

# VILLAGE OF PALOS PARK, ILLINOIS

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## ANNUAL COMPREHENSIVE FINANCIAL REPORT



### VILLAGE OF PALOS PARK

FOR THE FISCAL YEAR ENDED  
APRIL 30, 2024

8999 West 123rd Street  
Palos Park, IL 60464  
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**VILLAGE OF PALOS PARK, ILLINOIS**

**ANNUAL COMPREHENSIVE  
FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED  
APRIL 30, 2024**

Prepared by:  
Finance Department

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## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the Village of Palos Park, including:

- List of Principal Officials
- Organizational Chart
- Letter of Transmittal
- GFOA Certificate of Achievement for Excellence in Financial Reporting



**Village of Palos Park**

**Principal Officials**

**April 30, 2024**

**NICOLE MILOVICH-WALTERS**

*Mayor*

**MARIE ARRIGONI**

*Village Clerk*

**BOARD OF COMMISSIONERS**

G. Darryl Reed - *Commissioner of Accounts and Finance*

Rebecca Petan - *Commissioner of Public Works and Streets, and Recreation*

Daniel Polk - *Commissioner of Public Health and Safety*

Mike Wade - *Commissioner of Building and Public Property*

**ADMINISTRATION**

Richard B. Boehm - *Village Manager*

**DEPARTMENT DIRECTORS**

Alison Brothen - *Finance Director/Treasurer*

Joseph Miller - *Chief of Police*

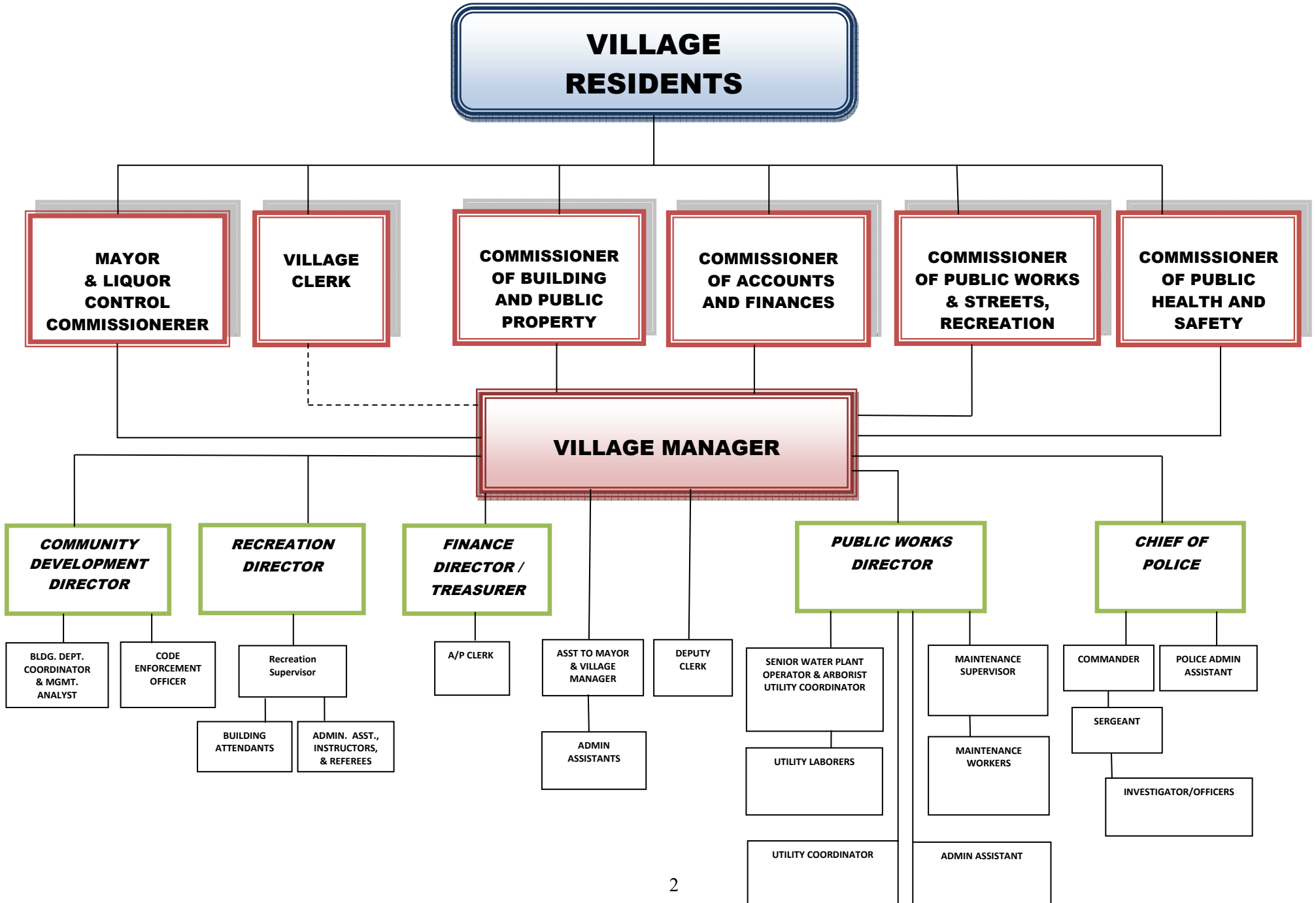
Michael Sibrava - *Public Works Director*

Mark Herman - *Community Development Director*

Stephen DeFalco - *Recreation Director*

# VILLAGE OF PALOS PARK

# ORGANIZATIONAL CHART





VILLAGE OF  
**PALOS PARK**

December 16, 2024

JOHN F. MAHONEY  
Mayor

JAMES PAVLATOS  
Accounts & Finances

NICOLE MILOVICH-WALTERS  
Public Works & Streets, Recreation

DAN POLK  
Public Health & Safety

G. DARRYL REED  
Building & Public Property

MARIE ARRIGONI  
Village Clerk

RICHARD B. BOEHM  
Village Manager

To the Honorable Nicole Milovich-Walters, Village Commissioners, and Residents of the Village of Palos Park, Illinois:

The Annual Comprehensive Financial Report of the Village of Palos Park, Illinois (the Village) for the year ended April 30, 2024 is hereby submitted as mandated by both local ordinance and state statute. Illinois state statute requires that all general-purpose local governments publish, within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (“GAAP”) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accounts. This Annual Comprehensive Financial Report complies with these requirements. The accounting firm of Lauterbach & Amen, LLP, an independent firm of licensed Certified Public Accountants, was contracted as auditors. The objective of the independent audit is to provide reasonable assurance that the financial statements of the Village for the fiscal year ended April 30, 2024, are free of material misstatement. They have concluded that these financial statements present fairly, in all material respects, the respective financial position of the Village as of April 30, 2024, in accordance with GAAP. Their Independent Auditor’s Report is included in the financial section of this Annual Comprehensive Financial Report.

Village management is responsible for the accuracy of financial data as well as the completeness and fairness of their presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data is accurate, complete, and reliable in all material respects. All disclosures necessary to enable the reader to gain an understanding of the Village’s financial activities have been included.

Responsibility for establishing and maintaining internal controls designed to safeguard Village assets from loss, theft, or misuse; as well as, ensuring that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles rests with Village management. The cost of implementing internal controls should not outweigh their benefits. Accordingly, internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement.

This Annual Comprehensive Financial Report presents a narrative introduction, management’s discussion and analysis (MD&A), basic financial statements, and required supplementary information. The MD&A provides an analytical overview and analysis of the Village’s financial activity and should be read in conjunction with this letter. The basic financial statement section includes government-wide financial statements, fund financial statements and notes to the financial statements. The required supplementary information presents budgetary comparison schedules as well as other financial information.

### **PROFILE OF THE VILLAGE OF PALOS PARK**

The Village of Palos Park was incorporated on October 31, 1914. Unlike many other well-to-do Chicago suburbs, Palos Park did not grow out of reclaimed farm fields. Residences sit



amongst rolling hills of a moraine dug by ice age glaciers. An abundance of mature trees, long distances between houses, and frequent large street setbacks often make it difficult, if not impossible, to see homes from the street. Ditches typically take the place of sidewalks and storm sewers in the Village, helping to replenish aquifers while

also further contributing to its distinctive character. Palos Park began as a destination for many seeking respite from the commotion of everyday life in the City of Chicago. Palos Park’s serene environment provided the proper backdrop as a summer house or getaway destination for artists, nature enthusiasts, hikers, university professors, and even sharpshooters.

Rolling hills, natural features and wooded landscape continue to be a major draw for residents and visitors to Palos Park. The Village is located within the greater Chicago Metropolitan area, which represents a vast region of approximately 7,195 square miles and includes over 9.51 million people according to a 2022 Census Bureau estimate. The Village of Palos Park, nestled among Cook County’s largest single Forest Preserve (the Palos section), sits less than 15 miles southwest of the city limits of the City of Chicago. The Village covers an area of 3.6 square miles and has an official population, according to the 2020 census, of 4,899. Despite being a small town, it offers many amenities common to much larger communities. Outstanding schools, retail and restaurant opportunities, numerous recreation opportunities are available to residents and visitors. The Village also has quick access to O’Hare International Airport, one of the busiest airports in the world, as well as Midway International Airport.

Palos Park is a great place to work, live, and raise a family. The Village is dedicated to improving the delivery of its services; thereby, enhancing the quality of life for its residents and also the operating environment for its businesses. The Village is proud to offer a broad range of services including police protection, construction and maintenance of streets and infrastructure, planning and zoning, building permit and inspection services, code enforcement, recreational and social events, residential tree branch chipping, access to METRA rail service, storm water management, water and sewer services and other general government services.

Public education is provided through several local elementary and high school districts. Additionally, an abundance of community and four-year colleges and universities throughout the Chicago metropolitan area offer opportunities for higher learning. Library services are provided by the Palos Park Public Library, which is guided by a separate governing board. For fire protection services, residents are serviced by the Palos Fire Protection District or the Lemont Fire Protection District. Each of these districts are separate legal standing entities and not fiscally dependent on the Village; hence they are excluded from being reported in this Annual Comprehensive Financial Report.

The Village is governed by the Commission form of government consisting of a Mayor and four Commissioners elected at large for four-year concurrent terms. Elected Commissioners are the legal department heads in the areas of Public Affairs (Mayor, by statute), Accounts and Finances, Public Health and Safety, Public Property and Building, and Streets and Public Improvements. The Village Clerk is also elected at large. The Village Council appoints, among others, the Village Manager, Village Attorney, and the Village Treasurer.

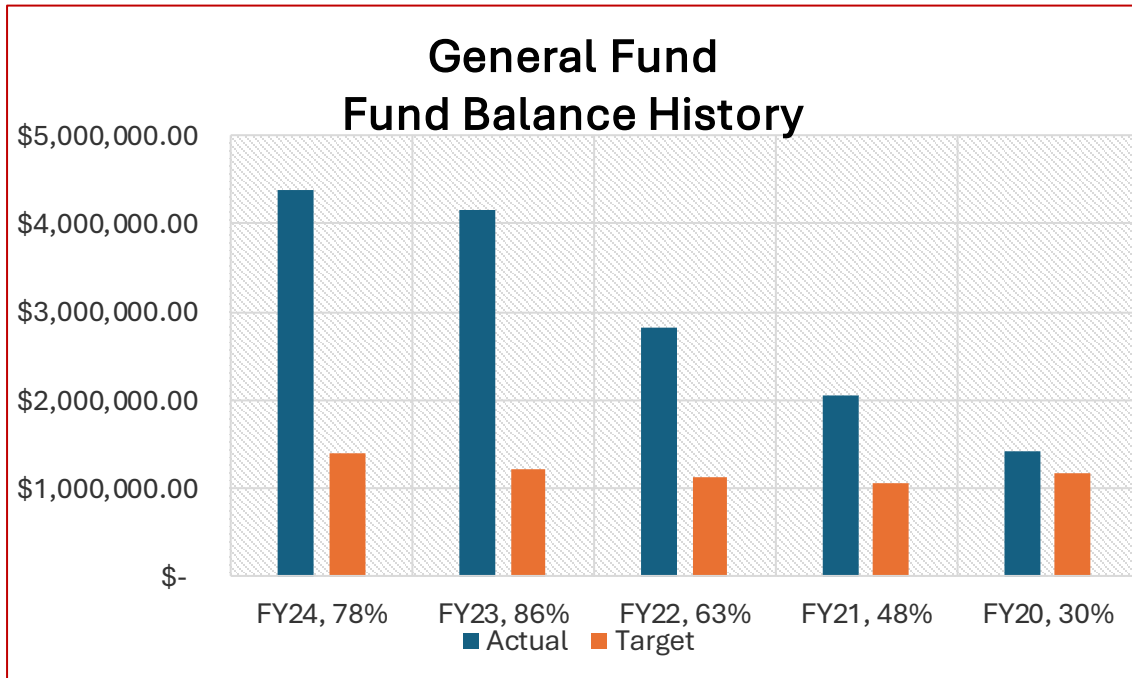
### **OVERVIEW OF THE LOCAL ECONOMY AND FINANCES**

The Mayor, Commissioners, and the Village staff are intent on maintaining the Village's strong financial condition, while continuing to provide the highest level of public services to its residents, business owners and visitors. The Village's financial position, as reflected in the financial statements presented in this report, is perhaps best understood when considered from the broader perspective of the environment within which the Village operates.

The Village benefits from being a part of the greater Chicago Metropolitan Area and its proximity to the City of Chicago. Significant vehicle traffic occurs daily throughout the Village on major networks of roads that connect to the City of Chicago or to other large suburban municipalities. As previously stated, the Village is in proximity to two major international airports. Residents and visitors to Palos Park enjoy an abundance of recreational opportunities such as walking, hiking, and biking trails in addition to large greenspaces and fishing ponds.

Despite primarily being a residential community, the Village does offer an attractive mix of retail, restaurant and commercial space. The northeast corner of 131<sup>st</sup> Street and LaGrange Road supports many individual businesses, while the northwest corner is home to the Shoppes of Mill Creek, Mill Creek Center, and gas stations. Several retail stores and office buildings are located in the area around Southwest Highway and Route 83. A major restaurant and commercial business are located at the intersection of 123<sup>rd</sup> Street and LaGrange Road.

Immediately adjacent to the Village, in neighboring communities, are two large employers. The Palos Community Hospital (in Palos Heights) sits at the corner of 123rd Street and 80th Avenue and the Carl Sandburg High School (in Orland Park) lies across from the Shoppes of Mill Creek at 131st Street and LaGrange Road. These neighboring employers are fixtures in the greater Palos community and provide a positive impact on the community and economy of the Village.



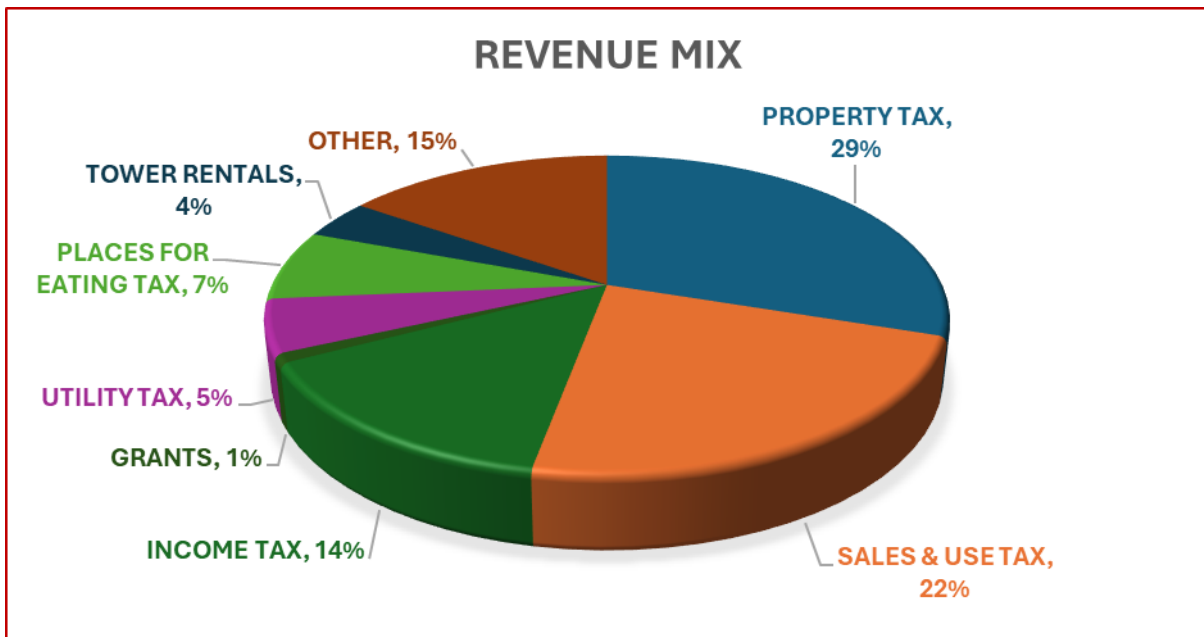
The strength of the Village lies with its residents and business community. These factors contribute to making Palos Park a unique and special place to live and work. This strength is manifested into the strong financial health of the village. The chart above depicts the five-year historical fund balance of the General Fund. In each of the last five years, the Village’s General Fund fund balance has exceeded the Village’s minimum 25% of budgeted expenditures policy for fund balance. General revenues (excluding Other Financing Sources) slightly decreased to a total of approximately \$5.85 million in Fiscal year 2024, compared to \$6.43 million in Fiscal Year 2023. This is a decrease of \$580,000, or 9% from Fiscal Year 2023. The full recognition of Federal ARPA funds received as grant revenue in Fiscal Year 2023 was the main cause of this decrease in revenues in Fiscal Year 2024.

Property values are an important point of interest for residents of the Village. The Village has seen tremendous growth in residential property values over the last five years. Since tax levy year 2019 (collected over Fiscal Year 2020 & 2021), Village property values (EAV) have increased 30%. The



average new residential home construction value in Fiscal Year 2024 was \$421,313, with 3 new housing permits issued during the fiscal year.

The Village's strong and diverse revenue mix provides operating flexibility to weather outside influences. As depicted in the chart below, the Village is not significantly reliant on any one revenue source. The Village's largest revenue source, property tax receipts, represents approximately 29% of total revenues, and is generally considered to be the most stable revenue source for Illinois units of government.



## **LONG-TERM FINANCIAL PLANNING AND RELEVANT FINANCE POLICIES**

The Village uses a number of processes and planning documents to accomplish its financial planning. The annual budget is the primary guiding document for the Village's financial planning and control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the Village's governing body. Activities of the General Fund, Special Revenue Funds, Capital Projects Funds, Enterprise Funds, and Police Pension Fund are included in the annual budget. The level of budgetary control is established at the individual fund level.

Several tools are utilized for long-term financial planning, including five-year financial projections, and a five-year capital improvement plan for equipment and infrastructure. This information is critical to evaluating trends, assessing the benefits of certain services or initiatives, implementation of future capital improvements, developing new projects, and creating an overall financial plan for the Village. These tools have provided Village Council confidence in implementing a robust capital plan for the upcoming Fiscal Year 2025. The Village's approved budget anticipates spending nearly \$4.67 million on capital-related projects. This is the second largest capital plan the Village has passed in at least several years. Notable projects include installation of a water transmission line west to Bell Rd at a cost of approximately \$2 million, street resurfacing projects totaling nearly \$1.35 million, and a new tennis/pickleball court with fencing at \$224,520.

The Village Council has in place several key written financial policies including a fund balance policy, capitalization policy, purchasing policy and a finance and facilities plan. The General Fund policy for fund balance is to maintain fund balance equal to a minimum of 25% or three months of budgeted expenditures. The General Fund met (exceeded) this policy by more than 200% in Fiscal Year 2024 and is expected to meet this objective again in Fiscal Year 2025.

## **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Village of Palos Park for its annual comprehensive financial report for the fiscal year ended April 30, 2023. This was the 25th consecutive year that the Village has received this prestigious award. In order to be awarded, the Village published an easily readable and efficiently organized Annual Comprehensive Financial Report, like the one you are currently reading.

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

The preparation of this Annual Comprehensive Financial Report was made possible by the dedicated service of the entire finance department and Village staff. Our sincere appreciation is extended to each one of them for their daily contributions made throughout the year and which culminate in this report. Their conscious efforts to comply with the control structure and environment, as well as responding to the needs and requests of the finance department are sincerely acknowledged and recognized. In closing, without the leadership and support of the Mayor and Commissioners, preparation of this report would not have been possible.

Respectfully Submitted,

***VILLAGE OF PALOS PARK***



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**Alison Brothen**

*Finance Director and Treasurer*



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**Richard Boehm**

*Village Manager*



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Village of Palos Park  
Illinois**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

April 30, 2023

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Other Supplementary Information
- Supplemental Schedules

## **INDEPENDENT AUDITORS' REPORT**

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



## **INDEPENDENT AUDITORS' REPORT**

December 16, 2024

The Honorable Village Mayor  
Members of the Board of Commissioners  
Village of Palos Park, Illinois

### **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 Palos Park, Illinois, as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the Village's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Palos Park, Illinois, as of April 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted 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 generally accepted 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.

## **Required Supplementary Information**

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

Village of Palos Park, Illinois  
December 16, 2024

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Palos Park, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections 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.

*Lauterbach & Amen, LLP*

LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**VILLAGE OF PALOS PARK, ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
APRIL 30, 2024**

The Village of Palos Park’s Management Discussion and Analysis (MD&A) is designed to assist the reader in focusing on significant financial issues and provides an overview of the Village’s financial activity. In addition, it also helps to identify the following: 1) changes in the financial position; 2) material deviations from the financial plan; and 3) individual fund issues or concerns. This section of the Village of Palos Park’s Annual Comprehensive Financial Report presents our discussion and analysis of the Village’s financial activities during the fiscal year ending April 30, 2024. The MD&A is designed to focus on the current year’s activities; and should be read in conjunction with the Transmittal Letter at the front of this report, as well as the Village’s financial statements which follow this section.

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**FINANCIAL HIGHLIGHTS**

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- **Net position and performance in total** – The Village’s total net position at fiscal year-end was \$20,393,069, a decrease of \$371,434 during the year. Total unrestricted net position increased \$602,287 to \$4,494,026.
- **Governmental activity summary** – Net position for governmental activities increased by \$172,531 during the year to \$4,795,794. Unrestricted net position increased \$357,274 to 578,720.
- **Business-type activity summary** – Net position for business-type activities decreased by \$543,965 during the year to \$15,597,275. Unrestricted net position increased \$245,013 to \$3,915,306.
- **General Fund summary** – The Village’s General Fund reported an increase of \$213,461 in fund balance for the year to \$4,377,695. Tax revenues held strong across many of the Village’s taxing sources which contributed to the increase.
- **Budget vs. Actual** – The Village’s actual revenues for the General Fund were less than budgeted by \$71,893, while actual expenditures were less than budgeted by \$338,950.
- **Overall Financial Position** – As a whole, the Village’s overall financial position improved during the fiscal year.

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**OVERVIEW OF THE FINANCIAL STATEMENTS**

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The Village’s financial statements present two kinds of statements, each with a different view or perspective. Both views (government-wide and major fund) allow users to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government) and enhances accountability.

This discussion and analysis is intended to serve as an introduction to the Village of Palos Park’s financial section of the Annual Comprehensive Financial Report. The financial section includes four components: 1) management’s discussion and analysis; 2) the basic financial statements; 3) required supplementary information; and, 4) additional supplementary information. The basic financial statements include two kinds of statements that present different views of the Village’s finances: government-wide financial statements and fund financial statements. The basic financial statements also include notes to the financial statements.

Government-wide financial statements provide both short and long-term information about the Village’s overall financial status. Fund financial statements focus on individual parts of the Village government, reporting Village operations in more detail than the government-wide financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by the required supplementary information section that further explains and supports the information in the financial statements. In addition to all the required financial statement elements, we have provided sections for combining statements to provide detail on non-major funds, additional supplementary information, and statistical information.

The following table summarizes the major features of the Village’s financial statements.

DESCRIPTION	FUND STATEMENTS			
	GOVERNMENT-WIDE STATEMENTS	GOVERNMENTAL FUNDS	PROPRIETARY FUNDS	FIDUCIARY FUNDS
Scope	Entire Village government (except fiduciary funds) and the Village’s component unit.	Activities of the Village that are not proprietary or fiduciary; such as public safety.	Activities the Village operates similar to private business; such as the water and sewer systems.	Activities in which the Village is trustee or agent of another’s resources; such as pension plans.
Required financial statements	- Statement of Net Position - Statement of Activities	- Balance Sheet - Statement of Revenues, Expenditures, and Changes in Fund Balances	- Statement of Net Position - Statement of Revenues, Expenses, and Changes in Net Position - Statement of Cash Flows	- Statement of Fiduciary Net Position - Statement of Changes in Fiduciary Net Position
Accounting basis	Accrual	Modified Accrual	Accrual	Accrual
Measurement focus	Economic resources	Current financial resources	Economic resources	Economic resources
Type of asset and liability information	All assets and liabilities; both financial and capital, short and long-term.	Assets expected to be used and liabilities that come due during the year or shortly thereafter; no capital assets.	All assets and liabilities; both financial and capital, short and long-term.	All assets and liabilities; both short and long-term. Does not currently contain capital assets.
Type of inflow and outflow information	All revenues and expenses during the year regardless of when cash is received or paid.	Revenues for which cash is received during the year or shortly thereafter; expenditures for goods or services that have been received and payment is due during the year or shortly thereafter.	All revenues and expenses during the year regardless of when cash is received or paid.	All revenues and expenses during the year regardless of when cash is received or paid.

