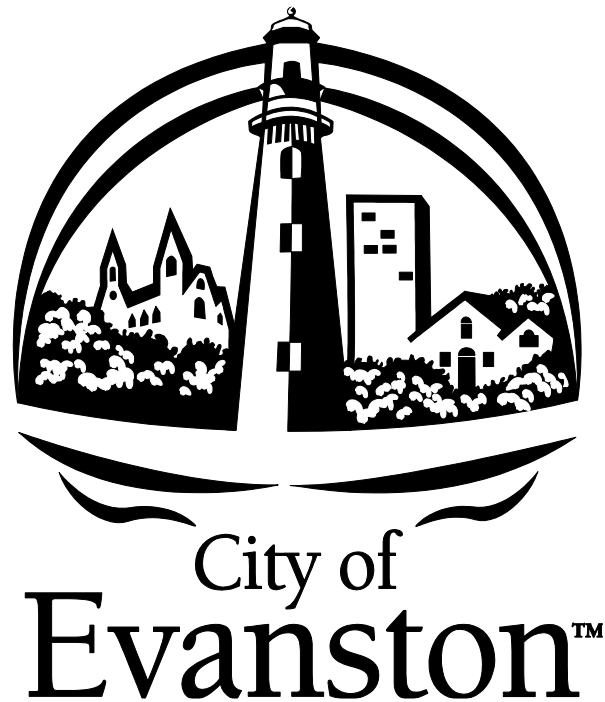


City of Evanston, Illinois



*Annual Comprehensive Financial Report
For the Year Ended December 31, 2025*

CITY OF EVANSTON, ILLINOIS

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

For the Year Ended
December 31, 2025

Prepared by the Finance Division of the City Manager's Office

CITY OF EVANSTON, ILLINOIS
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INTRODUCTORY SECTION

CITY OF EVANSTON

Principal Officials

December 31, 2025

LEGISLATIVE

Daniel Biss, Mayor

Clare Kelly	1st Ward
Krissie Harris	2nd Ward
Shawn Iles	3rd Ward
Jonathan Nieuwsma	4th Ward
Bobby Burns	5th Ward
Thomas M. Suffredin	6th Ward
Parielle Davis	7th Ward
Matt Rodgers	8th Ward
Juan Geracaris	9th Ward

Stephanie Mendoza, City Clerk

EXECUTIVE

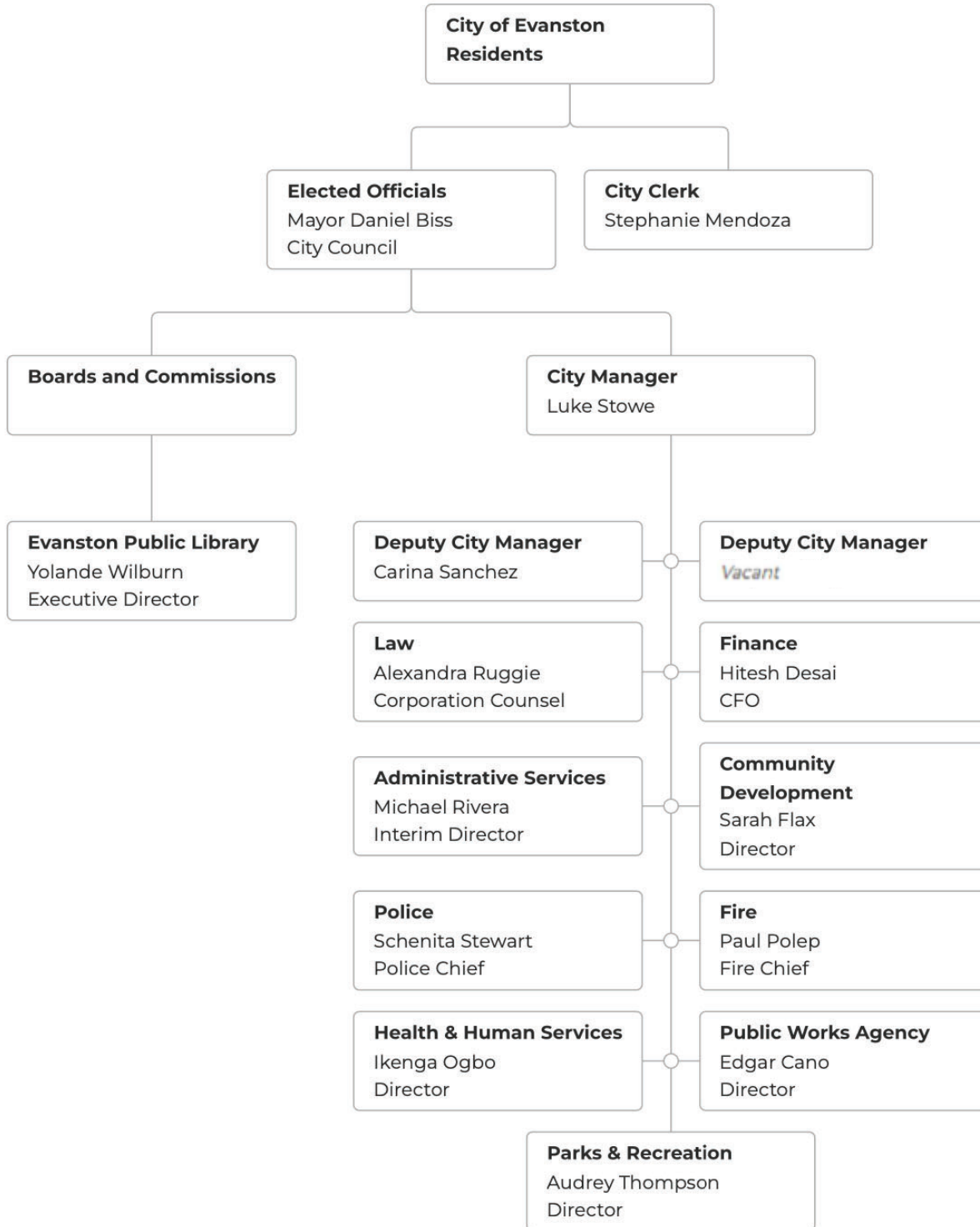
Luke Stowe, City Manager

Hitesh Desai, CFO / Treasurer

ADMINISTRATIVE

Interim Administrative Services Director Michael Rivera	Corporation Counsel Alexandra Ruggie
Interim Chief Information Officer Dmitry Shub	Public Works Agency Director Edgar Cano
Health and Human Services Director Ikenga Ogbo	Police Chief Schenita Stewart
Community Development Director Sarah Flax	Fire Chief Paul Polep
Parks & Recreation Director Audrey Thompson	Executive Director Library Yolande Wilburn

City of Evanston Org Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Evanston
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morill

Executive Director/CEO



City Manager's Office
909 Davis Street
Evanston, Illinois 60201-2798
T 847.866.2936
TTY 847.448.8064

www.cityofevanston.org

June 24, 2026

The Honorable Mayor Daniel Biss,
Members of the City Council, and
Citizens of the City of Evanston, Illinois

INTRODUCTION

The Annual Comprehensive Financial Report (Annual Report) of the City of Evanston (City) for the fiscal year ended December 31, 2025, is hereby submitted. The Annual report is prepared by the City's Finance Division in accordance with the financial reporting principles and standards set forth by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the various funds and capital assets of the City. All disclosures needed to enable the reader to understand the City's financial activities have been included.

This report consists of management's representations concerning the finances of the City of Evanston for the period of January 1, 2025, to December 31, 2025. Management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, City management has established a comprehensive internal control framework that is designed to both protect the government's assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of the City of Evanston's financial statements in conformity with Generally Accepted Accounting Principles (GAAP) within the United States of America. Because the cost of internal controls should not outweigh their benefits, the City'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 City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 as amended and U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations, and auditors' reports on the internal control

structure and compliance with applicable laws and regulations, is to be presented in a separate single audit report.

The attached report includes all the funds and capital assets of the City and its component unit, the Evanston Library. The Town of the City of Evanston (the Township) has been previously presented as a separate legal entity which administered General Assistance for food, shelter and medical needs. Effective May 1, 2014, the City of Evanston assumed all the responsibility of providing the services that were previously provided by the Township. City audits after 2014 include the functions of the Township.

Library activity numbers are shown separately as a discrete component unit based on an ordinance passed by the City Council on March 10, 2012 giving the Library independence in running day to day operations. The Library has a separate Board whose members are appointed by the Mayor.

The City's financial statements have been audited by Sikich CPA LLC, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Evanston 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 by management, and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2025, are fairly presented in conformity with GAAP. The independent auditors' 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 the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE CITY OF EVANSTON

The City: The City of Evanston constitutes many communities, perspectives, and qualities as a Chicago suburb with a major university, urban center, and lakefront. Evanston has apartments, condominiums, and student housing; its residents are commuters and locally employed workers; its downtown is prospering, and neighborhood commercial centers are also stable. It is a part of the Chicago-land economy and has a vigorous commercial and professional economy of its own. A population of approximately 78,000 is diverse by race, religion, age, education, economics, and occupation. With

10,000 people per square mile, Evanston has double the population density of the average North and Northwest suburb, and approximately half the density of Chicago. The City has over 260 acres in 75 parks and 5 beaches.

Evanston is contiguous with Chicago, and only 13 miles by rapid transit, commuter rail, expressway, or parkway from downtown Chicago. It borders the north shore communities of Skokie and Wilmette.

In 1863, the Village of Evanston was incorporated as a town, and after several annexations in 1892, the town became a City. The City's southern boundary was established with the City of Chicago and the present City limits. The City also has four miles of shoreline along Lake Michigan.

Evanston is the home of Northwestern University, aptly named to serve the Northwest Territory. The University first platted the village which surrounded it. The continued vitality of the University and the cooperative relationship between the City and University adds to the total Evanston community.

The Government: The City is a home rule municipality under the Illinois Constitution. As such, it has no tax rate or debt limits imposed by Illinois statute, nor is it required to conduct a referendum to authorize the increase of debt or the imposition of real estate property taxes.

The City has a Council/Manager form of government with an elected Mayor. The Mayor is elected to a four-year term. Each Alderman represents one of nine wards and are elected to terms of four years. The City Council is organized into five standing committees: Administration and Public Works, Human Services, Planning and Development, Rules, and Referrals. The City Council has also established several special committees, commissions and advisory boards.

The City Manager is the Chief Executive Officer of the City and is responsible for the management of all City operations under the direction of the City Council. The City Manager appoints directors and supervises the City's 10 departments.

The City provides a broad range of municipal services, including police and fire protection, streets and parking, water and sewer service, public libraries, health services, lakefront beaches, parks and recreation activities, cultural events, and community and economic development activities.

Schools are provided by separate school districts which are governed by elected school boards. A portion of the City is served by the Ridgeville Park District. Wastewater treatment is provided by the Metropolitan Water Reclamation District.

Budget Process: The City of Evanston operates under the Illinois Budget Act, adopting a budget through an ordinance that includes all funds appropriated by the City. The City Manager is authorized to transfer budgeted amounts between departments within any fund (such as the General Fund). However, any revisions that increase the total expenditures of any fund must be approved by the City Council.

The City's budget team started the budget process for Fiscal Year (FY) 2026 in February 2025, meeting individually with City Council members and the Mayor about preliminary budgetary ideas and priorities, followed by meetings with departments in May 2025. In late summer 2025, staff met with the City Manager's Office and each department to discuss their individual operating budgets. The City Manager submitted to the City Council a proposed operating budget in October 2025. On November 24, 2025, the Council adopted Ordinance 56-O-25 approving the FY 2026 budget.

Budgets are legally adopted on a basis consistent with accounting principles generally accepted in the United States of America. For purposes of preparing the General Fund schedule of revenues (budget and actual), GAAP revenue and expenditures have been adjusted to the budgetary basis. The budgets of the governmental type funds are prepared on a cash basis. The Annual Comprehensive Financial Report (ACFR) of the City presents expenditures and revenues on both a GAAP basis and a budgetary basis for comparison.

Fund Accounting: The City uses funds to report on both its financial position and results of its operations. The accounts of the City are divided into separate self-balancing funds comprising its assets, liabilities, fund equity, revenues, and expenditures, as appropriate. Fund accounting is designated to demonstrate legal compliance and to aid in financial management by segregating transactions related to certain City functions or activities. Each fund is a separate, self-balancing accounting entity. In the City, there are three categories of funds: Governmental, Proprietary and Fiduciary. Governmental funds are used to account for all or most of the City's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of capital assets (capital project funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for all activities of the City not accounted for in other funds.

The Enterprise Funds (Water, Parking, Solid Waste Fund and Sewer) are operated and budgeted on a full accrual basis. Expenditures are recognized when a commitment is made, and revenues are recognized when they are obligated to the City (For example, water user fees are recognized as revenue when bills are produced).

The City's expenditures are monitored on a regular basis by the Finance Department. Disbursements are made by fund and only if expenditures are within the authorized budget.

MAJOR INITIATIVES – FISCAL YEAR 2026

Following are annual goals and major initiatives by department as set in the FY 2026 adopted budget.

The City Manager's Office and its divisions will: (1) Complete the FY26 Annual Comprehensive Report. (2) Work with the Finance and Budget Committee and City Council to address fully funding public safety pensions and structural deficits. (3) Update the Arts & Culture webpage and implement a social media strategy to reach new artists. (4) Divvy station expansion and roll out of the Divvy for Everyone access program. (5) Launch retail incubator and related business support services. (6) Implement Evanston Thrives Recommendations. (7) Continued development of community benchmarking efforts around property taxes, pensions, and debt.

The Law Department will: (1) In conjunction with the City Policy Coordinator, monitor proposed and potential state laws that can or will have an impact on the City, its operations and residents. (2) In conjunction with the City Manager's Office, conduct a comprehensive review of the City Code, looking for conflicts within the Code and with state law. (3) Identify opportunities for training and education for staff to increase knowledge surrounding real estate and land use. (4) Assist all client departments with review of internal City policies. (5) Continue to handle 80% or more of the City's litigation in-house.

The Administrative Services Department will: (1) Continue to expand on its use of the CMMS program in order to better plan maintenance, replacements and improvements at our City Facilities in a manner that is proactive rather than reactive. (2) Evaluate revenues to recommend increases to monthly lot permit parking as well as residential parking districts, areas that have not had a fee increase in many years. (3) Improve cybersecurity posture in an ongoing effort to ensure the City assets are kept safe, and continue to work on the City's website ensuring accessibility. (4) Share the information obtained through the Fleet Electrification and Rightsizing Study to develop and implement in a phased manner and pace a strategy that is financially responsible. (5) Deploy a web based public portal to promote transparency, efficiency and reduce FOIA requests and plan to migrate the City's contract database to the public portal along with other department records.

The Community Development Department will: (1) Continue to improve permit and inspection services with new staff. (2) Design and implement the \$7M PRO Housing Grant. (3) Continue implementing programs and projects funded by the American Rescue Plan Act (ARPA), maintain compliance with requirements, and report to the U.S. Treasury. (4) Continue to implement strategies to meet the City Council's affordable housing goals using funding from NU and leveraging additional resources. (5) Monitor and inspect vacant and dangerous buildings to mitigate impact on neighborhoods. (6) Enhance communication with housing providers and property managers.

