134,434	126,393,505
Less accumulated depreciation for				
Equipment	2,599,205	84,975	-	2,684,180
Buildings and improvements	5,220,215	162,875	-	5,383,090
Water system	12,766,250	743,560	107,785	13,402,025
Sewer system	43,314,620	1,206,515	-	44,521,135
Parking improvements	14,796,370	784,035	-	15,580,405
Total accumulated depreciation	78,696,660	2,981,960	107,785	81,570,835
Total capital assets being depreciated, net	42,522,069	2,327,250	26,649	44,822,670
TOTAL BUSINESS-TYPE ACTIVITIES	$ 47,380,759	$ 2,327,250	$ 26,649	$ 49,681,360

Depreciation expense was charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES	
General government	$ 428,445
Public safety	1,142,745
Public works	1,331,575
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	$ 2,902,765

5. LONG-TERM DEBT

a. General Obligation Bonds

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. Any general obligation bonds issued for proprietary funds are reported in the proprietary funds if they are expected to be repaid from proprietary revenues. In addition, general obligation bonds have been issued to refund general obligation bonds.

General obligation bonds currently outstanding are as follows:

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5. LONG-TERM DEBT (CONTINUED)

a. General Obligation Bonds (Continued)

Issue	Fund Debt Retired By	Beginning Balances	Additions	Reductions/ Refunding	Ending Balances	Current
GOVERNMENTAL ACTIVITIES						
$5,025,000 General Obligation Refunding Bonds, Series 2012, due in annual installments of $95,000 to $615,000 with interest at 1.000% to 2.375%. Final maturity is December 1, 2022.	Downtown TIF	$ 615,000	$ -	$ 615,000	$ -	$ -
$7,265,000 General Obligation Refunding Bonds, Taxable Series 2014B, due in annual installments of $550,000 to $790,000 with interest at 2.0% to 3.3%. Final maturity is December 1, 2025.	Rand Road Corridor TIF	2,990,000	-	705,000	2,285,000	735,000
$7,705,000 General Obligation Refunding Bonds, Series 2017A, due in annual installments of $1,135,000 to $2,060,000 with interest at 1.8% to 4.0%. Final maturity is December 1, 2025.	Downtown TIF	2,060,000	-	2,060,000	-	-
$1,465,000 General Obligation Refunding Bonds, Series 2017B, due in annual installments of $485,000 to $490,000 with interest at 3.0%. Final maturity is December 1, 2025.	General Obligation Bond	1,465,000	-	-	1,465,000	490,000
$3,125,000 General Obligation Refunding Bonds, Taxable Series 2017C, due in annual installments of $590,000 to $650,000 with interest at 1.3% to 2.2%. Final maturity is December 1, 2022.	Downtown TIF	650,000	-	650,000	-	-
$6,060,000 General Obligation Refunding Bonds, Taxable Series 2017D, due in annual installments of $565,000 to $745,000 with interest at 2.0% to 3.0%. Final maturity is December 1, 2026.	Rand Road Corridor TIF	3,545,000	-	675,000	2,870,000	690,000
$6,235,000 General Obligation Refunding Bonds, Series 2018, due in annual installments of $345,000 to $755,000 with interest at 5.0%. Final maturity is December 1, 2029.	General Obligation Bond	4,980,000	-	500,000	4,480,000	530,000
$18,335,000 General Obligation Refunding Bonds, Series 2020, due in annual installments of $705,000 to $2,405,000 with interest at 2.125% to 5.000%. Final maturity is December 1, 2034.	General Obligation Bond	18,335,000	-	-	18,335,000	-
TOTAL GOVERNMENTAL ACTIVITIES		$ 34,640,000	$ -	$ 5,205,000	$ 29,435,000	$ 2,445,000

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5. LONG-TERM DEBT (CONTINUED)

a. General Obligation Bonds (Continued)

General obligation bonds currently outstanding are as follows (Continued):

Issue	Fund Debt Retired By	Beginning Balances	Additions	Reductions/ Refunding	Ending Balances	Current
BUSINESS-TYPE ACTIVITIES						
$7,315,000 General Obligation Refunding Bonds, Series 2010A, due in annual installments of $485,000 to $705,000 with interest at 2.0% to 4.0%. Final maturity is December 1, 2022.	Sewerage	$ 705,000	$ -	$ 705,000	$ -	$ -
$7,345,000 General Obligation Refunding Bonds, Series 2014A, due in annual installments of $35,000 to $335,000 with interest at 2.0% to 3.0%. Final maturity is December 1, 2028.	Sewerage	2,110,000	-	2,110,000	-	-
$7,165,000 General Obligation Bonds, Series 2015, due in annual installments of $725,000 to $2,600,000 with interest at 5.0% to 5.8%.	Water	2,580,000	-	600,000	1,980,000	628,000
Final maturity is December 1, 2025.	Sewerage	645,000	-	150,000	495,000	157,000
TOTAL BUSINESS-TYPE ACTIVITIES		$ 6,040,000	$ -	$ 3,565,000	$ 2,475,000	$ 785,000

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31	Governmental Activities Principal	Governmental Activities Interest	Business-Type Activities Principal	Business-Type Activities Interest
2023	$ 2,445,000	$ 910,836	$ 785,000	$ 114,000
2024	3,225,000	830,336	820,000	74,375
2025	3,325,000	710,176	870,000	32,750
2026	2,660,000	581,556	-	-
2027	2,015,000	463,456	-	-
2028 - 2032	11,005,000	1,227,881	-	-
2033 - 2035	4,760,000	149,312	-	-
Total	$ 29,435,000	$ 4,873,553	$ 2,475,000	$ 221,125

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5. LONG-TERM DEBT (CONTINUED)

b. Tax Increment Financing Revenue Bonds and Notes

The Village also issues bonds and notes where the Village pledges incremental property tax income derived from separately created tax increment financing districts. The original amount of tax increment financing revenue bonds and notes in prior years was $190,000.

These bonds and notes are secured only by the incremental property tax revenues generated by the tax increment financing district.

Annual debt service payments are based upon 50% of the incremental revenues, if any, generated by the underlying project. As such, there are no established debt service amortization schedules for these bonds and notes.

Tax increment financing revenue notes currently outstanding are as follows:

Issue	Fund Debt Retired By	Beginning Balances	Additions	Reductions/ Refunding	Ending Balances	Current
GOVERNMENTAL ACTIVITIES						
$190,000 Limited Obligation Tax Increment Financing Notes, Series 2006B, due in annual installments of 50% of incremental revenues generated by the subject redevelopment property with no interest. Final maturity is December 31, 2023.	Downtown TIF	$ 45,682	$ -	$ 14,000	$ 31,682	$ -

c. Legal Debt Margin

The Village 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…(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent:...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts."

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

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5. LONG-TERM DEBT (CONTINUED)

d. Tax Increment Financing Redevelopment Note Disclosures

Limited Obligation Redevelopment Notes - The Series 2006B Limited Obligation Redevelopment Notes were issued in conjunction with Downtown Redevelopment Projects. The ordinance authorizing the issuance of this obligation provided that this instrument was payable solely from the incremental property taxes generated from the subject project's parcel, if any.

The term of these notes expires on December 31, 2023, or such earlier date that the Downtown Tax Increment Financing District is terminated. Any unpaid balance of these notes at the expiration date of the Downtown Tax Increment Financing District will be forgiven.

e. Current Redemption of General Obligation Debt

On September 12, 2022, the Village called and redeemed the $1,840,000 outstanding balance of the General Obligation Bonds, Series 2014A.

f. Summary of Changes in Long-Term Liabilities

	Beginning Balances, as Restated	Additions	Reductions	Ending Balances	Due Within One Year
GOVERNMENTAL ACTIVITIES					
General obligation bonds	$ 34,640,000	$ -	$ 5,205,000	$ 29,435,000	$ 2,445,000
TIF notes	45,682	-	14,000	31,682	-
Claims payable	1,007,660	464,460	667,125	804,995	-
Net pension liability*	79,638,617	56,522,571	-	136,161,188	-
Total OPEB liability*	14,114,847	1,276,241	5,028,871	10,362,217	497,814
Compensated absences**	2,202,410	-	71,825	2,130,585	426,119
Total	131,649,216	58,263,272	10,986,821	178,925,667	3,368,933
Less deferred amounts					
Unamortized bond discount	(10,040)	-	(4,960)	(5,080)	-
Unamortized bond premium	1,794,754	-	214,360	1,580,394	-
Total deferred amounts	1,784,714	-	209,400	1,575,314	-
TOTAL GOVERNMENTAL ACTIVITIES	$133,433,930	$ 58,263,272	$ 11,196,221	$180,500,981	$ 3,368,933

* The General Fund has typically been used to liquidate these liabilities.

** The amount displayed as additions or reductions represents the net change in the liability.

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5. LONG-TERM DEBT (CONTINUED)

f. Summary of Changes in Long-Term Liabilities (Continued)

	Beginning Balances	Additions	Reductions	Ending Balances	Due Within One Year
BUSINESS-TYPE ACTIVITIES					
General obligation bonds					
Water Fund	$ 2,580,000	$ -	$ 600,000	$ 1,980,000	$ 628,000
Sewer Fund	3,460,000	-	2,965,000	495,000	157,000
Asset retirement obligation					
Water Fund	500,000	700,750	-	1,200,750	-
Total OPEB liability					
Water Fund	223,291	18,872	88,938	153,225	7,361
Sewer Fund	67,707	6,377	22,304	51,780	2,488
Compensated absences**					
Water Fund	70,170	32,995	-	103,165	20,635
Sewer Fund	28,220	10,460	-	38,680	7,740
Total	6,929,388	769,454	3,676,242	4,022,600	823,224
Less deferred amounts					
Unamortized bond discount	(8,680)	-	(8,680)	-	-
Unamortized bond premium	434,090	-	136,190	297,900	-
Total deferred amounts	425,410	-	127,510	297,900	-
TOTAL BUSINESS-TYPE ACTIVITIES	$ 7,354,798	$ 769,454	$ 3,803,752	$ 4,320,500	$ 823,224

** The amount displayed as additions or reductions represents the net change in the liability.

6. LESSOR DISCLOSURES

In accordance with GASB Statement No. 87, *Leases*, the Village's lessor disclosures are as follows:

The Village entered a lease agreement on September 1, 2003, to lease space on a water tower located at Kenilworth and Elizabeth Avenues for the placement of cellular communications equipment. Payments ranging from $22,500 to $53,022 are due to the Village in annual installments, through January 2032. The lease agreement is noncancelable and maintains an interest rate of 2.09%.

The Village entered a lease agreement on November 27, 2018, to lease space on a water tower at 2175 Coach Road for the placement of cellular communications equipment. Payments ranging from $3,750 to $9,103 are due to the Village in monthly installments, through February 2049. The lease agreement is noncancelable and maintains an interest rate of 2.10%.

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6. LESSOR DISCLOSURES (CONTINUED)

The Village entered a lease agreement on December 27, 2017, to lease space on a water tower at 795 Sterling Avenue for the placement of cellular communications equipment. Payments ranging from $3,750 to $9,103 are due to the Village in monthly installments, through March 2048. The lease agreement is noncancelable and maintains an interest rate of 2.10%.

The Village entered a lease agreement on March 15, 2019, to lease space on a water tower located at 530 North Smith Street for the placement of cellular communications equipment. Payments ranging from $3,750 to $9,096 are due to the Village in monthly installments, through April 2049. The lease agreement is noncancelable and maintains an interest rate of 2.10%.

The Village entered a lease agreement on July 11, 2001, to lease space on a cell tower located at 220 West Illinois Avenue for the placement of cellular communications equipment. Payments ranging from $1,667 to $6,598 are due to the Village in monthly installments, through June 2046. The lease agreement is noncancelable and maintains an interest rate of 2.10%.

The Village entered a lease agreement on October 27, 1997, to lease space on a cell tower located at 200 East Wood Street for the placement of cellular communications equipment. Payments ranging from $20,000 to $55,829 are due to the Village in annual installments, through October 2046. The lease agreement is noncancelable and maintains an interest rate of 2.10%.

The Village entered a lease agreement on June 11, 2013, to lease a building located at 56 West Wilson Street. Payments ranging from $6,720 to $11,702 are due to the Village in monthly installments, through July 2023. The lease agreement is noncancelable and maintains an interest rate of .30%.

The Village entered a lease agreement on June 25, 2021, to lease space in the Commuter Train Station located at 137 West Wood Street. Payments ranging from $865 to $1,380 are due to the Village in monthly installments, through October 2036. The lease agreement is noncancelable and maintains an interest rate of 2.09%.

During the year, the Village recognized lease revenue of $554,407 and interest revenue of $144,135 related to leases.

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7. RISK MANAGEMENT

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village is self-insured for first party property losses, third party liability claims, workers' compensation claims and public officials' liability claims. These self-insurance activities are reported in the Casualty and Liability Insurance Fund which is an internal service fund.

All funds of the Village participate and make payments to the Casualty and Liability Insurance Fund based upon actuarial estimates of the amounts needed to pay prior and current year claims. Liabilities of the fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and societal factors. Changes in the balances of claims liabilities during the past two fiscal years are as follows:

	Workers' Compensation	General Liability	Total
UNPAID CLAIMS, DECEMBER 31, 2020	$ 1,028,395	$ 243,730	$ 1,272,125
Claims incurred - 2021	141,525	180,580	322,105
Claims payments - 2021	289,880	179,370	469,250
UNPAID CLAIMS, DECEMBER 31, 2021	880,040	244,940	1,124,980
Claims incurred - 2022	53,679	678,179	731,858
Claims payments - 2022	578,064	263,404	841,468
UNPAID CLAIMS, DECEMBER 31, 2022	$ 355,655	$ 659,715	$ 1,015,370

Risks for medical and death benefits for employees and retirees are provided for through the Village's participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC acts as an administrative agency to receive, process, and pay such claims as may come within the benefit program of each member. IPBC maintains specific reinsurance coverage for claims more than $75,000 per individual employee participant. The Village pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years' experience factor for premiums. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

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8. CONTINGENT LIABILITIES

a. Litigation

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

b. Grants

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

c. Northwest Water Commission (NWC)

The Village has committed to purchase water from NWC. The Village expects to pay approximately $3,020,000 through December 31, 2022. This amount has been calculated using the Village's current allocation percentage of approximately 29%. In future years, this allocation percentage will be subject to change.

d. Solid Waste Agency of Northern Cook County (SWANCC)

The Village has committed to make payments to SWANCC for the disposal of residential solid waste of the Village effective August 1, 1994. Payments are based upon a tipping fee established to cover operations and maintenance costs and the Village's pro rata share of the fixed costs of SWANCC.

The Village's estimated 2022 payment for operations and maintenance costs is $1,270,980, based on an estimated tipping fee of $50.16 per ton for 25,341 tons.

9. TAX ABATEMENTS

The Village rebates property taxes to recruit, retain, or improve local business facilities or their supporting public infrastructure under certain circumstances and as an annexation inducement. The terms of these rebate arrangements are specified within written agreements with the individuals and businesses concerned.

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9. TAX ABATEMENTS (Continued)

For the current year, the Village rebated its share of property taxes paid by several individuals to induce them to annex into the Village in 2007 for redevelopment purposes.

These agreements terminate upon the first of the following events to occur: the Owner selling, assigning, conveying, redeveloping the property and/or the business with either a new use or a new or remodeled structure, or twenty (20) years from the date of the annexation. The rebate for the year totaled $6,701.

The Village rebated property taxes paid by several businesses located within Tax Increment Financing Districts for costs associated with construction of or improvements to their business facilities. These agreements state the total eligible costs and the rebates are contingent on meeting certain financial performance metrics. The rebate for the year totaled $1,040,219.

Cook County offers a Class 6b incentive program, whereby qualifying industrial properties will be assessed at 10% of market value for the first 10 years, 15% in the 11th year and 20% in the 12th year. In the absence of this incentive, industrial real estate would normally be assessed at 25% of its market value. While this program results in a substantial reduction in the level of assessment and results in significant tax savings for the qualifying property, it does not reduce the amount of taxes received by the Village.

10. ASSET RETIREMENT OBLIGATIONS

The Village has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various water wells at the end of their estimated useful lives in accordance with federal, state and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water wells are 97 years.

11. JOINT VENTURES

Solid Waste Agency of Northern Cook County (SWANCC)

The Village is a member of SWANCC which consists of 23 municipalities. SWANCC is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. SWANCC is empowered to plan, construct, finance, operate and maintain a solid waste disposal system to serve its members.

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11. JOINT VENTURES (Continued)

Solid Waste Agency of Northern Cook County (SWANCC) (Continued)

SWANCC is governed by a board of directors which consists of either the mayor/president or village manager from each member municipality. Each director has an equal vote. The officers of SWANCC are appointed by the Board of Directors. The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, provides for the issuance of debt, adopts by-laws, rules and regulations, exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws.

Complete financial statements can be obtained from the SWANCC administrative office at 77 West Hintz Road, Suite 200, Wheeling, Illinois 60090.

Revenues of the system consist of all receipts derived from solid waste disposal contracts or any other contracts for the disposal of waste, all income derived from the investment of monies, and all income, fees, service charges and all grants, rents and receipts derived by SWANCC from the ownership and operation of the system. SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

SWANCC has entered into solid waste disposal contracts with the member municipalities. The contracts are irrevocable and may not be terminated or amended except as provided for in the contract. Each member is obligated, on a “take or pay” basis, to deliver a minimum amount of solid waste to the system. The obligation of the Village to make all payments as required by this contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under the contract. The contract does not constitute an indebtedness of the Village within the meaning of any statutory or constitutional limitation.

In accordance with the contract, the Village made payments totaling $1,319,467 to SWANCC during the year. The payments have been recorded in the Refuse Collection Fund. The Village does not have an equity interest in SWANCC at the date of this report.

Northwest Water Commission (NWC)

The Village is a member of NWC which consists of four municipalities. NWC is a municipal corporation and public body politic and corporate established pursuant to the Intergovernmental Cooperation Act of the State of Illinois. NWC is empowered to plan, construct, improve, extend, acquire, finance, operate and maintain a water supply system to serve its members and other potential water purchasers.

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11. JOINT VENTURES (Continued)

Northwest Water Commission (NWC) (Continued)

NWC is governed by a board of commissioners which consist of one appointed representative from each member municipality as well as one from the County. Each commissioner has an equal vote. The officers of NWC are appointed by the Board of Commissioners. The Board of Commissioners determines the general policy of NWC, makes all appropriations, approves contracts for sale or purchase of water, provides for the issuance of debt, adopts by-laws, rules and regulations, exercises such powers and performs such duties as may be prescribed in the agency agreement or the by-laws.

Complete financial statements can be obtained from the NWC, 1525 North Wolf Road, Des Plaines, Illinois 60016.

Revenues of the system consist of all receipts derived from the Water Supply Agreements or any other contract for the supply of water, all income derived from the investment of monies, and all income, fees, water service charges and all grants, rents and receipts derived by NWC from the ownership and operation of the system and the sale of water. NWC covenants to establish fees and charges sufficient to provide revenues to meet all its obligations.

NWC has entered into water supply agreements with the four member municipalities for a term of 40 years, extending to 2059. The agreements are irrevocable and may not be terminated or amended except as provided for in the General Resolution. Each member is obligated, on a “take or pay” basis, to purchase or in any event to pay for a minimum annual quantity of water.

NWC has entered into an agreement with the City of Evanston (the City) under which the City has agreed to sell quantities of Lake Michigan water sufficient to meet the projected water needs of the members through the year 2035.

The obligation of the Village to make payments required by this agreement is payable from the Village’s Waterworks Fund.

In accordance with the joint venture agreement, the Village remitted $2,705,446 to NWC during the year, net of a $407,180 rebate. The Village’s equity interest in NWC was $15,071,500 at the date of this report. The Village’s net investment and its share of the operating results of NWC are recorded in the Village’s Waterworks Fund.

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12. INDIVIDUAL FUND DISCLOSURES

a. Due From/To Other Funds

Receivable Fund	Payable Fund	Amount
Major governmental	Nonmajor governmental	
General	Special Police Grant	$ 22,238
Fiduciary - Pension Trust	Major governmental	
Police Pension	General	1,122,312
Firefighters' Pension	General	1,149,125
	Total	$ 2,293,675

The purpose for the due from/to other funds is for a short-term cash loan at year end for the grant fund and accrued pension contributions for the pension trust funds. The amounts will be liquidated within one year.

b. During the year, the following transfers were made:

Transfer Out Fund	Transfer In Fund	Amount
General	Debt Service	$ 1,769,480
Waterworks	Capital Equipment	310,000
Sewerage	Capital Equipment	310,000
Refuse	Capital Improvement	50,000
	Total	$ 2,439,480

The transfer to the Debt Service Fund was to fund a Debt Service Reserve. The transfers to the Capital Funds were to provide funding for capital equipment and improvements. These relate to the movement of resources between funds that will not be repaid.

13. OTHER POSTEMPLOYMENT BENEFITS

Plan Administration

In addition to providing the pension benefits described, the Village provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the Village and can be amended by the Village through its personnel manual and union contracts. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report. The activity of the Plan is reported in the Village's governmental activities, business-type activities, and proprietary funds.

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13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Plan Membership

At the date of this report, membership consisted of:

Inactive plan members currently receiving benefits	67
Inactive plan members entitled to but not yet receiving benefits	-
Active employees	286
	353

The Village provides the opportunity for retirees, their spouses and dependents (enrolled at time of employee's retirement) to participate in the Village's health insurance plan for pre-Medicare postretirement health insurance. To be eligible for benefits, the employee must qualify for retirement under one of the Village's three retirement plans. An implicit benefit is provided due to the retirees paying 100% of the actuarially determined premium to the plan.

Pursuant to the Illinois Public Safety Employee Benefits Act, the Village provides health insurance to any sworn police or fire employee (their spouses and dependents) who suffers a catastrophic injury or is killed in the line of duty. The Village is responsible for paying the entire actuarially determined contribution to the plan.

Total OPEB Liability

The Village's total OPEB liability of $10,567,222 was measured as of December 31, 2022.

Actuarial Assumptions and Other Inputs

Actuarial cost method	Entry-age normal
Assumptions	
Total payroll increases	3.00%
Discount rate	
Beginning of year	2.06%
End of year	3.72%
Healthcare cost trend rates	
Initial	6.00%
Ultimate	5.00%

The discount rate was based on The Bond Buyer 20-Bond GO Index, which 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.

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13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Changes in the Total OPEB Liability

Balance at beginning of the year	$ 14,405,845
Changes for the period	
Service Cost	1,009,959
Interest	291,531
Actuarial experience	(2,874,757)
Changes in assumptions	(1,757,693)
Plan changes	-
Benefit payments	(507,663)
Net changes	(3,838,623)
Balance at end of the year	$ 10,567,222

The assumed rate on High Quality 20 Year Tax-Exempt General Obligation (G.O.) Bonds was changed from 2.06% to 3.72% for the current year. The underlying index used is The Bond Buyer 20-Bond G.O. 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. Additionally, the expected increases in medical costs assumption was revised to better reflect the future anticipated experience of the system.

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate.

The table below presents the total OPEB liability of the Village determined using the end of year discount rate listed in the assumption section, as well as what the Village total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher:

	1% Decrease (2.72%)	Current Discount Rate (3.72%)	1% Increase (4.72%)
Total OPEB Liability	$ 11,300,884	$ 10,567,222	$ 9,870,550

The table below presents the total OPEB liability of the Village calculated using the healthcare cost trend rates listed in the assumption section, as well as what the Village's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher:

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13. OTHER POSTEMPLOYMENT BENEFITS (Continued)

Changes in the Total OPEB Liability (Continued)

	1% Decrease (Varies)	Current Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	$ 9,458,125	$ 10,567,222	$ 11,864,831

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

For the year, the Village recognized OPEB expense of $789,922. At the date of this report, the Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 5,013,799
Changes in assumptions	1,943,716	2,116,434
Total	$ 1,943,716	$ 7,130,233

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

Year Ending December 31	
2023	$ (511,568)
2024	(511,568)
2025	(511,568)
2026	(511,568)
2027	(511,568)
Thereafter	(2,628,677)
Total	$ (5,186,517)

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14. EMPLOYEE RETIREMENT SYSTEMS

The Village contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Employees Retirement System (PPERS) which is a single-employer pension plan; and the Firefighters' Pension Employees Retirement System (FPERS) which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all three plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF does issue a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained online at www.imrf.org.

The table below is a summary for all pension plans as of and for the year ended December 31, 2022:

	IMRF	PPERS	FPERS	Total
Net pension liability	$ -	$ 67,777,245	$ 68,383,943	$ 136,161,188
Net pension (asset)	(9,304,429)	-	-	(9,304,429)
Deferred outflows of resources	2,277,561	22,279,751	22,133,981	46,691,293
Deferred inflows of resources	11,353,256	3,379,887	3,543,267	18,276,410
Pension expense (income)	(2,114,251)	6,439,130	8,491,769	12,816,648

a. Illinois Municipal Retirement Fund (IMRF)

Plan Administration

All employees (other than those covered by PPERS or FPERS) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At December 31, 2021 (latest information available), membership consisted of:

Inactive plan members currently receiving benefits	213
Inactive plan members entitled to but not yet receiving benefits	103
Active employees	128
	444

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14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Illinois Municipal Retirement Fund (IMRF) (Continued)

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3 % of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.5% of their annual salary to IMRF. The Village is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution and required employer contribution for 2022 was 9.31% of covered payroll.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation using the following actuarial methods and assumptions as of the date of this report.

Actuarial valuation date	December 31, 2021
Actuarial cost method	Entry-age normal
Asset valuation method	Market
Inflation	2.25%
Salary increases	2.85% - 13.75%
Interest rate	7.25%

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14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Illinois Municipal Retirement Fund (IMRF) (Continued)

Actuarial Assumptions (Continued)

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.

Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects: (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For this valuation, the expected rate of return on pension plan investments is 7.25%, the municipal bond rate is 1.84% (based on the daily rate closest to but not later than the measurement date of the "20-Year Municipal GO AA Index"), and the resulting Single Discount Rate is 7.25%.

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14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Illinois Municipal Retirement Fund (IMRF) (Continued)

Changes in the Net Pension Liability/(Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability/(Asset)
Balances at beginning of the year	$ 84,081,196	$ 86,054,290	$ (1,973,094)
Changes for the period			
Service Cost	1,075,860	-	1,075,860
Interest	5,984,758	-	5,984,758
Difference between expected and actual experience	1,658,086	-	1,658,086
Changes in assumptions	-	-	-
Employer contributions	-	1,393,340	(1,393,340)
Employee contributions	-	522,502	(522,502)
Net investment income	-	14,359,845	(14,359,845)
Benefit payments and refunds	(4,141,482)	(4,141,482)	-
Administrative expenses	-	-	-
Other (net transfer)	-	(225,648)	225,648
Net changes	4,577,222	11,908,557	(7,331,335)
Balances at end of the year	$ 88,658,418	$ 97,962,847	$ (9,304,429)

The governmental activities portion of the net pension liability is generally liquidated by the General Fund.

The tax-exempt municipal bond rate was changed from 2.00% to 1.84% based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date.

Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 7.25% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	$ 1,429,518	$ (9,304,429)	$ (17,909,606)

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14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Illinois Municipal Retirement Fund (IMRF) (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year, the Village recognized IMRF pension expense (income) of ($2,114,251). At the date of this report, the Village reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 1,231,223	$ -
Changes in assumptions	-	293,924
Net difference between projected and actual earnings on pension plan investments	-	11,059,332
Employer contributions after the measurement date	1,046,338	-
Total	$ 2,277,561	$ 11,353,256

The $1,046,338 reported as deferred outflows of resources related to pensions resulting from Village contributions after the measurement date will be recognized as a reduction of the net pension liability in the following year.

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

Year Ending December 31	
2023	$ (2,077,118)
2024	(3,751,519)
2025	(2,651,444)
2026	(1,641,952)
2027	-
Thereafter	-
Total	$ (10,122,033)

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14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Police Pension Employees Retirement System (PPERS)

Plan Administration

Police sworn personnel are covered by PPERS. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The Village accounts for the PPERS as a pension trust fund.

PPERS is governed by a five-member Board of Trustees. Two members of the Board are appointed by the Village's Mayor, one member is elected by pension beneficiaries, and two members are elected by active police employees.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At the date of this report, the measurement date, membership consisted of:

Inactive plan members currently receiving benefits	99
Inactive plan members entitled to but not yet receiving benefits	10
Active employees	110
	219
Number of participating employers	1

Benefits Provided

PPERS provides retirement benefits through two tiers of 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 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% 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. 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

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14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Police Pension Employees Retirement System (PPERS) (Continued)

Benefits Provided (Continued)

and be paid upon reaching the age of at least 55 years, by 3.00% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the 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 is capped at $106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% 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 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 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to PPERS. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. However, the Village has elected to calculate its annual contribution using the entry age normal level percentage of payroll actuarial cost method that will result in the funding of 100% of the past service cost by the year 2040. For the year, the Village's contribution was 54.23% of covered payroll.

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14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Police Pension Employees Retirement System (PPERS) (Continued)

Illinois Police Officers' Pension Investment Fund

The Illinois Police Officers' Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610 and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds as defined in 40 ILCS 5/ 22B-105. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory.

Deposits with Financial Institutions

The PPERS retains its available cash. Available cash is determined to be the amount which is required for the current expenditures of the PPERS Any excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the PPERS.

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, PPERS' deposits may not be returned to it. PPERS' investment policy does not require collateralization; however, all deposits at the date of this report are covered by Federal Depository Insurance.

Investments

Investments of the PPERS are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, IL 61602 or at www.ipopif.org.

Fair Value Measurement

The PPPERS categorizes fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The PPERS held no investments subject to fair value measurement at year end.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Police Pension Employees Retirement System (PPERS) (Continued)

Net Asset Value

The Net Asset Value (NAV) of the PPERS' pooled investment in IPOPIF was $95,463,028 at year end. The pooled investments consist of the investments as noted in the target allocation table below. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at year end. The PPERS may redeem shares with a seven-calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven-calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

Investment Policy

IPOPIF's investment policy was originally adopted by the Board of Trustees on December 17, 2021. IPOPIF has the authority to invest trust fund assets in any type of security subject to the requirements and restrictions set forth in the Illinois Pension Code and is not restricted by the Pension Code sections that pertain exclusively to the Article 3 participating police pension funds. IPOPIF shall be subject to the provisions of the Illinois Pension Code including, but not limited to, utilization of emerging investment managers and utilization of businesses owned by minorities, women and persons with disabilities.

Investment Rate of Return

For the year, the annual money-weighted rate of return on PPERS investments, net of investment expense, was (14.23)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contributions rates and the member rate. Based on those assumptions, PPERS' 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 PPERS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Police Pension Employees Retirement System (PPERS) (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at beginning of the year	$ 153,982,221	$ 117,177,599	$ 36,804,622
Changes for the period			
Service Cost	2,447,261	-	2,447,261
Interest	10,902,536	-	10,902,536
Difference between expected and actual experience	3,110,405	-	3,110,405
Changes in assumptions	5,532,349	-	5,532,349
Changes in benefit terms	(93,175)	-	(93,175)
Employer contributions	-	6,221,185	(6,221,185)
Employee contributions	-	1,435,595	(1,435,595)
Net investment income	-	(16,712,527)	16,712,527
Benefit payments and refunds	(7,263,286)	(7,263,286)	-
Other (net transfer)	-	(17,500)	17,500
Net changes	14,636,090	(16,336,533)	30,972,623
Balances at end of the year	$ 168,618,311	$ 100,841,066	$ 67,777,245

Plan fiduciary net position as a percentage of the total pension liability 59.80%

The governmental activities portion of the net pension liability is generally liquidated by the General Fund.

The assumed rate on High Quality 20 Year Tax-Exempt General Obligation (G.O.) Bonds was changed from 2.06% to 3.72% for the current year. The underlying index used is The Bond Buyer 20-Bond G.O. 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. Additionally, the Discount Rate and Expected Rate of Return on Investments was changed from 7.25% to 7.00%.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Police Pension Employees Retirement System (PPERS) (Continued)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation using the following actuarial methods and assumptions as of the date of this report. Unless otherwise noted, the same actuarial assumptions are used for Tier 1 and Tier 2.

Actuarial valuation date	December 31, 2022
Actuarial cost method	Entry-age normal
Economic assumptions	
Discount rate used for the Total Pension Liability	7.00%
Expected rate of return on investments	7.00%
High-Quality 20 Year tax exempt GO Bond Rate	3.72%
Projected individual pay increases	3.75% - 15.35%
Projected total payroll increases	3.25%
Consumer price index (Urban)	2.25%
Inflation rate	2.25%
Asset valuation method	Fair Value

Demographic assumptions

Mortality rates

Active Mortality - follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis. 50% of active Member deaths are assumed to be in the line of duty.

Retiree Mortality - follows the L&A Assumption Study for Police 2020. These 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.