## ***GOVERNMENT-WIDE STATEMENTS***

The government-wide financial statements are designed to imitate the corporate-like sector in that all governmental and business-type activities are consolidated into columns which add to a total for the primary government. The focus of the Statement of Net Position (the “Unrestricted Net Position”) is designed to disclose bottom line results for the Village and its governmental and business-type activities. This statement combines and consolidates the governmental fund’s current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

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

Both statements distinguish functions of the Village that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Village include general government, public safety, public works, building and public grounds, culture and recreation, and interest on long-term debt. The business-type activities include water, sewer maintenance, refuse and recycling and commuter parking lot.

## ***FUND FINANCIAL STATEMENTS***

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus of these fund financial statements is on major funds, rather than fund types.

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

Proprietary funds account for services that are generally fully supported by user fees charged to customers. Proprietary funds are presented on a total economic resources basis. Proprietary fund statements, like government-wide statements, provide both short and long-term financial information.

Fiduciary funds are presented for certain activities where the Village’s role is that of trustee or agent (Police Pension and Custodial Funds). While fiduciary funds represent trust responsibilities of the government, these assets are restricted in purpose, and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

While the total column on the business-type fund financial statements is the same as the business-type column on the government-wide financial statement, the governmental funds total column requires reconciliation because of the different measurement focus (current financial resources/modified accrual versus total economic resources/full accrual), which is reflected on the page following each statement. The flow of current financial resources will reflect bond proceeds, proceeds from sales of capital assets, and interfund transfers as other financing sources; as well as capital outlay expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the governmental activities column in the government-wide financial statements.

**FINANCIAL ANALYSIS OF THE VILLAGE AS A WHOLE**

**STATEMENT OF NET POSITION**

Changes in, and total overall net position may serve as a useful indicator of a government’s financial position and well-being. In the case of the Village, assets/deferred outflows exceeded liabilities/deferred inflows by \$20,393,069. The following table reflects the condensed Statement of Net Position as of April 30, 2024, with comparative data at April 30, 2023. For more detailed information see the Statement of Net Position.

**STATEMENT OF NET POSITION  
FOR FISCAL YEARS 2024 AND 2023**

	<b>Governmental Activities 2024</b>	<i>Governmental Activities 2023</i>	<b>Business- Type Activities 2024</b>	<i>Business- Type Activities 2023</i>	<b>Total Primary Government 2024</b>	<i>Total Primary Government 2023</i>
<b>Assets:</b>						
<i>Current and Other Assets</i>	\$ 10,640,481	\$ 11,067,509	\$ 4,216,254	\$ 4,052,477	\$ 14,856,735	\$ 15,119,986
<i>Capital Assets</i>	4,551,579	4,298,504	12,356,969	13,255,947	16,908,548	17,554,451
<b>Total Assets</b>	<b>\$ 15,192,060</b>	<b>\$ 15,366,013</b>	<b>\$ 16,573,223</b>	<b>\$ 17,308,424</b>	<b>\$ 31,765,283</b>	<b>\$ 32,674,437</b>
<i>Deferred Outflows of Resources</i>	\$ 2,286,391	\$ 3,010,422	\$ 221,967	\$ 312,362	\$ 2,508,358	\$ 3,322,784
<b>Liabilities:</b>						
<i>Current Liabilities</i>	\$ 1,285,067	\$ 1,133,369	\$ 323,989	\$ 310,453	\$ 1,609,056	\$ 1,443,822
<i>Noncurrent Liabilities</i>	6,889,906	8,505,254	858,411	1,116,065	7,748,317	9,621,319
<b>Total Liabilities</b>	<b>\$ 8,174,973</b>	<b>\$ 9,638,623</b>	<b>\$ 1,182,400</b>	<b>\$ 1,426,518</b>	<b>\$ 9,357,373</b>	<b>\$ 11,065,141</b>
<i>Deferred Inflows of Resources</i>	\$ 4,507,684	\$ 4,114,549	\$ 15,515	\$ 53,028	\$ 4,523,199	\$ 4,167,577
<b>Net Position:</b>						
<i>Net Investment in Capital Assets</i>	\$ 1,613,034	\$ 3,715,035	\$ 11,681,969	\$ 12,470,947	\$ 13,295,003	\$ 16,185,982
<i>Restricted</i>	2,604,040	686,782	-	-	2,604,040	686,782
<i>Unrestricted</i>	578,720	221,446	3,915,306	3,670,293	4,494,026	3,891,739
<b>TOTAL NET POSITION</b>	<b><u>\$ 4,795,794</u></b>	<b><u>\$ 4,623,263</u></b>	<b><u>\$ 15,597,275</u></b>	<b><u>\$ 16,141,240</u></b>	<b><u>\$ 20,393,069</u></b>	<b><u>\$ 20,764,503</u></b>

### ***CURRENT YEAR IMPACT – NET POSITION***

As previously stated, overall total net position was \$20,393,069 at April 30, 2024, which is a decrease of \$371,434 or 2% from the prior year. The largest line item within net position represents Net Investment in Capital Assets (i.e. - land, equipment, vehicles, infrastructure, etc.). This line item totals \$13,295,003 at April 30, 2024, a decrease of \$2,890,979 or 18%. This line item represents approximately 65% of total net position. Systematic depreciation of existing assets and related debt service payments simply outpaced new capital purchases. The Village uses these capital assets to provide services to citizens; consequently, they are not available for future spending. Although the Village's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the assets themselves cannot be used to pay off the debt.

Total unrestricted net position of \$4,494,026 may be used to meet the Village's ongoing obligation to citizens and creditors. Total unrestricted net position increased \$602,287 or 15% over the prior year. This line item represents approximately 22% of total net position. The remaining \$2,604,040, or 13%, of total net position, represents resources that are subject to restriction as to their use. Total restricted net position increased \$1,917,258 or 279% primarily related to an increase in resources restricted for Highways and Streets.

The net position of business type activities was \$15,597,275 at April 30, 2024, a decrease of \$543,965 or 3% from the prior year. The recognition of depreciation expense across all business-type funds totaled \$943,295. Its impact cannot be ignored on net position. Excluding the effects of depreciation expense, which is subject to numerous estimates, total net position increased \$399,330. Unrestricted net position during the year increased \$245,013 or 7% to \$3,915,306. Business-type activities include water, sewer, solid waste (refuse and recycling), and commuter parking lot services. The Village's two largest Business Type-Enterprise Funds are the Water and Sewer Maintenance funds. The unrestricted net position of the Water Fund was \$2,065,698 at April 30, 2024. The unrestricted net position of the Sewer Maintenance Fund was \$1,700,482 at April 30, 2024. Strong residential water consumption and interest income results coupled with a decrease in IMRF Pension liability contributed to the increase in net positions.

### ***NORMAL IMPACTS – NET POSITION***

There are six common (basic) types of transactions that will generally affect the comparability of the Statement of Net Position summary presentation.

1. ***Net Results of Activities*** – Impacts (increases/decreases) current assets and unrestricted net position.
2. ***Borrowing for Capital*** – Increases current assets and long-term debt.
3. ***Spending Borrowed Proceeds on New Capital*** – Reduces current assets and increases capital assets. Also, an increase in invested in capital assets and an increase in related net debt will not change the net investment in capital assets.
4. ***Spending of Non-borrowed Current Assets on New Capital*** – (a) Reduces current assets and increases capital assets, and (b) reduces unrestricted net position and increases net investment in capital assets.
5. ***Principal Payment on Debt*** – (a) Reduces current assets and reduces long-term debt; and, (b) reduces unrestricted net position and increases net investment in capital assets.

6. **Reduction of Capital Assets Through Depreciation** – Reduces capital assets and net investment in capital assets.

## STATEMENT OF CHANGES IN NET POSITION

The following table presents a condensed summary of Changes in Net Position for the current fiscal year; as well as the previous fiscal year.

### CHANGES IN NET POSITION FOR FISCAL YEARS 2024 AND 2023

	<b>Governmental Activities 2024</b>	<b>Governmental Activities 2023</b>	<b>Business- Type Activities 2024</b>	<b>Business- Type Activities 2023</b>	<b>Total Primary Government 2024</b>	<b>Total Primary Government 2023</b>
<b>REVENUES</b>						
<b>Program Revenues:</b>						
Charges for Services	\$ 668,852	\$ 620,453	\$ 3,407,564	\$ 3,106,415	\$ 4,076,416	\$ 3,726,868
Operating Grants	418,335	416,906	-	-	418,335	416,906
<b>General Revenues:</b>						
Property Taxes	1,684,524	1,545,511	-	-	1,684,524	1,545,511
Sales Taxes	1,628,001	1,655,767	-	-	1,628,001	1,655,767
Utility Taxes	362,794	440,548	-	-	362,794	440,548
Income Taxes	802,038	791,573	-	-	802,038	791,573
Other Taxes	406,593	382,308	-	-	406,593	382,308
Investment Income	458,854	222,414	63,512	30,313	522,366	252,727
Other / Miscellaneous	530,898	1,188,312	(142,533)	82,982	388,365	1,271,294
<b>Total Revenues</b>	<b>6,960,889</b>	<b>7,263,792</b>	<b>3,328,543</b>	<b>3,219,710</b>	<b>10,289,432</b>	<b>10,483,502</b>
<b>EXPENSES</b>						
General Government	762,997	689,244	-	-	762,997	689,244
Public Safety	2,514,056	2,654,241	-	-	2,514,056	2,654,241
Public Works	2,303,958	1,329,604	-	-	2,303,958	1,329,604
Building and Public Grounds	693,351	577,195	-	-	693,351	577,195
Culture and Recreation	406,163	296,209	-	-	406,163	296,209
Water	-	-	2,640,077	2,558,101	2,640,077	2,558,101
Sewer	-	-	826,349	851,780	826,349	851,780
Solid Waste	-	-	382,780	429,165	382,780	429,165
Commuter Lot	-	-	23,302	28,603	23,302	28,603
Interest	107,833	115,371	-	-	107,833	115,371
<b>Total Expenses</b>	<b>6,788,358</b>	<b>5,661,864</b>	<b>3,872,508</b>	<b>3,867,649</b>	<b>10,660,866</b>	<b>9,529,513</b>
<b>Change in Net Position Before Transfers</b>	<b>172,531</b>	<b>1,601,928</b>	<b>(543,965)</b>	<b>(647,939)</b>	<b>(371,434)</b>	<b>953,989</b>
<b>Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Net Position</b>	<b>172,531</b>	<b>1,601,928</b>	<b>(543,965)</b>	<b>(647,939)</b>	<b>(371,434)</b>	<b>953,989</b>
<b>Beginning Net Position</b>	<b>4,623,263</b>	<b>3,021,335</b>	<b>16,141,240</b>	<b>16,789,179</b>	<b>20,764,503</b>	<b>19,810,514</b>
<b>Ending Net Position</b>	<b>\$ 4,795,794</b>	<b>\$ 4,623,263</b>	<b>\$ 15,597,275</b>	<b>\$ 16,141,240</b>	<b>\$ 20,393,069</b>	<b>\$ 20,764,503</b>

## ***CURRENT YEAR IMPACTS – CHANGES IN NET POSITION***

### ***Governmental Activities***

Total revenues for governmental activities for Fiscal Year 2024 totaled \$6,960,889, a decrease of \$302,903 or 4% from the prior year. Included in Fiscal Year 2023 total revenues for governmental activities was the Federal ARPA funds of \$644,495. In Fiscal Year 2024, the largest increase was seen in Property Taxes, which increased \$139,013 or 9% to \$1,684,524. This increase is attributed to an increase in the tax levy by 4.9%. The largest decrease in Fiscal Year 2024, other than the ARPA grant monies, was in Utility Taxes, which decreased \$77,754 or 18% mainly due to the unseasonably warm winter.

Expenses for governmental activities (excluding transfers) totaled \$6,788,358 in Fiscal Year 2024, an increase of \$1,126,494 or 20%. General Government expenses increased \$73,753, or 11% to \$762,997. The increase is related to the increases in wages as well as the purchase of a new ERP accounting software. The new software was implemented in January 2024 at a cost of \$91,870, split between the General Fund (70%), Water Fund (15%) and Sewer Fund (15%). Public Safety expenses decreased \$140,185 or 5% from the prior year. Village contributions to the Palos Park Police Pension Fund decreased \$61,000 or 13% to \$425,000 in Fiscal Year 2024, largely due to State consolidation of municipal police pension plans during this past year for investment purposes. Public Safety wage expense decreased \$25,484 or 2% in Fiscal Year 2024 due to a retirement in late Fiscal Year 2023. Public Works expenses increased \$974,354 or 73% from the prior year. Significant commitment to improving roadways in the Village during Fiscal Year 2024 resulted in higher maintenance expense. Culture and Recreation expenses increased \$109,954 or 37% during Fiscal Year 2024. This increase is primarily attribute to a new recreation supervisor position, increased part-time staff to manage more recreation programs during the fiscal year and the increased cost of Village held community festivals.

### ***Business-Type Activities***

Revenue from business-type activities (excluding Transfers and Disposal of Capital Assets) totaled \$3,328,543 for Fiscal Year 2024, an increase of \$108,833 or 3% from the prior year. Charges for Services revenue increased \$301,149, 10% from the prior year. Increase in water and refuse rates, combined with strong water consumption contributed to the increase. Interest income increased \$33,199, or 110% from the prior year, indicative of strong interest rate environment fed by increases in federal interest rates.

Expenses for business-type activities totaled \$3,872,508 for Fiscal Year 2024 a slight increase of \$4,859 or 0.13%. Water services operational expenses increased by \$81,976 or 3%, to \$2,640,077. Personnel costs decreased 46,038 or 9% in Fiscal Year 2024 compared to the prior year. Changes in staffing, decrease in pension expense, as well as a noticeable decrease in the number of water main breaks contributed to the decrease. Sewer operational expenses decreased \$25,431 or 3%, to \$826,349. Personnel costs decreased 16,355 or 8% in Fiscal Year 2024 compared to the prior year. The Commuter Lot Fund operating expenses decreased \$5,301 or 19%, to \$23,302. Concrete curb repair work in the amount of \$4,250 was performed in Fiscal Year 2023 that was not done in Fiscal Year 2024. All other costs remained relatively constant from the prior year. The Refuse and Recycling Fund operating expenses decreased \$46,385 or 10%, to \$382,780. In Fiscal Year 2023, the Village added additional brush pickup services with the refuse hauler that were not needed in Fiscal Year 2024.

## ***NORMAL IMPACTS – CHANGES IN NET POSITION***

Reflected below are nine common (basic) impacts on revenues and expenses.

- ***Economic Condition*** – Reflects a declining, stable, or growing economic environment and has a substantial impact on state income, sales, telecommunications, and utility tax revenues; as well as public spending habits for items, such as: building permits and elective user fees including volumes of usage.
- ***Increase/Decrease in Village Approved Rates*** – While certain tax rates are set by statute, the Village Council has authority to impose and periodically increase/decrease rates (water, sewer, building permit fees, vehicle stickers, etc.) The Village’s property taxes are subject to tax caps which generally limit Village increases to the lesser of Consumer Price Index (5% for the 2023 levy used to fund 2024) or 5.0%; plus any growth gained through development or redevelopment.
- ***Changing Patterns of Intergovernmental and Grant Revenue (both recurring and non-recurring)*** – Certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants make year-to-year comparisons difficult.
- ***Market Impacts on Investment Income*** – The Village’s investment portfolio is managed with an approach utilizing competitive pricing, laddered maturities, and diversity of investments. Market conditions can fluctuate investment earnings.
- ***Changes in Programs*** – Within the functional expense categories (General Government, Public Safety, Public Works, etc.), individual programs may be added, deleted, or expanded to meet changing community needs.
- ***Changes in Authorized Personnel*** – Changes in service demand may cause the Village Council to increase/decrease authorized staffing.
- ***Salary Increases (annual adjustments and step increases)*** – The ability to attract and retain human and intellectual resources requires the Village to strive to maintain a competitive salary range position in the marketplace.
- ***Inflation*** – The Village is a major consumer of certain commodities and services which typically experience inflation at a rate that can be significantly difference from CPI; for example, insurance, fuel, electricity, and operating services.
- ***Unfunded Mandates and Imposed Fees*** – Over the years there have been many unfunded mandates and fee impositions that have hit municipalities. The Village is impacted by unfunded mandates imposed by federal, state, and local governments; as well as regulatory agencies. These unfunded mandates can generate additional expenses without compensating revenues.

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## FINANCIAL ANALYSIS OF THE VILLAGE'S FUNDS

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For the fiscal year ending April 30, 2024, the governmental funds reflect a combined fund balance of \$8,150,940, which is a decrease of \$609,670 or 7% from the prior year. The Village issued \$3,000,000 in bonds in Fiscal Year 2022 for the purpose of repairing, maintaining, and improving Village roads and roadway drainage systems, and other related projects. In Fiscal Year 2024, the Village expended bond proceeds for those roadway and drainage improvements in the amount of \$1,384,386. The General Fund ending fund balance at April 30, 2024 was \$4,377,695 which is an increase of \$213,461 or 5%.

A healthy fund balance is sufficient to allow for short-term cash flow fluctuations as well as to meet future planned and unplanned projects or requirements. The Village's General Fund fund balance, previously stated of \$4,377,695, represents 78% of the Village's General Fund expenditures for Fiscal Year 2024. This percentage is over the Village's policy of three months or a 25% reserve of the General Fund expenditure budget in fund balance. In just three years, the Village's General Fund fund balance has improved from \$2,042,334 in Fiscal Year 2021 to \$4,377,695 in Fiscal Year 2024. Fund balance reserves have increased from 48% of expenditures in Fiscal Year 2021 to 78% of expenditures in Fiscal Year 2024.

Total revenues for the General Fund for Fiscal Year 2024 totaled \$5,854,041, which is a decrease of \$577,729, or 9% from the prior year. Fiscal Year 2023 saw the full recognition of federal ARPA funds that resulted in an increase of \$644,495 in revenue. Licenses and permit revenue as well as state tax revenue all experienced small declines in total revenues in Fiscal Year 2024 compared to the prior year. Notable differences between the budget and actual numbers in Revenues, Expenditures, and Other Financing Sources are explained in the table below.

Total revenues for the Local Municipal Gas Tax Fund for Fiscal Year 2024 totaled \$266,612, which represents an increase of \$74,067 or 38%. Receipts from the Village's 3¢ local gas tax (Intergovernmental) slightly decreased \$4,416 or 3%. Investment income increased from \$36,220 in Fiscal Year 2023 to \$114,703 in Fiscal Year 2024, an increase of \$78,483 or 216%. This increase is attributed to robust market interest rates boosted by hikes in federal interest rates.

Operating expenditures for the General Fund increased in Fiscal Year 2024 to \$5,610,796. This represents an increase of \$775,574 or 16% from the prior year's total of \$4,835,222. General Government expenditures, excluding the administrative charges, increased \$52,235 or 7% from the prior year. Wages increased \$39,022 or 9% in Fiscal Year 2024 from the prior year due to annual wage increases to staff and a new part-time social media communications coordinator position added in Fiscal Year 2024. Legal fees increased by \$4,387 or 20% in Fiscal Year 2024 compared to the prior year. Commodities increased \$5,965 or 9% in Fiscal Year 2024 compared to the prior year. Increases in phone and internet contract costs are the main drivers for the increase in expenditures. Public Safety expenditures decreased \$43,128 or 2% from the prior year. Actuarially determined contributions to the Palos Park Police Pension Fund decreased \$61,000 to \$425,000 in Fiscal Year 2024. Wages decreased 25,484 or 2% in Fiscal Year 2024 compared to the prior year due to a retirement at the end of Fiscal Year 2023. Public Works expenditures increased \$50,032 or 8% from the prior year. Wages increased \$23,689 or 8% in Fiscal Year 2024 compared to the prior year. Public works staff received pay increases in the fiscal year. Building and Public Grounds expenditures increased \$103,148 or 18% during the fiscal year. Wage expenditures increased \$16,053 or 7% in Fiscal Year 2024 compared to the prior year. Building department staff received pay increases during the fiscal year. Culture and Recreation expenditures increased \$127,313 or 52% from the prior year. See previous discussion of staffing changes within the Recreation Department during Fiscal Year 2024. Capital Outlay Expenditures increased \$296,688 or 259% from the prior year. The Village installed a new playground in Fiscal Year 2024. See Changes in Net Capital Assets section within this MD&A for more discussion.

Total expenditures for the Local Municipal Gas Tax Fund for Fiscal Year 2024 totaled \$1,387,871 which represents an increase of \$802,114 or 137%. The Village issued \$3,000,000 in bonds in Fiscal Year 2022 for the purpose of repairing, maintaining, and improving Village roads and roadway drainage systems, and other related projects. In Fiscal Year 2022 the Village incurred \$72,654 in bond issuance fees. In Fiscal Year 2023 the Village began expending bond proceeds for roadway and drainage improvements totaling \$582,530. In Fiscal Year 2024, the Village expended \$1,384,386 of bond proceeds for more roadway and drainage improvements. The Village expects to utilize the full bond proceeds in the next fiscal year.

### GENERAL FUND BUDGETARY HIGHLIGHTS

<i>General Fund</i>	<i>FY24 Budget</i>	<i>FY24 Actual</i>	<i>FY23 Actual</i>	<i>FY22 Actual</i>	<i>FY21 Actual</i>	<i>FY20 Actual</i>
<i>Revenues:</i>						
<i>Taxes</i>	\$ 2,448,309	\$ 2,453,911	\$ 2,368,367	\$ 2,286,079	\$ 1,983,135	\$ 2,011,050
<i>Licenses &amp; Permits</i>	264,514	238,668	380,584	436,586	467,987	407,059
<i>Intergovernmental</i>	2,111,540	2,159,452	2,777,782	1,933,015	1,688,939	1,417,227
<i>Other</i>	1,101,571	1,002,010	905,037	688,137	757,403	745,671
<b>Total</b>	<b>5,925,934</b>	<b>5,854,041</b>	<b>6,431,770</b>	<b>5,343,817</b>	<b>4,897,464</b>	<b>4,581,007</b>
<i>Expenditures:</i>						
<i>Current</i>	(5,541,682)	(5,199,747)	(4,720,861)	(4,399,050)	(4,239,719)	(4,639,178)
<i>Capital Outlay</i>	(408,064)	(411,049)	(114,361)	(115,359)	(21,993)	(8,100)
<i>Debt Service</i>	-	-	-	-	-	-
<b>Total</b>	<b>(5,949,746)</b>	<b>(5,610,796)</b>	<b>(4,835,222)</b>	<b>(4,514,409)</b>	<b>(4,261,712)</b>	<b>(4,647,278)</b>
<i>Other Financing Sources (Uses)</i>						
<i>Transfers In</i>	181,700	165,000	-	-	5,260	-
<i>Transfers Out</i>	(151,410)	(194,784)	(259,476)	(44,580)	(15,394)	(110,721)
<i>Proceeds from Sale of Assets</i>	-	-	-	-	-	-
<b>Total</b>	<b>30,290</b>	<b>(29,784)</b>	<b>(259,476)</b>	<b>(44,580)</b>	<b>(10,134)</b>	<b>(110,721)</b>
<b>Net Change in Fund Balance</b>	<b>\$ 6,478</b>	<b>\$ 213,461</b>	<b>\$ 1,337,072</b>	<b>\$ 784,828</b>	<b>\$ 625,618</b>	<b>\$ (176,992)</b>

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### *Capital Assets*

At the end of Fiscal Year 2024, the Village's capital assets totaled \$16,908,548. These assets are invested in a broad range of items including land, land improvements, buildings, vehicles, machinery and equipment, furniture and fixtures, streets, water mains, storm sewers, and sanitary sewer lines.

Major capital activity during the year, as reported by Governmental Activities, included the purchase of two police squad vehicles purchased by the General Fund in the amount of \$117,219, purchase of a new F550 dump truck purchased by the ½ Sales Tax Fund in the amount of \$139,874, and installation of a new Village Green playground at a cost of \$ 225,387 paid by the General Fund. Major Sewer Fund (Business-type activities) capital activity during the year includes final reconstruction of Partridge Lift Station (including Construction in Progress from FY 2023) in the amount of \$100,987.

For more detailed information on capital assets, refer to Notes to Financial Statements #3: *Capital Assets* in the basic financial statements.

