



PALATINE PARK DISTRICT
ANNUAL COMPREHENSIVE
FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2025
COOK COUNTY, ILLINOIS

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the Year Ended
December 31, 2025

Prepared by:

Benjamin Rea
Executive Director

Andrea Fisher
Director of Finance

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PALATINE, ILLINOIS
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PALATINE, ILLINOIS
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INTRODUCTORY SECTION

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

PRINCIPAL OFFICIALS

December 31, 2025

LEGISLATIVE

BOARD OF PARK COMMISSIONERS

Greg Sammons, President

Jennifer Rogers, Vice President

Joe Petricca

Sue Gould

Michelle Rushing

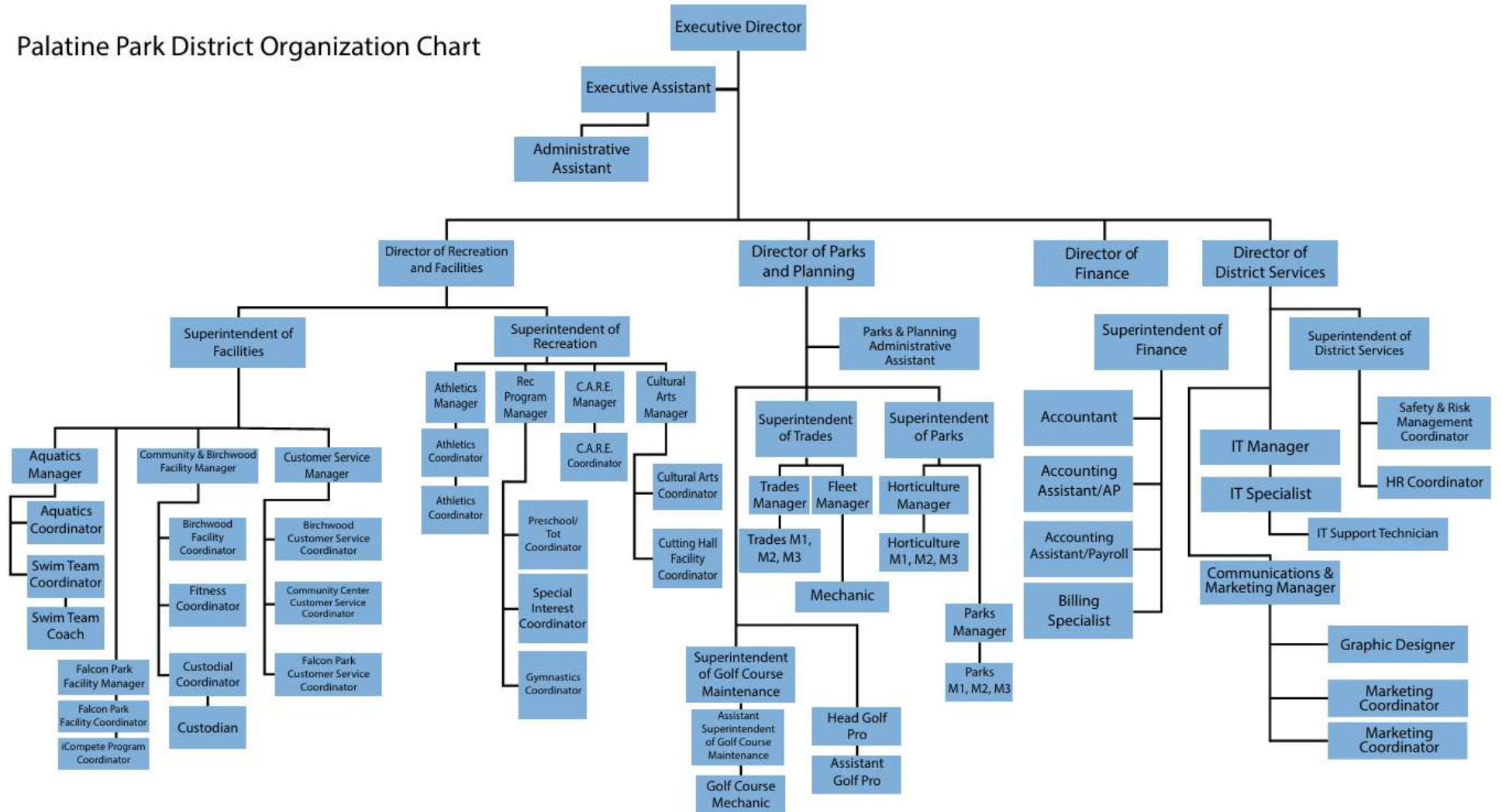
ADMINISTRATIVE

Benjamin Rea, Executive Director

FINANCE DIVISION

Andrea Fisher
Director of Finance

Palatine Park District Organization Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Palatine Park District
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morill

Executive Director/CEO



May 12, 2026

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

Honorable Commissioners and Citizens:

State law requires that all general-purpose governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the Palatine Park District (the District) for the year ended December 31, 2025.

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

The District's financial statements have been audited by Sikich CPA LLC, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended December 31, 2025, are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended December 31, 2025, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

Profile of the Palatine Park District

The Palatine Park District is located approximately 30 miles northwest of Chicago, in northern Cook County. The District serves most of Palatine and maintains over 440 acres (and leases nearly 300 more) of property for the resident's enjoyment. The District provides recreational services and opportunities primarily to the residents of Palatine along with small portions of Hoffman Estates, Schaumburg, Arlington Heights, Inverness, and Rolling Meadows. These services include recreational programs, parks management, recreation facility management, capital improvement development, and general administration. The District was established as a separate municipal body by the citizens of Palatine in 1945 and under a board-director form of government. The Board consists of five individuals who are elected at large to serve six-year staggered terms. The Board is responsible for passing ordinances and resolutions, adopting the tax levy, budget and policies as well as hiring the Executive Director. In eighty years of service, it has grown in programs, facilities, and recreation importance in the lives of District residents. The current population served is just over 83,000 which includes residents in multiple communities within its borders.

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

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

The Palatine Park District continues to be one of the premier parks and recreation providers in Illinois. The District has designed program offerings to target national and regional trends that have resulted in exceptional recreation opportunities while maintaining low tax increases and modest increases in user fee revenues.

Local Economy

There are many factors that influence the economy of a specific community, and various measures are used to gauge the economic outlook. Palatine's unemployment rate at the end of 2025 was 3.8% which is 1% lower than the state average. In addition, the 2024 EAV decreased by 0.4% or \$11,846,243. The community is primarily considered a residential community; there is a significant commercial base and a large retail sector. The equalized assessed value of the property in the Park District is split 82% residential and 14% commercial, and 4% industrial. Based on available information, staff anticipate real estate tax collections to remain stable.

Palatine will continue to participate in the strong economic growth of the area through its emergence as an ideal place to live and raise a family. One of Palatine's strongest qualities is the residential character of the Village. With an excellent range of housing, increasing property values, access to transportation, outstanding schools and parks, a power shopping corridor on Dundee Road, and economical municipal services, Palatine will continue to attract residents, employers, and customers.

Long-Term Financial Planning

The 10th year of the District's Comprehensive Master Plan was executed in 2025. As the plan is nearing the final year of implementation, the District has begun the process of creating a new plan. These plans allow the District to be far more strategically focused. Staff review and assess the goals and objectives at the individual, department, and agency levels, to assure that the path to meeting the ten-year plan is maintained. Additionally, the District diligently monitors their 10-year Capital Repair and Replacement plan to help it manage resources during the annual budget preparation process. This allows for the assessment of the timeline and the availability of funds for the projects listed in both plans.

The primary focus of the District Board and staff is to operate efficiently and effectively while providing the greatest value for its residents. For this reason, staff is constantly evaluating its program offerings while senior leadership, in cooperation with the Board, carefully discusses any large capital undertaking. Ongoing initiatives were developed, which along with the short-term initiatives, formed the basis for the 2025 annual budget. Mid and long-term goals will continue to be integrated into future budgets. To fund future activities and capital initiatives, the District has accumulated adequate reserves and all indications are that reserves will continue to grow in the future. In addition to the use of unrestricted reserves, each year the District has access to unreserved debt capacity; therefore, the District may issue new debt as needed to fund its multi-year capital improvement plan. Due to its healthy local economy and maintaining healthy reserves, the Palatine Park District has maintained a credit rating of Aa1 from Moody's Investor Service.

The Palatine Park District continues its efforts to monitor economic and population changes and alters programs and services to meet the needs of the community. Gradually, the District is analyzing its parks and facilities, making changes to accommodate changing and existing needs. The District's financial condition is healthy, because of the General Fund and the Recreation Fund, fund balances. Based on the District's long-term financial plans, the District expects to remain in good financial shape.

Major Initiatives

The Palatine Park District continues to move forward with strategic capital projects to offer our patrons access to enjoy exceptional recreation experiences. In 2025, the District's major capital projects included:

- Birchwood Pool Boiler & Sand Filter Replacement
- The Grove & Wally Degner Playground Replacement
- Falcon Park Digital Road Sign Replacement
- Falcon Park Parking Lot Replacement (phase 1 of 3)
- Meadowlark Park Development – with \$499,900 OSLAD grant

The Comprehensive Master Plan was completed in 2025 and approved by the Board in early 2026, the plan will provide a roadmap for the District for the next 5-10 years. This roadmap will guide initiatives and capital projects that is provided by community feedback.

In addition, the District entered into an intergovernmental agreement with the Village of Palatine that included several property transfers, which is estimated to save Palatine residents \$40M. The first step in the agreement was the donation of an office building at 150 W. Wilson Palatine which will become the new Administrative Building for the Park District. Renovations on the building will begin in 2026.

Awards and Acknowledgments

The District plays an active role in the community. The staff represents the District and often takes on leadership roles in Rotary, Kiwanis, the Chamber of Commerce, and other local community groups.

The Board of Commissioners remains committed to supporting membership and is involved in key organizations such as NRPA, IPRA, IGFOA, and GFOA. The leadership is active in giving back to the industry and often serve as speakers at the Leadership Academy, Professional Development School, and ProConnect.

The Government Finance Officers Association of the United States and Canada (GFOA) has created a program that recognizes deserving Agencies when they prepare quality financial statements. Since 2015, the District has received the Excellence in Financial Reporting award for its Annual Comprehensive Financial Report. Each year the District will make every effort to continue to achieve this lofty goal. With this year's submission, staff is confident that it will achieve this distinction.

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

Respectfully submitted,



Andrea V. Fisher
Director of Finance

FINANCIAL SECTION

1415 West Diehl Road, Suite 400
Naperville, IL 60563
+1 (630) 566-8400

sikich.com

INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Palatine Park District, Palatine, Illinois (the District), as of and for the year ended December 31, 2025 and the related notes to financial statements, which collectively comprise the District'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, each major fund and the aggregate remaining fund information of Palatine Park District, Palatine, Illinois, as of December 31, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, 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 District'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 District's ability to continue as a going concern for a reasonable period of time.

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

Other Matters

Required Supplementary Information

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

Supplementary Information

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

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

Sibich CPA LLC

Naperville, Illinois
May 12, 2026

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

PALATINE PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2025

Our discussion and analysis of the Palatine Park District's (the District) financial performance provides an overview of the District's financial activities for the fiscal year ending December 31, 2025. Please read it in conjunction with the District's transmittal letter which can be found in the introductory section of this report and the financial statements which can be found in the basic financial statements section of this report.

FINANCIAL HIGHLIGHTS

- The District's operations increased net position by \$2,644,656. This was entirely offset by a correction of error, resulting in a net decrease in net position of \$99,740. More on this correction of error can be found in footnote #15.
- During the year, government-wide revenues totaled \$29,566,044, while expenses totaled \$26,921,388 resulting in an increase to net position of \$2,644,656.
- The District's net position totaled \$84,688,229 on December 31, 2025, which includes \$57,930,045 net investment in capital assets, \$7,348,054 subject to external restrictions, and \$19,410,130 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors.
- The Recreation Fund reported an decrease this year of \$632,494 or 9.7 percent, resulting in an ending fund balance of \$5,915,644.
- The District retired \$2,123,561 in outstanding long-term debt during the year and did not issue new debt.

USING THIS ANNUAL REPORT

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

Government-Wide Financial Statements

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

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

PALATINE PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2025

USING THIS ANNUAL REPORT - Continued

Government-Wide Financial Statements - Continued

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

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

Fund Financial Statements

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

Governmental Funds

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

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

The District maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, Recreation, and Capital Projects, which are all considered major funds, and Special Recreation Fund and Bond and Interest Funds, which are considered nonmajor funds.

PALATINE PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2025

USING THIS ANNUAL REPORT – Continued

Governmental Funds - Continued

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

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's I.M.R.F. employee pension obligations as well as budgetary comparison schedules for the General Fund and Recreation Fund.

PALATINE PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2025

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the District, assets/deferred outflows exceeded liabilities/deferred outflows by \$84,688,229.

	Net Position	
	2025	2024
Current and Other Assets	\$ 52,283,848	49,481,124
Capital Assets	69,697,856	71,661,298
Total Assets	121,981,704	121,142,422
Deferred Outflows	2,858,223	3,594,197
Total Assets/ Deferred Outflows	124,839,927	124,736,619
Long-Term Liabilities	15,628,666	16,223,023
Other Liabilities	3,147,726	3,215,130
Total Liabilities	18,776,392	19,438,153
Deferred Inflows	21,375,306	20,510,497
Total Liabilities/ Deferred	40,151,698	39,948,650
Net Position		
Net Investment in Capital Assets	57,930,045	58,522,841
Restricted	7,348,054	7,415,482
Unrestricted	19,410,130	18,849,646
Total Net Position	84,688,229	84,787,969

A large portion of the District's net position, \$57,930,045 or 68 percent reflects its net investment in capital assets (for example, land, construction in progress, land improvements, buildings and improvements, furniture and fixtures, and equipment and vehicles), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$7,348,054, or 8.7 percent, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining 23.3 percent, or \$19,410,130, represents unrestricted net position and may be used to meet the District's ongoing obligations to citizens and creditors.