Disabled Mortality - follows the Sex Distinct Raw Rates as developed in the PubS-2010 Study for Disabled Participants. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Spouse Mortality - follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for Contingent Survivors. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Police Pension Employees Retirement System (PPERS) (Continued)

Actuarial Assumptions (Continued)

Demographic assumptions (Continued)

Retirement rates – 150% of L&A 2020 Illinois Police Retirement Rates Capped at Age 65

Termination rates – 100% of L&A 2020 Illinois Police Termination Rates

Disability Rates – 100% of L&A 2020 Illinois Police Disability Rates

Marital assumptions

Active members – 80% of active Members are assumed to be married. Female spouses are assumed to be 3 years younger than male spouses.

Retiree and disabled members – Based on actual spouse data.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 7.00%, as well as, what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	$ 93,142,091	$ 67,777,245	$ 47,273,306

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year, the Village recognized PPERS pension expense of $6,439,130 and reported deferred outflows of resources and deferred inflows of resources related to PPERS from the following sources:

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

b. Police Pension Employees Retirement System (PPERS) (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 4,499,741	$ 3,237,337
Changes in assumptions	6,996,284	142,550
Net difference between projected and actual earnings on pension plan investments	10,783,726	-
Total	$ 22,279,751	$ 3,379,887

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

Year Ending December 31	
2023	$ 1,423,904
2024	3,984,261
2025	5,116,607
2026	6,563,525
2027	1,061,747
Thereafter	749,820
Total	$ 18,899,864

c. Firefighters' Pension Employees Retirement System (FPERS)

Plan Administration

Fire sworn personnel are covered by FPERS. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The Village accounts for FPERS as a pension trust fund.

FPERS is governed by a five-member Board of Trustees. Two members of the Board are appointed by the Village's Mayor, one member is elected by pension beneficiaries, and two members are elected by active police employees.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Firefighters' Pension Employees Retirement System (FPERS) (Continued)

Plan Administration (Continued)

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Plan Membership

At the date of this report, the measurement date, membership consisted of:

Inactive plan members currently receiving benefits	89
Inactive plan members entitled to but not yet receiving benefits	5
Active employees	91
	185
Number of participating employers	1

Benefits Provided

FPERS provides retirement benefits through two tiers of 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 at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% 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 3.00% of the original pension and 3.00% compounded annually thereafter.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Firefighters' Pension Employees Retirement System (FPERS) (Continued)

Benefits Provided (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 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% 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. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Employees are required by ILCS to contribute 9.455% of their base salary to FPERS. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. Effective January 1, 2011, ILCS requires the Village to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. However, the Village has elected to calculate its annual contribution using the entry age normal level percentage of payroll actuarial cost method that will result in the funding of 100% of the past service cost by the year 2040. For the year, the Village's contribution was 81.75% of covered payroll.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Firefighters' Pension Employees Retirement System (FPERS) (Continued)

Illinois Firefighters' Pension Investment Fund

The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory.

Deposits with Financial Institutions

The FPERS retains all of its available cash. Available cash is determined to be the amount which is required for the current expenditures of the FPERS. Excess available cash is required to be transferred to IFPIF for the purposes of the long-term investment for the FPERS.

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, FPERS' deposits may not be returned to it. FPERS' investment policy does not require collateralization; however, all deposits at the date of this report are covered by Federal Depository Insurance.

Investments

Investments of the FPERS are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report as of June 30, 2022. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at www.ifpif.org.

Fair Value Measurement

The FPERS categorizes fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The FPERS held no investments subject to fair value measurement at year end.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Firefighters' Pension Employees Retirement System (FPERS) (Continued)

Net Asset Value

The Net Asset Value (NAV) of the FPERS' pooled investment in IFPIF was $85,802,957 at year end. The pooled investments consist of the investments as noted in the target allocation table available at www.ifpif.org. Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at year end. The FPERS may redeem shares by giving notice by 5:00 pm central time on the 1st of each month. Requests properly submitted on or before the 1st of each month will be processed for redemption by the 14th of the month. Expedited redemptions may be processed at the sole discretion of IFPIF.

Investment Policy

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

Investment Rate of Return

For the year, the annual money weighted rate of return on pension plan investments, net of pension plan investment expense, was (14.86)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contributions rates and the member rate. Based on those assumptions, FPERS' 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 FPERS investments was applied to all periods of projected benefit payments to determine the total pension liability.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Firefighters' Pension Employees Retirement System (FPERS) (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
Balances at beginning of the year	$ 145,242,608	$ 102,408,613	$ 42,833,995
Changes for the period			
Service Cost	2,313,500	-	2,313,500
Interest	10,277,176	-	10,277,176
Difference between expected and actual experience	2,339,793	-	2,339,793
Changes in assumptions	4,838,686	-	4,838,686
Changes in benefit terms	(143,917)	-	(143,917)
Employer contributions	-	8,343,615	(8,343,615)
Employee contributions	-	1,057,570	(1,057,570)
Net investment income	-	(15,305,426)	15,305,426
Benefit payments and refunds	(7,090,392)	(7,090,392)	-
Other (net transfer)	-	(20,469)	20,469
Net changes	12,534,846	(13,015,102)	25,549,948
Balances at end of the year	$ 157,777,454	$ 89,393,511	$ 68,383,943

Plan fiduciary net position as a percentage of the total pension liability 56.66%

The governmental activities portion of the net pension liability is generally liquidated by the General Fund.

The assumed rate on High Quality 20 Year Tax-Exempt General Obligation (G.O.) Bonds was changed from 2.06% to 3.72% for the current year. The underlying index used is The Bond Buyer 20-Bond G.O. 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. Additionally, the Discount Rate and Expected Rate of Return on Investments was changed from 7.25% to 7.00%.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation using the following actuarial methods and assumptions as of the date of this report. Unless otherwise noted, the same actuarial assumptions are used for Tier 1 and Tier 2.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Firefighters' Pension Employees Retirement System (FPERS) (Continued)

Actuarial Assumptions (Continued)

Actuarial valuation date	December 31, 2022
Actuarial cost method	Entry-age normal
Economic assumptions	
Discount rate used for the Total Pension Liability	7.00%
Expected rate of return on investments	7.00%
High-Quality 20 Year tax exempt GO Bond Rate	3.72%
Projected individual pay increases	3.75% - 36.05%
Projected total payroll increases	3.25%
Consumer price index (Urban)	2.25%
Inflation rate	2.25%
Asset valuation method	Fair Value

Demographic assumptions

Mortality rates

Active Mortality - follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis. 50% of active Member deaths are assumed to be in the line of duty.

Retiree Mortality - follows the L&A Assumption Study for Firefighters 2020. These 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.

Disabled Mortality - follows the L&A Assumption Study for Firefighters 2020. The rates are experience weighted with Sex Distinct Raw Rates as developed in the PubS-2010 Study for disabled participants improved to 2017 using MP-2019 Improvement Rates. These rates are then improved fully generationally using MP-2019 Improvement Rates.

Spouse Mortality - follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study for Contingent Survivors. For all rates not provided there (ages 45 and younger) the PubG-2010 Study for general employees was used. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Retirement rates – 100% of L&A 2020 Illinois Firefighters Retirement Rates Capped at Age 65

Termination rates – 100% of L&A 2020 Illinois Firefighters Termination Rates

Disability Rates – 100% of L&A 2020 Illinois Firefighters Disability Rates

Marital assumptions

Active members – 80% of active Members are assumed to be married. Female spouses are assumed to be 3 years younger than male spouses.

Retiree and disabled members – Based on actual spouse data.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

14. EMPLOYEE RETIREMENT SYSTEMS (Continued)

c. Firefighters' Pension Employees Retirement System (FPERS) (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the Village calculated using the discount rate of 7.00%, as well as, what the Village's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net Pension Liability	$ 90,340,253	$ 68,383,943	$ 50,353,683

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year, the Village recognized FPERS pension expense of $8,491,769 and reported deferred outflows of resources and deferred inflows of resources related to FPERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 3,623,387	$ 3,539,008
Changes in assumptions	4,890,009	4,259
Net difference between projected and actual earnings on pension plan investments	13,620,585	-
Total	$ 22,133,981	$ 3,543,267

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

Year Ending December 31	
2023	$ 2,654,228
2024	3,983,225
2025	5,158,026
2026	5,344,134
2027	858,390
Thereafter	592,711
Total	$ 18,590,714

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

15. PENSION TRUST FUNDS

a. Schedule of Net Position

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and cash equivalents	$ 4,240,297	$ 2,509,025	$ 6,749,322
Investments, at fair value			
Investments held in the			
Illinois Police Officers' Pension			
Investment Fund	95,463,028	-	95,463,028
Illinois Firefighters' Pension			
Investment Fund	-	85,802,957	85,802,957
Receivables			
Other	15,429	5,167	20,596
Due from general fund	1,122,312	1,149,125	2,271,437
Total assets	100,841,066	89,466,274	190,307,340
LIABILITIES			
Benefits payable	-	72,763	72,763
Total liabilities	-	72,763	72,763
NET POSITION			
Restricted for pensions	$ 100,841,066	$ 89,393,511	$ 190,234,577

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

15. PENSION TRUST FUNDS (Continued)

b. Schedule of Changes in Net Position

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	$ 6,221,185	$ 8,343,615	$ 14,564,800
Employee	1,169,070	987,270	2,156,340
Other	266,525	70,300	336,825
Total contributions	7,656,780	9,401,185	17,057,965
Investment earnings			
Net increase (decrease) in the fair value of investments	(17,700,144)	(15,990,847)	(33,690,991)
Interest	1,214,887	797,386	2,012,273
Total investment earnings	(16,485,257)	(15,193,461)	(31,678,718)
Less investment expense	(227,270)	(111,965)	(339,235)
Net investment earnings	(16,712,527)	(15,305,426)	(32,017,953)
Total additions	(9,055,747)	(5,904,241)	(14,959,988)
DEDUCTIONS			
Administration	17,500	20,469	37,969
Benefits and refunds			
Retirement benefits	7,119,591	7,090,392	14,209,983
Refunds of contributions	143,695	-	143,695
Total deductions	7,280,786	7,110,861	14,391,647
CHANGE IN NET POSITION	(16,336,533)	(13,015,102)	(29,351,635)
NET POSITION			
January 1	117,177,599	102,408,613	219,586,212
December 31	$ 100,841,066	$ 89,393,511	$ 190,234,577

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16. CHANGE IN ACCOUNTING PRINCIPLE

For the year ended December 31, 2022, the Village implemented GASB Statement No. 101, *Compensated Absences*. For the implementation, the beginning net position has been restated, as follows.

ENTITY-WIDE STATEMENTS	**Governmental Activities**	**Business-Type Activities**
Net position, January 1 - as previously reported	$ 130,309,734	$ 73,866,956
Change in Accounting Principle - GASB 101	(624,505)	(26,720)
Net position, January 1 - as restated	$ 129,685,229	$ 73,840,236

FUND LEVEL STATEMENTS	**Fleet Services Fund**	**Waterworks Fund**	**Sewerage Fund**
Net position, January 1 - as previously reported	$ 776,144	$ 43,435,604	$ 23,931,653
Change in Accounting Principle - GASB 101	(6,360)	(23,380)	(3,340)
Net position, January 1 - as restated	$ 769,784	$ 43,412,224	$ 23,928,313

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Required Supplementary Information

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes	$ 28,312,678	$ 28,312,678	$ 30,700,058
Licenses and permits	3,560,700	3,560,700	3,137,925
Intergovernmental	23,296,340	23,719,630	29,407,004
Charges for services	5,052,855	6,126,355	7,725,730
Fines and forfeits	2,172,100	2,172,100	1,198,466
Investment income	101,400	101,400	(55,988)
Miscellaneous	420,000	447,505	506,943
Total revenues	62,916,073	64,440,368	72,620,138
EXPENDITURES			
General government	5,630,461	5,418,878	4,937,310
Public safety	50,546,018	55,051,760	53,447,375
Public works	6,910,705	7,151,447	6,801,488
Total expenditures	63,087,184	67,622,085	65,186,173
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(171,111)	(3,181,717)	7,433,965
OTHER FINANCING SOURCES (USES)			
Transfers (out)	-	(1,769,480)	(1,769,480)
Total other financing sources (uses)	-	(1,769,480)	(1,769,480)
NET CHANGE IN FUND BALANCE	$ (171,111)	$ (4,951,197)	5,664,485
FUND BALANCE, JANUARY 1			35,209,224
FUND BALANCE, DECEMBER 31			$ 40,873,709

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
DOWNTOWN TIF FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Incremental property taxes	$ 7,599,000	$ 7,599,000	$ 7,489,554
Investment income	5,000	5,000	178,392
Total revenues	7,604,000	7,604,000	7,667,946
EXPENDITURES			
Economic development			
Supplies and services	10,000	85,000	6,030
Project expenditures	-	36,000	36,000
Capital outlay			
Buildings and facilities	340,000	289,268	288,992
Street improvements	500,000	537,088	48,393
Flood control	50,000	-	-
Debt service			
Principal retirement	4,331,340	4,333,340	3,339,000
Interest	115,705	115,705	115,706
Fiscal charges	2,250	2,250	946
Total expenditures	5,349,295	5,398,651	3,835,067
NET CHANGE IN FUND BALANCE	$ 2,254,705	$ 2,205,349	3,832,879
FUND BALANCE, JANUARY 1			11,021,082
FUND BALANCE, DECEMBER 31			$ 14,853,961

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY GRANT FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
Grants	$ -	$ 3,165,706	$ 3,165,705
Investment income	-	-	163,522
Total revenues	-	3,165,706	3,329,227
EXPENDITURES			
Capital outlay			
Technology	-	255,109	255,109
Buildings and facilities	-	-	-
Vehicles and equipment	-	2,910,597	2,910,597
Rights of way	-	-	-
Flood control	-	-	-
Water system	-	-	-
Total expenditures	-	3,165,706	3,165,706
NET CHANGE IN FUND BALANCE	$ -	$ -	163,521
FUND BALANCE, JANUARY 1			1,174
FUND BALANCE, DECEMBER 31			$ 164,695

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Ten Fiscal Years
(schedule to be built prospectively)

Calendar Year	2014	2015	2016	2017
Actuarially Determined Contribution	$ 1,280,673	$ 1,326,808	$ 1,357,502	$ 1,268,896
Actual Contribution	1,299,693	1,326,808	1,359,414	1,286,486
Contribution Deficiency/(Excess)	(19,020)	-	(1,912)	(17,590)
Covered Valuation Payroll	10,139,928	10,563,758	10,630,398	10,452,192
Actual Contribution as a Percentage of Covered Valuation Payroll	12.82%	12.56%	12.79%	12.31%

Notes to the required supplementary information:

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.
Actuarial cost method	Aggregate entry-age normal
Assumptions	
Amortization method	Level percentage of payroll, closed
Remaining amortization period	22-year closed period until remaining period reaches 15 years
Asset valuation method	5 Year smoothed market; 20% corridor
Inflation	3.25%
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.

Unless otherwise noted, the same actuarial assumptions are used for Tier 1 and Tier 2.

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

2018	2019	2020	2021	2022
$ 1,236,724	$ 1,072,435	$ 1,346,507	$ 1,393,340	$ 1,046,338
1,236,724	1,072,435	1,346,507	1,393,340	1,046,338
-	-	-	-	-
10,772,855	10,976,825	11,230,254	11,611,171	11,238,861
11.48%	9.77%	11.99%	12.00%	9.31%

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

Calendar Year	2013	2014	2015	2016
Actuarially Determined Contribution	$ 2,996,776	$ 2,948,599	$ 3,038,973	$ 3,441,579
Actual Contribution	2,969,877	2,951,135	3,371,172	3,538,272
Contribution Deficiency/(Excess)	26,899	(2,536)	(332,199)	(96,693)
Covered Valuation Payroll	9,749,554	10,057,662	10,205,207	10,358,270
Actual Contribution as a Percentage of Covered Valuation Payroll	30.46%	29.34%	33.03%	34.16%

Notes to the required supplementary information for the 2022 contributions:

Valuation date	December 31, 2020
Actuarial cost method	Entry-age normal
Assumptions	
Amortization method	Level percentage of payroll, closed
Amortization target	100% funded over 20 years
Asset valuation method	5-Year Smoothed Market
Inflation	2.25%
Salary increases	3.25%
Individual pay increases	3.75% - 15.35%
Investment rate of return	7.25%
Mortality rates - Active	Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.
Mortality rates - Retiree	L&A Assumption Study for Police 2020 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.
Retirement rates	150% of the L&A Assumption Study for Police 2020 Cap Age 65.
Termination rates	100% of the L&A Assumption Study for Police 2020.
Disability rates	100% of the L&A Assumption Study for Police 2020.

Unless otherwise noted, the same actuarial assumptions are used for Tier 1 and Tier 2.

The 2017 Actuarially Determined Contribution reflects an update to the mortality tables.

The 2018 Actuarially Determined Contribution reflects a change in actuarys and a change in the discount rate.

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

2017	2018	2019	2020	2021	2022
$ 4,075,790	$ 4,307,574	$ 4,397,183	$ 4,700,943	$ 5,638,311	$ 5,428,437
4,043,020	4,322,198	4,771,486	5,364,713	5,719,861	6,221,185
32,770	(14,624)	(374,303)	(663,770)	(81,550)	(792,748)
10,849,076	10,871,318	10,997,170	11,218,955	11,914,392	11,796,852
37.27%	39.76%	43.39%	47.82%	48.01%	52.74%

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

Last Ten Fiscal Years

Calendar Year	2013	2014	2015	2016
Actuarially Determined Contribution	$ 2,978,383	$ 3,091,300	$ 3,238,069	$ 3,254,943
Actual Contribution	2,958,027	3,098,007	3,620,989	3,660,137
Contribution Deficiency/(Excess)	20,356	(6,707)	(382,920)	(405,194)
Covered Valuation Payroll	7,812,502	8,744,586	8,905,763	9,137,439
Actual Contribution as a Percentage of Covered Valuation Payroll	37.86%	35.43%	40.66%	40.06%

Notes to the required supplementary information for the 2022 contributions:

Valuation date	December 31, 2020
Actuarial cost method	Entry-age normal
Assumptions	
Amortization method	Level percentage of payroll, closed
Amortization target	100% funded over 20 years
Asset valuation method	5-Year Smoothed Market
Inflation	2.25%
Salary increases	3.25%
Individual pay increases	3.75% - 36.05%
Investment rate of return	7.25%
Mortality rates - Active	Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.
Mortality rates - Retiree	L&A Assumption Study for Firefighters 2020 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.
Retirement rates	100% of the L&A Assumption Study for Firefighters 2020 Cap Age 65.
Termination rates	100% of the L&A Assumption Study for Firefighters 2020.
Disability rates	100% of the L&A Assumption Study for Firefighters 2020.

Unless otherwise noted, the same actuarial assumptions are used for Tier 1 and Tier 2.

The 2017 Actuarially Determined Contribution reflects an update to the mortaliity tables.

The 2018 Actuarially Determined Contribution reflects a change in actuarys and a change in the discount rate.

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

2017	2018	2019	2020	2021	2022
$ 3,911,411	$ 4,596,932	$ 4,654,347	$ 4,935,330	$ 5,482,655	$ 5,551,876
4,629,680	4,675,335	5,205,407	5,608,868	5,563,796	8,343,615
(718,269)	(78,403)	(551,060)	(673,538)	(81,141)	(2,791,739)
9,245,367	9,508,556	9,877,339	10,768,480	11,215,725	10,934,974
50.08%	49.17%	52.70%	52.09%	49.61%	76.30%

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POST EMPLOYMENT BENEFIT PLAN

Last Ten Fiscal Years
(schedule to be built prospectively)

Calendar Year	2018	2019	2020
TOTAL OPEB LIABILITY			
Service cost	$ 719,981	$ 657,670	$ 819,775
Interest	438,629	510,011	414,399
Differences between expected and actual experience	-	-	(3,326,163)
Changes of assumptions	(856,449)	2,088,140	890,690
Benefit payments, including refunds of member contributions	(573,712)	(639,070)	(501,543)
Net change in total OPEB liability	(271,551)	2,616,751	(1,702,842)
Total OPEB liability			
Beginning	13,029,621	12,758,070	15,374,821
Ending	$ 12,758,070	$ 15,374,821	$ 13,671,979
Covered-employee payroll	$ 27,077,166	$ 27,780,330	$ 28,273,958
Employer's net OPEB liability as a percentage of covered-employee payroll	47.12%	55.34%	48.36%

Notes to the required supplementary information:

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for this plan.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

2021	2022
$ 977,864	$ 1,009,959
284,910	291,531
-	(2,874,757)
(63,325)	(1,757,693)
(465,583)	(507,663)
733,866	(3,838,623)
13,671,979	14,405,845
$ 14,405,845	$ 10,567,222
$ 28,353,996	$ 30,571,858
50.81%	34.57%

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Ten Fiscal Years
(schedule to be built prospectively)

Valuation/Measurement Date	*2014*	*2015*	*2016*	*2017*
Calendar Year	2015	2016	2017	2018
TOTAL PENSION LIABILITY				
Service cost	$ 1,215,353	$ 1,135,095	$ 1,157,484	$ 1,134,861
Interest	4,415,607	4,821,993	5,043,039	5,178,562
Differences between expected and actual experience	216,592	(422,884)	(1,422,863)	922,845
Changes of assumptions	2,026,659	172,219	(262,779)	(2,317,207)
Benefit payments, including refunds of member contributions	(2,187,292)	(2,472,221)	(2,700,058)	(3,233,210)
Net change in total pension liability	5,686,919	3,234,202	1,814,823	1,685,851
Total pension liability				
Beginning	59,360,728	65,047,647	68,281,849	70,096,672
Ending	$ 65,047,647	$ 68,281,849	$ 70,096,672	$ 71,782,523
PLAN FIDUCIARY NET POSITION				
Contributions - employer	$ 1,299,693	$ 1,326,807	$ 1,359,414	$ 1,286,486
Contributions - member	528,559	486,317	479,022	475,499
Net investment income	3,425,146	296,437	4,059,760	10,497,805
Benefit payments, including refunds of member contributions	(2,187,292)	(2,472,221)	(2,700,058)	(3,233,210)
Other	221,384	(579,310)	214,489	(1,090,449)
Net change in plan fiduciary net position	3,287,490	(941,970)	3,412,627	7,936,131
Plan fiduciary net position				
Beginning	56,329,449	59,616,939	58,674,969	62,087,596
Ending	$ 59,616,939	$ 58,674,969	$ 62,087,596	$ 70,023,727
EMPLOYER'S NET PENSION LIABILITY/(ASSET)	$ 5,430,708	$ 9,606,880	$ 8,009,076	$ 1,758,796
Plan fiduciary net position as a percentage of the total pension liability	91.65%	85.93%	88.57%	97.55%
Covered payroll	$ 10,139,928	$ 10,563,758	$ 10,630,398	$ 10,452,192
Employer's net pension liability/(asset) as a percentage of covered payroll	53.56%	90.94%	75.34%	16.83%

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

2018 2019	*2019* 2020	*2020* 2021	*2021* 2022
$ 1,024,994	$ 1,097,251	$ 1,130,613	$ 1,075,860
5,298,581	5,560,012	5,826,652	5,984,758
939,544	822,768	108,059	1,658,086
2,205,814	-	(783,224)	-
(3,294,551)	(3,631,408)	(4,006,432)	(4,141,482)
6,174,382	3,848,623	2,275,668	4,577,222
71,782,523	77,956,905	81,805,528	84,081,196
$ 77,956,905	$ 81,805,528	$ 84,081,196	$ 88,658,418
$ 1,236,724	$ 1,072,435	$ 1,346,507	$ 1,393,340
494,998	493,955	548,467	522,502
(3,659,634)	12,298,754	10,935,116	14,359,845
(3,294,551)	(3,631,408)	(4,006,432)	(4,141,482)
1,611,824	260,867	322,941	(225,648)
(3,610,639)	10,494,603	9,146,599	11,908,557
70,023,727	66,413,088	76,907,691	86,054,290
$ 66,413,088	$ 76,907,691	$ 86,054,290	$ 97,962,847
$ 11,543,817	$ 4,897,837	$ (1,973,094)	$ (9,304,429)
85.19%	94.01%	102.35%	110.49%
$ 10,772,855	$ 10,976,825	$ 11,230,254	$ 11,611,171
107.16%	44.62%	-17.57%	-80.13%

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

Last Ten Fiscal Years
(schedule to be built prospectively)

Calendar Year	2014	2015	2016	2017
TOTAL PENSION LIABILITY				
Service cost	$ 2,128,244	$ 2,015,249	$ 2,107,038	$ 2,135,476
Interest	6,641,984	7,633,547	8,334,207	8,262,326
Changes to benefit terms	-	-	-	-
Differences between expected and actual experience	2,900,261	550,745	(4,910,367)	1,524,716
Changes of assumptions	5,140,944	7,001,248	(2,119,085)	(4,940)
Benefit payments, including refunds of member contributions	(3,315,139)	(3,866,026)	(4,187,653)	(4,618,864)
Net change in total pension liability	13,496,294	13,334,763	(775,860)	7,298,714
Total pension liability				
Beginning	90,217,352	103,713,646	117,048,409	116,272,549
Ending	$ 103,713,646	$ 117,048,409	$ 116,272,549	$ 123,571,263
PLAN FIDUCIARY NET POSITION				
Contributions - employer	$ 2,951,135	$ 3,371,172	$ 3,538,272	$ 4,043,020
Contributions - member	1,356,475	1,034,219	1,055,702	1,048,695
Net investment income	4,286,605	(209,305)	4,490,541	9,547,991
Benefit payments, including refunds of member contributions	(3,315,139)	(3,866,026)	(4,187,653)	(4,618,864)
Other	(33,802)	(35,446)	(48,430)	(23,802)
Net change in total pension liability	5,245,274	294,614	4,848,432	9,997,040
Plan net position				
Beginning	56,991,085	62,236,359	62,530,973	67,379,405
Ending	$ 62,236,359	$ 62,530,973	$ 67,379,405	$ 77,376,445
EMPLOYER'S NET PENSION LIABILITY	$ 41,477,287	$ 54,517,436	$ 48,893,144	$ 46,194,818
Plan fiduciary net position as a percentage of the total pension liability	60.01%	53.42%	57.95%	62.62%
Covered payroll	$ 10,074,104	$ 10,205,207	$ 10,358,270	$ 10,849,076
Employer's net pension liability as a percentage of covered payroll	411.72%	534.21%	472.02%	425.79%

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

2018	2019	2020	2021	2022
$ 2,290,298	$ 2,233,157	$ 2,385,236	$ 2,383,728	$ 2,447,261
8,777,152	9,322,558	10,250,927	10,379,255	10,902,536
-	624,567	-	-	(93,175)
1,720,631	1,682,132	(599,585)	(2,472,651)	3,110,405
-	4,733,370	-	-	5,532,349
(5,014,198)	(5,516,268)	(6,276,335)	(6,493,016)	(7,263,286)
7,773,883	13,079,516	5,760,243	3,797,316	14,636,090
123,571,263	131,345,146	144,424,662	150,184,905	153,982,221
$ 131,345,146	$ 144,424,662	$ 150,184,905	$ 153,982,221	$ 168,618,311
$ 4,322,198	$ 4,771,486	$ 5,364,713	$ 5,719,861	$ 6,221,185
1,077,694	1,145,375	1,188,697	1,185,100	1,435,595
(5,144,043)	15,742,283	11,192,237	16,298,601	(16,712,527)
(5,014,198)	(5,516,268)	(6,276,335)	(6,493,016)	(7,263,286)
67,323	(16,500)	(13,975)	199,921	(17,500)
(4,691,026)	16,126,376	11,455,337	16,910,467	(16,336,533)
77,376,445	72,685,419	88,811,795	100,267,132	117,177,599
$ 72,685,419	$ 88,811,795	$ 100,267,132	$ 117,177,599	$ 100,841,066
$ 58,659,727	$ 55,612,867	$ 49,917,773	$ 36,804,622	$ 67,777,245
55.34%	61.49%	66.76%	76.10%	59.80%
$ 10,871,318	$ 10,997,170	$ 11,218,955	$ 11,914,392	$ 11,796,852
539.58%	505.70%	444.94%	308.91%	574.54%

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND

Last Ten Fiscal Years
(schedule to be built prospectively)

Calendar Year	2014	2015	2016	2017
TOTAL PENSION LIABILITY				
Service cost	$ 2,175,704	$ 1,980,545	$ 2,045,539	$ 2,027,295
Interest	6,540,584	7,087,978	7,740,742	8,210,890
Changes to benefit terms	-	-	-	-
Differences between expected and actual experience	(62,429)	4,554	1,035,715	418,362
Changes of assumptions	2,775,760	7,553,761	328,856	-
Benefit payments, including refunds of member contributions	(4,046,416)	(4,215,646)	(4,513,084)	(4,818,995)
Net change in total pension liability	7,383,203	12,411,192	6,637,768	5,837,552
Total pension liability				
Beginning	89,230,996	96,614,199	109,025,391	115,663,159
Ending	$ 96,614,199	$ 109,025,391	$ 115,663,159	$ 121,500,711
PLAN FIDUCIARY NET POSITION				
Contributions - employer	$ 3,098,007	$ 3,620,989	$ 3,660,137	$ 4,629,680
Contributions - member	836,025	857,036	899,896	886,245
Net investment income	2,470,732	(1,071,694)	4,226,592	9,065,572
Benefit payments, including refunds of member contributions	(4,046,416)	(4,215,646)	(4,513,084)	(4,818,995)
Other	(22,954)	(13,377)	(14,181)	(11,665)
Net change in total pension liability	2,335,394	(822,692)	4,259,360	9,750,837
Plan net position				
Beginning	57,290,017	59,625,411	58,802,719	63,062,079
Ending	$ 59,625,411	$ 58,802,719	$ 63,062,079	$ 72,812,916
EMPLOYER'S NET PENSION LIABILITY	$ 36,988,788	$ 50,222,672	$ 52,601,080	$ 48,687,795
Plan fiduciary net position as a percentage of the total pension liability	61.71%	53.93%	54.52%	59.93%
Covered payroll	$ 8,744,586	$ 8,905,763	$ 9,137,439	$ 9,245,367
Employer's net pension liability as a percentage of covered payroll	422.99%	563.93%	575.67%	526.62%

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

2018	2019	2020	2021	2022
$ 2,174,274	$ 2,182,763	$ 2,337,486	$ 2,348,003	$ 2,313,500
8,621,323	9,085,806	9,733,994	9,749,927	10,277,176
-	704,741	-	-	(143,917)
994,849	745,112	1,065,786	(4,475,390)	2,339,793
(11,224)	1,518,292	-	-	4,838,686
(5,171,821)	(5,573,297)	(5,899,592)	(6,389,135)	(7,090,392)
6,607,401	8,663,417	7,237,674	1,233,405	12,534,846
121,500,711	128,108,112	136,771,529	144,009,203	145,242,608
$ 128,108,112	$ 136,771,529	$ 144,009,203	$ 145,242,608	$ 157,777,454
$ 4,675,335	$ 5,205,407	$ 5,608,868	$ 5,563,796	$ 8,343,615
905,175	940,243	962,993	999,524	1,057,570
(4,380,191)	12,209,428	11,448,837	8,454,382	(15,305,426)
(5,171,822)	(5,573,297)	(5,899,592)	(6,389,135)	(7,090,392)
62,362	(18,068)	(12,808)	4,260	(20,469)
(3,909,141)	12,763,713	12,108,298	8,632,827	(13,015,102)
72,812,916	68,903,775	81,667,488	93,775,786	102,408,613
$ 68,903,775	$ 81,667,488	$ 93,775,786	$ 102,408,613	$ 89,393,511
$ 59,204,337	$ 55,104,041	$ 50,233,417	$ 42,833,995	$ 68,383,943
53.79%	59.71%	65.12%	70.51%	56.66%
$ 9,508,556	$ 9,877,339	$ 10,768,480	$ 11,215,725	$ 10,934,974
622.64%	557.88%	466.49%	381.91%	625.37%

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS

Last Ten Fiscal Years
(schedule to be built prospectively)

Annual money-weighted rate of return, net of investment expense.

Calendar Year	Police Pension Fund	Firefighters' Pension Fund
2014	7.45%	4.50%
2015	-0.37%	-1.82%
2016	7.19%	7.30%
2017	14.06%	14.50%
2018	-5.36%	-6.11%
2019	21.24%	17.95%
2020	13.56%	14.16%
2021	13.71%	9.54%
2022	-14.23%	-14.86%

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

a. Budgetary Information

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the general, special revenue, debt service, capital projects, enterprise, internal service, and pension trust funds. Annual appropriated budgets are not adopted for the custodial funds. All annual appropriations lapse at fiscal year end.

