

FY 2023

**ANNUAL TAX INCREMENT FINANCE
REPORT**



SUSANA A. MENDOZA
ILLINOIS STATE COMPTROLLER

Name of Municipality: Village of Palatine Reporting Fiscal Year: 2023
County: Cook Fiscal Year End: 12/31/2023
Unit Code: 016-430-32

FY 2023 TIF Administrator Contact Information-Required

First Name: Reid Last Name: Ottesen
Address: 200 E Wood St Title: Village Manager
Telephone: (847) 359-9031 City: Palatine Zip: 60067
E-mail: findept@palatine.il.us

I attest to the best of my knowledge, that this FY 2023 report of the redevelopment project area(s)
in the City/Village of: Palatine
is complete and accurate pursuant to Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] and
or Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

Written signature of TIF Administrator

June 10, 2024

Date

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONE FOR EACH TIF DISTRICT

Name of Redevelopment Project Area	Date Designated MM/DD/20YY	Date Terminated MM/DD/20YY
Downtown Area Tax Increment Financing Redevelopment Project Area	12/13/1999	

*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation
Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

SECTION 2 [Sections 2 through 8 must be completed for each redevelopment project area listed in Section 1.]

FY 2023

Name of Redevelopment Project Area (below):

Downtown TIF

Primary Use of Redevelopment Project Area*: Retail/Residential
* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.
If "Combination/Mixed" List Component Types:
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):
Tax Increment Allocation Redevelopment Act <u> X </u>
Industrial Jobs Recovery Law <u> </u>

Please utilize the information below to properly label the Attachments.

	No	Yes
For redevelopment projects beginning prior to FY 2022, were there any amendments, to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment (labeled Attachment A).	X	
For redevelopment projects beginning in or after FY 2022, were there any amendments, enactments or extensions to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment, enactment or extension, and a copy of the redevelopment plan (labeled Attachment A).		
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification (labeled Attachment B).		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion (labeled Attachment C).		X
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement (labeled Attachment D).		X
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) (labeled Attachment E).	X	
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information (labeled Attachment F).	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).	X	
Were there any reports or meeting minutes <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report (labeled Attachment H).	X	
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached and (labeled Attachment J).	X	
An analysis prepared by a financial advisor or underwriter, <u>chosen by the municipality</u> , setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage, <u>and actual debt service</u> . [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If attachment I is yes, then Analysis and an accompanying letter from the municipality outlining the contractual relationship between the municipality and the financial advisor/underwriter <u>MUST</u> be attached (labeled Attachment J).	X	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund (labeled Attachment K).		X
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L).		X
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose list only, not actual agreements (labeled Attachment M).	X	
For redevelopment projects beginning in or after FY 2022, did the developer identify to the municipality a stated rate of return for each redevelopment project area? Stated rates of return required to be reported shall be independently verified by a third party chosen by the municipality. If yes, please enclose evidence of third party verification, may be in the form of a letter from the third party (labeled Attachment N).	X	

SECTION 3.1 [65 ILCS 5/11-74.4-5 (d)(5)(a)(b)(d)) and (65 ILCS 5/11-74.6-22 (d) (5)(a)(b)(d)]

FY 2023

TIF NAME:

Downtown TIF

Provide an analysis of the special tax allocation fund.

Special Tax Allocation Fund Balance at Beginning of Reporting Period

\$ 14,853,961

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$ 7,458,488	\$ 115,919,113	57%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 1,776,388	\$ 3,293,354	2%
Land/Building Sale Proceeds		\$ 1,252,260	1%
Bond Proceeds		\$ 76,358,554	38%
Transfers from Municipal Sources		\$ 6,188,022	3%
Private Sources			0%
Other (Identify source _____)			0%

All Amount Deposited in Special Tax Allocation Fund

\$ 9,234,876

Cumulative Total Revenues/Cash Receipts

\$ 203,011,303 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)

\$ 505,262

Transfers to Municipal Sources

\$ -

Distribution of Surplus

\$ -

Total Expenditures/Disbursements

\$ 505,262

Net/Income/Cash Receipts Over/(Under) Cash Disbursements

\$ 8,729,614

Previous Year Adjustment (Explain Below)

\$ -

FUND BALANCE, END OF REPORTING PERIOD*

\$ 23,583,575

* If there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

Previous Year Explanation:

SECTION 3.2 A [65 ILCS 5/11-74.4-5 (d) (5) (c) and 65 ILCS 5/11-74.6-22 (d) (5)(c)]

FY 2023

Name of Redevelopment Project Area:

Downtown TIF

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND

PAGE 1

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
Professional services	72,957	
		\$ 72,957
2. Annual administrative cost.		
		\$ -
3. Cost of marketing sites.		
		\$ -
4. Property assembly cost and site preparation costs.		
		\$ -
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
Project expenditures	142,481	
		\$ 142,481
6. Costs of the construction of public works or improvements.		
Street improvements	71,360	
Buildings and facilities	54,262	
Flood control	150,134	
		\$ 275,756

SECTION 3.2 A		
PAGE 2		
7. Costs of eliminating or removing contaminants and other impediments.		
		\$ -
8. Cost of job training and retraining projects.		
		\$ -
9. Financing costs.		
Principal retirement	14,068	
		\$ 14,068
10. Capital costs.		
		\$ -
11. Cost of reimbursing school districts for their increased costs caused by TIF assisted housing projects.		
		\$ -
12. Cost of reimbursing library districts for their increased costs caused by TIF assisted housing projects.		
		\$ -

SECTION 3.2 A		
PAGE 3		
13. Relocation costs.		
		\$ -
14. Payments in lieu of taxes.		
		\$ -
15. Costs of job training, retraining, advanced vocational or career education.		
		\$ -
16. Interest cost incurred by redeveloper or other nongovernmental persons in connection with a redevelopment project.		
		\$ -
17. Cost of day care services.		
		\$ -
18. Other.		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 505,262

SECTION 3.3 [65 ILCS 5/11-74.4-5 (d) (5d) 65 ILCS 5/11-74.6-22 (d) (5d)]

FY 2023

Name of Redevelopment Project Area:

Downtown TIF

Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period by source

FUND BALANCE BY SOURCE

\$ 23,583,575

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		
None		

Total Amount Designated for Obligations

\$ -	\$ -
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2. Description of Project Costs to be Paid

Street improvements		\$ 5,250,000
Parking system improvements		\$ 3,000,000
Flood control improvements		\$ 10,000,000
Other infrastructure improvements		\$ 3,750,000

Total Amount Designated for Project Costs

\$ 22,000,000

TOTAL AMOUNT DESIGNATED

\$ 22,000,000

SURPLUS/(DEFICIT)

\$ 1,583,575

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]**FY 2023****Name of Redevelopment Project Area:****Downtown TIF**

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

Indicate an 'X' if no property was acquired by the municipality within the redevelopment project area.

Property (1):	
Street address:	25 W Palatine Rd
Approximate size or description of property:	1/3 Acre / Zoned: B-1 - Neighborhood Business District
Purchase price:	335,200.00
Seller of property:	American Data Centre, Inc

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 [20 ILCS 620/4.7 (7)(F)]

FY 2023

Name of Redevelopment Project Area (below):

Downtown TIF

PAGE 1

Page 1 MUST be included with TIF report. Pages 2 and 3 are to be included ONLY if projects are listed.

Select ONE of the following by indicating an 'X':

1. <u>NO</u> projects were undertaken by the Municipality Within the Redevelopment Project Area.	
2. The Municipality <u>DID</u> undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	X
2a. The total number of <u>ALL</u> activities undertaken in furtherance of the objectives of the redevelopment plan:	21

LIST ALL the projects undertaken by the Municipality Within the Redevelopment Project Area:

TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 243,048,615	\$ 451,386	\$ 451,386
Public Investment Undertaken	\$ 50,855,114	\$ 172,950	\$ 172,950
Ratio of Private/Public Investment	4 60/77		2 25/41

Project 1*: Wellington Court

Private Investment Undertaken (See Instructions)	\$ 6,000,000		
Public Investment Undertaken	\$ 400,000		
Ratio of Private/Public Investment	15		0

Project 2*: Groves of Palatine

Private Investment Undertaken (See Instructions)	\$ 98,000,000		
Public Investment Undertaken	\$ 3,976,850		
Ratio of Private/Public Investment	24 9/14		0

Project 3*: Gateway Center

Private Investment Undertaken (See Instructions)	\$ 18,000,000		
Public Investment Undertaken	\$ 18,273,000		
Ratio of Private/Public Investment	66/67		0