PALATINE PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2025

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

	<u>Changes in Net Position</u>	
	<u>2025</u>	<u>2024</u>
Revenues		
Program Revenues		
Charges for Services	\$ 9,416,429	9,527,033
Operating Grants/Contributions	-	-
Capital Grants/Contributions	54,268	445,632
General Revenues		
Property Taxes	18,187,878	17,549,628
Replacement Taxes	228,265	235,412
Other General Revenues	<u>1,679,204</u>	<u>2,174,688</u>
Total Revenues	<u>29,566,044</u>	<u>29,932,393</u>
Expenses		
General Government	9,978,535	9,347,428
Culture and Recreation	16,385,376	13,548,752
Interest on Fiscal Charges	<u>557,477</u>	<u>555,834</u>
Total Expenses	<u>26,921,388</u>	<u>23,452,014</u>
Change in Net Position	2,644,656	6,480,379
Net Position - Beginning as Restated	<u>82,043,573</u>	<u>78,307,590</u>
Net Position - Ending	<u>84,688,229</u>	<u>84,787,969</u>

Net position of the District's governmental activities slightly decreased by \$99,740 (\$84,787,969 in 2024 compared to \$84,688,229 in 2025). Unrestricted net position, the portion of net position that can be used to finance day-to-day operations without constraints, totaled \$19,410,130 on December 31, 2025, and increased from the prior year.

Revenues for governmental activities totaled \$29,566,044, while the cost of all governmental functions totaled \$26,921,388. This results in an increase of \$2,644,656. In 2024, revenues of \$29,932,393 exceeded expenses of \$23,452,014, resulting in an increase of \$6,480,379.

PALATINE PARK DISTRICT, ILLINOIS

**Management’s Discussion and Analysis
December 31, 2025**

GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

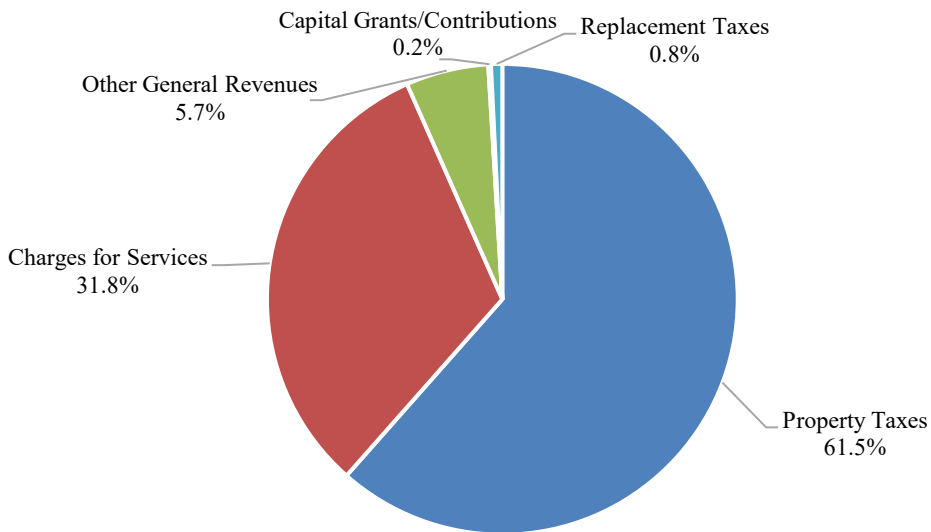
Governmental Activities

Charges for services decreased by 1% due to a shorter summer season for camp programs. Capital grants decreased significantly due to the OSLAD Grant received in 2024 and not 2025. Property taxes increased due to an increase in the property tax rate despite only receiving 98.4% of the tax levy. The decrease in levy collection was due to a software upgrade at the County which delayed the release of tax bills in 2025. A small portion of the 2025 levy will be posted in 2026 as it wasn’t received until March of 2026. The delay in property taxes impacted investment income which resulted in 67% when compared to 2024. In addition, TIF surplus increased due to the final year of a TIF district.

General government expenses increased slightly due to full-time wage and benefit increases. Culture and Recreation had significant increases due to a reorganization of customer service staff wages and benefits moving from general government to culture and recreation.

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

Revenues by Source - Governmental Activities



Expenditures for governmental activities totaled \$26,921,388, which is an increase of \$3,469,374 when compared to 2024. This increase is mainly attributable to increases in capital outlay and increases in wages and benefits.

PALATINE PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2025

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

The District's governmental funds reported combining ending fund balances of \$28,018,403, which is an increase of \$2,439,496, or 9.5 percent, from last year's total of \$25,578,907. Of the \$28,018,403, \$4,820,788, or approximately 17.2 percent, of the fund balance constitutes unassigned fund balance.

The General Fund reported an increase in fund balance for the year of \$1,138,668, or 6.6 percent. Revenues came in \$26,470 under budget and the District was budgeting for an decrease in fund balance of \$508,729. The operating increase to the fund was \$1,861,090. This increase was mainly due to decreases in personnel costs of moving the customer service division to the Recreation Fund.

The General Fund is the chief operating fund of the District. At December 31, 2025, unassigned fund balance in the General Fund was \$4,820,788, which represents 26.2 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents 50.8 percent of total General Fund expenditures.

At December 31, 2025, the Recreation Fund had a decrease in fund balance of \$632,494. The District budgeted for an decrease in the Recreation fund balance of \$833,957. The operating increase to the fund was \$1,117,506. The decrease in the fund balance is the result of a significant interfund transfer of \$1,750,000 to the capital fund to fund planned capital projects.

The Acquisition and Improvements Fund recognized a slight increase of \$71,749 in fund balance after General Fund, Recreation Fund, and Special Recreation Fund transfers of \$4,230,257 were approved.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the current fiscal year, the General Fund had no budget amendments. Actual revenues for the year totaled \$11,356,441 compared to budgeted revenues of \$11,382,911. Investment income was \$73,658 under budget and was partially offset by personal property replacement tax coming in \$13,448 over budget. General Fund actual expenditures for the year were \$1,673,867 under budget (\$9,495,351 actual compared to \$11,169,218 budgeted). The variance is mostly seen in the personnel services area due to new hire wages being less than those who they replaced and the new individuals choosing less expensive health insurance options.

PALATINE PARK DISTRICT, ILLINOIS

Management's Discussion and Analysis

December 31, 2025

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's net investment in capital assets for its governmental activities as of December 31, 2025, was \$69,697,856 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, furniture and fixtures, and equipment and vehicles).

	Capital Assets - Net of Depreciation	
	2025	2024*
Land	\$ 34,113,253	34,113,253
Construction in Progress	423,964	1,117,690
Land Improvements	16,935,989	15,274,405
Buildings and Improvements	16,169,449	16,990,900
Vehicles	362,276	340,436
Equipment	1,692,925	1,080,218
Total	<u>69,697,856</u>	<u>68,916,902</u>

*Beginning fund balances were restated based on a capital asset inventory. See note #15 for additional information.

This year's major additions included:

Construction in Progress	\$ 1,460,299
Land Improvements	3,140,637
Buildings and Improvements	281,191
Vehicles	101,941
Equipment	<u>783,397</u>
	<u>5,767,465</u>

Additional information on the District's capital assets can be found in Note 5 of this report.

PALATINE PARK DISTRICT, ILLINOIS

**Management’s Discussion and Analysis
December 31, 2025**

Debt Administration

At year-end, the District had total outstanding debt of \$11,100,000 as compared to \$12,725,000 the previous year, a decrease of \$1,625,000. The following is a comparative statement of outstanding debt:

	Long-Term Debt Outstanding	
	2025	2024
General Obligation Bonds	\$ 11,100,000	12,725,000

The District maintains an Aa1 rating from Moody’s for general obligation debt. State statutes limit the amount of general obligation debt a non-home rule governmental entity may issue to 2.875 percent of its total assessed valuation. The current debt limit for the District is \$79,951,840.

Additional information on the District's long-term debt can be found in Note 8 of this report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

The District’s elected and appointed officials considered many factors when setting the fiscal-year 2026 budget, tax rates, and fees that will be charged for its governmental activities. Those factors included the economy, unemployment rates, CPI, etc. In 2025, Cook County Assessor’s office underwent a financial software upgrade. That upgrade significantly delayed receipt of property taxes in fiscal year 2025 into 2026. At the time of this report’s release, the County is still working on the implementation and it’s possible the District will encounter the same property tax receipt delays in 2026.

REQUESTS FOR INFORMATION

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

BASIC FINANCIAL STATEMENTS

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

STATEMENT OF NET POSITION

December 31, 2025

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 25,532,596
Receivables (net, where applicable, of allowances for uncollectibles)	
Property taxes	24,819,769
Accounts	194,719
Notes	36,000
Public-private partnership	74,968
Leases	1,497,824
Prepaid items	119,818
Inventory	8,154
Capital assets not being depreciated	34,537,217
Capital assets being depreciated (net of accumulated depreciation)	<u>35,160,639</u>
Total assets	<u>121,981,704</u>
DEFERRED OUTFLOWS OF RESOURCES	
Unamortized loss on refunding	194,516
Pension items - IMRF	2,562,992
OPEB items	<u>100,715</u>
Total deferred outflows of resources	<u>2,858,223</u>
Total assets and deferred outflows of resources	<u>124,839,927</u>
LIABILITIES	
Accounts payable	1,384,621
Accrued payroll	364,902
Accrued interest payable	32,419
Other unearned revenue	1,365,784
Long-term liabilities	
Due within one year	1,708,778
Due in more than one year	<u>13,919,888</u>
Total liabilities	<u>18,776,392</u>

(This statement is continued on the following page.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

STATEMENT OF NET POSITION (Continued)

December 31, 2025

	<u>Governmental Activities</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred property taxes	\$ 19,702,376
Pension items - IMRF	21,015
OPEB items	240,153
Public-private partnership	66,184
Leases	<u>1,345,578</u>
 Total deferred inflows of resources	 <u>21,375,306</u>
 Total liabilities and deferred inflows of resources	 <u>40,151,698</u>
 NET POSITION	
Net investment in capital assets	57,930,045
Restricted for	
Museum	467,916
Special recreation	1,467,524
IMRF	4,373,080
Social security	252,590
Audit	2,874
Debt service	784,070
Unrestricted	<u>19,410,130</u>
 TOTAL NET POSITION	 <u><u>\$ 84,688,229</u></u>

See accompanying notes to financial statements.

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2025

FUNCTIONS/PROGRAMS PRIMARY GOVERNMENT	Program Revenues				Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government
					Governmental Activities
Governmental Activities					
General government	\$ 9,978,535	\$ 108,913	\$ -	\$ -	\$ (9,869,622)
Culture and recreation	16,385,376	9,307,516	-	54,268	(7,023,592)
Interest and fiscal charges	557,477	-	-	-	(557,477)
Total governmental activities	26,921,388	9,416,429	-	54,268	(17,450,691)
TOTAL PRIMARY GOVERNMENT	\$ 26,921,388	\$ 9,416,429	\$ -	\$ 54,268	(17,450,691)
		General Revenues			
		Taxes			
		Property taxes			18,187,878
		Intergovernmental - Unrestricted			
		Replacement taxes			228,265
		TIF surplus distribution			428,640
		Investment income			948,117
		Miscellaneous			302,447
		Total			20,095,347
		CHANGE IN NET POSITION			2,644,656
		NET POSITION, JANUARY 1			84,787,969
		Correction of an error			(2,744,396)
		NET POSITION, JANUARY 1, AS RESTATED			82,043,573
		NET POSITION, DECEMBER 31			\$ 84,688,229

See accompanying notes to financial statements.

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2025

	General	Recreation	Acquisition and Improvements	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 15,632,088	\$ 6,918,912	\$ 1,680,813	\$ 1,300,783	\$ 25,532,596
Receivables (net, where applicable, of allowances for uncollectibles)					
Property taxes	14,180,022	5,910,891	-	4,728,856	24,819,769
Accounts	135,225	32,220	27,274	-	194,719
Notes	36,000	-	-	-	36,000
Public-private partnership	-	74,968	-	-	74,968
Leases	-	-	1,497,824	-	1,497,824
Inventory	-	8,154	-	-	8,154
Prepaid items	91,852	27,966	-	-	119,818
 TOTAL ASSETS	\$ 30,075,187	\$ 12,973,111	\$ 3,205,911	\$ 6,029,639	\$ 52,283,848

(This statement is continued on the following page.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

December 31, 2025

	General	Recreation	Acquisition and Improvements	Nonmajor Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 231,351	\$ 744,715	\$ 408,555	\$ -	\$ 1,384,621
Accrued payroll	186,678	178,224	-	-	364,902
Unearned revenue	2,840	1,362,944	-	-	1,365,784
Total liabilities	420,869	2,285,883	408,555	-	3,115,307
DEFERRED INFLOWS OF RESOURCES					
Unavailable property taxes	11,218,931	4,705,400	-	3,778,045	19,702,376
Public-private partnership	-	66,184	-	-	66,184
Leases	-	-	1,345,578	-	1,345,578
Unavailable revenue - notes	36,000	-	-	-	36,000
Total deferred inflows of resources	11,254,931	4,771,584	1,345,578	3,778,045	21,150,138
Total liabilities and deferred inflows of resources	11,675,800	7,057,467	1,754,133	3,778,045	24,265,445
FUND BALANCES					
Nonspendable					
Inventory	-	8,154	-	-	8,154
Prepaid items	91,852	27,966	-	-	119,818
Restricted					
Museum	-	467,916	-	-	467,916
Special recreation	-	-	-	1,467,524	1,467,524
IMRF	4,373,080	-	-	-	4,373,080
Social security	252,590	-	-	-	252,590
Audit	2,874	-	-	-	2,874
Debt service	-	-	-	784,070	784,070
Assigned					
Subsequent year's budget	2,786,405	-	-	-	2,786,405
Fiscal sustainability	6,071,798	1,353,282	-	-	7,425,080
Recreation programs	-	4,058,326	-	-	4,058,326
Capital projects	-	-	1,451,778	-	1,451,778
Unassigned					
General fund	4,820,788	-	-	-	4,820,788
Total fund balances	18,399,387	5,915,644	1,451,778	2,251,594	28,018,403
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 30,075,187	\$ 12,973,111	\$ 3,205,911	\$ 6,029,639	\$ 52,283,848

See accompanying notes to financial statements.