### CHANGES IN NET CAPITAL ASSETS

	<i>Beginning Balance May 1, 2023</i>	<i>Additions/ Deletion</i>	<i>Ending Balance April 30, 2024</i>
<b><i>Non-Depreciable Assets</i></b>			
<i>Land</i>	\$ 1,729,988	\$ -	\$ 1,729,988
<i>Construction in Progress</i>	56,671	(56,671)	-
<b><i>Depreciable Capital Assets</i></b>			
<i>Buildings and Improvements</i>	4,754,792	-	4,754,792
<i>Equipment and Vehicles</i>	1,640,041	422,215	2,062,256
<i>Land Improvements</i>	30,116	-	30,116
<i>Water Distribution System</i>	18,759,137	-	18,759,137
<i>Sewer Distribution System</i>	17,393,447	100,988	17,494,435
<i>Accumulated Depreciation on Capital Assets</i>	(26,809,741)	(1,112,435)	(27,922,176)
<b><i>TOTAL</i></b>	<b><u>\$ 18,233,281</u></b>	<b><u>\$ (645,903)</u></b>	<b><u>\$ 16,908,548</u></b>

### ***Debt Outstanding***

At year end, the Village of Palos Park had the following debt outstanding:

- In the fall of 2006, the Village issued a \$570,000 installment contract for the purchase of property for a park. As of April 30, 2024, the principal balance remaining was \$90,000.
- In Fiscal Year 2021, the Village issued \$1,000,000 in General Obligation Refunding Alternate Revenue Bonds for the purpose of refunding Series 2010 General Obligation Alternative Revenue Bonds. The original Series 2010 General Obligation Alternative Revenue Bonds were used to finance the construction of an underground reservoir. As of April 30, 2024, the principal balance remaining was \$675,000.
- In Fiscal Year 2022, the Village issued \$3,000,000 in General Obligation (Alternate Revenue Source) bonds for the purpose of repairing, maintaining, and improving Village roads and roadway drainage systems, and other related capital projects. As of April 30, 2024, the principal balance remaining was \$2,755,000.
- The Village received a credit upgrade by Moody's Investor Services to Aa2 (High quality, subject to very low credit risk) in Fiscal Year 2022.

The Village's total legal general obligation debt limit is \$26,997,654. The Village's total general obligation debt applicable to this limit of \$90,000 is well within the limit. See Notes to Financial Statements #3: *Long-Term Debt* for additional information regarding the long-term debt of the Village.

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## ECONOMIC FACTORS

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The Village is primarily residential in nature with commercial enterprises sprinkled within the community. The Village's personal income, per capita personal income as well as unemployment rate rank favorably compared to Cook County and State of Illinois averages. The economic strength of the community allows the Village to be less susceptible to economic fluctuations.

The Village benefits from a strong and diversified revenue base. In Fiscal Year 2024 the Village's largest single source of revenue, property taxes, represents only 29% of total revenues. A similar breakdown has been achieved in prior years. The Village's 2023 tax year equalized assessed value (EAV) for property taxes payable in calendar year 2024 was \$313,016,274 as compared to the 2022 EAV of \$ 238,196,837. This overall increase in EAV is 31% compared to 2022 and reflects positively on the Village.

The Village's elected officials and department directors consider many factors when preparing the annual budget, adopting the property tax levy, and setting fees that will be charged for its governmental and business-type activities. The economic factors taken into account, or considered include but are not limited to interest rates, inflation, credit rates, and overall strength of the regional economy and financial stability of the State of Illinois. The Village's Fiscal Year 2025 budget anticipates strong fund balance reserves throughout the year in key funds such as the General Fund, Sewer Fund, and Water Fund. Starting in Fiscal Year 2023, and budgeted in Fiscal Year 2024 and 2025, the Village has implemented a plan to save for future capital replacement needs. Transfers of \$155,688 from the General Fund to the Capital Improvements Fund for future capital replacement needs were made in Fiscal Year 2024. The Fiscal Year 2025 budget anticipates this transfer made in the amount of \$56,947. The Village's Fiscal Year 2025 budget also considers one of the largest capital plans undertaken in many years with total capital costs budgeted at \$4,669,348.

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## CONTACTING THE VILLAGE'S FINANCIAL MANAGEMENT

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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. This report and others may be found on the Village's website at [www.palospark.org](http://www.palospark.org). Questions concerning this report or requests for additional financial information should be directed to:

**Alison Brothen**  
Finance Director/Treasurer  
Village of Palos Park  
8999 W. 123rd Street  
Palos Park, Illinois 60464

## **BASIC FINANCIAL STATEMENTS**

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

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Proprietary Funds

Fiduciary Funds

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

**VILLAGE OF PALOS PARK, ILLINOIS**

**Statement of Net Position**

**April 30, 2024**

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**See Following Page**

**VILLAGE OF PALOS PARK, ILLINOIS**

**Statement of Net Position  
April 30, 2024**

	Governmental Activities	Business-Type Activities	Totals
<b>ASSETS</b>			
Current Assets			
Cash and Investments	\$ 8,319,220	3,659,401	11,978,621
Receivables - Net of Allowances	2,061,344	543,540	2,604,884
Due from Other Governments	54,037	-	54,037
Prepays	65,002	13,313	78,315
Total Current Assets	<u>10,499,603</u>	<u>4,216,254</u>	<u>14,715,857</u>
Noncurrent Assets			
Capital Assets			
Nondepreciable	1,709,988	20,000	1,729,988
Depreciable	6,472,279	36,628,457	43,100,736
Accumulated Depreciation	(3,630,688)	(24,291,488)	(27,922,176)
Total Capital Assets	<u>4,551,579</u>	<u>12,356,969</u>	<u>16,908,548</u>
Other Assets			
Net Pension Asset - SLEP	140,878	-	140,878
Total Noncurrent Assets	<u>4,692,457</u>	<u>12,356,969</u>	<u>17,049,426</u>
Total Assets	<u>15,192,060</u>	<u>16,573,223</u>	<u>31,765,283</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Items - IMRF	458,913	221,967	680,880
Deferred Items - SLEP	43,423	-	43,423
Deferred Items - Police Pension	1,784,055	-	1,784,055
Total Deferred Outflows of Resources	<u>2,286,391</u>	<u>221,967</u>	<u>2,508,358</u>
Total Assets and Deferred Outflows of Resources	<u>17,478,451</u>	<u>16,795,190</u>	<u>34,273,641</u>

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

	Governmental Activities	Business-Type Activities	Totals
<b>LIABILITIES</b>			
Current Liabilities			
Accounts Payable	\$ 960,169	185,141	1,145,310
Accrued Payroll	85,447	15,928	101,375
Accrued Interest	45,179	4,228	49,407
Current Portion of Long-Term Liabilities	194,272	118,692	312,964
Total Current Liabilities	<u>1,285,067</u>	<u>323,989</u>	<u>1,609,056</u>
Noncurrent Liabilities			
Compensated Absences Payable	157,089	34,769	191,858
Net Pension Liability - IMRF	445,187	215,328	660,515
Net Pension Liability - Police Pension	3,318,925	-	3,318,925
Total OPEB Liability - RBP	185,160	43,314	228,474
General Obligation Bonds/Debt Certificates - Net	2,783,545	565,000	3,348,545
Total Noncurrent Liabilities	<u>6,889,906</u>	<u>858,411</u>	<u>7,748,317</u>
Total Liabilities	<u>8,174,973</u>	<u>1,182,400</u>	<u>9,357,373</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	917,288	-	917,288
Deferred Items - Leases	385,759	12,268	398,027
Deferred Items - IMRF	6,714	3,247	9,961
Deferred Items - SLEP	37,457	-	37,457
Deferred Items - Police Pension	3,160,466	-	3,160,466
Total Deferred Inflows of Resources	<u>4,507,684</u>	<u>15,515</u>	<u>4,523,199</u>
Total Liabilities and Deferred Inflows of Resources	<u>12,682,657</u>	<u>1,197,915</u>	<u>13,880,572</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	1,613,034	11,681,969	13,295,003
Restricted - IMRF	419,473	-	419,473
Restricted - Highways and Streets	2,174,594	-	2,174,594
Restricted - Exaction Fee	9,973	-	9,973
Unrestricted	578,720	3,915,306	4,494,026
Total Net Position	<u>4,795,794</u>	<u>15,597,275</u>	<u>20,393,069</u>

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

**VILLAGE OF PALOS PARK, ILLINOIS**

**Statement of Activities**

**For the Fiscal Year Ended April 30, 2024**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
Governmental Activities				
General Government	\$ 762,997	238,668	51,263	-
Public Safety	2,514,056	117,322	-	-
Public Works	2,303,958	-	367,072	-
Building and Public Grounds	693,351	-	-	-
Culture and Recreation	406,163	312,862	-	-
Interest on Long-Term Debt	107,833	-	-	-
Total Governmental Activities	<u>6,788,358</u>	<u>668,852</u>	<u>418,335</u>	<u>-</u>
Business-Type Activities				
Water	2,640,077	2,407,119	-	-
Sewer Maintenance	826,349	528,361	-	-
Refuse and Recycling	382,780	426,986	-	-
Commuter Parking Lot	23,302	45,098	-	-
Total Business-Type Activities	<u>3,872,508</u>	<u>3,407,564</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>10,660,866</u>	<u>4,076,416</u>	<u>418,335</u>	<u>-</u>

General Revenues  
Taxes  
    Property  
    Local Sales  
    Utility  
    Other Taxes  
Intergovernmental - Unrestricted  
    State Sales Tax  
    State Income Tax  
    Replacement Tax  
Investment Income  
Miscellaneous  
Internal Activity - Transfers  
  
Change in Net Position  
Net Position - Beginning  
Net Position - Ending

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

Primary Government		
Net (Expense)/Revenue		
Governmental Activities	Business-Type Activities	Totals
(473,066)	-	(473,066)
(2,396,734)	-	(2,396,734)
(1,936,886)	-	(1,936,886)
(693,351)	-	(693,351)
(93,301)	-	(93,301)
(107,833)	-	(107,833)
(5,701,171)	-	(5,701,171)
-	(232,958)	(232,958)
-	(297,988)	(297,988)
-	44,206	44,206
-	21,796	21,796
-	(464,944)	(464,944)
(5,701,171)	(464,944)	(6,166,115)
1,684,524	-	1,684,524
348,845	-	348,845
362,794	-	362,794
406,593	-	406,593
1,279,156	-	1,279,156
802,038	-	802,038
26,995	-	26,995
458,854	63,512	522,366
338,903	22,467	361,370
165,000	(165,000)	-
5,873,702	(79,021)	5,794,681
172,531	(543,965)	(371,434)
4,623,263	16,141,240	20,764,503
4,795,794	15,597,275	20,393,069

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

**VILLAGE OF PALOS PARK, ILLINOIS**

**Balance Sheet - Governmental Funds  
April 30, 2024**

	General	Special Revenue Local Municipal Gas Tax	Nonmajor	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 4,487,444	1,593,006	2,238,770	8,319,220
Receivables - Net of Allowances				
Taxes	1,322,328	-	83,037	1,405,365
Accounts	25,283	-	-	25,283
Leases	408,818	-	-	408,818
Other	221,878	-	-	221,878
Due from Other Governments	-	36,417	17,620	54,037
Prepays	65,002	-	-	65,002
Total Assets	<u>6,530,753</u>	<u>1,629,423</u>	<u>2,339,427</u>	<u>10,499,603</u>
<b>LIABILITIES</b>				
Accounts Payable	764,564	182,765	12,840	960,169
Accrued Payroll	85,447	-	-	85,447
Total Liabilities	<u>850,011</u>	<u>182,765</u>	<u>12,840</u>	<u>1,045,616</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	917,288	-	-	917,288
Deferred Items - Leases	385,759	-	-	385,759
Total Deferred Inflows of Resources	<u>1,303,047</u>	<u>-</u>	<u>-</u>	<u>1,303,047</u>
Total Liabilities and Deferred Inflows of Resources	<u>2,153,058</u>	<u>182,765</u>	<u>12,840</u>	<u>2,348,663</u>
<b>FUND BALANCES</b>				
Nonspendable	65,002	-	-	65,002
Restricted	278,595	1,446,658	737,909	2,463,162
Committed	-	-	1,587,031	1,587,031
Assigned	7,714	-	1,947	9,661
Unassigned	4,026,384	-	(300)	4,026,084
Total Fund Balances	<u>4,377,695</u>	<u>1,446,658</u>	<u>2,326,587</u>	<u>8,150,940</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>6,530,753</u>	<u>1,629,423</u>	<u>2,339,427</u>	<u>10,499,603</u>

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

**VILLAGE OF PALOS PARK, ILLINOIS**

**Reconciliation of Total Governmental Fund Balance to  
Net Position - Governmental Activities  
April 30, 2024**

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**Total Governmental Fund Balances** \$ 8,150,940

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

Capital assets used in governmental activities are not financial  
resources and therefore, are not reported in the funds. 4,551,579

A net pension asset is not considered to represent a financial resource and  
therefore is not reported in the funds.  
Net Pension Asset - SLEP 140,878

Deferred outflows (inflows) of resources related to the pensions not reported in the funds.  
Deferred Items - IMRF 452,199  
Deferred Items - SLEP 5,966  
Deferred Items - Police Pension (1,376,411)

Long-term liabilities are not due and payable in the current  
period and therefore are not reported in the funds.  
Compensated Absences Payable (196,361)  
Net Pension Liability - IMRF (445,187)  
Net Pension Liability - Police Pension (3,318,925)  
Total OPEB Liability - RBP (185,160)  
Debt Certificates Payable (90,000)  
General Obligation Bonds - Net (2,848,545)  
Accrued Interest Payable (45,179)

**Net Position of Governmental Activities** 4,795,794

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

**VILLAGE OF PALOS PARK, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended April 30, 2024**

	General	Special Revenue		Totals
		Local Municipal Gas Tax	Nonmajor	
<b>Revenues</b>				
Taxes	\$ 2,453,911	-	348,845	2,802,756
Intergovernmental	2,159,452	151,909	215,163	2,526,524
Licenses and Permits	238,668	-	-	238,668
Charges for Services	312,862	-	-	312,862
Fines and Forfeitures	117,322	-	-	117,322
Investment Income	243,097	114,703	101,054	458,854
Miscellaneous	328,729	-	10,174	338,903
<b>Total Revenues</b>	<b>5,854,041</b>	<b>266,612</b>	<b>675,236</b>	<b>6,795,889</b>
<b>Expenditures</b>				
General Government	811,796	3,485	-	815,281
Public Safety	2,678,510	-	-	2,678,510
Public Works	660,943	-	18,408	679,351
Building and Public Grounds	680,343	-	13,008	693,351
Culture and Recreation	368,155	-	11,576	379,731
Capital Outlay	411,049	1,384,386	268,405	2,063,840
Debt Service				
Principal Retirement	-	-	145,000	145,000
Interest and Fiscal Charges	-	-	115,495	115,495
<b>Total Expenditures</b>	<b>5,610,796</b>	<b>1,387,871</b>	<b>571,892</b>	<b>7,570,559</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	243,245	(1,121,259)	103,344	(774,670)
<b>Other Financing Sources (Uses)</b>				
Transfers In	165,000	-	408,509	573,509
Transfers Out	(194,784)	(213,725)	-	(408,509)
	(29,784)	(213,725)	408,509	165,000
<b>Net Change in Fund Balances</b>	<b>213,461</b>	<b>(1,334,984)</b>	<b>511,853</b>	<b>(609,670)</b>
Fund Balances - Beginning	4,164,234	2,781,642	1,814,734	8,760,610
Fund Balances - Ending	4,377,695	1,446,658	2,326,587	8,150,940

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

VILLAGE OF PALOS PARK, ILLINOIS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances  
to the Statement of Activities - Governmental Activities  
For the Fiscal Year Ended April 30, 2024

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Net Change in Fund Balances - Total Governmental Funds \$ (609,670)

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

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

Capital Outlays	482,480
Depreciation Expense	(229,405)
Disposals - Cost	(60,265)
Disposals - Accumulated Depreciation	60,265

An addition to a net pension asset is not considered to be an increase in a  
financial asset in the governmental funds.

Change in Net Pension Asset - SLEP	90,458
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The net effect of deferred outflows (inflows) of resources related to the pensions  
not reported in the funds.

Change in Deferred Items - IMRF	(116,566)
Change in Deferred Items - SLEP	(18,547)
Change in Deferred Items - Police Pension	(1,048,214)

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

Changes in Compensated Absences Payable	70,908
Changes in Net Pension Liability - IMRF	197,287
Changes in Net Pension Liability - Police Pension	1,206,798
Changes in Total OPEB Liability - RBP	(5,660)
Retirement of Debt	145,000
Amortization of Bond Premium	5,197

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

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2,465

**Changes in Net Position of Governmental Activities**

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172,531

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

**VILLAGE OF PALOS PARK, ILLINOIS**

**Statement of Net Position - Proprietary Funds**

**April 30, 2024**

	Business-Type Activities - Enterprise				Totals
	Water	Sewer Maintenance	Nonmajor		
			Refuse and Recycling	Commuter Parking Lot	
<b>ASSETS</b>					
Current Assets					
Cash and Investments	\$ 1,891,448	1,666,836	3,285	97,832	3,659,401
Receivables - Net of Allowances					
Accounts	349,314	79,650	80,211	-	509,175
Leases	34,365	-	-	-	34,365
Prepays	6,265	5,482	-	1,566	13,313
Total Current Assets	<u>2,281,392</u>	<u>1,751,968</u>	<u>83,496</u>	<u>99,398</u>	<u>4,216,254</u>
Noncurrent Assets					
Capital Assets					
Nondepreciable	20,000	-	-	-	20,000
Depreciable	18,937,870	17,660,471	-	30,116	36,628,457
Accumulated Depreciation	(12,167,688)	(12,113,505)	-	(10,295)	(24,291,488)
Total Noncurrent Assets	<u>6,790,182</u>	<u>5,546,966</u>	<u>-</u>	<u>19,821</u>	<u>12,356,969</u>
Total Assets	<u>9,071,574</u>	<u>7,298,934</u>	<u>83,496</u>	<u>119,219</u>	<u>16,573,223</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred Items - IMRF	159,749	62,218	-	-	221,967
Total Assets and Deferred Outflows of Resources	<u>9,231,323</u>	<u>7,361,152</u>	<u>83,496</u>	<u>119,219</u>	<u>16,795,190</u>

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

	Business-Type Activities - Enterprise				
	Water	Sewer Maintenance	Nonmajor		Totals
			Refuse and Recycling	Commuter Parking Lot	
<b>LIABILITIES</b>					
Current Liabilities					
Accounts Payable	\$ 127,013	24,360	33,153	615	185,141
Accrued Payroll	11,484	4,444	-	-	15,928
Accrued Interest	4,228	-	-	-	4,228
Current Portion of Long-Term Debt	116,470	2,222	-	-	118,692
Total Current Liabilities	<u>259,195</u>	<u>31,026</u>	<u>33,153</u>	<u>615</u>	<u>323,989</u>
Noncurrent Liabilities					
Compensated Absences Payable	25,880	8,889	-	-	34,769
Net Pension Liability - IMRF	154,971	60,357	-	-	215,328
Total OPEB Liability - RBP	30,792	12,522	-	-	43,314
General Obligation Bonds	565,000	-	-	-	565,000
Total Noncurrent Liabilities	<u>776,643</u>	<u>81,768</u>	<u>-</u>	<u>-</u>	<u>858,411</u>
Total Liabilities	<u>1,035,838</u>	<u>112,794</u>	<u>33,153</u>	<u>615</u>	<u>1,182,400</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred Items - IMRF	2,337	910	-	-	3,247
Deferred Items - Leases	12,268	-	-	-	12,268
Total Deferred Inflows of Resources	<u>14,605</u>	<u>910</u>	<u>-</u>	<u>-</u>	<u>15,515</u>
Total Liabilities and Deferred Inflows of Resources	<u>1,050,443</u>	<u>113,704</u>	<u>33,153</u>	<u>615</u>	<u>1,197,915</u>
<b>NET POSITION</b>					
Net Investment in Capital Assets Unrestricted	6,115,182	5,546,966	-	19,821	11,681,969
	<u>2,065,698</u>	<u>1,700,482</u>	<u>50,343</u>	<u>98,783</u>	<u>3,915,306</u>
Total Net Position	<u>8,180,880</u>	<u>7,247,448</u>	<u>50,343</u>	<u>118,604</u>	<u>15,597,275</u>

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

**VILLAGE OF PALOS PARK, ILLINOIS**

**Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds  
For the Fiscal Year Ended April 30, 2024**

	Business-Type Activities - Enterprise				Totals
	Water	Sewer Maintenance	Nonmajor		
			Refuse and Recycling	Commuter Parking Lot	
Operating Revenues					
Charges for Services	\$ 2,257,725	527,859	426,986	44,713	3,257,283
Sale of Water Meters	3,612	-	-	-	3,612
Miscellaneous	145,782	502	-	385	146,669
Total Operating Revenues	2,407,119	528,361	426,986	45,098	3,407,564
Operating Expenses					
Personnel	478,704	188,790	-	-	667,494
Commodities	79,398	10,472	-	449	90,319
Water Purchases	857,613	-	-	-	857,613
Services	719,026	180,187	382,780	10,160	1,292,153
Capital Outlay	-	-	-	10,749	10,749
Depreciation	494,451	446,900	-	1,944	943,295
Total Operating Expenses	2,629,192	826,349	382,780	23,302	3,861,623
Operating (Loss)	(222,073)	(297,988)	44,206	21,796	(454,059)
Nonoperating Revenues (Expenses)					
Investment Income	51,674	11,475	-	363	63,512
Rental Income	21,280	-	-	-	21,280
Tap-On Fees	1,187	-	-	-	1,187
Interest Expense	(10,885)	-	-	-	(10,885)
	63,256	11,475	-	363	75,094
(Loss) Before Transfers	(158,817)	(286,513)	44,206	22,159	(378,965)
Transfers Out	(75,000)	(40,000)	(45,000)	(5,000)	(165,000)
Change in Net Position	(233,817)	(326,513)	(794)	17,159	(543,965)
Net Position - Beginning	8,414,697	7,573,961	51,137	101,445	16,141,240
Net Position - Ending	8,180,880	7,247,448	50,343	118,604	15,597,275

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

**VILLAGE OF PALOS PARK, ILLINOIS**

**Statement of Cash Flows - Proprietary Funds  
For the Fiscal Year Ended April 30, 2024**

	Business-Type Activities - Enterprise				Totals
	Water	Sewer Maintenance	Nonmajor		
			Refuse and Recycling	Commuter Parking Lot	
Cash Flows from Operating Activities					
Receipts from Customers and Users	\$ 2,448,117	526,691	414,569	44,462	3,433,839
Payments to Suppliers	(2,043,967)	97,455	(381,387)	(21,306)	(2,349,205)
Payments to Employees	(220,787)	(519,967)	-	-	(740,754)
	<u>183,363</u>	<u>104,179</u>	<u>33,182</u>	<u>23,156</u>	<u>343,880</u>
Cash Flows from Noncapital Financing Activities					
Transfers Out	(75,000)	(40,000)	(45,000)	(5,000)	(165,000)
Cash Flows from Capital and Related Financing Activities					
Purchase of Capital Assets	-	(44,317)	-	-	(44,317)
Principal Retirement	(110,000)	-	-	-	(110,000)
Interest Expense	(10,885)	-	-	-	(10,885)
	<u>(120,885)</u>	<u>(44,317)</u>	<u>-</u>	<u>-</u>	<u>(165,202)</u>
Cash Flows from Investing Activities					
Investment Income	51,674	11,475	-	363	63,512
Net Change in Cash and Cash Equivalents	39,152	31,337	(11,818)	18,519	77,190
Cash and Cash Equivalents - Beginning	1,852,296	1,635,499	15,103	79,313	3,582,211
Cash and Cash Equivalents - Ending	<u>1,891,448</u>	<u>1,666,836</u>	<u>3,285</u>	<u>97,832</u>	<u>3,659,401</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities					
Operating (Loss)	(222,073)	(297,988)	44,206	21,796	(454,059)
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:					
Depreciation Expense	494,451	446,900	-	1,944	943,295
Other Income	22,467	-	-	-	22,467
(Increase) Decrease in Current Assets	18,531	(1,670)	(12,417)	(636)	3,808
Increase (Decrease) in Current Liabilities	(130,013)	(43,063)	1,393	52	(171,631)
Net Cash Provided by Operating Activities	<u>183,363</u>	<u>104,179</u>	<u>33,182</u>	<u>23,156</u>	<u>343,880</u>

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

**VILLAGE OF PALOS PARK, ILLINOIS**

**Statement of Fiduciary Net Position**

**April 30, 2024**

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	<u>Pension Trust Police Pension</u>	<u>Custodial Assessment Funds</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 38,348	1,103,501
Investments		
Illinois Police Officers Pension Investment Fund	<u>5,188,506</u>	<u>-</u>
Total Assets	5,226,854	1,103,501
<b>LIABILITIES</b>		
None	<u>-</u>	<u>-</u>
<b>NET POSITION</b>		
Net Position Restricted for Pensions, Individuals, Organizations, and Other Governments	<u>5,226,854</u>	<u>1,103,501</u>

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

**VILLAGE OF PALOS PARK, ILLINOIS**

**Statement of Changes in Fiduciary Net Position  
For the Fiscal Year Ended April 30, 2024**

	Pension Trust Police Pension	Custodial Assessment Funds
Additions		
Contributions - Employer	\$ 425,000	-
Contributions - Plan Members	86,370	-
Total Contributions	<u>511,370</u>	<u>-</u>
Investment Earnings		
Interest Earned	454,504	7,413
Net Change in Fair Value	892	-
	<u>455,396</u>	<u>7,413</u>
Less Investment Expenses	(2,875)	-
Net Investment Income	<u>452,521</u>	<u>7,413</u>
Total Additions	<u>963,891</u>	<u>7,413</u>
Deductions		
Administration	12,606	-
Benefits and Refunds	358,093	-
Total Deductions	<u>370,699</u>	<u>-</u>
Change in Fiduciary Net Position	593,192	7,413
Net Position Restricted for Pensions, Individuals, Organizations, and Other Governments		
Beginning	<u>4,633,662</u>	<u>1,096,088</u>
Ending	<u><u>5,226,854</u></u>	<u><u>1,103,501</u></u>

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

## VILLAGE OF PALOS PARK, ILLINOIS

### Notes to the Financial Statements April 30, 2024

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Village of Palos Park, Illinois (the Village), is a non-home rule village incorporated in 1914. The Village Council is composed of the Mayor and four Commissioners which form the legislative branch of the Village. The Village provides a wide range of general municipal services including police protection, crime prevention, community planning and zoning, recreation, building inspection and safety, street building and maintenance, traffic control, water and sewer service, and commuter parking.