The Police Department will: (1) Fill vacant positions with competent, qualified personnel as quickly as possible. (2) Implement Axon's Taser 10 System. (3) Research and development of a master plan for the replacement or complete renovation of the Evanston Police Department Building in conjunction with City Departments and stakeholders.

The Fire Department will: (1) Replace turnout gear on its ten-year replacement schedule. (2) Update software and technology to meet the needs of the department. (3) Implement new cardiac monitors on all response vehicles. (4) Finalize the new Operational Guidelines Manual. (5) Plan/budget for future vehicle replacements and facility upgrades.

The Health and Human Services Department will: (1) Continue to prioritize the response to MDRO's and other disease outbreaks in the community including schools, facilities housing high-risk populations such as in our long-term care facilities and congregate settings. (2) Acquire grants to support operations and activities of the Department. (3) Improve digital recordkeeping for the Childhood Lead Poisoning Prevention program. (4) Establish a community health hub which would serve as a safe and trustworthy community space by increasing hyperlocal access to health resources for community members who most need them. (5) Provide resources and assistance for eligible households who have been severely impacted by crime and violence.

The Public Works Agency will: (1) Complete the first stage of the Beck Park Expansion. (2) Move replacement of the Lincoln Street bridge into the design phase. (3) Conclude the ongoing construction of the new raw water intake project. (4) Begin a 10-year cycle of street sign replacements, targeting approximately 3000 signs. (5) Continue Implementation of the Sidewalk Improvement and Sidewalk Gap Infill Programs. (6) Continue the incorporation of CARP goals into City infrastructure projects. (7) Increase tree planting to 600 trees for next fiscal year. (8) Replace approximately 500 light fixtures in street light poles with new LED fixtures in conformance with the Street Light Master Plan.

The Parks, Recreation and Community Services will: (1) Establish metrics for evaluating participant satisfaction and program success. (2) Create a department-wide safety plan for all recreation spaces. (3) Establish a formal partnership with District 202 and Northwestern University for a shared use of space. (4) Expand the alternative response program to include additional call types. (5) Implement action plans established by the Parks and Green Strategic Plan. (6) Finalize and implement commercial use fitness permit policies and procedures.

Library operations are shown separately in the City's Annual Comprehensive Financial Report as a discrete component unit. The Evanston Public Library promotes the development of independent, self-confident, and literate citizens through the provision of open access to cultural, intellectual, and informational resources for all ages.

FACTORS AFFECTING FINANCIAL CONDITION

The following are factors which could give broader context to the financial information contained in this Annual Consolidated Financial Report.

Local Economy: Over the past five years, Evanston's financial position has been shaped by a combination of strong local economic activity, inflation-driven revenue growth, and significant permit revenues tied to major Northwestern University construction projects. These factors have helped the City maintain service levels, delay new bond issuances during a challenging interest-rate environment, and defer major increases to the City's portion of the property tax levy.

Evanston's diverse economic base continues to be a stabilizing force. As home to Northwestern University and nine distinct business districts, the City benefits from a steady flow of consumer activity, institutional investment, and visitor spending. In 2025, General Fund revenues continued to perform well. This was driven largely by \$6.2 million in one-time, unbudgeted permit revenues from Northwestern University's Kellogg Educational Center and Donald P. Jacobs Center projects, as well as steady growth in several key economy-based revenues.

Sales Taxes, Home Rule Sales Taxes, and other economy-based revenues rebounded strongly from pandemic lows and have reached year over year highs including new record highs in 2025. While inflation contributed to this growth, it also reflected genuine economic recovery and sustained demand across local businesses. Sales Taxes, Home Rule Sales Taxes, Use Taxes and Income Taxes yielded an improvement in year over year returns of a combined 5.4%

Additionally, the City's continuation of the 1% Grocery Tax further supports revenue stability heading into FY 2026. At the same time, several revenues that surged immediately after the pandemic have continued to normalize. Personal Property Replacement Taxes (PPRT), which peaked at \$5.6 million in 2022, declined to \$2.1 million in 2025 due to changes in state allocation formulas, with these lower levels expected to persist into FY 2026.

Inflation remains a defining factor in the City's financial environment. While month-over-month CPI growth has slowed, the Chicago-Naperville-Elgin CPI in August 2025 remained 24% above August 2020 levels—well above the 10-year average. This sustained inflation has increased the cost of labor, supplies, and services. Since 2021, salaries and wages have grown by 36%, driven in part by the 2023 collective bargaining agreements that aligned compensation with comparable communities. These increases have strengthened the City's ability to attract and retain talent but have also contributed to rising operating costs across multiple funds.

Inflation has also significantly affected the cost of capital projects. The cost of construction materials has more than doubled over the past 20 years, with much of the increase occurring in the last five. Historically, the City issued approximately \$10 million in new General Obligation (GO) bonds annually, aligned with the retirement of existing debt. Today, maintaining the same level of infrastructure investment requires more than \$20 million in annual bond-funded capital spending. Since 2021, capital spending has nearly doubled, reflecting both inflationary pressures and growing community expectations for high-quality facilities, water infrastructure, and public spaces.

Major institutional investments continue to shape the local economy. Construction on Northwestern University's Ryan Field project began in 2024 and is expected to be completed for the 2026–2027 football season. The \$800 million project is anticipated to generate increased local tax revenues through football games and up to six concerts annually. The accompanying Community Benefits Agreement (CBA) provides \$3 million annually to the City for 15 years, including dedicated support for affordable housing and sustainability initiatives.

The FY 2026 budget reflects the City's effort to respond to these economic conditions while maintaining long-term financial stability. After six consecutive years of holding the City's portion of the property tax levy flat, the adopted budget included a \$3.5 million increase to support expanded human services and Parks Department programming. This adjustment marks a shift toward addressing structural imbalances that have grown as inflation and labor costs have outpaced flat levy revenues.

A major structural change in the FY 2026 budget was also the creation of a dedicated Parks and Recreation Fund. This new fund separates parks and recreation operations from the General Fund, improving transparency and aligning Evanston with peer communities that track these services independently. The fund is supported by user fees, a General Fund transfer, and a dedicated property tax levy, providing a clearer picture of the resources required to maintain and improve the City's parks, beaches, and recreation facilities.

Despite the levy increase, the FY 2026 budget continues to rely on reserves to maintain service levels and meet pension obligations. Approximately \$12.1 million in General Fund reserves will be used to balance the budget, reflecting the ongoing need for long-term solutions to rising personnel and pension costs. The FY 2026 budget also reflects continued investment in capital infrastructure. With construction costs elevated and community expectations increasing, the City's capital plan includes more than \$90 million in improvements across facilities, transportation, water, sewer, and public spaces. Strategic timing of bond issuances, use of reimbursement resolutions, and pursuit of outside funding sources remain central to managing these costs responsibly.

Looking ahead, Evanston’s local economy remains a source of strength, supported by a diverse tax base, major institutional investments, and steady consumer activity. At the same time, the City must continue to navigate rising labor costs, increased pension obligations, and higher capital costs. With thoughtful planning, strategic use of reserves, and continued focus on operational efficiency, Evanston is well-positioned to manage these challenges while supporting the services and infrastructure that residents expect.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report and popular annual financial report for the fiscal year ended December 31, 2024. To be awarded these Certificate of Achievements, the government published easily readable and efficiently organized financial reports.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive and popular financial reports continue to meet the Certificate of Achievement Program's requirements, and we are submitting them to the GFOA to determine its eligibility for another year.

In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for its annual 2026 budget. To qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including policy documentation, financial planning, and organization. The City has been getting this GFOA budget award for many years.

We acknowledge the contributions and excellent work of the accounting staff in preparing the financial statements. Appreciation is also extended to all department directors and other staff who contributed to the preparation of this report. We also express gratitude to the Mayor’s Office and Members of City Council for their direction and support in planning and conducting the City’s financial affairs.

Respectfully submitted,

Luke Stowe

Hitesh Desai

Luke Stowe
City Manager

Hitesh Desai
Chief Financial Officer/Treasurer

FINANCIAL SECTION

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Naperville, IL 60563
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INDEPENDENT AUDITOR'S REPORT

The Honorable Daniel Biss, Mayor
and Members of the City Council
City of Evanston, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Evanston, Illinois (the City), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Evanston, Illinois, as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under 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 City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Evanston Public Library were not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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 City's basic financial statements. The combining and individual fund 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 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 section and statistical section, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Governmental Auditing Standards*, we have also issued our report dated June 24, 2026 on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the City’s internal control over financial reporting and compliance.

Sikich CPA LLC

Naperville, Illinois
June 24, 2026

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**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

The Honorable Mayor
Members of the City Council
City of Evanston, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Evanston, Illinois (City) as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements and have issued our report thereon dated June 24, 2026. The financial statements of the Evanston Public Library were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Evanston Public Library.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

This purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich CPA LLC

Naperville, Illinois
June 24, 2026

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**



MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2025

The City of Evanston (the City) Discussion and Analysis is designed to (1) assist the reader in focusing on significant financial issues, (2) provide an overview of the City's financial activity, (3) identify changes in the City's financial position (its ability to address the next and subsequent year challenges, (4) identify any material deviations from the financial plan (the approved budget), and (5) identify individual fund issues or concerns. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on page iv of this report.

FINANCIAL HIGHLIGHTS

- A. The City's net position decreased by \$4,060,651 or 1.3% from the prior fiscal year. The governmental net position decreased by \$5,481,965 or 31.3% from the prior period and the business-type activities net position increased by \$1,421,314 or .44% from the prior period.
- B. The governmental activities revenue decreased by \$7,924,036 or 4.0% from the prior period principally due to decrease in other taxes. The expenses increased by \$9,580,012 or 4.9% principally due to an increase in general management and support expenses.
- C. The business-type activities revenue increased by \$2,752,979 or 4.8% due to an increase in charges for services and investment income. The expenses increased by \$3,978,352 or 8.7% from the prior period due to increases in water expenses.
- D. The total cost of all City programs increased by \$13,558,364 or 5.6%. This increase was mainly attributable to increases in costs across all City programs.
- E. Total assets and deferred outflows of resources of the City decreased by \$4,591,290; and total liabilities and deferred inflows of resources decreased by \$530,639.

USING THIS ANNUAL REPORT

The financial statements focus on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison and enhance the City's accountability.

The City's financial reporting includes the funds of the City (primary government) and additionally, organizations for which the City is accountable (component unit - the Library). Effective May 1, 2014 the City of Evanston assumed all rights, powers, assets, properties and duties of the Evanston Township, including the responsibility of providing the services that were previously provided by the Township. The functions of the Township are reported along with the City, while the Library financials are shown as a discretely presented component unit beginning in 2013.

REPORTING THE CITY AS A WHOLE

Government-wide Financial Statements

The City's annual report includes two government-wide financial statements. These statements provide both short-term and long-term information about the City's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in full accrual accounting and elimination or reclassification of internal activities (e.g., the City's Fleet Services Fund).

The first of these government-wide statements is the *Statement of Net Position*. This is the City-wide statement of financial position presenting information that includes all the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Beginning in 2013, this statement also includes separate presentation of Library assets and liabilities. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City as a whole is improving or deteriorating. Evaluation of the overall financial health of the City would extend to other non-financial factors such as diversification of the taxpayer base or the condition of City infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities* - which reports how the City's net position changed during the current fiscal period. All current period revenues and expenses for the City and Library are included regardless of when the cash was received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the City's distinct activities or functions on revenues provided by all government-wide sources.

Both government-wide financial statements distinguish governmental activities of the City that are principally supported by taxes and intergovernmental revenues, such as grants, revenues from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public service, fleet service, insurance fund, and culture and recreation. Business-type activities include water and sewer utilities, solid waste services, parking and garages. Fiduciary activities, such as employee pension plans and agency funds, are not included in the government-wide statements since these assets are not available to fund City programs.

The government-wide financial statements are presented on pages 7-10 of this report.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The City uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the City's most significant funds, rather than the City as a whole. Major funds are separately reported, while all others are combined into a single aggregated presentation. Individual fund data for non-major funds is provided in the form of combining schedules in a later section of this report.

The City has three kinds of funds:

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the City's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the period. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of the short-term financing decision. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to assist in understanding the differences between these two perspectives.

Budgetary comparison statements for General Fund and major special revenue funds are included in the required supplementary section of this report. Budgetary comparison schedules for nonmajor special revenue funds, capital projects funds and the debt service funds are also included in the supplementary information section of this report. These statements and schedules demonstrate compliance with the City's adopted and final revised budget.

The basic governmental fund financial statements are presented on pages 11-16 of this report.

Proprietary funds reported in the fund financial statements generally report services for which the City charges customers a fee. There are two kinds of proprietary funds. These are enterprise funds and internal service funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services such as the water utilities and the parking garages are provided to customers external to the City organization. Internal service funds provide services and charge fees to customers within the City organization, such as equipment services (repair and maintenance of city vehicles) and the insurance fund. Because the City's internal service funds primarily serve governmental functions, they are included within the governmental activities of the government-wide financial statements.

Proprietary fund statements and statements for discretely presented component units (reporting is similar to proprietary funds) provide both short-term and long-term financial information consistent with the focus provided by the government-wide financial statements. Individual fund information for internal service funds is found in combining schedules in a later section of this report.

The basic proprietary fund financial statements are presented on pages 17-21 of this report.

Fiduciary funds such as the Police and Firefighter's pension plans are reported in the fiduciary fund financial statements but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund City programs. These financial statements report similarly to proprietary funds.

The basic fiduciary fund financial statements are presented on pages 22-23 of this report.

Notes to the financial statements

The accompanying notes to financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 24 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligations to provide pension benefits to its employees. Other supplementary information includes detail by fund and component unit for receivables, payables, transfers, and payments within the reporting entity. Required supplementary information can be found on pages 95-108 of this report.

Major funds and component units are reported in the basic financial statements, as discussed. Combining statements, individual statements and schedules for nonmajor and internal service funds are presented in a subsequent section of this report beginning on page 109. Additional information on capital assets and long-term debt can be found on page 43-44 and 51-52, respectively.

Financial Analysis of the City as a Whole

The City's combined net position decreased by \$4,060,651 from \$307,120,741 as previously reported to \$303,060,090.