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

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

December 31, 2025

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 28,018,403
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 governmental funds	69,697,856
The loss on refunding of bonds is deferred and amortized on the statement of net position	194,516
Differences between expected and actual experiences, assumption changes and the net difference between projected and actual earnings for the Illinois Municipal Retirement Fund are recognized as deferred outflows and inflows of resources on the statement of net position	2,541,977
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for other postemployment benefits are recognized as deferred inflows of resources on the statement of net position	(139,438)
Revenues are recognized for governmental activities when earned regardless of availability	
Notes receivable	36,000
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds payable	(1,135,000)
Alternate revenue source bonds payable	(9,965,000)
Net pension liability - IMRF	(2,793,817)
Total OPEB liability	(503,377)
Unamortized premium on bonds payable	(453,773)
Compensated absences payable	(777,699)
Accrued interest payable	(32,419)
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 84,688,229

See accompanying notes to financial statements.

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

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

For the Year Ended December 31, 2025

	General	Recreation	Acquisition and Improvements	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 10,039,340	\$ 4,769,235	\$ -	\$ 3,379,303	\$ 18,187,878
Intergovernmental	228,265	-	928,540	-	1,156,805
Charges for services	-	9,304,301	163,532	-	9,467,833
Investment income	948,117	-	-	-	948,117
Miscellaneous	140,719	34,002	127,726	-	302,447
Total revenues	11,356,441	14,107,538	1,219,798	3,379,303	30,063,080
EXPENDITURES					
Current					
General government	8,217,773	-	-	-	8,217,773
Culture and recreation	-	12,934,316	-	482,638	13,416,954
Capital outlay	-	55,716	4,070,026	-	4,125,742
Debt service					
Principal retirement	1,210,000	-	-	415,000	1,625,000
Interest and fiscal charges	67,578	-	-	430,983	498,561
Total expenditures	9,495,351	12,990,032	4,070,026	1,328,621	27,884,030
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,861,090	1,117,506	(2,850,228)	2,050,682	2,179,050

	General	Recreation	Acquisition and Improvements	Nonmajor Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)					
Transfers in	\$ 1,277,578	\$ -	\$ 3,969,811	\$ -	\$ 5,247,389
Transfers (out)	(2,000,000)	(1,750,000)	-	(1,497,389)	(5,247,389)
Sale of assets	-	-	260,446	-	260,446
Total other financing sources (uses)	(722,422)	(1,750,000)	4,230,257	(1,497,389)	260,446
NET CHANGE IN FUND BALANCES	1,138,668	(632,494)	1,380,029	553,293	2,439,496
FUND BALANCES, JANUARY 1	17,260,719	6,548,138	71,749	1,698,301	25,578,907
FUND BALANCES, DECEMBER 31	\$ 18,399,387	\$ 5,915,644	\$ 1,451,778	\$ 2,251,594	\$ 28,018,403

See accompanying notes to financial statements.

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

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

For the Year Ended December 31, 2025

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 2,439,496
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized in the statement of activities	3,509,049
The loss on disposal of assets is reported as an expenditure on the statement of activities	(364,381)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the governmental funds	(497,036)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation of capital assets	(2,363,714)
Amortization of bond premiums	55,782
Amortization of loss on refunding	(118,159)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	1,625,000
The change in accrued interest payable on long-term debt is reported as an expense on the statement of activities	3,461
The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(961,285)
The change in deferred outflows and inflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(580,495)
The change in other post employment benefit payable is reported as an expense on the statement on activities	23,595
The change in deferred outflows and inflows of resources for other post employment benefit payable is reported only on the statement of activities	22,078
The change in compensated absences liability is reported as an expense on the statement of activities	(148,735)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 2,644,656

See accompanying notes to financial statements.

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

NOTES TO FINANCIAL STATEMENTS

December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Palatine Park District, Palatine, Illinois (the District), incorporated in 1945, is duly organized and existing under the provisions of the laws of the State of Illinois. The District operates under a commissioner-director form of government and is governed by an elected five-member board. The District provides a variety of recreational facilities, programs and services.

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

a. Reporting Entity

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

b. Fund Accounting

The District uses funds to report on its financial position and the changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

The District's funds are classified into the governmental category:

Governmental funds are used to account for all of the District's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the acquisition or construction of major capital assets other than those financed by proprietary funds (capital projects funds) and the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term obligations (debt service funds). The General Fund is used to account for all activities of the District not accounted for in another fund.

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the District. With the exception of interfund services provided and used, the effect of material interfund activity has been eliminated from these statements. Governmental activities, are normally supported by taxes and intergovernmental revenues.

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

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The General Fund (the District's Corporate Fund) accounts for the resources traditionally associated with local government, except those accounted for in another fund. Included in these services are general administration and park maintenance. Financing is primarily provided from an annual property tax levy and Illinois personal property replacement taxes.

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

The Acquisitions and Improvement Fund accounts for the acquisition and construction of major capital outlays. Financing is provided by grants, donations and transfers in.

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District recognizes property taxes when they become both measurable and available in the year intended to finance. Expenditures are recorded when the related liability is incurred. Principal and interest on general long-term debt are recorded as expenditures become due.

Those revenues susceptible to accrual (within 60 days) are property taxes, interest revenue and charges for services.

The District reports unearned revenue and unavailable/deferred revenue on its financial statements. Unavailable revenues arise when potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Deferred revenues arise when property tax levies are intended to finance the next fiscal year. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the District before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the issuance of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability and deferred inflows of resource for unearned and unavailable/deferred revenue are removed from the financial statements and revenue is recognized.

e. Investments

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

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
 NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Inventories

Inventories are valued at cost, which approximates market, using the weighted average method. The costs of governmental fund inventories are recorded as expenditures when consumed rather than when purchased.

g. Prepaid Items

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items. The costs of governmental fund prepaid items are recorded as expenditures when consumed rather than when purchased.

h. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., bike trails, paths, roads, bridges and similar items) and intangibles (software and easements) are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$250,000 for infrastructure, \$50,000 for buildings and building improvements and \$10,000 for vehicles, machinery and equipment and furniture and fixtures and an estimated useful life in excess of three years. Such assets are reported at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

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

Assets	Years
Land improvements	10-30
Buildings and improvements	10-50
Equipment and vehicles	5-20

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Compensated Absences

The District records and reports compensated absences in accordance with GASB Statement No. 101, *Compensated Absences*. Vested or accumulated vacation and sick leave that is due to employees who have retired or terminated by the end of the year is reported as an expenditure and a fund liability of the governmental fund that will pay it. Vested or accumulated vacation and sick leave of governmental activities is recorded as an expenditure and liability of those funds as the benefits accrue to employees. The entire balance of vacation leave is recognized as a liability at year end. A liability is recognized for the portion of accumulating sick leave benefits that is estimated to be more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

j. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows and outflows of resources and disclosure of contingent assets, liabilities and deferred inflows and outflows of resources 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.

k. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. Unamortized losses or gains on refundings, bond premiums and discounts, are deferred and amortized over the life of the bonds. Bonds payable are reported as net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts 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. Bond issuance costs are expensed in the period they are incurred both in the government-wide financial statements as well as the fund financial statements.

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the District. Committed fund balance is constrained by formal actions of the District's Board of Commissioners, which is considered the District's highest level of decision-making authority. Formal action to establish, modify or rescind commitments involves ordinances approved by the Board of Commissioners. Assigned fund balance represents amounts constrained by the District's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the District's Executive Director through the District's fund balance policy. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

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

The various special revenue funds supported by property taxes are restricted due to the restricted revenue streams of the fund balance. Other funds are restricted due to the nature of the contributions to the fund.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any long-term debt issued to acquire or construct the capital assets.

m. Interfund Transactions

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

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

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so it will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the period these amounts become available.

2. DEPOSITS AND INVESTMENTS

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

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

The Illinois Public Reserves Investment Management Trust (IPRIME) is an investment opportunity and cash management service for Illinois Municipal Treasurers acting on behalf of counties, townships, cities, towns, villages, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, and all other political corporations or subdivisions of the State of Illinois. Participation in IPRIME is voluntary. IPRIME is not registered with the SEC as an Investment Company. Investments in IPRIME are valued at the share price, the price for which the investment could be sold.

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

2. DEPOSITS AND INVESTMENTS (Continued)

In addition, the Board of Commissioners of the District has adopted an investment policy which provides further restrictions on the investment of district funds. It is the policy of the District to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds, using the “prudent person” standard for managing the overall portfolio. The primary objectives of the policy, in order of priority are: legality, safety (preservation of capital and protection of investment principal), liquidity and yield.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the District’s deposits may not be returned to it. The District’s investment policy requires pledging of collateral to be held in the name of the District by the District’s agent with a market value of at least 102% for all bank balances in excess of federal depository insurance. At December 31, 2025, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

Investments

The following table presents the investments and maturities of the District’s debt securities as of December 31, 2025:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury securities	\$ 4,692,990	\$ 4,692,990	\$ -	\$ -	\$ -
Negotiable certificates of deposit	1,489,211	1,245,002	244,209	-	-
TOTAL	\$ 6,182,201	\$ 5,937,992	\$ 244,209	\$ -	\$ -

Fair Value Measurement

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The District has the following recurring fair value measurements as of December 31, 2025: the U.S. Treasury securities and the negotiable certificate of deposits are valued using quoted matrix pricing models (Level 2 inputs).

2. DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District limits its exposure to interest rate risk by structuring its portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily in shorter-term securities.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Besides investing in security instruments authorized under state statute, the District's investment policy further states that investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. At year end, the District's investment in IPRIME was rated AAAM by Standard & Poor's. The certificates of deposits were not rated.

Custodial Credit Risk for Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the District will not be able to recover the value of its investments that are in possession of an outside party. The District's investment policy requires pledging of collateral to be held in the name of the District by the District's agent with a market value of at least 102% for all bank balances in excess of federal depository insurance. IPRIME is not subject to custodial credit risk for investments.

Concentration of Credit Risk

This is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District's investment policy limits the District's investments to the safest types of securities: pre-qualified financial institutions, broker/dealers, intermediaries and advisors with which the District does business and diversifies the investment portfolio so that potential losses on individual securities will be minimized.

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. RECEIVABLES

a. Taxes

Property taxes for 2024 attach as an enforceable lien on January 1, 2024, on property values assessed as of the same date. Taxes are levied by December 2024 (by passage of a Tax Levy Ordinance). Tax bills are prepared by Cook County and issued on or about February 1, 2025 and November 14, 2025 and are payable in two installments on or about March 4, 2025 and December 15, 2025. The County collects such taxes and remits them periodically.

The 2025 tax levy, which is intended to finance the 2026 fiscal year, has been recorded as a receivable and unavailable/deferred revenue as of December 31, 2025.

b. Notes Receivable

The District has executed a note receivable to an organization utilizing and seeking to improve District facilities. As of December 31, 2025, the notes receivable had an outstanding balance of \$36,000. Payments are due in annual installments of \$6,000 with maturity of the note expected in 2031.

4. JOINT GOVERNED ORGANIZATION - NORTHWEST SPECIAL RECREATION ASSOCIATION

The District is a member of the Northwest Special Recreation Association (NWSRA), which was organized by 18 area park districts in order to provide special recreation programs to the physically and mentally handicapped within their districts and to share the expenses of such programs on a cooperative basis. Each member district's fiscal year 2025 contribution is based on its pro rata share of 75% of the assessed valuation and 25% of the gross populations. For the year ended December 31, 2025, the District contributed \$482,638 to NWSRA.

NWSRA's Board of Directors consists of one member from each participating district. The Board of Directors is the governing body of NWSRA and is responsible for establishing all major policies and changes therein and for approving all budgets, capital outlay, programming and master plans. The District is not financially accountable for the activities of NWSRA and, accordingly, NWSRA has not been included in the accompanying financial statements.

Complete financial statements for NWSRA can be obtained from NWSRA administrative offices at 3000 Central Road, Rolling Meadows, Illinois 60008.

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2025 was as follows:

	Beginning Balances Restated*	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 34,113,253	\$ -	\$ -	\$ 34,113,253
Construction in progress	1,117,690	1,460,299	2,154,025	423,964
Total capital assets not being depreciated	35,230,943	1,460,299	2,154,025	34,537,217
Capital assets being depreciated				
Land improvements	35,560,070	3,140,637	44,500	38,656,207
Buildings and improvements	52,530,643	281,191	3,516,238	49,295,596
Vehicles	1,470,718	101,941	-	1,572,659
Equipment	2,462,996	783,397	-	3,246,393
Total capital assets being depreciated	92,024,427	4,307,166	3,560,738	92,770,855
Less accumulated depreciation for				
Land improvements	20,285,665	1,445,678	11,125	21,720,218
Buildings and improvements	35,539,743	667,245	3,080,841	33,126,147
Vehicles	1,130,282	80,101	-	1,210,383
Equipment	1,382,778	170,690	-	1,553,468
Total accumulated depreciation	58,338,468	2,363,714	3,091,966	57,610,216
Total capital assets being depreciated, net	33,685,959	1,943,452	468,772	35,160,639
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 68,916,902	\$ 3,403,751	\$ 2,622,797	\$ 69,697,856

*The beginning balances of capital assets were restated based on the capital asset inventory that was completed for the year ended December 31, 2025. See footnote #15 for additional information.

Depreciation expense was charged to functions/programs of the primary government as follows:

GOVERNMENTAL ACTIVITIES	
General government	\$ 849,457
Culture and recreation	1,514,257
TOTAL DEPRECIATION EXPENSE -	
GOVERNMENTAL ACTIVITIES	\$ 2,363,714

6. RISK MANAGEMENT

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

a. Park District Risk Management Agency

Since 2024, the District has been a member of PDRMA, a joint risk management pool of park and forest preserve districts and special recreation associations through which property, general liability, automobile liability, crime, boiler and machinery, public officials' and workers' compensation coverage is provided in excess of specified limits for the members, acting as a single insurable unit.

Each member assumes the first \$1,000 of property claims each occurrence and has self-insurance retentions at various amounts.

Management consists of a Board of Directors comprised of one appointed representative from each member. In addition, there are two officers, a Risk Manager and a Treasurer. The District does not exercise any control over the activities of PDRMA beyond its representation on the Board of Directors.

Initial contributions are determined in advance of each membership year based on the individual member's expenditures as defined in the by-laws of PDRMA, assessment factors based on past member experience and the funding needs for the membership year. The Board of Directors may require that supplemental contributions be made by members to ensure that adequate funds are available to meet the obligations applicable to the membership year.