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

#### REPORTING ENTITY

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there is one fiduciary component unit that is required to be included in the financial statements of the Village as pension trust fund and there is no discretely component unit to include in the reporting entity.

#### Police Pension Employees Retirement System

The Village's sworn police employees participate in the Police Pension Employees Retirement System (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 participants are required to contribute a percentage of salary as established by state statute and the Village is obligated to fund all remaining PPERS costs based upon actuarial valuations. 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. Although it is legally separate from the Village, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the Village's police employees. The PPERS is reported as a pension trust fund.

# VILLAGE OF PALOS PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION

##### Government-Wide Statements

The Village's basic financial statements include both government-wide (reporting the Village as a whole) and fund financial statements (reporting the Village's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The Village's public safety, public works, building and public grounds, culture and recreation, and general administrative services are classified as governmental activities. The Village's water, sewer maintenance, refuse and recycling, and commuter parking lot services are classified as business-type activities.

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

The government-wide Statement of Activities reports both the gross and net cost of each of the Village's functions and business-type activities (general government, public safety, public works, building and public grounds, culture and recreation, water, sewer maintenance, refuse and recycling, commuter parking lot, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, sales taxes, intergovernmental revenues, investment income, etc.).

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

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

# VILLAGE OF PALOS PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### Fund Financial Statements

The financial transactions of the Village are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

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

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

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

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

##### Governmental Funds

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

*General fund* is the general operating fund of the Village. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

*Special revenue funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Local Municipal Gas Tax Fund is a major fund and is used to account for the operation of street maintenance and related capital projects. Financing is provided from the Village's local 3¢ gas tax. The Village maintains five nonmajor special revenue funds.

# VILLAGE OF PALOS PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

#### Fund Financial Statements – Continued

#### Governmental Funds – Continued

*Debt Service Funds* are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The Village maintains one nonmajor debt service fund.

*Capital projects funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The Village maintains two nonmajor capital projects funds.

#### Proprietary Funds

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the Village:

*Enterprise funds* are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The Village maintains four enterprise funds. The Water Fund, a major fund, is used to account for the provisions of water to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt services and billing and collection. The Sewer Maintenance Fund, a major fund, is used to account for the provisions of sanitary sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt services and billing and collection. The Village maintains two nonmajor enterprise funds, the Refuse and Recycling Fund and the Commuter Parking Lot Fund.

#### Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support Village programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

# VILLAGE OF PALOS PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

#### BASIS OF PRESENTATION – Continued

##### Fund Financial Statements – Continued

##### Fiduciary Funds – Continued

*Pension trust funds* are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the Village's police force.

*Custodial funds* are used to account for assets held by the Village in a purely custodial capacity. The Village's eight (8) Special Assessment Funds are used to account for the accumulation of resources and payment of principal and interest on non-commitment special assessment bonds.

The Village's fiduciary funds are presented in the fiduciary fund financial statements by type (pension trust and custodial). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the Village, these funds are not incorporated into the government-wide statements.

#### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

##### Measurement Focus

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

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

All proprietary and fiduciary funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and fiduciary fund equity is classified as net position.

## VILLAGE OF PALOS PARK, ILLINOIS

### Notes to the Financial Statements April 30, 2024

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

##### MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

###### Basis of Accounting

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

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

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

All proprietary, pension trust and custodial funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Village’s enterprise funds are charges to customers for sales and services. The Village also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

# VILLAGE OF PALOS PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

##### Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds “Statement of Cash Flows,” cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

##### Receivables

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report charges for services as their major receivables.

##### Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Internal service fund services provided and used are not eliminated in the process of consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

##### Prepays

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

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

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

**Capital Assets**

Capital assets purchased or acquired with an original cost of \$10,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

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

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at acquisition value on the date donated.

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

Land Improvements	40 Years
Buildings and Improvements	40 Years
Vehicles and Equipment	5 Years
Water Distribution System	40 Years
Sewer Distribution System	40 Years

**Compensated Absences**

The Village accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as “terminal leave” prior to retirement pursuant to the Village’s personnel rules and union contracts.

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

# VILLAGE OF PALOS PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2024

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### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

##### Deferred Outflows/Inflows of Resources

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

##### Long-Term Obligations

In the government-wide financial statements, and proprietary fund types 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 type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

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

##### Net Position

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

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

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

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

## VILLAGE OF PALOS PARK, ILLINOIS

### Notes to the Financial Statements April 30, 2024

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#### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

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

##### Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption 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.

#### NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

##### BUDGETARY INFORMATION

Budgets are adopted on a basis consistent with generally accepted accounting principles, except that in Enterprise Funds, capital additions and debt principal payments are budgeted, while depreciation is not. Annual budgets are adopted (at the fund level) for the general, special revenue (except for the Police Forfeiture, Exaction Fee, and Fine Arts Funds), debt service, capital projects, enterprise, and pension trust funds. All annual appropriations lapse at fiscal year-end.

The Village follows these procedures in establishing the budgetary data reflected in the financial statements:

- All departments of the Village submit requests for budgets to the Village Manager so that a budget may be prepared. The budget is prepared by fund, function and activity, and includes information on end-of-year projections and requested budget for the next fiscal year.
- The Village Council adopts a budget, which is the operational plan, and includes a budget for all funds utilized by the Village. The budget is presented in these financial statements. The Exaction Fee and Fine Arts Funds are not budgeted.
- The Budget Ordinance, based on the budget is published for public hearing to obtain taxpayer comment. The Budget Ordinance serves as a budget authorization.
- The Budget Ordinance is legally enacted through the passage of an ordinance. The fiscal year 2024 Budget was approved in April 2023. During the year, no budget amendments were necessary.
- The Village Manager is authorized to transfer budgeted amounts between departments within any fund. However, any revision that alters the total expenditures of any fund must be approved by the Village Council.

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

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**NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY – Continued**

**EXCESS OF ACTUAL EXPENDITURES/EXPENSES, EXCLUSIVE OF DEPRECIATION,  
OVER BUDGET IN INDIVIDUAL FUNDS**

The following funds had an excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

Fund	Excess
Land Acquisition and Recreation	\$ 74
Refuse and Recycling	669
Police Pension	48,974

**DEFICIT FUND BALANCE**

The following fund had deficit fund balance as of the date of this report:

Fund	Deficit
2022A Bond	\$ 300

**NOTE 3 – DETAIL NOTES ON ALL FUNDS**

**DEPOSITS AND INVESTMENTS**

The Village maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the Village's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

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

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold. The Illinois Funds is not registered with the SEC as an Investment Company.

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

## VILLAGE OF PALOS PARK, ILLINOIS

### Notes to the Financial Statements April 30, 2024

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

###### Village

*Deposits.* At year-end, the carrying amount of the Village's deposits for governmental and business-type activities totaled \$6,425,488 and the bank balances totaled \$6,453,895. In addition, the Village had \$5,310,948 invested in Illinois Funds and \$242,185 invested in IMET.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure by structuring the portfolio to provide liquidity for short-term and long-term cash flow needs while providing a reasonable rate of return based on the current market. At year-end, the Village's investment in the Illinois Fund and IMET have an average maturity of less than one year.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Village's investment policy does not address credit risk. At year-end, the Village's investments in the Illinois Funds was rated AAmmf by Fitch and the IMET Convenience Fund is not rated.

*Concentration Risk.* This is the risk of loss attributed to the magnitude of the Village's investment in a single issuer. The Village's investment policy states that an investment shall be appropriate to the nature and purpose of the fund and amount of security in the portfolio. At year-end, the Village does not have any investments over five percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a 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 market value of the funds secured. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this is the risk that in the event of the failure of the counterparty, the Village will not be able to recover the value of its investments or collateral securities that are in the 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) or a receipt versus payment (RVP) basis with the underlying investments held by a safekeeping agent designated by the Village and evidenced by safekeeping receipts. The Village's investments in the Illinois Funds and IMET are not subject to custodial credit risk.

## VILLAGE OF PALOS PARK, ILLINOIS

### Notes to the Financial Statements April 30, 2024

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#### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

##### DEPOSITS AND INVESTMENTS – Continued

###### Police Pension 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. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual comprehensive financial report. For additional information on IPOPIF's investments, please refer to their annual comprehensive financial report, which can be obtained from IPOPIF at 456 Fulton Street, Suite 402 Peoria, Illinois 61602 or at [www.ipopif.org](http://www.ipopif.org).

*Deposits.* The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$38,348 and the bank balances totaled \$38,348.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy requires all deposits in excess of FDIC insurable limits (applies to bank Certificates of Deposit) be secured by collateral in order to protect deposits from default. The pledging of collateral for all investments in excess of federal depository insurance, at an amount not less than 110% of the fair market value of the funds secured, with the collateral held by the Fund, an independent third party or the Federal Reserve Bank of Chicago. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

*Investments.* At year-end the Fund has \$5,188,506 invested in IPOPIF. The pooled investments consist of the investments as noted in the target allocation table available at [www.ipopif.org](http://www.ipopif.org). 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 fund 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.

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**DEPOSITS AND INVESTMENTS – Continued**

**Police Pension Fund – Continued**

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

**Rate of Return**

For the year ended April 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.42%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**PROPERTY TAXES**

Property taxes for 2023 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by Cook County and are payable in two installments, on or about March 1 and August 1 during the following year. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1% of the tax levy to reflect actual collection experience.

**INTERFUND TRANSFERS**

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

Transfer In	Transfer Out	Amount
General	Water	\$ 75,000
General	Sewer	40,000
General	Refuse and Recycling	45,000
General	Commuter Parking Lot	5,000
Nonmajor Governmental	General	194,784
Nonmajor Governmental	Local Municipal Gas Tax	213,725
		573,509

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LEASES RECEIVABLE**

The Village is a lessor on the following leases at year end:

Lease	Term	Start Date	Payments	Interest Rate
AT&T Cell Tower - Water Tower	44 Months	May 1, 2022	\$1,773 per month, including interest	3.66%
AT&T Cell Tower - Ground Space	69 Months	May 1, 2022	\$2,787 to \$3,231 per month, including interest	4.48%
T-Mobile Cell Tower - Tower and Ground	37 Months	May 1, 2022	\$2,624 per month, including interest	5.82%
Verizon Cell Tower - Water Tower	54 Months	May 1, 2022	\$4,761 per month, including interest	3.64%
T-Mobile Cell Tower - Water Towers	5 Years	May 1, 2022	\$26,119 to \$29,397 per month, including interest	4.48%
Crown Castle Ground and Land Lease	3 Years	May 1, 2022	\$33,437 per year, including interest	4.60%

During the fiscal year, the Village has recognized \$180,609 of lease revenue.

The future principal and interest lease payments as of the year-end were as follows:

Fiscal Year	Principal	Interest
2025	\$ 190,517	16,271
2026	130,790	8,502
2027	92,531	3,769
2028	29,345	563
	<u>443,183</u>	<u>29,105</u>

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**CAPITAL ASSETS**

**Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 1,709,988	-	-	1,709,988
Depreciable Capital Assets				
Buildings and Improvements	4,754,792	-	-	4,754,792
Vehicles and Equipment	1,295,272	482,480	60,265	1,717,487
	<u>6,050,064</u>	<u>482,480</u>	<u>60,265</u>	<u>6,472,279</u>
Less Accumulated Depreciation				
Buildings and Improvements	2,338,661	119,988	-	2,458,649
Vehicles and Equipment	1,122,887	109,417	60,265	1,172,039
	<u>3,461,548</u>	<u>229,405</u>	<u>60,265</u>	<u>3,630,688</u>
Total Net Depreciable Capital Assets	<u>2,588,516</u>	<u>253,075</u>	<u>-</u>	<u>2,841,591</u>
Total Net Capital Assets	<u>4,298,504</u>	<u>253,075</u>	<u>-</u>	<u>4,551,579</u>

Depreciation expense was charged to governmental activities as follows:

General Government	\$ 93,685
Public Safety	66,041
Public Works	43,247
Culture and Recreation	<u>26,432</u>
	<u>229,405</u>

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**CAPITAL ASSETS – Continued**

**Business-Type Activities**

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 20,000	-	-	20,000
Construction in Progress	56,671	-	56,671	-
	<u>76,671</u>	<u>-</u>	<u>56,671</u>	<u>20,000</u>
<b>Depreciable Capital Assets</b>				
Land Improvements	30,116	-	-	30,116
Vehicles and Equipment	344,769	-	-	344,769
Water Distribution System	18,759,137	-	-	18,759,137
Sewer Distribution System	17,393,447	100,988	-	17,494,435
	<u>36,527,469</u>	<u>100,988</u>	<u>-</u>	<u>36,628,457</u>
<b>Less Accumulated Depreciation</b>				
Land Improvements	8,350	1,944	-	10,294
Vehicles and Equipment	337,401	7,370	-	344,771
Water Distribution System	11,498,188	490,766	-	11,988,954
Sewer Distribution System	11,504,254	443,215	-	11,947,469
	<u>23,348,193</u>	<u>943,295</u>	<u>-</u>	<u>24,291,488</u>
 Total Net Depreciable Capital Assets	 <u>13,179,276</u>	 <u>(842,307)</u>	 <u>-</u>	 <u>12,336,969</u>
 Total Net Capital Assets	 <u>13,255,947</u>	 <u>(842,307)</u>	 <u>56,671</u>	 <u>12,356,969</u>

Depreciation expense was charged to business-type activities as follows:

Water	\$ 494,451
Sewer Maintenance	446,900
Commuter Parking Lot	<u>1,944</u>
	<u>943,295</u>

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT**

**General Obligation Bonds**

The Village issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the Village. General obligation bonds currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$1,000,000 General Obligation Refunding Alternate Revenue Bonds of 2021, due in annual installments of \$105,000 to \$115,000 plus interest at 0.95% to 1.75% through December 1, 2029.	\$ 785,000	-	110,000	675,000
\$3,000,000 General Obligation Alternate Revenue Bonds of 2022, due in annual installments of \$105,000 to \$205,000 plus interest at 3.50% to 4.00% through December 1, 2041.	2,860,000	-	105,000	2,755,000
	<u>3,645,000</u>	<u>-</u>	<u>215,000</u>	<u>3,430,000</u>

**Debt Certificates**

The Village issues debt certificates to provide funds for the acquisition and construction of major capital facilities. Debt certificates have been issued for governmental activities. Debt certificates currently outstanding are as follows:

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
\$570,000 Debt Certificates of 2006, due in annual installments of \$15,000 to \$45,000 plus interest at 3.60% to 4.35% through December 1, 2025.	\$ 130,000	-	40,000	90,000

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Long-Term Liability Activity**

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

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
<b>Governmental Activities</b>					
Compensated Absences	\$ 267,269	70,908	141,816	196,361	39,272
Net Pension Liability - IMRF	642,474	-	197,287	445,187	-
Net Pension Liability - Police Pension	4,525,723	-	1,206,798	3,318,925	-
Total OPEB Liability - RBP	179,500	5,660	-	185,160	-
General Obligation Bonds	2,860,000	-	105,000	2,755,000	110,000
Unamortized Bond Premium	98,742	-	5,197	93,545	-
Debt Certificates	130,000	-	40,000	90,000	45,000
	<u>8,703,708</u>	<u>76,568</u>	<u>1,696,098</u>	<u>7,084,178</u>	<u>194,272</u>
<b>Business-Type Activities</b>					
Compensated Absences	51,187	7,726	15,452	43,461	8,692
Net Pension Liability - IMRF	352,842	-	137,514	215,328	-
Total OPEB Liability - RBP	47,274	-	3,960	43,314	-
General Obligation Bonds	785,000	-	110,000	675,000	110,000
	<u>1,236,303</u>	<u>7,726</u>	<u>266,926</u>	<u>977,103</u>	<u>118,692</u>

For the governmental activities, payments on the compensated absences, the net pension liabilities, and the total OPEB liability are made by the General Fund. Payments on the debt certificates are being liquidated by the Land Acquisition Fund and payments on the General Obligation Bonds are being liquidated by the 2022A Bond Fund.

Additionally, for business-type activities, the compensated absences, the net pension liability, and total OPEB liability are generally liquidated by the Water and Sewer Maintenance Funds. The general obligation bonds are being liquidated by the Water Fund.

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Debt Service Requirements to Maturity**

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

Fiscal Year	Governmental Activities				Business-Type Activities	
	Debt Certificates		General Obligation Bonds		General Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 45,000	3,901	110,000	104,525	110,000	10,148
2026	45,000	1,957	115,000	100,125	110,000	8,773
2027	-	-	115,000	95,525	110,000	7,287
2028	-	-	120,000	90,925	115,000	5,693
2029	-	-	125,000	86,125	115,000	3,910
2030	-	-	130,000	81,125	115,000	2,012
2031	-	-	135,000	75,925	-	-
2032	-	-	140,000	70,525	-	-
2033	-	-	150,000	64,925	-	-
2034	-	-	155,000	58,925	-	-
2035	-	-	160,000	52,725	-	-
2036	-	-	165,000	46,325	-	-
2037	-	-	175,000	39,725	-	-
2038	-	-	180,000	33,600	-	-
2039	-	-	185,000	27,300	-	-
2040	-	-	190,000	20,825	-	-
2041	-	-	200,000	14,175	-	-
2042	-	-	205,000	7,175	-	-
Totals	90,000	5,858	2,755,000	1,070,500	675,000	37,823

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

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**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**LONG-TERM DEBT – Continued**

**Legal Debt Margin**

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes provides, "...no municipality having a population of less than 500,000 shall become indebted in any manner or for any purpose, to an amount, including existing indebtedness in the aggregate exceeding 8.625% on the value of the taxable property therein, to be ascertained by the last assessment for state and county purposes, previous to the incurring of the indebtedness or, until January 1, 1983, if greater, the sum that is produced by multiplying the municipality's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979."

Assessed Valuation - 2023	<u>\$ 313,016,274</u>
Legal Debt Limit - 8.625% of Assessed Value	26,997,654
Amount of Debt Applicable to Limit	<u>90,000</u>
Legal Debt Margin	<u>26,907,654</u>

**FUND BALANCE/NET POSITION**

**Fund Balance Classifications**

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

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

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

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

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

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

**NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued**

**FUND BALANCE/NET POSITION - Continued**

**Fund Balance Classifications – Continued**

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

*Minimum Fund Balance Policy.* The Village’s policy manual states that the General Fund should maintain a minimum fund balance equal to 25% of budgeted operating expenditures.

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

	General	Special Revenue Local Municipal Gas Tax	Nonmajor	Totals
Fund Balances				
Nonspendable				
Prepays	\$ 65,002	-	-	65,002
Restricted				
IMRF	278,595	-	-	278,595
Highways and Streets	-	1,446,658	727,936	2,174,594
Exaction Fee	-	-	9,973	9,973
	278,595	1,446,658	737,909	2,463,162
Committed				
Capital Projects	-	-	444,069	444,069
Public Infrastructure Improvements	-	-	1,142,962	1,142,962
	-	-	1,587,031	1,587,031
Assigned				
Special Events	4,500	-	-	4,500
Beautification	3,214	-	-	3,214
Fine Arts	-	-	1,947	1,947
	7,714	-	1,947	9,661
Unassigned	4,026,384	-	(300)	4,026,084
Total Fund Balances	4,377,695	1,446,658	2,326,587	8,150,940

# VILLAGE OF PALOS PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2024

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### NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

#### FUND BALANCE/NET POSITION – Continued

##### Net Position Classifications

Net investment in capital assets was comprised of the following as of April 30, 2024:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 4,551,579
Less Capital Related Debt:	
Debt Certificates of 2006	(90,000)
General Obligation Alternate Revenue Bonds of 2022	(2,755,000)
Unamortized Bond Premium	<u>(93,545)</u>
Net Investment in Capital Assets	<u>1,613,034</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	12,356,969
Less Capital Related Debt:	
General Obligation Refunding Alternate Revenue Bonds of 2021	<u>(675,000)</u>
Net Investment in Capital Assets	<u>11,681,969</u>

### NOTE 4 – OTHER INFORMATION

#### CONTINGENT LIABILITIES

##### Litigation

From time to time, the Village is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the Village attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the Village's financial position or results of operations.

# VILLAGE OF PALOS PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2024

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### NOTE 4 – OTHER INFORMATION – Continued

#### CONTINGENT LIABILITIES – Continued

##### 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.

#### RISK MANAGEMENT

##### Intergovernmental Risk Management Agency

The Village is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the government's employees. These risks, along with medical claims for employees and retirees, are provided for through a limited self-insurance program.

The Village participates in the Intergovernmental Risk Management Agency (IRMA). IRMA is an organization of Illinois municipalities and special districts in Northeastern Illinois which have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs. IRMA administers a mix of self-insurance and commercial insurance coverages; property/casualty and workers compensation claim administration and litigation management services; unemployment claim administration; extensive risk management/loss control consulting and training programs; and a risk information system and financial reporting service for its members.

Each member appoints one delegate along with an alternate delegate, to represent the member on the Board of Directors. The Village does not exercise any control over the activities of IRMA beyond its representation on the Board of Directors.

Initial contributions are determined each year based on the individual member's eligible revenue as defined in the by-laws of IRMA and experience modification factors based on past member loss experience. The Village assumes the first \$25,000 of each occurrence, and IRMA has self-insurance retentions at various amounts above that level. Members have a contractual obligation to fund any deficit of IRMA attributable to a membership year during which they were a member. Supplemental contributions may be required to fund these deficits. The Village's payments to IRMA are displayed on the financial statements as expenditures/expenses in the appropriate funds. The coverages provided by IRMA are generally consistent with the coverages in the prior year.

The Village is exposed to various risks of loss related to illnesses of employees. The Village has purchased commercial insurance for health claim risks. The monthly premiums are accounted for in the general fund, water fund and sewer fund. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years and there has not been any significant decrease in coverage over the past three fiscal years.

# VILLAGE OF PALOS PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2024

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### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS

The Village contributes to three defined benefit pension plans: the Illinois Municipal Retirement Fund (IMRF), a defined benefit cost-sharing multiple-employer public employee retirement system; the Sheriff’s Law Enforcement Personnel Fund (SLEP), a defined benefit cost-sharing multiple-employer public employee retirement system and is administered by the IMRF; and the Police Pension Plan which is a single-employer pension plan. The Village is in cost-sharing arrangement with the Palos Park Library for the IMRF plan. A separate report is issued for the Police Pension Plan and may be obtained by writing to the Village at 8999 West 123<sup>rd</sup> Street, Palos Park, Illinois 60464. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amounts recognized for these pension plans are:

	Net Pension Liabilities/ (Asset)	Deferred Outflows	Deferred Inflows	Pension Expenses/ Revenue
IMRF	\$ 660,515	680,880	9,961	3,106
SLEP	(140,878)	43,423	37,457	(59,152)
Police Pension	3,318,925	1,784,055	3,160,466	266,416
	<u>3,838,562</u>	<u>2,508,358</u>	<u>3,207,884</u>	<u>210,370</u>

#### Illinois Municipal Retirement Fund (IMRF)

##### Plan Descriptions

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

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

## VILLAGE OF PALOS PARK, ILLINOIS

### Notes to the Financial Statements April 30, 2024

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#### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

#### Illinois Municipal Retirement Fund (IMRF) – Continued

#### Plan Descriptions – Continued

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

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

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

Sheriff's Law Enforcement Personnel (SLEP), having accumulated at least 30 years of SLEP service and terminating IMRF participation on or after January 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. SLEP members meeting these two qualifications are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.50% of their final rate of earnings, for each year of credited service up to 20 years, 2.00% of their final earning rate for the next 10 years of credited service and 1.00% for each year thereafter. For those SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies. SLEP also provides death and disability benefits.