STATEMENT OF NET POSITION

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Current and Other Assets	\$ 174,347,768	\$ 191,580,235	39,718,590	45,968,514	214,066,358	237,548,749
Capital Assets	257,778,036	244,067,697	426,695,794	407,812,877	684,473,830	651,880,574
Total Assets	432,125,804	435,647,932	466,414,384	453,781,391	898,540,188	889,429,323
Deferred Outflows	48,575,749	60,918,009	6,351,565	7,711,460	54,927,314	68,629,469
Total Assets & Deferred Outflows	480,701,553	496,565,941	472,765,949	461,492,851	953,467,502	958,058,792
Long-Term Liabilities	340,266,984	389,745,932	116,844,093	117,021,646	457,111,077	506,767,578
Other Liabilities	63,706,285	55,719,321	24,646,977	13,808,830	88,353,262	69,528,151
Total Liabilities	403,973,269	445,465,253	141,491,070	130,830,476	545,464,339	576,295,729
Deferred Inflows	99,716,347	68,606,786	5,226,726	6,035,536	104,943,073	74,642,322
Total Liabilities and Deferred Inflows	503,689,616	514,072,039	146,717,796	136,866,012	650,407,412	650,938,051
Net Investment in Capital Assets	124,117,932	100,702,714	304,071,305	302,477,575	428,189,237	403,180,289
Restricted	25,845,631	30,879,155	-	270,955	25,845,631	31,150,110
Unrestricted (Deficit)	(172,951,626)	(149,087,967)	21,976,848	21,878,309	(150,974,778)	(127,209,658)
Restatement	-	-	-	-	-	-
Total Net Position	\$ (22,988,063)	\$ (17,506,098)	326,048,153	324,626,839	303,060,090	307,120,741

The City's total revenues decreased by \$5,171,057 or 2.0%. The City's total expenses for all programs increased by \$13,558,364 or 5.6%. Governmental activities revenue decreased by \$7,924,036 while Business-type activity revenues increased by \$2,752,979 in the current fiscal period mainly due to an increase in charges for services and investment income. Business-type activity expenses increased by \$3,978,352, while Governmental activity expenses increased by \$9,580,012 due to increased costs general management and support. The list of revenues and expenses can be found in the table below.

Governmental activities experienced a decrease of \$5,481,965 and business type activities experienced an increase of \$1,421,314 in net position balances.

STATEMENT OF CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Revenue						
Program Revenues:						
Charges for services	\$ 38,744,056	\$ 41,549,567	54,900,704	51,272,632	93,644,760	92,822,199
Operating grants and contributions	10,341,443	7,932,150	708,582	-	10,341,443	7,932,150
Capital grants and contributions	4,418,383	2,718,027	-	3,210,809	4,418,383	5,928,836
General Revenues:	-	-			-	-
Sales taxes	28,349,072	24,771,263			28,349,072	24,771,263
Property taxes	52,876,168	54,019,576	950,000	1,332,500	53,826,168	55,352,076
Utility taxes	6,458,716	5,850,776			6,458,716	5,850,776
Income taxes	14,145,983	13,446,239			14,145,983	13,446,239
Other	29,242,698	40,862,217	1,516,917	133,582	30,759,615	40,995,799
Investment income	4,626,840	5,977,580	1,452,883	826,584	6,079,723	6,804,164
Total Revenue	189,203,359	197,127,395	59,529,086	56,776,107	248,732,445	253,903,502
Expenses						
General management and support	37,229,633	29,548,742			37,229,633	29,548,742
Public safety	92,087,925	93,152,054			92,087,925	93,152,054
Public works	36,315,321	35,019,244			36,315,321	35,019,244
Health and human resources development	7,615,934	6,977,042			7,615,934	6,977,042
Recreation and cultural opportunities	11,720,418	10,748,433			11,720,418	10,748,433
Housing and economic development	13,789,906	13,634,282			13,789,906	13,634,282
Interest	4,331,827	4,431,155			4,331,827	4,431,155
Water	-	-	26,294,266	22,299,358	26,294,266	22,299,358
Sewer	-	-	6,940,832	6,755,584	6,940,832	6,755,584
Solid Waste	-	-	6,487,339	6,294,948	6,487,339	6,294,948
Motor vehicle parking system	-	-	9,979,695	10,373,890	9,979,695	10,373,890
Total Expense	203,090,964	193,510,952	49,702,132	45,723,780	252,793,096	239,234,732
Increase (decrease) in net position before transfers	(13,887,605)	3,616,443	9,826,954	11,052,327	(4,060,651)	14,668,770
Transfers	8,405,640	7,987,538	(8,405,640)	(7,987,538)	-	-
Increase/(Decrease) in Net Position	(5,481,965)	11,603,981	1,421,314	3,064,789	(4,060,651)	14,668,770
Net Position - Beginning	(17,506,098)	(25,480,462)	324,626,839	322,258,726	307,120,741	296,778,264
Change in accounting principle	-	(3,629,617)	-	(696,676)	-	(4,326,293)
Net Position - Beginning	(17,506,098)	(29,110,079)	324,626,839	321,562,050	307,120,741	292,451,971
Net Position - Ending	<u>\$ (22,988,063)</u>	<u>\$ (17,506,098)</u>	<u>326,048,153</u>	<u>324,626,839</u>	<u>303,060,090</u>	<u>307,120,741</u>

Financial Analysis of the City's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statement with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the period in comparison with upcoming financing requirements. Governmental funds reported fund balances of \$55,641,581 as of December 31, 2025, which includes \$11,340,918 non-spendable, \$26,008,138 restricted, \$20,585,568 assigned and (\$2,293,043) unassigned fund balance. The restricted fund balance consists of amounts required to be set aside by external authorities.

Fund Balance amounts reported for governmental activities are different than the statement of net position because of the treatment of capital assets, liabilities, payables and most importantly pension liabilities. This reporting difference is stated on page 13 of this report.

Major Governmental Funds

The General Fund is the City's primary operating fund and the largest source of day-to-day service delivery. The total General Fund balance on page 12 is \$42,460,737 of which \$14,611,787 is assigned and \$11,340,918 is non-spendable. The total unassigned fund balance as of December 31, 2025, is \$16,508,032 with actual revenues of \$140,481,047 and expenditures of \$156,742,704, before transfers.

The Capital Improvement Fund has a fund balance deficit (\$18,659,306) due to the City not issuing bonds in prior years but continuing to pay for Capital Improvement expenses. The fund balance reported a decrease of \$10,568,781 with actual revenues of \$4,384,934 and expenditures of \$14,953,715, before transfers.

The fund balance of the General Obligation Debt Service Fund had a decrease of \$1,414,583 from \$3,453,006 to \$2,038,423 resulting primarily from transfers in from other funds.

Combined Nonmajor Governmental Funds

Combined nonmajor fund balances totaled \$29,801,727, a decrease of \$2,381,699 from prior period reported nonmajor fund balances of \$32,183,426. ARPA was previously classified as a Major Governmental Fund but was considered nonmajor in 2025.

Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status.

The proprietary funds operated by the City are the Water, Sewer, Solid Waste and Parking Funds. These funds have a combined net increase of \$1,421,314 in the net position. The Water Fund reported the highest increase in the amount of \$2,623,296. The Solid Waste Fund added \$722,570 to the net position during the year. The Sewer Fund reported an increase of \$409,232, while Parking Fund reported a decrease of \$2,333,784.

Internal Service Funds

The City's combined internal service fund's net position increased by \$918,011 from the net position balance of \$19,325,737, as previously reported, to a net position of \$20,243,748 at December 31, 2025. Of the total net position, \$8,651,972 is unrestricted.

Capital Assets

The City's Capital Asset policy generally includes capitalizing assets or properties with \$25,000 or more in value. The City's capital assets (net of depreciation) for governmental and business-type activities as of December 31, 2025, was \$684,473,828. The governmental funds capital assets had a net increase of \$13,710,339, while business type capital assets increased by \$18,882,915. The net increase in capital assets were principally due to an increase in capital projects for the year. Readers desiring more detailed information on capital asset activity should refer to Note 5 in the Notes to the Financial Statements.

Long-Term Debt

As of December 31, 2025, the City had outstanding total general obligation bonded debt of \$166,707,324 of which \$125,029,802 was for governmental activities and \$41,677,522 was for business type activities to be paid for by the City's Water, Solid Waste and Sewer Funds. The City's general obligation debt service principal payments for 2025 totaled \$13,199,917. As a home rule government under Illinois law, there is no legal debt limit for the City. Readers desiring more detailed information on long-term debt should refer to Note 7 in the Notes to the Financial Statements.

Bond Ratings

The City's General Obligation Bonds are currently rated as AA (stable outlook) by S&P.

Local Economy:

Over the past five years, Evanston's financial position has been shaped by a combination of strong local economic activity, inflation-driven revenue growth, and significant permit revenues tied to major Northwestern University construction projects. These factors have helped the City maintain service levels, delay new bond issuances during a challenging interest-rate environment, and defer major increases to the City's portion of the property tax levy.

Evanston's diverse economic base continues to be a stabilizing force. As home to Northwestern University and nine distinct business districts, the City benefits from a steady flow of consumer activity, institutional investment, and visitor spending. In 2025, General Fund revenues continued to perform well. This was driven largely by \$6.2 million in one-time, unbudgeted permit revenues from Northwestern University's Kellogg Educational Center and Donald P. Jacobs Center projects, as well as steady growth in several key economy-based revenues.

Sales Taxes, Home Rule Sales Taxes, and other economy-based revenues rebounded strongly from pandemic lows and have reached year over year highs including new record highs in 2025. While inflation contributed to this growth, it also reflected genuine economic recovery and sustained demand across local businesses. Sales Taxes, Home Rule Sales Taxes, Use Taxes and Income Taxes yielded an improvement in year over year returns of a combined 5.4%

Additionally, the City's continuation of the 1% Grocery Tax further supports revenue stability heading into FY 2026. At the same time, several revenues that surged immediately after the pandemic have continued to normalize. Personal Property Replacement Taxes (PPRT), which peaked at \$5.6 million in 2022, declined to \$2.1 million in 2025 due to changes in state allocation formulas, with these lower levels expected to persist into FY 2026.

Inflation remains a defining factor in the City's financial environment. While month-over-month CPI growth has slowed, the Chicago-Naperville-Elgin CPI in August 2025 remained 24% above August 2020 levels—well above the 10-year average. This sustained inflation has increased the cost of labor, supplies, and services. Since 2021, salaries and wages have grown by 36%, driven in part by the 2023 collective bargaining agreements that aligned compensation with comparable communities. These increases have strengthened the City's ability to attract and retain talent but have also contributed to rising operating costs across multiple funds.

Inflation has also significantly affected the cost of capital projects. The cost of construction materials has more than doubled over the past 20 years, with much of the increase occurring in the last five. Historically, the City issued approximately \$10 million in new General Obligation (GO) bonds annually, aligned with the retirement of existing debt. Today, maintaining the same level of infrastructure investment requires more than \$20 million in annual bond-funded capital spending. Since 2021, capital spending has nearly doubled, reflecting both inflationary pressures and growing community expectations for high-quality facilities, water infrastructure, and public spaces.

Major institutional investments continue to shape the local economy. Construction on Northwestern University's Ryan Field project began in 2024 and is expected to be completed for the 2026–2027 football season. The \$800 million project is anticipated to generate increased local tax revenues through football games and up to six concerts annually. The accompanying Community Benefits Agreement (CBA) provides \$3 million annually to the City for 15 years, including dedicated support for affordable housing and sustainability initiatives.

The FY 2026 budget reflects the City's effort to respond to these economic conditions while maintaining long-term financial stability. After six consecutive years of holding the City's portion of the property tax levy flat, the adopted budget included a \$3.5 million increase to support expanded human services and Parks Department programming. This adjustment marks a shift toward addressing structural imbalances that have grown as inflation and labor costs have outpaced flat levy revenues.

A major structural change in the FY 2026 budget was also the creation of a dedicated Parks and Recreation Fund. This new fund separates parks and recreation operations from the General Fund, improving transparency and aligning Evanston with peer communities that track these services independently. The fund is supported by user fees, a General Fund transfer, and a dedicated property tax levy, providing a clearer picture of the resources required to maintain and improve the City's parks, beaches, and recreation facilities.

Despite the levy increase, the FY 2026 budget continues to rely on reserves to maintain service levels and meet pension obligations. Approximately \$12.1 million in General Fund reserves will be used to balance the budget, reflecting the ongoing need for long-term solutions to rising personnel and pension costs. The FY 2026 budget also reflects continued investment in capital infrastructure. With construction costs elevated and community expectations increasing, the City's capital plan includes more than \$90 million in improvements across facilities, transportation, water, sewer, and public spaces. Strategic timing of bond issuances, use of reimbursement resolutions, and pursuit of outside funding sources remain central to managing these costs responsibly.

Looking ahead, Evanston's local economy remains a source of strength, supported by a diverse tax base, major institutional investments, and steady consumer activity. At the same time, the City must continue to navigate rising labor costs, increased pension obligations, and higher capital costs. With thoughtful planning, strategic use of reserves, and continued focus on operational efficiency, Evanston is well-positioned to manage these challenges while supporting the services and infrastructure that residents expect.

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the City Manager's Office, Finance Division at the City of Evanston, 909 Davis St. Evanston, IL 60201, Telephone 847-448-8082, or access the website at www.cityofevanston.org.

BASIC FINANCIAL STATEMENTS

CITY OF EVANSTON, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2025

	Primary Government		Total	Component Unit
	Governmental Activities	Business-Type Activities		Evanston Public Library
ASSETS				
Cash and equivalents	\$ 23,848,410	\$ 6,096,908	\$ 29,945,318	\$ 6,071,469
Investments	47,066,056	20,815,841	67,881,897	-
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	71,121,713	450,000	71,571,713	13,770,725
Utility taxes	653,768	-	653,768	-
Accounts	-	6,308,025	6,308,025	-
Notes	75,000	-	75,000	-
Loans	9,183,475	-	9,183,475	-
Special assessments	837,977	-	837,977	-
Leases	405,849	4,567,518	4,973,367	-
Accrued interest	417	6,383	6,800	-
Other	1,425,616	461,153	1,886,769	-
Due from primary government	-	-	-	2,779
Due from other governments	11,588,594	-	11,588,594	-
Due from component unit	358,536	-	358,536	-
Internal balances	82,582	(82,582)	-	-
Inventories	1,939,473	1,095,344	3,034,817	-
Prepaid items	5,760,302	-	5,760,302	-
Capital assets				
Capital assets not being depreciated	51,357,656	54,317,967	105,675,623	311,380
Capital assets being depreciated, net	206,420,380	372,377,827	578,798,207	9,197,595
Total assets	432,125,804	466,414,384	898,540,188	29,353,948
DEFERRED OUTFLOWS OF RESOURCES				
Asset retirement obligations	-	3,401,447	3,401,447	-
Pension items - Police	18,892,993	-	18,892,993	-
Pension items - Fire	14,128,007	-	14,128,007	-
Pension items - IMRF	12,705,808	2,792,101	15,497,909	1,650,491
OPEB items	2,848,941	158,017	3,006,958	77,936
Total deferred outflows of resources	48,575,749	6,351,565	54,927,314	1,728,427
Total assets and deferred outflows of resources	480,701,553	472,765,949	953,467,502	31,082,375

(This statement is continued on the following page.)