Members have a contractual obligation to fund any deficit of PDRMA attributable to a membership year during which they were a member. Losses exceeding the per occurrence self-insured and reinsurance limit would be the responsibility of the District. The District is not aware of any additional amounts owed to PDRMA at December 31, 2025.

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. RISK MANAGEMENT (Continued)

b. Intergovernmental Personnel Benefit Cooperative

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

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

7. SHORT-TERM DEBT

Changes in Short-Term Liabilities

During the year ended December 31, 2025, the following changes occurred in short-term liabilities:

	Fund Debt Retired By	Balance May 1	Additions	Reductions	Balance April 30	Current Portion
General Obligation Limited Tax Park Bond Series of 2025; \$1,851,495 dated February 18, 2025; maturing November 1, 2025; payable in one installment; interest rate of 3.58%	Bond and Interest	\$ -	\$ 1,851,495	\$ 1,851,495	\$ -	\$ -
TOTAL		\$ -	\$ 1,851,495	\$ 1,851,495	\$ -	\$ -

The General Obligation Limited Tax Park Bonds, Series 2025, were issued to provide the revenue source for the payment of certain outstanding obligations of the District.

8. LONG-TERM DEBT

a. General Obligation Bonds

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. In addition, general obligation bonds have been issued to refund general obligation bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are paid with a special property tax levy.

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. LONG-TERM DEBT (Continued)

a. General Obligation Bonds (Continued)

General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Balances January 1	Additions	Reductions/ Refundings	Balances December 31	Current Portion
GOVERNMENTAL ACTIVITIES						
\$4,125,000 General Obligation Limited Tax Refunding Park Bonds, Series 2015D, due in installments of \$390,000 to \$845,000 plus interest at 2.50% to 4.00% through December 1, 2027.	Bond and Interest	\$ 1,550,000	\$ -	\$ 415,000	\$ 1,135,000	\$ 290,000
TOTAL GENERAL OBLIGATION BONDS		\$ 1,550,000	\$ -	\$ 415,000	\$ 1,135,000	\$ 290,000

b. Alternate Revenue Source General Obligation Bonds

Similar to the general obligation bonds noted above, the District also issues alternate revenue source general obligation bonds. These bonds are paid by specific pledged future revenue streams. See footnote 8.f. for additional information on the pledged revenues.

Alternate revenue source general obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired By	Balances January 1	Additions	Reductions/ Refundings	Balances December 31	Current Portion
GOVERNMENTAL ACTIVITIES						
\$5,335,000 General Obligation Alternate Revenue Source Refunding Park Bonds, Series 2015C, due in installments of \$65,000 to \$1,145,000 plus interest at 2% to 4% through December 1, 2026.	Bond and Interest	\$ 2,115,000	\$ -	\$ 970,000	\$ 1,145,000	\$ 1,145,000

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. LONG-TERM DEBT (Continued)

b. Alternate Revenue Source General Obligation Bonds (Continued)

Issue	Fund Debt Retired By	Balances January 1	Additions	Reductions/ Refundings	Balances December 31	Current Portion
GOVERNMENTAL ACTIVITIES (Continued)						
\$8,820,000 General Obligation Alternate Revenue Source Park Bond, Series 2017, due in installments of \$500,000 to \$1,070,000 plus interest at 3% to 4% through December 1, 2036.	Bond and Interest	\$ 8,820,000	\$ -	\$ -	\$ 8,820,000	\$ -
\$1,370,000 General Obligation Alternate Revenue Source Refunding Park Bonds, Series 2019A, due in installments of \$215,000 to \$240,000 plus interest at 1.72% through December 15, 2025.	Bond and Interest	240,000	-	240,000	-	-
TOTAL GENERAL OBLIGATION BONDS - ALTERNATE REVENUE SOURCE		<u>\$ 11,175,000</u>	<u>\$ -</u>	<u>\$ 1,210,000</u>	<u>\$ 9,965,000</u>	<u>\$ 1,145,000</u>

c. Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year Ending December 31,	Governmental Activities			
	General Obligation Bonds		General Obligation Bonds - Alternate Revenue Source	
	Principal	Interest	Principal	Interest
2026	\$ 290,000	\$ 36,163	\$ 1,145,000	\$ 352,850
2027	845,000	27,462	500,000	318,500
2028	-	-	805,000	303,500
2029	-	-	830,000	279,350
2030	-	-	855,000	254,450
2031-2035	-	-	4,760,000	795,400
2036	-	-	1,070,000	42,800
TOTAL	<u>\$ 1,135,000</u>	<u>\$ 63,625</u>	<u>\$ 9,965,000</u>	<u>\$ 2,346,850</u>

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. LONG-TERM DEBT (Continued)

d. Changes in Long-Term Liabilities

During the fiscal year, the following changes occurred in long-term liabilities:

	Balances January 1	Additions	Reductions	Balances December 31	Current Portion
GOVERNMENTAL ACTIVITIES					
General Obligation Bonds	\$ 1,550,000	\$ -	\$ 415,000	\$ 1,135,000	\$ 290,000
General Obligation Bonds - Alternate Revenue Source	11,175,000	-	1,210,000	9,965,000	1,145,000
Unamortized premium	509,555	-	55,782	453,773	-
Compensated absences**	628,964	148,735	-	777,699	205,983
OPEB liability*	526,972	-	23,595	503,377	67,795
Net pension liability - IMRF*	1,832,532	961,285	-	2,793,817	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 16,223,023	\$ 1,110,020	\$ 1,704,377	\$ 15,628,666	\$ 1,708,778

*The General and Recreation Funds are used to liquidate these liabilities.

**The amount displayed as additions or reductions represents the net change in the liability.

e. Legal Debt Margin

Assessed valuation - 2024 (latest available amount)	<u>\$ 2,780,933,557</u>
Legal debt limit - 2.875% of assessed valuation	\$ 79,951,840
Amount of debt applicable to debt limit	
General obligation debt	
Park Bonds Series 2015D	<u>1,135,000</u>
LEGAL DEBT MARGIN	<u>\$ 78,816,840</u>
Nonreferendum legal debt limit - 0.575% of assessed valuation	\$ 15,990,368
Amount of debt applicable to debt limit	
Park Bonds Series 2015D	<u>1,135,000</u>
NONREFERENDUM LEGAL DEBT MARGIN	<u>\$ 14,855,368</u>

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. LONG-TERM DEBT (Continued)

e. Legal Debt Margin (Continued)

Chapter 70, Section 1205/6-2 of the Illinois Compiled Statutes provides, "...for the payment of land condemned or purchased for parks or boulevards, for the building, maintaining, improving and protecting of the same and for the payment of the expenses incident thereto, or for the acquisition of real estate and lands to be used as a site for an armory, any park district is authorized to issue the bonds or notes of such park district and pledge its property and credit therefore to an amount including existing indebtedness of such district so that the aggregate indebtedness of such district does not exceed 2.875% of the value of the taxable property therein, to be ascertained by the last assessment for state and county taxes previous to the issue from time-to-time of such bonds or notes or, until January 1, 1983, if greater, the sum that is produced by multiplying the District's 1978 equalized assessed valuation by the debt limitation percentage in effect on January 1, 1979, if a petition, signed by voters in number equal to not less than 2% of the voters of the District, who voted at the last general election in the District, asking that the authorized aggregate indebtedness of the District be increased to not more than 0.575% of the value of the taxable property therein, is presented to the board and such increase is approved by the voters of the District at a referendum held on the question."

f. Pledged Revenues

The District has issued Alternate Revenue Source Bonds for which they have pledged future revenue streams.

In 2015, the District issued the Series 2015C general obligation alternate revenue source bonds to refund the remaining principal for the Series 2008A alternate revenue bonds issued in prior years and are payable from revenue generated in the District's General Fund and proceeds of the District's non-referendum general obligation bonds to be issued. The remaining total pledge is \$1,179,350 and the bonds mature on December 1, 2026. During the current fiscal year, the pledge of revenue in the District's General Fund for the 2015C bonds of \$1,033,450 was approximately 9.10% of total revenues pledged.

In 2017, the District issued the Series 2017 general obligation alternate revenue source bonds for the District's contribution to the construction of the Aquatic Area at Harper College and are payable from revenue generated in the District's General Fund and proceeds of the District's non-referendum general obligation bonds to be issued. The remaining total pledge is \$11,132,500 and the bonds mature on December 1, 2036. During the current fiscal year, the pledge of revenue in the District's General Fund for the 2017 bonds of \$318,500 was approximately 2.80% of total revenues pledged.

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

8. LONG-TERM DEBT (Continued)

f. Pledged Revenues (Continued)

In 2019, the District issued the Series 2019A general obligation alternate revenue source bonds to refund the remaining principal for the Series 2011A alternate revenue bonds issued in prior years and are payable from revenue generated in the District's General Fund and proceeds of the District's non-referendum general obligation bonds to be issued. The bonds matured on December 15, 2025. During the current fiscal year, the pledge of revenue in the District's General Fund for the 2019A bonds of \$244,128 was approximately 2.15% of total revenues pledged.

9. CONTINGENT LIABILITIES

a. Litigation

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

b. Grants

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

10. INDIVIDUAL FUND DISCLOSURES

Interfund Transfers

Individual fund interfund transfers are as follows:

	Transfers In	Transfers Out
	<hr/>	<hr/>
General Fund	\$ 1,277,578	\$ 2,000,000
Recreation Fund	-	1,750,000
Acquisition and Improvements Fund	3,969,811	-
Nonmajor Governmental Funds	-	1,497,389
	<hr/>	<hr/>
TOTAL	\$ 5,247,389	\$ 5,247,389
	<hr/>	<hr/>

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

10. INDIVIDUAL FUND DISCLOSURES (Continued)

Interfund Transfers (Continued)

The purpose of the significant transfers resulted from:

- \$3,969,811 transferred to the Acquisition and Improvements Fund from the General Fund, Recreation Fund, and Nonmajor Governmental Funds (Special Recreation Fund) for various capital assets purchases and improvements. This transfer will not be repaid.

11. RETIREMENT FUND COMMITMENTS

Illinois Municipal Retirement Fund

The District's defined benefit pension plan, Illinois Municipal Retirement Fund (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF is an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

Plan Administration

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Membership

At December 31, 2024 (most recent information available), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	138
Inactive employees entitled to but not yet receiving benefits	149
Active employees	<u>112</u>
TOTAL	<u><u>399</u></u>

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years and 2% for each year thereafter. Employees hired on or after January 1, 2011 are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Contributions

Participating members are required to contribute 4.50% of their annual covered salary to IMRF. The District is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended December 31, 2025 was 7.09% of covered payroll.

Actuarial Assumptions

The District's net pension liability was measured as of December 31, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Actuarial valuation date	December 31, 2024
Actuarial cost method	Entry-age normal
Assumptions	
Price inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Asset valuation method	Fair value

For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. 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-2021. 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-2021.

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the District's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2024	\$ 42,905,484	\$ 41,072,952	\$ 1,832,532
Changes for the period			
Service cost	628,225	-	628,225
Interest	3,039,435	-	3,039,435
Difference between expected and actual experience	1,207,212	-	1,207,212
Changes in assumptions	-	-	-
Employer contributions	-	466,891	(466,891)
Employee contributions	-	312,503	(312,503)
Net investment income	-	3,990,872	(3,990,872)
Benefit payments and refunds	(2,592,720)	(2,592,720)	-
Other (net transfer)	-	(856,679)	856,679
Net changes	2,282,152	1,320,867	961,285
BALANCES AT DECEMBER 31, 2024	\$ 45,187,636	\$ 42,393,819	\$ 2,793,817

Long-Term Expected Rate of Return

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:

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Long-Term Expected Rate of Return (Continued)

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	33.50%	4.35%
International Equity	18.00%	5.40%
Fixed Income	24.50%	5.20%
Real Estate	10.50%	6.40%
Alternative Investments	12.50%	4.85% to 6.25%
Cash Equivalents	1.00%	3.60%
TOTAL	100.00%	

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2025, the District recognized pension expense/(income) of \$2,070,591. At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,004,525	\$ -
Changes in assumption	-	21,015
Net difference between projected and actual earnings on pension plan investments	1,029,656	-
Employer contributions subsequent to the measurement date	528,811	-
TOTAL	\$ 2,562,992	\$ 21,015

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

11. RETIREMENT FUND COMMITMENTS (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources
(Continued)

\$528,811 reported as deferred outflows of resources related to pensions resulting from the District contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the reporting year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to IMRF will be recognized in pension expense as follows:

<u>Year Ending</u> <u>December 31,</u>	
2026	\$ 1,072,681
2027	1,676,535
2028	(514,075)
2029	(221,975)
2030	-
Thereafter	<u>-</u>
TOTAL	<u><u>\$ 2,013,166</u></u>

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 District calculated using the discount rate of 7.25% as well as what the District's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Net pension liability (asset)	\$ 7,770,304	\$ 2,793,817	\$ (1,285,495)

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. OTHER POSTEMPLOYMENT BENEFITS

Plan Description

In addition to providing the pension benefits described, the District provides other postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual, except for the implicit subsidy which is governed by the State Legislature and ILCS. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

Benefits Provided

The District provides postemployment health care and life insurance benefits to its retirees. To be eligible for implicit benefits, an employee must qualify for retirement under the District’s retirement plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual. The retirees pay 100% of the blended premium. Certain benefits are controlled by state laws and can only be changed by the Illinois Legislature. The plan does not issue a separate report. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

a. Membership

At December 31, 2024 (most recent information available), membership consisted of:

Retirees and beneficiaries currently receiving benefits	6
Terminated employees entitled to benefits but not yet receiving them	-
Active employees	<u>107</u>
TOTAL	<u><u>113</u></u>
Participating employers	<u>1</u>

b. Total OPEB Liability

The District’s total OPEB liability of \$503,377 was measured as of December 31, 2025 and was determined by an actuarial valuation as of December 31, 2024.

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Actuarial Assumptions and Other Inputs

The total OPEB liability at December 31, 2025, as determined by an actuarial valuation as of December 31, 2024, was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. The total OPEB liability was rolled forward by the actuary using updated procedures to December 31, 2025, including updating the discount rate, as noted below.