Departments of the Village submit requests for appropriation to the Village's manager so that a budget may be prepared. The budget is prepared by fund, department and organization and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

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

The manager is authorized to transfer budgeted amounts between departments within any fund; however, the governing body must approve any revisions that increase the total expeditures of any fund. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, several supplementary appropriations were necessary.

b. Expenditures/expenses did not exceed budget in any funds.

c. Changes In Actuarial Assumptions

OPEB

The assumed rate on High Quality 20 Year Tax-Exempt General Obligation (G.O.) Bonds was changed from 2.06% to 3.72% for the current year. The underlying index used is The Bond Buyer 20-Bond G.O. 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. Additionally, the expected increases in medical costs assumption was revised to better reflect the future anticipated experience of the system.

IMRF

The long-term municipal bond rate was changed from 2.00% to 1.84% based on the *"Fidelity 20-Year Municipal GO AA Index"* as of the measurement date.

PPERS and FPERS

The assumed rate on High Quality 20 Year Tax-Exempt General Obligation (G.O.) Bonds was changed from 2.06% to 3.72% for the current year. The underlying index used is The Bond Buyer 20-Bond G.O. 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. Additionally, the Discount Rate and Expected Rate of Return on Investments was changed from 7.25% to 7.00%.

d. Changes In Benefits

PPERS and FPERS

Eligibility for postemployment benefit increases is determined based on the Illinois Pension Code. Tier I Retirees are provided with an annual increase of 3.00% of the current retirement benefits by statute when eligible. Tier II Retirees are provided postemployment benefit increases based on the lesser of 3.00% of the original retirement benefits or one-half of the Consumer Price Index (Urban) for the prior September. The CPI-U for September 1992 was 141.30. The CPI-U for September 2022 was 296.81. The average increase in the CPI-U for September 1992 through September 2022 was 2.52% (on a compounded basis).

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Combining and Individual Fund Financial Statements and Schedules

Nonmajor Governmental Funds

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2022

	Special Revenue	General Obligation Bond	Capital Improvement	Total Nonmajor Governmental
ASSETS				
Cash and investments	$ 11,464,018	$ 1,681,940	$ 5,306,082	$ 18,452,040
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	855,328	2,164,315	-	3,019,643
Due from other governments	308,966	-	113,945	422,911
Accrued interest	2,919	-	2,526	5,445
TOTAL ASSETS	$ 12,631,231	$ 3,846,255	$ 5,422,553	$ 21,900,039
LIABILITIES				
Accounts payable	$ 256,857	$ -	$ 32,926	$ 289,783
Accrued payroll	4,236	-	-	4,236
Due to other funds	22,238	-	-	22,238
Unearned revenue	-	-	-	-
Total liabilities	283,331	-	32,926	316,257
DEFERRED INFLOWS OF RESOURCES				
Property tax revenue	-	1,779,156	-	1,779,156
Total Deferred Inflows of Resources	-	1,779,156	-	1,779,156
Total liabilities and deferred inflows of resources	283,331	1,779,156	32,926	2,095,413
FUND BALANCES				
Restricted for streets and highways	2,854,294	-	-	2,854,294
Restricted for debt service	-	2,067,099	-	2,067,099
Restricted for public safety	1,400,184	-	-	1,400,184
Restricted for economic development	8,093,422	-	-	8,093,422
Unrestricted				
Assigned for capital projects	-	-	5,389,627	5,389,627
Total fund balances	12,347,900	2,067,099	5,389,627	19,804,626
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 12,631,231	$ 3,846,255	$ 5,422,553	$ 21,900,039

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2022

	Special Revenue	General Obligation Bond	Capital Improvement	Total Nonmajor Governmental
REVENUES				
Taxes	$ 4,838,843	$ 1,426,101	$ 1,646,141	$ 7,911,085
Intergovernmental	5,397,644	-	60,000	5,457,644
Charges for services	-	-	76,970	76,970
Fines and forfeits	-	-	-	-
Investment income	82,705	26,355	(38,687)	70,373
Miscellaneous	18,090	-	-	18,090
Total revenues	10,337,282	1,452,456	1,744,424	13,534,162
EXPENDITURES				
Current				
Public safety	505,230	-	-	505,230
Economic development	4,909,453	-	-	4,909,453
Capital outlay	4,652,664	-	994,657	5,647,321
Debt service				
Principal retirement	1,380,000	500,000	-	1,880,000
Interest	188,693	784,156	-	972,849
Fiscal charges	1,225	1,425	-	2,650
Total expenditures	11,637,265	1,285,581	994,657	13,917,503
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,299,983)	166,875	749,767	(383,341)
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	803	803
Transfers in	-	1,769,480	50,000	1,819,480
Total other financing sources (uses)	-	1,769,480	50,803	1,820,283
NET CHANGE IN FUND BALANCES	(1,299,983)	1,936,355	800,570	1,436,942
FUND BALANCE, JANUARY 1	13,647,883	130,744	4,589,057	18,367,684
FUND BALANCE, DECEMBER 31	$ 12,347,900	$ 2,067,099	$ 5,389,627	$ 19,804,626

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

Nonmajor Special Revenue Funds

Motor Fuel Tax Fund - to account for the expenditure of the Village's share of State Motor Fuel Tax Allotments and Build Illinois funds. These expenditures must follow the guidelines issued by the Illinois Department of Transportation.

Community Development Block Grant Fund - to account for the expenditure of federal Community Development Block Grant funds. These expenditures must follow the guidelines of the Department of Housing and Urban Development.

Federal Equitable Sharing Fund - to account for the expenditure of the Village's share of federal asset seizure funds under programs from the Department of Justice and Department of the Treasury. These expenditures must follow the guidelines issued by these two Departments.

State Equitable Sharing Fund - to account for the expenditure of the Village's share of state asset seizure funds. These expenditures must follow the guidelines found in state statute.

Foreign Fire Tax Fund - to account for the expenditure of Foreign Fire Insurance Taxes received by the State. These expenditures must follow the guidelines found in state statute and are administered locally by the Foreign Fire Tax Board.

Rand Road Corridor TIF Fund - to account for the expenditure of tax increment financing funds generated within this TIF District. These expenditures must follow the guidelines found in state statute.

Rand/Lake Cook TIF Fund - to account for the expenditure of tax increment financing funds generated within this TIF District. These expenditures must follow the guidelines found in state statute.

Police Grant Fund - to account for the expenditure of grant funds specifically designated for Police Department related purposes from a variety of granting agencies. These expenditures must follow the guidelines issued by the grantors.

Opioid Settlement Fund - to account for the expenditure of opioid settlement proceeds. These expenditures must follow the guidelines found in the settlement agreement.

Community Development Block Grant-CV Fund - to account for the expenditure of federal Community Development Block Grant-CV funds. These expenditures must follow the guidelines of the Department of Housing and Urban Development.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2022

	Motor Fuel Tax	Community Development Block Grant	Federal Equitable Sharing	State Equitable Sharing	Foreign Fire Tax
ASSETS					
Cash and investments	$ 2,802,324	$ -	$ 504,624	$ 648,330	$ 257,395
Receivables					
Property taxes	-	-	-	-	-
Due from other governments	265,048	-	-	-	-
Accrued interest	-	-	-	-	-
TOTAL ASSETS	$ 3,067,372	$ -	$ 504,624	$ 648,330	$ 257,395
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 213,078	$ -	$ -	$ 27,793	$ -
Accrued payroll	-	-	-	-	-
Due to other funds	-	-	-	-	-
Total liabilities	213,078	-	-	27,793	-
FUND BALANCES					
Restricted for streets and highways	2,854,294	-	-	-	-
Restricted for public safety	-	-	504,624	620,537	257,395
Restricted for economic development	-	-	-	-	-
Total fund balances	2,854,294	-	504,624	620,537	257,395
TOTAL LIABILITIES AND FUND BALANCES	$ 3,067,372	$ -	$ 504,624	$ 648,330	$ 257,395

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

Rand Road Corridor TIF	Rand/ Lake Cook TIF	Police Grant	Opioid Settlement	Community Development Block Grant-CV	Total
$ 4,744,543	$ 2,489,174	$ -	$ 17,628	$ -	$ 11,464,018
813,471	41,857	-	-	-	855,328
2,316	-	26,474	-	15,128	308,966
1,520	1,399	-	-	-	2,919
$ 5,561,850	$ 2,532,430	$ 26,474	$ 17,628	$ 15,128	$ 12,631,231
$ 858	$ -	$ -	$ -	$ 15,128	$ 256,857
-	-	4,236	-	-	4,236
-	-	22,238	-	-	22,238
858	-	26,474	-	15,128	283,331
-	-	-	-	-	2,854,294
-	-	-	17,628	-	1,400,184
5,560,992	2,532,430	-	-	-	8,093,422
5,560,992	2,532,430	-	17,628	-	12,347,900
$ 5,561,850	$ 2,532,430	$ 26,474	$ 17,628	$ 15,128	$ 12,631,231

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

VILLAGE OF PALATINE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2022

	Motor Fuel Tax	Community Development Block Grant	Federal Equitable Sharing	State Equitable Sharing	Foreign Fire Tax
REVENUES					
Taxes	$ -	$ -	$ -	$ -	$ -
Intergovernmental	4,256,716	194,165	34,853	520,057	138,611
Investment income	43,601	-	8,416	10,437	147
Miscellaneous	-	-	-	-	562
Total revenues	4,300,317	194,165	43,269	530,494	139,320
EXPENDITURES					
Current					
Public safety	-	-	39,506	199,473	148,770
Economic development	-	169,729	-	-	-
Capital outlay	4,301,315	24,436	-	-	-
Debt service					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
Fiscal charges	-	-	-	-	-
Total expenditures	4,301,315	194,165	39,506	199,473	148,770
NET CHANGE IN FUND BALANCES	(998)	-	3,763	331,021	(9,450)
FUND BALANCES, JANUARY 1	2,855,292	-	500,861	289,516	266,845
FUND BALANCES, DECEMBER 31	$ 2,854,294	$ -	$ 504,624	$ 620,537	$ 257,395

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Rand Road Corridor TIF	Rand/ Lake Cook TIF	Police Grant	Opioid Settlement	Community Development Block Grant-CV	Total
$ 3,758,591	$ 1,080,252	$ -	$ -	$ -	$ 4,838,843
2,316	-	117,481	-	133,445	5,397,644
10,979	9,025	-	100	-	82,705
-	-	-	17,528	-	18,090
3,771,886	1,089,277	117,481	17,628	133,445	10,337,282
-	-	117,481	-	-	505,230
2,505,249	2,101,030	-	-	133,445	4,909,453
326,913	-	-	-	-	4,652,664
1,380,000	-	-	-	-	1,380,000
188,693	-	-	-	-	188,693
1,225	-	-	-	-	1,225
4,402,080	2,101,030	117,481	-	133,445	11,637,265
(630,194)	(1,011,753)	-	17,628	-	(1,299,983)
6,191,186	3,544,183	-	-	-	13,647,883
$ 5,560,992	$ 2,532,430	$ -	$ 17,628	$ -	$ 12,347,900

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

VILLAGE OF PALATINE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
Motor fuel tax allotment	$ 2,505,300	$ 2,505,300	$ 2,750,657
Grants	-	1,506,268	1,506,059
Investment income	750	750	43,601
Total revenues	2,506,050	4,012,318	4,300,317
EXPENDITURES			
Capital outlay			
Street improvements	2,493,475	4,301,316	4,301,315
Total expenditures	2,493,475	4,301,316	4,301,315
NET CHANGE IN FUND BALANCE	$ 12,575	$ (288,998)	(998)
FUND BALANCE, JANUARY 1			2,855,292
FUND BALANCE, DECEMBER 31			$ 2,854,294

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
Grants	$ 484,944	$ 194,165	$ 194,165
Total revenues	484,944	194,165	194,165
EXPENDITURES			
Economic development			
Administrative fees - General Fund	96,988	96,988	96,988
Social service agencies	72,741	72,741	72,741
Capital outlay			
Rights of way improvements	315,215	24,436	24,436
Total expenditures	484,944	194,165	194,165
NET CHANGE IN FUND BALANCE	$ -	$ -	-
FUND BALANCE, JANUARY 1			-
FUND BALANCE, DECEMBER 31			$ -

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FEDERAL EQUITABLE SHARING FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
Grants	$ 20,000	$ 20,000	$ 34,853
Investment income	-	-	8,416
Total revenues	20,000	20,000	43,269
EXPENDITURES			
Public safety			
Police			
Supplies and services	20,000	40,000	39,506
Total expenditures	20,000	40,000	39,506
NET CHANGE IN FUND BALANCE	$ -	$ (20,000)	3,763
FUND BALANCE, JANUARY 1			500,861
FUND BALANCE, DECEMBER 31			$ 504,624

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STATE EQUITABLE SHARING FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
Grants	$ 5,000	$ 5,000	$ 520,057
Investment income	-	-	10,437
Total revenues	5,000	5,000	530,494
EXPENDITURES			
Public safety			
Police			
Supplies and services	5,000	200,000	199,473
Total expenditures	5,000	200,000	199,473
NET CHANGE IN FUND BALANCE	$ -	$ (195,000)	331,021
FUND BALANCE, JANUARY 1			289,516
FUND BALANCE, DECEMBER 31			$ 620,537

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOREIGN FIRE TAX FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
Foreign fire tax	$ 70,000	$ 70,000	$ 138,611
Investment income	-	-	147
Miscellaneous			
Other	-	-	562
Total revenues	70,000	70,000	139,320
EXPENDITURES			
Public safety			
Fire			
Supplies and services	70,000	148,770	148,770
Total expenditures	70,000	148,770	148,770
NET CHANGE IN FUND BALANCE	$ -	$ (78,770)	(9,450)
FUND BALANCE, JANUARY 1			266,845
FUND BALANCE, DECEMBER 31			$ 257,395

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RAND ROAD CORRIDOR TIF FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Incremental property taxes	$ 3,434,000	$ 3,434,000	$ 3,758,591
Intergovernmental			
Grants	-	2,316	2,316
Investment income	1,500	1,500	10,979
Total revenues	3,435,500	3,437,816	3,771,886
EXPENDITURES			
Economic development			
Supplies and services	10,000	10,000	1,030
Project expenditures	550,000	1,104,219	1,004,219
Surplus distribution	2,250,000	2,250,000	1,500,000
Capital outlay			
Technology	-	2,316	2,316
Rights of way improvements	-	345,430	324,597
Debt service			
Principal retirement	1,380,000	1,380,000	1,380,000
Interest	188,695	188,695	188,693
Fiscal charges	1,500	1,500	1,225
Total expenditures	4,380,195	5,282,160	4,402,080
NET CHANGE IN FUND BALANCE	$ (944,695)	$ (1,844,344)	(630,194)
FUND BALANCE, JANUARY 1			6,191,186
FUND BALANCE, DECEMBER 31			$ 5,560,992

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
RAND/LAKE COOK TIF FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Incremental property taxes	$ 1,600,000	$ 1,600,000	$ 1,080,252
Investment income	500	500	9,025
Total revenues	1,600,500	1,600,500	1,089,277
EXPENDITURES			
Economic development			
Supplies and services	5,000	5,000	1,030
Surplus distribution	1,350,000	2,100,000	2,100,000
Total expenditures	1,355,000	2,105,000	2,101,030
NET CHANGE IN FUND BALANCE	$ 245,500	$ (504,500)	(1,011,753)
FUND BALANCE, JANUARY 1			3,544,183
FUND BALANCE, DECEMBER 31			$ 2,532,430

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
POLICE GRANT FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
Grants	$ -	$ 202,221	$ 117,481
Total revenues	-	202,221	117,481
EXPENDITURES			
Public safety			
Police			
Personnel	-	202,221	117,481
Total expenditures	-	202,221	117,481
NET CHANGE IN FUND BALANCE	$ -	$ -	-
FUND BALANCE, JANUARY 1			-
FUND BALANCE, DECEMBER 31			$ -

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT-CV FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Intergovernmental			
Grants	$ -	$ 133,445	$ 133,445
Total revenues	-	133,445	133,445
EXPENDITURES			
Economic development			
Social service agencies	-	133,445	133,445
Total expenditures	-	133,445	133,445
NET CHANGE IN FUND BALANCE	$ -	$ -	-
FUND BALANCE, JANUARY 1			-
FUND BALANCE, DECEMBER 31			$ -

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Nonmajor Debt Service Fund

General Obligation Bond Fund - to account for the repayment of general obligation debt issued for the acquistion of non-Enterprise Fund capital assets. Funding is provided for by property taxes.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL OBLIGATION BOND FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Property tax	$ 1,284,156	$ 1,284,156	$ 1,426,101
Investment income	1,425	1,425	26,355
Total revenues	1,285,581	1,285,581	1,452,456
EXPENDITURES			
Debt service			
Principal retirement	500,000	500,000	500,000
Interest	784,156	784,156	784,156
Fiscal charges	1,425	1,425	1,425
Total expenditures	1,285,581	1,285,581	1,285,581
EXCESS OF REVENUES OVER EXPENDITURES	-	-	166,875
OTHER FINANCING SOURCES (USES)			
Transfers in	-	1,769,480	1,769,480
Total other financing sources (uses)	-	1,769,480	1,769,480
NET CHANGE IN FUND BALANCE	$ -	$ 1,769,480	1,936,355
FUND BALANCE, JANUARY 1			130,744
FUND BALANCE, DECEMBER 31			$ 2,067,099

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Nonmajor Capital Projects Fund

Capital Improvement Fund - to account for the acquisition and construction of capital facilities and capital improvements other than those financed by other funds.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL IMPROVEMENT FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Telecommunication	$ 400,765	$ 400,765	$ 396,141
Electric utility use tax	1,250,000	1,250,000	1,250,000
Intergovernmental			
Park district reimbursement	-	-	60,000
Grants	-	-	-
Charges for services			
Improvement cost sharing programs	-	-	76,970
Investment income	7,500	7,500	(38,687)
Total revenues	1,658,265	1,658,265	1,744,424
EXPENDITURES			
Capital outlay			
Buildings and facilities	197,000	61,556	61,556
Rights of way improvements	400,000	399,866	398,532
Street improvements	1,103,885	543,217	534,569
Total expenditures	1,700,885	1,004,639	994,657
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(42,620)	653,626	749,767
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of capital assets	-	-	803
Transfers in	50,000	50,000	50,000
Total other financing sources (uses)	50,000	50,000	50,803
NET CHANGE IN FUND BALANCE	$ 7,380	$ 703,626	800,570
FUND BALANCE, JANUARY 1			4,589,057
FUND BALANCE, DECEMBER 31			$ 5,389,627

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Nonmajor Enterprise Funds

Motor Vehicle Parking System Fund - to account for the provision of public parking services to Village and Non-Village residents.

Refuse Collection Fund - to account for the provision of refuse, recycling, and yard waste collection services provided by the Village.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS

December 31, 2022

	Motor Vehicle Parking System	Refuse Collection	Total
CURRENT ASSETS			
Cash and investments	$ 1,381,684	$ 821,411	$ 2,203,095
Receivables (net, where applicable, of allowances for uncollectibles)			
Accounts	-	52,467	52,467
Other	45,546	5,895	51,441
Accrued interest	307	-	307
Leases	183,804	-	183,804
Total current assets	1,611,341	879,773	2,491,114
NONCURRENT ASSETS			
Capital assets			
Land	4,118,490	-	4,118,490
Buildings and improvements	15,681,480	-	15,681,480
Accumulated depreciation	(15,580,405)	-	(15,580,405)
Total noncurrent assets	4,219,565	-	4,219,565
Total assets	5,830,906	879,773	6,710,679
CURRENT LIABILITIES			
Accounts payable	18,509	593,689	612,198
Accrued payroll	185	-	185
Deposits payable	-	85,479	85,479
Unearned revenues	-	143,420	143,420
Total current liabilities	18,694	822,588	841,282
DEFERRED INFLOWS OF RESOURCES			
Lease items	176,457	-	176,457
NET POSITION			
Net investment in capital assets	4,219,565	-	4,219,565
Unrestricted	1,416,190	57,185	1,473,375
TOTAL NET POSITION	$ 5,635,755	$ 57,185	$ 5,692,940

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2022

	Motor Vehicle Parking System	Refuse Collection	Total
OPERATING REVENUES			
Charges for services	$ 331,785	$ 4,715,125	$ 5,046,910
Total operating revenues	331,785	4,715,125	5,046,910
OPERATING EXPENSES			
Costs of sales and services	469,827	4,561,219	5,031,046
Total operating expenses excluding depreciation	469,827	4,561,219	5,031,046
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(138,042)	153,906	15,864
DEPRECIATION	784,035	-	784,035
OPERATING INCOME (LOSS)	(922,077)	153,906	(768,171)
NONOPERATING REVENUES (EXPENSES)			
Investment income	19,820	10,305	30,125
Unrealized gain (loss) on investments	(18,713)	-	(18,713)
Total nonoperating revenues (expenses)	1,107	10,305	11,412
NET INCOME (LOSS) BEFORE TRANSFERS	(920,970)	164,211	(756,759)
Transfers (out)	-	(50,000)	(50,000)
CHANGE IN NET POSITION	(920,970)	114,211	(806,759)
NET POSITION, JANUARY 1	6,556,725	(57,026)	6,499,699
NET POSITION, DECEMBER 31	$ 5,635,755	$ 57,185	$ 5,692,940

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2022

	Motor Vehicle Parking System	Refuse Collection	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 287,298	$ 4,730,806	$ 5,018,104
Payments to suppliers	(306,815)	(4,406,508)	(4,713,323)
Payments to employees	(324)	-	(324)
Payments for interfund services transactions	(163,000)	(150,000)	(313,000)
Net cash from operating activities	(182,841)	174,298	(8,543)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers (out)	-	(50,000)	(50,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
None	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	19,820	10,305	30,125
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(163,021)	134,603	(28,418)
CASH AND CASH EQUIVALENTS, JANUARY 1	1,042,718	686,808	1,729,526
CASH AND CASH EQUIVALENTS, DECEMBER 31	$ 879,697	$ 821,411	$ 1,701,108
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating income (loss)	$ (922,077)	$ 153,906	$ (768,171)
Adjustments to reconcile operating income (loss) to net cash from operating activities			
Depreciation	784,035	-	784,035
(Increase) decrease in			
Accounts receivables	-	(52,467)	(52,467)
Other receivables	(38,201)	(5,895)	(44,096)
Leases	6,470	-	6,470
Increase (decrease) in			
Accounts payable	(497)	4,711	4,214
Accrued payroll	185	-	185
Deposits payable	-	67,473	67,473
Unearned revenue	-	6,570	6,570
Deferred inflows related to leases	(12,756)	-	(12,756)
NET CASH FROM OPERATING ACTIVITIES	$ (182,841)	$ 174,298	$ (8,543)
CASH AND INVESTMENTS			
Cash and cash equivalents	$ 879,697	$ 821,411	$ 1,701,108
Investments	501,987	-	501,987
	$ 1,381,684	$ 821,411	$ 2,203,095
SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES			
Unrealized gain (loss) on investments	$ (18,713)	$ -	$ (18,713)

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
MOTOR VEHICLE PARKING SYSTEM FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Parking fees	$ 265,880	$ 265,880	$ 331,785
Total operating revenues	265,880	265,880	331,785
OPERATING EXPENSES EXCLUDING DEPRECIATION			
Costs of sales and services	420,500	459,530	306,827
Administrative fees - General Fund	163,000	163,000	163,000
Total operating expenses excluding depreciation	583,500	622,530	469,827
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(317,620)	(356,650)	(138,042)
DEPRECIATION	-	-	784,035
OPERATING INCOME (LOSS)	(317,620)	(356,650)	(922,077)
NONOPERATING REVENUES (EXPENSES)			
Investment income	1,000	1,000	19,820
Unrealized gain (loss) on investments	-	-	(18,713)
Total nonoperating revenues (expenses)	1,000	1,000	1,107
CHANGE IN NET POSITION	$ (316,620)	$ (355,650)	(920,970)
NET POSITION, JANUARY 1			6,556,725
NET POSITION, DECEMBER 31			$ 5,635,755

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
MOTOR VEHICLE PARKING SYSTEM FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
OPERATING EXPENSES			
Costs of sales and services			
Finance and operations			
Supplies and services	$ 61,400	$ 61,400	$ 8,593
Public works			
Personnel	4,685	4,685	509
Supplies and services	314,415	346,745	260,999
Capital projects			
Buildings and facilities	40,000	46,700	36,726
Total costs of sales and services	420,500	459,530	306,827
Administrative fees - General Fund	163,000	163,000	163,000
TOTAL OPERATING EXPENSES	$ 583,500	$ 622,530	$ 469,827

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
REFUSE COLLECTION FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Refuse billing	$ 4,746,890	$ 4,746,890	$ 4,715,125
Total operating revenues	4,746,890	4,746,890	4,715,125
OPERATING EXPENSES			
Refuse collection	4,539,215	4,539,215	4,411,219
Administrative fees - General Fund	150,000	150,000	150,000
Total operating expenses	4,689,215	4,689,215	4,561,219
OPERATING INCOME	57,675	57,675	153,906
NONOPERATING REVENUES (EXPENSES)			
Investment income	500	500	10,305
NET INCOME BEFORE TRANSFERS	58,175	58,175	164,211
Transfers (out)	(50,000)	(50,000)	(50,000)
CHANGE IN NET POSITION	$ 8,175	$ 8,175	114,211
NET POSITION, JANUARY 1			(57,026)
NET POSITION, DECEMBER 31			$ 57,185

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

Internal Service Funds

Fleet Services Fund - to account for the provision of fleet maintenance services to the various departments of the Village and certain external governmental agencies. Financing is provided through a vehicle maintenance fee charged to all user departments and external agencies.

Casualty and Liability Insurance Fund - to account for the Village's self-administered casualty and liability insurance program. Financing is provided through an insurance fee charged to various departments.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

December 31, 2022

	Fleet Services	Casualty and Liability Insurance	Total
CURRENT ASSETS			
Cash and investments	$ 671,369	$ 5,572,903	$ 6,244,272
Receivables			
Other	14,991	-	14,991
Accrued interest	-	4,459	4,459
Inventories	233,459	-	233,459
Total current assets	919,819	5,577,362	6,497,181
NONCURRENT ASSETS			
Net pension asset	638,358	-	638,358
Total assets	1,558,177	5,577,362	7,135,539
DEFERRED OUTFLOWS OF RESOURCES			
Pension items	64,610	-	64,610
OPEB items	9,524	-	9,524
Total deferred outflows of resources	74,134	-	74,134
CURRENT LIABILITIES			
Accounts payable	126,614	6,194	132,808
Accrued payroll	10,457	-	10,457
Claims payable	-	210,375	210,375
Compensated absences payable	6,240	-	6,240
Total OPEB liability	2,488	-	2,488
Total current liabilities	145,799	216,569	362,368
LONG-TERM LIABILITIES			
Claims payable	-	804,995	804,995
Compensated absences payable	24,950	-	24,950
Total OPEB liability	49,292	-	49,292
Total long-term liabilities	74,242	804,995	879,237
Total liabilities	220,041	1,021,564	1,241,605
DEFERRED INFLOWS OF RESOURCES			
Pension items	667,338	-	667,338
OPEB items	34,938	-	34,938
Total deferred inflows of resources	702,276	-	702,276
NET POSITION			
Unrestricted	709,994	4,555,798	5,265,792
TOTAL NET POSITION	$ 709,994	$ 4,555,798	$ 5,265,792

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2022

	Fleet Services	Casualty and Liability Insurance	Total
OPERATING REVENUES			
Charges for services	$ 1,660,211	$ 1,681,400	$ 3,341,611
Miscellaneous	51,410	62,684	114,094
Total operating revenues	1,711,621	1,744,084	3,455,705
OPERATING EXPENSES			
Costs of sales and services	1,783,868	1,830,625	3,614,493
Total operating expenses	1,783,868	1,830,625	3,614,493
OPERATING INCOME (LOSS)	(72,247)	(86,541)	(158,788)
NONOPERATING REVENUES (EXPENSES)			
Investment income	12,457	27,535	39,992
Unrealized gain (loss) on investments	-	(186,042)	(186,042)
Total nonoperating revenues (expenses)	12,457	(158,507)	(146,050)
CHANGE IN NET POSITION	(59,790)	(245,048)	(304,838)
NET POSITION, JANUARY 1	776,144	4,800,846	5,576,990
RESTATEMENT (See Notes to Financial Statements 16)	(6,360)	-	(6,360)
NET POSITION, JANUARY 1, AS RESTATED	769,784	4,800,846	5,570,630
NET POSITION, DECEMBER 31	$ 709,994	$ 4,555,798	$ 5,265,792

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

VILLAGE OF PALATINE, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2022

	Fleet Services	Health Insurance	Casualty and Liability Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 268,268	$ -	$ 79,872	$ 348,140
Receipts from interfund services transactions	1,456,155	-	1,681,400	3,137,555
Payments to suppliers	(1,198,994)	(687,935)	(1,934,041)	(3,820,970)
Payments to employees	(712,346)	-	-	(712,346)
Net cash from operating activities	(186,917)	(687,935)	(172,769)	(1,047,621)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
None	-	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
None	-	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investment securities	-	-	(938,668)	(938,668)
Interest received	12,457		25,636	38,093
Net cash from investing activities	12,457	-	(913,032)	(900,575)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(174,460)	(687,935)	(1,085,801)	(1,948,196)
CASH AND CASH EQUIVALENTS, JANUARY 1	845,829	687,935	1,566,912	3,100,676
CASH AND CASH EQUIVALENTS, DECEMBER 31	$ 671,369	$ -	$ 481,111	$ 1,152,480
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	$ (72,247)	$ -	$ (86,541)	$ (158,788)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
(Increase) decrease in				
Other receivables	12,802	-	17,188	29,990
Inventories	(28,279)	-	-	(28,279)
Net pension asset	(439,880)	-	-	(439,880)
Deferred outflows related to pensions	6,517	-	-	6,517
Deferred outflows related to OPEB	(2,631)	-	-	(2,631)
Increase (decrease) in				
Accounts payable	57,245	(687,935)	6,194	(624,496)
Accrued payroll	(1,458)	-	-	(1,458)
Claims payable	-	-	(109,610)	(109,610)
Compensated absences payable	(10,270)	-	-	(10,270)
Net OPEB liability	7,122	-	-	7,122
Deferred inflows related to pensions	259,421	-	-	259,421
Deferred inflows related to OPEB	24,741	-	-	24,741
NET CASH FROM OPERATING ACTIVITIES	$ (186,917)	$ (687,935)	$ (172,769)	$ (1,047,621)
CASH AND INVESTMENTS				
Cash and cash equivalents	$ 671,369	$ -	$ 481,111	$ 1,152,480
Investments	-	-	5,091,792	5,091,792
	$ 671,369	$ -	$ 5,572,903	$ 6,244,272
SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES				
Unrealized gain (loss) on investments	$ -	$ -	$ (186,042)	$ (186,042)

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
FLEET SERVICES FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Vehicle maintenance	$ 1,616,155	$ 1,616,155	$ 1,660,211
Miscellaneous			
Recoveries and refunds	15,000	15,000	50,878
Other	-	-	532
Total operating revenues	1,631,155	1,631,155	1,711,621
OPERATING EXPENSES			
Costs of sales and services			
Public works			
Personnel	687,215	684,110	555,908
Supplies and services	992,815	1,379,149	1,227,960
Total operating expenses	1,680,030	2,063,259	1,783,868
OPERATING INCOME (LOSS)	(48,875)	(432,104)	(72,247)
NONOPERATING REVENUES (EXPENSES)			
Investment income	1,000	1,000	12,457
CHANGE IN NET POSITION	$ (47,875)	$ (431,104)	(59,790)
NET POSITION, JANUARY 1			776,144
RESTATEMENT (See Notes to Financial Statements 16)			(6,360)
NET POSITION, AS RESTATED, JANUARY 1			769,784
NET POSITION, DECEMBER 31			$ 709,994

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(See independent auditor's report.)

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
CASUALTY AND LIABILITY INSURANCE FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Insurance fees and premiums	$ 1,681,400	$ 1,681,400	$ 1,681,400
Miscellaneous			
Reimbursements	-	-	62,684
Total operating revenues	1,681,400	1,681,400	1,744,084
OPERATING EXPENSES			
Costs of sales and services			
Administration	1,225,000	1,225,709	1,097,780
Insurance claims	905,000	904,291	732,845
Total operating expenses	2,130,000	2,130,000	1,830,625
OPERATING INCOME (LOSS)	(448,600)	(448,600)	(86,541)
NONOPERATING REVENUES (EXPENSES)			
Investment income	15,000	15,000	27,535
Unrealized gain (loss) on investments	-	-	(186,042)
Total nonoperating revenues (expenses)	15,000	15,000	(158,507)
CHANGE IN NET POSITION	$ (433,600)	$ (433,600)	(245,048)
NET POSITION, JANUARY 1			4,800,846
NET POSITION, DECEMBER 31			$ 4,555,798

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Fiduciary Funds

Pension Trust Funds

Police Pension Fund - to account for the accumulation of resources for pension benefits for qualified sworn police personnel. Financing is provided by employee contributions and an actuarially determined employer contribution.