Project 4*: Hummel Building

Private Investment Undertaken (See Instructions)	\$ 6,000,000		
Public Investment Undertaken	\$ 1,732,013		
Ratio of Private/Public Investment	3 13/28		0

Project 5*: Providence

Private Investment Undertaken (See Instructions)	\$ 4,200,000		
Public Investment Undertaken	\$ 9,349,935		
Ratio of Private/Public Investment	31/69		0

Project 6*: Palatine Station

Private Investment Undertaken (See Instructions)	\$ 35,000,000		
Public Investment Undertaken	\$ 164,830		
Ratio of Private/Public Investment	212 17/50		0

Project 7*: Brownstones #1

Private Investment Undertaken (See Instructions)	\$ 4,000,000		
Public Investment Undertaken	\$ 1,374,300		
Ratio of Private/Public Investment	2 51/56		0

Project 8*: Brownstones #2

Private Investment Undertaken (See Instructions)	\$ 5,000,000		
Public Investment Undertaken	\$ 990,000		
Ratio of Private/Public Investment	5 5/99		0

Project 9*: Benchmark

Private Investment Undertaken (See Instructions)	\$ 21,000,000		
Public Investment Undertaken	\$ 2,098,500		
Ratio of Private/Public Investment	10		0

Project 10*: Preserves of Palatine

Private Investment Undertaken (See Instructions)	\$ 3,000,000		
Public Investment Undertaken	\$ 2,089,963		
Ratio of Private/Public Investment	1 27/62		0

Project 11*: Metropolitan

Private Investment Undertaken (See Instructions)	\$ 13,000,000		
Public Investment Undertaken	\$ 1,952,000		
Ratio of Private/Public Investment	6 64/97		0

Project 12*: Music Room

Private Investment Undertaken (See Instructions)	\$ 1,000,000		
Public Investment Undertaken	\$ 125,000		
Ratio of Private/Public Investment	8		0

Project 13*: 19 South Bothwell

Private Investment Undertaken (See Instructions)	\$ 675,000		
Public Investment Undertaken	\$ 190,000		
Ratio of Private/Public Investment	3 21/38		0

Project 14*: Lamplighter's Inn

Private Investment Undertaken (See Instructions)	\$ 1,000,000		
Public Investment Undertaken	\$ 190,000		
Ratio of Private/Public Investment	5 5/19		0

Project 15*: Mexico Uno

Private Investment Undertaken (See Instructions)	\$ 580,000		
Public Investment Undertaken	\$ 482,000		
Ratio of Private/Public Investment	1 12/59		0

Project 16*: Stratford

Private Investment Undertaken (See Instructions)	\$ 7,115,820		
Public Investment Undertaken	\$ 900,000		
Ratio of Private/Public Investment	7 29/32		0

Project 17*: Heritage

Private Investment Undertaken (See Instructions)	\$ 16,000,000		
Public Investment Undertaken	\$ 2,100,000		
Ratio of Private/Public Investment	7 13/21		0

Project 18*: Bauer's Brahaus

Private Investment Undertaken (See Instructions)	\$ 300,000		
Public Investment Undertaken	\$ 30,000		
Ratio of Private/Public Investment	10		0

Project 19*: Patzke/FSKS

Private Investment Undertaken (See Instructions)	\$ 1,500,000		
Public Investment Undertaken	\$ 249,451		
Ratio of Private/Public Investment	6 1/76		0

Project 20*: Downtown Façade Program

Private Investment Undertaken (See Instructions)	\$ 777,795	\$ 451,386	\$ 451,386
Public Investment Undertaken	\$ 3,687,272	\$ 172,950	\$ 172,950
Ratio of Private/Public Investment	4/19		2 25/41

Project 21*: Tap House Grill

Private Investment Undertaken (See Instructions)	\$ 900,000		
Public Investment Undertaken	\$ 500,000		
Ratio of Private/Public Investment	1 4/5		0

Project 22*:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 23*:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 24*:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 25*:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

SECTIONS 6.2, 6.3, and 6.4 are required by law, if applicable. (65 ILCS 5/11-74.4-5(d))]

Downtown TIF

Number of Jobs Retained	Number of Jobs Created	Job Description and Type (Temporary or Permanent)	Total Salaries Paid
			\$ -

Project Name	The number of jobs, if any, projected to be created at the time of approval of the redevelopment agreement.		The number of jobs, if any, created as a result of the development to date, for the reporting period, under the same guidelines and assumptions as was used for the projections used at the time of approval of the redevelopment agreement.	
	Temporary	Permanent	Temporary	Permanent

[illegible]

Project Name	Stated Rate of Return

SECTION 7 [Information in the following section is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.]