Actuarial cost method	Entry Age Normal
Actuarial value of assets	Not Applicable
Inflation	3.00%
Salary increases	4.00%
Discount rate	4.43%
Healthcare cost trend rates	6.00% Initial 4.50% Ultimate

The discount rate was based on the index rate for tax exempt general obligation municipal bonds rated AA or better at December 31, 2025. The discount rate at December 31, 2025 was 4.43%.

Mortality rates for active employees are based on the PubG.H-2010(B) Mortality Table - General (below-median income) with future mortality improvement using Scale MP-2021. Mortality rates for retirees are based on the PubG.H-2010(B) Mortality Table - General (below-median income); the Male table is adjusted by 108.0% and the Female table is adjusted by 106.4%. Future mortality improvements are made using scale MP-2021.

The actuarial assumptions used in the valuation are based on 30% participation assumed, with 50% electing spouse coverage.

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

d. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JANUARY 1, 2025	<u>\$ 526,972</u>
Changes for the period	
Service cost	27,950
Interest	21,104
Difference between expected and actual experience	-
Changes in benefit terms	-
Changes in assumptions*	(4,854)
Benefit payments	<u>(67,795)</u>
Net changes	<u>(23,595)</u>
BALANCES AT DECEMBER 31, 2025	<u>\$ 503,377</u>

*There were changes in assumptions related to the discount rate.

e. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the District calculated using the discount rate of 4.43% as well as what the District total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.43%) or 1 percentage point higher (5.43%) than the current rate:

	1% Decrease (3.43%)	Current Discount Rate (4.43%)	1% Increase (5.43%)
Total OPEB liability	\$ 535,845	\$ 503,377	\$ 473,961

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. *Rate Sensitivity (Continued)*

The table below presents the total OPEB liability of the District calculated using the healthcare rate of 6.00% to 4.50% as well as what the District's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (5.00% to 3.50%) or 1 percentage point higher (7.00% to 5.50%) than the current rate:

	1% Decrease (varies)	Current Healthcare Rate (varies)	1% Increase (varies)
Total OPEB liability	\$ 465,447	\$ 503,377	\$ 547,884

f. **OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2025, the District recognized OPEB expense of \$22,122. At December 31, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 85,350	\$ 111,961
Changes in assumptions	15,365	128,192
TOTAL	\$ 100,715	\$ 240,153

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

<u>Year Ending December 31,</u>	
2026	\$ (26,931)
2027	(26,931)
2028	(26,931)
2029	(26,931)
2030	(25,999)
Thereafter	(5,715)
TOTAL	\$ (139,438)

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. LESSOR DISCLOSURES

In accordance with GASB Statement No. 87, *Leases*, the District’s lessor activity is as follows:

The District entered into a lease arrangement on January 26, 2023, to lease cell tower property. Payments ranging from \$3,361 to \$8,642 are due to the District in monthly installments through April 2044. The lease agreement is noncancelable and maintains an interest rate of 3.40%. During the fiscal year ending December 31, 2025, the District collected \$75,824 and recognized a \$73,395 reduction in the related deferred inflow of resource. The remaining lease receivable and offsetting deferred inflow of resource for this agreement is \$1,497,824 and \$1,345,578, respectively, as of December 31, 2025.

14. PALATINE HILLS GOLF COURSE OPERATIONS

As of January 9, 2023, the District entered into an agreement with a private company (PC) to outsource the operations of the District’s Palatine Hills Golf Course. PC has access to manage, operate, maintain, and promote the golf course. The District reserves the right to terminate the agreement under various circumstances as documented in the terms of the agreement. PC agrees to pay the District a fee of \$34,128 in the first two years of operations and increasing by \$1,500 each year thereafter. The District did not receive any variable payments during the year ended December 31, 2025.

This agreement qualifies as a Public-Private Partnership under GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, and is reported on the financial statements accordingly, discounted at 4.55%. As of December 31, 2025, the District reported a receivable and deferred inflow of resources in the amount of \$74,968 and \$66,184, respectively, related to the agreement.

15. CORRECTION OF AN ERROR

For the fiscal year ended December 31, 2025, the District recorded an error correction to record capital asset values based upon the completion of a capital asset inventory.

The beginning net position of the following opinion units have been restated to reflect the correction of an error as follows:

GOVERNMENTAL ACTIVITIES

BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	<u>\$ 84,787,969</u>
Restatement for correction of an error	<u>(2,744,396)</u>
Total net restatement	<u>(2,744,396)</u>
BEGINNING NET POSITION, AS RESTATED	<u>\$ 82,043,573</u>

PALATINE PARK DISTRICT
PALATINE, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

16. SUBSEQUENT EVENT

Subsequent to December 31, 2025, the District Board of Commissioners approved the issuance of approximately \$2,059,935 General Obligation Bonds, Series 2026, for the payment of land for parks, for the building, maintaining, improving and protecting of the same and the existing land and facilities of the District and for the payment of the expenses incident thereto, providing for the levy of a direct annual tax to pay the principal and interest on the bonds, and authorizing the sale of the bonds to the purchaser thereof.

REQUIRED SUPPLEMENTARY INFORMATION

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under) Final Budget
REVENUES			
Taxes	\$ 9,887,914	\$ 10,039,340	\$ 151,426
Intergovernmental	214,817	228,265	13,448
Investment income	1,021,775	948,117	(73,658)
Miscellaneous	258,405	140,719	(117,686)
Total revenues	11,382,911	11,356,441	(26,470)
EXPENDITURES			
Current			
General government	9,890,640	8,217,773	(1,672,867)
Debt service			
Principal retirement	1,210,000	1,210,000	-
Interest and fiscal charges	68,578	67,578	(1,000)
Total expenditures	11,169,218	9,495,351	(1,673,867)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	213,693	1,861,090	1,647,397
OTHER FINANCING SOURCES (USES)			
Transfers in	1,277,578	1,277,578	-
Transfers (out)	(2,000,000)	(2,000,000)	-
Total other financing sources (uses)	(722,422)	(722,422)	-
NET CHANGE IN FUND BALANCE			
	<u>\$ (508,729)</u>	1,138,668	<u>\$ 1,647,397</u>
FUND BALANCE, JANUARY 1			
		<u>17,260,719</u>	
FUND BALANCE, DECEMBER 31			
		<u>\$ 18,399,387</u>	

(See independent auditor's report.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
RECREATION FUND**

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under) Final Budget
REVENUES			
Taxes	\$ 5,134,404	\$ 4,769,235	\$ (365,169)
Charges for services	9,366,241	9,304,301	(61,940)
Miscellaneous	22,450	34,002	11,552
Total revenues	14,523,095	14,107,538	(415,557)
EXPENDITURES			
Current			
Culture and recreation	13,513,167	12,934,316	(578,851)
Capital outlay	93,885	55,716	(38,169)
Total expenditures	13,607,052	12,990,032	(617,020)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	916,043	1,117,506	201,463
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(1,750,000)	(1,750,000)	-
Total other financing sources (uses)	(1,750,000)	(1,750,000)	-
NET CHANGE IN FUND BALANCE			
	<u>\$ (833,957)</u>	(632,494)	<u>\$ 201,463</u>
FUND BALANCE, JANUARY 1			
		<u>6,548,138</u>	
FUND BALANCE, DECEMBER 31			
		<u>\$ 5,915,644</u>	

(See independent auditor's report.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially determined contribution	\$ 757,493	\$ 727,676	\$ 725,361	\$ 664,526	\$ 672,765	\$ 713,294	\$ 574,279	\$ 474,810	\$ 480,841	\$ 528,811
Contributions in relation to the actuarially determined contribution	757,493	727,676	725,361	1,751,361	1,258,728	1,026,896	574,279	474,810	480,841	528,811
CONTRIBUTION DEFICIENCY (Excess)	\$ -	\$ -	\$ -	\$ (1,086,835)	\$ (585,963)	\$ (313,602)	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 5,682,615	\$ 5,676,104	\$ 5,821,527	\$ 5,913,082	\$ 5,677,340	\$ 6,101,749	\$ 6,324,672	\$ 6,678,080	\$ 6,947,796	\$ 7,458,547
Contributions as a percentage of covered-employee payroll	13.33%	12.82%	12.46%	29.62%	22.17%	16.83%	9.08%	7.11%	6.92%	7.09%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was aggregate entry-age normal; the amortization method was level percent of payroll, closed and the amortization period was 19 years; the asset valuation method was five-year smoothed fair value; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.75% to 13.75% compounded annually and postretirement benefit increases of 2.75% compounded annually.

(See independent auditor's report.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Ten Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL PENSION LIABILITY										
Service cost	\$ 603,528	\$ 612,893	\$ 594,566	\$ 562,367	\$ 611,958	\$ 614,420	\$ 524,243	\$ 582,681	\$ 597,454	\$ 628,225
Interest	2,157,573	2,290,534	2,361,792	2,414,339	2,421,420	2,597,525	2,691,152	2,841,551	2,937,675	3,039,435
Differences between expected and actual experience	151,888	(752,695)	100,340	(1,177,998)	1,047,912	125,092	844,933	222,802	459,567	1,207,212
Changes of assumptions	37,583	(113,753)	(966,365)	931,218	-	(186,721)	-	-	(53,045)	-
Benefit payments, including refunds of member contributions	(1,092,407)	(1,180,992)	(1,219,742)	(1,527,464)	(1,566,562)	(1,740,408)	(1,887,224)	(2,142,959)	(2,514,181)	(2,592,720)
Net change in total pension liability	1,858,165	855,987	870,591	1,202,462	2,514,728	1,409,908	2,173,104	1,504,075	1,427,470	2,282,152
Total pension liability - beginning	29,088,994	30,947,159	31,803,146	32,673,737	33,876,199	36,390,927	37,800,835	39,973,939	41,478,014	42,905,484
TOTAL PENSION LIABILITY - ENDING	\$ 30,947,159	\$ 31,803,146	\$ 32,673,737	\$ 33,876,199	\$ 36,390,927	\$ 37,800,835	\$ 39,973,939	\$ 41,478,014	\$ 42,905,484	\$ 45,187,636
PLAN FIDUCIARY NET POSITION										
Contributions - employer	\$ 704,561	\$ 757,493	\$ 727,676	\$ 725,361	\$ 1,751,361	\$ 1,258,728	\$ 1,026,896	\$ 574,280	\$ 474,812	\$ 466,891
Contributions - member	257,971	259,574	268,266	266,840	272,931	293,600	274,579	284,611	300,514	312,503
Net investment income	126,918	1,766,840	4,465,008	(1,500,950)	5,076,184	4,793,748	6,480,584	(5,651,852)	4,165,846	3,990,872
Benefit payments, including refunds of member contributions	(1,092,407)	(1,180,992)	(1,219,742)	(1,527,464)	(1,566,562)	(1,740,408)	(1,887,224)	(2,142,959)	(2,514,181)	(2,592,720)
Other	40,277	(376,167)	(464,507)	(270,570)	(50,812)	454,161	(182,610)	221,336	922,867	(856,679)
Net change in plan fiduciary net position	37,320	1,226,748	3,776,701	(2,306,783)	5,483,102	5,059,829	5,712,225	(6,714,584)	3,349,858	1,320,867
Plan net position - beginning	25,448,536	25,485,856	26,712,604	30,489,305	28,182,522	33,665,624	38,725,453	44,437,678	37,723,094	41,072,952
PLAN NET POSITION - ENDING	\$ 25,485,856	\$ 26,712,604	\$ 30,489,305	\$ 28,182,522	\$ 33,665,624	\$ 38,725,453	\$ 44,437,678	\$ 37,723,094	\$ 41,072,952	\$ 42,393,819
EMPLOYER'S NET PENSION LIABILITY	\$ 5,461,303	\$ 5,090,542	\$ 2,184,432	\$ 5,693,677	\$ 2,725,303	\$ (924,618)	\$ (4,463,739)	\$ 3,754,920	\$ 1,832,532	\$ 2,793,817

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Plan fiduciary net position as a percentage of the total pension liability	82.35%	83.99%	93.31%	83.19%	92.51%	102.45%	111.17%	90.95%	95.73%	93.82%
Covered payroll	\$ 5,587,325	\$ 5,682,615	\$ 5,676,104	\$ 5,821,527	\$ 5,913,082	\$ 5,677,340	\$ 6,101,749	\$ 6,324,672	\$ 6,678,080	\$ 6,947,796
Employer's net pension liability as a percentage of covered payroll	97.74%	89.58%	38.48%	97.80%	46.09%	(16.29%)	(73.16%)	59.37%	27.44%	40.21%

2015 - Changes in assumptions related to investment rate of return, retirement age and mortality rates

2016 - Changes in assumptions related to retirement age and mortality rates

2017 - Changes in assumptions related to inflation rates, salary rates and mortality rates

2018 - Changes in assumptions related to the investment rate of return

2020 - Changes in assumptions related to salary rates, price inflation, retirement age and mortality rates

2023 - Changes in assumptions related to mortality rates and other demographics.

(See independent auditor's report.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN**

Last Eight Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2018	2019	2020	2021	2022	2023	2024	2025
TOTAL OPEB LIABILITY								
Service cost	\$ 12,965	\$ 12,588	\$ 14,278	\$ 14,055	\$ 65,827	\$ 48,284	\$ 28,374	\$ 27,950
Interest	22,746	25,336	18,109	17,114	13,833	28,700	27,648	21,104
Differences between expected and actual experience	-	-	76,325	-	159,730	-	(154,649)	-
Changes of assumptions	(28,720)	58,208	88,288	(113,239)	(179,270)	16,098	(32,446)	(4,854)
Benefit payments	(48,779)	(50,362)	(56,286)	(45,039)	(62,274)	(69,250)	(66,310)	(67,795)
Net change in total OPEB liability	(41,788)	45,770	140,714	(127,109)	(2,154)	23,832	(197,383)	(23,595)
Total OPEB liability - beginning	685,090	643,302	689,072	829,786	702,677	700,523	724,355	526,972
TOTAL OPEB LIABILITY - ENDING	\$ 643,302	\$ 689,072	\$ 829,786	\$ 702,677	\$ 700,523	\$ 724,355	\$ 526,972	\$ 503,377
Covered employee payroll	\$ 5,112,412	\$ 5,130,725	\$ 5,172,990	\$ 8,267,734	\$ 5,723,903	\$ 5,951,972	\$ 7,305,592	\$ 7,592,413
Employer's total OPEB liability as a percentage of covered employee payroll	12.58%	13.43%	16.04%	8.50%	12.24%	12.17%	7.21%	6.63%

Notes to Required Supplementary Information

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

2018-2023: Changes in assumptions related to the discount rate.