Firefighters' Pension Fund - to account for the accumulation of resources for pension benefits for qualified sworn fire personnel. Financing is provided by employee contributions and an actuarially determined employer contribution.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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COMBINING STATEMENT OF NET POSITION
PENSION TRUST FUNDS

December 31, 2022

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and cash equivalents	$ 4,240,297	$ 2,509,025	$ 6,749,322
Investments, at fair value			
Investments held in the			
Illinois Police Officers' Pension			
Investment Fund	95,463,028	-	95,463,028
Illinois Firefighters' Pension			
Investment Fund	-	85,802,957	85,802,957
Receivables			
Other	15,429	5,167	20,596
Due from general fund	1,122,312	1,149,125	2,271,437
Total assets	100,841,066	89,466,274	190,307,340
LIABILITIES			
Benefits payable	-	72,763	72,763
Total liabilities	-	72,763	72,763
NET POSITION			
Restricted for pensions	$ 100,841,066	$ 89,393,511	$ 190,234,577

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

COMBINING STATEMENT OF CHANGES IN NET POSITION
PENSION TRUST FUNDS

For the Year Ended December 31, 2022

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	$ 6,221,185	$ 8,343,615	$ 14,564,800
Employee	1,169,070	987,270	2,156,340
Other	266,525	70,300	336,825
Total contributions	7,656,780	9,401,185	17,057,965
Investment earnings			
Net increase (decrease) in the fair value of investments	(17,700,144)	(15,990,847)	(33,690,991)
Interest	1,214,887	797,386	2,012,273
Total investment earnings	(16,485,257)	(15,193,461)	(31,678,718)
Less investment expense	(227,270)	(111,965)	(339,235)
Net investment earnings	(16,712,527)	(15,305,426)	(32,017,953)
Total additions	(9,055,747)	(5,904,241)	(14,959,988)
DEDUCTIONS			
Administration	17,500	20,469	37,969
Benefits and refunds			
Retirement benefits	7,119,591	7,090,392	14,209,983
Refunds of contributions	143,695	-	143,695
Total deductions	7,280,786	7,110,861	14,391,647
CHANGE IN NET POSITION	(16,336,533)	(13,015,102)	(29,351,635)
NET POSITION			
January 1	117,177,599	102,408,613	219,586,212
December 31	$ 100,841,066	$ 89,393,511	$ 190,234,577

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

SCHEDULE OF CHANGES IN NET POSITION -
BUDGET AND ACTUAL
POLICE PENSION FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
ADDITIONS			
Contributions			
Employer	$ 5,590,000	$ 5,690,835	$ 6,221,185
Employee	1,199,530	1,199,530	1,169,070
Other	-	-	266,525
Total contributions	6,789,530	6,890,365	7,656,780
Investment earnings			
Net increase (decrease) in the fair value of investments	250,000	250,000	(17,700,144)
Interest	750,000	750,000	1,214,887
Total investment earnings	1,000,000	1,000,000	(16,485,257)
Less investment expense	(300,000)	(256,300)	(227,270)
Net investment earnings	700,000	743,700	(16,712,527)
Total additions	7,489,530	7,634,065	(9,055,747)
DEDUCTIONS			
Administration	51,000	51,000	17,500
Benefits and refunds			
Retirement benefits	7,135,000	7,135,000	7,119,591
Refunds of contributions	100,000	143,700	143,695
Total deductions	7,286,000	7,329,700	7,280,786
CHANGE IN NET POSITION	$ 203,530	$ 304,365	(16,336,533)
NET POSITION			
January 1			117,177,599
December 31			$ 100,841,066

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

SCHEDULE OF CHANGES IN NET POSITION -
BUDGET AND ACTUAL
FIREFIGHTERS' PENSION FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
ADDITIONS			
Contributions			
Employer	$ 5,715,000	$ 5,812,935	$ 8,343,615
Employee	1,009,485	1,009,485	987,270
Other	-	-	70,300
Total contributions	6,724,485	6,822,420	9,401,185
Investment earnings			
Net increase (decrease) in the fair value of investments	250,000	250,000	(15,990,847)
Interest	750,000	750,000	797,386
Total investment earnings	1,000,000	1,000,000	(15,193,461)
Less investment expense	(100,000)	(100,000)	(111,965)
Net investment earnings	900,000	900,000	(15,305,426)
Total additions	7,624,485	7,722,420	(5,904,241)
DEDUCTIONS			
Administration	33,500	33,500	20,469
Benefits and refunds			
Retirement benefits	7,175,000	7,175,000	7,090,392
Refunds of contributions	100,000	100,000	-
Total deductions	7,308,500	7,308,500	7,110,861
CHANGE IN NET POSITION	$ 315,985	$ 413,920	(13,015,102)
NET POSITION			
January 1			102,408,613
December 31			$ 89,393,511

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Supplementary Information

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
TAXES			
Property tax			
Police protection	$ 3,417,839	$ 3,417,839	$ 3,356,455
Fire protection	3,417,839	3,417,839	3,357,889
FICA	2,652,000	2,652,000	2,692,920
IMRF	1,100,000	1,100,000	1,049,637
Police pension	5,500,000	5,500,000	5,530,353
Fire pension	5,625,000	5,625,000	5,655,684
Home rule sales tax	4,400,000	4,400,000	6,457,178
Food and beverage tax	1,200,000	1,200,000	1,585,020
Motel occupancy tax	50,000	50,000	100,356
Electric utility use tax	950,000	950,000	914,566
Total taxes	28,312,678	28,312,678	30,700,058
LICENSES AND PERMITS			
Professional and occupational	220,000	220,000	234,333
Liquor licenses	325,000	325,000	364,624
Rental dwelling licenses	446,700	446,700	462,276
Building permits and fees	1,054,000	1,054,000	1,615,677
Vehicle licenses	1,300,000	1,300,000	199,851
Other licenses and permits	215,000	215,000	261,164
Total licenses and permits	3,560,700	3,560,700	3,137,925
INTERGOVERNMENTAL			
State sales tax	9,200,000	9,200,000	11,764,886
State income tax	8,010,000	8,010,000	11,065,424
Local use tax	2,880,000	2,880,000	2,699,573
Township road and bridge tax	715,000	715,000	666,762
Fire protection district reimbursement	720,510	720,510	720,515
Police consultant - schools	1,020,880	1,020,880	1,020,880
TIF Rebate	-	423,290	423,278
State highway maintenance	187,680	187,680	190,542
Personal property replacement tax	191,100	191,100	430,736
Grants	30,000	30,000	35,723
Other intergovernmental	341,170	341,170	388,685
Total intergovernmental	23,296,340	23,719,630	29,407,004

(This schedule is continued on the following page.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (CONTINUED)
GENERAL FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
CHARGES FOR SERVICES			
Cable TV franchise fees	$ 1,002,200	$ 1,002,200	$ 1,010,688
Plan review fees	400,000	400,000	611,438
Inspection fees	275,000	275,000	285,235
Special police service	151,900	151,900	218,050
Special fire service	70,300	70,300	84,029
Ambulance fees	2,790,300	3,863,800	5,149,117
Streetfest revenue	185,000	185,000	140,615
Rental income	122,655	122,655	144,603
Other charges for services	55,500	55,500	81,955
Total charges for services	5,052,855	6,126,355	7,725,730
FINES AND FORFEITS			
Circuit court fines	213,200	213,200	270,882
Traffic fines	1,941,900	1,941,900	903,945
Adjudication and other fines	17,000	17,000	23,639
Total fines and forfeits	2,172,100	2,172,100	1,198,466
INVESTMENT INCOME	101,400	101,400	(55,988)
MISCELLANEOUS			
Recoveries and refunds	50,000	50,000	66,615
Reimbursements	365,000	391,490	434,059
Donations	-	500	1,600
Other	5,000	5,515	4,669
Total miscellaneous	420,000	447,505	506,943
TOTAL REVENUES	$ 62,916,073	$ 64,440,368	$ 72,620,138

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
GENERAL GOVERNMENT			
Mayor and council			
Personnel	$ 275,620	$ 275,620	$ 260,754
Supplies and services	42,065	42,065	37,624
Boards and commissions			
Supplies and services	54,895	70,011	67,903
Village clerk			
Personnel	142,930	142,930	116,990
Supplies and services	15,200	15,200	5,603
Village manager			
Personnel	774,565	808,185	771,375
Supplies and services	293,770	293,196	243,551
Finance and operations			
Personnel	676,805	832,507	610,219
Supplies and services	277,320	297,320	178,298
Legal			
Personnel	103,670	103,670	80,076
Supplies and services	415,100	425,524	383,698
Human resources			
Personnel	996,400	475,242	630,395
Supplies and services	75,795	106,528	83,602
Information technology			
Personnel	906,140	916,065	904,046
Supplies and services	581,774	616,403	564,764
Liability insurance			
Supplies and services	1,551,400	1,551,400	1,551,400
Less administrative fees			
CDBG Fund	(96,988)	(96,988)	(96,988)
Waterworks fund	(603,000)	(603,000)	(603,000)
Sewerage fund	(540,000)	(540,000)	(540,000)
Refuse fund	(150,000)	(150,000)	(150,000)
Motor Vehicle Parking System fund	(163,000)	(163,000)	(163,000)
Total general government	5,630,461	5,418,878	4,937,310

(This schedule is continued on the following page.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)
GENERAL FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
PUBLIC SAFETY			
Community development			
Personnel	$ 2,726,625	$ 2,776,435	$ 2,448,977
Supplies and services	337,373	328,452	233,229
Police			
Personnel	23,989,490	24,652,400	24,188,364
Supplies and services	1,555,345	1,601,880	1,377,673
Fire			
Personnel	20,620,305	23,311,164	22,836,560
Supplies and services	1,316,880	2,381,429	2,362,572
Total public safety	50,546,018	55,051,760	53,447,375
PUBLIC WORKS			
Public works			
Personnel	4,617,630	4,635,510	4,355,815
Supplies and services	2,293,075	2,515,937	2,445,673
Total public works	6,910,705	7,151,447	6,801,488
TOTAL EXPENDITURES	$ 63,087,184	$ 67,622,085	$ 65,186,173

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL EQUIPMENT ACQUISITION FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
REVENUES			
Taxes			
Telecommunication	$ 348,335	$ 348,335	$ 344,140
Intergovernmental			
Video gaming tax	-	-	34,087
Charges for services			
Rental income	362,860	362,860	391,048
Investment income	7,500	7,500	102,615
Miscellaneous			
Reimbursements	-	55,227	45
Total revenues	718,695	773,922	871,935
EXPENDITURES			
Capital outlay			
Technology	324,700	281,451	239,908
Vehicles and equipment	1,041,930	1,746,760	1,745,345
Total expenditures	1,366,630	2,028,211	1,985,253
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(647,935)	(1,254,289)	(1,113,318)
OTHER FINANCING SOURCES (USES)			
Proceeds from sale of capital assets	50,000	55,623	74,916
Transfers in	620,000	620,000	620,000
Total other financing sources (uses)	670,000	675,623	694,916
NET CHANGE IN FUND BALANCE	$ 22,065	$ (578,666)	(418,402)
FUND BALANCE, JANUARY 1			7,545,385
FUND BALANCE, DECEMBER 31			$ 7,126,983

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATERWORKS FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services	$ 12,628,000	$ 12,735,930	$ 12,410,792
Miscellaneous	35,000	35,000	153,964
Total operating revenues	12,663,000	12,770,930	12,564,756
OPERATING EXPENSES EXCLUDING DEPRECIATION			
Costs of sales and services	6,723,720	7,103,509	6,119,854
Administrative fees - General Fund	603,000	603,000	603,000
Total operating expenses excluding depreciation	7,326,720	7,706,509	6,722,854
OPERATING INCOME BEFORE DEPRECIATION	5,336,280	5,064,421	5,841,902
DEPRECIATION	-	-	964,620
OPERATING INCOME	5,336,280	5,064,421	4,877,282
NONOPERATING REVENUES (EXPENSES)			
Investment income	15,000	15,000	63,194
Unrealized gain (loss) on investments	-	-	(279,608)
Insurance recovery	-	-	3,436
Interest and fiscal charges	(117,680)	(117,680)	(32,310)
Loss on disposal of capital assets	-	-	(26,649)
Joint venture	-	-	636,270
Total nonoperating revenues (expenses)	(102,680)	(102,680)	364,333
NET INCOME BEFORE TRANSFERS	5,233,600	4,961,741	5,241,615
Transfers (out)	(310,000)	(310,000)	(310,000)
CHANGE IN NET POSITION	$ 4,923,600	$ 4,651,741	4,931,615
NET POSITION, JANUARY 1			43,435,604
RESTATEMENT (See Notes to Financial Statements 16)			(23,380)
NET POSITION, JANUARY 1, AS RESTATED			43,412,224
NET POSITION, DECEMBER 31			$ 48,343,839

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

SCHEDULE OF OPERATING REVENUES - BUDGET AND ACTUAL
WATERWORKS FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Water use fees			
Resident	$ 10,029,000	$ 10,124,170	$ 9,670,738
Nonresident	1,812,000	1,824,760	1,787,805
Water penalties			
Resident	65,000	65,000	80,417
Nonresident	10,000	10,000	8,460
User charge			
Resident	595,000	595,000	628,257
Nonresident	37,000	37,000	39,067
System development surcharge	15,000	15,000	-
Water extension fee	20,000	20,000	-
Water connection fees	10,000	10,000	6,000
Water meter sales	15,000	15,000	176,721
Water turn-on/service fees	20,000	20,000	13,327
Total charges for services	12,628,000	12,735,930	12,410,792
Miscellaneous - reimbursements	35,000	35,000	153,964
TOTAL OPERATING REVENUES	$ 12,663,000	$ 12,770,930	$ 12,564,756

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
WATERWORKS FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
OPERATING EXPENSES			
Costs of sales and services			
Finance and operations			
Personnel	$ 564,640	$ 562,085	$ 370,141
Supplies and services	285,020	285,020	253,356
Liability insurance			
Supplies and services	65,000	65,000	65,000
Public works			
Personnel	1,365,560	1,368,115	1,145,272
Supplies and services	928,755	992,185	867,169
Water purchase			
Northwest Water Commission	3,017,460	3,112,630	2,705,446
Capital projects			
Technology	325,000	19,519	19,518
Buildings and facilities	-	14,389	14,389
Water system	5,481,495	5,993,776	5,988,773
Less: Nonoperating			
Capital assets capitalized	(5,309,210)	(5,309,210)	(5,309,210)
Total costs of sales and services	6,723,720	7,103,509	6,119,854
Administrative fees - General Fund	603,000	603,000	603,000
TOTAL OPERATING EXPENSES	$ 7,326,720	$ 7,706,509	$ 6,722,854

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
SEWERAGE FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services	$ 4,361,590	$ 4,361,590	$ 4,483,549
Miscellaneous	250	250	-
Total operating revenues	4,361,840	4,361,840	4,483,549
OPERATING EXPENSES EXCLUDING DEPRECIATION			
Costs of sales and services	2,016,268	1,776,095	1,571,005
Administrative fees - General Fund	540,000	540,000	540,000
Total operating expenses excluding depreciation	2,556,268	2,316,095	2,111,005
OPERATING INCOME BEFORE DEPRECIATION	1,805,572	2,045,745	2,372,544
DEPRECIATION	-	-	1,233,305
OPERATING INCOME	1,805,572	2,045,745	1,139,239
NONOPERATING REVENUES (EXPENSES)			
Investment income	5,000	5,000	57,774
Unrealized gain (loss) on investments	-	-	(128,349)
Interest and fiscal charges	(113,085)	(113,085)	(142,738)
Total nonoperating revenues (expenses)	(108,085)	(108,085)	(213,313)
NET INCOME BEFORE TRANSFERS	1,697,487	1,937,660	925,926
Transfers (out)	(310,000)	(310,000)	(310,000)
CHANGE IN NET POSITION	$ 1,387,487	$ 1,627,660	615,926
NET POSITION, JANUARY 1			23,931,653
RESTATEMENT (See Notes to Financial Statements 16)			(3,340)
NET POSITION, JANUARY 1, AS RESTATED			23,928,313
NET POSITION, DECEMBER 31			$ 24,544,239

(See independent auditor's report.)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

SCHEDULE OF OPERATING REVENUES - BUDGET AND ACTUAL
SEWERAGE FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services			
Sewer use fees			
Resident	$ 2,698,860	$ 2,698,860	$ 2,797,142
Nonresident	502,930	502,930	502,221
Sewer penalties			
Resident	25,000	25,000	31,132
Nonresident	2,000	2,000	2,643
Sewer connection fees	6,000	6,000	4,497
Surcharges			
Fair Meadows	1,800	1,800	2,354
Flood control	1,125,000	1,125,000	1,131,560
50/50 sewer extension	-	-	12,000
Total charges for services	4,361,590	4,361,590	4,483,549
Miscellaneous - reimbursements	250	250	-
TOTAL OPERATING REVENUES	$ 4,361,840	$ 4,361,840	$ 4,483,549

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

SCHEDULE OF OPERATING EXPENSES - BUDGET AND ACTUAL
SEWERAGE FUND

For the Year Ended December 31, 2022

	Original Budget	Final Budget	Actual
OPERATING EXPENSES			
Costs of sales and services			
Liability insurance			
Supplies and services	$ 65,000	$ 65,000	$ 65,000
Public works			
Personnel	834,700	834,700	645,528
Supplies and services	231,568	235,581	223,460
Capital projects			
Flood control	685,000	473,508	469,711
Sanitary sewer	200,000	167,306	167,306
Total costs of sales and services	2,016,268	1,776,095	1,571,005
Administrative fees - General Fund	540,000	540,000	540,000
TOTAL OPERATING EXPENSES	$ 2,556,268	$ 2,316,095	$ 2,111,005

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BOND TAXABLE SERIES OF 2014B
December 31, 2022

Date of Issue	December 9, 2014
Date of Maturity	December 1, 2025
Amount Issued	$7,265,000
Denomination of Bond	$5,000
Interest Rate	2.0% - 3.3%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Paying Agent	Wells Fargo

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy Principal	Tax Levy Interest	Tax Levy Totals	Interest Due On Jun 1	Interest Due On Amount	Interest Due On Dec 1	Interest Due On Amount
2022	$ 735,000	$ 71,870	$ 806,870	2023	$ 35,935	2023	$ 35,935
2023	760,000	49,820	809,820	2024	24,910	2024	24,910
2024	790,000	26,070	816,070	2025	13,035	2025	13,035
	$ 2,285,000	$ 147,760	$ 2,432,760		$ 73,880		$ 73,880

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION BOND SERIES OF 2015
December 31, 2022

Date of Issue	December 2, 2015
Date of Maturity	December 1, 2025
Amount Issued	$7,165,000
Denomination of Bond	$5,000
Interest Rate	2.0% - 3.0%
Interest Dates	June 1 and December 1
Principal Maturity Date	June 1 and December 1
Paying Agent	Wells Fargo

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy Principal	Tax Levy Interest	Tax Levy Totals	Interest Due On Jun 1	Interest Due On Amount	Interest Due On Dec 1	Interest Due On Amount
2022	$ 785,000	$ 114,000	$ 899,000	2023	$ 61,875	2023	$ 52,125
2023	820,000	74,375	894,375	2024	42,250	2024	32,125
2024	870,000	32,750	902,750	2025	21,750	2025	11,000
	$ 2,475,000	$ 221,125	$ 2,696,125		$ 125,875		$ 95,250

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

(See independent auditor's report.)

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BOND SERIES OF 2017B
December 31, 2022

Date of Issue	June 19, 2017
Date of Maturity	December 1, 2025
Amount Issued	$1,465,000
Denomination of Bond	$5,000
Interest Rate	3.0%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Paying Agent	Amalgamated Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy Principal	Tax Levy Interest	Tax Levy Totals	Interest Due On Jun 1	Interest Due On Amount	Interest Due On Dec 1	Interest Due On Amount
2022	$ 490,000	$ 43,950	$ 533,950	2023	$ 21,975	2023	$ 21,975
2023	490,000	29,250	519,250	2024	14,625	2024	14,625
2024	485,000	14,550	499,550	2025	7,275	2025	7,275
	$ 1,465,000	$ 87,750	$ 1,552,750		$ 43,875		$ 43,875

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BOND TAXABLE SERIES OF 2017D
December 31, 2022

Date of Issue	June 19, 2017
Date of Maturity	December 1, 2026
Amount Issued	$6,060,000
Denomination of Bond	$5,000
Interest Rate	2.0% - 3.0%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Paying Agent	Amalgamated Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy Principal	Tax Levy Interest	Tax Levy Totals	Interest Due On Jun 1	Interest Due On Amount	Interest Due On Dec 1	Interest Due On Amount
2022	$ 690,000	$ 79,810	$ 769,810	2023	$ 39,905	2023	$ 39,905
2023	710,000	62,560	772,560	2024	31,280	2024	31,280
2024	725,000	44,100	769,100	2025	22,050	2025	22,050
2025	745,000	22,350	767,350	2026	11,175	2026	11,175
	$ 2,870,000	$ 208,820	$ 3,078,820		$ 104,410		$ 104,410

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(See independent auditor's report.)

LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BOND SERIES OF 2018
December 31, 2022

Date of Issue	September 5, 2018
Date of Maturity	December 1, 2029
Amount Issued	$6,235,000
Denomination of Bond	$5,000
Interest Rate	5.0%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Paying Agent	Amalgamated Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy Principal	Tax Levy Interest	Tax Levy Totals	Interest Due On Jun 1	Interest Due On Amount	Interest Due On Dec 1	Interest Due On Amount
2022	$ 530,000	$ 224,000	$ 754,000	2023	$ 112,000	2023	$ 112,000
2023	560,000	197,500	757,500	2024	98,750	2024	98,750
2024	600,000	169,500	769,500	2025	84,750	2025	84,750
2025	640,000	139,500	779,500	2026	69,750	2026	69,750
2026	670,000	107,500	777,500	2027	53,750	2027	53,750
2027	725,000	74,000	799,000	2028	37,000	2028	37,000
2028	755,000	37,750	792,750	2029	18,875	2029	18,875
	$ 4,480,000	$ 949,750	$ 5,429,750		$ 474,875		$ 474,875

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LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION REFUNDING BOND SERIES OF 2020
December 31, 2022

Date of Issue	December 1, 2020
Date of Maturity	December 1, 2034
Amount Issued	$18,335,000
Denomination of Bond	$5,000
Interest Rate	2.0% - 5.0%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Paying Agent	Amalgamated Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Tax Levy Year	Tax Levy Principal	Tax Levy Interest	Tax Levy Totals	Interest Due On Jun 1	Interest Due On Amount	Interest Due On Dec 1	Interest Due On Amount
2022	$ -	$ 491,206	$ 491,206	2023	$ 245,603	2023	$ 245,603
2023	705,000	491,206	1,196,206	2024	245,603	2024	245,603
2024	725,000	455,956	1,180,956	2025	227,978	2025	227,978
2025	1,275,000	419,706	1,694,706	2026	209,853	2026	209,853
2026	1,345,000	355,956	1,700,956	2027	177,978	2027	177,978
2027	1,375,000	288,706	1,663,706	2028	144,353	2028	144,353
2028	1,415,000	261,206	1,676,206	2029	130,603	2029	130,603
2029	2,190,000	232,906	2,422,906	2030	116,453	2030	116,453
2030	2,245,000	189,106	2,434,106	2031	94,553	2031	94,553
2031	2,300,000	144,206	2,444,206	2032	72,103	2032	72,103
2032	2,355,000	98,206	2,453,206	2033	49,103	2033	49,103
2033	2,405,000	51,106	2,456,106	2034	25,553	2034	25,553
	$ 18,335,000	$ 3,479,472	$ 21,814,472		$ 1,739,736		$ 1,739,736

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

STATISTICAL SECTION

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Statistical Section

This part of the Village's 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 displays about the Village's overall financial health.

Contents	Page(s)
Financial Trends These schedules contain trend information to help the reader understand how the Village's financial performance and well-being have been changed over time.	143 - 152
Revenue Capacity These schedules contain information to help the reader assess the Village's most significant local revenue source, the property tax.	153 - 157
Debt Capacity These schedules present information to help the reader assess the affordability of the Village's current levels of outstanding debt and the Village's ability to issue debt in the future.	158 - 161
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the Village's financial activities take place.	162 - 163
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the Village's financial report relates to the services the Village provides and the activities it performs.	164 - 165

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015*	2016
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	$ 140,609,666	$ 144,374,387	$ 157,741,380	$ 164,820,305
Restricted	3,600,787	2,236,148	1,838,578	1,750,986
Unrestricted	30,819,755	35,764,493	(51,107,972)	(61,926,571)
TOTAL GOVERNMENTAL ACTIVITIES	$ 175,030,208	$ 182,375,028	$ 108,471,986	$ 104,644,720
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	$ 38,430,520	$ 38,870,993	$ 32,408,120	$ 32,913,880
Unrestricted	20,628,900	20,657,402	24,957,201	22,065,439
TOTAL BUSINESS-TYPE ACTIVITIES	$ 59,059,420	$ 59,528,395	$ 57,365,321	$ 54,979,319
PRIMARY GOVERNMENT				
Net investment in capital assets	$ 183,245,380	$ 183,245,380	$ 190,149,500	$ 197,734,185
Restricted	2,236,148	2,236,148	1,838,578	1,750,986
Unrestricted	56,421,895	56,421,895	(26,150,771)	(39,861,132)
TOTAL PRIMARY GOVERNMENT	$ 241,903,423	$ 241,903,423	$ 165,837,307	$ 159,624,039

* Implementation of GASB Statement 68

** Implementation of GASB Statement 75

Data Source

Audited Financial Statements

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

2017	2018**	2019	2020	2021	2022
$ 166,189,158	$ 168,673,918	$ 173,519,488	$ 176,417,781	$ 177,240,431	$ 179,772,791
1,748,002	3,925,818	6,659,575	9,405,544	16,868,616	24,171,058
(66,937,376)	(80,303,379)	(86,814,683)	(83,289,926)	(63,799,313)	(54,401,883)
$ 100,999,784	$ 92,296,357	$ 93,364,380	$ 102,533,399	$ 130,309,734	$ 149,541,966
$ 32,491,180	$ 32,259,964	$ 34,213,539	$ 37,903,674	$ 40,996,804	$ 46,908,460
25,552,745	28,010,112	30,384,301	32,433,156	32,870,152	31,672,558
$ 58,043,925	$ 60,270,076	$ 64,597,840	$ 70,336,830	$ 73,866,956	$ 78,581,018
$ 198,680,338	$ 200,933,882	$ 207,733,027	$ 214,321,455	$ 218,237,235	$ 226,681,251
1,748,002	3,925,818	6,659,575	9,405,544	16,868,616	24,171,058
(41,384,631)	(52,293,267)	(56,430,382)	(50,856,770)	(30,929,161)	(22,729,325)
$ 159,043,709	$ 152,566,433	$ 157,962,220	$ 172,870,229	$ 204,176,690	$ 228,122,984

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

CHANGES IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2013	2014*	2015
EXPENSES			
Governmental activities			
General government	$ 3,618,746	$ 6,085,713	$ 5,181,480
Public safety	39,226,832	40,893,455	39,766,935
Public works	14,290,195	12,001,792	10,574,340
Economic development	5,914,067	3,400,486	5,187,476
Interest and fiscal charges	4,334,822	4,214,079	3,685,197
Total governmental activities expenses	67,384,662	66,595,525	64,395,428
Business-type activities			
Waterworks	7,511,430	8,235,391	10,988,330
Sewerage	3,335,908	3,041,236	3,641,693
Parking system	1,269,605	1,323,599	1,226,379
Refuse collection	4,426,461	4,553,742	4,553,546
Total business-type activities expenses	16,543,404	17,153,968	20,409,948
TOTAL PRIMARY GOVERNMENT EXPENSES	$ 83,928,066	$ 83,749,493	$ 84,805,376
PROGRAM REVENUES			
Governmental activities			
Charges for services			
General government	$ 2,792,931	$ 4,002,813	$ 4,338,815
Public safety	4,128,702	4,183,645	4,290,067
Other activities	2,107,948	2,099,120	2,079,704
Operating grants	3,645,430	3,555,697	2,766,089
Capital grants and contributions	315,830	31,077	-
Total governmental activities program revenues	12,990,841	13,872,352	13,474,675
Business-type activities			
Charges for services			
Waterworks	9,767,730	10,277,604	10,572,378
Sewerage	3,422,980	3,718,386	3,539,701
Parking system	683,780	711,723	701,265
Refuse collection	4,511,043	4,530,632	4,537,427
Operating grants	-	-	-
Capital grants and contributions	2,177,900	-	-
Total business-type activities program revenues	20,563,433	19,238,345	19,350,771
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	$ 33,554,274	$ 33,110,697	$ 32,825,446
NET REVENUE (EXPENSE)			
Governmental activities	$ (52,723,173)	$ (52,723,173)	$ (50,920,753)
Business-type activities	2,084,377	2,084,377	(1,059,177)
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	$ (50,638,796)	$ (50,638,796)	$ (51,979,930)

* Implementation of GASB Statement 68
** Implementation of GASB Statement 75

Data Source
Audited Financial Statements

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

2016	2017	2018**	2019	2020	2021	2022
$ 7,411,863	$ 4,992,470	$ 4,792,852	$ 4,927,957	$ 4,750,856	$ 3,358,688	$ 3,904,060
53,993,443	58,319,928	53,387,729	53,810,869	47,724,257	41,750,555	56,557,069
11,764,624	10,938,679	10,658,853	12,901,798	14,110,117	11,110,100	12,391,484
4,080,021	1,464,895	6,692,302	8,404,890	4,182,530	3,873,006	4,951,483
3,466,073	3,490,399	2,800,515	2,139,900	2,331,499	1,074,402	911,591
80,716,024	79,206,371	78,332,251	82,185,414	73,099,259	61,166,751	78,715,687
12,485,417	9,115,608	9,071,013	7,867,493	8,538,978	8,038,256	7,746,433
4,580,455	3,373,247	3,815,318	3,406,455	3,415,404	3,511,129	3,487,048
1,526,641	1,256,792	1,277,515	1,549,161	1,356,121	1,259,959	1,253,862
4,394,918	4,408,987	4,524,457	4,641,663	4,268,888	4,449,434	4,561,219
22,987,431	18,154,634	18,688,303	17,464,772	17,579,391	17,258,778	17,048,562
$ 103,703,455	$ 97,361,005	$ 97,020,554	$ 99,650,186	$ 90,678,650	$ 78,425,529	$ 95,764,249
$ 4,443,342	$ 4,348,698	$ 4,333,166	$ 3,176,329	$ 2,272,664	$ 1,341,725	$ 1,335,988
4,608,293	4,954,398	5,586,131	7,187,378	6,277,299	8,785,816	12,327,021
2,273,555	2,454,501	2,408,431	2,484,425	2,453,582	2,599,663	1,627,947
3,277,846	2,795,038	2,870,901	3,113,193	5,124,361	3,570,636	3,761,947
1,200,000	-	-	1,033,112	584,973	1,832,572	1,532,811
15,803,036	14,552,635	15,198,629	16,994,437	16,712,879	18,130,412	20,585,714
11,504,526	11,756,016	11,134,742	11,743,045	12,078,859	12,633,962	13,201,026
3,821,872	3,987,480	4,348,556	4,363,320	4,577,350	4,672,335	4,483,549
631,587	709,390	729,953	711,700	273,043	176,337	331,785
4,518,775	4,537,890	4,515,375	4,574,031	4,379,117	4,438,090	4,715,125
-	791,930	525,390	-	582,062	-	-
-	-	-	704,840	2,287,404	21,484	-
20,476,760	21,782,706	21,254,016	22,096,936	24,177,835	21,942,208	22,731,485
$ 36,279,796	$ 36,335,341	$ 36,452,645	$ 39,091,373	$ 40,890,714	$ 40,072,620	$ 43,317,199
$ (64,912,988)	$ (64,653,736)	$ (63,133,622)	$ (65,190,977)	$ (56,386,380)	$ (43,036,339)	$ (58,129,973)
(2,510,671)	2,836,142	2,040,323	4,632,164	6,598,444	4,683,430	5,682,923
$ (67,423,659)	$ (61,817,594)	$ (61,093,299)	$ (60,558,813)	$ (49,787,936)	$ (38,352,909)	$ (52,447,050)