CITY OF EVANSTON, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Evanston Public Library
LIABILITIES				
Vouchers payable	\$ 18,249,565	\$ 15,396,018	\$ 33,645,583	\$ 238,236
Retainage payable	-	1,770,588	1,770,588	-
Deposits payable	-	-	-	-
Accrued payroll	3,319,816	-	3,319,816	-
Accrued interest	431,132	234,988	666,120	15,952
Due to other governments	1,170,021	-	1,170,021	-
Due to primary government	-	-	-	358,536
Due to component unit	2,779	-	2,779	-
Due to fiduciary funds	8,173,277	-	8,173,277	-
Unearned revenue	10,941,858	-	10,941,858	-
Noncurrent liabilities				
Due within one year	21,417,837	7,245,383	28,663,220	719,319
Due in more than one year	340,266,984	116,844,093	457,111,077	5,679,818
Total liabilities	403,973,269	141,491,070	545,464,339	7,011,861
DEFERRED INFLOWS OF RESOURCES				
Pension items - Police Pension	25,779,509	-	25,779,509	-
Pension items - Fire Pension	12,791,367	-	12,791,367	-
Pension items - IMRF	128,371	28,210	156,581	16,676
OPEB items	8,845,067	490,595	9,335,662	241,965
Property taxes levied for future periods	51,796,988	450,000	52,246,988	10,034,604
Leases	375,045	4,257,921	4,632,966	-
Total deferred inflows of resources	99,716,347	5,226,726	104,943,073	10,293,245
Total liabilities and deferred inflows of resources	503,689,616	146,717,796	650,407,412	17,305,106
NET POSITION				
Net investment in capital assets	124,117,932	304,071,305	428,189,237	4,376,249
Restricted for				
Highway maintenance	5,101,178	-	5,101,178	-
Emergency telephone system	749,182	-	749,182	-
Public safety	296,710	-	296,710	-
HUD approved projects	488,533	-	488,533	-
Neighborhood improvements	5,277,559	-	5,277,559	-
Reparations	18,535	-	18,535	-
Sustainability	779,746	-	779,746	-
Governmental services	456,886	-	456,886	-
Human services	186,662	-	186,662	-
Capital improvements	377,027	-	377,027	-
Debt service	11,256,119	-	11,256,119	2,779
General assistance	857,494	-	857,494	-
Endowment	-	-	-	5,105,955
Unrestricted (deficit)	(172,951,626)	21,976,848	(150,974,778)	4,292,286
TOTAL NET POSITION (DEFICIT)	\$ (22,988,063)	\$ 326,048,153	\$ 303,060,090	\$ 13,777,269

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2025

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General management and support	\$ 37,229,633	\$ 9,446,008	\$ 640,750	\$ -
Public safety	92,087,925	7,361,255	105,749	-
Public works	36,315,321	1,125,652	3,689,910	4,024,419
Health and human resource development	7,615,934	382,777	1,060,102	-
Recreational and cultural opportunities	11,720,418	8,129,879	282,856	-
Housing and economic development	13,789,906	12,298,485	4,562,076	393,964
Interest	4,331,827	-	-	-
Total governmental activities	<u>203,090,964</u>	<u>38,744,056</u>	<u>10,341,443</u>	<u>4,418,383</u>
Business-Type Activities				
Water	26,294,266	29,986,850	-	708,582
Sewer	6,940,832	8,382,632	-	-
Solid waste	6,487,339	6,033,846	-	-
Motor vehicles parking system	9,979,695	10,497,376	-	-
Total business-type activities	<u>49,702,132</u>	<u>54,900,704</u>	<u>-</u>	<u>708,582</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 252,793,096</u>	<u>\$ 93,644,760</u>	<u>\$ 10,341,443</u>	<u>\$ 5,126,965</u>
COMPONENT UNIT				
Evanston Public Library	<u>\$ 11,490,357</u>	<u>\$ 47,726</u>	<u>\$ 653,324</u>	<u>\$ -</u>

Net (Expense) Revenue and Change in Net Position				
Primary Government				Component Unit
Governmental Activities	Business-Type Activities	Total Primary Government	Evanston Public Library	
\$ (27,142,875)	\$ -	\$ (27,142,875)	\$ -	
(84,620,921)	-	(84,620,921)	-	
(27,475,340)	-	(27,475,340)	-	
(6,173,055)	-	(6,173,055)	-	
(3,307,683)	-	(3,307,683)	-	
3,464,619	-	3,464,619	-	
(4,331,827)	-	(4,331,827)	-	
(149,587,082)	-	(149,587,082)	-	
-	4,401,166	4,401,166	-	
-	1,441,800	1,441,800	-	
-	(453,493)	(453,493)	-	
-	517,681	517,681	-	
-	5,907,154	5,907,154	-	
(149,587,082)	5,907,154	(143,679,928)	-	
-	-	-	(10,789,307)	
General Revenues				
Taxes				
Property tax	52,876,168	950,000	53,826,168	8,468,730
Other taxes	8,743,603	154,484	8,898,087	-
Sales and home rule tax	28,349,072	-	28,349,072	-
Utility tax	6,458,716	-	6,458,716	-
Liquor tax	3,289,121	-	3,289,121	-
Parking tax	2,967,907	-	2,967,907	-
Real estate transfer tax	4,674,099	-	4,674,099	-
Intergovernmental - unrestricted				
ARPA	3,917,986	-	3,917,986	-
Personal property replacement taxes	2,098,324	-	2,098,324	-
State income tax	14,145,983	-	14,145,983	-
Other	-	86,081	86,081	-
Investment income	4,626,840	1,452,883	6,079,723	798,928
Miscellaneous	3,551,658	1,276,352	4,828,010	17,814
Transfers	8,405,640	(8,405,640)	-	-
Total	144,105,117	(4,485,840)	139,619,277	9,285,472
CHANGE IN NET POSITION	(5,481,965)	1,421,314	(4,060,651)	(1,503,835)
NET POSITION (DEFICIT), JANUARY 1	(17,506,098)	324,626,839	307,120,741	15,281,104
NET POSITION (DEFICIT), DECEMBER 31	\$ (22,988,063)	\$ 326,048,153	\$ 303,060,090	\$ 13,777,269

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2025

	General	Capital Improvements	General Obligation Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and equivalents	\$ 4,961,599	\$ 1,601,679	\$ -	\$ 12,227,550	\$ 18,790,828
Investments	23,059,609	968,614	115,652	22,922,181	47,066,056
Receivables					
Property taxes	39,291,441	-	18,135,852	13,694,420	71,121,713
Utility	653,768	-	-	-	653,768
Notes	75,000	-	-	-	75,000
Loans	-	-	-	9,183,475	9,183,475
Special assessments	-	-	-	837,977	837,977
Leases	266,440	-	-	139,409	405,849
Accrued interest	343	-	-	74	417
Other	1,353,889	-	-	-	1,353,889
Due from other governments	10,368,530	-	-	1,220,064	11,588,594
Due from component unit	358,536	-	-	-	358,536
Due from other funds	-	2,272	-	7,744,896	7,747,168
Advances to other funds	11,225,000	-	5,100,000	-	16,325,000
Inventories	40,918	-	-	-	40,918
TOTAL ASSETS	\$ 91,655,073	\$ 2,572,565	\$ 23,351,504	\$ 67,970,046	\$ 185,549,188
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Vouchers payable	\$ 3,949,638	\$ 6,965,660	\$ -	\$ 6,840,000	\$ 17,755,298
Accrued payroll	3,319,816	-	-	-	3,319,816
Accrued interest	-	-	-	-	-
Unearned revenue	434,557	316,211	-	10,191,090	10,941,858
Due to other governments	588,034	-	-	581,987	1,170,021
Due to component unit	2,779	-	-	-	2,779
Due to other funds	2,540,390	-	6,546,988	938,695	10,026,073
Due to fiduciary funds	8,173,277	-	-	-	8,173,277
Advances from other funds	-	13,950,000	2,000,000	375,000	16,325,000
Total liabilities	19,008,491	21,231,871	8,546,988	18,926,772	67,714,122
DEFERRED INFLOWS OF RESOURCES					
Long-term loans	-	-	-	10,021,452	10,021,452
Property taxes levied for future periods	29,939,902	-	12,766,093	9,090,993	51,796,988
Leases	245,943	-	-	129,102	375,045
Total deferred inflows of resources	30,185,845	-	12,766,093	19,241,547	62,193,485
Total liabilities and deferred inflows of resources	49,194,336	21,231,871	21,313,081	38,168,319	129,907,607

(This statement is continued on the following pages)

CITY OF EVANSTON, ILLINOIS

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

December 31, 2025

	General	Capital Improvements	General Obligation Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
FUND BALANCES					
Nonspendable					
Advances	\$ 11,225,000	\$ -	\$ -	\$ -	\$ 11,225,000
Notes	75,000	-	-	-	75,000
Inventory	40,918	-	-	-	40,918
Restricted					
Highway maintenance	-	-	-	5,101,178	5,101,178
Emergency telephone system	-	-	-	749,182	749,182
Public safety	-	-	-	296,710	296,710
HUD approved projects	-	-	-	488,533	488,533
Neighborhood improvements	-	-	-	5,440,066	5,440,066
Reparations	-	-	-	18,535	18,535
Governmental services	-	-	-	456,886	456,886
Sustainability	-	-	-	779,746	779,746
Debt service	-	-	2,038,423	9,217,696	11,256,119
General assistance	-	-	-	857,494	857,494
Human services	-	-	-	186,662	186,662
Capital improvements	-	-	-	377,027	377,027
Assigned					
Capital improvements	-	-	-	5,973,781	5,973,781
Other	14,611,787	-	-	-	14,611,787
Unassigned (deficit)	16,508,032	(18,659,306)	-	(141,769)	(2,293,043)
Total fund balances (deficit)	42,460,737	(18,659,306)	2,038,423	29,801,727	55,641,581
TOTAL LIABILITIES, INFLOWS OF RESOURCES, AND FUND BALANCES					
	\$ 91,655,073	\$ 2,572,565	\$ 23,351,504	\$ 67,970,046	\$ 185,549,188

See accompanying notes to financial statements.

CITY OF EVANSTON, 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	\$ 55,641,581
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	
Total governmental capital assets	\$ 257,778,036
Less internal service fund portion	<u>(12,386,337)</u> 245,391,699
Total OPEB liability payable is not due and payable in the current period and, therefore, is not reported in the governmental funds	
	(19,801,591)
Interest payable is not due and payable in the current period and, therefore, not reported in the governmental funds	
	(431,132)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds payable	
Total governmental general obligation bonds payable	\$ (125,029,802)
Less internal service fund portion	<u>660,000</u> (124,369,802)
Bonds premium liability	(8,544,137)
Compensated absences payable	(19,339,273)
Net pension liability is shown as a liability on the statement of net position	
Illinois Municipal Retirement Fund	(197,091)
Police Pension Fund	(91,973,147)
Firefighters' Pension Fund	(90,698,955)
Differences between expected and actual experiences, assumption changes, net differences between projected, and actual earnings are recognized as deferred outflows and inflows of resources on the statement of net position	
Illinois Municipal Retirement Fund	12,577,437
Police Pension Fund	(6,886,516)
Firefighters' Pension Fund	1,336,640
OPEB	(5,958,976)
Deferred inflows for long-term loans are not available and, therefore, not revenue in fund financial statements	
	10,021,452
The net position of the internal service fund is included in the governmental activities on the statement of net position	
	<u>20,243,748</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (22,988,063)</u>

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2025

	General	Capital Improvements	General Obligation Debt Service
REVENUES			
Taxes	\$ 80,681,316	\$ -	\$ 12,385,312
Licenses and permits	17,580,349	-	-
Special assessments	-	-	-
Intergovernmental	18,073,617	3,524,418	-
Fees	-	670,449	-
Charges for services	14,515,400	61,966	-
Fines and forfeits	4,286,229	-	-
Investment income	2,365,741	128,101	372,366
Miscellaneous	2,978,395	-	-
Total revenues	140,481,047	4,384,934	12,757,678
EXPENDITURES			
Current			
General management and support	29,523,174	60	2
Public safety	88,581,374	-	-
Public works	16,202,431	13,949,475	-
Health and human resource development	1,909,490	-	-
Recreational and cultural opportunities	15,931,458	-	-
Housing and economic development	4,594,776	-	-
Capital outlay	-	1,004,180	-
Debt service			
Principal	-	-	10,746,121
Interest and fiscal charges	-	-	5,248,689
Total expenditures	156,742,703	14,953,715	15,994,812
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(16,261,656)	(10,568,781)	(3,237,134)
OTHER FINANCING SOURCES (USES)			
Transfers in	10,076,736	-	1,822,551
Transfers (out)	(374,996)	-	-
Total other financing sources (uses)	9,701,740	-	1,822,551
NET CHANGE IN FUND BALANCES	(6,559,916)	(10,568,781)	(1,414,583)
FUND BALANCES (DEFICIT), JANUARY 1 (AS REPORTED)	49,020,653	(8,090,525)	3,453,006
Restatement - change in reporting entity	-	-	-
FUND BALANCES (DEFICIT), JANUARY 1 (AS RESTATED)	49,020,653	(8,090,525)	3,453,006
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 42,460,737	\$ (18,659,306)	\$ 2,038,423

<i>Previously Major ARPA</i>	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 14,292,058	\$ 107,358,686
-	-	17,580,349
-	215,970	215,970
-	13,324,084	34,922,119
-	1,629,663	2,300,112
-	-	14,577,366
-	-	4,286,229
-	1,760,632	4,626,840
-	357,293	3,335,688
-	31,579,700	189,203,359
-	7,749,683	37,272,919
-	2,459,001	91,040,375
-	5,886,871	36,038,777
-	5,306,427	7,215,917
-	-	15,931,458
-	6,424,910	11,019,686
-	1,515,856	2,520,036
-	-	10,746,121
-	-	5,248,689
-	29,342,748	217,033,978
-	2,236,952	(27,830,619)
-	1,919,996	13,819,283
-	(6,538,647)	(6,913,643)
-	(4,618,651)	6,905,640
-	(2,381,699)	(20,924,979)
1,392,844	30,790,582	76,566,560
(1,392,844)	1,392,844	-
-	32,183,426	76,566,560
\$ -	\$ 29,801,727	\$ 55,641,581

See accompanying notes to financial statements.