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Plan Descriptions – Continued**

*Plan Membership.* As of December 31, 2022, the measurement date, the following employees were covered by the benefit terms:

	<u>Regular</u>	<u>SLEP</u>
Inactive Plan Members Currently Receiving Benefits	47	-
Inactive Plan Members Entitled to but not yet Receiving Benefits	36	-
Active Plan Members	<u>30</u>	<u>1</u>
Totals	<u><u>113</u></u>	<u><u>1</u></u>

*Contributions.* As set by statute, the Village’s Regular Plan Members are required to contribute 4.50% of their annual covered salary and SLEP Plan Members are required to contribute 7.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. At April 30, 2024, the Village’s contribution was 7.56% of covered payroll for the Regular Plan and 8.88% for the SLEP Plan.

*Net Pension Liability/(Asset).* The net pension liability/(asset) was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2023, using the following actuarial methods and assumptions:

<u>IMRF</u>		<u>SLEP</u>	
Actuarial Cost Method	Entry Age Normal	Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value	Asset Valuation Method	Fair Value
Actuarial Assumptions		Actuarial Assumptions	
Interest Rate	7.25%	Interest Rate	7.25%
Salary Increases	2.85% to 13.75%	Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%	Cost of Living Adjustments	2.75%
Inflation	2.25%	Inflation	2.25%

# VILLAGE OF PALOS PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2024

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### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Illinois Municipal Retirement Fund (IMRF) – Continued

##### Plan Descriptions – Continued

*Actuarial Assumptions – Continued.* For nondisabled 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.

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	4.75%
Domestic Equities	34.50%	5.00%
International Equities	18.00%	6.35%
Real Estate	10.50%	6.30%
Blended	11.50%	6.05% - 8.65%
Cash and Cash Equivalents	1.00%	3.80%

VILLAGE OF PALOS PARK, ILLINOIS

Notes to the Financial Statements  
April 30, 2024

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NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

**Discount Rate**

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

**Discount Rate Sensitivity**

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

	IMRF		
	Current		
	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension Liability/(Asset)	\$ 1,802,601	660,515	(257,917)

	SLEP		
	Current		
	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension (Asset)	\$ (32,150)	(140,878)	(235,566)

# VILLAGE OF PALOS PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2024

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### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Illinois Municipal Retirement Fund (IMRF) – Continued

##### Changes in the Net Pension Liability – Regular Plan

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 9,782,362	8,787,046	995,316
Changes for the Year:			
Service Cost	153,734	-	153,734
Interest on the Total Pension Liability	726,505	-	726,505
Difference Between Expected and Actual Experience of the Total Pension Liability	146,059	-	146,059
Changes of Assumptions	(15,422)	-	(15,422)
Contributions - Employer	-	125,850	(125,850)
Contributions - Employees	-	76,017	(76,017)
Net Investment Income	-	965,603	(965,603)
Benefit Payments, including Refunds of Employee Contributions	(572,927)	(572,927)	-
Other (Net Transfer)	-	178,207	(178,207)
Net Changes	437,949	772,750	(334,801)
Balances at December 31, 2023	10,220,311	9,559,796	660,515

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

**Changes in the Net Pension (Asset) – SLEP Plan**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) (A) - (B)
Balances at December 31, 2022	\$ 942,602	993,022	(50,420)
Changes for the Year:			
Service Cost	23,264	-	23,264
Interest on the Total Pension Liability	69,182	-	69,182
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience of the Total Pension Liability	(37,030)	-	(37,030)
Changes of Assumptions	2,128	-	2,128
Contributions - Employer	-	15,611	(15,611)
Contributions - Employees	-	10,653	(10,653)
Net Investment Income	-	98,860	(98,860)
Benefit Payments, including Refunds of Employee Contributions	-	-	-
Other (Net Transfer)	-	22,878	(22,878)
Net Changes	57,544	148,002	(90,458)
Balances at December 31, 2023	1,000,146	1,141,024	(140,878)

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

For the year ended April 30, 2024, the Village recognized pension expense of \$3,106 for the regular plan and a pension revenue of \$59,152 for the SLEP Plan. At April 30, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Illinois Municipal Retirement Fund (IMRF) – Continued**

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

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 135,087	-	135,087
Change in Assumptions	-	(9,961)	(9,961)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	503,228	-	503,228
Total Pension Expense to be Recognized in Future Periods	638,315	(9,961)	628,354
Pension Contributions Made Subsequent to the Measurement Date	42,565	-	42,565
Total Deferred Amounts Related to IMRF	<u>680,880</u>	<u>(9,961)</u>	<u>670,919</u>

\$42,565 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2025	\$ 140,831
2026	206,978
2027	347,969
2028	(67,424)
2029	-
Thereafter	<u>-</u>
Totals	<u><u>628,354</u></u>

VILLAGE OF PALOS PARK, ILLINOIS

Notes to the Financial Statements  
April 30, 2024

NOTE 4 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

	SLEP		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ -	(37,457)	(37,457)
Change in Assumptions	1,419	-	1,419
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	39,564	-	39,564
Total Pension Expense to be Recognized in Future Periods	40,983	(37,457)	3,526
Pension Contributions Made Subsequent to the Measurement Date	2,440	-	2,440
Total Deferred Amounts Related to SLEP	43,423	(37,457)	5,966

\$2,440 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2025	\$ (18,533)
2026	1,623
2027	25,453
2028	(5,017)
2029	-
Thereafter	-
Total	3,526

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Police Pension Plan**

**Plan Descriptions**

*Plan Administration.* The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum 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 Police Pension Plan as a pension trust fund. The Police Pension Plan is governed by a five-member pension board. Two members of the Board are appointed by the Village President, one member is elected by pension beneficiaries and two members are elected by active police employees.

*Plan Membership.* At April 30, 2024, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	5
Inactive Plan Members Entitled to but not yet Receiving Benefits	3
Active Plan Members	<u>9</u>
Total	<u><u>17</u></u>

*Benefits Provided.* The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of ½ of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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 and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

# VILLAGE OF PALOS PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2024

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### NOTE 4 – OTHER INFORMATION – Continued

#### EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued

##### Police Pension Plan – Continued

##### Plan Descriptions – Continued

*Benefits Provided – Continued.* Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 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 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> after the police officer 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 percent or ½ of the change in the Consumer Price Index for the preceding calendar year.

*Contributions.* Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The Village is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, 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. For the year-ended April 30, 2024, the Village's contribution was 48.76% of covered payroll.

*Concentrations* At year-end, the Police Pension Plan does not have any investments over 5 percent of the net position (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

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**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Police Pension Plan – Continued**

**Actuarial Assumptions**

The total pension liability was determined by an actuarial valuation performed, as of April 30, 2024, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	5-Year Smooth Fair Value
Actuarial Assumptions	
Interest Rate	6.75%
Salary Increases	2.25% - 20.50%
Cost of Living Adjustments	3.25%
Inflation	2.25%

Mortality rates were based on Sex Distinct Raw Rates as developed in the Pub-2010(A) Study improved fully generationally using MP-2019 Improvement Rates.

**Discount Rate**

The discount rate used to measure the total pension liability was 6.75%, while the prior valuation used 5.85%. 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 contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Police Pension Plan – Continued**

**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 net pension liability of the Village calculated using the discount rate as well as what the Village’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 4,610,349	3,318,925	2,265,522

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at April 30, 2023	\$ 9,159,385	4,633,662	4,525,723
Changes for the Year:			
Service Cost	289,419	-	289,419
Interest on the Total Pension Liability	528,599	-	528,599
Changes of Benefit Terms	76,236	-	76,236
Difference Between Expected and Actual Experience of the Total Pension Liability	-	-	-
Changes of Assumptions	(1,149,767)	-	(1,149,767)
Contributions - Employer	-	425,000	(425,000)
Contributions - Employees	-	86,370	(86,370)
Net Investment Income	-	452,521	(452,521)
Benefit Payments, including Refunds of Employee Contributions	(358,093)	(358,093)	-
Other (Net Transfer)	-	(12,606)	12,606
Net Changes	(613,606)	593,192	(1,206,798)
Balances at April 30, 2024	8,545,779	5,226,854	3,318,925

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

**NOTE 4 – OTHER INFORMATION – Continued**

**EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLANS – Continued**

**Police Pension Plan – Continued**

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

For the year ended April 30, 2024, the Village recognized pension expense of \$266,416. At April 30, 2024, the Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 559,746	(587,071)	(27,325)
Change in Assumptions	1,102,659	(2,573,395)	(1,470,736)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	121,650	-	121,650
Total Deferred Amounts Related to Police Pension	<u>1,784,055</u>	<u>(3,160,466)</u>	<u>(1,376,411)</u>

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

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2025	\$ (200,096)
2026	(115,318)
2027	(297,414)
2028	(413,220)
2029	(318,207)
Thereafter	<u>(32,156)</u>
Total	<u>(1,376,411)</u>

**VILLAGE OF PALOS PARK, ILLINOIS**

**Notes to the Financial Statements  
April 30, 2024**

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**NOTE 4 – OTHER INFORMATION – Continued**

**OTHER POST-EMPLOYMENT BENEFITS**

**General Information about the OPEB Plan**

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

*Benefits Provided.* RBP provides healthcare benefits for retirees and their dependents. The benefit terms provide for the individual to pay the entire cost of health insurance premiums for non-Medicare eligible retirees and supplemental health insurance premiums for Medicare-eligible retirees.

*Plan Membership.* As of April 30, 2024, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	-
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	<u>30</u>
Total	<u><u>30</u></u>

**Total OPEB Liability**

The Village’s total OPEB liability was measured as of April 30, 2024 and was determined by an actuarial valuation as of April 30, 2023.

# VILLAGE OF PALOS PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2024

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### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS – Continued

##### Total OPEB Liability – Continued

*Actuarial Assumptions and Other Inputs.* The total OPEB liability in the April 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.25%
Salary Increases	2.75%
Discount Rate	4.07%
Healthcare Cost Trend Rates	7.40% for PPO plans for 2024, decreasing to an ultimate rate of 5.00% for 2033 and later years. 7.00% for HMO plans for 2024, decreasing to an ultimate rate of 5.00% for 2033 and later years. 7.70% for HSA plans for 2024, decreasing to an ultimate rate of 5.00% for 2033 and later years.
Retirees' Share of Benefit-Related Costs	100% of projected health insurance premiums for retirees

The discount rate was based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

Mortality rates were based on the PubS-2010(A) improved to 2017 fully generationally using MP-2019 improvement rates.

##### Change in the Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at April 30, 2023	\$ 226,774
Changes for the Year:	
Service Cost	21,921
Interest on the Total OPEB Liability	7,691
Changes of Benefit Terms	-
Difference Between Expected and Actual Experience	-
Changes of Assumptions or Other Inputs	(10,095)
Benefit Payments	<u>(17,817)</u>
Net Changes	<u>1,700</u>
Balance at April 30, 2024	<u><u>228,474</u></u>

# VILLAGE OF PALOS PARK, ILLINOIS

## Notes to the Financial Statements April 30, 2024

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### NOTE 4 – OTHER INFORMATION – Continued

#### OTHER POST-EMPLOYMENT BENEFITS – Continued

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

The discount rate used to measure the total pension liability was 4.07%, while the prior valuation used 3.53%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

	1% Decrease (3.07%)	Current Discount Rate (4.07%)	1% Increase (5.07%)
Total OPEB Liability	\$ 247,494	228,474	210,841

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

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

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 200,519	228,474	261,292

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

For the year ended April 30, 2024, the Village recognized OPEB expense of \$19,517. Per GASB Statement No. 75, under the Alternative Measurement Method, changes in Total OPEB Liability are immediately recognized as expense, resulting in no deferred outflows of resources or deferred inflows of resources related to OPEB.

##### SUBSEQUENT EVENT

On April 22, 2024, the Village entered into a loan agreement with the Illinois Environmental Protection Agency in the amount of \$1,993,135 at an annual interest rate of 1.81%. The construction and related loan reimbursements are scheduled to begin in fiscal year 2025. As of April 30, 2024, there have been no expenses or related reimbursements.

## **REQUIRED SUPPLEMENTARY INFORMATION**

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

- Schedule of Employer Contributions
  - Illinois Municipal Retirement Fund
  - Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel
  - Police Pension Fund
  
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
  - Illinois Municipal Retirement Fund
  - Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel
  - Police Pension Fund
  
- Schedule of Investment Returns
  - Police Pension Fund
  
- Schedule of Changes in the Employer's Total OPEB Liability
  - Retiree Benefits Plan
  
- Budgetary Comparison Schedule
  - General Fund
  - Local Municipal Gas Tax – Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information – Budgets are adopted on a basis consistent with generally accepted accounting principles.

**VILLAGE OF PALOS PARK, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information  
Schedule of Employer Contributions  
April 30, 2024**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 183,004	\$ 183,004	\$ -	\$ 1,419,733	12.89%
2017	188,769	187,792	(977)	1,450,955	12.94%
2018	177,511	177,511	-	1,465,900	12.11%
2019	174,429	174,429	-	1,481,166	11.78%
2020	172,645	172,645	-	1,557,213	11.09%
2021	174,958	174,958	-	1,629,021	10.74%
2022	168,238	168,238	-	1,489,316	11.30%
2023	137,779	137,779	-	1,550,407	8.89%
2024	127,699	127,699	-	1,689,263	7.56%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

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

**VILLAGE OF PALOS PARK, ILLINOIS**

**Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel**

**Required Supplementary Information**

**Schedule of Employer Contributions**

**April 30, 2024**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2016	\$ 19,269	\$ 19,269	\$ -	\$ 116,504	16.54%
2017	20,362	20,362	-	119,217	17.08%
2018	20,256	20,256	-	123,123	16.45%
2019	20,736	20,736	-	126,200	16.43%
2020	22,959	22,959	-	134,335	17.09%
2021	22,999	22,999	-	130,076	17.68%
2022	21,757	21,757	-	135,032	16.11%
2023	17,986	17,986	-	139,084	12.93%
2024	12,759	12,759	-	143,621	8.88%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

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

**VILLAGE OF PALOS PARK, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information  
Schedule of Employer Contributions  
April 30, 2024**

Fiscal Year	Actuarially Determined Contribution	Contributions* in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 173,069	\$ 175,000	\$ 1,931	\$ 645,111	27.13%
2016	175,000	200,000	25,000	762,167	26.24%
2017	270,351	200,000	(70,351)	628,629	31.82%
2018	343,328	250,000	(93,328)	664,715	37.61%
2019	313,958	250,000	(63,958)	815,769	30.65%
2020	372,057	325,000	(47,057)	850,714	38.20%
2021	403,962	335,000	(68,962)	829,232	40.40%
2022	463,841	414,000	(49,841)	864,089	47.91%
2023	485,566	486,000	434	927,542	52.40%
2024	424,673	425,000	327	871,544	48.76%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	100% Funded Over 16 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	3.25%
Investment Rate of Return	6.75%
Retirement Age	50-70
Mortality	Mortality rates are based on the Sex Distinct Raw Rates of the PubS-2010(A) Study.

\*Village contributions have exceeded the Statutory minimum contribution requirements.

**VILLAGE OF PALOS PARK, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Required Supplementary Information**

**Schedule of Changes in the Employer's Net Pension Liability/(Asset)**

**April 30, 2024**

	2016	2017	2018
Total Pension Liability			
Service Cost	\$ 157,935	166,212	163,102
Interest	513,332	536,775	571,830
Differences Between Expected and Actual Experience	(31,948)	390,587	(45,873)
Change of Assumptions	8,402	(26,814)	(263,489)
Benefit Payments, Including Refunds of Member Contributions	(401,684)	(398,967)	(406,483)
Net Change in Total Pension Liability	246,037	667,793	19,087
Total Pension Liability - Beginning	6,984,598	6,984,598	7,652,391
Total Pension Liability - Ending	7,230,635	7,652,391	7,671,478
Plan Fiduciary Net Position			
Contributions - Employer	\$ 183,004	187,792	171,645
Contributions - Members	72,845	65,716	64,475
Net Investment Income	30,009	416,086	1,181,987
Benefit Payments, Including Refunds of Member Contributions	(401,684)	(398,967)	(406,483)
Administrative Expense	68,641	125,998	(216,430)
Net Change in Plan Fiduciary Net Position	(47,185)	396,625	795,194
Plan Net Position - Beginning	6,079,999	6,032,814	6,429,439
Plan Net Position - Ending	6,032,814	6,429,439	7,224,633
Employer's Net Pension Liability/(Asset)	\$ 1,197,821	1,222,952	446,845
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.43%	84.02%	94.18%
Covered Payroll	\$ 1,419,733	1,450,955	1,432,772
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	84.37%	84.29%	31.19%

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

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2016 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017 and 2023.

2019	2020	2021	2022	2023	2024
153,547	160,736	163,686	136,714	140,629	153,734
564,053	596,796	618,326	627,256	662,998	726,505
113,272	74,115	34,733	170,745	117,708	146,059
222,637	-	(99,360)	-	-	(15,422)
(425,046)	(442,119)	(471,455)	(501,080)	(508,007)	(572,927)
628,463	389,528	245,930	433,635	413,328	437,949
7,671,478	8,299,941	8,689,469	8,935,399	9,369,034	9,782,362
8,299,941	8,689,469	8,935,399	9,369,034	9,782,362	10,220,311
182,908	158,540	176,935	178,104	146,534	125,850
66,432	68,141	64,366	66,130	70,645	76,017
(420,518)	1,314,892	1,143,247	1,522,313	(1,294,246)	965,603
(425,046)	(442,119)	(471,455)	(501,080)	(508,007)	(572,927)
169,978	43,736	130,251	74,517	47,215	178,207
(426,246)	1,143,190	1,043,344	1,339,984	(1,537,859)	772,750
7,224,633	6,798,387	7,941,577	8,984,921	10,324,905	8,787,046
6,798,387	7,941,577	8,984,921	10,324,905	8,787,046	9,559,796
1,501,554	747,892	(49,522)	(955,871)	995,316	660,515
81.91%	91.39%	100.55%	110.20%	89.83%	93.54%
1,476,259	1,514,235	1,430,351	1,463,467	1,437,326	1,483,205
101.71%	49.39%	(3.46%)	(65.32%)	69.25%	44.53%

**VILLAGE OF PALOS PARK, ILLINOIS**

**Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel**

**Required Supplementary Information**

**Schedule of Changes in the Employer's Net Pension Liability/(Asset)**

**April 30, 2024**

	2016	2017	2018
Total Pension Liability			
Service Cost	\$ 22,925	22,956	23,049
Interest	38,090	48,785	45,070
Differences Between Expected and Actual Experience	82,166	(121,692)	(8,779)
Change of Assumptions	2,613	(4,883)	9,106
Net Change in Total Pension Liability	145,794	(54,834)	68,446
Total Pension Liability - Beginning	498,443	644,237	589,403
Total Pension Liability - Ending	644,237	589,403	657,849
Plan Fiduciary Net Position			
Contributions - Employer	\$ 19,269	20,362	20,175
Contributions - Members	8,738	8,941	9,165
Net Investment Income	2,289	40,231	74,211
Administrative Expense	83,130	(112,148)	(2,317)
Net Change in Plan Fiduciary Net Position	113,426	(42,614)	101,234
Plan Net Position - Beginning	443,726	557,152	514,538
Plan Net Position - Ending	557,152	514,538	615,772
Employer's Net Pension Liability/(Asset)	\$ 87,085	74,865	42,077
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	86.48%	87.30%	93.60%
Covered Payroll	\$ 116,504	119,217	122,198
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	74.75%	62.80%	34.43%

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

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2016 through 2018 and 2020. Changes in assumptions related to the demographics were made in 2017 and 2023.

2019	2020	2021	2022	2023	2024
23,205	22,735	23,721	21,398	22,845	23,264
50,209	54,957	58,150	61,912	65,295	69,182
(6,097)	(34,144)	(43,898)	(37,365)	(34,739)	(37,030)
21,491	-	15,078	-	-	2,128
88,808	43,548	53,051	45,945	53,401	57,544
657,849	746,657	790,205	843,256	889,201	942,602
746,657	790,205	843,256	889,201	942,602	1,000,146
20,442	21,415	23,190	23,064	19,221	15,611
9,394	9,629	9,711	10,028	10,326	10,653
(9,368)	96,370	93,398	126,461	(75,796)	98,860
670	(2,392)	1,091	(5,629)	(3,975)	22,878
21,138	125,022	127,390	153,924	(50,224)	148,002
615,772	636,910	761,932	889,322	1,043,246	993,022
636,910	761,932	889,322	1,043,246	993,022	1,141,024
109,747	28,273	(46,066)	(154,045)	(50,420)	(140,878)
85.30%	96.42%	105.46%	117.32%	105.35%	114.09%
125,252	128,383	129,476	133,707	137,681	142,039
87.62%	22.02%	(35.58%)	(115.21%)	(36.62%)	(99.18%)

**VILLAGE OF PALOS PARK, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information  
Schedule of Changes in the Employer's Net Pension Liability  
April 30, 2024**

	2015	2016	2017
Total Pension Liability			
Service Cost	\$ 198,253	208,166	251,198
Interest	290,630	312,935	374,757
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	-	139,203	26,392
Change of Assumptions	-	500,727	(218,530)
Benefit Payments, Including Refunds of Member Contributions	(115,751)	(118,504)	(142,868)
Net Change in Total Pension Liability	373,132	1,042,527	290,949
Total Pension Liability - Beginning	4,901,706	5,274,838	6,317,365
Total Pension Liability - Ending	5,274,838	6,317,365	6,608,314
Plan Fiduciary Net Position			
Contributions - Employer	175,000	200,000	200,000
Contributions - Members	63,574	74,670	75,391
Net Investment Income	75,014	49,037	110,855
Benefit Payments, Including Refunds of Member Contributions	(115,751)	(118,504)	(142,868)
Administrative Expense	-	(1,642)	(1,380)
Net Change in Plan Fiduciary Net Position	197,837	203,561	241,998
Plan Net Position - Beginning	2,131,652	2,329,489	2,533,050
Plan Net Position - Ending	2,329,489	2,533,050	2,775,048
Employer's Net Pension Liability	2,945,349	3,784,315	3,833,266
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	44.16%	40.10%	41.99%
Covered Payroll	\$ 645,111	762,167	628,629
Employer's Net Pension Liability as a Percentage of Covered Payroll	456.56%	496.52%	609.78%

2018	2019	2020	2021	2022	2023	2024
266,270	237,104	264,252	341,269	470,506	327,411	289,419
391,218	397,276	414,920	420,852	402,080	493,518	528,599
-	-	116,245	-	-	(11,259)	-
(454,778)	(148,438)	(50,678)	(291,127)	(577,065)	656,550	76,236
590,072	(163,568)	908,814	1,452,629	(1,912,575)	(474,143)	(1,149,767)
(176,031)	(185,283)	(191,203)	(372,797)	(289,812)	(301,158)	(358,093)
616,751	137,091	1,462,350	1,550,826	(1,906,866)	690,919	(613,606)
6,608,314	7,225,065	7,362,156	8,824,506	10,375,332	8,468,466	9,159,385
7,225,065	7,362,156	8,824,506	10,375,332	8,468,466	9,159,385	8,545,779
250,000	250,000	325,000	335,000	414,000	486,000	425,000
65,873	77,130	84,306	82,177	85,149	89,435	86,370
108,930	176,722	40,642	696,544	(264,654)	107,596	452,521
(176,031)	(185,283)	(191,203)	(372,797)	(289,812)	(301,158)	(358,093)
(1,856)	(1,455)	(4,319)	(5,785)	(8,878)	(12,659)	(12,606)
246,916	317,114	254,426	735,139	(64,195)	369,214	593,192
2,775,048	3,021,964	3,339,078	3,593,504	4,328,643	4,264,448	4,633,662
3,021,964	3,339,078	3,593,504	4,328,643	4,264,448	4,633,662	5,226,854
4,203,101	4,023,078	5,231,002	6,046,689	4,204,018	4,525,723	3,318,925
41.83%	45.35%	40.72%	41.72%	50.36%	50.59%	61.16%
664,715	815,769	850,714	829,232	864,089	927,542	871,544
632.32%	493.16%	614.90%	729.19%	486.53%	487.93%	380.81%

**VILLAGE OF PALOS PARK, ILLINOIS**

**Police Pension Fund**

**Required Supplementary Information**

**Schedule of Investment Returns**

**April 30, 2024**

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Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	3.62%
2016	2.07%
2017	4.25%
2018	3.94%
2019	5.92%
2020	(4.96%)
2021	19.89%
2022	(6.11%)
2023	6.43%
2024	1.42%

**VILLAGE OF PALOS PARK, ILLINOIS**

**Retiree Benefits Plan**

**Required Supplementary Information  
Schedule of Changes in the Employer's Total OPEB Liability  
April 30, 2023**

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**See Following Page**

**VILLAGE OF PALOS PARK, ILLINOIS**

**Retiree Benefits Plan**

**Required Supplementary Information  
Schedule of Changes in the Employer's Total OPEB Liability  
April 30, 2024**

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	<u>2019</u>
Total OPEB Liability	
Service Cost	\$ 9,273
Interest	8,193
Changes in Benefit Terms	-
Differences Between Expected and Actual Experience	-
Change of Assumptions or Other Inputs	3,621
Benefit Payments	<u>(7,401)</u>
Net Change in Total OPEB Liability	13,686
Total OPEB Liability - Beginning	<u>210,075</u>
Total OPEB Liability - Ending	<u>223,761</u>
Covered-Employee Payroll	\$ 2,267,478
Total OPEB Liability as a Percentage of Covered-Employee Payroll	9.87%

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2019 through 2024.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available. The Village implemented GASB 74/75 starting in fiscal year April 30, 2019.