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

CHANGES IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015*
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION			
Governmental activities			
Taxes			
Property	$ 31,515,066	$ 31,303,000	$ 31,387,642
Home rule sales tax	4,305,118	4,471,298	4,360,722
Telecommunications	2,239,240	1,906,545	1,891,654
Electric utility use	1,722,005	1,690,985	1,641,246
Other	1,242,698	1,309,644	1,400,596
State shared sales taxes	9,343,337	10,061,160	9,892,846
State shared income tax	6,532,135	6,563,909	7,294,684
Other intergovernmental revenues	226,477	515,114	293,748
Investment income	300,305	309,200	305,362
Miscellaneous	193,597	297,638	156,573
Transfers	250,000	1,639,500	360,000
Total governmental activities	57,869,978	60,067,993	58,985,073
Business-type activities			
Investment income	20,064	24,098	16,402
Miscellaneous	-	-	-
Transfers	(250,000)	(1,639,500)	(360,000)
Total business-type activities	(229,936)	(1,615,402)	(343,598)
TOTAL PRIMARY GOVERNMENT	$ 57,640,042	$ 58,452,591	$ 58,641,475
CHANGE IN NET POSITION			
Governmental activities	$ 5,674,172	$ 7,344,820	$ 8,064,320
Business-type activities	2,404,627	468,975	(1,402,775)
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	$ 8,078,799	$ 7,813,795	$ 6,661,545

* Implementation of GASB Statement 68

** Implementation of GASB Statement 75

Data Source

Audited Financial Statements

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

2016	2017	2018**	2019	2020	2021	2022
$ 31,113,482	$ 32,991,371	$ 34,799,347	$ 35,631,269	$ 35,482,895	$ 34,830,135	$ 35,397,436
4,217,287	4,111,583	4,446,002	4,252,692	4,105,026	5,720,013	6,457,178
1,869,966	1,490,678	1,348,572	1,214,776	942,200	798,031	740,280
2,054,689	2,263,482	2,360,118	2,225,106	2,211,795	2,225,398	2,164,566
1,407,848	1,456,653	1,461,691	1,518,712	1,235,020	1,524,289	1,685,377
9,558,566	9,634,893	10,163,314	10,461,255	11,334,735	13,993,460	14,464,458
6,673,615	6,296,903	6,565,435	7,297,142	7,450,016	9,050,756	11,065,424
244,029	251,911	406,251	889,609	709,168	829,566	4,357,999
391,626	698,159	1,129,713	1,500,877	512,785	280,078	458,914
458,387	1,134,667	526,783	568,062	496,759	497,096	525,078
368,000	678,500	689,000	699,500	1,075,000	1,122,600	670,000
58,357,495	61,008,800	63,896,226	66,259,000	65,555,399	70,871,422	77,986,710
41,124	115,034	256,541	376,534	166,161	(30,704)	(275,577)
-	-	309,188	18,566	49,385	-	3,436
(368,000)	(678,500)	(689,000)	(699,500)	(1,075,000)	(1,122,600)	(670,000)
(326,876)	(563,466)	(123,271)	(304,400)	(859,454)	(1,153,304)	(942,141)
$ 58,030,619	$ 60,445,334	$ 63,772,955	$ 65,954,600	$ 64,695,945	$ 69,718,118	$ 77,044,569
$ (6,555,493)	$ (3,644,936)	$ 762,604	$ 1,068,023	$ 9,169,019	$ 27,835,083	$ 19,856,737
(2,837,547)	3,064,606	2,442,442	4,327,764	5,738,990	3,530,126	4,740,782
$ (9,393,040)	$ (580,330)	$ 3,205,046	$ 5,395,787	$ 14,908,009	$ 31,365,209	$ 24,597,519

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015	2016
GENERAL FUND				
Nonspendable	$ 5,277,920	$ 4,782,920	$ 5,022,070	$ 5,261,220
Assigned	-	-	-	-
Unassigned	16,880,750	18,124,529	17,012,432	18,224,006
TOTAL GENERAL FUND	$ 22,158,670	$ 22,907,449	$ 22,034,502	$ 23,485,226
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	$ -	$ -	$ -	$ -
Restricted	23,876,160	17,945,345	14,882,305	14,057,043
Assigned	16,305,655	21,284,780	13,536,719	7,451,239
Unassigned	(2,484,768)	(43,615)	(43,615)	(35,515)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	$ 37,697,047	$ 39,186,510	$ 28,375,409	$ 21,472,767

Data Source
Audited Financial Statements

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

2017	2018	2019	2020	2021	2022
$ 4,470,370	$ 3,738,890	$ 2,889,849	$ 2,023,377	$ 1,067,140	$ 76,447
-	-	-	-	572,744	374,387
18,909,919	21,145,386	21,426,642	24,198,154	33,569,340	40,422,875
$ 23,380,289	$ 24,884,276	$ 24,316,491	$ 26,221,531	$ 35,209,224	$ 40,873,709
$ -	$ -	$ -	$ -	$ -	$ -
19,059,512	19,554,231	19,728,606	19,935,775	24,800,883	29,433,655
9,116,907	10,817,419	11,354,671	10,805,047	12,134,442	12,516,610
-	-	-	-	-	-
$ 28,176,419	$ 30,371,650	$ 31,083,277	$ 30,740,822	$ 36,935,325	$ 41,950,265

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2013	2014	2015	2016
REVENUES				
Taxes	$ 41,024,128	$ 40,681,472	$ 40,681,860	$ 40,663,272
Licenses and permits	2,822,149	3,081,336	3,153,792	3,284,115
Intergovernmental	22,102,467	22,735,622	22,291,479	21,845,363
Charges for services	3,683,470	3,801,523	4,116,301	4,367,516
Fines and forfeitures	1,376,629	1,394,054	1,394,381	1,582,252
Investment income	300,305	309,200	305,362	391,626
Miscellaneous	193,596	297,638	156,573	458,387
Total revenues	71,502,744	72,300,845	72,099,748	72,592,531
EXPENDITURES				
General government	5,532,910	5,690,050	5,853,988	6,064,441
Public safety	37,149,960	38,212,533	40,197,022	40,907,770
Public works	6,228,622	6,769,212	6,419,162	6,227,585
Economic development	5,914,067	3,400,486	5,187,476	4,080,021
Capital outlay	10,091,641	8,176,672	15,883,621	11,571,849
Debt service				
Principal retirement	6,346,812	6,089,339	6,988,013	6,138,391
Interest	4,385,759	4,172,391	3,729,681	3,498,783
Fiscal charges	8,303	122,338	11,611	6,900
Total expenditures	75,658,074	72,633,021	84,270,574	78,495,740
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,155,330)	(332,176)	(12,170,826)	(5,903,209)
OTHER FINANCING SOURCES (USES)				
Refunding bonds issued, at par	-	10,985,000	-	-
Bond premium	-	212,225	-	-
Payment to refunded bond escrow agent	-	(11,076,385)	-	-
Proceeds from sale of capital assets	115,692	211,418	51,778	83,291
Transfers in	5,249,753	12,364,540	3,451,125	466,031
Transfers (out)	(4,999,753)	(10,736,130)	(3,016,125)	(98,031)
Total other financing sources (uses)	365,692	1,960,668	486,778	451,291
NET CHANGE IN FUND BALANCES	$ (3,789,638)	$ 1,628,492	$ (11,684,048)	$ (5,451,918)
Debt service as a percentage of noncapital expenditures	15.69%	18.48%	13.22%	13.01%

Data Source

Audited Financial Statements

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

2017	2018	2019	2020	2021	2022
$ 42,313,767	$ 44,415,730	$ 44,748,875	$ 43,976,936	$ 45,097,866	$ 46,444,837
3,272,240	3,226,870	3,609,532	3,148,869	4,011,603	3,137,925
21,401,178	22,394,130	25,493,475	27,845,178	32,003,165	38,064,440
4,419,448	4,871,126	5,053,079	4,126,897	4,605,774	8,193,748
1,753,256	1,953,421	1,694,156	1,202,217	1,502,214	1,198,466
698,159	1,129,713	1,500,877	512,785	280,078	458,914
1,134,667	526,783	568,062	496,759	497,096	525,078
74,992,715	78,517,773	82,668,056	81,309,641	87,997,796	98,023,408
5,359,971	5,129,280	5,190,804	4,915,571	4,395,811	4,937,310
42,657,188	43,654,462	45,586,440	47,152,610	48,179,367	53,952,605
5,982,359	6,065,407	6,212,413	6,219,908	6,291,028	6,801,488
1,464,895	6,692,302	8,404,890	4,182,530	3,873,006	4,951,483
5,010,113	4,954,603	7,004,730	11,557,718	5,009,281	11,135,665
14,589,233	13,715,000	8,575,419	4,870,463	5,053,229	5,219,000
3,381,270	2,677,751	2,348,070	1,979,761	1,252,017	1,088,555
219,828	139,164	5,925	579,190	4,150	3,596
78,664,857	83,027,969	83,328,691	81,457,751	74,057,889	88,089,702
(3,672,142)	(4,510,196)	(660,635)	(148,110)	13,939,907	9,933,706
18,355,000	6,235,000	-	18,335,000	-	-
265,712	903,240	-	1,045,434	-	-
(9,086,571)	-	-	(18,800,000)	-	-
58,216	87,712	104,977	55,261	178,437	75,719
716,596	9,219,552	3,556,360	2,005,980	1,258,382	2,439,480
(38,096)	(8,471,784)	(2,856,860)	(930,980)	(135,782)	(1,769,480)
10,270,857	7,973,720	804,477	1,710,695	1,301,037	745,719
$ 6,598,715	$ 3,463,524	$ 143,842	$ 1,562,585	$ 15,240,944	$ 10,679,425
23.76%	23.16%	14.21%	8.55%	8.98%	7.39%

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial, Farm and Railroad Property	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value
2012	$ 1,448,021,095	$ 266,901,767	$ 134,160,019	NA	$ 1,849,082,881	$ 1.200	$ 5,547,248,643
2013	1,218,389,388	248,664,150	122,708,665	NA	1,589,762,203	1.390	$ 4,769,286,609
2014	1,286,288,306	261,895,895	58,787,142	NA	1,606,971,343	1.368	4,820,914,029
2015	1,251,420,992	255,861,463	56,605,366	NA	1,563,887,821	1.406	4,691,663,463
2016	1,499,369,745	253,938,396	60,969,048	NA	1,814,277,189	1.212	5,442,831,567
2017	1,503,316,838	261,662,095	62,863,747	NA	1,827,842,680	1.249	5,483,528,040
2018	1,463,225,616	254,339,800	61,515,897	NA	1,779,081,313	1.296	5,337,243,939
2019	1,616,703,874	344,315,040	72,514,158	NA	2,033,533,072	1.114	6,100,599,216
2020	1,611,474,223	364,626,790	76,435,802	NA	2,052,536,815	1.133	6,157,610,445
2021	1,486,924,813	343,380,900	65,321,561	NA	1,895,627,274	1.133	5,686,881,822

NA = Not Available

Note: Property in the Village is reassessed each year. Property is assessed at 33% of actual value.

Data Source
Office of the County Clerk

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2012	2013	2014	2015
TAX RATES				
Village of Palatine				
Social Security	$ 0.122	$ 0.148	$ 0.119	$ 0.125
IMRF	0.065	0.081	0.080	0.085
Police Protection	0.267	0.305	0.306	0.295
Fire Protection	0.267	0.305	0.306	0.295
Fire Pension	0.163	0.196	0.204	0.210
Police Pension	0.163	0.187	0.191	0.222
Debt Service	0.153	0.168	0.162	0.174
Total Village of Palatine	1.200	1.390	1.368	1.406
School Districts				
Palatine CCSD No. 15	3.269	3.849	3.868	4.035
Junior College No. 512	0.373	0.444	0.451	0.466
Township HSD No. 211	2.772	3.197	3.213	3.309
Park District	0.574	0.680	0.696	0.725
Library District	0.248	0.293	0.295	0.308
County				
County of Cook	0.594	0.560	0.568	0.552
Forest Preserve	0.062	0.069	0.069	0.069
Township				
Palatine Township	0.049	0.058	0.059	0.063
General Assistance	0.014	0.017	0.017	0.018
Road and Bridge	0.082	0.092	0.090	0.092
Other Districts				
Northwest Mosquito	0.011	0.013	0.013	0.011
Sanitary District	0.370	0.417	0.430	0.426
Elections (ELCO)	-	0.031	-	0.034
TOTAL TAX RATES	$ 9.618	$ 11.110	$ 11.137	$ 11.514
SHARE OF TOTAL TAX LEVIED BY THE VILLAGE	12.48%	12.51%	12.28%	12.21%

Data Source
Office of the County Clerk

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

2016	2017	2018	2019	2020	2021
$ 0.111	$ 0.136	$ 0.117	$ 0.104	$ 0.128	$ 0.141
0.075	0.060	0.054	0.055	0.059	0.059
0.215	0.206	0.228	0.186	0.167	0.182
0.215	0.206	0.228	0.186	0.167	0.182
0.218	0.254	0.269	0.274	0.270	0.300
0.227	0.238	0.254	0.262	0.278	0.293
0.151	0.149	0.146	0.077	0.064	0.070
1.212	1.249	1.296	1.144	1.133	1.227
3.543	3.618	3.807	3.486	3.564	3.955
0.416	0.425	0.443	0.403	0.409	0.457
2.871	2.922	3.044	2.749	2.787	3.020
0.648	0.657	0.693	0.633	0.650	0.711
0.268	0.276	0.291	0.344	0.353	0.388
0.533	0.496	0.489	0.454	0.453	0.446
0.063	0.062	0.060	0.059	0.580	0.580
0.054	0.055	0.059	0.055	0.550	0.060
0.012	0.010	0.007	0.007	0.007	0.008
0.079	0.078	0.080	0.072	0.068	0.074
0.010	0.010	0.011	0.010	0.010	0.011
0.406	0.402	0.396	0.389	0.500	0.382
-	0.031	-	0.030	-	0.019
$ 10.115	$ 10.291	$ 10.676	$ 9.835	$ 11.064	$ 11.338
11.98%	12.14%	12.14%	11.63%	10.24%	10.82%

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Levy Year and Nine Levy Years Ago

	Tax Year 2021			Tax Year 2012		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Albion on Lake Cook	$ 20,954,477	1	1.11%	$ 11,438,998	5	0.59%
United Parcel Service	15,635,156	2	0.82%	9,419,648	6	0.48%
Weber Stephen Products	13,819,132	3	0.73%	12,452,232	2	0.64%
TMIF II Clayson LLC	12,977,201	4	0.68%	NA	NA	NA
Wal Mart	11,455,301	5	0.60%	11,978,195	4	0.61%
Palatine Fresh Market	10,849,085	6	0.57%	NA	NA	NA
Deer Grove Centre	8,452,510	7	0.45%	NA	NA	NA
Realty Income Group	8,407,560	8	0.44%	NA	NA	NA
Target	8,389,544	9	0.44%	NA	NA	NA
CR Northwest LLC	8,250,993	10	0.44%	NA	NA	NA
McCaffrey Interests	NA	NA	NA	13,505,909	1	0.69%
Renaissance Residential	NA	NA	NA	12,056,643	3	0.62%
Thomson Partners	NA	NA	NA	9,026,171	7	0.46%
Village Park Palatine 300	NA	NA	NA	8,167,778	8	0.42%
Arlington Toyota	NA	NA	NA	8,111,882	9	0.42%
Highland Management	NA	NA	NA	6,928,283	10	0.35%
	$ 119,190,959		6.28%	$ 103,085,739		5.28%

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

Data Source
Office of the County Clerk

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Levied	Collected Within the Fiscal Year of the Levy		Collections (Refunds) in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	$ 22,188,995	$ 21,661,897	97.62%	$ 309,238	$ 21,971,135	99.02%
2013	22,097,695	21,729,359	98.33%	(111,746)	21,617,613	97.83%
2014	21,983,368	21,698,390	98.70%	47,027	21,745,417	98.92%
2015	21,988,263	21,688,247	98.64%	(58,059)	21,630,188	98.37%
2016	21,989,040	21,682,685	98.61%	(15,099)	21,667,586	98.54%
2017	22,829,755	22,611,087	99.04%	66,644	22,677,731	99.33%
2018	23,056,901	22,678,380	98.36%	769,471	23,447,851	101.70%
2019	23,172,496	22,778,525	98.30%	486,825	23,265,350	100.40%
2020	23,252,356	22,649,070	97.41%	809,561	23,458,631	100.89%
2021*	23,259,352	17,947,590	77.16%	-	17,947,590	77.16%

* The second installment bills were delayed by the County causing a lower than normal amount of collections within the fiscal year of the levy.

Data Source

Office of the County Treasurer

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities: General Obligation Bonds	Governmental Activities: Tax Increment Notes	Business-Type Activities: General Obligation Bonds	Total Primary Government	Percent of Personal Income*	Per Capita*
2013	$ 85,483,105	$ 111,664	$ 16,479,732	$ 102,074,501	3.85%	$ 1,382
2014	80,207,505	105,565	14,464,348	94,777,418	3.85%	1,382
2015	72,530,000	97,417	17,310,000	89,937,417	4.42%	1,300
2016	66,400,000	89,026	13,910,000	80,399,026	3.31%	1,162
2017	61,050,000	79,793	12,315,000	73,444,793	2.97%	1,068
2018	53,570,000	79,793	10,835,000	64,484,793	2.60%	938
2019	46,114,717	69,374	9,979,510	54,379,374	2.20%	791
2020	41,676,359	58,911	8,254,960	49,990,230	2.02%	727
2021	36,424,714	45,682	6,465,410	42,935,806	1.98%	632
2022	31,010,314	31,682	2,772,900	33,814,896	1.47%	498

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

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

Data Source
Audited Financial Statements

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year Ended	General Obligation Bonds: Governmental Activities	General Obligation Bonds: Business-Type Activities	Less: Net Position Restricted for Debt Service	Total Primary Government	Percent of Estimated Actual Taxable Value of Property*	Per Capita*
2013	$ 85,483,105	$ 16,479,732	$ 1,865,098	$ 100,097,739	1.80%	$ 1,566
2014	80,207,505	14,464,348	-	94,671,853	1.71%	1,381
2015	72,530,000	17,310,000	-	89,840,000	1.65%	1,335
2016	66,400,000	13,910,000	-	80,310,000	1.32%	1,298
2017	61,050,000	12,315,000	-	73,365,000	1.35%	1,067
2018	53,570,000	10,835,000	-	64,405,000	1.17%	937
2019	46,114,717	9,979,510	-	56,094,227	1.02%	790
2020	41,676,359	8,254,960	-	49,931,319	0.81%	726
2021	36,424,714	6,465,410	-	42,890,124	0.75%	632
2022	31,010,314	2,772,900	(1,991,184)	35,774,398	0.63%	527

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

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

Data Source
Audited Financial Statements

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2022

Governmental Unit	Gross Debt	Percentage Debt Applicable to the Village of Palatine (1)	Village of Palatine Share of Debt
Village of Palatine	$ 31,041,996	100.00%	$ 31,041,996
School Districts			
Community Unit District 15	43,375,000	50.80%	22,034,500
Township High School District 214	20,360,000	0.01%	2,036
Community College District 512	285,565,330	9.22%	26,329,123
Total school districts	349,300,330		48,365,659
Other than schools			
Cook County	2,663,661,751	1.19%	31,697,575
Cook County Forest Preserve District	78,560,000	1.19%	934,864
Metropolitan Water Reclamation District	2,599,744,289	1.21%	31,456,906
Park Districts			
Arlington Heights Park District	11,427,000	0.05%	5,714
Palatine Park District	2,760,000	75.79%	2,091,804
Salt Creek Park District	704,000	49.40%	347,776
Palatine Public Library District	4,735,000	77.66%	3,677,201
Total other than schools	5,361,592,040		70,211,840
Total Overlapping Governmental Activities Debt	5,710,892,370		118,577,499
Total Direct and Overlapping Governmental Activities Debt	$ 5,741,934,366		$ 149,619,495

(1) Determined by ratio of assessed valuation of property subject to taxation in the Village to valuation of property subject to taxation in overlapping unit. The 2021 EAV is the most current available.

Data Source

Office of the County Clerk

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2021

The Village is a home rule municipality.

Article VII, Section 6(k) of the 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 . . . (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: . . . indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum . . . shall not be included in the foregoing percentage amounts."

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

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2013	68,557	$ 2,463,595,795	$ 35,935	6.9%
2014	68,557	2,463,595,795	35,935	5.1%
2015	69,188	2,421,307,161	34,996	5.0%
2016	69,188	2,431,032,638	35,137	4.3%
2017	68,766	2,476,263,660	36,010	3.6%
2018	68,766	2,476,263,660	36,010	3.3%
2019	68,766	2,476,263,660	36,010	2.5%
2020	68,766	2,476,263,660	36,010	7.0%
2021	67,908	2,169,623,920	31,949	3.3%
2022	67,908	2,299,416,735	33,861	3.7%

Data Source

US Census Bureau

Illinois Department of Employment Security

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

	2022			2013		
Employer	Rank	Approx. No. of Employees	Percentage of Total Village Population	Rank	Approx. No. of Employees	Percentage of Total Village Population
Community Consolidated School District 15	1	2,444	3.60%	1	2,200	3.21%
Township High School District 211	2	2,087	3.07%	2	2,057	3.00%
United States Postal Service	3	1,900	2.80%	4	1,000	1.46%
Weber-Stephen Products	4	1,183	1.74%	9	200	0.29%
Community College District 512	5	840	1.24%	5	980	1.43%
Little City Foundation	6	735	1.08%	NA	NA	NA
Village of Palatine	7	326	0.48%	8	355	0.52%
Arlington Plating	8	175	0.26%	10	110	0.16%
Intec Group, Inc.	9	175	0.26%	6	425	0.62%
United Parcel Service	10	155	0.23%	3	1,000	1.46%
Schneider Electric-Square D	NA	NA	NA	7	355	0.52%

Data Source

Village Records

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GENERAL GOVERNMENT										
Village Clerk	2.0	2.0	2.0	1.5	1.5	2.0	2.0	1.5	1.0	1.0
Village Manager	6.0	6.0	6.0	4.5	5.0	4.0	4.0	3.5	4.0	4.0
Finance and Operations	12.0	12.0	12.0	10.0	10.0	10.0	10.0	10.0	9.5	8.5
Legal	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Human Resources	2.5	2.5	2.5	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Information Technology	7.0	7.0	7.0	7.0	8.0	7.5	7.5	7.5	6.5	6.5
PUBLIC SAFETY										
Community Development	19.5	19.5	20.5	20.5	24.0	24.0	24.0	22.0	22.5	22.5
Police										
Sworn personnel	109.0	108.0	109.0	109.0	109.0	109.0	109.0	109.0	108.0	108.0
Civilians	31.5	31.0	31.5	27.5	31.0	29.5	29.5	28.0	28.0	28.0
Fire										
Sworn personnel	91.0	91.0	91.0	91.0	91.0	91.0	91.0	91.0	88.0	88.0
Civilians	9.5	9.5	9.5	9.5	8.5	8.5	8.5	8.5	8.0	8.0
PUBLIC WORKS										
Public Works	63.5	63.5	63.5	63.0	62.0	62.0	64.0	62.5	62.5	63.5

Data Source

Village Records

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

OPERATING INDICATORS AND CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

OPERATING INDICATORS

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
PUBLIC SAFETY										
Police										
Physical arrests	1,475	1,527	1,660	1,832	2,155	2,233	2,146	1,931	815	1,114
Parking violations	4,754	4,756	5,664	5,645	6,638	7,017	7,490	5,485	6,592	5,706
Traffic violations	9,933	9,960	11,229	10,663	10,056	11,251	10,258	7,370	8,094	11,550
Fire										
Emergency responses	7,770	8,009	7,661	7,853	7,709	8,080	7,879	7,416	8,222	9,090
PUBLIC WORKS										
Water										
Number of connections	16,780	16,780	16,780	16,780	16,780	16,780	16,780	16,780	16,780	16,780
Avg daily consumption	6.57M	6.30M	6.49M	6.22M	5.75M	5.93M	5.71M	5.94M	5.95M	5.72M

CAPITAL ASSET STATISTICS

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	28	28	28	28	28	28	28	28	28	28
Fire										
Fire stations	5	5	5	5	5	5	5	5	5	5
Fire engines	7	7	7	7	7	7	7	7	7	7
PUBLIC WORKS										
Streets and highways										
Streets (miles)	235	235	235	235	235	235	235	235	235	235
Number of bridges	6	6	6	6	6	6	6	6	6	6
Waterworks										
Water mains (miles)	156	156	179	179	179	179	212	212	212	212
Fire hydrants	2,060	2,060	2,513	2,513	2,523	2,523	2,625	2,625	2,625	2,625
Sewerage										
Sanitary sewers (miles)	145	145	168	168	169	169	169	169	169	169
Storm sewers (miles)	225	225	260	260	263	263	267	267	274	274

Data Source

Village Records

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

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Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Additional Disclosures Required by SEC Rule 15c2-12

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

DISCLOSURES REQUIRED BY SEC RULE 15C2-12
STATEMENT OF INDEBTEDNESS
December 31, 2022

	Amount	As Percent of Assessed Value	As Percent of Estimated True Value	Per Capita
Taxable real property, 2021				
Assessed valuation	$ 1,895,627,274	100.00%	33.33%	$ 27,915
Estimated true value	5,686,881,822	300.00%	100.00%	83,744
Total general obligation bonded debt (1):	31,910,000	1.68%	0.56%	470
Less: Self-Supporting	(7,630,000)	-0.40%	-0.13%	(112)
Net general obligation bonded debt	24,280,000	1.28%	0.43%	358
Overlapping bonded debt payable from property taxes (2):				
Schools	48,365,659	2.55%	0.85%	712
Other than schools	70,211,840	3.70%	1.23%	1,034
Total overlapping bonded debt	118,577,499	6.26%	2.09%	1,746
Total net direct and overlapping bonded debt	$ 142,857,499	7.54%	2.51%	$ 2,104

Notes:

(1) The Village is a home-rule unit under the 1970 Illinois Constitution and as such has no debt limit nor is it required to seek referendum approval for the issuance of general obligation debt. See "Retirement Schedule of Outstanding Village General Obligation Debt" for a listing of the Village's non-general obligation debt and currently outstanding general obligation debt. Of the Village's general obligation debt $7,630,000 or 23.9% is considered self-supporting.

(2) Overlapping bonded debt as of June 2022.

Data Source

Office of the County Clerk

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

DISCLOSURES REQUIRED BY SEC RULE 15C2-12
RETIREMENT SCHEDULE OF OUTSTANDING VILLAGE GENERAL OBLIGATION DEBT
December 31, 2022

Due 12/1	Series 2014B	Series 2015	Series 2017 (2 Issues)	Series 2018	Series 2020	Total Maturities [1] [2] Amount	%
2023	$ 735,000	$ 785,000	$ 1,180,000	$ 530,000	$ -	$ 3,230,000	10.1%
2024	760,000	820,000	1,200,000	560,000	705,000	4,045,000	12.7%
2025	790,000	870,000	1,210,000	600,000	725,000	4,195,000	13.1%
2026	-	-	745,000	640,000	1,275,000	2,660,000	8.3%
2027	-	-	-	670,000	1,345,000	2,015,000	6.3%
2028	-	-	-	725,000	1,375,000	2,100,000	6.6%
2029	-	-	-	755,000	1,415,000	2,170,000	6.8%
2030	-	-	-	-	2,190,000	2,190,000	6.9%
2031	-	-	-	-	2,245,000	2,245,000	7.0%
2032	-	-	-	-	2,300,000	2,300,000	7.2%
2033	-	-	-	-	2,355,000	2,355,000	7.4%
2034	-	-	-	-	2,405,000	2,405,000	7.5%
	$ 2,285,000	$ 2,475,000	$ 4,335,000	$ 4,480,000	$ 18,335,000	$ 31,910,000	100.0%

Notes:

(1) The Village is a home rule unit under the 1970 Illinois Constitution and as such has no debt limit, nor is it required to seek referendum approval for the issuance of general obligation debt. This table excludes $31,682 outstanding principal on Tax Increment Financing bonds and notes secured only by the incremental revenues generated by the district; and various industrial revenue bonds which are fully secured by payments from the benefitting entities.

(2) The Village has chosen to fund certain projects with general obligation bonds and abate the taxes thereon from other sources. Of the Village's $47,385,000 outstanding principal at December 31, 2020, the Village estimates that $7,630,000 (23.9%) is self-supporting from non-property tax sources.

Data Source
Village Records

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

DISCLOSURES REQUIRED BY SEC RULE 15C2-12
BONDED DEBT RATIOS AND PER CAPITA DEBT - LAST TEN GENERAL OBLIGATION BOND SALES
December 31, 2022

Village Issue		Ratio to Estimated Actual Value				Per Capita		
		Direct Debt		Direct and Overlapping Debt		Direct and Overlapping Debt		
Sale Date	Amount	Including Self-Supporting	Excluding Self-Supporting (1)	Including Self-Supporting	Excluding Self-Supporting (1)	Including Self-Supporting	Excluding Self-Supporting (1)	Population Estimate
September 15, 2009 (2)	$ 16,600,000	1.65%	0.31%	3.52%	2.18%	$ 3,496	$ 2,166	65,920
May 26, 2010 (2)	19,870,000	1.45%	0.27%	3.18%	2.00%	3,360	2,117	65,920
August 9, 2010 (2)	19,745,000	1.69%	0.52%	3.41%	2.24%	3,619	2,375	65,920
June 20, 2011 (3)	7,850,000	1.64%	0.61%	3.47%	2.44%	3,844	2,701	65,920
December 3, 2012 (2)	5,025,000	1.89%	0.71%	4.17%	2.99%	4,243	2,597	68,557
December 9, 2014 (2,3)	14,610,000	2.19%	0.73%	4.69%	3.23%	3,263	2,250	68,557
December 2, 2015	7,165,000	1.98%	0.78%	4.52%	3.32%	3,184	2,337	68,557
July 11, 2017 (3)	18,355,000	1.48%	0.84%	3.51%	2.67%	2,117	1,171	68,557
September 5, 2018 (3)	6,235,000	1.32%	0.59%	3.35%	2.62%	2,674	2,095	68,557
October 19, 2020 (3)	18,335,000	0.88%	0.42%	2.73%	2.28%	2,435	2,025	68,557

Notes:

(1) Excludes the Village's general obligation debt which is payable from non-property tax revenues.

(2) All or a portion of bond proceeds used for advance refunding purposes.

(3) All or a portion of bond proceeds used for current refunding purposes.

Data Source
Official Statements

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

DISCLOSURES REQUIRED BY SEC RULE 15C2-12
DETAILED OVERLAPPING BONDED INDEBTEDNESS PAYABLE FROM PROPERTY TAXES
December 31, 2022

Governmental Unit	Percent of Village's Real Property in Taxing Body	Gross Debt (1)	Percent of Debt Applicable to the Village of Palatine (2)	Village of Palatine Share of Debt
School Districts				
Palatine Community District No. 15	100.0%	$ 43,375,000	50.80%	$ 22,034,500
Township High School District No. 214	0.1%	20,360,000	0.01%	2,036
Community College District No. 512	100.0%	285,565,330	9.22%	26,329,123
Total school districts		349,300,330		48,365,659
Other than schools				
Cook County	100.0%	2,663,661,751	1.19%	31,697,575
Cook County Forest Preserve District	100.0%	78,560,000	1.19%	934,864
Metropolitan Water Reclamation District	100.0%	2,599,744,289	1.21%	31,456,906
Park Districts				
Arlington Heights Park District	0.1%	11,427,000	0.05%	5,714
Palatine Park District	94.2%	2,760,000	75.79%	2,091,804
Salt Creek Park District	5.7%	704,000	49.40%	347,776
Palatine Public Library District	100.0%	4,735,000	77.66%	3,677,201
Total other than schools		5,361,592,040		70,211,840
Total Overlapping Governmental Activities Debt		$ 5,710,892,370		$ 118,577,499

Notes:
(1) As of June 2022.

(2) Overlapping debt percentages based on 2021 EAV, the most current available.

Data Source
Office of the County Clerk

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

DISCLOSURES REQUIRED BY SEC RULE 15C2-12
EQUALIZED ASSESSED VALUATION FOR TAXING PURPOSES
December 31, 2022

Levy Year	Net for General Taxing Purposes	Plus Incremental Valuation	Total For All Taxing Purposes (1)	Increase Over Prior Year
2012	$ 1,849,082,881	$ 213,010,709	$ 2,062,093,590	-3.7%
2013 (2)	1,589,762,203	104,823,912	1,694,586,115	-17.8%
2014	1,606,971,343	84,767,445	1,691,738,788	-0.2%
2015	1,563,887,821	197,915,722	1,761,803,543	4.1%
2016 (2)	1,814,277,189	82,951,271	1,897,228,460	7.7%
2017	1,827,842,680	108,242,637	1,936,085,317	2.0%
2018	1,779,081,313	111,848,301	1,890,929,614	-2.3%
2019 (2)	2,033,533,072	170,232,002	2,203,765,074	16.5%
2020	2,052,536,815	228,625,586	2,281,162,401	3.5%
2021	1,895,627,274	215,116,389	2,110,743,663	-7.5%

Notes:

(1) Property in Cook County is separated into two primary classifications for assessment purposes (10% for residential and 25% for commercial property). After the assessor establishes the fair market value of a parcel of land, the value is multiplied by one of the classification percentages to arrive at the assessed valuation for that parcel. The Illinois Department of Revenue furnishes each county with an adjustment factor (the equalization factor) to equalize the level of assessment between counties. After the equalization factor is applied, the valuation of the property for taxing purposes has been established-tax rates are applied to the equalized valuation. This table excludes exemptions.