CITY OF EVANSTON, 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	\$ (20,924,979)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	21,600,495
Some expenses in the statement of net position (e.g., depreciation) do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation	(11,052,220)
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	10,746,121
The amortization of premium on long-term debt is reported as a reduction of interest expense on the statement of activities	878,489
Changes in total other postemployment benefits obligations are reported only in the statement of activities	41,014
The change in compensated absences payable is shown as an expense on the statement of activities	(4,838,645)
The change in the accrual of interest is reported as interest expense on the statement of activities	38,373
The change in the net pension liability (asset) is reported only in the statement of activities	
Illinois Municipal Retirement Fund	(1,363,879)
Police Pension Fund	22,782,897
Firefighters' Pension Fund	15,368,495
The change in deferred inflows and outflows of resources is reported only in the statement of activities	
Illinois Municipal Retirement Fund	(4,639,544)
Police Pension Fund	(20,459,696)
Firefighters' Pension Fund	(13,586,505)
OPEB	(827,885)
The change in deferred inflows for long-term loans is not an expense on the statement of activities	(162,507)
Internal service funds are reported separately in the fund financial statements	918,011
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (5,481,965)</u></u>

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS

December 31, 2025

	Business-Type Activities				Total	Governmental
	Water	Sewer	Motor Vehicle	Nonmajor		Internal Service
			Parking System	Solid Waste		
CURRENT ASSETS						
Cash and cash equivalents	\$ 300	\$ 983,478	\$ 2,093,784	\$ 3,019,346	\$ 6,096,908	\$ 5,057,582
Investments	20,815,446	-	395	-	20,815,841	-
Receivables						
Property taxes	-	-	-	450,000	450,000	-
Accounts - water and sewerage charges						
Accounts - billed	1,915,743	127,817	-	172,423	2,215,983	-
Accounts - unbilled	2,004,883	1,211,240	-	875,919	4,092,042	-
Leases	-	-	4,567,518	-	4,567,518	-
Accrued interest	-	-	6,383	-	6,383	-
Other	-	-	379,181	81,972	461,153	71,727
Inventories	968,039	127,305	-	-	1,095,344	1,898,555
Prepaid items	-	-	-	-	-	5,760,302
Due from other funds	-	8,882,433	-	532,340	9,414,773	2,455,259
Total current assets	25,704,411	11,332,273	7,047,261	5,132,000	49,215,945	15,243,425
NONCURRENT ASSETS						
Capital assets						
Capital assets not being depreciated	49,921,488	-	4,396,479	-	54,317,967	-
Capital assets being depreciated	199,439,694	271,061,294	95,503,100	1,802,208	567,806,296	34,763,707
Accumulated depreciation	(49,356,115)	(90,419,683)	(55,046,021)	(606,650)	(195,428,469)	(22,377,370)
Total capital assets	200,005,067	180,641,611	44,853,558	1,195,558	426,695,794	12,386,337
Total noncurrent assets	200,005,067	180,641,611	44,853,558	1,195,558	426,695,794	12,386,337
Total assets	225,709,478	191,973,884	51,900,819	6,327,558	475,911,739	27,629,762
DEFERRED OUTFLOWS OF RESOURCES						
Asset retirement obligations	3,401,447	-	-	-	3,401,447	-
Pension items - IMRF	1,764,221	321,012	309,384	397,484	2,792,101	-
OPEB items	56,473	36,895	33,453	31,196	158,017	17,652
Total deferred outflows of resources	5,222,141	357,907	342,837	428,680	6,351,565	17,652
Total assets and deferred outflows of resources	230,931,619	192,331,791	52,243,656	6,756,238	482,263,304	27,647,414

(This statement is continued on the following page.)

CITY OF EVANSTON, ILLINOIS

STATEMENT OF NET POSITION (Continued)
 PROPRIETARY FUNDS

December 31, 2025

	Business-Type Activities				Total	Governmental
	Water	Sewer	Motor Vehicle	Nonmajor		Internal Service
			Parking System	Solid Waste		
CURRENT LIABILITIES						
Vouchers payable	\$ 12,611,602	\$ 1,867,923	\$ 191,516	\$ 724,977	\$ 15,396,018	\$ 494,267
Retainage payable	1,770,588	-	-	-	1,770,588	-
Deposits payable	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Interest payable - restricted	192,848	39,482	2,658	-	234,988	-
Loans payable - IEPA	1,691,464	1,875,957	-	-	3,567,421	-
Loans payable - WIFIA	235,603	-	-	-	235,603	-
Current portion of GO bonds payable	2,086,347	275,059	50,000	-	2,411,406	-
Current portion of total OPEB liability	16,017	10,464	9,488	8,848	44,817	5,006
Claims payable	-	-	-	-	-	1,108,082
Due to other funds	9,215,196	-	282,159	-	9,497,355	93,772
Compensated absences payable	571,520	174,489	171,712	68,415	986,136	116,768
Total current liabilities	28,391,185	4,243,374	707,533	802,240	34,144,332	1,817,895
NONCURRENT LIABILITIES						
Loans payable - IEPA	53,666,809	4,776,954	-	-	58,443,763	-
Loans payable - WIFIA	9,749,101	-	-	-	9,749,101	-
General obligation bonds payable	37,980,295	2,774,845	1,276,447	-	42,031,587	660,000
Asset retirement obligations	5,081,625	-	-	-	5,081,625	-
Net pension liability - IMRF	27,366	4,979	4,799	6,166	43,310	-
Total OPEB liability	378,943	247,575	224,480	209,334	1,060,332	118,446
Claims payable	-	-	-	-	-	4,722,719
Compensated absences payable	329,015	23,272	50,410	31,678	434,375	29,804
Total noncurrent liabilities	107,213,154	7,827,625	1,556,136	247,178	116,844,093	5,530,969
Total liabilities	135,604,339	12,070,999	2,263,669	1,049,418	150,988,425	7,348,864
DEFERRED INFLOWS OF RESOURCES						
Pension items - IMRF	17,825	3,243	3,126	4,016	28,210	-
OPEB items	175,330	114,548	103,862	96,855	490,595	54,802
Deferred property taxes	-	-	-	450,000	450,000	-
Leases	-	-	4,257,921	-	4,257,921	-
Total deferred inflows of resources	193,155	117,791	4,364,909	550,871	5,226,726	54,802
Total liabilities and deferred inflows of resources	135,797,494	12,188,790	6,628,578	1,600,289	156,215,151	7,403,666
NET POSITION						
Net investment in capital assets	89,239,840	170,108,796	43,527,111	1,195,558	304,071,305	11,591,776
Unrestricted	5,894,285	10,034,205	2,087,967	3,960,391	21,976,848	8,651,972
TOTAL NET POSITION	\$ 95,134,125	\$ 180,143,001	\$ 45,615,078	\$ 5,155,949	\$ 326,048,153	\$ 20,243,748

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2025

	Business-Type Activities				Total	Governmental
	Water	Sewer	Motor Vehicle Parking System	Nonmajor Solid Waste		Internal Service Funds
OPERATING REVENUES						
Charges for services	\$ 29,240,102	\$ 8,357,732	\$ 10,002,450	\$ 6,024,680	\$ 53,624,964	\$ 28,075,231
Miscellaneous	746,748	24,900	494,926	9,166	1,275,740	-
Total operating revenues	29,986,850	8,382,632	10,497,376	6,033,846	54,900,704	28,075,231
OPERATING EXPENSES EXCLUDING DEPRECIATION						
Administration	2,728,758	2,034,118	2,321,223	2,038,162	9,122,261	-
Operations	18,084,674	795,507	4,875,936	4,302,955	28,059,072	26,973,376
Total operating expenses excluding depreciation	20,813,432	2,829,625	7,197,159	6,341,117	37,181,333	26,973,376
OPERATING INCOME (LOSS) BEFORE DEPRECIATION AND AMORTIZATION	9,173,418	5,553,007	3,300,217	(307,271)	17,719,371	1,101,855
Depreciation and amortization	3,659,829	3,872,178	2,750,636	146,222	10,428,865	2,041,818
OPERATING INCOME (LOSS)	5,513,589	1,680,829	549,581	(453,493)	7,290,506	(939,963)
NON-OPERATING REVENUES (EXPENSES)						
Investment income	988,705	271,676	120,923	71,579	1,452,883	131,283
Property taxes	-	-	-	950,000	950,000	-
Miscellaneous income	-	-	-	-	-	2,453
Intergovernmental	86,081	-	-	-	86,081	97,762
Legal settlements	1,276,352	-	-	-	1,276,352	-
Other taxes	-	-	-	154,484	154,484	-
Interest expense	(1,821,005)	(239,029)	(31,900)	-	(2,091,934)	-
Gain on disposal of capital assets	-	-	-	-	-	126,476
Total non-operating revenues (expenses)	530,133	32,647	89,023	1,176,063	1,827,866	357,974
INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	6,043,722	1,713,476	638,604	722,570	9,118,372	(581,989)
TRANSFERS AND CONTRIBUTIONS						
Transfers in	-	-	-	-	-	1,500,000
Transfers (out)	(4,129,008)	(1,304,244)	(2,972,388)	-	(8,405,640)	-
Capital contributions	708,582	-	-	-	708,582	-
Total transfers and capital contributions	(3,420,426)	(1,304,244)	(2,972,388)	-	(7,697,058)	1,500,000
NET INCOME (LOSS)	2,623,296	409,232	(2,333,784)	722,570	1,421,314	918,011
NET POSITION, JANUARY 1	92,510,829	179,733,769	47,948,862	4,433,379	324,626,839	19,325,737
NET POSITION, DECEMBER 31	\$ 95,134,125	\$ 180,143,001	\$ 45,615,078	\$ 5,155,949	\$ 326,048,153	\$ 20,243,748

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended December 31, 2025

	Water	Sewer	Motor Vehicle Parking System	Nonmajor Solid Waste	Total	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	\$ 29,108,762	\$ 8,614,689	\$ 10,549,907	\$ 5,955,559	\$ 54,228,917	\$ 3,834,129
Receipts from (payments for) interfund services provided	(2,721,157)	(831,404)	(726,802)	(599,090)	(4,878,453)	23,424,274
Receipts from other agencies	-	-	-	-	-	799,182
Payments to suppliers	(14,312,279)	(164,140)	(4,977,777)	(3,728,512)	(23,182,708)	(2,433,750)
Payments to employees	(1,119,614)	(1,380,051)	(1,477,998)	(1,554,666)	(5,532,329)	(6,628,352)
Payments for insurance premiums	-	-	-	-	-	(19,006,790)
Net cash from operating activities	10,955,712	6,239,094	3,367,330	73,291	20,635,427	(11,307)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Property and other taxes	-	-	-	1,104,484	1,104,484	-
Intergovernmental revenue	86,081	-	-	-	86,081	97,762
Settlements	1,276,352	-	-	-	1,276,352	-
Transfers in	-	-	-	-	-	1,500,000
Transfers (out)	(4,129,008)	(1,304,244)	(2,972,388)	-	(8,405,640)	-
Interfund activity	2,325,419	(190,338)	(19,037)	525,216	2,641,260	6,258,388
Net cash from noncapital financing activities	(441,156)	(1,494,582)	(2,991,425)	1,629,700	(3,297,463)	7,856,150
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Sale of capital assets	-	-	-	-	-	126,476
Acquisition and construction of capital assets	(14,699,842)	(2,204,556)	(969,823)	(679,973)	(18,554,194)	(4,810,905)
Proceeds from loans	13,850,954	-	-	-	13,850,954	-
Principal paid on general obligation bonds	(2,148,973)	(259,823)	(45,000)	-	(2,453,796)	-
Interest paid on general obligation bonds and IEPA loans	(1,815,203)	(288,350)	(37,562)	-	(2,141,115)	-
Principal paid on IEPA and WIFIA loans	(1,695,329)	(2,119,988)	-	-	(3,815,317)	-
Net cash from capital and related financing activities	(6,508,393)	(4,872,717)	(1,052,385)	(679,973)	(13,113,468)	(4,684,429)
CASH FLOWS FROM INVESTING ACTIVITIES						
Sale (purchase) of investments	(4,902,020)	-	(15)	-	(4,902,035)	-
Interest income	895,857	271,676	121,306	71,579	1,360,418	131,283
Net cash from investing activities	(4,006,163)	271,676	121,291	71,579	(3,541,617)	131,283
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	143,471	(555,189)	1,094,597	682,879	3,291,697
CASH AND CASH EQUIVALENTS, JANUARY 1	300	840,007	2,648,973	1,924,749	5,414,029	1,765,885
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 300	\$ 983,478	\$ 2,093,784	\$ 3,019,346	\$ 6,096,908	\$ 5,057,582

(This statement is continued on the following page.)

CITY OF EVANSTON, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
 PROPRIETARY FUNDS

For the Year Ended December 31, 2025

	Water	Sewer	Motor Vehicle Parking System	Nonmajor Solid Waste	Total	Governmental Activities - Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES						
Operating income (loss)	\$ 5,513,589	\$ 1,680,829	\$ 549,581	\$ (453,493)	\$ 7,290,506	\$ (939,963)
Adjustments to reconcile operating income (loss) to net cash from operating activities						
Depreciation	3,659,829	3,872,178	2,750,636	146,222	10,428,865	2,041,818
Miscellaneous income	-	-	-	-	-	2,453
Changes in assets and liabilities						
Accounts receivable	(878,088)	232,057	(96,256)	(78,287)	(820,574)	(20,099)
Lease items	-	-	148,787	-	148,787	-
Prepaid expenses	150,137	-	-	-	150,137	(2,139,316)
Inventories	(71,320)	9,574	-	-	(61,746)	(73,576)
Compensated absences	(11,469)	3,682	(36,179)	(52,882)	(96,848)	(42,289)
OPEB items	13,127	17,366	39,683	53,327	123,503	21,156
Pension items - IMRF	785,461	139,619	320,915	302,557	1,548,552	-
Deposits payable	-	-	-	-	-	-
Vouchers payable	1,723,583	283,789	(309,837)	155,847	1,853,382	35,458
Deferred outflows - asset retirement obligations	70,863	-	-	-	70,863	-
Claims payable	-	-	-	-	-	1,103,051
NET CASH FROM OPERATING ACTIVITIES	\$ 10,955,712	\$ 6,239,094	\$ 3,367,330	\$ 73,291	\$ 20,635,427	\$ (11,307)
NONCASH INVESTING, CAPITAL, AND RELATED FINANCING ACTIVITIES						
Capital assets acquired through vouchers and retainage payable	\$ 10,546,528	\$ 830,000	\$ -	\$ -	\$ 11,376,528	\$ 134,561
Capital asset contributions	708,582	-	-	-	708,582	-
Change in fair value of investments	92,848	-	-	-	92,848	-
TOTAL NONCASH INVESTING, CAPITAL, AND RELATED FINANCING ACTIVITIES	\$ 11,347,958	\$ 830,000	\$ -	\$ -	\$ 12,177,958	\$ 134,561

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

December 31, 2025

	<u>Pension Trust Funds</u>
ASSETS	
Cash and cash equivalents	\$ 4,567,872
Investments	
Investments held in the Illinois Firefighters' Pension Investment Fund	148,981,339
Investments held in the Illinois Police Pension Investment Fund	229,524,792
Prepays items	9,334
Receivables	
Accounts	3,123
Accrued interest	948
Due from City	<u>8,173,277</u>
 Total assets	 <u>391,260,685</u>
LIABILITIES	
Vouchers payable	<u>3,935</u>
 Total liabilities	 <u>3,935</u>
 NET POSITION RESTRICTED FOR PENSIONS	 <u><u>\$ 391,256,750</u></u>

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

For the Year Ended December 31, 2025

	<u>Pension Trust Funds</u>
ADDITIONS	
Contributions	
Contributions - employer	\$ 28,512,079
Contributions - plan members	<u>3,375,940</u>
Total contributions	<u>31,888,019</u>
Investment income	
Net appreciation in fair value of investments	53,827,949
Interest on investments	4,040,411
Less investment expenses	<u>(321,606)</u>
Total investment income	<u>57,546,754</u>
Total additions	<u>89,434,773</u>
DEDUCTIONS	
Administration	348,298
Benefit payments and refunds	<u>28,489,863</u>
Total deductions	<u>28,838,161</u>
NET INCREASE	60,596,612
NET POSITION RESTRICTED FOR PENSIONS	
January 1	<u>330,660,138</u>
December 31	<u><u>\$ 391,256,750</u></u>

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Evanston, Illinois (the City) and Evanston Public Library (the Library) 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 City's accounting policies are described below.

a. Reporting Entity

This report includes all of the funds of the City and the Library. The reporting entity for the City consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, and (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of two methods, discrete presentation or blending. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists; (2) the

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit; (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens; or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

Blended Component Unit

The Town of the City of Evanston, Illinois (the Township) has been previously presented as a separate legal entity which administers General Assistance, a public welfare program assigned by Illinois law to townships. Eligible clients received General Assistance for food, shelter, and medical needs. Through the town fund levy, the Township also supported a number of community action programs, which provided direct services to welfare recipients. The Township was governed by a Township Board of Trustees and provided services within the same geographic boundaries of the City. The Township Board of Trustees were the same individuals as the City Council. The Township board levied taxes and was responsible for adopting the Township budget and approving payment of bills. On April 30, 2014, the Township was discontinued and dissolved following the March 18, 2014 general election vote taken by the registered voters of the Township. Pursuant to 60 ILCS 1/27-15 and 1/27-20, effective 12:00 am May 1, 2014, the City assumed all rights, powers, assets, property, obligations, and duties of the Township, including the responsibility of providing the services that were previously provided by the Township. Beginning May 1, 2014, the functions of the Township are reported along with the City.