2020	2021	2022	2023	2024
9,819	11,760	8,733	7,287	21,921
8,236	6,478	5,796	6,865	7,691
-	-	-	-	-
-	(19,567)	-	14,979	-
33,197	19,506	(41,958)	(8,918)	(10,095)
(12,845)	(18,208)	(13,570)	(14,577)	(17,817)
38,407	(31)	(40,999)	5,636	1,700
223,761	262,168	262,137	221,138	226,774
262,168	262,137	221,138	226,774	228,474
2,556,338	2,458,250	2,376,511	2,548,253	2,618,330
10.26%	10.66%	9.31%	8.90%	8.73%

**VILLAGE OF PALOS PARK, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2024  
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)**

	4/30/24		Variance Over (Under)	4/30/23 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Taxes	\$ 2,448,309	2,453,911	5,602	2,368,367
Intergovernmental	2,111,540	2,159,452	47,912	2,777,782
Licenses and Permits	264,514	238,668	(25,846)	380,584
Charges for Services	326,067	312,862	(13,205)	190,437
Fines and Forfeitures	53,757	117,322	63,565	49,432
Investment Income	103,419	243,097	139,678	146,916
Miscellaneous	618,328	328,729	(289,599)	518,252
Total Revenues	<u>5,925,934</u>	<u>5,854,041</u>	<u>(71,893)</u>	<u>6,431,770</u>
<b>Expenditures</b>				
General Government	857,122	811,796	(45,326)	570,275
Public Safety	2,795,057	2,678,510	(116,547)	2,721,638
Public Works	683,150	660,943	(22,207)	610,911
Building and Public Grounds	813,477	680,343	(133,134)	577,195
Culture and Recreation	392,876	368,155	(24,721)	240,842
Capital Outlay	408,064	411,049	2,985	114,361
Total Expenditures	<u>5,949,746</u>	<u>5,610,796</u>	<u>(338,950)</u>	<u>4,835,222</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(23,812)</u>	<u>243,245</u>	<u>267,057</u>	<u>1,596,548</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	181,700	165,000	(16,700)	-
Transfers Out	(151,410)	(194,784)	(43,374)	(259,476)
	<u>30,290</u>	<u>(29,784)</u>	<u>(60,074)</u>	<u>(259,476)</u>
Net Change in Fund Balance	<u>6,478</u>	213,461	<u>206,983</u>	1,337,072
Fund Balance - Beginning		<u>4,164,234</u>		<u>2,827,162</u>
Fund Balance - Ending		<u>4,377,695</u>		<u>4,164,234</u>

**VILLAGE OF PALOS PARK, ILLINOIS**

**Local Municipal Gas Tax - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2024  
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)**

	4/30/24		Variance Over (Under)	4/30/23 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Intergovernmental				
Local Municipal Gas Tax	\$ 186,000	151,909	(34,091)	156,325
Investment Income	26,172	114,703	88,531	36,220
Total Revenues	<u>212,172</u>	<u>266,612</u>	<u>54,440</u>	<u>192,545</u>
<b>Expenditures</b>				
General Government				
Other Contractual Services	5,000	3,485	(1,515)	3,227
Capital Outlay	1,575,511	1,384,386	(191,125)	582,530
Total Expenditures	<u>1,580,511</u>	<u>1,387,871</u>	<u>(192,640)</u>	<u>585,757</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,368,339)	(1,121,259)	247,080	(393,212)
Other Financing (Uses)				
Transfers Out	(214,025)	(213,725)	300	(212,723)
Net Change in Fund Balance	<u>(1,582,364)</u>	(1,334,984)	<u>247,380</u>	(605,935)
Fund Balance - Beginning		<u>2,781,642</u>		<u>3,387,577</u>
Fund Balance - Ending		<u><u>1,446,658</u></u>		<u><u>2,781,642</u></u>

## **OTHER SUPPLEMENTARY INFORMATION**

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

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Nonmajor Governmental Funds
- Budgetary Comparison Schedules – Major Enterprise Funds
- Budgetary Comparison Schedule – Nonmajor Enterprise Fund
- Budgetary Comparison Schedule – Pension Trust Fund
- Combining Statements – Custodial Funds Funds

# INDIVIDUAL FUND DESCRIPTIONS

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## GENERAL FUND

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

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## SPECIAL REVENUE FUNDS

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

### Local Municipal Gas Tax Fund

The Local Municipal Gas Tax Fund is used to account for the operation of street maintenance and related capital projects. Financing is provided from the Village's local 3¢ gas tax.

### Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the operation of street maintenance programs and capital projects as authorized by the Illinois Department of Transportation. Financing is provided from the Village's share of gasoline taxes.

### Police Forfeiture Fund

The Police Forfeiture Fund is used to account for seized assets confiscated by the Palos Park Police Department. These resources, which are restricted by federal regulations, can help finance specific police expenditures related to education, interdiction and training focused on the reduction of substance abuse.

### Exaction Fee Fund

The Exaction Fee Fund is used to account for charges for construction (and the impact of construction) that offset costs carried by the Village and other taxing bodies because of increased demand for services. Exaction fees received are intended to be spent on debt service related to transportation or recreation improvements. The Village, however, also receives exaction fees to support both grammar and high schools and the library. Fees received are forwarded directly to these organizations annually.

### Fine Arts Fund

The Fine Arts Fund is used to account for a Fine Arts Committee, which is generally self-sufficient in operation. Fine Arts activities provide residents with meaningful, celebrated events related to the Arts and Humanities.

### Land Acquisition and Recreation Fund

The Land Acquisition and Recreation Fund is used to account for the acquisition and preservation of open lands that enhance the natural setting.

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## INDIVIDUAL FUND DESCRIPTIONS

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### DEBT SERVICE FUNDS

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

#### 2022A Bond Fund

The Debt Service Fund is used to accumulate monies for the Village's general obligation alternate revenue source bonds, Series 2022A, for payment of the principal and interest on governmental debt (non-proprietary). Local resources are transferred from the Local Municipal Gas Tax fund or the 1/2% Sales Tax Fund to finance the annual debt service payment requirements.

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### CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by proprietary funds.

#### Capital Improvements Fund

The Capital Improvement Fund is used to account for the accumulation of resources to be used for the replacement of Village vehicles, equipment, buildings and land improvements.

#### 1/2% Sales Tax Fund

The 1/2% Sales Tax Fund is used to account for the proceeds of non-home rule sales tax.

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### ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

#### Water Fund

The Water Fund is used to account for the provisions of water to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt services and billing and collection.

## **INDIVIDUAL FUND DESCRIPTIONS**

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### **ENTERPRISE FUNDS – Continued**

#### **Sewer Maintenance Fund**

The Sewer Maintenance Fund is used to account for the provisions of sanitary sewer services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt services and billing and collection.

#### **Refuse and Recycling Fund**

The Refuse and Recycling Fund is used to account for the provisions of refuse and recycling services to the residents of the Village. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt services and billing and collection.

#### **Commuter Parking Lot Fund**

The Commuter Parking Lot Fund is used to account for the provisions of public parking services. All activities are accounted for in this fund, including, but not limited to, administration, operations, capital construction, financing, and revenue collection.

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### **TRUST AND CUSTODIAL FUNDS**

#### **PENSION TRUST FUND**

##### **Police Pension Fund**

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the Village at amounts determined by an annual actuarial study.

#### **CUSTODIAL FUNDS**

##### **Special Assessment Funds**

The Special Assessment Funds are used to account for the accumulation of resources and payment of principal and interest on non-commitment special assessment bonds.

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**VILLAGE OF PALOS PARK, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual  
For the Fiscal Year Ended April 30, 2024  
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)**

	4/30/24		Variance Over (Under)	4/30/23
	Original and Final Budget	Actual		Actual
Taxes				
Property	\$ 1,673,487	1,684,524	11,037	1,545,511
Utility	362,342	362,794	452	440,548
Other Taxes	412,480	406,593	(5,887)	382,308
Total Taxes	2,448,309	2,453,911	5,602	2,368,367
Intergovernmental				
State Sales Tax	1,275,495	1,279,156	3,661	1,296,303
State Income Tax	759,345	802,038	42,693	791,573
Replacement Tax	26,700	26,995	295	37,334
Grants	50,000	51,263	1,263	652,572
Total Intergovernmental	2,111,540	2,159,452	47,912	2,777,782
Licenses and Permits	264,514	238,668	(25,846)	380,584
Charges for Services	326,067	312,862	(13,205)	190,437
Fines and Forfeitures	53,757	117,322	63,565	49,432
Investment Income	103,419	243,097	139,678	146,916
Miscellaneous				
Fees by Agreement	287,495	262,153	(25,342)	229,660
Sponsorships and Donations	39,475	28,693	(10,782)	-
Miscellaneous	291,358	37,883	(253,475)	288,592
Total Miscellaneous	618,328	328,729	(289,599)	518,252
Total Revenues	5,925,934	5,854,041	(71,893)	6,431,770

**VILLAGE OF PALOS PARK, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual**

**For the Fiscal Year Ended April 30, 2024**

**(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)**

	4/30/24		Variance Over (Under)	4/30/23 Actual
	Original and Final Budget	Actual		
General Government				
Administration				
Wages	\$ 327,147	349,082	21,935	314,518
Benefits	92,181	91,148	(1,033)	95,411
Risk Management Insurance	9,880	12,176	2,296	11,946
Legal Fees	40,000	26,193	(13,807)	21,600
Consultants, Engineers and Planners	200	-	(200)	-
Other Contractual Services	69,529	59,320	(10,209)	57,517
Commodities	68,295	61,284	(7,011)	59,192
Public Affairs				
Benefits	31,227	-	(31,227)	-
Risk Management Insurance	941	991	50	976
Legal Fees	5,000	135	(4,865)	-
Consultants, Engineers and Planners	10,000	-	(10,000)	-
Other Contractual Services	13,115	13,530	415	12,942
Commodities	4,550	4,951	401	6,037
Finance				
Wages	103,338	102,911	(427)	98,453
Benefits	16,443	15,773	(670)	16,500
Risk Management Insurance	3,293	3,479	186	3,415
Legal Fees	400	-	(400)	341
Consultants, Engineers and Planners	51,757	53,795	2,038	48,613
Commodities	3,651	6,515	2,864	4,044
Other				
Other Contractual Services	5,975	8,004	2,029	8,035
Commodities	200	2,509	2,309	21
	857,122	811,796	(45,326)	759,561
Less Administrative Charges	-	-	-	(189,286)
Total General Government	857,122	811,796	(45,326)	570,275

**VILLAGE OF PALOS PARK, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**  
**For the Fiscal Year Ended April 30, 2024**  
**(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)**

	4/30/24		Variance Over (Under)	4/30/23 Actual
	Original and Final Budget	Actual		
<b>Public Safety</b>				
Wages	\$ 1,643,294	1,557,058	(86,236)	1,582,542
Benefits	727,546	734,227	6,681	778,523
Risk Management Insurance	38,581	40,750	2,169	40,007
Legal Fees	35,000	29,343	(5,657)	26,804
Other Contractual Services	200,797	182,205	(18,592)	166,082
Commodities	149,839	134,927	(14,912)	127,680
<b>Total Public Safety</b>	<b>2,795,057</b>	<b>2,678,510</b>	<b>(116,547)</b>	<b>2,721,638</b>
<b>Public Works</b>				
Wages	316,708	314,879	(1,829)	291,190
Benefits	97,822	76,200	(21,622)	80,832
Risk Management Insurance	10,351	10,931	580	10,734
Legal Fees	2,000	-	(2,000)	90
Other Contractual Services	192,129	204,279	12,150	179,708
Commodities	64,140	54,654	(9,486)	48,357
<b>Total Public Works</b>	<b>683,150</b>	<b>660,943</b>	<b>(22,207)</b>	<b>610,911</b>
<b>Building and Public Grounds</b>				
<b>Building</b>				
Wages	235,492	243,945	8,453	227,892
Benefits	98,576	97,425	(1,151)	93,812
Risk Management Insurance	5,175	5,470	295	5,367
Legal Fees	18,000	7,219	(10,781)	5,520
Other Contractual Services	95,865	91,592	(4,273)	72,641
Commodities	184,758	40,765	(143,993)	7,883
<b>Public Grounds</b>				
Risk Management Insurance	2,823	2,983	160	2,927
Other Contractual Services	62,915	-	(62,915)	146,009
Commodities	109,873	-	(109,873)	15,144

**VILLAGE OF PALOS PARK, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**

**For the Fiscal Year Ended April 30, 2024**

**(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)**

	4/30/24		Variance Over (Under)	4/30/23 Actual
	Original and Final Budget	Actual		
<b>Building and Public Grounds - Continued</b>				
Miscellaneous				
Other Contractual Services	\$ -	182,559	182,559	-
Commodities	-	8,385	8,385	-
Total Building and Public Grounds	813,477	680,343	(133,134)	577,195
<b>Culture and Recreation</b>				
Recreation				
Wages	193,803	173,856	(19,947)	95,269
Benefits	34,459	23,926	(10,533)	14,049
Risk Management Insurance	7,528	7,948	420	7,806
Legal Fees	300	-	(300)	68
Other Contractual Services	54,389	54,931	542	38,700
Commodities	15,552	17,797	2,245	10,802
Festivals				
Other Contractual Services	57,070	66,312	9,242	51,825
Commodities	29,775	23,385	(6,390)	22,323
Total Culture and Recreation	392,876	368,155	(24,721)	240,842
<b>Capital Outlay</b>				
Administration	94,064	48,913	(45,151)	53,510
Public Safety	100,000	117,219	17,219	51,769
Building and Public Grounds	214,000	244,917	30,917	9,082
Total Capital Outlay	408,064	411,049	2,985	114,361
Total Expenditures	5,949,746	5,610,796	(338,950)	4,835,222

**VILLAGE OF PALOS PARK, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Balance Sheet**

**April 30, 2024**

	Special Revenue	Debt Service <u>2022A</u> Bond	Capital Projects	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 727,565	-	1,511,205	2,238,770
Receivables - Net of Allowances				
Sales Tax	-	-	83,037	83,037
Due from Other Governments	17,620	-	-	17,620
Total Assets	745,185	-	1,594,242	2,339,427
<b>LIABILITES</b>				
Accounts Payable	5,329	300	7,211	12,840
<b>FUND BALANCES</b>				
Restricted	737,909	-	-	737,909
Committed	-	-	1,587,031	1,587,031
Assigned	1,947	-	-	1,947
Unassigned	-	(300)	-	(300)
Total Fund Balances	739,856	(300)	1,587,031	2,326,587
Total Liabilities and Fund Balances	745,185	-	1,594,242	2,339,427

VILLAGE OF PALOS PARK, ILLINOIS

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Year Ended April 30, 2024

	Special Revenue	Debt Service 2022A Bond	Capital Projects	Totals
<b>Revenues</b>				
Taxes	\$ -	-	348,845	348,845
Intergovernmental	215,163	-	-	215,163
Investment Income	34,712	-	66,342	101,054
Miscellaneous	10,174	-	-	10,174
Total Revenues	260,049	-	415,187	675,236
<b>Expenditures</b>				
Public Works	18,408	-	-	18,408
Culture and Recreation	11,576	-	-	11,576
Building and Public Grounds	-	-	13,008	13,008
Capital Outlay	92,490	-	175,915	268,405
Debt Service				
Principal Retirement	40,000	105,000	-	145,000
Interest and Fiscal Charges	6,470	109,025	-	115,495
Total Expenditures	168,944	214,025	188,923	571,892
Excess (Deficiency) of Revenues Over (Under) Expenditures	91,105	(214,025)	226,264	103,344
<b>Other Financing Sources (Uses)</b>				
Transfers In	39,096	213,725	155,688	408,509
Net Change in Fund Balances	130,201	(300)	381,952	511,853
Fund Balances - Beginning	609,655	-	1,205,079	1,814,734
Fund Balances - Ending	739,856	(300)	1,587,031	2,326,587

**VILLAGE OF PALOS PARK, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Balance Sheet**

**April 30, 2024**

	Motor Fuel Tax	Police Forfeiture	Land Acquisition and Recreation	Exaction Fee	Fine Arts	Totals
<b>ASSETS</b>						
Cash and Investments	\$ 711,206	-	-	14,412	1,947	727,565
Due from Other Governments	17,620	-	-	-	-	17,620
<b>Total Assets</b>	<b>728,826</b>	<b>-</b>	<b>-</b>	<b>14,412</b>	<b>1,947</b>	<b>745,185</b>
<b>LIABILITIES</b>						
Accounts Payable	890	-	-	4,439	-	5,329
<b>FUND BALANCES</b>						
Restricted	727,936	-	-	9,973	-	737,909
Assigned	-	-	-	-	1,947	1,947
<b>Total Fund Balances</b>	<b>727,936</b>	<b>-</b>	<b>-</b>	<b>9,973</b>	<b>1,947</b>	<b>739,856</b>
<b>Total Liabilities and Fund Balances</b>	<b>728,826</b>	<b>-</b>	<b>-</b>	<b>14,412</b>	<b>1,947</b>	<b>745,185</b>

**VILLAGE OF PALOS PARK, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Year Ended April 30, 2024**

	Motor Fuel Tax	Police Forfeiture	Land Acquisition and Recreation	Exaction Fee	Fine Arts	Totals
<b>Revenues</b>						
Intergovernmental	\$ 215,163	-	-	-	-	215,163
Investment Income	34,712	-	-	-	-	34,712
Miscellaneous	-	-	-	9,973	201	10,174
<b>Total Revenues</b>	<b>249,875</b>	<b>-</b>	<b>-</b>	<b>9,973</b>	<b>201</b>	<b>260,049</b>
<b>Expenditures</b>						
Public Works	18,408	-	-	-	-	18,408
Culture and Recreation	-	-	-	-	11,576	11,576
Capital Outlay	92,490	-	-	-	-	92,490
Debt Service						
Principal Retirement	-	-	40,000	-	-	40,000
Interest and Fiscal Charges	-	-	6,470	-	-	6,470
<b>Total Expenditures</b>	<b>110,898</b>	<b>-</b>	<b>46,470</b>	<b>-</b>	<b>11,576</b>	<b>168,944</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	138,977	-	(46,470)	9,973	(11,375)	91,105
Other Financing Sources (Uses) Transfers In	-	-	39,096	-	-	39,096
Net Change in Fund Balances	138,977	-	(7,374)	9,973	(11,375)	130,201
Fund Balances - Beginning	588,959	-	7,374	-	13,322	609,655
Fund Balances - Ending	727,936	-	-	9,973	1,947	739,856

**VILLAGE OF PALOS PARK, ILLINOIS**

**Motor Fuel Tax - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2024  
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)**

	4/30/24		Variance Over (Under)	4/30/23 Actual
	Original and Final Budget	Actual		
<b>Revenues</b>				
Intergovernmental				
Motor Fuel Tax Allotments	\$ 208,159	215,163	7,004	199,267
Grants	-	-	-	53,239
Investment Income	13,200	34,712	21,512	13,668
Total Revenues	<u>221,359</u>	<u>249,875</u>	<u>28,516</u>	<u>266,174</u>
<b>Expenditures</b>				
Public Works				
Commodities	19,500	18,408	(1,092)	65,692
Capital Outlay	113,000	92,490	(20,510)	-
Total Expenditures	<u>132,500</u>	<u>110,898</u>	<u>(21,602)</u>	<u>65,692</u>
Net Change in Fund Balance	<u>88,859</u>	138,977	<u>50,118</u>	200,482
Fund Balance - Beginning		<u>588,959</u>		<u>388,477</u>
Fund Balance - Ending		<u>727,936</u>		<u>588,959</u>

**VILLAGE OF PALOS PARK, ILLINOIS**

**Land Acquisition and Recreation - Special Revenue Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2024  
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)**

	4/30/24		Variance Over (Under)	4/30/23 Actual
	Original and Final Budget	Actual		
Revenues				
Intergovernmental	\$ -	-	-	-
Expenditures				
Debt Service				
Principal Retirement	40,000	40,000	-	40,000
Interest and Fiscal Charges	6,396	6,470	74	8,100
Total Expenditures	46,396	46,470	74	48,100
Excess (Deficiency) of Revenues Over (Under) Expenditures	(46,396)	(46,470)	(74)	(48,100)
Other Financing Sources				
Transfers In	39,022	39,096	74	55,474
Net Change in Fund Balance	<u>(7,374)</u>	<u>(7,374)</u>	<u>-</u>	<u>7,374</u>
Fund Balance - Beginning		<u>7,374</u>		<u>-</u>
Fund Balance - Ending		<u>-</u>		<u>7,374</u>

VILLAGE OF PALOS PARK, ILLINOIS

2022A Bond - Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended April 30, 2024  
 (with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)

	4/30/24		Variance Over (Under)	4/30/23 Actual
	Original and Final Budget	Actual		
Revenues				
Intergovernmental	\$ -	-	-	-
Expenditures				
Debt Service				
Principal Retirement	105,000	105,000	-	140,000
Interest and Fiscal Charges	109,025	109,025	-	72,723
Total Expenditures	214,025	214,025	-	212,723
Excess (Deficiency) of Revenues Over (Under) Expenditures	(214,025)	(214,025)	-	(212,723)
Other Financing Sources				
Transfers In	214,025	213,725	(300)	212,723
Net Change in Fund Balance	<u>-</u>	(300)	<u>(300)</u>	-
Fund Balance - Beginning		<u>-</u>		<u>-</u>
Fund Balance - Ending		<u>(300)</u>		<u>-</u>

**VILLAGE OF PALOS PARK, ILLINOIS**

**Nonmajor Governmental - Capital Projects Funds**

**Combining Balance Sheet**

**April 30, 2024**

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	Capital Improvements	1/2% Sales Tax	Totals
<b>ASSETS</b>			
Cash and Investments	\$ 444,069	1,067,136	1,511,205
Receivables - Net of Allowances			
Sales Tax	-	83,037	83,037
	<hr/>		
Total Assets	444,069	1,150,173	1,594,242
	<hr/> <hr/>		
<b>LIABILITIES</b>			
Accounts Payable	-	7,211	7,211
<b>FUND BALANCES</b>			
Committed	444,069	1,142,962	1,587,031
	<hr/>		
Total Liabilities and Fund Balances	444,069	1,150,173	1,594,242
	<hr/> <hr/>		

## VILLAGE OF PALOS PARK, ILLINOIS

### Nonmajor Governmental - Capital Projects Funds

#### Combining Statement of Revenues, Expenditures and Changes in Fund Balances For the Fiscal Year Ended April 30, 2024

	Capital Improvements	1/2% Sales Tax	Totals
Revenues			
Taxes	\$ -	348,845	348,845
Investment Income	15,586	50,756	66,342
Total Revenues	15,586	399,601	415,187
Expenditures			
Building and Public Grounds	-	13,008	13,008
Capital Outlay	-	175,915	175,915
Total Expenditures	-	188,923	188,923
Excess (Deficiency) of Revenues Over (Under) Expenditures	15,586	210,678	226,264
Other Financing Sources			
Transfers In	155,688	-	155,688
Net Change in Fund Balances	171,274	210,678	381,952
Fund Balances - Beginning	272,795	932,284	1,205,079
Fund Balances - Ending	444,069	1,142,962	1,587,031

**VILLAGE OF PALOS PARK, ILLINOIS**

**Capital Improvements - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2024  
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)**

	4/30/24		Variance Over (Under)	4/30/23 Actual
	Original and Final Budget	Actual		
Revenues				
Investment Income	\$ 1,920	15,586	13,666	2,163
Expenditures				
Capital Outlay	-	-	-	37,200
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,920	15,586	13,666	(35,037)
Other Financing Sources				
Transfers In	105,688	155,688	50,000	211,376
Net Change in Fund Balance	<u>107,608</u>	171,274	<u>63,666</u>	176,339
Fund Balance - Beginning		<u>272,795</u>		<u>96,456</u>
Fund Balance - Ending		<u>444,069</u>		<u>272,795</u>

**VILLAGE OF PALOS PARK, ILLINOIS**

**1/2% Sales Tax - Capital Projects Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2024  
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)**

	4/30/24		Variance Over (Under)	4/30/23 Actual
	Original and Final Budget	Actual		
Revenues				
Taxes				
1/2% Sales Tax	\$ 362,504	348,845	(13,659)	359,464
Intergovernmental Grants	150,000	-	(150,000)	-
Investment Income	21,600	50,756	29,156	23,444
Total Revenues	<u>534,104</u>	<u>399,601</u>	<u>(134,503)</u>	<u>382,908</u>
Expenditures				
Building and Grounds				
Street Maintenance	-	8,928	8,928	-
Equipment	5,500	4,080	(1,420)	-
Capital Outlay	566,100	175,915	(390,185)	233,031
Total Expenditures	<u>571,600</u>	<u>188,923</u>	<u>(382,677)</u>	<u>233,031</u>
Net Change in Fund Balance	<u>(37,496)</u>	210,678	<u>248,174</u>	149,877
Fund Balance - Beginning		<u>932,284</u>		<u>782,407</u>
Fund Balance - Ending		<u>1,142,962</u>		<u>932,284</u>