(2) Under the current triennial reassessment system, the Village is reassessed every third year.

The Village's tax rate is calculated based on the Village's net equalized assessed valuation (shown in this table as "Net for General Taxing Purposes") and is extended against its entire Equalized Assessed Valuation (shown in this table as "Total for all Taxing Purposes") excluding only the statutory exemptions. Of the taxes collected, that portion applicable to incremental valuation (valuation of tax increment districts) is remitted to the Village by the County Collector for deposit in the applicable tax allocation fund. The Equalized Assessed Valuation for which the Village receives its portion of the total tax rate for all non-TIF purposes is shown in this table as "Net for General Taxing Purposes".

Data Source
Office of the County Clerk

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

DISCLOSURES REQUIRED BY SEC RULE 15C2-12
TAX RATES PER $100 EQUALIZED ASSESSED VALUATION
December 31, 2022

Tax Levy Year	2017	2018	2019	2020	2021
TAX RATES					
Village of Palatine (1)					
Social Security	$ 0.136	$ 0.117	$ 0.104	$ 0.128	$ 0.141
IMRF	0.060	0.054	0.055	0.059	0.059
Corporate (Police Protection)	0.206	0.228	0.186	0.167	0.182
Fire Protection	0.206	0.228	0.186	0.167	0.182
Fire Pension	0.254	0.269	0.274	0.270	0.300
Police Pension	0.238	0.254	0.262	0.278	0.293
Debt Service	0.149	0.146	0.077	0.064	0.070
Total Village of Palatine	1.249	1.296	1.144	1.133	1.227
School Districts					
Palatine CCSD No. 15	3.618	3.807	3.486	3.564	3.955
Junior College No. 512	0.425	0.443	0.403	0.409	0.457
Township HSD No. 211	2.922	3.044	2.749	2.787	3.020
Park District	0.657	0.693	0.633	0.650	0.711
Library District	0.276	0.291	0.344	0.353	0.388
County					
County of Cook	0.496	0.489	0.454	0.453	0.446
Forest Preserve	0.062	0.060	0.059	0.580	0.580
Township					
Palatine Township	0.055	0.059	0.055	0.550	0.060
General Assistance	0.010	0.007	0.007	0.007	0.008
Road and Bridge	0.078	0.080	0.072	0.068	0.074
Other Districts					
Northwest Mosquito	0.010	0.011	0.010	0.010	0.011
Sanitary District	0.402	0.396	0.389	0.500	0.382
Elections (ELCO)	0.031	-	0.030	-	0.019
TOTAL TAX RATE (2)	$ 10.291	$ 10.676	$ 9.835	$ 11.064	$ 11.338
SHARE OF TOTAL TAX LEVIED BY THE VILLAGE	12.14%	12.14%	11.63%	10.24%	10.82%

Notes:

(1) As a home rule unit under the 1970 Illinois Constitution, the VIllage has no statutory tax rate or levy limitations. Totals may not add due to rounding.

(2) Total rate shown is for the largest tax code which accounted for 78% of the Village's equalized assessed valuation.

Data Source
Office of the County Clerk

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

VILLAGE OF PALATINE, ILLINOIS

DISCLOSURES REQUIRED BY SEC RULE 15C2-12
TAX EXTENSIONS AND COLLECTIONS
December 31, 2022

Levy Year	Tax Levied	Collected Within the Fiscal Year of the Levy		Collections (Refunds) in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2012	$ 22,188,995	$ 21,661,897	97.62%	$ 309,238	$ 21,971,135	99.02%
2013	22,097,695	21,729,359	98.33%	(111,746)	21,617,613	97.83%
2014	21,983,368	21,698,390	98.70%	47,027	21,745,417	98.92%
2015	21,988,263	21,688,247	98.64%	(58,059)	21,630,188	98.37%
2016	21,989,040	21,682,685	98.61%	(15,099)	21,667,586	98.54%
2017	22,829,755	22,611,087	99.04%	66,644	22,677,731	99.33%
2018	23,056,901	22,678,380	98.36%	769,471	23,447,851	101.70%
2019	23,172,496	22,778,525	98.30%	486,825	23,265,350	100.40%
2020	23,252,356	22,649,070	97.41%	809,561	23,458,631	100.89%
2021	23,259,352	17,947,590	77.16%	-	17,947,590	77.16%

Note:
Cook County property taxes are payable in two installments: the first on March 1, and the second on the latter of August 1 or 30 days after the mailing of the tax bills. The first installment is an estimated bill and is 55% of the prior year's bill. The second installment is based on the current levy, assessment and equalization and reflects any changes from the prior year in those factors.

Data Source
Office of the County Treasurer

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

DISCLOSURES REQUIRED BY SEC RULE 15C2-12
TAX BASE DISTRIBUTION BY PROPERTY CLASSIFICATION
December 31, 2022

Property Classification (1)	2017	2018	2019	2020	2021
Residential	$ 1,503,316,838	$ 1,463,225,616	$ 1,616,703,874	$ 1,611,474,223	$ 1,486,924,813
Commercial	261,662,095	254,339,800	344,315,040	364,626,790	343,380,900
Industrial/Railroad/Farm	62,863,747	61,515,897	72,514,158	76,435,802	65,321,561
Net for General Taxing Purposes	1,827,842,680	1,779,081,313	2,033,533,072	2,052,536,815	1,895,627,274
Incremental Valuation (2)	108,242,637	111,848,301	170,232,002	228,625,586	215,116,389
Total for all Taxing Purposes	$ 1,936,085,317	$ 1,890,929,614	$ 2,203,765,074	$ 2,281,162,401	$ 2,110,743,663
Percentage Increase	2.0%	-2.3%	16.5%	3.5%	-7.5%

Notes:

(1) Property in Cook County is separated into two primary classifications for assessment purposes (10% for residential and 25% for commercial property). After the assessor establishes the fair market value of a parcel of land, the value is multiplied by one of the classification percentages to arrive at the assessed valuation for that parcel. The Illinois Department of Revenue furnishes each county with an adjustment factor (the equalization factor) to equalize the level of assessment between counties. After the equalization factor is applied, the valuation of the property for taxing purposes has been established-tax rates are applied to the equalized valuation.

(2) The Village's tax rate is calculated based on the Village's net equalized assessed valuation (shown in this table as "Net for General Taxing Purposes") and is extended against its entire Equalized Assessed Valuation (shown in this table as "Total for all Taxing Purposes") excluding only the statutory exemptions. Of the taxes collected, that portion applicable to incremental valuation (valuation of tax increment districts) is remitted to the Village by the County Collector for deposit in the applicable tax allocation fund. The Equalized Assessed Valuation for which the Village receives its portion of the total tax rate for all non-TIF purposes is shown in this table as "Net for General Taxing Purposes".

Data Source

Office of the County Clerk

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

DISCLOSURES REQUIRED BY SEC RULE 15C2-12
TEN LARGEST TAXPAYERS
December 31, 2022

Taxpayer		Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Valuation
Albion on Lake Cook	Multi-Family Housing	$ 20,954,477	1	1.11%
United Parcel Service	Delivery	15,635,156	2	0.82%
Weber Stephen Products	Manufacturing	13,819,132	3	0.73%
TMIF II Clayson LLC	Multi-Family Housing	12,977,201	4	0.68%
Wal Mart	Retail Store	11,455,301	5	0.60%
Palatine Fresh Market	Retail Store	10,849,085	6	0.57%
Deer Grove Centre	Commercial Real Estate	8,452,510	7	0.45%
Realty Income Group	Commercial Real Estate	8,407,560	8	0.44%
Target	Retail Store	8,389,544	9	0.44%
CR Northwest LLC	Commercial Real Estate	8,250,993	10	0.44%
		$ 119,190,959		6.28%

Note:
Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2021 is the most current available.

Data Source
Office of the County Treasurer

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

DISCLOSURES REQUIRED BY SEC RULE 15C2-12
GENERAL FUND
December 31, 2022

Summary Statement of Revenue, Expenditures and Changes in Fund Balance (1)
(Fiscal Year Ending December 31, 2018 - 2022)

	2018	2019	2020	2021	2022	CY 2023 Budget (2)
REVENUES						
Taxes	$ 26,718,556	$ 26,719,977	$ 27,921,769	$ 30,897,540	$ 30,700,058	$ 13,716,884
Licenses and permits	3,226,870	3,609,532	3,148,869	4,011,603	3,137,925	1,836,000
Intergovernmental	19,534,046	21,290,467	22,111,733	26,501,973	29,407,004	20,552,639
Charges for services	4,515,911	4,647,540	3,587,245	4,132,742	7,725,730	5,713,580
Fines and forfeits	1,936,416	1,681,635	1,196,453	1,498,459	1,198,466	2,227,000
Investment income	567,404	697,884	289,279	96,279	(55,988)	25,000
Miscellaneous	451,983	456,818	487,681	493,257	506,943	1,625,000
Transfers	-	-	930,980	75,782	-	-
Total revenues	56,951,186	59,103,853	59,674,009	67,707,635	72,620,138	45,696,103
EXPENDITURES						
General government	5,129,280	5,190,804	4,915,571	4,395,811	4,937,310	7,957,055
Public safety	43,471,946	45,411,561	46,692,238	47,914,355	53,447,375	52,314,868
Public works	6,065,407	6,212,413	6,219,908	6,291,028	6,801,488	7,599,425
Transfers	780,566	2,856,860	-	60,000	1,769,480	-
Total expenditures	55,447,199	59,671,638	57,827,717	58,661,194	66,955,653	67,871,348
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,503,987	(567,785)	1,846,292	9,046,441	5,664,485	$(22,175,245)
FUND BALANCE, JANUARY 1	23,380,289	24,884,276	24,316,491	26,162,783	35,209,224	
FUND BALANCE, DECEMBER 31	$ 24,884,276	$ 24,316,491	$ 26,162,783	$ 35,209,224	$ 40,873,709	

Notes:

(1) See Note 1 to the "Combined Statement-All Funds" table for auditor's basis of accounting, etc.

(2) Budgets are adopted on a basis consistent with generally accepted accounting principles. The Village Manager prepares a proposed budget which is presented to the Village Council for review and adoption after public hearings. The Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of a fund must be approved by the Village Council. The Manager regularly conducts quarterly reviews and initiates supplemental appropriations as necessary. The adopted Village Budget is based on the use of the budgetary tool known as "Target Budgeting". The target budget is a tool to involve department heads, municipal administrators, finance officers and policy officials in a joint effort to maximize the use of funds. This method of budgeting is a modification of zero based budgeting. It accepts the premise that the Village provides certain basic services and attempts to "target" funds for these basic service levels. Beyond the basic service levels, discretionary expenditures are identified, and then evaluated, prioritized and matched against available revenues. A shifting pattern of services can therefore be created wihtout inadvertent disruption of basic services.

Data Source

Village Records

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

DISCLOSURES REQUIRED BY SEC RULE 15C2-12
GENERAL FUND
December 31, 2022

Balance Sheet (1)
(December 31, 2018 - 2022)

	2018	2019	2020	2021	2022
ASSETS					
Cash and investments	$ 19,083,224	$ 19,975,689	$ 22,422,763	$ 31,204,940	$ 36,423,778
Receivables					
Property taxes	20,254,536	21,502,944	21,747,049	21,712,678	25,210,243
Other	841,524	881,082	917,803	959,236	1,444,472
Due from other governments	4,719,989	4,896,865	4,317,221	5,383,945	5,507,641
Accrued interest	98,235	122,305	47,525	8,361	9,784
Leases	-	-	-	251,214	113,175
Due from other funds	18,799	19,565	26,833	19,832	22,238
Prepaid expenses	75,000	72,764	36,689	72,800	76,447
Advance to other funds	3,663,890	2,817,085	1,927,940	994,340	-
TOTAL ASSETS	$ 48,755,197	$ 50,288,299	$ 51,443,823	$ 60,607,346	$ 68,807,778
LIABILITIES					
Accounts payable	$ 498,390	$ 651,498	$ 1,205,985	$ 1,085,450	$ 2,728,427
All other liablilities	2,139,693	2,953,183	1,608,057	1,740,695	3,854,250
TOTAL LIABILITIES	2,638,083	3,604,681	2,814,042	2,826,145	6,582,677
DEFERRED INFLOWS OF RESOURCES					
Deferred property taxes	20,254,536	21,502,944	21,719,178	21,712,678	20,757,678
Unavailable revenue	978,302	864,183	747,820	629,258	508,273
Lease items	-	-	-	230,041	85,441
TOTAL DEFERRED INFLOWS OF RESOURCES	21,232,838	22,367,127	22,466,998	22,571,977	21,351,392
FUND BALANCES					
Nonspendable	3,738,890	2,889,849	2,023,377	1,067,140	76,447
Assigned	-	-	-	572,744	374,387
Unassigned	21,145,386	21,426,642	24,139,406	33,569,340	40,422,875
TOTAL FUND BALANCES	24,884,276	24,316,491	26,162,783	35,209,224	40,873,709
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 48,755,197	$ 50,288,299	$ 51,443,823	$ 60,607,346	$ 68,807,778

Note:

(1) See Note 1 to the "Combined Statement-All Funds" table for auditor's basis of accounting, etc.

Data Source

Village Records

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

DISCLOSURES REQUIRED BY SEC RULE 15C2-12
COMBINED STATEMENT - ALL FUNDS (1)
December 31, 2022

Fund Balances/Net Position

	2018	2019	2020	2021	2022
Governmental Fund Types					
General	$ 24,884,276	$ 24,316,491	$ 26,221,531	$ 35,209,224	$ 40,873,709
Special Revenue	19,325,611	19,603,949	19,800,091	24,670,139	27,366,556
Debt Service	228,620	124,657	135,684	130,744	2,067,099
Capital Projects	10,817,419	11,354,671	10,805,047	12,134,442	12,516,610
	55,255,926	55,399,768	56,962,353	72,144,549	82,823,974
Proprietary Fund Types					
Enterprise Funds	60,270,076	64,597,840	70,336,830	73,866,956	78,581,018
Internal Service Funds	6,682,329	6,606,341	6,150,802	5,576,990	5,265,792
	66,952,405	71,204,181	76,487,632	79,443,946	83,846,810
Fiduciary Fund Types					
Pension Trust	141,589,194	170,479,283	194,042,918	219,586,212	190,234,577
Total All Funds (Memo Only)	$ 263,797,525	$ 297,083,232	$ 327,492,903	$ 371,174,707	$ 356,905,361

Cash and Investments

	2018	2019	2020	2021	2022
Fund					
General	$ 19,083,224	$ 19,975,689	$ 19,975,689	$ 31,204,940	$ 36,423,778
Special Revenue	16,648,905	17,924,211	17,924,211	28,003,355	29,849,833
Debt Service	228,620	124,657	124,657	130,744	1,681,940
Capital Projects	10,741,026	10,974,219	10,974,219	11,955,482	12,165,758
Enterprise Funds	15,771,557	17,909,059	17,909,059	19,220,142	17,059,033
Internal Service Funds	8,930,375	9,348,561	9,348,561	7,439,842	6,244,272
Pension Trust	141,231,470	169,673,169	169,673,169	219,193,877	6,749,322
Total All Funds (Memo Only)	$ 212,635,177	$ 245,929,565	$ 245,929,565	$ 317,148,382	$ 110,173,936

Notes:

(1) These condensed financial statements for the years ending December 31, 2018 - 2022, have been prepared from the full Annual Comprehensive Financial Reports (ACFR) of the Village of Palatine and do not purport to be complete audits. The full financial statements, together with the report of the Village's independent accountants, are included herewith. The financial statements of the Village have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental funds are accounted for using the modified accrual basis of accounting, with revenues being recorded when they become measurable and available as net current assets and expenditures recognized when the related fund liability is incurred. The accrual basis of accounting is used for proprietary and pension trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. The Village's ACFR for the fiscal year ended December 31, 2022, included an unmodified "Report of Independent Auditors". Similar unmodified opinions were included in the Village's ACFRs for the fiscal years ended December 31, 2018 - 2021. The "Report of Independent Auditors" included in the latest audit states, in part: "In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Village of Palatine, Illinois, as of December 31, 2022, and the results of operations and cash flows of its proprietary and similar trust fund types for the year then ended in conformity with generally accepted accounting principles."

Data Source

Village Records

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

DISCLOSURES REQUIRED BY SEC RULE 15C2-12
CAPITAL ASSETS
December 31, 2022

	Governmental Activities	Business-Type Activities
Land	$ 11,565,020	$ 4,858,690
Land - Rights of way	139,806,925	-
Machinery and equipment	13,043,000	2,838,680
Buildings and improvements	52,208,475	23,888,305
Streets	34,991,650	-
Bridges	1,596,735	-
Sanitary sewer system	-	28,956,625
Storm sewer system	-	34,574,025
Water system	-	36,135,870
	253,211,805	131,252,195
Less: Accumulated depreciation	47,632,465	81,570,835
Net investment in capital assets	$ 205,579,340	$ 49,681,360

Data Source
Village Records

Attachment: 22 Final Audit - VO Palatine (CY 2022 Annual Audit)

Consider a Resolution Authorizing the Amendment of the Village of Palatine's Reserve Policy

BACKGROUND:
In 2001, the Village adopted the reserve policy. The first amendment to this policy was adopted in 2016. Given the recent economic difficulties with the pandemic, supply-chain interruptions, and high-inflation, Staff felt it fiscally prudent to review the policy for potential amendments.

KEY ISSUES:
The 2016 revision of the Reserve Policy set the prioritization of the disposition of "excess" reserves, while making no changes to the levels of each reserve category.

Over the past three to four years, with the recent national economic difficulties, supply chain issues, petroleum prices, etc., the adoption of the annual budget identified additional set-a-side of dollars to offset any pressures in these areas. Based upon a current review of balances and the current economic climate, Staff feels it is now appropriate to amend the policy to formalize our past actions in the Economic Stabilization Reserve (ESR), to establish an increased level in the ESR and to drop the other set-a-side funds.

Staff proposes to formalize the ESR at $2.5 million. This reflects:

1. The original $1.0 million from the original policy (2001).
2. An additional $1.5 million that has administratively been held in the ESR for several years.

No other changes are currently being proposed to the Reserve Policy.

ALTERNATIVES:

1. Adopt the amendment to the Reserve Policy.
2. Do not adopt the amendment to the Reserve Policy.

RECOMMENDATION:
Adopt the resolution amending the Village of Palatine Reserve Policy.

ACTION REQUIRED:
Motion to adopt a Resolution Authorizing the Amendment of the Village of Palatine's Reserve Policy.

ATTACHMENTS:

- 2023 Reserve Policy Resolution
- 2023 Reserve Policy

RESOLUTION NO. R-____-23

A RESOLUTION AUTHORIZING THE AMENDMENT OF THE VILLAGE OF PALATINE'S RESERVE POLICY

WHEREAS, on June 11, 2001, the Village of Palatine approved Resolution R-54-01 "A Resolution Authorizing the Adoption of the Village of Palatine's Reserve Policy"; and

WHEREAS, on August 8, 2016, the Village of Palatine approved Resolution R-25-16 "A Resolution Authorizing the Amendment of the Village of Palatine's Reserve Policy"; and

WHEREAS, the Village of Palatine continually reviews its financial management policies on a best practices approach; and

WHEREAS, the Government Finance Officers Association of the United States and Canada (GFOA) has adopted "recommended practices" that include the adoption of a policy on stabilization funds; and

WHEREAS, the Village of Palatine seeks to maintain its excellent bond rating and overall creditworthiness;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Village Council of the Village of Palatine, Cook County, Illinois, that:

SECTION 1: The Village of Palatine's Reserve Policy (as amended), attached hereto, is hereby adopted pursuant to a best practices approach to financial management.

DATED: This 12th day of June 2023

AYES: _____ NAYS: _____ ABSENT: _____ PASS: _____

APPROVED by me this 12th day of June 2023

_____
Mayor of the Village of Palatine

ATTESTED and FILED in the
office of the Village Clerk this
12th day of June 2023

_____
Village Clerk

Attachment: 2023 Reserve Policy Resolution (Reserve Policy)

VILLAGE OF PALATINE
RESERVE POLICY
JUNE 2023

1.0 Policy

It is the policy of the Village of Palatine to maintain the working capital and reserves (fund balance and retained earnings) of the various operating funds at levels sufficient to protect the Village's creditworthiness and provide for continued financial stability.

2.0 Operating Reserves

Exclusive of all other required reserves, operating reserves (unreserved & undesignated fund equity) shall be maintained in order to provide the capacity to:

a) offset significant downturns and revision in any general revenues; and

b) provide sufficient cash flow for daily financial needs.

The level of operating reserves shall be determined annually as follows:

2.1 General Fund

An operating reserve shall be maintained at a level sufficient to cover three to four months of budgeted operating expenditures.

2.2 Enterprise Funds

An operating reserve shall be maintained at a level sufficient to cover three to four months of budgeted operating expenditures.

2.3 Internal Service Funds

2.3.1 Fleet Services Fund

An operating reserve shall be maintained at a level sufficient to cover three months of budgeted operating expenses.

2.3.2 Self Insurance Fund

An operating reserve shall be maintained at Actuarially Determined Marginally Acceptable Levels. "Marginally acceptable levels" is an insurance actuarial term that connotes (in this context) a funding reserve level which the insurance industry has 70% confidence that it is adequate to meet funding needs.

Attachment: 2023 Reserve Policy (Reserve Policy)

VILLAGE OF PALATINE
RESERVE POLICY
JUNE 2023

3.0 Use of "Excess" Operating Reserves

Upon completion of the annual audit, should operating reserve levels exceed the level referred to above, the Finance Director and Village Manager shall provide a recommendation on their utilization to the Mayor & Village Council, as follows:

3.1 General Fund

The factors used to determine the permanent use of excess reserves shall include, but not be limited to:

a) Provide full funding to the Economic Stabilization Reserve.

b) Provide for the reduction of outstanding liabilities – i.e., additional payments toward unfunded pension liabilities, or paying down other outstanding municipal obligations/liabilities.

c) Provide direct tax levy relief – i.e., a direct tax levy abatement for debt service.

d) Provide additional funding for investment in capital.

3.2 Enterprise and Internal Service Funds

Excess reserves shall be considered in the formulation of the succeeding years' service rates.

4.0 Economic Stabilization Reserve

An Economic Stabilization Reserve shall be created and maintained in the General Fund at a specified dollar amount as determined from time to time by the Mayor & Village Council. At the time of adoption of this policy, the Economic Stabilization Reserve shall be set at $2,500,000.

The Economic Stabilization Reserve shall only be used to provide funding to bridge a revenue gap to be resolved by either implementing a new recurring revenue source or a planned reduction in expenditure levels.

Attachment: 2023 Reserve Policy (Reserve Policy)

VILLAGE OF PALATINE
RESERVE POLICY
JUNE 2023

5.0 Maintenance of Reserves

Generally, the reserve balances are dictated by:

- cash flow requirements to support operations;
- relative rate stability from year to year for enterprise funds;
- susceptibility to emergency or unanticipated expenditure;
- creditworthiness and capacity to support debt service requirements;
- legal or regulatory requirements affecting revenues, disbursements, and fund balances; and
- reliability of outside revenues.

After completion of the annual audit, if any reserve specified in Section 2 of this policy falls below the established minimum threshold, the Village Manager shall submit a plan to the Mayor & Village Council that restores the reserve to its prescribed level within one year.

6.0 Accumulation of Funds

While this policy seeks to set parameters for the Village's reserve balances, it does not limit the Village's ability to accumulate funds to provide internal financing for major additions to capital infrastructure that would otherwise be financed externally.

7.0 Authorization

The Mayor & Village Council must take specific action to appropriate the use, other than daily cash flow requirements, of any reserve specified in this policy.

8.0 Public Availability

This policy shall be made available to the public at the administrative offices of the Village at 200 East Wood Street, Palatine, Illinois.

9.0 Reserve Policy Adoption

The Village's reserve policy shall be adopted by resolution of the Mayor & Village Council. This policy shall be reviewed periodically by the Village Manger and Finance Director and any proposed modifications thereto must be approved by the Mayor & Village Council.

Attachment: 2023 Reserve Policy (Reserve Policy)

Consider a Motion to Accept Staff Recommendations for CY 2022 Reserves

BACKGROUND:
Staff has presented the CY 2022 annual audit and a proposed update to the Reserve Policy. The result of these two actions provides the opportunity to consider the appropriate use of any surplus money within the General Fund.

Tonight's discussion is to brief the Mayor and Council on the balance of excess General Fund reserves at the end of CY 2022 and discuss Staff's recommendation on the allocation of these reserves.

KEY ISSUES:
The Village ended CY 2022 with $40.9 million in General Fund balance (reserves). After consideration of the planned use of reserves in the 2023 budget, there is an "available" reserve balance of $40.5 million. Staff is recommending these $40.5 million in reserves be allocated as follows:

- **$23.1 million** - Operating Reserve (4 months of operations) **- Per Policy**
- **$2.5 million** - Economic Stabilization - **per previous agenda item.**
- **$3.0 million** - Balance of Unfunded Pension Liability Paydown Program **committed in CY 2022**. $3M was transferred in CY 2022 and $750K is budgeted for each of the next four years for a total of $6.0 million over five years.
- **$11.9 million** - Debt Service Reserve. This positions the Village to:
  - Call and redeem the 2020 Bond Issue on 12/01/2028 - realizing a savings of approximately $1.0 million in interest expense.
  - Have the dollars on deposit to pay all debt service from 12/01/2026 to 12/01/2029.
  - Eliminate future planned transfers of $1,642,000 in CY 2026 & CY 2027 to the Debt Service Reserve - freeing up those resources for Additional Pension Payments to accelerate the pay-down of the unfunded liability.
  - Stop levying taxes for Debt Service effective with the 2025 Levy collected in 2026 - a reduction of $2.45 million in the levy that can be allocated to:
    - Additional Pension Payments to accelerate the pay-down of the unfunded liability; and/or
    - Capital Project Reserves; and/or
    - Permanent Property Tax relief.

In summary, the above recommendation would position the Village to be debt-free no later than 2026, in that 100% of the dollars to retire the bonds will be in a dedicated reserve account. Further, it saves the Village $1 million in interest payments; provides an additional $3.28 million to supplemental pension payments over the five-year commitment, bringing total supplemental payments to $9.28 million. Additionally, this would allow the Council in 2026 to determine the appropriate use of tax levy dollars that were otherwise committed to debt service.

ALTERNATIVES:
1. Accept Staff Recommendations related to fund reserve allocations.
. Refer back to Staff with comments.

RECOMMENDATION:
Accept Staff Recommendations.

ACTION REQUIRED:
Motion to accept Staff Recommendations.

Consider an Ordinance Amending Chapter 2, Division 2, Section 2-481, Issuance of Bonds, Authority of the Code of Ordinances of the Village of Palatine

BACKGROUND:
The Village's bonding authority has expanded over the years to accommodate various important programs including Flood Control, Economic Development, and Provision of Lake Michigan Water.

KEY ISSUES:
As these programs have been either completed or shifted to pay-as-you-go funding by the current administration, and the outstanding bonds issued for these programs will be fully paid-off within the next several years, it is appropriate to consider making amendments to the Village's Bonding Authority. The proposed amendments are as follows:

- Eliminate the current "exceptions" to exceed the statutory 3% of EAV limitation for outstanding bonds.
- Provide for various levels of authority:
  - A simple majority vote for debt up to 1.5% of EAV - Currently up to $28.4M.
  - A 2/3 vote for debt from 1.5% to 3.0% of EAV - Currently up to $56.8M.
- Require a 2/3 vote for any new exceptions, which exceptions must:
  - Identify the specific purpose of borrowing.
  - Identify the source of revenues to pay debt service.
  - Identify the specific termination date of exemption borrowing.
- Require a 2/3 vote for any change to the borrowing capacity ordinance.

Staff believes these changes will still provide future Village Councils with flexibility to meet identified and agreed upon capital needs while requiring open dialogue and discussion related to extraordinary bonding needs.

RECOMMENDATION:
Staff recommends approval of the Ordinance amending Section 2-481.

ACTION REQUIRED:
Approval of the Ordinance amending Section 2-481.

ATTACHMENTS:

- Ord Amending Bond Authority
- DIVISION 2 - Bond Issuance (Final)

ORDINANCE NO. O - ____ - 23

AN ORDINANCE AMENDING CHAPTER 2, DIVISION 2, SECTION 2-481 - ISSUANCE OF BONDS, AUTHORITY OF THE CODE OF ORDINANCES OF THE VILLAGE OF PALATINE

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Village Council of the Village of Palatine, Cook County, Illinois, acting in the exercise of their home rule power, that:

SECTION 1: The Code of Ordinances, of the Village of Palatine, Illinois, as amended, be and the same is hereby further amended by amending Chapter 2, Division 2, Section 2-481 – Issuance of Bonds, Authority, which shall be read as indicated on Exhibit "A".

SECTION 2: The Village Clerk is directed to maintain a record of the modifications to the existing ordinance (a redlined version of the modifications approved pursuant to this Ordinance).

SECTION 4: This ordinance shall be in full force and effect from and after its passage and approval as provided by law.

PASSED: This 12th day of June 2023

AYES: _____ NAYS: _____ ABSENT: _____ PASS: _____

APPROVED by me this 12th day of June 2023

_____
Mayor of the Village of Palatine

ATTESTED and FILED in the
Office of the Village Clerk this
12th day of June 2023

_____
Village Clerk

Attachment: Ord Amending Bond Authority (Amend Bonding Authority)

DIVISION 2. ISSUANCE OF BONDS*

***State law reference(s) --**For provisions controlling municipal bonds see 65ILCS5/8-1-1 et seq.

Sec. 2-481. Authority.

(a) The village, acting by its Mayor and Council, by vote of the Corporate Authorities then holding office, may from time to time borrow money for proper public purposes and in evidence of such borrowing issue its full faith and credit bonds (general obligation) payable from ad valorem taxes to be levied without limitation as to rate or amount against all taxable property situated within the village, exclusive of any bonds issued after submitting the question of their issuance to the electors of the village for their approval.

Should said amount which, when added to the aggregate principal amount of all then outstanding general obligation bonds so issued without referendum, does not exceed an amount equal to one and one-half (1½%) percent of the most recent equalized assessed valuation of all of the taxable property in the village, the required vote of the Corporate Authorities shall be a simple majority vote of the Corporate Authorities then holding office.

Should said amount which, when added to the aggregate principal amount of all then outstanding general obligation bonds so issued without referendum, exceeds one and one-half (1½%) percent but does not exceed three (3%) percent, the required vote of the Corporate Authorities shall be a two-thirds (2/3) of the Corporate Authorities then holding office.

Such bonds may be issued without the submission of the question of their issuance to the electors of the village for their approval.

Attachment: DIVISION 2 - Bond Issuance (Final) (Amend Bonding Authority)

(b) In addition, the village, acting by its Mayor and Village Council, by vote of a majority of the corporate authorities then holding office may from time to time borrow money for proper public purposes and in evidence of such borrowing issue its full faith and credit bonds (general obligation) payable from ad valorem taxes to be levied without limitation as to rate or amount against all taxable property situated within the village if the question of authorizing such bonds has been submitted to the electors of the village and approved by a majority of the electors voting on that question. The question of issuing bonds may be submitted by the Mayor and Village Council of the village at any state or municipal election or at any special election called for that purpose. The submission of any such question and the call of any such special election shall be in the form and in the manner as prescribed by the Mayor and Village Council of the village. The procedures for the issuance of such bonds shall be substantially as herein provided.

(c) Any bond issue or portion thereof issued pursuant to an advisory referendum held prior to the issuance of such bonds shall be deemed to have been issued pursuant to referendum as provided in this section. In the event a portion of a bond issue is issued pursuant to referendum, that portion corresponding to the amount voted upon shall be deemed issued pursuant to the first two sentences of this section.

(d) Any exception to the limits set forth in Section A, shall be specifically enumerated in this Section D and be approved by a vote of two-thirds (2/3) of the Corporate Authorities then holding office. Any exception shall specifically identify the purpose for the borrowing including, but not limited to the total dollar amount to be borrowed, the source of revenues to pay the required principal and interest on any such borrowing, and a specific date at which such borrowing authority shall terminate.

(e) Any change to sections a through d of this chapter shall require a two-thirds (2/3) vote of the Corporate Authorities.

Attachment: DIVISION 2 - Bond Issuance (Final) (Amend Bonding Authority)

Consider a Resolution Amending the Village of Palatine Investment Policy

BACKGROUND:
The Public Funds Investment Act (30 ILCS 235) requires the Village to have an Investment Policy. The Investment Policy was adopted in 1999 and was last amended in 2019.