Discrete Component Unit

The Library promotes the development of independent, self-confident, and literate citizens through the provision of open access to cultural, intellectual, and informational resources for all ages. Beginning FY 2013, the Library financials are shown separately as a discrete component unit of the City. However, the Library does not issue its own independent set of financial statements. The Library Debt Service Fund was created as a part of FY2014 budget. The Library is governed by the Library Board of Trustees. The board members are appointed by the Mayor of the City.

The Library Director submits a proposed budget to the Library Board of Trustees for the upcoming calendar year. This budget is included in the budget documents submitted by the City Manager to the City Council. The Library budget is legally enacted through passage of an ordinance by the City Council.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Discrete Component Unit (Continued)

The Library serves the community through two branches. The Library partners with Northwestern University and other agencies to implement digitally based science, technology, and math learning opportunities for teens. The Library is continually focused on expanding summer reading programs to serve the patrons of all ages. The Library has also expanded community outreach by promoting library services at various local places and events. The Library does not issue separate financial statements.

The City's financial statements include two pension trust funds:

Police Pension Employees Retirement System

The City's financial statements include the Police Pension Employees Retirement System (PPERS) as a fiduciary component unit reported as a pension trust fund. The City's sworn police employees participate in the PPERS. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City Council, one elected pension beneficiary, and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the City is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of the City's contribution levels. Accordingly, the PPERS is fiscally dependent on the City. PPERS does not issue a stand-alone financial report.

Firefighters' Pension Employees Retirement System

The City's financial statements include the Firefighters' Pension System (the FPERS) as a fiduciary component unit reported as a Pension Trust Fund. The City's sworn full-time firefighters participate in the FPERS. FPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City Council, one elected pension beneficiary, and two elected from active participants of the Firefighters' Pension Fund constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the City is obligated to fund all remaining FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Accordingly, the FPERS is fiscally dependent on the City. FPERS does not issue a stand-alone financial report.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Joint Ventures

The City participates in one joint venture, which is reported as non-equity governmental joint venture and is described in Note 13. The joint venture is Solid Waste Agency of Northern Cook County (SWANCC).

c. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are reported in the supplementary information.

d. Fund Accounting

The City and the Library use funds to report on its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Each category, in turn, is divided into separate “fund types.”

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Fund Accounting (Continued)

Governmental funds are used to account for all or most of the City's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted, or assigned for the acquisition or construction of general capital assets (capital projects funds), and the funds restricted, committed, or assigned for the servicing of general long-term debt (debt service funds). The General Fund is used to account for all activities of the City not accounted for in some other fund.

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

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. When these assets are held under the terms of a formal trust agreement, a private purpose trust fund is used. The pension trust fund accounts for the activities of the Police and Firefighters' Pension Funds, which accumulate resources for pension benefit payments to retired police and fire personnel.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund statements. Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The City's and the Library's governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period, generally 60 days except for sales taxes and telecommunication taxes which use 90 days. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded when payment is due or when amounts have been accumulated in the debt service fund for payment to be made early in the following year.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The following revenues associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

- | | |
|-------------------------|---|
| 1. Taxes | 5. Recycling program fees and sales |
| Property* | |
| Sales | 6. Fines |
| Utility | Traffic fines |
| Personal property | |
| Hotel tax | 7. Intergovernmental |
| Athletic contest tax | Motor fuel tax allotments |
| Cigarette tax | Local motor fuel tax allotments |
| Liquor tax | Grants |
| Parking tax | Supplemental Security income reimbursements |
| | Income taxes |
| 2. Licenses | Sales taxes |
| | Use tax |
| 3. Franchise fees | |
| | 8. Investment income |
| 4. Charges for services | |

*Property taxes are defined as available if collected within at most 60 days after fiscal year end.

All other revenue items are considered to be measurable and available only when cash is received by the City and the Library.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The Capital Improvement Fund is a capital projects fund to account for capital improvements of the City, financed by earmarking revenues to provide for the costs associated with the projects.

The General Obligation Debt Fund is a debt service fund which accumulate monies for the principal and interest payments on general obligation debt.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period.

The City reports the following major proprietary funds:

The Water Fund accounts for the provision of water services to the residents of the City and the sale of water to the Villages of Skokie and Lincolnwood, Illinois and the Northwest Water Commission and Morton Grove Niles Water Commission. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operation, maintenance, financing and related debt service, and billing and collection.

The Sewer Fund accounts for the provision of sewer repair and improvement services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including administration, operations, financing, and billing and collection.

The Motor Vehicle Parking System accounts for the provision of the public and residential parking facility on Church Street, Maple Avenue, and Sherman Avenue, as well as all the City's parking lots and meters. All activities are accounted for including administration, operations, financing, and revenue collection. The City has elected to report this fund as major.

Additionally, the City reports the following fund types:

Internal Service Funds account for the fleet management and insurance services provided to other departments or agencies of the government, or to other governments, on a cost reimbursement basis.

Pension Trust Funds account for the activities of the Police and Firefighters' Pension Funds, which accumulate resources for pension benefit payments to qualified public safety employees.

The Library reports the Operating Fund, Endowment Fund, Capital Improvement Fund, and Debt Service Fund.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include (1) charges to customers for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including assessments. Internally dedicated resources are reported as general revenue rather than as program revenue. Likewise, general revenues include all taxes.

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

When both restricted and unrestricted resources are available for use, it is the City and Library's policy to use restricted resources first, then unrestricted resources as they are needed.

The City and Library report unearned revenue and unavailable/deferred revenue on its financial statements. Unavailable revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period, under the modified accrual basis of accounting. 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 City and Library 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 City and Library have 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Cash and Equivalents

Cash and equivalents represent cash on hand, cash deposited in interest-bearing and non-interest-bearing checking accounts, and investments in money markets, certificates of deposit, and treasury obligations with maturities of three months or less at the date of acquisition, and cash deposited with The Illinois Funds.

g. Investments

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

h. Inventories and Prepaid Items

Inventories in the Water, Sewer, and Fleet Service Funds are valued at cost. Inventory amounts are recorded on the basis of a physical count.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. In governmental funds, prepaid items are recorded based on consumption method.

i. Tangible and Intangible Capital Assets

A capital asset is property, such as equipment, buildings, land, utility infrastructure, roads, bridges with a cost or value equal to or greater than \$20,000 (per asset) at the date of acquisition and an expected useful life of more than one year (12 months or longer). Acquisition of motor vehicles is an exception to the \$20,000 threshold. Also additional cost of less than \$20,000 associated with an asset may be capitalized if the expense is necessary to put the asset in service or its intended use; and/or if it extends the service life of the asset. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Infrastructure acquired prior to the February 28, 2003 implementation of GASB Statement No. 34 has been reported.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Tangible and Intangible Capital Assets (Continued)

Property, plant, and equipment are depreciated, and intangible assets are amortized using the straight-line method over the following estimated useful lives:

Description	Years	Description	Years
Land improvements	10-100	Buildings and improvements	10-50
Lease improvements	10-100	Office equipment and furniture	5-15
Plant	20-100	Machinery and equipment	3-15
Transmission and distribution system	5-100	Infrastructure	30-100
Sewer system and underground lines	75-100	Library collections	7
Parking meters	15	Intangible assets	5-10

Intangible assets represent the City's right-to-use leased assets. These intangible assets, as defined by GASB Statement No. 87, *Leases* and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, are for lease or subscription contracts of nonfinancial assets including equipment, buildings, and software and are amortized over the shorter of the lease term or useful life of the intangible asset.

j. Compensated Absences

It is the City's and the Library's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In accordance with GASB Statement 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 proprietary funds and governmental activities is recorded as an expense 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.

k. Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, if material, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

k. Long-Term Obligations (Continued)

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

l. Self-Insurance

The City and the Library are self-insured to certain limits for general liability claims and for workers' compensation insurance. A liability is recorded when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Claims liabilities are based on estimates of the ultimate cost of reported claims including future claims adjustment expenses. General liability and workers' compensation claims are paid out of the Insurance Fund.

m. Deferred Inflows/Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

n. Property Taxes

Property taxes are collected by the Cook County Collector and are remitted periodically to all taxing bodies, including the City and Library. Distributions are made more often during the two main collection periods. Property taxes are levied on a calendar year basis by passage of a tax levy ordinance.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Property Taxes (Continued)

The property tax calendar for Cook County is as follows:

Description	Date
Lien date	January 1 of levy year
Levy date	December of levy year
First installment due date (55% of prior bill)	March 1/April 1 of year following levy year
Second installment due date (balance of total bill)	September 1/October 1 of year following levy year

Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). On this basis, property tax revenue includes all cash distributions of property tax related to the 2024 tax levy received during the fiscal period between January 1, 2025 and December 31, 2025. A 3% allowance for loss is reflected in the City and the Library financial statements.

The 2025 tax levy collections are intended to finance the 2026 fiscal year and are not considered available for current operations and, therefore, are shown as unavailable/deferred revenue.

o. Fund Equity

Governmental fund equity is classified as fund balance. In February 2009, GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement establishes fund balance classifications based primarily on the extent to which the government is bound to honor constraints on the use of the resources reported in each governmental fund as well as establishes additional notes disclosures regarding fund balance classification policies and procedures. The City Council may, by an ordinance, establish, modify, or remove a fund balance commitment. In accordance with GASB Statement No. 54, the City and the Library classifies governmental fund balance as follows:

1. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual stipulations require them to be maintained intact.
2. Restricted - Consists of fund balances with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Fund Equity (Continued)

3. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority. Fund balance amounts are committed through a formal action of the City. This formal action must occur prior to the end of the reporting period, but the amount of commitment, which will be subject to constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the City that originally created the commitment.
4. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following: (1) Council may take official action to assign amounts or (2) all remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.
5. Unassigned - Includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceeds amounts restricted, committed, or assigned for those purposes.

Assignments may not create unassigned deficits in any fund. However, nonspendable, restricted, or committed fund balance may create an unassigned deficit. Also, restricted, committed, and assigned balances themselves may not be negative.

The City has established a policy requiring a minimum of 16.60% or two months of operating expenditures to be maintained as a reserve. This is reported as unassigned fund balance.

The City and the Library consider restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City and the Library would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

In the government-wide and proprietary financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net position has not been restricted by enabling legislation adopted by the City. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt to acquire or construct the capital assets as well as any other non-debt capital related liabilities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

p. Interfund Transactions

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 are reported as transfers.

q. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

r. Conduit Debt

The City approved the issuance of \$5,000,000 Series 2010 Revenue Bonds during the fiscal year 2010-2011 to provide financial assistance to Chiaravalle Montessori School, deemed to be in the public interest. The use of proceeds includes the property purchase from the City, improvement to the existing building, refinancing existing debt, and payment of miscellaneous costs. The bonds are secured by the property or mortgages financed and are payable from the monies, securities, and other revenues pledged under the indenture by the school. The City is not obligated in any manner for the repayment of bonds. Accordingly, the bonds outstanding are not reported as a liability in these financial statements. The Series 2010 Revenue Bonds were refunded in 2019, and the City approved the issuance of \$3,925,000 Series 2019A Revenue Bonds and \$3,735,000 Series 2019B Revenue Bonds, dated December 1, 2019. As of December 31, 2025, outstanding bond balance of the 2019A Revenue Bonds was \$3,045,000 and outstanding balance of the 2019B Revenue Bonds was \$3,115,000.

The City approved the issuance of \$8,275,000 Series 2021 Revenue Bonds during the fiscal period ended December 31, 2021. The use of proceeds includes the refunding of outstanding balance of the "Series 2011" bonds, fund one or more debt service reserve funds and to pay certain costs incurred in connection with the issuance of the bonds. The bonds are secured by the property or mortgages financed and are payable from the moneys, securities, and other revenues pledged under the indenture by the Roycemore school. The City is not obligated in any manner for the repayment of bonds. Accordingly, the bonds outstanding are not reported as a liability in these financial statements. As of December 31, 2025, outstanding bond balance was \$8,275,000.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The Capital Improvement Fund had a net deficit of \$18,659,305 as of December 31, 2025. The City plans to use current resources to pay for future liabilities.

The Special Service District #9 Fund had a net deficit of \$49,145 as of December 31, 2025. The City plans to use current resources to pay for future liabilities.

The Special Service District #10 Fund had a net deficit of \$92,624 as of December 31, 2025. The City plans to use current resources to pay for future liabilities.

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

The City and pension funds categorize the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

a. Types of Accounts and Securities

Illinois Statutes and the City's investment policies authorize the City to invest in obligations of the U.S. Treasury, in Government Sponsored Enterprises (GSE) such as Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan Bank (FHLB), and Fannie Mae (FNMA); bankers acceptances as well as commercial paper rated only in the highest tier; repurchase agreements of the highest grade; collateralized certificates of deposit issued by FDIC insured financial institutions, money market mutual funds with portfolios limited to securities guaranteed by the United States Government, the Illinois Metropolitan Investment Fund, and The Illinois Funds.

The Illinois Funds, created by the Illinois State Legislature under the control of the State Comptroller, operates as qualified external investment pools in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Funds Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (Continued)

a. Types of Accounts and Securities (Continued)

The Illinois Metropolitan Investment Fund (IMET) is a local government investment pool. Created in 1996 as a not-for-profit trust formed under the Intergovernmental Cooperation Act and the Illinois Municipal Code. IMET was formed to provide Illinois government agencies with safe, liquid, attractive alternatives for investing and is managed by a Board of Trustees elected from the participating members. IMET offers participants two separate vehicles to meet their investment needs. The IMET Core Fund is designed for public funds that may be invested for longer than one year. The Core Fund carries the highest rating available (AAAf/bf) from Moody's for such funds. Member withdrawals can be made from the core fund with a five-day notice. The IMET Convenience Fund (CVF) is designed to accommodate funds requiring high liquidity, including short term cash management programs and temporary investment of bond proceeds. It is comprised of collateralized and FHLB LoC backed bank deposits, FDIC insured certificates of deposit and U.S. Government securities. Member withdrawals are generally on the same day as requested. Investments in IMET are valued at IMET's share price, which is the price the investment could be sold.