VILLAGE OF PALOS PARK, ILLINOIS

Water - Enterprise Fund

Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
For the Fiscal Year Ended April 30, 2024  
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)

	4/30/24		Variance Over (Under)	4/30/23 Actual
	Original and Final Budget	Actual		
Operating Revenues				
Charges for Services	\$ 2,063,080	2,257,725	194,645	2,095,058
Sale of Water Meters	7,685	3,612	(4,073)	7,125
Miscellaneous	2,913	145,782	142,869	71,031
Total Operating Revenues	<u>2,073,678</u>	<u>2,407,119</u>	<u>333,441</u>	<u>2,173,214</u>
Operating Expenses				
Personnel	515,845	478,704	(37,141)	524,742
Commodities	93,808	79,398	(14,410)	111,307
Water Purchases	844,750	857,613	12,863	806,293
Services	751,753	688,119	(63,634)	603,781
Capital Outlay	2,214,248	30,907	(2,183,341)	17,021
Total Operating Expenses	<u>4,420,404</u>	<u>2,134,741</u>	<u>(2,285,663)</u>	<u>2,063,144</u>
Operating Income (Loss)	<u>(2,346,726)</u>	<u>272,378</u>	<u>2,619,104</u>	<u>110,070</u>
Nonoperating Revenues (Expenses)				
Investment Income	20,400	51,674	31,274	23,743
Rental Income	10,640	21,280	10,640	19,890
Tap-On Fees	18,867	1,187	(17,680)	17,648
Principal Retirement	(110,000)	(110,000)	-	(110,000)
Interest Expense	(10,885)	(10,885)	-	(12,086)
	<u>(70,978)</u>	<u>(46,744)</u>	<u>24,234</u>	<u>(60,805)</u>
Income (Loss) Before Transfers	<u>(2,417,704)</u>	<u>225,634</u>	<u>2,643,338</u>	<u>49,265</u>
Debt Issuance	2,112,000	-	(2,112,000)	-
Transfers Out	(75,000)	(75,000)	-	-
	<u>2,037,000</u>	<u>(75,000)</u>	<u>(2,112,000)</u>	<u>-</u>
Income (Loss) Before GAAP Adjustments	<u>(380,704)</u>	<u>150,634</u>	<u>531,338</u>	<u>49,265</u>
Principal Retirement		110,000		110,000
Capitalized Assets		-		11,579
Depreciation		<u>(494,451)</u>		<u>(494,450)</u>
Change in Net Position		<u>(233,817)</u>		<u>(323,606)</u>
Net Position - Beginning		<u>8,414,697</u>		<u>8,738,303</u>
Net Position - Ending		<u><u>8,180,880</u></u>		<u><u>8,414,697</u></u>

**VILLAGE OF PALOS PARK, ILLINOIS**

**Sewer Maintenance - Enterprise Fund**

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
For the Fiscal Year Ended April 30, 2024  
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)**

	4/30/24		Variance Over (Under)	4/30/23 Actual
	Original and Final Budget	Actual		
Operating Revenues				
Charges for Services	\$ 499,100	527,859	28,759	505,658
Miscellaneous	1,000	502	(498)	1,000
Total Operating Revenues	<u>500,100</u>	<u>528,361</u>	<u>28,261</u>	<u>506,658</u>
Operating Expenses				
Personnel	196,730	188,790	(7,940)	205,145
Commodities	17,875	10,472	(7,403)	9,792
Services	261,707	127,531	(134,176)	177,272
Capital Outlay	186,248	96,973	(89,275)	107,202
Total Operating Expenses	<u>662,560</u>	<u>423,766</u>	<u>(238,794)</u>	<u>499,411</u>
Operating Income (Loss)	<u>(162,460)</u>	<u>104,595</u>	<u>267,055</u>	<u>7,247</u>
Nonoperating Revenues (Expenses)				
Investment Income	5,750	11,475	5,725	6,394
Tap-On Fees	16,692	-	(16,692)	33,384
	<u>22,442</u>	<u>11,475</u>	<u>(10,967)</u>	<u>39,778</u>
Income (Loss) Before Transfers	<u>(140,018)</u>	<u>116,070</u>	<u>256,088</u>	<u>47,025</u>
Transfers Out	<u>(40,000)</u>	<u>(40,000)</u>	<u>-</u>	<u>-</u>
Income (Loss) Before GAAP Adjustments	<u>(180,018)</u>	<u>76,070</u>	<u>256,088</u>	<u>47,025</u>
Capitalized Assets		44,317		101,760
Depreciation		<u>(446,900)</u>		<u>(454,129)</u>
Change in Net Position		<u>(326,513)</u>		<u>(305,344)</u>
Net Position - Beginning		<u>7,573,961</u>		<u>7,879,305</u>
Net Position - Ending		<u>7,247,448</u>		<u>7,573,961</u>

**VILLAGE OF PALOS PARK, ILLINOIS**

**Refuse and Recycling - Nonmajor Enterprise Fund**

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
For the Fiscal Year Ended April 30, 2024  
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)**

	4/30/24		Variance Over (Under)	4/30/23
	Original and Final Budget	Actual		Actual
Operating Revenues				
Charges for Services	\$ 420,779	426,986	6,207	399,292
Operating Expenses				
Services	382,111	382,780	669	429,165
Income (Loss) Before Transfers	38,668	44,206	5,538	(29,873)
Transfers Out	(55,000)	(45,000)	10,000	-
Change in Net Position	<u>(16,332)</u>	(794)	<u>15,538</u>	(29,873)
Net Position - Beginning		<u>51,137</u>		<u>81,010</u>
Net Position - Ending		<u>50,343</u>		<u>51,137</u>

**VILLAGE OF PALOS PARK, ILLINOIS**

**Commuter Parking Lot - Nonmajor Enterprise Fund**

**Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
For the Fiscal Year Ended April 30, 2024  
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)**

	4/30/24		Variance Over (Under)	4/30/23 Actual
	Original and Final Budget	Actual		
Operating Revenues				
Charges for Services	\$ 30,000	44,713	14,713	27,251
Miscellaneous	1,471	385	(1,086)	-
Total Operating Revenues	<u>31,471</u>	<u>45,098</u>	<u>13,627</u>	<u>27,251</u>
Operating Expenses				
Commodities	900	449	(451)	727
Services	11,606	10,160	(1,446)	25,932
Capital Outlay	11,462	10,749	(713)	8,760
Total Operating Expenses	<u>23,968</u>	<u>21,358</u>	<u>(2,610)</u>	<u>35,419</u>
Operating Income (Loss)	7,503	23,740	16,237	(8,168)
Nonoperating Revenues				
Investment Income	171	363	192	176
Income (Loss) Before Transfers	<u>7,674</u>	<u>24,103</u>	<u>16,429</u>	<u>(7,992)</u>
Transfers In	-	-	-	12,060
Transfers Out	(5,000)	(5,000)	-	-
	<u>(5,000)</u>	<u>(5,000)</u>	<u>-</u>	<u>12,060</u>
Income (Loss) Before GAAP Adjustments	<u>2,674</u>	19,103	<u>16,429</u>	4,068
Capitalized Assets		-		8,760
Depreciation		<u>(1,944)</u>		<u>(1,944)</u>
Change in Net Position		17,159		10,884
Net Position - Beginning		<u>101,445</u>		<u>90,561</u>
Net Position - Ending		<u>118,604</u>		<u>101,445</u>

**VILLAGE OF PALOS PARK, ILLINOIS**

**Police Pension - Pension Trust Fund**

**Schedule of Changes in Fiduciary Net Position - Budget and Actual  
For the Fiscal Year Ended April 30, 2024  
(with Comparative Actual Amounts for the Fiscal Year Ended April 30, 2023)**

	4/30/24		Variance Over (Under)	4/30/23 Actual
	Original and Final Budget	Actual		
<b>Additions</b>				
Contributions - Employer	\$ 425,000	425,000	-	486,000
Contributions - Plan Members	94,240	86,370	(7,870)	89,435
Total Contributions	<u>519,240</u>	<u>511,370</u>	<u>(7,870)</u>	<u>575,435</u>
<b>Investment Income</b>				
Interest Earned	-	454,504	454,504	36,508
Net Change in Fair Value	-	892	892	75,493
	-	455,396	455,396	112,001
Less Investment Expenses	(3,000)	(2,875)	125	(4,405)
Net Investment Income	<u>(3,000)</u>	<u>452,521</u>	<u>455,521</u>	<u>107,596</u>
Total Additions	<u>516,240</u>	<u>963,891</u>	<u>447,651</u>	<u>683,031</u>
<b>Deductions</b>				
Administration	12,421	12,606	185	12,659
Benefits and Refunds	309,179	358,093	48,914	301,158
Total Deductions	<u>321,600</u>	<u>370,699</u>	<u>49,099</u>	<u>313,817</u>
Change in Fiduciary Net Position	<u>194,640</u>	593,192	<u>398,552</u>	369,214
<b>Net Position Restricted for Pensions</b>				
Beginning		<u>4,633,662</u>		<u>4,264,448</u>
Ending		<u>5,226,854</u>		<u>4,633,662</u>

**VILLAGE OF PALOS PARK, ILLINOIS**

**Special Assessment - Custodial Funds**

**Combining Statement of Fiduciary Net Position  
April 30, 2024**

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**See Following Page**

**VILLAGE OF PALOS PARK, ILLINOIS**

**Special Assessment - Custodial Funds**

**Combining Statement of Fiduciary Net Position  
April 30, 2024**

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	Special Assessment Fund #9	Special Assessment Fund #11	Special Assessment Fund #12
<b>ASSETS</b>			
Cash and Investments	\$ 123,179	37,253	197,844
<b>LIABILITIES</b>			
Accounts Payable	-	-	-
<b>NET POSITION</b>			
Net Position Restricted for Individuals, Organizations, and Other Governments	123,179	37,253	197,844

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Special Assessment Fund #93-1	Special Assessment Fund #96-1A	Special Assessment Fund #96-1B	Special Assessment Fund #13A	Special Assessment Fund #13B	Total
561,666	89,339	28,115	64,507	1,598	1,103,501
-	-	-	-	-	-
561,666	89,339	28,115	64,507	1,598	1,103,501

**VILLAGE OF PALOS PARK, ILLINOIS**

**Special Assessment - Custodial Funds**

**Combining Statement of Changes in Fiduciary Net Position  
For the Fiscal Year Ended April 30, 2024**

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	Special Assessment Fund #9	Special Assessment Fund #11	Special Assessment Fund #12
Additions			
Investment Income	\$ -	149	7,264
Deductions			
Administration	-	-	-
Change in Fiduciary Net Position	-	149	7,264
Net Position Restricted for Individuals, Organizations, and Other Governments			
Beginning	123,179	37,104	190,580
Ending	123,179	37,253	197,844

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Special Assessment Fund #93-1	Special Assessment Fund #96-1A	Special Assessment Fund #96-1B	Special Assessment Fund #13A	Special Assessment Fund #13B	Total
-	-	-	-	-	7,413
-	-	-	-	-	-
-	-	-	-	-	7,413
561,666	89,339	28,115	64,507	1,598	1,096,088
561,666	89,339	28,115	64,507	1,598	1,103,501

## **SUPPLEMENTAL SCHEDULES**

**VILLAGE OF PALOS PARK, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Refunding Alternate Revenue Bonds of 2021  
April 30, 2024**

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Date of Issue	January 19, 2021
Date of Maturity	December 1, 2029
Authorized Issue	\$1,000,000
Interest Rates	0.95% - 1.75%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Republic Bank

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2025	\$ 110,000	10,148	120,148
2026	110,000	8,773	118,773
2027	110,000	7,287	117,287
2028	115,000	5,693	120,693
2029	115,000	3,910	118,910
2030	115,000	2,012	117,012
	<u>675,000</u>	<u>37,823</u>	<u>712,823</u>

**VILLAGE OF PALOS PARK, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Alternate Revenue Bonds of 2022  
April 30, 2024**

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Date of Issue	April 12, 2022
Date of Maturity	December 1, 2041
Authorized Issue	\$3,000,000
Interest Rates	3.50% - 4.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank of Chicago

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Principal	Interest	Totals
2025	\$ 110,000	104,525	214,525
2026	115,000	100,125	215,125
2027	115,000	95,525	210,525
2028	120,000	90,925	210,925
2029	125,000	86,125	211,125
2030	130,000	81,125	211,125
2031	135,000	75,925	210,925
2032	140,000	70,525	210,525
2033	150,000	64,925	214,925
2034	155,000	58,925	213,925
2035	160,000	52,725	212,725
2036	165,000	46,325	211,325
2037	175,000	39,725	214,725
2038	180,000	33,600	213,600
2039	185,000	27,300	212,300
2040	190,000	20,825	210,825
2041	200,000	14,175	214,175
2042	205,000	7,175	212,175
	2,755,000	1,070,500	3,825,500

# VILLAGE OF PALOS PARK, ILLINOIS

## Long-Term Debt Requirements

### Debt Certificates of 2006

April 30, 2024

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Date of Issue	October 26, 2006
Date of Maturity	December 1, 2025
Authorized Issue	\$570,000
Denomination of Bonds	\$5,000
Interest Rates	3.60% - 4.35%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	BNY Mellon, Chicago IL

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2025	\$ 45,000	3,901	48,901
2026	45,000	1,957	46,957
	<u>90,000</u>	<u>5,858</u>	<u>95,858</u>

## **STATISTICAL SECTION (Unaudited)**

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

### **Financial Trends**

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

### **Revenue Capacity**

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

### **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 additional debt in the future.

### **Demographic and Economic Information**

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

### **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.

**VILLAGE OF PALOS PARK, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years\***  
**April 30, 2024 (Unaudited)**

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**See Following Page**

**VILLAGE OF PALOS PARK, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years\***  
**April 30, 2024 (Unaudited)**

	2015	2016	2017	2018
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 4,072,934	4,247,176	4,321,833	4,254,941
Restricted	1,370,146	1,035,595	836,377	1,011,916
Unrestricted	1,142,238	(2,891,941)	(3,043,625)	(3,411,839)
<b>Total Governmental Activities Net Position</b>	<b>6,585,318</b>	<b>2,390,830</b>	<b>2,114,585</b>	<b>1,855,018</b>
<b>Business-Type Activities</b>				
Net Investment in Capital Assets	18,200,951	17,547,723	16,928,804	16,182,778
Unrestricted	2,747,702	2,706,556	2,769,067	3,026,951
<b>Total Business-Type Activities Net Position</b>	<b>20,948,653</b>	<b>20,254,279</b>	<b>19,697,871</b>	<b>19,209,729</b>
<b>Primary Government</b>				
Net Investment in Capital Assets	22,273,885	21,794,899	21,250,637	20,437,719
Restricted	1,370,146	1,035,595	836,377	1,011,916
Unrestricted	3,889,940	(185,385)	(274,558)	(384,888)
<b>Total Primary Government Net Position</b>	<b>27,533,971</b>	<b>22,645,109</b>	<b>21,812,456</b>	<b>21,064,747</b>

Data Source: Audited Financial Statements

\* Accrual Basis of Accounting

2019	2020	2021	2022	2023	2024
4,165,843	4,047,163	3,982,149	3,845,104	3,715,035	1,613,034
890,713	400,144	806,475	994,177	686,782	2,604,040
(3,534,851)	(3,347,219)	(2,785,006)	(1,817,946)	221,446	578,720
1,521,705	1,100,088	2,003,618	3,021,335	4,623,263	4,795,794
15,454,054	14,740,296	13,953,687	13,189,370	12,470,947	11,681,969
2,881,719	3,108,092	3,333,928	3,599,809	3,670,293	3,915,306
18,335,773	17,848,388	17,287,615	16,789,179	16,141,240	15,597,275
19,619,897	18,787,459	17,935,836	17,034,474	16,185,982	13,295,003
890,713	400,144	806,475	994,177	686,782	2,604,040
(653,132)	(239,127)	548,922	1,781,863	3,891,739	4,494,026
19,857,478	18,948,476	19,291,233	19,810,514	20,764,503	20,393,069

VILLAGE OF PALOS PARK, ILLINOIS

Changes in Net Position - Last Ten Fiscal Years\*  
 April 30, 2024 (Unaudited)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental Activities										
General Government	\$ 1,082,473	1,025,499	721,192	895,776	698,093	713,486	534,585	265,203	689,244	762,997
Public Safety	2,113,476	2,698,289	2,634,989	2,512,388	2,560,411	2,976,891	2,770,316	2,577,763	2,654,241	2,514,056
Public Works	1,000,130	704,318	576,081	603,189	1,207,602	742,161	656,183	1,426,442	1,329,604	2,303,958
Building and Public Grounds	-	688,816	498,089	565,910	549,017	549,323	505,500	537,635	577,195	693,351
Culture and Recreation	483,981	562,906	516,908	459,347	467,237	474,916	204,633	298,901	296,209	406,163
Interest on Long-Term Debt	24,007	16,953	15,671	14,456	13,227	11,899	10,438	86,465	115,371	107,833
Total Governmental Activities Expenses	4,704,067	5,696,781	4,962,930	5,051,066	5,495,587	5,468,676	4,681,655	5,192,409	5,661,864	6,788,358
Business-Type Activities										
Water	2,877,825	2,107,252	2,201,814	2,294,997	2,258,454	2,197,314	2,438,489	2,349,430	2,558,101	2,640,077
Sewer Maintenance	-	771,114	781,918	777,810	886,842	831,967	746,324	785,454	851,780	826,349
Refuse and Recycling	310,069	316,838	354,417	357,510	360,784	387,281	328,245	392,613	429,165	382,780
Commuter Parking Lot	80,204	81,690	82,748	66,503	90,327	85,780	46,272	24,392	28,603	23,302
Total Business-Type Activities Expenses	3,268,098	3,276,894	3,420,897	3,496,820	3,596,407	3,502,342	3,559,330	3,551,889	3,867,649	3,872,508
Total Primary Government Expenses	7,972,165	8,973,675	8,383,827	8,547,886	9,091,994	8,971,018	8,240,985	8,744,298	9,529,513	10,660,866
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	500,102	503,771	426,234	409,710	411,870	407,059	467,987	436,586	380,584	238,668
Public Safety	184,911	106,261	85,555	140,327	199,701	187,415	63,530	62,430	49,432	117,322
Culture and Recreation	144,435	163,568	219,006	164,345	212,517	199,368	186,173	140,380	190,437	312,862
Operating Grants/Contributions	145,937	123,981	122,854	123,759	123,039	191,362	517,594	519,073	416,906	418,335
Total Governmental Activities	975,385	897,581	853,649	838,141	947,127	985,204	1,235,284	1,158,469	1,037,359	1,087,187
Program Revenues	975,385	897,581	853,649	838,141	947,127	985,204	1,235,284	1,158,469	1,037,359	1,087,187
Business-Type Activities										
Charges for Services										
Water	2,279,851	1,878,775	1,863,555	1,972,650	1,938,898	1,925,784	2,064,432	2,066,790	2,173,214	2,407,119
Sewer Maintenance	-	470,470	470,878	495,186	476,208	485,401	492,865	497,855	506,658	528,361
Refuse and Recycling	334,112	339,892	345,398	356,056	360,211	370,396	384,390	385,151	399,292	426,986
Commuter Parking Lot	88,986	97,095	101,901	91,885	103,301	95,484	4,655	15,417	27,251	45,098
Total Business-Type Act. Program Rev.	2,702,949	2,786,232	2,781,732	2,915,777	2,878,618	2,877,065	2,946,342	2,965,213	3,106,415	3,407,564
Total Primary Gov't Program Revenues	3,678,334	3,683,813	3,635,381	3,753,918	3,825,745	3,862,269	4,181,626	4,123,682	4,143,774	4,494,751

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (Expense) Revenue										
Governmental Activities	\$ (3,728,682)	(4,799,200)	(4,109,281)	(4,212,925)	(4,548,460)	(4,483,472)	(3,446,371)	(4,033,940)	(4,624,505)	(5,701,171)
Business-Type Activities	(565,149)	(490,662)	(639,165)	(581,043)	(717,789)	(625,277)	(612,988)	(586,676)	(761,234)	(464,944)
Total Primary Gov't Net (Expense) Revenue	(4,293,831)	(5,289,862)	(4,748,446)	(4,793,968)	(5,266,249)	(5,108,749)	(4,059,359)	(4,620,616)	(5,385,739)	(6,166,115)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	1,259,952	1,311,982	1,311,952	1,340,768	1,422,799	1,450,299	1,422,163	1,586,067	1,545,511	1,684,524
Local Sales	819,655	165,167	194,529	199,931	210,717	197,990	200,308	322,452	359,464	348,845
Utility	525,275	442,551	442,015	421,304	445,823	393,704	391,033	434,069	440,548	362,794
Other Taxes	236,261	272,394	162,083	207,021	210,148	167,047	322,855	265,943	382,308	406,593
Intergovernmental - Unrestricted										
State Sales Tax	-	624,675	782,615	805,558	846,293	866,394	936,706	1,187,419	1,296,303	1,279,156
State Income Tax	472,322	516,556	458,162	439,535	470,590	525,339	555,647	700,890	791,573	802,038
Replacement Tax	-	-	-	-	-	12,994	12,252	28,481	37,334	26,995
Grants	-	-	-	-	-	-	-	-	644,497	-
Investment Income	(2,121)	5,543	20,730	43,014	47,291	34,575	12,385	5,660	222,414	458,854
Miscellaneous	51,790	524,000	460,950	496,227	545,541	476,728	508,302	520,676	518,541	338,903
Gain on Sale of Capital Assets	7,966	-	-	-	-	-	-	-	-	-
Transfers	39,110	30,000	-	-	175,000	(63,215)	(11,750)	-	(12,060)	165,000
Total Governmental Activities	3,410,210	3,892,868	3,833,036	3,953,358	4,374,202	4,061,855	4,349,901	5,051,657	6,226,433	5,873,702
Business-Type Activities										
Investment Income	(1,279)	751	1,544	2,546	2,337	1,961	2,248	1,392	30,313	63,512
Miscellaneous	55,715	38,568	81,213	90,355	67,516	72,716	38,217	86,848	70,922	22,467
Transfers	(39,110)	(30,000)	-	-	(175,000)	63,215	11,750	-	12,060	(165,000)
Total Business-Type Activities	15,326	9,319	82,757	92,901	(105,147)	137,892	52,215	88,240	113,295	(79,021)
Total Primary Government	3,425,536	3,902,187	3,915,793	4,046,259	4,269,055	4,199,747	4,402,116	5,139,897	6,339,728	5,794,681
Changes in Net Position										
Governmental Activities	(318,472)	(906,332)	(276,245)	(259,567)	(174,258)	(421,617)	903,530	1,017,717	1,601,928	172,531
Business-Type Activities	(549,823)	(481,343)	(556,408)	(488,142)	(822,936)	(487,385)	(560,773)	(498,436)	(647,939)	(543,965)
Total Primary Government	(868,295)	(1,387,675)	(832,653)	(747,709)	(997,194)	(909,002)	342,757	519,281	953,989	(371,434)

Data Source: Audited Financial Statements

\* Accrual Basis of Accounting

**VILLAGE OF PALOS PARK, ILLINOIS**

**Fund Balances of Governmental Funds - Last Ten Fiscal Years\***  
**April 30, 2024 (Unaudited)**

	2015	2016	2017
General Fund			
Nonspendable	\$ 50,988	54,283	161,464
Restricted	276,732	276,324	3,965
Assigned	-	-	-
Unassigned	1,250,633	1,015,120	1,152,948
Total General Fund	1,578,353	1,345,727	1,318,377
All Other Governmental Funds			
Restricted	1,093,414	759,271	832,412
Committed	-	-	-
Assigned	39,925	30,054	33,392
Unassigned	-	-	(32,257)
Total All Other Governmental Funds	1,133,339	789,325	833,547
Total All Governmental Funds	2,711,692	2,135,052	2,151,924

Data Source: Audited Financial Statements

\* Modified Accrual Basis of Accounting

2018	2019	2020	2021	2022	2023	2024
166,918	191,097	228,724	308,957	373,055	356,913	65,002
4,415	5,178	5,704	50,266	168,821	286,313	278,595
-	-	-	-	-	21,490	7,714
1,179,620	1,397,433	1,182,288	1,683,111	2,285,286	3,499,518	4,026,384
1,350,953	1,593,708	1,416,716	2,042,334	2,827,162	4,164,234	4,377,695
1,007,501	885,535	394,440	756,209	3,795,488	3,370,601	2,184,567
-	-	804,844	891,554	878,863	1,205,079	1,587,031
24,089	19,208	16,040	16,222	14,964	20,696	1,947
(32,441)	(32,441)	-	-	-	-	(300)
999,149	872,302	1,215,324	1,663,985	4,689,315	4,596,376	3,773,245
2,350,102	2,466,010	2,632,040	3,706,319	7,516,477	8,760,610	8,150,940