2024: Changes in assumptions related to the discount rate, starting per capita costs and healthcare cost trend rates.

2025: Changes in assumptions related to the discount rate.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2025

LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Annual appropriated budgets are adopted for all the governmental funds.

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

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

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

All appropriations lapse at year end. Expenditures may not exceed appropriations at the fund level.

**INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**SCHEDULE OF REVENUES
GENERAL FUND**

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under) Final Budget
TAXES			
Property taxes	\$ 9,887,914	\$ 10,039,340	\$ 151,426
Total taxes	9,887,914	10,039,340	151,426
INTERGOVERNMENTAL			
Replacement taxes	214,817	228,265	13,448
Total intergovernmental	214,817	228,265	13,448
INVESTMENT INCOME	1,021,775	948,117	(73,658)
MISCELLANEOUS	258,405	140,719	(117,686)
TOTAL REVENUES	<u>\$ 11,382,911</u>	<u>\$ 11,356,441</u>	<u>\$ (26,470)</u>

(See independent auditor's report.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**SCHEDULE OF EXPENDITURES
GENERAL FUND**

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under) Final Budget
GENERAL GOVERNMENT			
Current			
Personnel services	\$ 6,223,683	\$ 5,300,828	\$ (922,855)
Supplies and commodities	1,074,708	803,954	(270,754)
Contractual services	2,325,000	1,938,298	(386,702)
Repairs and maintenance	267,249	174,693	(92,556)
Total general government	9,890,640	8,217,773	(1,672,867)
DEBT SERVICE			
Principal retirement	1,210,000	1,210,000	-
Interest and fiscal charges	68,578	67,578	(1,000)
Total debt service	1,278,578	1,277,578	(1,000)
TOTAL EXPENDITURES	\$ 11,169,218	\$ 9,495,351	\$ (1,673,867)

(See independent auditor's report.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**SCHEDULE OF REVENUES
RECREATION FUND**

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under) Final Budget
TAXES			
Property taxes	\$ 5,134,404	\$ 4,769,235	\$ (365,169)
Total taxes	<u>5,134,404</u>	<u>4,769,235</u>	<u>(365,169)</u>
CHARGES FOR SERVICES			
Registrations and lesson fees	6,412,715	6,242,360	(170,355)
Daily fees and ticket sales	556,285	571,098	14,813
Golf fees and admissions	1,581,328	1,777,004	195,676
Other program revenues	222,099	112,887	(109,212)
Rental income	522,076	519,859	(2,217)
Concession sales	8,000	8,736	736
Special events	63,738	72,357	8,619
Total charges for services	<u>9,366,241</u>	<u>9,304,301</u>	<u>(61,940)</u>
MISCELLANEOUS	<u>22,450</u>	<u>34,002</u>	<u>11,552</u>
TOTAL REVENUES	<u>\$ 14,523,095</u>	<u>\$ 14,107,538</u>	<u>\$ (415,557)</u>

(See independent auditor's report.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**SCHEDULE OF EXPENDITURES
RECREATION FUND**

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under) Final Budget
CULTURE AND RECREATION			
Current			
Personnel services	\$ 9,349,167	\$ 8,818,052	\$ (531,115)
Supplies and commodities	1,194,361	995,342	(199,019)
Contractual services	2,486,734	2,591,359	104,625
Repairs and maintenance	482,905	529,563	46,658
	<hr/>		
Total culture and recreation	13,513,167	12,934,316	(578,851)
CAPITAL OUTLAY			
Building improvements	25,800	8,262	(17,538)
Equipment	68,085	47,454	(20,631)
	<hr/>		
Total capital outlay	93,885	55,716	(38,169)
	<hr/>		
TOTAL EXPENDITURES	\$ 13,607,052	\$ 12,990,032	\$ (617,020)

(See independent auditor's report.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
ACQUISITION AND IMPROVEMENTS FUND

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under) Final Budget
REVENUES			
Intergovernmental			
TIF surplus from Village	\$ 160,000	\$ 428,640	\$ 268,640
Grants	499,900	499,900	-
Charges for service			
Rental income	75,048	163,532	88,484
Miscellaneous	200,884	127,726	(73,158)
	<hr/>	<hr/>	<hr/>
Total revenues	935,832	1,219,798	283,966
EXPENDITURES			
Capital outlay			
Land/land improvements	2,703,250	2,137,490	(565,760)
Buildings/building improvements	733,358	703,394	(29,964)
Vehicles	222,000	101,941	(120,059)
Equipment	1,069,000	898,614	(170,386)
Professional services	160,000	228,587	68,587
	<hr/>	<hr/>	<hr/>
Total expenditures	4,887,608	4,070,026	(817,582)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<hr/>	<hr/>	<hr/>
	(3,951,776)	(2,850,228)	1,101,548
OTHER FINANCING SOURCE (USES)			
Transfers in	3,980,888	3,969,811	(11,077)
Sale of assets	-	260,446	260,446
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	3,980,888	4,230,257	249,369
NET CHANGE IN FUND BALANCE	<hr/>	<hr/>	<hr/>
	\$ 29,112	1,380,029	\$ 1,350,917
FUND BALANCE, JANUARY 1		<hr/>	
		71,749	
FUND BALANCE, DECEMBER 31		<hr/>	
		\$ 1,451,778	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUND

SPECIAL REVENUE FUND

Special revenue funds are established to account for the proceeds of specific revenue sources (other than special assessments or for major capital projects) that are legally restricted or committed to expenditure for specified purposes.

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

DEBT SERVICE FUND

Debt service funds are established to account for and report financial resources that are restricted, committed or assigned for the payment of general long-term debt principal, interest and related costs.

Bond and Interest Fund - This fund is used to account for restricted resources required for the payment of principal and interest.

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

December 31, 2025

	Special Revenue	Debt Service	Total Nonmajor
	Special Recreation	Bond and Interest	Governmental Funds
ASSETS			
Cash and investments	\$ 1,168,985	\$ 131,798	\$ 1,300,783
Receivables (net, where applicable, of allowances for uncollectibles)			
Property taxes	1,648,539	3,080,317	4,728,856
TOTAL ASSETS	\$ 2,817,524	\$ 3,212,115	\$ 6,029,639
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
None	\$ -	\$ -	\$ -
Total liabilities	-	-	-
DEFERRED INFLOWS OF RESOURCES			
Unavailable property taxes	1,350,000	2,428,045	3,778,045
Total liabilities and deferred inflows of resources	1,350,000	2,428,045	3,778,045
FUND BALANCES			
Restricted			
Special recreation	1,467,524	-	1,467,524
Debt service	-	784,070	784,070
Total fund balances	1,467,524	784,070	2,251,594
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 2,817,524	\$ 3,212,115	\$ 6,029,639

(See independent auditor's report.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

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

For the Year Ended December 31, 2025

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total Nonmajor</u>
	<u>Special Recreation</u>	<u>Bond and Interest</u>	<u>Governmental Funds</u>
REVENUES			
Taxes			
Property taxes	\$ 1,061,045	\$ 2,318,258	\$ 3,379,303
Total revenues	<u>1,061,045</u>	<u>2,318,258</u>	<u>3,379,303</u>
EXPENDITURES			
Current			
Culture and recreation	482,638	-	482,638
Debt service			
Principal	-	415,000	415,000
Interest and fiscal charges	-	430,983	430,983
Total expenditures	<u>482,638</u>	<u>845,983</u>	<u>1,328,621</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>578,407</u>	<u>1,472,275</u>	<u>2,050,682</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(219,811)</u>	<u>(1,277,578)</u>	<u>(1,497,389)</u>
Total other financing sources (uses)	<u>(219,811)</u>	<u>(1,277,578)</u>	<u>(1,497,389)</u>
NET CHANGE IN FUND BALANCES	<u>358,596</u>	<u>194,697</u>	<u>553,293</u>
FUND BALANCES, JANUARY 1	<u>1,108,928</u>	<u>589,373</u>	<u>1,698,301</u>
FUND BALANCES, DECEMBER 31	<u><u>\$ 1,467,524</u></u>	<u><u>\$ 784,070</u></u>	<u><u>\$ 2,251,594</u></u>

(See independent auditor's report.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL RECREATION FUND**

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance Over (Under) Final Budget
REVENUES			
Taxes			
Property taxes	\$ 1,110,904	\$ 1,061,045	\$ (49,859)
Total revenues	1,110,904	1,061,045	(49,859)
EXPENDITURES			
Current			
Culture and recreation			
Contractual services	482,638	482,638	-
Total expenditures	482,638	482,638	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	628,266	578,407	(49,859)
OTHER FINANCING SOURCE (USES)			
Transfers (out)	(230,888)	(219,811)	11,077
Total other financing sources (uses)	(230,888)	(219,811)	11,077
NET CHANGE IN FUND BALANCE	\$ 397,378	358,596	\$ (38,782)
FUND BALANCE, JANUARY 1		1,108,928	
FUND BALANCE, DECEMBER 31		\$ 1,467,524	

(See independent auditor's report.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
BOND AND INTEREST FUND**

For the Year Ended December 31, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under) Final Budget</u>
REVENUES			
Taxes			
Property taxes	\$ 2,359,615	\$ 2,318,258	\$ (41,357)
Total revenues	<u>2,359,615</u>	<u>2,318,258</u>	<u>(41,357)</u>
EXPENDITURES			
Debt service			
Principal retirement	2,254,890	415,000	(1,839,890)
Interest and fiscal charges	442,725	430,983	(11,742)
Total expenditures	<u>2,697,615</u>	<u>845,983</u>	<u>(1,851,632)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(338,000)</u>	<u>1,472,275</u>	<u>1,810,275</u>
OTHER FINANCING SOURCE (USES)			
Bonds issued	1,839,890	-	(1,839,890)
Transfers (out)	(1,277,578)	(1,277,578)	-
Total other financing sources (uses)	<u>562,312</u>	<u>(1,277,578)</u>	<u>(1,839,890)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 224,312</u>	194,697	<u>\$ (29,615)</u>
FUND BALANCE, JANUARY 1		<u>589,373</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 784,070</u>	

(See independent auditor's report.)

LONG-TERM DEBT REQUIREMENTS

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION ALTERNATE REVENUE SOURCE
REFUNDING PARK BONDS OF 2015C**

December 31, 2025

Date of issue	February 10, 2015
Original principal	\$5,335,000
Date of maturity	December 1, 2026
Interest rate	2.00% to 4.00%
Principal payments	December 1
Interest payments	June 1 and December 1
Payable at	UMB Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31,	Principal	Interest	Total
2026	\$ 1,145,000	\$ 34,350	\$ 1,179,350
TOTAL	\$ 1,145,000	\$ 34,350	\$ 1,179,350

(See independent auditor's report.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION LIMITED TAX
REFUNDING PARK BONDS OF 2015D**

December 31, 2025

Date of issue	February 10, 2015
Original principal	\$4,125,000
Date of maturity	December 1, 2027
Interest rate	2.50% to 4.00%
Principal payments	December 1
Interest payments	June 1 and December 1
Payable at	UMB Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31,	Principal	Interest	Total
2026	\$ 290,000	\$ 36,163	\$ 326,163
2027	845,000	27,462	872,462
TOTAL	\$ 1,135,000	\$ 63,625	\$ 1,198,625

(See independent auditor's report.)

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**LONG-TERM DEBT REQUIREMENTS
GENERAL OBLIGATION ALTERNATE REVENUE SOURCE
PARK BONDS OF 2017**

December 31, 2025

Date of issue	March 14, 2017
Original principal	\$8,820,000
Date of maturity	December 1, 2036
Interest rate	3.00% to 4.00%
Principal payments	December 1
Interest payments	June 1 and December 1
Payable at	UMB Bank

CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year Ending December 31,	Principal	Interest	Total
2026	\$ -	\$ 318,500	\$ 318,500
2027	500,000	318,500	818,500
2028	805,000	303,500	1,108,500
2029	830,000	279,350	1,109,350
2030	855,000	254,450	1,109,450
2031	880,000	228,800	1,108,800
2032	915,000	198,000	1,113,000
2033	950,000	161,400	1,111,400
2034	990,000	123,400	1,113,400
2035	1,025,000	83,800	1,108,800
2036	1,070,000	42,800	1,112,800
TOTAL	\$ 8,820,000	\$ 2,312,500	\$ 11,132,500

(See independent auditor's report.)