It is the policy of the City to invest public funds in a manner whereby its investment objectives are prioritized in the following order: safety of principal, liquidity, and rate of return. The City also seeks to maintain diversification of investments to avoid overconcentration of any one specific issuer or business sector. To mitigate interest rate risk, the City tries to structure the investment portfolio to meet daily cash flow needs so as to avoid needing to sell securities on the open market. The City seeks to attain market rates of return consistent with constraints imposed by safety and cash flow needs. The City invests to conform to all state and local statutes governing the investment of public funds. More detail is available in the City's investment policy.

b. Pooling of Cash and Investments

Except for cash and investments in certain restricted and special accounts, the City pools the cash of various funds to maximize interest earnings. Interest income is allocated to the various funds based upon their respective participation.

c. Types of Investments

Interest Rate Risk. The City's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The objective is to maintain a core portfolio with maturities primarily in the three month to three years range.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (Continued)

c. Types of Investments (Continued)

The following table presents the investment and maturities of the City’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 obligations	\$ 37,271,700	\$ 10,171,501	\$ 27,100,199	\$ -	\$ -
Municipal bonds	8,069,240	3,526,101	4,543,139	-	-
Negotiable CDs	1,049,705	1,049,705	-	-	-
TOTAL	\$ 46,390,645	\$ 14,747,307	\$ 31,643,338	\$ -	\$ -

Credit Risk. State law limits investments in commercial paper, corporate bonds, and mutual bonds funds to the top two ratings issued by nationally recognized statistical rating organizations. The City’s investment policy does not impose further limits on investment choices. The Illinois Funds and money markets were rated AAA by Standard & Poor’s. IMET exclusively invests in AAA Standard & Poor’s securities, such as treasury and agency obligations. The City’s municipal bond investments were rated from Aa3 to Aa1 by Moody’s. IMET’s Convenience Fund collateralizes all of its deposits 110%. Investments in negotiable CDs were not rated. The investments of the City in The Illinois Funds, PMA, and IMET are valued at the funds’ share price, the price for which the investments could be sold.

The City has the following recurring fair value measurements as of December 31, 2024: The investments in municipal bonds and negotiable CDs are valued using quoted matrix pricing models (Level 2 inputs). The U.S. Treasury obligations use Level 1 inputs.

Custodial Credit Risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the City’s investments were insured, registered, or held by the counterparty’s trust department in the City’s name.

Concentration of Credit Risk. It is the policy of the City to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting from overconcentration in a security, maturity, issuer, or class of securities.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (Continued)

d. Deposits

Custodial Credit Risk. For a deposit, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its deposit or collateral securities that are in the possession of an outside party. Collateral is required for City deposits equal to or greater than the amount of City deposits which exceed FDIC insured amounts. The City's depository pledges a Federal Home Loan Bank line of credit in the City's name as collateral. All of the City's deposits were insured or collateralized at December 31, 2025.

4. RECEIVABLES

a. Summary of Receivables

Other receivables as of December 31, 2025 for the City's Governmental Activities and Business-Type Activities, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-Type Activities	Total
Receivables (net, where applicable, of allowances for uncollectibles)			
Amusement tax	\$ 158,532	\$ -	\$ 158,532
Hotel tax	81,657	-	81,657
Liquor tax	306,932	-	306,932
Local motor fuel tax	83,296	-	83,296
Parking tax	49,735	-	49,735
Transportation network tax	257,022	-	257,022
Athletic tax	352,125	-	352,125
Intergovernmental	64,590	-	64,590
Other miscellaneous	71,727	461,153	532,880
NET TOTAL RECEIVABLES	\$ 1,425,616	\$ 461,153	\$ 1,886,769

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. RECEIVABLES (Continued)

b. Loans Receivable - Special Revenue Funds

The City provides resources to city residents for the sale and rehabilitation of single-family and multi-family housing. Initial funding for these resources was from Community Development Block Grant (CDBG) and Housing and Urban Development (HUD) Funds. Three types of loans are made: (1) title transfer loans which are due in full when the housing unit is sold, (2) amortizing loans which are due in monthly installments over varying lengths of time, and (3) forgivable loans which are forgiven over varying lengths of time based on occupancy requirements. Repayments of principal and any interest earned on these receivables, which are recorded in the respective Special Revenue Funds, are used to make additional rehabilitation loans. An allowance of \$78,000 exists in the Special Revenue Funds due to doubtful accounts. Loan activity for the current period is summarized as follows on the following page:

Loan Type	Interest Rates	Beginning	Loans Made	Loan Repayments	Loan Adjustments	Ending
Title transfer	0% - 8%	\$ 2,594,932	\$ -	\$ 150,257	\$ -	\$ 2,444,675
Amortizing	0% - 8%	2,617,795	-	53,810	-	2,563,985
Forgivable	0% - 8%	4,372,112	-	21,797	(97,500)	4,252,815
Allowance		(78,000)	-	-	-	(78,000)
TOTAL LOANS		\$ 9,506,839	\$ -	\$ 225,864	\$ (97,500)	\$ 9,183,475

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS

a. Capital Asset Activity

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

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 7,250,067	\$ 1,615,365	\$ -	\$ 8,865,432
Right of way	18,695,896	-	-	18,695,896
Artwork	508,480	30,950	-	539,430
Construction in progress	48,451,388	14,247,183	39,441,673	23,256,898
Total capital assets not being depreciated	74,905,831	15,893,498	39,441,673	51,357,656
Capital assets being depreciated/amortized				
Buildings and improvements	148,879,713	15,344,712	-	164,224,425
Office equipment and furniture	7,792,312	-	-	7,792,312
Intangible assets	8,314,832	-	-	8,314,832
Machinery and equipment	34,450,444	5,595,494	625,290	39,420,648
Infrastructure	217,428,496	29,412,346	-	246,840,842
Lease assets	502,532	-	-	502,532
Total capital assets being depreciated/amortized	417,368,329	50,352,552	625,290	467,095,591
Less accumulated depreciation/amortization for				
Buildings and improvements	56,230,481	3,149,978	-	59,380,459
Office equipment and furniture	6,783,791	327,948	-	7,111,739
Intangible assets	7,901,424	129,477	-	8,030,901
Machinery and equipment	24,673,086	2,215,285	625,290	26,263,081
Infrastructure	152,115,149	7,271,350	-	159,386,499
Lease assets	502,532	-	-	502,532
Total accumulated depreciation/amortization	248,206,463	13,094,038	625,290	260,675,211
Total capital assets being depreciated/amortized, net	169,161,866	37,258,514	-	206,420,380
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 244,067,697	\$ 53,152,012	\$ 39,441,673	\$ 257,778,036

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS (Continued)

a. Capital Asset Activity (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 4,592,141	\$ -	\$ -	\$ 4,592,141
Construction in progress	35,254,061	15,879,858	1,767,845	49,366,074
Artwork	359,752	-	-	359,752
Total capital assets not being depreciated	<u>40,205,954</u>	<u>15,879,858</u>	<u>1,767,845</u>	<u>54,317,967</u>
Capital assets being depreciated/amortized				
Land improvements	10,316,777	-	-	10,316,777
Buildings and improvements	79,065,626	-	-	79,065,626
Leasehold improvements	772,131	-	-	772,131
Plant	70,520,366	1,784,409	-	72,304,775
Transmission and distribution system	118,089,849	8,660,148	-	126,749,997
Sewer system and underground lines	265,185,772	2,224,927	-	267,410,699
Intangible assets	1,250,490	-	-	1,250,490
Equipment	5,682,638	2,459,422	-	8,142,060
Parking meters	1,793,741	-	-	1,793,741
Total capital assets being depreciated/amortized	<u>552,677,390</u>	<u>15,128,906</u>	<u>-</u>	<u>567,806,296</u>
Less accumulated depreciation/amortization				
Land improvements	5,852,704	422,980	-	6,275,684
Buildings and improvements	42,488,083	1,921,673	-	44,409,756
Leasehold improvements	477,633	23,404	-	501,037
Plant	26,775,666	1,850,468	-	28,626,134
Transmission and distribution system	18,606,565	1,738,498	-	20,345,063
Sewer system and underground lines	84,560,020	3,631,348	-	88,191,368
Intangible assets	1,215,492	34,996	-	1,250,488
Equipment	3,489,272	646,299	-	4,135,571
Parking meters	1,605,032	88,336	-	1,693,368
Total accumulated depreciation/amortization	<u>185,070,467</u>	<u>10,358,002</u>	<u>-</u>	<u>195,428,469</u>
Total capital assets being depreciated and amortized, net	<u>367,606,923</u>	<u>4,770,904</u>	<u>-</u>	<u>372,377,827</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 407,812,877</u>	<u>\$ 20,650,762</u>	<u>\$ 1,767,845</u>	<u>\$ 426,695,794</u>

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. CAPITAL ASSETS (Continued)

a. Capital Asset Activity (Continued)

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

GOVERNMENTAL ACTIVITIES	
General management and support	\$ 294,867
Public safety	524,490
Public works	9,260,449
Housing and economic development	9,303
Recreation and cultural opportunities	963,111
Internal service funds	<u>2,041,818</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 13,094,038</u>
BUSINESS-TYPE ACTIVITIES	
Water	\$ 3,588,966
Sewer	3,872,178
Solid waste	146,222
Motor vehicle parking	<u>2,750,636</u>
TOTAL DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES	<u>\$ 10,358,002</u>

The amount reported for Water Fund depreciation and amortization includes \$70,863 amortization of the City's asset retirement obligation.

b. Construction Commitments

The value of construction contracts signed, where the work has not yet been performed at December 31, 2025 is as follows:

Capital Improvement Fund	\$ 10,858,271
Crown Capital Improvement Fund	68,844
CDBG Fund	191,896
Motor Fuel Tax Fund	3,233,530
Water Fund	39,048,145
Sewer Fund	1,776,662
Motor Vehicle Parking System Fund	57,434
West Evanston TIF	386,344
Special Assessment Fund	107,762
Chicago Main TIF	925,269
Five Fifth TIF	74,011
Sustainability Fund	<u>245,238</u>
TOTAL CONSTRUCTION COMMITMENTS	<u>\$ 56,973,406</u>

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. INTERFUNDS

a. Interfund Accounts

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Due to/from other funds represent the current portion of these interfund loans, and advances to/from other funds represent the noncurrent portion.

Due from/to other funds are as follows:

	<u>Due From</u>	<u>Due To</u>
General	\$ -	\$ 2,540,390
General Obligation Debt Service	-	6,546,988
Capital Improvement	2,272	-
Water	-	9,215,196
Sewer	8,882,433	-
Solid Waste	532,340	-
Motor Vehicle Parking System	-	282,159
Nonmajor Governmental	7,744,896	938,695
Internal Service	2,455,259	93,772
TOTAL	\$ 19,617,200	\$ 19,617,200

b. Advances from/to other funds are as follows:

	<u>Advance From</u>	<u>Advance To</u>
General	\$ -	\$ 11,225,000
Capital Improvements	13,950,000	-
General Obligation Debt Service	2,000,000	5,100,000
Nonmajor Governmental	375,000	-
TOTAL	\$ 16,325,000	\$ 16,325,000

c. Interfund Transfers

Transfers are used to (1) move revenues from the fund with collection authorization to the Debt Service Fund as debt service principal and interest payments become due, (2) move restricted amounts from borrowings to the Debt Service Fund to establish mandatory reserve accounts, and (3) move restricted General Fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorization, including amounts provided as subsidies or matching funds for various grant programs.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. INTERFUNDS (Continued)

c. Interfund Transfers (Continued)

Interfund transfers between funds for the year ended December 31, 2025 were as follows:

	Transfers In	Transfers Out
	<u> </u>	<u> </u>
Governmental Funds		
General		
Emergency Telephone System	\$ 99,996	\$ -
Five-Fifths Tax Increment District	73,848	-
Good Neighbor	1,545,000	-
Dempster-Dodge Tax Increment District	24,396	-
Chicago Main Tax Increment District	64,752	-
Howard Ridge Tax Increment District	56,796	-
West Evanston Tax Increment District	110,556	-
Water	4,129,008	-
Sewer	999,996	-
Motor Vehicle Parking System	2,972,388	-
Crown Maintenance	-	174,996
Sustainability	-	200,000
Total General	<u>10,076,736</u>	<u>374,996</u>
General Obligation Debt Service		
Sewer	304,248	-
Chicago Main Tax Increment District	243,240	-
Dempster-Dodge Tax Increment District	168,948	-
Howard Ridge Tax Increment District	287,112	-
Crown Construction	588,372	-
Special Assessment	230,631	-
Total General Obligation Debt Service	<u>1,822,551</u>	<u>-</u>
Nonmajor Governmental		
Emergency Telephone System		
General	-	99,996
Total Emergency Telephone System	<u>-</u>	<u>99,996</u>

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. INTERFUNDS (Continued)

c. Interfund Transfers (Continued)

	Transfers In	Transfers Out
Governmental Funds (Continued)		
Affordable Housing		
Good Neighbor	\$ 1,030,000	\$ -
Total Affordable Housing	<u>1,030,000</u>	<u>-</u>
ARPA		
Equipment Replacement	-	1,500,000
Total ARPA	<u>-</u>	<u>1,500,000</u>
Sustainability		
General	200,000	-
Good Neighbor	515,000	-
Total Sustainability	<u>715,000</u>	<u>-</u>
Good Neighbor		
General	-	1,545,000
Affordable Housing	-	1,030,000
Sustainability	-	515,000
Total Good Neighbor	<u>-</u>	<u>3,090,000</u>
Chicago Main Tax Increment District		
General	-	64,752
General Obligation Debt Service	-	243,240
Total Chicago Main Tax Increment District	<u>-</u>	<u>307,992</u>
Dempster-Dodge Tax Increment District		
General	-	24,396
General Obligation Debt Service	-	168,948
Total Dempster-Dodge Tax Increment District	<u>-</u>	<u>193,344</u>
Howard Ridge Tax Increment District		
General	-	56,796
General Obligation Debt Service	-	287,112
Total Howard Ridge Tax Increment District	<u>-</u>	<u>343,908</u>

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. INTERFUNDS (Continued)

c. Interfund Transfers (Continued)

	Transfers In	Transfers Out
Governmental Funds (Continued)		
Nonmajor Governmental (Continued)		
West Evanston Tax Increment District		
General	\$ -	\$ 110,556
Total West Evanston Tax Increment District	-	110,556
Five-Fifths Tax Increment District		
General	-	73,848
Total Five-Fifths Tax Increment District	-	73,848
Crown Construction		
General Obligation Debt Service	-	588,372
Total Crown Construction	-	588,372
Crown Maintenance		
General	174,996	-
Total Crown Maintenance	174,996	-
Special Assessment		
General Obligation Debt Service	-	230,631
Total Special Assessment	-	230,631
Total Nonmajor Governmental Funds	1,919,996	6,538,647
Total Governmental Funds	13,819,283	6,913,643
Enterprise Funds		
Water		
General	-	4,129,008
Total Water	-	4,129,008
Sewer		
General	-	999,996
General Obligation Debt Service	-	304,248
Total Sewer	-	1,304,244