**VILLAGE OF PALOS PARK, ILLINOIS**

**Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years\*  
April 30, 2024 (Unaudited)**

	2015	2016	2017
<b>Revenues</b>			
Taxes	\$ 2,185,689	2,192,094	2,110,579
Intergovernmental	1,287,008	1,265,212	1,363,631
Licenses and Permits	500,102	503,771	426,234
Charges for Services	144,435	163,568	219,006
Fines and Forfeitures	184,911	106,261	85,555
Investment Income	3,361	5,543	20,730
Miscellaneous	420,622	524,000	460,950
<b>Total Revenues</b>	<b>4,726,128</b>	<b>4,760,449</b>	<b>4,686,685</b>
<b>Expenditures</b>			
General Government	567,323	870,967	661,854
Public Safety	2,101,895	2,233,001	2,172,075
Public Works	607,660	581,525	544,366
Building and Public Grounds	448,021	688,816	541,512
Culture and Recreation	471,341	546,696	513,331
Capital Outlay	430,624	399,932	190,500
Debt Service			
Principal Retirement	332,910	33,921	30,000
Interest and Fiscal Charges	31,320	17,449	16,175
<b>Total Expenditures</b>	<b>4,991,094</b>	<b>5,372,307</b>	<b>4,669,813</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(264,966)	(611,858)	16,872
<b>Other Financing Sources (Uses)</b>			
Transfer In	168,349	246,588	56,175
Transfer Out	(133,349)	(216,588)	(56,175)
Debt Issuance	-	-	-
Premium on Debt Issuance	-	-	-
Disposal of Capital Assets	-	5,218	-
	<b>35,000</b>	<b>35,218</b>	<b>-</b>
Net Change in Fund Balances	<b>(229,966)</b>	<b>(576,640)</b>	<b>16,872</b>
Debt Service as a Percentage of Noncapital Expenditures	<b>7.47%</b>	<b>1.02%</b>	<b>1.04%</b>

Data Source: Audited Financial Statements

\* Modified Accrual Basis of Accounting

2018	2019	2020	2021	2022	2023	2024
2,169,024	2,289,487	2,222,034	2,336,359	2,608,531	2,727,831	2,802,756
1,368,852	1,439,922	1,583,095	2,022,199	2,435,863	3,186,613	2,526,524
409,710	411,870	407,059	467,987	436,586	380,584	238,668
164,345	212,517	199,368	186,173	140,380	190,437	312,862
140,327	199,701	187,415	63,530	62,430	49,432	117,322
43,014	47,291	34,575	12,385	5,660	222,414	458,854
496,227	545,541	476,728	508,302	520,676	518,541	338,903
4,791,499	5,146,329	5,110,274	5,596,935	6,210,126	7,275,852	6,795,889
705,120	633,516	611,927	633,434	537,384	573,502	815,281
2,201,816	2,283,579	2,460,261	2,378,302	2,460,217	2,721,638	2,678,510
585,635	652,736	654,260	622,123	653,371	676,603	679,351
411,155	544,111	549,323	505,500	537,635	577,195	693,351
471,644	460,306	460,800	189,588	283,383	242,776	379,731
172,985	627,431	96,952	135,909	914,683	967,122	2,063,840
30,000	30,000	35,000	35,000	35,000	180,000	145,000
14,966	13,742	12,506	11,050	82,234	80,823	115,495
4,593,321	5,245,421	4,881,029	4,510,906	5,503,907	6,019,659	7,570,559
198,178	(99,092)	229,245	1,086,029	706,219	1,256,193	(774,670)
36,331	178,742	47,506	51,310	197,496	479,573	573,509
(36,331)	(3,742)	(110,721)	(63,060)	(197,496)	(491,633)	(408,509)
-	-	-	-	3,000,000	-	-
-	-	-	-	103,939	-	-
-	40,000	-	-	-	-	-
-	215,000	(63,215)	(11,750)	3,103,939	(12,060)	165,000
198,178	115,908	166,030	1,074,279	3,810,158	1,244,133	(609,670)
1.00%	0.84%	0.98%	1.04%	2.20%	4.60%	3.68%

**VILLAGE OF PALOS PARK, ILLINOIS**

**Assessed Value and Actual Value of Taxable Property - Last Ten Tax Levy Years  
April 30, 2024 (Unaudited)**

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Tax Levy Year	Residential Property	Commercial Property	Industrial Property	Farm Valuation
2014	\$ 173,752,054	\$ 20,181,064	\$ 8,973,873	\$ 23,303
2015	168,617,169	19,584,654	8,708,669	19,703
2016	176,145,947	20,459,111	9,097,512	20,583
2017	216,816,388	25,182,927	11,198,042	25,335
2018	209,599,547	24,344,701	10,825,310	24,492
2019	204,167,374	35,481,405	898,204	163,892
2020	219,474,140	43,257,263	972,851	179,261
2021	201,193,974	38,348,902	906,241	132,765
2022	199,289,676	37,708,751	882,400	131,821
2023	272,311,651	39,280,154	1,096,286	137,856

Data Source: Office of the County Clerk

Notes:

Property in the Village is reassessed every three years. Property is assessed at 33% of actual value.

Total Direct Tax Rate is the Village only. (Does not include overlapping rates.)

Railroad Valuation	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Ratio of Total Assessed Value to Total Estimated Actual Value
\$ 101,514	\$ 203,031,808	\$ 0.6356	\$ 609,095,424	33.33%
98,514	197,028,709	0.6635	591,086,127	33.33%
102,913	205,826,066	0.6430	617,478,198	33.33%
126,675	253,349,367	0.5580	760,048,101	33.33%
122,457	244,916,507	0.5920	734,749,521	33.33%
136,342	240,847,217	0.6130	722,541,651	33.33%
141,563	264,025,078	0.5760	792,075,234	33.33%
141,563	240,723,445	0.6450	722,170,335	33.33%
184,229	238,196,877	0.7000	714,590,631	33.33%
190,327	313,016,274	0.5560	939,048,822	33.33%

**VILLAGE OF PALOS PARK, ILLINOIS**

**Direct and Overlapping Property Tax Rates - Last Ten Tax Levy Years  
April 30, 2024 (Unaudited)**

	2014	2015	2016
<b>Village Direct Rates</b>			
General	\$ 0.4904	0.5027	0.4767
Illinois Municipal Retirement	0.0640	0.0708	0.0732
Police Protection	0.0812	0.0900	0.0931
<b>Total Direct Rates</b>	<b>0.6356</b>	<b>0.6635</b>	<b>0.6430</b>
<b>Overlapping Rates</b>			
School Districts	6.3060	6.5100	11.1930
Library	0.2070	0.2160	0.2100
County	0.6540	0.6720	1.4660
Fire Protection District	1.2010	1.2550	2.1330
Township	0.1250	0.1330	0.9320
South Palos Sanitary District *	0.4060	0.4210	0.4090
MWRD	0.4300	0.4260	0.4060
<b>Total Overlapping Rates</b>	<b>9.3290</b>	<b>9.6330</b>	<b>16.7490</b>
<b>Total Direct and Overlapping Rates</b>	<b>9.9646</b>	<b>10.2965</b>	<b>17.3920</b>

Data Source: Office of the County Clerk

Notes:

The Village's basic property tax rate may be increased only by a majority vote of the Village's residents. Rates for debt service are set based on each year's requirements.

Overlapping rates are those of local and county governments that apply to property owners within the Village. Not all overlapping rates apply to all Village property owners; County property tax rates for example, although the County property tax rates apply to all Village property owners, other rates (i.e., certain school districts) may apply to only certain property in the Village.

\* Only some Village residents are within the South Palos Sanitary District

2017	2018	2019	2020	2021	2022	2023
0.4039	0.4266	0.4322	0.4064	0.4581	0.5124	0.3967
0.0679	0.0728	0.0796	0.0747	0.0815	0.0749	0.0604
0.0862	0.0926	0.1012	0.0949	0.1054	0.1127	0.0989
0.5580	0.5920	0.6130	0.5760	0.6450	0.7000	0.5560
9.7710	10.2520	10.5270	9.7800	10.6420	11.7570	9.3960
0.1820	0.2250	0.5300	0.4810	0.2100	0.2280	0.1810
0.6050	0.5660	0.5610	0.5280	0.5420	0.5330	0.5100
1.8550	1.9830	2.0430	1.9150	1.2690	1.3830	1.0620
0.8010	0.8500	0.3690	0.3330	1.8060	1.9400	1.5220
0.3450	0.3660	0.3770	0.3470	0.3880	0.4110	0.0920
0.4020	0.3960	0.3890	0.3780	0.3820	0.3740	0.3450
13.9610	14.6380	14.7960	13.7620	15.2390	16.6260	13.1080
14.5190	15.2300	15.4090	14.3380	15.8840	17.3260	13.6640

**VILLAGE OF PALOS PARK, ILLINOIS**

**Principal Property Tax Payers - Prior Fiscal Year and Nine Fiscal Years Ago  
April 30, 2024 (Unaudited)**

Taxpayer	2023			2016		
	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Village Taxable Assessed Value
In Retail Fund Shoppes	\$ 7,540,750	1	2.41%			
Sym Palos Park Realty	6,887,993	2	2.20%			
Cog Hill Golf Properties	5,242,339	3	1.67%			
RDK Ventures	3,018,085	4	0.96%	\$ 1,942,049	4	0.99%
James Marth	2,446,970	5	0.78%	1,990,266	3	1.01%
Sunrise Senior Living	2,072,470	6	0.66%	5,821,565	2	2.95%
Wutran Palos Park LLC	1,871,849	7	0.60%			
Walgreen Co. Tax Dept.	1,429,762	8	0.46%	1,160,017	6	0.59%
Milap Shah	1,223,426	9	0.39%			
Park Management Inv. Ltd. IRC (Formerly CNC)	1,121,103	10	0.36%	6,112,916	1	3.10%
Inter Cont'l 131st Palos Park				1,324,633	5	0.67%
Hackney's on the Lake, Inc.				829,509	7	0.42%
Southwest Highway LLC				766,448	8	0.39%
Alfredo Veltri				696,158	9	0.35%
Individual				636,231	10	0.32%
<b>Total</b>	<b>32,854,747</b>		<b>10.49%</b>	<b>21,279,792</b>		<b>10.79%</b>

Data Source: Office of the County Clerk and Assessor's Office

Notes:

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 information shown is the most current available.

**VILLAGE OF PALOS PARK, ILLINOIS**

**Property Tax Levies and Collections - Last Ten Fiscal Years  
April 30, 2024 (Unaudited)**

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$ 1,369,944	\$ 660,537	48.22%	\$ 634,712	\$ 1,295,249	94.55%
2016	1,396,368	679,298	48.65%	632,684	1,311,982	93.96%
2017	1,323,252	679,477	51.35%	630,728	1,310,205	99.01%
2018	1,411,912	686,077	48.59%	685,255	1,371,332	97.13%
2019	1,447,697	712,458	49.21%	686,464	1,398,922	96.63%
2020	1,475,426	740,056	50.16%	693,311	1,433,367	97.15%
2021	1,519,196	705,988	46.47%	777,522	1,483,510	97.65%
2022	1,547,702	784,062	50.66%	717,185	1,501,247	97.00%
2023	1,703,330	804,408	47.23%	822,896	1,627,304	95.54%
2024	1,773,919	821,223	46.29%	-	821,223	46.29%

Data Source - Office of the Cook County Treasurer's Office

Notes:

Total collections to date include collections within the current fiscal year and collections in subsequent years. The percentage of levy represent the ratio of total collections to date to the taxes levied for that fiscal year. Extensions include loss amounts assessed by the County. Therefore, actual collections could exceed 100%.

Property in the Village is reassessed every three years. Property is assessed at 33% of actual value.

**VILLAGE OF PALOS PARK, ILLINOIS**

**Ratios of Outstanding Debt by Type - Last Ten Fiscal Years  
April 30, 2024 (Unaudited)**

Fiscal Year	Governmental Activities			General Obligation Bonds
	Debt Certificates	Installment Notes Payable	General Obligation Bonds	
2015	\$ 395,000	\$ 3,921	\$ -	\$ 1,790,000
2016	365,000	-	-	1,650,000
2017	335,000	-	-	1,505,000
2018	305,000	-	-	1,360,000
2019	275,000	-	-	1,210,000
2020	240,000	-	-	1,050,000
2021	205,000	-	-	1,000,000
2022	170,000	-	3,103,939	895,000
2023	130,000	-	2,958,742	785,000
2024	90,000	-	2,848,545	675,000

Note: The Village's outstanding debt can be found in the Notes to the Financial Statements

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistics for population data.

Business-Type Activities				Percentage of Assessed Valuation (1)	Per Capita (2)
Installment Notes Payable	Public Benefit Debt	Total Primary Government			
\$ 3,920	\$ 132,362	\$ 2,325,203		1.18%	\$ 479.72
-	94,652	2,109,652		1.02%	435.25
-	56,942	1,896,942		0.75%	391.36
-	19,232	1,684,232		0.69%	347.48
-	-	1,485,000		0.62%	306.38
-	-	1,290,000		0.49%	266.14
-	-	1,205,000		0.46%	245.97
-	-	4,168,939		1.73%	850.98
-	-	3,873,742		1.63%	790.72
-	-	3,613,545		1.15%	737.61

**VILLAGE OF PALOS PARK, ILLINOIS**

**Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years  
April 30, 2024 (Unaudited)**

Fiscal Year	Governmental Activities		Business-Type Activities		Less: Amounts Available for Debt Service	Total	Percentage of Total Taxable Assessed Value of Property (1)	Per Capita (2)
	Debt Certificates	General Obligation Bonds	General Obligation Bonds	General Obligation Bonds				
2015	\$ 395,000	\$ -	\$ 1,790,000	\$ -	\$ 2,185,000	1.08%	\$ 450.79	
2016	365,000	-	1,650,000	-	2,015,000	1.02%	415.72	
2017	335,000	-	1,505,000	-	1,840,000	0.89%	379.62	
2018	305,000	-	1,360,000	-	1,665,000	0.66%	343.51	
2019	275,000	-	1,210,000	-	1,485,000	0.61%	306.38	
2020	240,000	-	1,050,000	-	1,290,000	0.54%	266.14	
2021	205,000	-	1,000,000	-	1,205,000	0.46%	245.97	
2022	170,000	3,103,939	895,000	-	4,168,939	1.73%	850.98	
2023	130,000	2,958,742	785,000	-	3,873,742	1.63%	790.72	
2024	90,000	2,848,545	675,000	-	3,613,545	1.15%	737.61	

Data Source: Audited Financial Statements

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

(1) See the Schedule of Assessed Value and Actual Value of Taxable Property for property value data.

(2) See the Schedule of Demographic and Economic Statistic for population data.

**VILLAGE OF PALOS PARK, ILLINOIS**

**Schedule of Direct and Overlapping Governmental Activities Debt  
April 30, 2024 (Unaudited)**

Governmental Unit	Gross Debt	Percentage of Debt Applicable to the Village of Palos Park (1)	Village of Palos Park Share of Debt
Village of Palos Park	\$ 2,938,545	100.00%	\$ 2,938,545
<b>Overlapping Debt</b>			
Cook County	2,093,131,750	0.157%	3,286,217
Cook County Forest Preserve District	87,340,000	0.157%	137,124
Metropolitan Water Reclamation District	2,517,556,218 (3)	0.160%	4,028,090
Lemont Public Library	1,385,000	0.679%	9,404
Lemont Park District	2,978,000	1.176%	35,021
<b>Schools</b>			
Comm. Consolidated School Dist. 118	3,945,000	27.437%	1,082,390
High School District 210	21,745,000	1.239%	269,421
High School Dist. 230	28,875,000	4.546%	1,312,658
Community College 524	23,165,000 (2)	2.107%	488,087
Community College 525	38,635,000 (2)	0.057%	22,022
<b>Total Overlapping Debt</b>	<u>4,818,755,968</u>		<u>10,670,432</u>
<b>Total Direct and Overlapping Debt</b>	<u><u>4,821,694,513</u></u>		<u><u>13,608,977</u></u>

Data Source: Office of the Cook County Clerk, Office of the Comptroller of the State of Illinois and Treasurer of the Metropolitan Water Reclamation District.

(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.

(2) Excludes principal amounts from outstanding General Obligation Alternate Revenue Source Bonds, notes, and debt certificates.

(3) Includes IEPA Revolving Loan Fund Bonds.

**VILLAGE OF PALOS PARK, ILLINOIS**

**Schedule of Legal Debt Margin - Last Ten Fiscal Years  
April 30, 2024 (Unaudited)**

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	2015	2016	2017	2018
Legal Debt Limit	\$ 17,511,235	16,993,726	17,752,498	21,851,383
Total Net Debt Applicable to Limit	1,790,000	365,000	335,000	305,000
Legal Debt Margin	15,721,235	16,628,726	17,417,498	21,546,383
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	10.22%	2.15%	1.89%	1.40%

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Data Source: Village Records

Note:

G.O. Alternative bonds are considered G.O. Bonds in these calculations even though they are to be paid by water and sewer revenues.

2019	2020	2021	2022	2023	2024
21,124,049	20,533,072	22,567,163	22,772,163	20,762,397	26,997,654
275,000	240,000	205,000	170,000	130,000	90,000
20,849,049	20,293,072	22,362,163	22,602,163	20,632,397	26,907,654
1.30%	1.17%	0.91%	0.75%	0.63%	0.33%

Legal Debt Margin Calculation for Fiscal Year 2024	
Assessed Value	<u>\$ 313,016,274</u>
Bonded Debt Limit - 8.625% of Assessed Value	26,997,654
Amount of Debt Applicable to Limit	<u>90,000</u>
Legal Debt Margin	<u>26,907,654</u>

**VILLAGE OF PALOS PARK, ILLINOIS**

**Pledged Revenue Coverage - Last Ten Fiscal Years  
April 30, 2024 (Unaudited)**

Fiscal Year	Water Charges and Other	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2015	\$ 2,306,253	\$ 2,001,837	\$ 304,416	\$ 180,620	71,307	1.21
2016	2,388,377	1,817,242	571,135	143,920	93,604	2.40
2017	2,416,969	1,943,438	473,531	145,000	71,556	2.19
2018	2,489,111	2,044,568	444,543	145,000	60,185	2.17
2019	2,436,250	2,189,418	246,832	150,000	58,989	1.18
2020	1,979,075	1,711,639	267,436	160,000	47,841	1.29
2021	2,104,464	1,876,503	227,961	85,000	53,726	1.64
2022	2,138,881	1,839,032	299,849	105,000	13,140	2.54
2023	2,216,847	2,063,144	153,703	110,000	12,086	1.26
2024	2,480,073	2,134,741	345,332	110,000	10,885	2.86

Notes:

Details of the Village's outstanding debt can be found in the Notes to the Financial Statements

Water Charges and Other includes investment earnings but no tap-on fees.

Operating expenses do not include interest or depreciation.

Special Assessment projects within the Village are not pledged by Village funds; projects are funded by Village residents through direct collections and, therefore are not recorded here.

## VILLAGE OF PALOS PARK, ILLINOIS

### Demographic and Economic Statistics - Last Ten Fiscal Years April 30, 2024 (Unaudited)

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Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2015	4,847	\$ 429,579,916	\$ 77,500	6.00%
2016	4,847	374,692,488	77,304	6.50%
2017	4,847	429,579,916	84,609	4.40%
2018	4,847	480,996,892	84,609	3.60%
2019	4,847	480,996,892	84,609	3.60%
2020	4,847	480,996,892	84,609	3.60%
2021	4,899	260,190,789	53,111	4.90%
2022	4,899	311,086,500	63,500	2.30%
2023	4,899	314,927,316	64,284	1.80%
2024	4,899	336,742,563	68,737	1.77%

Data Source: Population is from the U.S. Bureau of the Census

**VILLAGE OF PALOS PARK, ILLINOIS**

**Principal Employers - Prior Fiscal Year and Nine Fiscal Years Ago  
April 30, 2024 (Unaudited)**

Employer	2024		2016	
	Rank	Percentage of Total Village Employment	Rank	Percentage of Total Village Employment
Jewel Osco	1	11.01%	2	2.37%
Palos Community School District #118	2	10.88%		
Peace Village	3	6.17%		
Holly Family Villa	4	4.41%	1	3.44%
Symphony Care Netowrk	5	4.41%		
Sunrise Assisted Living	6	3.30%	3	2.06%
Palos Fire Protection District	7	2.42%		
Children's Farm At The Center	8	2.20%		
Village of Palos Park	9	1.94%	4	1.71%
Re/Max	10	1.63%		
Osco			5	1.65%
Hackney's			6	1.03%
Francesca's			7	0.95%
Walgreens			8	0.58%
McDivott's			9	0.27%
Standard Bank			10	0.19%
		<u>48.37%</u>		<u>14.25%</u>

Data Source: Village Records / School District Records, Data Axle U.S. Business Database, Employer Website.

**VILLAGE OF PALOS PARK, ILLINOIS**

**Full-Time and Part-Time Employees by Function/Program - Last Ten Fiscal Years  
April 30, 2024 (Unaudited)**

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**See Following Page**

## VILLAGE OF PALOS PARK, ILLINOIS

### Full-Time and Part-Time Employees by Function/Program - Last Ten Fiscal Years April 30, 2024 (Unaudited)

Function/Program	2015	2016	2017
General Government			
Administration	4.30	4.30	4.30
Building and Zoning	3.50	3.50	3.50
Finance	1.50	1.50	1.50
Police			
Officers FT	9.00	9.00	9.00
Officers PT	20.00	23.00	23.00
Civilians	2.00	2.00	2.00
Public Works			
Water Department	4.60	4.60	4.60
Sewer Department	1.40	1.40	1.40
Street Maintenance	4.50	4.50	4.50
Recreation	3.00	3.00	3.00
Totals	53.80	56.80	56.80

Data Source: Village Finance Department Payroll

2018	2019	2020	2021	2022	2023	2024
4.30	4.00	4.50	4.00	4.10	4.10	4.10
3.50	3.50	3.50	3.13	3.00	3.00	3.00
1.50	1.50	1.50	1.46	1.46	1.46	1.46
9.00	9.00	12.00	12.00	11.00	11.00	11.00
23.00	23.00	20.00	4.68	4.94	5.55	6.25
2.00	2.00	2.00	2.52	2.42	2.10	2.10
4.60	4.60	4.60	4.53	4.25	5.00	5.00
1.40	1.40	1.91	1.68	2.50	2.50	2.50
4.50	4.50	4.50	4.39	5.50	5.33	5.50
3.00	3.00	4.00	4.00	4.00	4.10	4.00
56.80	56.50	58.51	42.39	43.17	44.14	44.91

**VILLAGE OF PALOS PARK, ILLINOIS**

**Operating Indicators by Function/Program - Last Ten Fiscal Years  
April 30, 2024 (Unaudited)**

Function/Program	2015	2016	2017
Public Safety			
Police			
Physical Arrests	211	240	136
Parking Violations	1,198	1,048	728
Traffic Violations	1,925	864	470
Public Works			
Street Resurfacing (Miles)	1.19	1.30	0.10
Pothole Repairs	1,524	2,769	150-175
Water			
New Connections	4	5	4
Water Main Breaks	12	15	8
Average Daily Consumption (1)	407,813	402,186	408,000
Peak Demand	708,000	750,000	684,000

Data Source: Appropriate Village Department

(1) Average Gallons per Day

Note: The Village does not treat wastewater. It is treated by MWRD.

2018	2019	2020	2021	2022	2023	2024
223	257	111	51	39	19	19
1,359	1,260	1,002	700	591	632	1,443
687	517	450	202	174	198	192
0.50	20.13	-	-	3.75	3.75	6.00
4,165	6,497	600	655	627	597	542
10	5	6	9	7	7	5
11	7	4	12	22	21	24
425,000	429,132	425,191	469,000	373,000	421,000	375,000
725,000	810,000	765,000	979,000	920,000	861,000	725,000

**VILLAGE OF PALOS PARK, ILLINOIS**

**Capital Asset Statistics by Function/Program - Last Ten Fiscal Years  
April 30, 2024 (Unaudited)**

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Function/Program	2015	2016	2017
Public Safety			
Police			
Stations	1	1	1
Patrol Units	8	8	8
Public Works			
Residential Streets (Miles)	14.70	14.70	14.70
Water			
Water Mains (Miles)	52	52	52
Fire Hydrants	731	731	731
Storage Capacity (Gallons)	1,300,000	1,300,000	1,300,000
Wastewater			
Sanitary Sewer (Miles)	39.37	39.37	39.37
Storm Sewers (Miles)	7.67	7.67	7.67

Data Source: Appropriate Village Departmental Directors

Note: All Village arterial streets, streetlights and traffic signals are not owned by the Village.

2018	2020	2021	2022	2023	2024
1 8	1 8	1 8	1 8	1 8	1 8
14.70	14.70	14.70	14.70	14.70	14.70
52 731 1,300,000	52 731 1,300,000	52 731 1,300,000	52 731 1,300,000	52 731 1,300,000	52 731 1,300,000
39.37 7.67	39.37 7.67	39.37 7.67	39.37 7.67	39.37 7.67	39.37 7.67