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have been changed over time.	62-71
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	72-75
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	76-79
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	80-81
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	82-84

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2016	2017	2018	2019
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 54,283,777	\$ 60,935,864	\$ 52,666,687	\$ 48,600,674
Restricted	3,864,641	4,151,160	6,837,787	6,930,022
Unrestricted	13,027,148	3,084,860	3,244,692	7,137,875
TOTAL GOVERNMENTAL ACTIVITIES	\$ 71,175,566	\$ 68,171,884	\$ 62,749,166	\$ 62,668,571

Data Source

Audited Financial Statements

2020	2021	2022	2023	2024	2025
\$ 49,622,317	\$ 50,824,019	\$ 52,903,989	\$ 55,006,783	\$ 58,522,841	\$ 57,930,045
7,989,867	7,382,625	11,954,316	3,366,900	7,415,482	7,348,054
7,068,083	12,087,234	12,495,280	19,933,907	18,849,646	19,410,130
<u>\$ 64,680,267</u>	<u>\$ 70,293,878</u>	<u>\$ 77,353,585</u>	<u>\$ 78,307,590</u>	<u>\$ 84,787,969</u>	<u>\$ 84,688,229</u>

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2016	2017	2018	2019
EXPENSES				
Governmental activities				
General government	\$ 7,498,688	\$ 9,500,848	\$ 8,459,833	\$ 13,304,266
Culture and recreation	13,228,014	14,912,921	18,812,094	10,553,980
Interest and fiscal charges	497,446	896,438	790,548	748,786
Total governmental activities expenses	<u>21,224,148</u>	<u>25,310,207</u>	<u>28,062,475</u>	<u>24,607,032</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 21,224,148</u>	<u>\$ 25,310,207</u>	<u>\$ 28,062,475</u>	<u>\$ 24,607,032</u>
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	\$ -	\$ -	\$ -	\$ -
Culture and recreation	7,649,088	7,644,765	7,967,721	8,033,299
Operating grants	-	7,967,721	-	29,929
Capital grants and donations	-	-	-	17,840
Total governmental activities program revenues	<u>7,649,088</u>	<u>15,612,486</u>	<u>7,967,721</u>	<u>8,081,068</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 7,649,088</u>	<u>\$ 15,612,486</u>	<u>\$ 7,967,721</u>	<u>\$ 8,081,068</u>

2020	2021	2022	2023	2024	2025
\$ 6,629,288	\$ 4,886,366	\$ 7,409,274	\$ 12,467,764	\$ 9,347,428	\$ 9,978,535
10,529,551	12,338,255	11,943,725	13,372,391	13,548,752	16,385,376
687,484	646,308	622,578	548,140	555,834	557,477
17,846,323	17,870,929	19,975,577	26,388,295	23,452,014	26,921,388
<u>\$ 17,846,323</u>	<u>\$ 17,870,929</u>	<u>\$ 19,975,577</u>	<u>\$ 26,388,295</u>	<u>\$ 23,452,014</u>	<u>\$ 26,921,388</u>
\$ -	\$ -	\$ -	\$ -	\$ 126,708	\$ 108,913
3,136,516	6,399,149	7,793,512	8,663,575	9,400,325	9,307,516
4,973	34,661	10,502	5,501	-	-
364,791	200,000	-	11,000	445,632	54,268
3,506,280	6,633,810	7,804,014	8,680,076	9,972,665	9,470,697
<u>\$ 3,506,280</u>	<u>\$ 6,633,810</u>	<u>\$ 7,804,014</u>	<u>\$ 8,680,076</u>	<u>\$ 9,972,665</u>	<u>\$ 9,470,697</u>

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2016	2017	2018	2019
NET REVENUE (EXPENSE)				
Governmental activities	\$ (13,575,060)	\$ (9,697,721)	\$ (20,094,754)	\$ (16,525,964)
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	<u>\$ (13,575,060)</u>	<u>\$ (9,697,721)</u>	<u>\$ (20,094,754)</u>	<u>\$ (16,525,964)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities				
Taxes	\$ 13,782,432	\$ 14,153,383	\$ 14,436,921	\$ 14,754,715
Intergovernmental - unrestricted	202,210	250,671	280,679	379,244
Investment income	158,852	230,015	317,785	337,324
Miscellaneous	969,899	331,412	321,741	502,616
Total governmental activities	<u>15,113,393</u>	<u>14,965,481</u>	<u>15,357,126</u>	<u>15,973,899</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 15,113,393</u>	<u>\$ 14,965,481</u>	<u>\$ 15,357,126</u>	<u>\$ 15,973,899</u>
CHANGE IN NET POSITION				
Governmental activities	<u>\$ 1,538,333</u>	<u>\$ 5,267,760</u>	<u>\$ (4,737,628)</u>	<u>\$ (552,065)</u>
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	<u>\$ 1,538,333</u>	<u>\$ 5,267,760</u>	<u>\$ (4,737,628)</u>	<u>\$ (552,065)</u>

Data Source

Audited Financial Statements

2020	2021	2022	2023	2024	2025
\$ (14,340,043)	\$ (11,237,119)	\$ (12,171,563)	\$ (17,708,219)	\$ (13,479,349)	\$ (17,450,691)
\$ (14,340,043)	\$ (11,237,119)	\$ (12,171,563)	\$ (17,708,219)	\$ (13,479,349)	\$ (17,450,691)
\$ 15,237,847	\$ 15,727,537	\$ 17,193,294	\$ 16,937,407	\$ 17,549,628	\$ 18,187,878
611,661	566,912	859,538	645,178	412,909	656,905
165,234	129,270	249,031	1,305,958	1,586,417	948,117
336,997	427,011	929,407	523,207	410,774	302,447
16,351,739	16,850,730	19,231,270	19,411,750	19,959,728	20,095,347
\$ 16,351,739	\$ 16,850,730	\$ 19,231,270	\$ 19,411,750	\$ 19,959,728	\$ 20,095,347
\$ 2,011,696	\$ 5,613,611	\$ 7,059,707	\$ 1,703,531	\$ 6,480,379	\$ 2,644,656
\$ 2,011,696	\$ 5,613,611	\$ 7,059,707	\$ 1,703,531	\$ 6,480,379	\$ 2,644,656

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2016	2017	2018	2019
GENERAL FUND				
Nonspendable				
Prepaid items	\$ 150,112	\$ 151,578	\$ 195,261	\$ 150,302
Restricted	2,656,694	2,656,694	5,348,446	5,348,446
Assigned	-	-	-	-
Unassigned	5,101,343	5,880,326	4,064,722	5,904,319
TOTAL GENERAL FUND	\$ 7,908,149	\$ 8,688,598	\$ 9,608,429	\$ 11,403,067
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable				
Inventory	\$ 6,117	\$ 6,030	\$ 7,971	\$ 5,859
Prepaid	-	20,717	24,767	135
Restricted				
Museum	35,990	35,990	101,488	101,488
Special recreation	379,259	665,777	894,511	1,029,352
Debt service	792,698	792,699	493,342	508,277
Assigned				
Fiscal sustainability	-	-	-	-
Recreation programs	4,719,787	6,456,295	6,693,130	6,798,477
Capital projects	4,575,341	8,307,846	2,202,968	-
Unassigned				
Capital projects	-	-	-	(2,271,291)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 10,509,192	\$ 16,285,354	\$ 10,418,177	\$ 6,172,297
TOTAL ALL GOVERNMENTAL FUNDS	\$ 18,417,341	\$ 24,973,952	\$ 20,026,606	\$ 17,575,364

Data Source

Audited Financial Statements

2020	2021	2022	2023	2024	2025
\$ 147,258	\$ 37,110	\$ 56,012	\$ 191,384	\$ 207,813	\$ 91,852
6,245,103	5,104,078	5,038,955	4,843,474	5,214,665	4,628,544
-	-	-	3,122,048	5,295,863	8,858,203
6,909,009	10,061,840	14,354,509	8,714,310	6,542,378	4,820,788
<u>\$ 13,301,370</u>	<u>\$ 15,203,028</u>	<u>\$ 19,449,476</u>	<u>\$ 16,871,216</u>	<u>\$ 17,260,719</u>	<u>\$ 18,399,387</u>
\$ 7,873	\$ 6,289	\$ 4,850	\$ 7,206	\$ 9,174	\$ 8,154
-	-	-	-	15,400	27,966
156,452	215,493	288,638	372,205	502,516	467,916
1,123,066	1,584,581	1,516,271	1,354,608	1,108,928	1,467,524
514,130	524,487	690,051	591,575	589,373	784,070
-	-	-	3,023,939	1,458,700	1,353,282
2,541,026	2,649,884	2,334,020	1,537,194	4,562,348	4,058,326
-	-	-	-	71,749	1,451,778
-	-	-	-	-	-
<u>\$ 4,342,547</u>	<u>\$ 4,980,734</u>	<u>\$ 4,833,830</u>	<u>\$ 6,886,727</u>	<u>\$ 8,318,188</u>	<u>\$ 9,619,016</u>
<u>\$ 17,643,917</u>	<u>\$ 20,183,762</u>	<u>\$ 24,283,306</u>	<u>\$ 23,757,943</u>	<u>\$ 25,578,907</u>	<u>\$ 28,018,403</u>

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2016	2017	2018	2019
REVENUES				
Taxes	\$ 13,935,771	\$ 14,351,954	\$ 14,585,382	\$ 14,919,748
Charges for services	7,649,088	7,644,765	7,967,721	8,171,173
Intergovernmental	48,871	52,100	132,218	261,980
Investment income	158,852	230,015	317,785	337,324
Donations and grants	167,891	16,718	13,015	-
Miscellaneous	945,552	465,145	443,479	502,616
Total revenues	22,906,025	22,760,697	23,459,600	24,192,841
EXPENDITURES				
General government	6,621,142	7,267,025	7,643,891	7,461,781
Culture and recreation	10,884,555	10,200,668	10,800,490	11,782,544
Capital outlay	3,159,482	5,746,216	7,835,827	5,744,775
Debt service				
Principal	1,315,000	1,320,000	1,360,000	1,395,000
Interest	491,902	672,431	756,675	740,009
Bond issuance costs	4,803	179,689	10,063	6,444
Total expenditures	22,476,884	25,386,029	28,406,946	27,130,553
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	429,141	(2,625,332)	(4,947,346)	(2,937,712)
OTHER FINANCING SOURCES (USES)				
Bonds issued	-	8,820,000	-	1,370,000
Payment to refunded bond escrow	-	-	-	(1,355,000)
Transfers in	1,000,000	361,943	1,836,915	2,521,224
Transfers (out)	(1,000,000)	-	(1,836,915)	(2,521,224)
Sale of assets	-	-	-	-
Total other financing sources (uses)	-	9,181,943	-	15,000
NET CHANGE IN FUND BALANCES	\$ 429,141	\$ 6,556,611	\$ (4,947,346)	\$ (2,922,712)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	9.16%	8.58%	7.92%	8.99%

Data Source

Audited Financial Statements

2020	2021	2022	2023	2024	2025
\$ 15,237,847	\$ 15,727,537	\$ 17,193,294	\$ 16,937,407	\$ 17,549,628	\$ 18,187,878
3,180,957	6,550,223	7,951,290	8,990,906	9,680,367	9,467,833
981,425	801,573	870,040	661,679	412,909	1,156,805
165,234	129,270	249,031	1,305,958	1,586,417	948,117
-	-	-	-	-	-
336,997	427,011	929,407	523,207	410,774	302,447
19,902,460	23,635,614	27,193,062	28,419,157	29,640,095	30,063,080
6,886,497	7,690,786	7,560,666	11,003,026	9,057,576	8,217,773
7,505,334	8,836,489	10,194,897	11,529,555	11,652,920	13,416,954
3,313,773	2,447,840	3,237,784	3,398,602	5,024,440	4,125,742
1,455,000	1,495,000	1,515,000	1,560,000	1,585,000	1,625,000
673,303	625,654	585,171	546,033	499,195	498,561
-	-	-	-	-	-
19,833,907	21,095,769	23,093,518	28,037,216	27,819,131	27,884,030
68,553	2,539,845	4,099,544	381,941	1,820,964	2,179,050
-	-	-	-	-	-
-	-	-	-	-	-
5,387,616	2,636,053	3,996,793	6,616,346	6,677,177	5,247,389
(5,387,616)	(2,636,053)	(3,996,793)	(6,616,346)	(6,677,177)	(5,247,389)
-	-	-	-	-	260,446
-	-	-	-	-	260,446
\$ 68,553	\$ 2,539,845	\$ 4,099,544	\$ 381,941	\$ 1,820,964	\$ 2,439,496
11.99%	11.03%	10.62%	8.40%	9.08%	8.71%

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Fiscal Year	Levy Year	Residential Property	Farm Property	Commercial Property	Industrial Property	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Percent Of Assessed Value
2016	2015	\$ 1,532,184,548	\$ 59,646	\$ 324,973,700	\$ 70,249,308	\$ 2,410,632	\$ 1,929,877,834	\$ 0.7242	\$ 5,789,633,502	33.333%
2017	2016	1,779,943,615	92,960	195,146,396	266,287,544	2,452,774	2,243,923,289	0.6472	6,731,769,867	33.333%
2018	2017	1,838,237,061	44,188	322,563,375	79,275,446	2,502,402	2,242,622,472	0.6568	6,727,867,416	33.333%
2019	2018	1,787,308,768	44,188	315,151,328	77,394,051	2,688,737	2,182,587,072	0.6922	6,547,761,216	33.333%
2020	2019	1,967,905,002	44,168	412,884,284	88,376,284	2,935,163	2,472,144,901	0.6330	7,416,435,159	33.333%
2021	2020	1,974,552,574	44,317	414,279,005	88,674,819	2,945,078	2,480,495,793	0.6496	7,441,494,817	33.333%
2022	2021	1,831,339,154	41,103	384,231,533	82,243,274	2,731,473	2,300,586,537	0.7102	6,901,759,608	33.333%
2023	2022	2,222,590,383	44,050	395,367,734	90,256,247	3,653,336	2,711,911,750	0.6370	8,135,735,250	33.333%
2024	2023	2,792,779,800	39,697	406,243,508	99,745,591	3,949,769	3,302,758,365	0.6486	9,908,275,095	33.333%
2025	2024	2,266,796,875	31,350	392,369,500	117,989,879	3,745,953	2,780,933,557	0.6856	8,342,800,671	33.333%

Note: Property in the District is reassessed every three years. Property is assessed at 33% of actual value. Total direct tax rate is the Cook County rate.