FY 2023

Name of Redevelopment Project Area:
Downtown TIF

Provide a general description of the redevelopment project area using only major boundaries.

Optional Documents	Enclosed
Legal description of redevelopment project area	
Map of District	

SECTION 8 [Information in the following section is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.]

FY 2023

Name of Redevelopment Project Area:

Downtown TIF

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area.

Year of Designation	Base EAV	Reporting Fiscal Year EAV
1999	\$ 23,256,863	\$ 99,688,835

List all overlapping tax districts in the redevelopment project area.
If overlapping taxing district received a surplus, list the surplus.

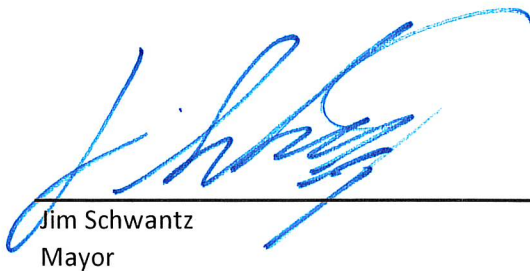
X

Indicate an 'X' if the overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER

I, Jim Schwantz, the duly elected Mayor and Chief Executive Officer of the Village of Palatine, County of Cook, State of Illinois, do hereby certify that to the best of my knowledge, the Village complied with the requirements pertaining to the Illinois Tax Increment Redevelopment Allocation Act during the fiscal year beginning January 1, 2023 and ending December 31, 2023.

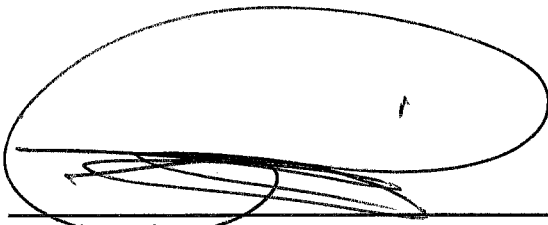


Jim Schwantz
Mayor

June 10, 2024
Date

CERTIFICATION BY THE VILLAGE ATTORNEY

This will confirm that I am the duly appointed Village Attorney of the Village of Palatine, County of Cook, State of Illinois. I have reviewed all information provided to me by the Village of Palatine staff and consultants. I find that the Village has conformed to all the applicable requirements of the Illinois Tax Incremental Redevelopment Allocation Act set forth thereunder for the fiscal year beginning January 1, 2023 and ending December 31, 2023, to the best of my knowledge and belief.

A handwritten signature in black ink, consisting of a large, loopy 'P' followed by several horizontal strokes, written over a horizontal line.

Patrick Brankin
Village Attorney

June 10, 2024

Date

Activities Undertaken in Furtherance of the Objectives of the Redevelopment Plan

The redevelopment of the former Kinsch Nursery site is underway, resulting in the construction of a 3-story 58 unit apartment building. The redevelopment of the former Kramer Photographers site with a new 3-story, 18 unit apartment building has received final zoning approvals and is currently in the building permit review process. Following the establishment of the Village's Downtown TIF District Façade & Interior Building Improvement Grant Program, 3 requests have been approved. The most significant grant request resulted in the recently completed interior and exterior remodeling of the former Zimmer Hardware building into the new Pizza Bella restaurant. Lastly, the Village has engaged a planning consultant, Design Workshop, to prepare design alternative concepts for various streetscape, parking, and public space improvements throughout the downtown area.