KEY ISSUES:
This amendment updates the language in the collateralization section to allow for a broader range of acceptable collateral in conjunction with banking best practices. This amendment will allow for a less expensive type of collateral, which in turn will increase the earnings credit rate the Village receives on its deposits with banking institutions. Specifically, it will now allow for a Federal Home Loan Bank (FHLB) Letter of Credit to be utilized as collateral. Key aspects of an FHLB LOC are:

- The FHLB is highly rated by both S&P and Moody's Ratings Services.
- Unlike securities, FHLB LOC's do not fluctuate in value.
- An FLHB LOC cannot be called or revoked prior to the stated expiration date.
- An FHLB LOC can be quickly and efficiently drawn upon, if required.

There were no other substantive changes made to the Investment Policy.

RECOMMENDATION:
Approve the attached resolution amending the Village of Palatine Investment Policy.

ACTION REQUIRED:
Approval of the resolution amending the Village of Palatine Investment Policy.

ATTACHMENTS:

- Investment Policy Resolution - 2023
- Investment Policy - 2023

RESOLUTION NO. R - _____ - 23

A RESOLUTION ADOPTING
THE VILLAGE OF PALATINE INVESTMENT POLICY

WHEREAS, the Village of Palatine adopted its Investment Policy as required by the Illinois Public Funds Investment Act (30 ILCS 235) by Village of Palatine Resolution R-104-99 on December 13, 1999; and

WHEREAS, Section 17.0 of the Investment Policy calls the periodic review of the contents of the Investment Policy; and

WHEREAS, the Director of Finance & Operations has completed a review of the Investment Policy;

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and Village Council of the Village of Palatine, that:

SECTION 1: The Village of Palatine's Investment Policy, attached hereto, is hereby adopted pursuant to the Public Funds Investment Act (30 ILCS 235).

ADOPTED: This 12th day of June 2023

AYES: _____ NAYS: _____ ABSENT: _____ PASS: _____

APPROVED by me this 12th day of June 2023.

_____
Mayor of the Village of Palatine

ATTESTED and FILED in the
Office of the Village Clerk this
12th day of June 2023

_____
Village Clerk

Attachment: Investment Policy Resolution - 2023 (Investment Policy)

VILLAGE of PALATINE

INVESTMENT POLICY

1.0 Policy

It is the policy of the Village of Palatine to invest funds in a manner which will provide the highest investment return with the maximum security while meeting the cash flow demands of the Village and conforming to all state statutes governing the investment of public funds.

2.0 Scope

This policy applies to the investment activities of all funds of the Village of Palatine, except for the Police Pension Fund and Firefighters' Pension Fund. The Village Treasurer shall be primarily responsible for the Police Pension Fund and Firefighters' Pension Fund as guided by separately adopted Investment Policies of each of those Funds' Pension Board. The Director of Finance & Operations, or his/her designee, shall be primarily responsible for all non-pension funds of the Village.

2.1 Funds

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Projects Funds
- Enterprise Funds
- Internal Service Funds
- Trust and Agency Funds

3.0 Prudence

Investments shall be made with the care, skill, prudence, and diligence, under circumstances then prevailing, that a "prudent person" acting in like capacity and familiar with such matters would use in the conduct of an enterprise of like character with like aims considering the probable safety of their capital as well as the probable income to be derived.

4.0 Objective

The primary objective, in priority order, of the Village of Palatine investment activities shall be:

4.1 Safety

Safety of principal is the foremost objective of the investment program. Investments of the Village shall be undertaken in such a manner that seeks to insure the preservation of capital in the portfolio.

Attachment: Investment Policy - 2023 (Investment Policy)

4.1.1 Credit Risk

Credit risk is the risk of loss due to the failure of the security issuer or backer. Credit risk may be mitigated by:

- Limiting investments to the safest types of securities,
- Pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which an entity will do business, and
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

4.1.2 Interest Rate Risk:

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. Interest rate risk may be mitigated by:

- 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
- By investing funds required for cash flow purposes in shorter-term securities.

4.2 Liquidity

The investment portfolio shall remain sufficiently liquid to meet all cash flow requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity).

4.3 Return on Investments

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Each investment transaction should seek to ensure that capital losses are avoided. Securities shall not be sold prior to maturity with the following exceptions:

- a declining credit security could be sold early to minimize loss of principal;
- a security swap would improve the quality yield, or target duration in the portfolio; or
- liquidity needs of the portfolio require that the security be sold.

Attachment: Investment Policy - 2023 (Investment Policy)

VILLAGE of PALATINE

INVESTMENT POLICY

5.0 Delegation of Authority

Authority to manage the Village of Palatine investment program is derived from the following:

Responsibility for the investment program of the Village of Palatine is hereby delegated to the Director of Finance & Operations, or his/her designee, who shall use these written procedures for the operation of the Investment Program consistent with this Policy. Procedures shall include references to safekeeping, delivery vs. payment, investment accounting, wire transfer agreements, and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under terms of this Policy. The Director of Finance & Operations shall be responsible for all transactions undertaken and shall establish a system of accounting controls to regulate the activities of subordinate officials. The Director of Finance & Operations may from time to time amend the written procedures in a manner not inconsistent with this policy or with state statutes.

6.0 Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that conflicts or may conflict with the proper execution and management of the investment program or impairs or may impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to performance of the investment portfolio. Officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Village. Except for pecuniary interests permitted under subsection (f) of Section 3-14-4 of the Illinois Municipal Code or under Section 3.2 of the Public Officer Prohibited Practices Act, no person acting as treasurer or financial officer or who is employed in any similar capacity by the Village, may do any of the following:

- have any interests, directly or indirectly, in any investments in which the Village is authorized to invest;
- have any interests, directly or indirectly, in the sellers, sponsors or manager of those investments; or
- receive, in any manner, compensation of any kind from any investments in which the agency is authorized to invest.

7.0 Authorized Financial Dealers and Institutions

The Village will maintain a list of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by credit worthiness. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission Rule 150-1 (uniform net capital rule). No public deposit shall be made except on a qualified public depository as established by state statutes.

Attachment: Investment Policy - 2023 (Investment Policy)

VILLAGE of PALATINE

INVESTMENT POLICY

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Village with the following:

- audited financial statements
- proof of National Association of Security Dealers (NASD) certification
- proof of state registration
- completed broker/dealer questionnaire
- certification of having read the Village's investment policy
- depository contracts

If for any reason the information furnished is considered by the Village to be insufficient, the Village may request additional data. The refusal of any institution to provide such data upon request may serve as sufficient cause for the withdrawal of Village funds.

A current audited financial statement is required to be on file for each financial institution and broker/dealer in which the village invests.

8.0 Authorized and Suitable Investments

The Village may invest in any type of security allowed for in Illinois Compiled Statutes regarding the investment of public funds and subject to the restrictions contained in 30 ILCS 235, and specifically, Section 235/2. Approved investments include:

8.1 Bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest.

8.2 Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies. For the purposes of this section, "agencies of the United States of America" includes:

- The Federal National Mortgage Association;
- Federal land banks, federal intermediate credit banks, federal farm credit banks, and any other entity authorized to issue direct obligations of the United States of America under the Farm Credits Act of 1971 or amendments to that Act;
- Federal home loan banks and the Federal Home Loan Mortgage Corporation; and
- Any agency created by an Act of Congress that is authorized to issue direct debt obligations on the United States of America.

8.3 Interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act.

Attachment: Investment Policy - 2023 (Investment Policy)

8.4 Short-term obligations of corporations organized in the United States with assets exceeding $500,000,000 provided that

- such obligations are rated at the time of purchase at one of the 3 highest classifications established by at least 2 standard rating services and which mature not later than 3 years from the date of purchase,
- such purchases do not exceed 10% of the corporation's outstanding obligations, and
- no more than one-third of the public agency's funds may be invested in short term obligations of corporations.

8.5 Money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market mutual fund is limited to obligations described in paragraph (8.1) or (8.2) of this subsection and to agreements to repurchase such obligations.

8.6 Interest bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district. The bonds shall be registered in the name of the municipality or held under a custodial agreement at a bank. The bonds shall be rated at the time of purchase within the 4 highest general classifications established by a rating service of nationally recognized expertise in rating bonds of states and their political subdivisions.

8.7 Investments may be made only in banks, which are insured by the Federal Deposit Insurance Corporation. Short term discount obligations of the Federal National Mortgage Association or shares or other forms of securities legally issuable by savings banks or savings and loan associations incorporated under the laws of this State or any other state or under the laws of the United States. Investments may be made only in those savings banks or savings and loan associations the shares, or investment certificates of which are insured by the Federal Deposit Insurance Corporation. Any such securities may be purchased at the offering or market price thereof at the time of such purchase.

8.8 Dividend-bearing share accounts, share certificate accounts or class of share accounts of a credit union chartered under the laws of this State or the laws of the United States; provided, however, the principal office of any such credit union must be located within the State of Illinois. Investments may be made only in those credit unions the accounts of which are insured by applicable law.

8.9 Public Treasurers' Investment Pool created under Section 17 of the State Treasurer Act. Also, any fund managed, operated, and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company or use the services of such an entity to hold and invest or advise regarding the investment of any public funds.

Both the Director of Finance & Operations and the Village Treasurer will report in writing to the Village Council any intended major shift in investment instruments, portfolio structure or investment institutions before taking said action so that the Council might review said intentions.

Attachment: Investment Policy - 2023 (Investment Policy)

VILLAGE of PALATINE

INVESTMENT POLICY

The Village will specifically avoid any purchases of financial forwards or futures, any leveraged investments, lending securities or reverse repurchase agreements. Repurchase agreements will only be purchased if specific securities are under the control of the Village of Palatine.

9.0 Collateralization

It is the policy of the Village that funds on deposit in excess of FDIC limits, or investments not guaranteed by the United States of America, or any agency of the United State of America be secured by some form of collateral. The Village shall enter into a collateral agreement with the applicable financial institutions; the agreement shall outline the types of assets that may be utilized as collateral, the amount of collateral required and the methodology. The amount of collateral provided will be not less than 110% of the fair market value of the net amount of public funds secured.

10.0 Safekeeping and Custody

Third party custody is required for all securities. Securities can be held at a Federal Reserve Bank or its branch office, by an escrow agent of the pledging institution, at another custodial facility or at a financial institution on the Illinois State Treasurer's approved list of safekeeping banks

11.0 Diversification

In order to reduce the risk of default, the investment portfolio of the Village shall not exceed the following diversification limits unless specifically authorized by the Council:

- No financial institution shall hold more than 10% of the Village of Palatine's investment portfolio, exclusive of U. S. Treasury securities held in safekeeping and The Illinois Funds, which is the primary investment vehicle for short-term funds**.**
- Commercial paper shall not exceed 10% of the Village's investment portfolio.

12.0 Maximum Maturities

Investments shall mature or be redeemable on a date or dates prior to the time when, in the judgment of the Village, the public funds so invested will be required for expenditure by the Village. The expressed judgment of the Village as to the time when any public funds will be required for expenditure or be redeemable is final and conclusive.

13.0 Internal Controls

The Director of Finance & Operations is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Village are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of the

Attachment: Investment Policy - 2023 (Investment Policy)

control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits require estimates and judgments by management.

Accordingly, the Director of Finance & Operations shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion, including, but not limited to, procedures to assure approval of transactions by a second party prior to execution. For example, the Treasurer shall review and approve all non-pension fund transactions.
- Separation of transaction authority from accounting and record keeping.
- Custodial safekeeping.
- Avoidance of physical delivery securities.
- Clear delegation of authority to subordinate staff members.
- Written confirmation of telephone transactions for investments and wire transfers.

14.0 Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. Portfolio performance should be compared to appropriate benchmarks on a regular basis.

14.1 Market Yield (Benchmark)

The Village's investment strategy is passive. Given this strategy, the basis used by the Village to determine whether market yields are being achieved shall be the three-year U.S. Treasury Note.

15.0 Reporting

The Director of Finance & Operations, or his/her designate, shall prepare a quarterly investment report, including a succinct management summary that provides a clear picture of the status of the current investment portfolio. This management summary will be prepared in a manner, which will allow the entity to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the Village Manager, Village Treasurer, and Village Council.

15.1 Mark to Market

In accordance with GASB Statement Number 31, the Village will account for and report its investments at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Attachment: Investment Policy - 2023 (Investment Policy)

VILLAGE of PALATINE

INVESTMENT POLICY

16.0 Public Availability

This investment policy shall be made available to the public at the administrative offices of the Village at 200 East Wood Street, Palatine, Illinois.

17.0 Investment Policy Adoption

The Village's investment policy shall be adopted by resolution of the Village Council. This policy shall be reviewed periodically by the Director of Finance & Operations and any proposed modifications thereto must be approved by the Village Council.

Attachment: Investment Policy - 2023 (Investment Policy)

Consider an Ordinance Transferring Special Use #O-87-12 to Permit the Continued Operation of a Yoga Studio at 1 N. Bothwell Street

BACKGROUND:
The Subject Property previously contained “New Level Hot Yoga”, which closed less than 6 months ago. Payton Kiely, of Peak Yoga and Wellness, LLC, is requesting a transfer of the existing Special Use to permit the continued operation of a yoga studio at this location. Therefore, the Petitioner is requesting approval of the following:

> **Transfer of Special Use Ordinance #O-87-12 to Payton Kiely (Peak Yoga and Wellness, LLC) to permit the continued operation of a Yoga Studio at 1 N. Bothwell Street.**

KEY ISSUES:
- A Special Use for the yoga studio was originally approved in 2012. The original Special Use was most recently transferred in 2014, per Ordinance #O-127-14.
- The Petitioner is not proposing any changes to the floor plan. Per the proposed business plan, the hours of operation would increase from 6:30 PM to 8:30 PM on Mondays - Thursdays and Sundays. As this extension in hours occurs outside the hours of operation of the majority of the surrounding businesses, impacts on parking should be limited. In addition, the tenant space has access to the existing parking lot located directly east of the building.

ALTERNATIVES:
1. Recommend approval of the Special Use Transfer.
2. Do not recommend approval of the Special Use Transfer.

RECOMMENDATION:
Staff recommends approval of the Special Use Transfer at 1 N. Bothwell Street.

ACTION REQUIRED:
A motion transferring Special Use Ordinance #O-87-12 to Payton Kiely, Peak Yoga and Wellness, LLC, to permit the continued operation of a yoga studio at 1 N. Bothwell Street.

Consider an Ordinance Granting a Minor Amendment to Allow a Business Plan and Floor Plan Amendment to Special Use #O-15-21 at Madcats (117 W. Slade Street)

BACKGROUND:
The Subject Property contains a multi-tenant building on Slade Street. Madcats restaurant/bar and live entertainment venue received Special Use approval in February 2021

KEY ISSUES:

- The existing Special Use was approved with an auxiliary room (disconnected from the main tenant area, accessed via a shared hallway), which allowed for in-person dining, with a server attending. The Petitioner also contemplated using the auxiliary room for Special Events. Although the initial Special Use allowed limited use of the auxiliary room, the space was never utilized by Madcats.
- The owner of Madcats is now requesting a Minor Amendment to their Special Use to allow the placement of a pool table and stools in the auxiliary room. Restaurant service would be provided to the auxiliary room and the room would be monitored from the main restaurant/bar area via a surveillance camera.
- As a condition of approval, the proposed hours of operation would be limited to those hours in which the adjacent My Flavor It Place! business is closed. Attached you will find a letter from the owner of My Flavor It Place stating she does not object to the proposed use of the auxiliary room, provided it occurs outside of her business hours.

ALTERNATIVES:
1. Approve the ordinance granting a Minor Amendment to the Special Use.
2. Do not approve the ordinance granting a Minor Amendment to the Special Use.

RECOMMENDATION:
Staff recommends action at the discretion of the Village Council.

ACTION REQUIRED:
A motion to approve the ordinance granting a Minor Amendment to Special Use Ordinance #O-15-21.

Consider a Motion Granting Approval of a Waiver of the Village's Sound Amplification Ordinance for the St. Theresa Picnic on Friday, June 30, 2023

BACKGROUND:
St. Theresa wishes to host a picnic event on Friday, June 30, 2023 at 457 N. Benton Street. The picnic entails a night of food and music. In conjunction with the event, St. Theresa is requesting the following approvals:

Waiver of the Sound Amplification Ordinance for a 50's Band on Friday, June 30 from 6 - 9 PM.

KEY ISSUES:
The Picnic event details are as follows:

- Friday, June 30 from 5 PM to 9 PM;
- Bring together parishioners and community for a night of food and music;
- *50's* Band will play from 6 PM - 9 PM at the Dolan Center steps;
- Grilling burgers and hot dogs, supplied by the Knights of Columbus.

ALTERNATIVES:
1. Approve the St. Theresa Picnic event.
2. Do not approve the event.

RECOMMENDATION:
Staff recommends approval of the St. Theresa Picnic Event.

ACTION REQUIRED:
A motion to approve the St. Theresa Picnic Event and related sound waiver request.

Consider a Motion Granting a Waiver of the Sound Amplification Ordinance, Closure of Village Parking Lots and a Portion of Slade Street, Waiver of Village Fees, and Waiver of the Village's Construction Hours for the Rotary Club of Palatine's Annual Oktoberfest Celebration to be Held on September 15 - 17, 2023

BACKGROUND:
The Rotary Club of Palatine plans to hold their annual Oktoberfest Celebration on September 15 - 17, 2023 (Friday - Sunday). The Rotary Club will again utilize the Village's commuter parking lots located north of Slade Street, between Smith and Greeley Streets. All requests are consistent with those in past years.

KEY ISSUES:
The Rotary Club of Palatine is requesting approval of the following:

1. Temporary waiver of sound amplification ordinance for live music and performances during the following hours:
    a. Friday, September 15: 5 p.m. to 12 a.m.
    b. Saturday, September 16: 12 p.m. to 12 a.m.
    c. Sunday, September 17: 12 p.m. to 6 p.m.
2. Temporary closure of parking lots J, K, and L and closure of Slade Street, between Smith and Greeley Streets from September 15 - 17 to accommodate the event's tents and stage. All tents and equipment will be removed Sunday evening.
3. Waiver of fees for Village services, permits, and licenses.
4. Waiver of Construction Hours for the construction and removal of tents:
    a. Friday, September 15: Construction to begin at 6 a.m.
    b. Sunday, September 17: Removal of tents will begin at 6 p.m.

ALTERNATIVES:
1. Approve Oktoberfest 2023.
2. Refer back to Staff with comments.

RECOMMENDATION:
Staff recommends action at the Village Council's discretion for approval of Oktoberfest 2023 and related requests.

ACTION REQUIRED:
A motion to approve the Rotary Club of Palatine's Annual Oktoberfest and related requests.

Motion to Award Contract for Replacement Phone Handsets

BACKGROUND:
Palatine's village-wide phone system was installed with the Police Station, about ten years ago. During this time, staff has been upgrading / maintaining the core phone system, but our handsets encountering hardware problems and, in the future, the current handsets will be unsupported by the core phone system.

We received eight responses to our Request for Proposal for around 300 phones replacement phones, with Prospect Communications providing the lowest bid at $46,748.00.

KEY ISSUES:
- Phone handsets are starting to encounter hardware problems.
- Phone handsets may be unsupported in future software releases.

ALTERNATIVES:
1. Approve the Motion to award contract to Prospect Communications.
2. Refer back to staff.

RECOMMENDATION:
Staff recommends approval of the award of contract to Prospect Communications.

ACTION REQUIRED:
A motion to approve the award of the contract to Prospect Communications for $46,748.

Consider a Motion Opening the 30-Day Public Review and Comment Period for the 2023 CDBG Action Plan

BACKGROUND:
The FY2023 CDBG Subrecipient Application period for CDBG funding occurred from March 24 - April 20. Per HUD requirements, Palatine's Draft Action Plan is now available for the required 30-day public review and comment period. The required Public Hearing will occur on July 6th at 1PM at Village Hall (Community Room A) for additional input about the Action Plan. Per the Village's annual process, the Draft Plan will be available for review at the Village Clerk's Office and posted on the Village's website. The final version of the Action Plan will be submitted to HUD, though the Cook County Consortium in August. Therefore, Staff is recommending the following:

Motion commencing the 30-day public review and comment period for the FY2023 Action Plan.

KEY ISSUES:
The Village's anticipated CDBG FY2023 entitlement amount is $497,467, which represents a 2.5% increase from last year. Palatine's program-year runs from September 1 through August 31. Per HUD regulations, the Village may recommend up to 15% ($74,620) for social service providers and up to 20% ($99,493) for program administration. The 2023 requested subrecipient funding totaled $81,000. The subrecipient application notice was posted on the Village website on March 24 and staff sent FY2023 CDBG notices to all social service agencies that applied for or received funding over the past four years.

The FY2023 Action Plan recommends CDBG funding for the following activities: program administration, public infrastructure, facility improvements (eligible projects associated with low- to moderate-income areas and clientele), childcare/community center administration, homelessness service and prevention, emergency transitional shelter program, supportive services for senior citizens, and counseling and advocacy for abuse victims. As required, the 30-day public comment period was noticed in the Daily Herald and began on June 8, 2023. Staff recommends the following CDBG expenditures for FY2023:

Administration and Infrastructure/Public Facilities			
Organization	**Activity**	**Funding Requested**	**Funding Recommended**
Village of Palatine Planning & Zoning	CDBG Administration (maximum 20%)	$99,493	$99,493
Village of Palatine Public Works	Public Improvement Projects	$323,354	$323,354
Public Services	Social Service Agencies (maximum 15%)	$81,000	$74,620
	Total Requested	**$503,847**	
	Total Available		**$497,467**

Organization	Activity	Funding Requested	Funding Recommended
Children's Advocacy Center	Child Abuse Counseling	$5,000	$5,000
Family Forward	Financial Assistance for Rent and Case Management	$3,000	$3,000
JOURNEYS	Homeless Services	$19,000	$19,000
POC	Case Management Service Coordinator	$28,000	$24,000
Palatine Township	Support Services for Older Adults	$10,000	$4,620
PTSCC	Resources and Programs for Very Low-Income Clients	$15,000	$15,000
WINGS	Homeless Services for Domestic Violence Victims	$5,000	$4,000
	Total Requested	**$81,000**	
	Total Available		**$74,620**

The full draft FY2023 Action Plan can be reviewed on the Village Website at www.palatine.il.us/163/News-Events

ALTERNATIVES:

1. Recommend commencing the required 30-day public review and comment period.
2. Refer back to staff with comments.

RECOMMENDATION:

Staff recommends a motion commencing the required 30-day public review and comment period. If the public comment and review period does not commence, the Village risks losing its CDBG 2023 funding.

ACTION REQUIRED:

A motion commencing the 30-day public review and comment period for the Village of Palatine FY2023 Action Plan.

Consider a Motion to Accept and Place on File the Annual Comprehensive Financial Report for the Year Ended December 31, 2022

BACKGROUND:
State statute requires that an annual audit of the financial records and accounts of the Village be made. The audit was performed in accordance with generally accepted auditing standards. The audit will be submitted as required to the Cook County Clerk, State Comptroller of Illinois, and other interested oversight agencies as well as to interested financial institutions that sell or hold Village bonds. This report will also be submitted to the Government Finance Officers' Association for consideration of their Certificate for Excellence in Financial Reporting.

KEY ISSUES:
- The Village's auditors, Sikich LLP, have completed their audit of 2022 and rendered an unmodified opinion, the best opinion they can give, on the Village's financial statements for the year ended December 31, 2022.
- The 2022 Annual Comprehensive Financial Report (ACFR) will be posted on the Village's website.
- As in previous years, the Management Letter has no findings. This is a testament to the stewardship exhibited by all Staff within the Village.

RECOMMENDATION:
Staff recommends that the Mayor and Village Council accept and place on file the Annual Comprehensive Financial Report for the year ended December 31, 2022.

ACTION REQUIRED:
Motion to accept and place on file the Annual Comprehensive Financial Report for the year ended December 31, 2022.

Consider a Resolution Authorizing the Amendment of the Village of Palatine's Reserve Policy

BACKGROUND:
In 2001, the Village adopted the reserve policy. The first amendment to this policy was adopted in 2016. Given the recent economic difficulties with the pandemic, supply-chain interruptions, and high-inflation, Staff felt it fiscally prudent to review the policy for potential amendments.

KEY ISSUES:
The 2016 revision of the Reserve Policy set the prioritization of the disposition of "excess" reserves, while making no changes to the levels of each reserve category.

Over the past three to four years, with the recent national economic difficulties, supply chain issues, petroleum prices, etc., the adoption of the annual budget identified additional set-a-side of dollars to offset any pressures in these areas. Based upon a current review of balances and the current economic climate, Staff feels it is now appropriate to amend the policy to formalize our past actions in the Economic Stabilization Reserve (ESR), to establish an increased level in the ESR and to drop the other set-a-side funds.

Staff proposes to formalize the ESR at $2.5 million. This reflects:

1. The original $1.0 million from the original policy (2001).
2. An additional $1.5 million that has administratively been held in the ESR for several years.

No other changes are currently being proposed to the Reserve Policy.

ALTERNATIVES:

1. Adopt the amendment to the Reserve Policy.
2. Do not adopt the amendment to the Reserve Policy.

RECOMMENDATION:
Adopt the resolution amending the Village of Palatine Reserve Policy.

ACTION REQUIRED:
Motion to adopt a Resolution Authorizing the Amendment of the Village of Palatine's Reserve Policy.

Consider a Motion to Accept Staff Recommendations for CY 2022 Reserves

BACKGROUND:
Staff has presented the CY 2022 annual audit and a proposed update to the Reserve Policy. The result of these two actions provides the opportunity to consider the appropriate use of any surplus money within the General Fund.

Tonight's discussion is to brief the Mayor and Council on the balance of excess General Fund reserves at the end of CY 2022 and discuss Staff's recommendation on the allocation of these reserves.

KEY ISSUES:
The Village ended CY 2022 with $40.9 million in General Fund balance (reserves). After consideration of the planned use of reserves in the 2023 budget, there is an "available" reserve balance of $40.5 million. Staff is recommending these $40.5 million in reserves be allocated as follows:

- **$23.1 million** - Operating Reserve (4 months of operations) **- Per Policy**
- **$2.5 million** - Economic Stabilization - **per previous agenda item.**
- **$3.0 million** - Balance of Unfunded Pension Liability Paydown Program **committed in CY 2022**. $3M was transferred in CY 2022 and $750K is budgeted for each of the next four years for a total of $6.0 million over five years.
- **$11.9 million** - Debt Service Reserve. This positions the Village to:
  - Call and redeem the 2020 Bond Issue on 12/01/2028 - realizing a savings of approximately $1.0 million in interest expense.
  - Have the dollars on deposit to pay all debt service from 12/01/2026 to 12/01/2029.
  - Eliminate future planned transfers of $1,642,000 in CY 2026 & CY 2027 to the Debt Service Reserve - freeing up those resources for Additional Pension Payments to accelerate the pay-down of the unfunded liability.
  - Stop levying taxes for Debt Service effective with the 2025 Levy collected in 2026 - a reduction of $2.45 million in the levy that can be allocated to:
    - Additional Pension Payments to accelerate the pay-down of the unfunded liability; and/or
    - Capital Project Reserves; and/or
    - Permanent Property Tax relief.

In summary, the above recommendation would position the Village to be debt-free no later than 2026, in that 100% of the dollars to retire the bonds will be in a dedicated reserve account. Further, it saves the Village $1 million in interest payments; provides an additional $3.28 million to supplemental pension payments over the five-year commitment, bringing total supplemental payments to $9.28 million. Additionally, this would allow the Council in 2026 to determine the appropriate use of tax levy dollars that were otherwise committed to debt service.

ALTERNATIVES:
1. Accept Staff Recommendations related to fund reserve allocations.
. Refer back to Staff with comments.

RECOMMENDATION:
Accept Staff Recommendations.

ACTION REQUIRED:
Motion to accept Staff Recommendations.

Consider an Ordinance Amending Chapter 2, Division 2, Section 2-481, Issuance of Bonds, Authority of the Code of Ordinances of the Village of Palatine

BACKGROUND:
The Village's bonding authority has expanded over the years to accommodate various important programs including Flood Control, Economic Development, and Provision of Lake Michigan Water.

KEY ISSUES:
As these programs have been either completed or shifted to pay-as-you-go funding by the current administration, and the outstanding bonds issued for these programs will be fully paid-off within the next several years, it is appropriate to consider making amendments to the Village's Bonding Authority. The proposed amendments are as follows:

- Eliminate the current "exceptions" to exceed the statutory 3% of EAV limitation for outstanding bonds.
- Provide for various levels of authority:
  - A simple majority vote for debt up to 1.5% of EAV - Currently up to $28.4M.
  - A 2/3 vote for debt from 1.5% to 3.0% of EAV - Currently up to $56.8M.
- Require a 2/3 vote for any new exceptions, which exceptions must:
  - Identify the specific purpose of borrowing.
  - Identify the source of revenues to pay debt service.
  - Identify the specific termination date of exemption borrowing.
- Require a 2/3 vote for any change to the borrowing capacity ordinance.

Staff believes these changes will still provide future Village Councils with flexibility to meet identified and agreed upon capital needs while requiring open dialogue and discussion related to extraordinary bonding needs.

RECOMMENDATION:
Staff recommends approval of the Ordinance amending Section 2-481.

ACTION REQUIRED:
Approval of the Ordinance amending Section 2-481.

Consider a Resolution Amending the Village of Palatine Investment Policy

BACKGROUND:
The Public Funds Investment Act (30 ILCS 235) requires the Village to have an Investment Policy. The Investment Policy was adopted in 1999 and was last amended in 2019.

KEY ISSUES:
This amendment updates the language in the collateralization section to allow for a broader range of acceptable collateral in conjunction with banking best practices. This amendment will allow for a less expensive type of collateral, which in turn will increase the earnings credit rate the Village receives on its deposits with banking institutions. Specifically, it will now allow for a Federal Home Loan Bank (FHLB) Letter of Credit to be utilized as collateral. Key aspects of an FHLB LOC are:

- The FHLB is highly rated by both S&P and Moody's Ratings Services.
- Unlike securities, FHLB LOC's do not fluctuate in value.
- An FLHB LOC cannot be called or revoked prior to the stated expiration date.
- An FHLB LOC can be quickly and efficiently drawn upon, if required.

There were no other substantive changes made to the Investment Policy.

RECOMMENDATION:
Approve the attached resolution amending the Village of Palatine Investment Policy.

ACTION REQUIRED:
Approval of the resolution amending the Village of Palatine Investment Policy.

Consider an Ordinance Decreasing the Number of Class G (Restaurant - Beer & Wine) Liquor Licenses by One for Bacci Pizzeria Located at 1116 W. Northwest Highway

BACKGROUND:
Owner, Pasquale Didiana of Bacci Pizzeria, was approved for a Class G (Restaurant Beer & Wine) Liquor License on January 18, 2021, however they never moved forward with their Special Use, which expired on May 16, 2023. It is appropriate to remove the Class G license from the Liquor Code reducing the number of licenses to eight. Bacci Pizzeria may reapply for a liquor license.

KEY ISSUES:
- Decrease Class G (Beer & Wine) Liquor License by one.

ALTERNATIVES:
1. Approve the Ordinance decreasing the number of Class G Liquor Licenses by one.
2. Do not approve the Ordinance decreasing the number of Class G Liquor Licenses by one.

RECOMMENDATION:
Action is at the discretion of the Committee.

ACTION REQUIRED:
Action is at the discretion of the Committee.

ATTACHMENTS:

- ORD Decrease Class G Liq-Bacci Pizzeria

ORDINANCE NO._____

AN ORDINANCE DECREASING THE NUMBER OF CLASS G (BEER AND WINE) LIQUOR LICENSES PURSUANT TO CHAPTER 3, SECTION 3-37 OF THE VILLAGE OF PALATINE CODE OF ORDINANCES FOR BACCI PIZZERIA LOCATED AT 1116 W. NORTHWEST HIGHWAY

BE IT ORDAINED, by the Mayor and Village Council of the Village of Palatine, Cook County, Illinois, acting in the exercise of their home rule power:

SECTION 1: That the number of Class G (Beer and Wine) Liquor Licenses shall be decreased by one for Bacci Pizzeria for a total of 8 Class G Liquor Licenses.

SECTION 2: That all ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 3: That this ordinance shall be in full force and effect from and after its passage and approval as provided by law.

PASSED this _____ day of _____, 2023

AYES: _____ NAYS: _____ ABSENT: _____ PASS:_____

APPROVED by me this _____ day of _____, 2023

_____
Mayor of the Village of Palatine

ATTESTED and FILED in the office of the Village Clerk this

_____ day of _____, 2023

_____
Village Clerk

Attachment: ORD Decrease Class G Liq-Bacci Pizzeria (1116 W. Northwest Hwy. - Bacci Pizzeria Decrease Class G Liquor License (CA))

Consider a Motion to Accept and Place on File the Annual Treasurer's Report for Calendar Year 2022

BACKGROUND:
In accordance with State statutes, within six months of year-end, the Village Treasurer is required to prepare and file with the Village Clerk an annual Treasurer's Report. In addition, the Village Treasurer must also file a copy of the report with the Cook County Treasurer. Upon receipt of this report, the Village Clerk is required to publish it in a newspaper of general circulation within the Village.