Data Source

Office of the County Clerk

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(Per \$100 of assessed value)**

Last Ten Levy Years

Jurisdiction	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Park District										
General	0.2830	0.2600	0.2763	0.2966	0.2560	0.2763	0.3337	0.2790	0.3173	0.3438
Liability Insurance	0.0238	0.0219	0.0233	0.0250	0.0250	0.0270	0.0320	0.0264	0.0277	0.0512
Audit	0.0011	0.0010	0.0011	0.0012	0.0010	0.0012	0.0014	0.0011	0.0012	0.0012
Recreation	0.2167	0.1701	0.1627	0.1641	0.1630	0.1535	0.1581	0.1696	0.1631	0.1613
Museum	0.0036	0.0033	0.0035	0.0038	0.0030	0.0037	0.0044	0.0036	0.0038	0.0002
Special Recreation	0.0400	0.0346	0.0367	0.0392	0.0360	0.0389	0.0342	0.0305	0.0320	0.0400
Bond and Interest	0.0893	0.0950	0.0881	0.0924	0.0830	0.0847	0.0927	0.0824	0.0841	0.0874
Retirement	0.0667	0.0613	0.0651	0.0699	0.0660	0.0643	0.0537	0.0444	0.0194	0.0005
Total Park District	0.7242	0.6472	0.6568	0.6922	0.633	0.6496	0.7102	0.637	0.6486	0.6856
Cook County including Forest Preserve Township	0.6550	0.5960	0.5580	0.5490	0.5130	1.0300	0.5230	0.5120	0.4601	0.4591
Palatine Road and Bridge Fund	0.0630	0.0540	0.0550	0.0590	0.0550	0.5500	0.0600	0.0500	0.0482	0.0491
Palatine TWP General Assistance	0.0920	0.0790	0.0780	0.0800	0.0720	0.0700	0.0740	0.0600	0.0540	0.0519
Metropolitan Water Reclamation District	0.0180	0.0120	0.0100	0.0070	0.0070	0.0100	0.0080	0.0070	0.0060	0.0060
Library District	0.4260	0.4060	0.4020	0.3960	0.3890	0.5000	0.3820	0.3740	0.3451	0.3404
Schools (Districts #15, #211 and Harper College)	0.3080	0.2680	0.2760	0.2910	0.3440	0.3500	0.3880	0.3460	0.3523	0.3698
Village	7.8100	6.8300	6.9650	7.2940	6.6380	6.7600	7.4320	6.7930	6.8760	7.3262
All others	1.4060	1.2120	1.2490	1.2960	1.1440	1.1300	1.3690	1.0080	0.9772	0.9702
	0.0110	0.0100	0.0410	0.0110	0.0400	0.0100	0.0100	0.0090	0.0410	0.0105
TOTAL TAX RATES	11.5132	10.1142	10.2908	10.6752	9.8350	11.0596	10.9562	9.7960	9.8085	10.2688

Data Source

Office of the County Clerk

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

PRINCIPAL PROPERTY TAXPAYERS

Prior Year and Nine Years Ago

Taxpayer	2024			2015		
	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total District Taxable Assessed Valuation
Albion on Lake Cook	\$ 53,169,397	1	1.90%	\$ 10,633,467	6	0.54%
F & F Realty, Ltd.	26,845,070	2	0.96%	15,091,343	3	0.76%
TMIF II Clayson LLC	16,218,871	3	0.58%			
Tree House Venture II	15,351,272	4	0.55%	11,150,202	5	0.56%
Element at Veridian LLC	14,918,740	5	0.53%			
Finger-Epco Algonquin LLC	13,268,894	6	0.48%			
Lakes of Schaumburg	13,120,957	7	0.47%			
TLC Management Co.	12,777,222	8	0.46%			
UPS	11,750,171	9	0.42%			
Wal Mart	10,430,987	10	0.37%	14,600,203	4	0.74%
Motorola				27,131,727	1	1.37%
Weber Stephen Prod LLC				16,265,656	2	0.82%
Brookind Corp				9,149,753	7	0.46%
Thomason Pts				8,140,378	8	0.41%
Village Park Palatine 300				8,069,052	9	0.41%
McCaffery Interests				7,984,965	10	0.40%
	<u>\$ 187,851,581</u>		<u>6.72%</u>	<u>\$ 128,216,746</u>		<u>6.47%</u>

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

Data Source

Office of the County Clerk

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Fiscal Year	Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy		Collections in	Total Collections to Date	
			Amount	Percentage of Levy	Subsequent Years	Amount	Percentage of Levy
2016	2015	\$ 13,978,177	\$ 13,819,106	98.86%	\$ 8,490	\$ 13,827,596	98.92%
2017	2016	14,522,672	14,239,332	98.05%	113,996	14,353,328	98.83%
2018	2017	14,692,219	14,532,294	98.91%	-	14,532,294	98.91%
2019	2018	15,107,585	14,758,006	97.69%	-	14,758,006	97.69%
2020	2019	15,646,170	15,238,147	97.39%	-	15,238,147	97.39%
2021	2020	16,116,849	15,751,556	97.73%	-	15,751,556	97.73%
2022	2021	16,339,436	16,125,297	98.69%	-	16,125,297	98.69%
2023	2022	17,276,222	17,011,878	98.47%	-	17,011,878	98.47%
2024	2023	18,115,587	17,549,628	96.88%	-	17,549,628	96.88%
2025	2024	19,067,721	13,070,486	68.55%	5,691,225	18,761,711	98.40%

Data Source

Office of the County Clerk

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	General Obligation Bonds	Total Primary Government	Percentage of Personal Income*	Per Capita*
2016	\$ 16,134,534	\$ 16,134,534	0.54%	\$ 194.39
2017	23,949,508	23,949,508	0.75%	288.55
2018	22,541,110	22,541,110	0.71%	271.58
2019	21,111,650	21,111,650	0.60%	254.36
2020	19,605,265	19,605,265	0.56%	236.21
2021	18,057,433	18,057,433	0.49%	217.56
2022	16,506,587	16,506,587	0.47%	198.87
2023	14,873,928	14,873,928	0.36%	179.20
2024	13,234,555	13,234,555	0.32%	159.45
2025	11,553,773	11,553,773	0.28%	139.20

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

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amounts Available In Debt Service Fund	Total	Percentage of Actual Taxable Value of Property*	Per Capita
2016	\$ 16,134,534	\$ 792,698	\$ 15,341,836	0.79%	\$ 184.84
2017	23,949,508	792,699	23,156,809	1.03%	279.00
2018	22,541,110	493,342	22,047,768	0.98%	265.64
2019	21,111,650	450,736	20,660,914	0.95%	248.93
2020	19,605,265	465,246	19,140,019	0.77%	230.60
2021	18,057,433	478,473	17,578,960	0.71%	211.79
2022	16,506,587	646,713	15,859,874	0.69%	191.08
2023	14,873,928	551,533	14,322,395	0.53%	172.56
2024	13,234,555	591,576	12,642,979	0.38%	152.35
2025	11,553,773	784,070	10,769,703	0.39%	129.76

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

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

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2025

Governmental Unit	Gross Debt	Percentage of Debt Applicable to the District*	District Share of Debt
Palatine Park District	\$ 11,553,773	100.00%	\$ 11,553,773
Cook County	1,935,201,750	1.40%	27,092,825
Cook County Forest Preserve	87,340,000	1.40%	1,222,760
Village of Schaumburg	282,510,000	3.54%	10,000,854
Metropolitan Water Reclamation District	2,693,351,774	1.39%	37,437,590
City of Rolling Meadows	14,335,000	14.99%	2,148,817
Village of Palatine SSA #5	4,385,000	100.00%	4,385,000
The Village of Palatine	25,905,000	94.62%	24,511,311
School District #220	124,480,000	0.26%	323,648
School District #15	142,720,000	62.46%	89,142,912
Arlington Heights	59,705,000	0.80%	477,640
Hoffman Estates	85,612,090	3.39%	2,902,250
Inverness	-	18.10%	-
Community College District #512	207,460,000	11.51%	23,878,646
	<u>5,663,005,614</u>		<u>223,524,253</u>
	<u>\$ 5,674,559,387</u>		<u>\$ 235,078,026</u>

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

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

Data Sources

Cook County Clerk's Office, Lake County Clerk's Office or Local Government Entity

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

LEGAL DEBT MARGIN INFORMATION

Last Ten Levy Years

Levy Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Equalized Assessed Valuation	\$ 1,929,877,834	\$ 2,243,923,289	\$ 2,242,622,472	\$ 2,182,587,072	\$ 2,472,145,053	\$ 2,480,495,752	\$ 2,300,586,536	\$ 2,711,911,750	\$ 3,302,758,365	\$ 2,780,933,557
Bonded Debt Limit - 2.875% of Assessed Value	55,483,988	64,512,795	64,475,396	62,749,378	71,074,170	71,314,253	66,141,863	77,967,463	94,954,303	79,951,840
Total Net Debt Applicable to Limit	8,495,000	6,355,000	6,025,000	5,685,000	4,630,000	3,545,000	2,760,000	1,955,000	1,550,000	1,135,000
Legal Debt Margin	\$ 46,988,988	\$ 58,157,795	\$ 58,450,396	\$ 57,064,378	\$ 66,444,170	\$ 67,769,253	\$ 63,381,863	\$ 76,012,463	\$ 93,404,303	\$ 78,816,840
Total Debt Applicable to the Limit as a Percentage of Debt Limit	15.31%	9.85%	9.34%	9.06%	6.51%	4.97%	4.17%	2.51%	1.63%	1.42%
Non-Referendum Legal Debt Limit - 0.575% of Assessed Value	11,096,798	12,902,559	12,895,079	12,549,876	14,214,834	14,262,851	13,228,373	15,593,493	18,990,861	15,990,368
Amount of Debt Applicable to Limit	8,495,000	6,355,000	6,025,000	5,685,000	4,630,000	3,545,000	2,760,000	1,955,000	1,550,000	1,135,000
Legal Debt Margin	\$ 2,601,798	\$ 6,547,559	\$ 6,870,079	\$ 6,864,876	\$ 9,584,834	\$ 10,717,851	\$ 10,468,373	\$ 13,638,493	\$ 17,440,861	\$ 14,855,368
Percentage of Legal Debt Margin to Bonded Debt Limit	23.45%	50.75%	53.28%	54.70%	67.43%	75.15%	79.14%	87.46%	91.84%	92.90%

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2015	83,000	\$ 2,982,605,000	\$ 35,935	5.60%
2016	83,000	2,982,605,000	35,935	4.40%
2017	83,000	3,172,343,000	38,221	4.10%
2018	83,000	3,172,343,000	38,221	4.10%
2019	83,000	3,501,189,000	42,183	2.90%
2020	83,000	3,501,189,000	42,183	7.00%
2021	83,000	3,650,174,000	43,978	5.70%
2022	83,000	3,485,834,000	41,998	3.20%
2023	83,000	4,096,133,000	49,351	3.40%
2024	83,000	4,145,850,000	49,950	4.50%

Data Sources

U.S. Census Bureau, Illinois Department of Employment Security

**PALATINE PARK DISTRICT
PALATINE , ILLINOIS**

PRINCIPAL EMPLOYERS

Last Year and Nine Years Ago

Employer	2024*			2015		
	Rank	Number of Employees	% of Total District Population	Rank	Number of Employees	% of Total District Population
Township High School District 211	1	2,150	2.59%	2	2,057	2.48%
Weber-Stephen Products	2	1,341	1.62%	8	200	0.24%
United Parcel Service	3	1,176	1.42%	5	500	0.60%
Community Consolidated School District 15	4	918	1.11%	1	2,088	2.52%
Community College District 512	5	898	1.08%	4	840	1.01%
Little City Foundation	6	669	0.81%	0	-	0.00%
United States Postal Service	7	384	0.46%	3	1,000	1.20%
Village of Palatine	8	341	0.41%	6	338	0.41%
Intec Group, Inc.	9	104	0.13%	9	150	0.18%
Arlington Plating	10	100	0.12%	0	-	0.00%
Schneider Electric Square D		-	0.00%	7	250	0.30%
Keller Williams		-	0.00%	10	140	0.17%
		8,081	9.75%		7,563	9.11%
Total Population			83,000			83,000

*The Village of Palatine ACFR for fiscal year December 31, 2025 is not currently available.

Data Source

Information is from the Village of Palatine

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
GENERAL GOVERNMENT										
Administration	24	29	28	27	26	26	27	22	20	20
Parks	40	39	37	37	32	35	34	32	32	35
Recreation	124	129	132	135	64	91	103	125	130	137
Palatine Stables	10	10	10	10	9	9	9	9	8	-
Palatine Hills Golf Course	17	16	15	15	13	16	16	17	17	17
TOTAL GENERAL GOVERNMENT	215	223	222	224	144	177	189	205	207	209

Data Source

District finance office - Staff used a new method to record FTE by taking number of hours per area divided by 2,080.

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Fitness Center Memberships	1,476	1,218	1,004	1,088	636	597	832	859	838	883
Swimming Pool Visits	101,877	98,587	100,068	91,036	21,668	67,663	73,705	78,215	86,281	84,117
Pool Passes Sold	1,359	1,416	1,496	1,416	62	1,312	863	1,617	1,746	1,626
Golf Rounds Played	34,132	30,482	28,580	28,040	27,891	32,760	30,630	30,679	33,796	36,589
Camp Participants	3,243	3,263	3,276	3,022	80	1,129	2,615	2,855	3,056	2,292
Stables Lessons/Camp	601	704	714	763	650	726	965	1,314	858	-
Before and After School Care	664	630	635	660	847	370	426	589	635	607
Preschool Participants	139	140	136	140	87	158	148	137	141	144
Volunteers	250	560	750	404	20	352	502	864	1,069	445
Background Checks Run	612	560	720	661	188	410	734	813	671	672

Data Source

Various District departments

**PALATINE PARK DISTRICT
PALATINE, ILLINOIS**

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
PARKS AND FACILITIES										
Parks/Natural Areas										
Number	55	55	55	55	55	55	55	55	55	55
Acres	734.20	735.20	735.20	735.20	735.20	735.20	737.03	737.03	737.03	740.30
Facilities										
Play equipment	29	29	30	30	30	30	30	30	30	32
Swimming facilities	3	3	3	3	3	3	3	3	3	3
Recreation centers	3	3	3	3	3	3	3	3	3	3
Outdoor skating	2	2	2	1	1	1	1	1	1	1
18 hole golf course	1	1	1	1	1	1	1	1	1	1
Football fields	4	4	4	4	4	2	2	2	2	2
Ball diamonds	24	24	24	24	24	22	22	22	22	21
Soccer fields	24	24	24	24	24	24	24	24	24	24
Outdoor tennis courts	14	14	6	6	6	14	14	14	14	14
Picnic areas	27	27	27	27	27	27	27	27	27	28
Walking, jogging and bike trails	1	1	1	6	6	24	24	24	24	24
Volleyball courts	3	3	4	4	4	3	3	3	3	3
Basketball courts	3 full/half	3 full/3 half	3 full/3 half	3 full/3 half	3 full/3 half	6 full/4 half	6 full/4 half	6 full/4 half	6 full/4 half	7 full/4 half
Shelters	24	24	21	21	21	23	23	23	23	24
Stables	1	1	1	1	1	1	1	1	1	-
Theatres	1	1	1	1	1	1	1	1	1	1
Amphitheaters	1	1	1	1	1	1	1	1	1	1
Pickle Ball courts	4	4	4	4	4	10	10	10	10	10
18 hole disc golf course	1	1	1	1	1	1	1	1	1	1
Fishing pier	1	1	1	1	1	1	1	1	1	1
Skate park	1	1	1	1	1	1	1	1	1	1
Dog park	1	1	1	1	1	1	1	1	1	1
Outdoor Fitness Stations	N/A	N/A	N/A	1	1	2	2	2	2	2

N/A - Not Applicable

Data Source

Parks Department