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630.566.8400

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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Village of Palatine, Illinois (the Village) as of and for the year ended December 31, 2023, and the notes to financial statements, which collectively comprise the basic financial statements of the Village, and have issued our report thereon dated May 21, 2024, which expressed an unmodified opinion on those statements.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information (schedule of revenues, expenditures, and changes in fund balance and schedule of fund balances by source for the Tax Increment Financing Districts) is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

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

Sikich CPA LLC

Naperville, Illinois
May 21, 2024

Supplementary Information

VILLAGE OF PALATINE, ILLINOIS

TAX INCREMENT FINANCING DISTRICT FUNDS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

For the Year Ended December 31, 2023

	Downtown TIF	Rand Road Corridor TIF	Rand/Lake Cook TIF
REVENUES			
Taxes			
Incremental property taxes	\$ 7,458,488	\$ 3,467,625	\$ 975,508
Intergovernmental			
Grants	-	9,598	-
Investment income	740,388	305,519	91,009
Miscellaneous			
Miscellaneous	1,036,000	-	-
Total revenues	9,234,876	3,782,742	1,066,517
EXPENDITURES			
Economic development			
Supplies and services	72,957	1,061	1,060
Project expenditures	142,481	272,610	-
Surplus distribution	-	1,500,000	1,500,000
Capital outlay			
Buildings and facilities	54,262	-	-
Technology	-	82,698	-
Street improvements	71,360	-	-
Flood control	150,134	-	-
Debt service			
Principal retirement	14,068	1,425,000	-
Interest	-	151,680	-
Fiscal charges	-	1,225	-
Total expenditures	505,262	3,434,274	1,501,060
NET CHANGE IN FUND BALANCE	8,729,614	348,468	(434,543)
FUND BALANCE, JANUARY 1	14,853,961	5,560,992	2,532,430
FUND BALANCE, DECEMBER 31	\$ 23,583,575	\$ 5,909,460	\$ 2,097,887

(See independent auditor's report.)

VILLAGE OF PALATINE, ILLINOIS

TAX INCREMENT FINANCING DISTRICT FUNDS
SCHEDULE OF FUND BALANCES BY SOURCE

For the Year Ended December 31, 2023

	Downtown TIF	Rand Road Corridor TIF	Rand/Lake Cook TIF
BEGINNING BALANCES, JANUARY 1, 2023	\$ 14,853,961	\$ 5,560,992	\$ 2,532,430
ADDITIONS			
Taxes			
Incremental property taxes	7,458,488	3,467,625	975,508
Intergovernmental			
Grants	-	9,598	-
Investment income	740,388	305,519	91,009
Miscellaneous			
Miscellaneous	1,036,000	-	-
Total additions	9,234,876	3,782,742	1,066,517
BEGINNING BALANCES PLUS ADDITIONS	24,088,837	9,343,734	3,598,947
DEDUCTIONS			
Economic development			
Supplies and services	72,957	1,061	1,060
Project expenditures	142,481	272,610	-
Surplus distribution	-	1,500,000	1,500,000
Capital outlay			
Buildings and facilities	54,262	-	-
Technology	-	82,698	-
Street improvements	71,360	-	-
Flood Control	150,134	-	-
Debt service			
Principal retirement	14,068	1,425,000	-
Interest	-	151,680	-
Fiscal charges	-	1,225	-
Total deductions	505,262	3,434,274	1,501,060
ENDING BALANCES, DECEMBER 31, 2023	\$ 23,583,575	\$ 5,909,460	\$ 2,097,887
ENDING BALANCES BY SOURCE			
Incremental property taxes	\$ 17,894,319	\$ 5,909,460	\$ 2,097,887
Investment income	235,126	-	-
Investment in land held for resale	5,454,130	-	-
Subtotal	23,583,575	5,909,460	2,097,887
Less Surplus Funds	-	-	-
ENDING BALANCES, DECEMBER 31, 2023	\$ 23,583,575	\$ 5,909,460	\$ 2,097,887

(See independent auditor's report.)

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INDEPENDENT ACCOUNTANT'S REPORT ON MANAGEMENT'S ASSERTION OF COMPLIANCE

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

We have examined management's assertion, included in its representation letter dated May 21, 2024 that the Village of Palatine, Illinois (the Village) complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2023. Management is responsible for the Village's assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Village's compliance with the specified requirements.

In our opinion, management's assertion that the Village of Palatine, Illinois complied with the aforementioned requirements for the year ended December 31, 2023 is fairly stated, in all material respects.

This report is intended solely for the information and use of the Mayor, the Village Council, management of the Village, the Illinois State Comptroller's Office and the Joint Review Board and is not intended to be and should not be used by anyone other than these specified parties.

Sikich CPA LLC

Naperville, Illinois
May 21, 2024