KEY ISSUES:
- The attached report presents all information required by State statutes.
- The report will be posted on the Village's website and be published in the Palatine Journal & Topics.

RECOMMENDATION:
Accept and place on file the Annual Treasurer's Report for Calendar Year 2022.

ACTION REQUIRED:
Motion to accept and place on file the Annual Treasurer's Report for Calendar Year 2022.

ATTACHMENTS:

- Treasurers Report - 2022

Village of Palatine
Annual Municipal Treasurer's Report
Year Ended December 31, 2022

REVENUE SUMMARY

Property Taxes $23,069,038.80; Incremental Property Taxes $12,328,397.33; Sales Taxes $20,921,636.78; Other Taxes $4,590,127.21; Licenses & Permits $3,150,844.81; State Income $11,065,423.54; Motor Fuel Tax $2,750,656.57; Grants $5,708,139.54; Other Intergovernmental $4,325,306.02; Utility Fees $21,596,544.49; Charges for Services $8,724,044.76; Fines & Forfei $1,198,966.41; Interest Income $37,285.01; Refunds & Reimbursements $902,413.30; Contributions $0.00; Miscellaneous $65,767.01; Fixed Asset Sales $75,719.33.

EXPENDITURE SUMMARY

Vendors Paid in Excess of $2,500.00: 1st Ayd Corporation $8,805.57; 3M Company $7,700.02; 50 N Brockway Condominium Association $5,425.00; 500 North Wells Series Miceli Plaza $20,000.00 A Body Shop, Inc. $21,015.52; A-J&H Transmission $4,055.49; Acme Truck & Brake Supply $4,620.54; Advance Auto Parts $10,311.16; Advanced Automation & Control $9,568.76; Advanced Tree $221,440.70; AEC Fire-Safety & Security Inc $4,696.90; Ahlgrim Family Funeral Services $6,600.00; Air One Equipment, Inc. $21,534.62; Al Warren Oil Co $559,471.86; Allegra Print & Imaging $6,22 Allied Benefit Systems, Inc. $7,206.50; Alpha Paintworks Inc $33,080.00; Alpine Demolition Services LLC $4,490.00; Altorfer Industries, Inc $10,951.60; Amalgamated Bank of Chicago $4,818,50 American Door and Dock, Inc $36,000.00; Anderson Pest Solutions $3,855.82; Andres Medical Billing $100,260.67; Andy Mohr Truck Center, Inc $136,001.00; Applied Geoscience Incorpo $24,000.00; Approved Tree Care & Landscape Service Inc $8,475.00; Aquafix, Inc $3,021.08; Arco Mechanical Equipment Sales $3,825.00; ARIES Industries, Inc $2,705.95; Arlington Heights Fore $17,424.21; Arlington Power Equipment $11,976.16; Arrow Road Construction Company $3,463,144.27; Auto Tech Centers Inc $10,424.24; AutoZone Stores LLC $3,495.18; Avalon Petroleum Com $83,924.35; Axon Enterprise, Inc. $2,878,870.80; Bartels Plants Inc $18,022.50; Baxter And Woodman $116,227.47; Best Technology Systems Inc $4,875.00; Beverly Materials LLC $21,673.56; Bio- Inc. $2,970.00; BLA, Inc $338,244.19; Blackburn Manufacturing Company $2,540.40; Bob Ridings Chrysler-Dodge-Jeep-Ram $120,475.00; Bolder Contractors $559,694.09; Bonnell Industrie $25,400.76; Borden Decal $11,674.00; Bothwell St Properties LLC $14,000.00; Bound Tree Medical LLC $15,064.82; Bredemann Ford in Glenview $54,102.24; Brian Edward Landscaping Inc $213,82 Bridge Youth & Family Services $15,000.00; Bristol Hose & Fitting $9,159.17; C. Acitelli Heating & Piping Contractors, Inc $27,100.39; CADD Microsystems, Inc $2,934.00; Cambridge Computer Ser Inc $115,539.90; Cannon Cochran Mgmnt Services Inc $37,020.00; Cargill Inc-Salt Division $10,033.20; Case Lots $8,250.40; Casey Automotive $9,337.92; Castle Chevrolet North LLC $6,998.6 Cartage Excavating $22,953.97; CDS Office Technologies $30,780.84; CDW Government Inc $3,323.07; Cellebrite Inc $7,089.00; CFA Software Inc $3,995.00; Chicago Communications LLC $8,00 Chicago Parts & Sound $4,835.09; Childrens Advocacy Center $4,000.00; Christopher B. Burke Engineering Ltd $6,091.64; Cintas #22 $9,473.34; Ciorba Group Inc $49,135.94; CivicPlus $16,19 Civiltech Engineering, Inc. $7,625.89; Clark Baird Smith LLP $47,347.50; Clarke Aquatic Services $5,656.00; CMS Communications Inc $29,044.34; CNS Tire Supply $24,852.80; College Of Du $31,005.48; Comcast Cable $5,912.04; Comm Consolidated School District #15 $25,780.68; Commonwealth Edison $3,903.52; Compass Minerals America Inc $198,900.75; Computers $5,224,588.76; Concept Plumbing, Inc $1,581,118.94; Conduent Business Services, LLC $40,494.41; Conserv FS $9,578.84; Constellation NewEnergy Inc $361,459.43; Contech-MSI Co $25,530.00; County Collector $3,600,000.00; Cook County Forest Preserve District $5,305.29; Cook County Treasurer Electrical & Maintenance $6,684.00; Core & Main LP $122,945.09; Cornerstone Photograph $2,725.00; Cummins Sales and Service $10,310.02; Custom Data Processing, Inc $9,900.00; DACRA Tech LLC $29,671.00; DeVinci Construction, Inc $172,478.33; Direct Fitness Solutions LLC $29,97 Director Of Illinois State Police $26,165.00; Display Sales $12,179.00; DJ's Scuba Locker Inc $10,933.25; DLT Solutions LLC $4,147.68; Document Imaging Services, LLC $5,767.99; Doland Engineering $323,824.50; Drivetrain Service & Components $4,431.00; Duff Entertainment, Inc $114,797.64; Duke's Root Control, Inc $20,082.78; DuPage River Salt Creek Workshop $4,909.00; Echologic $4,400.95; EFI-Solutions $141,959.56; EJ Equipment Inc $17,990.75; EJ USA, Inc $25,467.53; Elevated Safety LLC $3,309.00; Empire Printing, LLC $12,586.25; Engler Callaway Baasten & Srag $7,181.50; Ensemble Solutions Group $243,695.68; ESRI Inc $5,500.00; Fire Catt, LLC $4,561.20; Fleet Safety Supply $5,859.49; Flock Safety $10,000.00; FMP $11,590.96; Fountain Pros LLC $5,09 Fox Valley Fire & Safety $3,482.90; FulLife Safety LLC $4,475.57; Garland / DBS Inc $22,090.00; Gasvoda & Associates Inc $32,089.49; GB Lead Services LLC $6,820.00; Gilio Landscape Contra $6,752.50; GIS Consortium $6,534.00; Golf Mill Ford $85,638.24; Golf Rose Animal Hospital $5,944.57; Golf Rose Boarding Kennel $6,028.81; Goodmark Nurseries Llc $54,754.00; Grainger $2,65 Granicus Llc $18,480.00; Granite Telecommunications, LLC $7,407.30; Graybar Electric Company, Inc. $19,874.60; Graylog, Inc $7,500.00; Great Lakes Concrete LLC $4,064.57; Group Link $3,330.36; H & H Electric Co. $11,095.70; Haiges Machinery, Inc $9,015.00; Hampton, Lenzini and Renwick, Inc $76,030.00; Hard Rock Concrete Cutters Inc $78,000.00; Harvard Maintenanc $131,689.44; Healy Asphalt Company LLC $309,878.85; Hoerr Construction Inc $210,717.86; Holiday Outdoor Decor $13,356.00; Holiday Radiance Lights $7,778.00; Holiday Sewer & W Construction Inc $816,414.51; Homan Auto Sales Inc $50,734.00; Hoosier Fire Equipment Inc $6,800.80; Howard Lee & Sons, Inc $2,835.62; HR Green, Inc $45,257.00; Huerta Bros $3,250.00; Huf Landscape $43,482.00; Hydraulic Services, Inc $4,724.57; I3-Imagesoft, LLC $3,000.00; ID Networks $2,624.00; Identity Automation LP $7,380.00; Idera Inc $2,994.00; IL Department of Innovati Technology $5,136.00; Illinois Fire Chiefs Association $11,300.00; Illinois Municipal League $3,500.00; Illinois Secretary Of State $4,630.00; Illinois Tactical Officers Assoc $4,570.00; Illinois Wor Compensation Commission $2,552.79; Industrial Systems Ltd $27,278.00; Interstate Batteries of North Chicago $9,001.08; Interstate Power Systems Inc $8,089.88; J.M.L. Overhead Door Inc $30,39 James Messineo $23,347.50; JG Uniforms Inc $21,185.35; Jim Hayes, Inc. $90,024.00; John Nelson Architect Inc $32,100.00; John Neri Construction Co $1,384,669.85; Johnson Controls Sec Solutions LLC $2,630.26; Joseph D. Foreman & Company $11,476.41; Journal & Topics Newspapers $2,550.00; Journeys The Road Home $105,184.50; JP Morgan Chase Bank Commercial $3,461,566.93; Julie, Inc. $10,820.16; Kenneth J Kogut & Associates $5,500.00; Kinsch Floral Market LLC $16,358.88; Kluzek, Robert R $3,172.50; KnowBe4, Inc $9,180.00; KONE Inc $29,16 Lakeshore Recycling Systems, LLC $19,366.32; Lampignano & Son Construction Co $3,905.55; Landry, Jason $4,442.25; Lauterbach & Amen, LLP $11,200.00; Leads Online LLC $5,961.64; Lexipo $17,208.07; Liftoff Llc $41,792.40; LS Glass LLC $27,100.00; Lyons Electric Company, Inc $23,015.55; M & B Landscaping Co. $15,825.00; M & V Auto Body $32,437.37; M.J. Taylor Law, LLC $41,40 Mabas Div 1 $5,000.00; MacQueen Equipment, LLC $14,455.88; Magnificent Group LLC $195,000.00; Major Case Assistance Team $3,270.00; Marco Technologies LLC $33,228.82; Marsh USA $701,313.74; Master Truck & Trailer Llc $4,557.82; Mauro Sewer $575,301.03; Meridian IT Inc $7,882.30; Mes Inc/Global $14,572.49; Metro Federal Credit Union $16,464.50; Metropolitan Industrie $9,771.00; Metropolitan Mayors Caucus $3,055.86; Mid American Water Of Wauconda Inc $17,054.12; Midwest Groundcovers $3,459.73; Midwest Power Industry, Inc $32,103.17; Mikes Towing/ & Truck Repair $3,397.00; Miles Chevrolet $85,863.00; Momentum Beverage Team $7,599.24; Monroe Truck Equipment $287,380.50; Morrow Brothers Ford Inc $41,250.00; Mortenson Ro Company Inc $4,842.00; Morton Salt Inc $79,503.59; Motor Cycle Center Inc $26,985.62; MPC Communications & Lighting Inc $25,454.30; MSF Graphics Inc $4,576.00; Mulvey, Matthew J $4,26 Municipal GIS Partners, Inc $214,246.00; Murphy, Joseph E $2,510.51; NAPA Auto Parts $7,484.84; National Industrial Maintenance, Inc $39,730.00; Newcastle Electric $70,540.67; Nicor $76,790.20; Niemiec , Linda S $2,633.42; NIPSTA $20,295.00; North Central Emergency Vehicles $255,406.00; North East Multi-Regional Trng. $11,578.00; Northern Ill Police Alarm System $9,54 Northern Illinois University $8,432.30; Northwest Central 911 System $10,762.56; Northwest Central Dispatch Syst $534,186.76; Northwest Community Hospital-OEHS $43,486.00; Northwest Com Inc $15,890.76; Northwest Municipal Conference $25,528.00; Northwest Trucks, Inc. $331,065.83; Northwest Water Commission $3,112,625.30; Northwestern Motors Holding Inc $450,00 Northwestern University Center For Public Safety $8,400.00; Nugent Consulting Group LLC $18,988.00; Nutoys Leisure Products $9,396.00; Occam Video Solutions $2,990.00; ODP Business Solut LLC $6,535.25; Office Depot Inc $2,660.99; On Time Embroidery Inc. $34,443.45; Orbis Solutions Inc $44,292.04; Ottesen, Reid T $3,537.92; Ozinga Ready Mix Concrete Inc $5,375.93; Pace Anal Services, LLC $20,249.69; Paddock Publications, Inc $6,388.74; Palatine Park District $102,374.60; Palatine Township $3,000.00; Palatine Township Road District $38,823.76; Palatine Township S Citizens $34,111.11; Parent Petroleum $25,105.36; Park Towne Condominium Association $3,710.00; Partners for Our Communities $29,000.00; Patnick Construction, Inc. $75,228.06; Pedley Know Company $7,022.16; Peerless Network, Inc. $10,822.76; Peterson, Nolan $7,600.00; Pirtek O'Hare $5,270.28; Pomp's Tire Service, Inc. $28,880.04; Prime Tack & Seal Co $10,111.50; Public Safety D Inc $20,534.91; PVP Communications $4,588.02; Quadient Finance USA, Inc $33,000.00; Quadient Leasing USA, Inc $3,871.44; R.W. Dunteman Company $328,369.86; Ray O'Herron Co, Inc $15,04 Red Oak Tree Services Inc $3,000.00; Robinson Engineering Ltd $125,034.63; Roland Machinery Exchange $27,950.00; Romeoville Fire Academy $8,550.00; Roto Sales, Inc $554,218.50; Rush Centers $81,050.94; S.W. Electronics Inc $2,875.00; Schain Banks Kenny & Schwartz $262,974.92; Schroeder & Schroeder Inc $323,034.51; Schroeder Asphalt Services Inc $1,317,045.59; Sci Solutions LLC $4,692.28; Scientific Wildlife Management $8,100.00; SDI Presence LLC $49,322.50; Service Components Inc. $4,368.59; Sherwin-Williams $3,652.50; Sikich LLP $45,750.00; Skolnik, Jac $8,886.26; Smith Ecological Systems Inc $6,637.50; Solid Waste Agency of Northern Cook County $1,331,726.52; Southern Computer Warehouse $44,231.42; Spring Align $4,200.58; Stana Associates, Inc. $5,850.00; Standard Equipment Co $10,150.12; Standard Industrial & Automotive Equipment Inc $12,789.59; State Treasurer-IL Dept of Transportation $21,097.38; Stephen A. Associates, PC $4,400.00; Streicher's Inc $6,190.00; Stryker Sales Corp $58,903.82; Suburban Accents, Inc. $4,650.00; Superior Road Striping Inc $35,274.93; T-Mobile $3,763.24; Target Solu Learning Llc $11,060.00; Tech Electronics of Illinois, Llc $44,079.67; Terminal Supply Co $3,675.75; Terrace Supply Co $3,953.94; The Blue Line $3,954.00; The Davey Tree Expert Company $4,86 The Flolo Corporation $34,080.61; Third Millennium Associates Inc $43,501.94; Thomas Dodge Chrysler-Jeep $27,410.00; Thompson Elevator Inspection Service Inc $13,914.00; Ti Training LE $14,000.00; TKB Associates Inc $11,690.00; Total Parking Solutions Inc $10,110.00; Town & Country Distributors, Inc $43,425.52; Township High School District 211 $25,236.79; Traffic Cont Protection,Inc $11,511.00; TransUnion Risk and Alternative Data Solutions Inc $3,085.10; Treasurer, State of Illinois $35,638.43; Tredroc Tire Services LLC $2,553.91; True North Consultant $29,553.00; TurnoutRental, LLC $2,947.76; Tyler Technologies Inc $129,585.57; UL LLC $5,019.45; Ultra Cleaning, Inc. $54,360.00; Ultra Strobe Communications Inc $4,884.90; UniFirst Corpor $2,845.22; University Of Illinois $5,830.00; US Fire & Safety Equipment Co $4,864.00; US Postmaster $74,252.20; US Standard Sign Co $5,317.40; Utility Service Co, Inc $406,491.04; Valbridge Pro Advisors - Chicago Metro $5,000.00; Velan Solutions, LLC, Velan Solutions $3,518.00; Verizon Connect NWF Inc $3,885.60; Verizon Wireless $52,936.28; Viking Chemical Company $11,491.50; V Electric $5,106.87; Village of Elk Grove $12,500.00; Village of Palatine Petty Cash $3,888.18; Waist Up Imprinted Sportswear $4,761.60; Warehouse Direct $20,576.75; Wheatland Title Guar Company $5,002.00; Wholesale Direct Inc. $2,528.14; Wickstrom Auto Group $6,433.09; Windy City Tower Techs LLC $39,925.00; Wings Program Inc $5,000.00; Wirfs Industries Inc $4,738.59; Z Productions $4,087.46; Zarnoth Brush Works $8,400.21; Zoll Medical Corporation $4,138.13.

Other disbursements in amounts less than $2,500: Total $258,290.63.

Attachment: Treasurers Report - 2022 (2022 Treasurer's Report (CA))

Village of Palatine
Annual Municipal Treasurer's Report
Year Ended December 31, 2022

COMPENSATION SUMMARY

Under $25,000.00: Abbink, Stewart L; Ahlenius, Elizabeth A; Alden, Alyssa M; Andersen, Jake C; Bakus, Robert D; Barsotti, Joan; Bernardino, Alex F JR; Berry, Timothy A; Bicknase, Linda; Birk, Audr Blaylock, Sandra; Booko, Alyssa N; Boundy, Jeffrey T; Bueno, Gabriel; Cabral, Melissa J; Calabrese, Domenic M; Carandang, Anne-Marie C; Cardoza, Dylan M; Carroll, Jacqueline; Castaneda, El Castanon, Corinna; Daigle, Daniel J; Duer, Margaret R; Freda-Bochenko, Anne K; Glenn, Murphy; Gratzianna, Nicole M; Helms, Brad R; Huber, Ryan J; Ibarra Campuzano, Jimmy; Jerz, Frank J; J Maritza E; Kalmar, John; Katalinich, Margery; Keferlis, Steven; Kennelly, Kevin; Knowski, William F; Kotscha, Max W; Kozlowski, Kollin C; Kuta, Ronnie J; Lamerand, Scott D; Lichty, Jake R; Liss, B Markovic, Natasa; Mata, Tania; McIlwee, Ashley; Milani, Lauren; Millar, Timothy J; Myslinski, Douglas J; Perez, Valerie E; Quintanilla, Kimberly M; Reinhardt, Thomas; Reinhart, Lori; Scheri, Scc Schillinger, Alexander M; Schneid, Thomas W; Schneiderwind, James A; Solberg, Gregory J; Streny, Frank E; Subovitz, Justin; Takao, Kai T; Toth, Anna A; Wingen, Matthew K.

$25,000.00 to $49,999.99: Bajorek, Eric; Burke, Ryan M; Cabrera Hernandez, Javier S; Cardoza, Michelle; Devan, Robert; Dimitri, Vickie; Dominguez, Maria M; George, Rachel A; Ghalib, Sh Grochowski, Lisa; Hardy, Lisa; Harty, Scott; Ingebrigtsen, Kyle R; Leffel, Rebecca C; Leone, Joe; Licari, Michael J; Metzger, Victoria A; Piasecki, Kevin M; Schroeder, Kurt; Schwab, Annette M; Schw James W; Seebacher, Michael; Slywka, Jonathan M; Spears, Donald R; Steier, Eric R; Steuber, Kohlman; Storelli, Susan; Strickland, Alec W; Vargas, Michael; Yocum, Sean; Zabrin, Jameson L.

$50,000.00 to $74,999.99: Abbott, Melissa D; Amato, Wendy; Ander, Justin S; Argast, Seth; Baltz, Bernard N; Banczak, Diana C; Bauer, Christine M; Boyd, Chandler; Bradshaw, Alex; Carnes, Benja Clancy, Patricia A; Cordell, Katarzyna; Del Rosario, Allen; Delaney, Sean; Ferraro, JulieAnn M; Furlan, Alyssa; Graf, Anthony; Hall, Brent D; Hannan, Beth M; Hansen, Ryan G; Higgins, Brita A; Janisch, Li Johnson, Caleb G; Kluch, Mark A; Krueger, Steven K; La Russo, Kristin; Liberty, Timothy J; Malik, Jessica; Meehan, Michael A; Muro, Demetrio L; Nausid, Jill T; Rago, Steve; Ringham, Cody D; Rodrig Jose A; Rodriguez, Michelle M; Salas, Jonathan; Sandquist, Zachary; Schorie, Shannon; Schramer, Austin; Semro, Joseph A; Tanner, Tristen C; Teeter, Matthew V; Turner, Colin; Vega, Francisco; Woz Anna B; Young, Russell L.

$75,000.00 to $99,999.99: Amezcua, Erica M; Amundsen, Zachary M; Atherton, Jeffrey J JR; Auman, Austin P; Banach, Matthew J; Banaszak, Mark E; Bednarek, Ronald S JR; Bosco, Benjamin; B Joseph P; Bremanis, Evelyn K; Brod, Scott M; Broderick, Daniel T; Caudle, Wade C; Chlosta, Cassandra M; Chlosta, Matthew; Coombes, Sarah T; Davia, Stephen A; Garcia, Jennifer L; Gerstung, Cc Golonka, Doug J; Gonzalez, Daniel; Grzelczyk, Michal; Handzel, James M; Hanselmann, Logan; Haupt, Bryan C; Heiderman, Matthew; Hoogerhyde, Ian R; Horwitz, Martin I; Jancek, Christopher J; William C; Kowalczyk, Michael J; Kroening, Douglas; Kross, Whitney D; Lapid, Katherine M; Learch, Kevin; Madrigal, John; Maher, Tammy L; Malcolm, Rhonda L; McKillop, Sarah E; Micek, Dav O'Mahoney, Brian; Pajak, Daniel W; Pandya, Monika P; Portera, Vincent A; Porters, Michael V; Ruggiero, Joshua H; Sadik, Doris K; Sadoski, Sara M; Schmidt, John K; Solimini, Steven J; Swanson, Charl Tracy, Richard L III; Trapani, Peter M; Vrenios, Tracey A; Weiss, Lee; Wenrich, Mark J; Ziesak-Serrano, Sandra I; Zufall, Caleb L.

$100,000.00 to $124,999: Abbinanti, Dale; Agner, Jeffrey J; Bahn, Derek S; Beallis, Joseph; Begale, Adam J; Bell, Gregory M; Bianca, Michael A; Bice, Robert M; Black, Taylor; Brown, Jeffrey C; Bus Stephen W; Campbell, Wesley T; Castillo, Francisco; Cerny, Frank J; Cluster, Alex M; Corso, Joseph P; Cvetan, Scott; DeBellis, Michael; Del Prado, Nicholas; DeLuca, Jonathan M; Diamond, Robert; I Thomas W; Downey, Johnie M; DuLaney, Matthew H; Ejupovic, Adnan; Elliott, Jeb M; Felde, Chad D; Fiscus, Erik C; Forsberg, Jeffrey J; Forshall, Robert K; Freese, Brian M; Gancarz, Maxwell H; Garcia T; Garcia, Robert M; Gartner, Diane L; Grabowski, Mark A; Gratz, Tyler S; Grenier, Jason; Grenning, Robert M JR; Gulisano-Canada, Tamara A; Guzman, Michael; Hammer, Russell W; Hansen, Kei Hemmeler, Carl P; Herold, James H; Heuertz, Nicholas V; Hildebrandt, William; Hoag, Dallas J; Holtz, Todd J; Hrycko, James M; Jacquette, Nicholas J; Jauch, Jeffery; Kaminsky, Anthony J; Kazmier Bradley R; Keats, James R; Kernan, James E JR; King, Robert L JR; King, Wayne A; Kurka, Chad L; Kurka, Thomas C; Lefebvre, Brandon A; Lewis, Jacob M; Leyden, William P; Linneman, Daniel J; Love Robert; Magnus, Corrina L; Malcolm, Timothy P; Marcum, Nicholas J; Martino, Garth G; May, Mary A; Mazzeo, Christopher J; McGee, Patrick S; Meuret, Christopher L; Mortensen, Alex; Myerson, Mi C; Neyfeldt, Daniel V; Niewinski, Matthew A; Nyczaj, Patrick; Pacheco, Zyanya L; Palmer, Brandon S; Patrick, Robert D; Paulsberg, Nathan W; Pelletreau, Brian W; Poliquin, Kellie A; Roberts, Allend Robertson, Nicholas B; Roman, Jeremy; Romero, Tony; Rothenberg, Adam W; Rusch, Dustin; Schlee, Jeffrey A; Schumann, William E III; Sekscinski, Arthur; Shulman, Benjamin J; Sopcak, Luc Stankiewicz, Dale G; Staudt, Craig R; Suarez, Troy J; Syc, Ronald W II; Taylor, Jenae N; Taylor, Kristina M; Thompson, Michael J; Thorpe, Michael J; Tito, Mark A; Tulley, Michael F; van der Hoek, Ma Vargas, Michael A; Webb, Matthew W; Weidman, Daniel L; Wharton, Scott L; Wolthausen, Travis; Woodside-King, Kenneth S; Zimmerman, Eric.

$125,000.00 and Over: Aichholzer, Joseph D; Baker, Bryce M; Barry, Matt D; Bemis, Norman L; Boborci, Anthony J; Brandwein, David E; Burris, Kevin C; Buzzard, Matthew D; Calanca, Angelo R; Camp Michael B; Campise, Marc J; Christensen, Matthew A; Christians, Joseph A; Christudhas, Edwin; Cirks, Brook M; Cohen, Michael D; Conn, Susan D; Contreras, Raul; Daigle, David C JR; Dibble, Micha Dowd, Timothy W; Duer, Joseph R; Dusckett, Matthew K; Ericksen, Chad L; Farnsworth, Chris C; Frangiamore, Kyle L; Gabel, David A; Gonzalez, Carlos N JR; Gratzianna, Patrick M; Growney, Bri Guimon, Gregory B; Hallahan, Jeffrey S; Hayden, Scott P; Hester, Joshua P; Jackson, Pamela; Jacober, Joseph M; Jacobs, Michael W JR; Jordan, Eric D; Kaiser, Jeb M; Keadle, Bryan D; Kluzek, Robe Koeneman, Shane N; Koutas, Elias D; Lane, Zachary; Lavacchi, Anthony R; Mackeben, Scott A; Marek, Brian; Marino, Nicholas V; Martin, Manuel A; Mattuck, Kenneth C JR; McCarthy, Martin F; McC James R; Meeks, Travis J; Mehring, Paul D; Mennel, Christian D; Mesch, Daniel S; Milewski, Andrew J; Morris, Bruce A JR; Mueller, Joseph M; Mulvey, Matthew J; Murphy, Joseph E; Nagy, Matthe Nelson, Bret M; Nord, William E; Novak, Thomas J JR; Olech, Andrew W; Ottesen, Reid T; Pelletreau, Mark A; Pepe, John J; Perocho, Rudy R; Ruppert, George S; Schroth, Lawrence A; Skeffington Hadley; Stearns, Christopher M; Stennett, Brian T; Sugrue, James B; Sullivan, Jeffrey M; Virgilio, Vito A; Vonau, Matthew F; Vonderheide, Keith; Vrbancic, Daniel J II; Vyverberg, Benjamin R; Waddin James H; Wagner, Alec C; Walsh, Adam P; Walters, Shawn; Watson, Jason A; Weeks, Blair D; Zimmerman, Charles J III.

FINANCIAL SUMMARY

	General	Special Revenue	Capital Projects	Debt Service	Enterprise	Internal Service	Fiduciary
Revenues	72,620,138	21,334,455	2,616,359	1,452,456	22,095,215	3,455,705	(14,959,988)
Expenditures	65,186,173	18,638,038	2,979,910	1,285,581	16,846,865	3,614,493	14,391,647
Excess of Revenues Over/(Under) Expenditures	7,433,965	2,696,417	(363,551)	166,875	5,248,350	(158,788)	(29,351,635)
Transfers In/(Out)	(1,769,480)	-	670,000	1,769,480	(670,000)	-	-
Other	-	-	75,719	-	162,432	(146,050)	-
Net Change in Fund Balance	5,664,485	2,696,417	382,168	1,936,355	4,740,782	(304,838)	(29,351,635)
Prior Year Fund Balance	35,209,224	24,670,139	12,134,442	130,744	73,840,236	5,570,630	219,586,212
Current Year Fund Balance	40,873,709	27,366,556	12,516,610	2,067,099	78,581,018	5,265,792	190,234,577

I hereby certify that this is a true copy of the Annual Treasurer's Report of the Village of Palatine for the fiscal year ended December 31, 2022.

Paul D. Mehring, Village Treasurer

Attachment: Treasurers Report - 2022 (2022 Treasurer's Report (CA))

Consider an Ordinance Authorizing the Village Manager to Grant Administrative Approval for Certain Items Recommended for Approval by the Planning and Zoning Commission

BACKGROUND:
In order to accommodate a reasonable turn around for requests heard by the Planning and Zoning Commission (PZC) at their June 13, June 27, and July 11, 2023 meetings, Staff recommends authorizing the Village Manager to administratively approve petitions for Special Uses and Variations that are both recommended by Staff and unanimously recommended by the PZC. This will prevent a potential 30-day delay for Village Council review and allow any active petitioners to apply for building permit review. Similar actions have been authorized in the past due to only one Council meeting being held in July. Therefore, Staff is seeking approval of the following:

> **An ordinance authorizing the Village Manager to administratively approve any Planning and Zoning Commission petitions for Special Uses and Variations that are reviewed at the June 13, June 27, and July 11, 2023 PZC meetings and are recommended by Staff and unanimously recommended for approval by the PZC.**

KEY ISSUES:
- By administratively approving these requests, Petitioners can apply for building permit review and avoid a delay of up to roughly 30 days for Village Council review. This is the same process the Village has followed over the last several years to minimize the impacts of a single Village Council meeting in July.
- Any Petition not recommended by Staff, or not unanimously recommended for approval by the PZC, would follow the normal review cycle and be heard by the Village Council in July or August.

ALTERNATIVES:
1. Approve the ordinance authorizing the Village Manager to grant administrative approval for certain PZC items.
2. Do not approve the ordinance authorizing the Village Manager to grant administrative approval for certain PZC items.

RECOMMENDATION:
Staff recommends approval of the ordinance authorizing the Village Manager to administratively approve petitions from the Planning and Zoning Commission meetings on June 13, June 27, and July 11, 2023, for Special Uses and Variations which are both recommended by Staff and unanimously recommended for approval by the Planning and Zoning Commission.

ACTION REQUIRED:
A motion to approve the ordinance authorizing the Village Manager to grant administrative approval for certain items approved by the Village's Planning and Zoning Commission.

ATTACHMENTS:

- 2023 Auth. VM Admin Approval of PZC Items ORD

Attachment: 2023 Auth. VM Admin Approval of PZC Items ORD (Village Manager Authorization - June & July 2023 PZC Items (CA))

ORDINANCE NO._____

AN ORDINANCE AUTHORIZING THE VILLAGE MANAGER TO GRANT ADMINISTRATIVE APPROVAL OF CERTAIN PLANNING AND ZONING COMMISSION ITEMS

WHEREAS, petitions approved by the Planning and Zoning Commission require Village Council approval; and

WHEREAS, the only regularly scheduled Village Council meeting in July, 2023 is on Monday, July 10th; and

WHEREAS, Village Council approval on items from the June 13, June 27, and July 11, 2023 Planning and Zoning Commission meetings could be delayed up to roughly 30 days; and

WHEREAS, it would be in the best interest of the Village/Petitioner(s) to authorize the Village Manager to administratively approve petitions for Special Uses and Variations that are recommended by Staff and unanimously recommended for approval by the Planning and Zoning Commission at their June 13, June 27, and July 11, 2023 meetings.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Village Council of the Village of Palatine, Cook County, Illinois, acting in the exercise of their Home Rule Power that:

SECTION 1: **The Village Manager, on behalf of the Mayor and Village Council, is hereby authorized to administratively approve petitions for Special Uses and Variations, limited to those items recommended by Staff and unanimously recommended for approval by the Planning and Zoning Commission at their regularly scheduled meetings on June 13, June 27, and July 11, 2023, without further approval from the Village Council.**

SECTION 2: **That this ordinance shall be in full force and effect from and after its passage and approval as provided by law.**

PASSED: This _____day of _____, 2023

AYES:_____ NAYS:_____ ABSENT:_____ PASS:_____

APPROVED by me this _____day of_____, 2023

_____
Mayor of the Village of Palatine

ATTESTED and FILED in the office of Village Clerk

this ____ day of _____, 2023.

_____
Village Clerk

Attachment: 2023 Auth. VM Admin Approval of PZC Items ORD (Village Manager Authorization - June & July 2023 PZC Items (CA))