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. INTERFUNDS (Continued)

c. Interfund Transfers (Continued)

	Transfers In	Transfers Out
	<u> </u>	<u> </u>
Enterprise Funds (Continued)		
Motor Vehicle Parking System		
General	\$ -	\$ 2,972,388
Total Motor Vehicle Parking System	<u>-</u>	<u>2,972,388</u>
Total Enterprise Funds	<u>-</u>	<u>8,405,640</u>
Internal Service Funds		
Equipment Replacement		
ARPA	1,500,000	-
Total Equipment Replacement	<u>1,500,000</u>	<u>-</u>
Total Internal Service Funds	<u>1,500,000</u>	<u>-</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 15,319,283</u>	<u>\$ 15,319,283</u>

Transfers between the primary government and component unit have been reclassified on the statement of activities.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT

a. Changes in Long-Term Debt

G.O. Debt Governmental Activities	Interest Rate	Final Maturity Date	Balances January 1	Issued	Payments	Balances December 31	Current Portion
Series 2013A	2.00%-4.75%	12/1/2033	\$ 5,490,000	\$ -	\$ 605,000	\$ 4,885,000	\$ 635,000
Series 2013B	2.00%-3.00%	12/1/2025	890,798	-	890,798	-	-
Series 2014A	1.25%-5.00%	12/1/2034	5,385,000	-	455,000	4,930,000	475,000
Series 2015A	2.00%-4.00%	12/1/2035	4,745,000	-	380,000	4,365,000	370,000
Series 2016A	2.00%-4.00%	12/1/2036	6,135,000	-	480,000	5,655,000	500,000
Series 2016B	2.00%-3.00%	12/1/2026	1,705,000	-	840,000	865,000	865,000
Series 2017A	3.00%-4.00%	12/1/2037	8,305,000	-	560,000	7,745,000	580,000
Series 2017B	4.00%-5.00%	12/1/2027	2,652,469	-	859,639	1,792,830	882,624
Series 2017C	2.05%-4.00%	12/1/2035	3,760,000	-	280,000	3,480,000	290,000
Series 2018A	3.12%-5.00%	12/1/2043	22,470,000	-	785,000	21,685,000	825,000
Series 2018B	2.29%-5.00%	12/1/2038	9,011,697	-	473,684	8,538,013	497,076
Series 2018C	4.00%-5.00%	12/1/2038	2,911,806	-	681,222	2,230,584	714,452
Series 2018D	3.70%-4.25%	12/1/2038	3,045,000	-	165,000	2,880,000	175,000
Series 2019A	1.72%-2.85%	12/1/2043	11,705,000	-	385,000	11,320,000	400,000
Series 2019B	1.66%-2.68%	12/1/2039	5,847,712	-	271,795	5,575,917	285,522
Series 2020A&B	1.42%-1.61%	12/1/2040	14,530,691	-	1,296,983	13,233,708	1,363,175
Series 2021	2.00%-5.00%	12/1/2041	10,050,750	-	817,000	9,233,750	629,350
Series 2024	4.00%-5.00%	12/1/2044	17,135,000	-	520,000	16,615,000	545,000
Subtotal G.O. debt governmental activities			135,775,923	-	10,746,121	125,029,802	10,032,199
Bonds premium			9,422,626	-	878,489	8,544,137	-
OPEB liability - City			19,842,605	-	41,014	19,801,591	803,029
OPEB liability - Internal Service Funds			113,471	9,981	-	123,452	5,006
Net pension liability - IMRF*			-	197,091	-	197,091	-
Net pension liability - Police Pension			114,756,044	-	22,782,897	91,973,147	-
Net pension liability - Firefighters' Pension			106,067,450	-	15,368,495	90,698,955	-
Compensated absences payable - City			14,500,628	4,838,645	-	19,339,273	9,352,753
Compensated absences payable - Internal Service Funds			188,861	-	42,289	146,572	116,768
Claims payable			4,727,750	2,344,476	1,241,425	5,830,801	1,108,082
Subtotal other governmental activities liabilities			269,619,435	7,390,193	40,354,609	236,655,019	11,385,638
TOTAL GOVERNMENTAL ACTIVITIES DEBT AND LIABILITIES			\$ 405,395,358	\$ 7,390,193	\$ 51,100,730	\$ 361,684,821	\$ 21,417,837

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

a. Changes in Long-Term Debt (Continued)

G.O. Debt Business-Type Activities	Interest Rate	Final Maturity Date	Balances January 1	Issued	Payments	Balances December 31	Current Portion
Series 2013A	2.00%-4.75%	12/1/2033	\$ 1,090,000	\$ -	\$ 105,000	\$ 985,000	\$ 105,000
Series 2014	1.25%-5.00%	12/1/2034	1,625,000	-	135,000	1,490,000	145,000
Series 2015A	2.00%-4.00%	12/1/2035	3,520,000	-	265,000	3,255,000	275,000
Series 2016A	2.00%-4.00%	12/1/2036	2,435,000	-	175,000	2,260,000	180,000
Series 2017A	3.00%-4.00%	12/1/2037	690,000	-	45,000	645,000	50,000
Series 2018B	2.29%-5.00%	12/1/2038	4,505,847	-	236,842	4,269,005	248,538
Series 2018C	4.00%-5.00%	12/1/2038	593,193	-	138,778	454,415	145,548
Series 2019B	1.66%-2.68%	12/1/2039	3,273,719	-	152,159	3,121,560	159,845
Series 2020	2.00%-5.00%	12/1/2040	10,139,309	-	433,017	9,706,292	451,825
Series 2021	2.00%-5.00%	12/1/2041	1,814,250	-	328,000	1,486,250	190,650
Series 2024	4.00%-5.00%	12/1/2044	14,445,000	-	440,000	14,005,000	460,000
Subtotal G.O. debt business-type activities			44,131,318	-	2,453,796	41,677,522	2,411,406
IEPA loans	2.535%-3.590%	Various	65,796,632	-	3,785,448	62,011,184	3,567,421
WIFIA loan	2.00%	12/1/2056	4,823,650	5,190,922	29,868	9,984,704	235,603
Bonds premium			3,003,975	-	238,504	2,765,471	-
Compensated absences payable - City			1,517,358	-	96,848	1,420,510	986,136
Asset retirement obligations			5,081,625	-	-	5,081,625	-
Net pension liability - IMRF*			-	43,311	-	43,311	-
OPEB liabilities			1,073,187	31,962	-	1,105,149	44,817
Subtotal other business-type activities liabilities			81,296,427	5,266,195	4,150,668	82,411,954	4,833,977
TOTAL BUSINESS-TYPE ACTIVITIES DEBT AND LIABILITIES			<u>\$ 125,427,745</u>	<u>\$ 5,266,195</u>	<u>\$ 6,604,464</u>	<u>\$ 124,089,476</u>	<u>\$ 7,245,383</u>

Note: Sewer Fund, Water Fund, Solid Waste Fund, Parking Fund, and General Fund have been used to liquidate IMRF pension liability. General Fund, Fleet Fund, Water Fund, Parking Fund, Solid Waste Fund, and Sewer Fund have been used to liquidate other postemployment benefit obligations.

The change in compensated absences is reported net of increases and decreases.

*In the prior fiscal year, the City reported an IMRF net pension asset.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

b. Business-Type Activities - IEPA Loans

Business-type activities IEPA loans are payable from revenues derived from Sewer and Water service fees. The City has pledged future revenues, net of operating expenses, to repay IEPA loans issued in 1994 through 2024. Proceeds from the loans provided financing for the Long-Term Sewer and Water Improvement Program. The IEPA loans, payable from operating revenues, are payable through 2044. Annual principal and interest on the loans are expected to require \$4,134,625 of net revenues for the fiscal year 2026. The total principal and interest remaining to be paid on the loans is \$69,709,170. Principal and interest paid for the current period was \$4,426,573 and the total customer net revenues was \$7,194,418 for the fiscal year.

c. Business-Type Activities - WIFIA Loans

Business-type activities WIFIA loans are payable from revenues derived from Water service fees. Proceeds from the loan provide financing for the 1909 Intake Replacement Project. The WIFIA loan is a 30 year loan with an interest rate of 2%. Annual principal and interest on the loan is deferred until 2026. The total principal and interest remaining to be paid on the loans is \$13,394,348. No principal and interest was paid for the current period.

d. Debt Service Requirements

The following schedule illustrates the annual debt service requirements to maturity for general obligation bonds.

Fiscal Year Ending	General Obligation Bonds			General Obligation Bonds		
	Payable from Governmental Activities			Payable by Enterprise Funds		
December 31,	Principal	Interest	Total	Principal	Interest	Total
2026	\$ 10,032,199	\$ 4,792,440	\$ 14,824,639	\$ 2,411,406	\$ 1,576,516	\$ 3,987,922
2027	9,393,941	4,371,935	13,765,876	2,518,130	1,469,584	3,987,714
2028	8,787,897	3,973,380	12,761,277	2,619,854	1,364,688	3,984,542
2029	8,398,716	3,603,123	12,001,839	2,624,200	1,255,605	3,879,805
2030	8,250,369	3,294,609	11,544,978	2,787,102	1,152,041	3,939,143
2031-2035	39,046,970	11,997,225	51,044,195	13,282,560	4,207,748	17,490,308
2036-2040	28,484,710	5,589,840	34,074,550	11,394,270	1,925,482	13,319,752
2041-2045	12,635,000	1,147,400	13,782,400	4,040,000	412,000	4,452,000
TOTAL	\$ 125,029,802	\$ 38,769,952	\$ 163,799,754	\$ 41,677,522	\$ 13,363,664	\$ 55,041,186

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

7. LONG-TERM DEBT (Continued)

d. Debt Service Requirements (Continued)

The following schedule illustrates the annual debt service requirements to maturity for IEPA Loans.

Fiscal Year Ending December 31,	IEPA Loans		
	Payable by Enterprise Funds		
	Principal	Interest	Total
2026	\$ 3,567,421	\$ 567,204	\$ 4,134,625
2027	3,794,955	666,547	4,461,502
2028	3,524,033	766,070	4,290,103
2029	3,357,027	714,063	4,071,090
2030	3,407,124	663,965	4,071,089
2031-2035	16,965,749	2,546,352	19,512,101
2036-2040	16,253,336	1,327,444	17,580,780
2041-2045	8,864,468	418,047	9,282,515
2046-2047	2,277,071	28,294	2,305,365
TOTAL	\$ 62,011,184	\$ 7,697,986	\$ 69,709,170

The following schedule illustrates the annual debt service requirements to maturity for WIFIA Loans.

Fiscal Year Ending December 31,	WIFIA Loans		
	Payable by Enterprise Funds		
	Principal	Interest	Total
2026	\$ 235,603	\$ 99,847	\$ 335,450
2027	240,315	194,982	435,297
2028	245,121	190,176	435,297
2029	250,023	185,273	435,296
2030	255,023	180,273	435,296
2031-2035	1,353,698	822,786	2,176,484
2036-2040	1,494,591	681,892	2,176,483
2041-2045	1,650,149	526,334	2,176,483
2046-2050	1,821,898	354,585	2,176,483
2051-2055	2,011,522	164,961	2,176,483
2056-2060	426,761	8,535	435,296
TOTAL	\$ 9,984,704	\$ 3,409,644	\$ 13,394,348

7. LONG-TERM DEBT (Continued)

e. Asset Retirement Obligations

The City has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to seal and abandon various intake pipelines at the end of their estimated useful lives in accordance with federal, state and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The City estimates the useful lives of the intake pipelines to be 54 years.

8. LESSOR DISCLOSURES

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

The City entered into a lease arrangement on May 1, 2015 to lease commercial property. Payments of \$15,000 to \$20,101 are due to the City in monthly installments through December 31, 2041. The lease agreement is noncancelable and maintains an interest rate of 1.837%. During the fiscal year, the City collected \$189,000 and recognized a \$174,943 reduction in the related deferred inflow of resource.

The City entered into a lease arrangement on October 1, 2016 to lease commercial property. Payments of \$3,710 to \$6,887 are due to the City in monthly installments through October 31, 2034. The lease arrangement is noncancelable and maintains an interest rate of 1.581%. During the fiscal year, the City collected \$58,816 and recognized a \$58,988 reduction in the related deferred inflow of resource.

The City entered into a lease arrangement on August 1, 2020 to lease commercial property. Payments of \$110,352 to \$133,525 are due to the City in annual installments through October 31, 2035. The lease arrangement is noncancelable and maintains an interest rate of 1.338%. During the fiscal year, the City collected \$112,192 and recognized a \$111,675 reduction in the related deferred inflow of resource.

The City entered into a lease arrangement on August 1, 2019 to lease commercial property. Payments of \$1,200 to \$1,815 are due to the City in monthly installments through July 31, 2034. The lease arrangement is noncancelable and maintains an interest rate of 1.581%. During the fiscal year, the City collected \$16,902 and recognized a \$16,646 reduction in the related deferred inflow of resource.

The City entered into a lease arrangement on December 1, 2016 to lease commercial property. Payments of \$637 to \$1,130 are due to the City in variable monthly installments through December 31, 2031. The lease arrangement is noncancelable and maintains an interest rate of 1.458%. During the fiscal year, the City collected \$10,104 and recognized a \$10,148 reduction in the related deferred inflow of resource.

8. LESSOR DISCLOSURES (Continued)

The City entered into a lease arrangement on April 12, 2018 to lease commercial property. Payments of \$3,500 to \$5,345 are due to the City in variable monthly installments through April 11, 2028. The lease arrangement is noncancelable and maintains an interest rate of 1.008%. During the fiscal year, the City collected \$59,365 and recognized a \$56,610 reduction in the related deferred inflow of resource.

The City entered into a lease arrangement on December 1, 2019 to lease commercial property. Payments of \$2,500 to \$3,073 are due to the City in variable monthly installments through November 30, 2026. The lease arrangement is noncancelable and maintains an interest rate of 0.830%. During the fiscal year, the City collected \$35,735 and recognized a \$64,791 reduction in the related deferred inflow of resource.

The City entered into a lease arrangement on March 15, 2025 to lease commercial property. Payments of \$3,000 are due to the City in monthly installments through March 15, 2027. The lease arrangement is noncancelable and maintains an interest rate of 2.867%. During the fiscal year, the City collected \$30,000 and recognized a \$27,874 reduction in the related deferred inflow of resource

The cumulative remaining lease receivable and offsetting deferred inflow of resources for these agreements is \$4,973,367 and \$4,632,966, respectively, as of December 31, 2025.

9. INDIVIDUAL FUND DISCLOSURES

a. General Obligation Debt Service Fund

The City usually adopts several resolutions abating portions of the property tax debt service levies. The amount of property taxes abated is derived from principal and interest payments by private assessments on street paving projects; additional water/sewer service fees related to the citywide water/sewer improvement project; revenues from the Motor Vehicle Parking System Fund associated with the Maple Garage, Sherman Garage, and Church Street Self-Park Garage; and General Obligation Debt Service Fund interest income.

b. Water Fund

On January 28, 1997, the City executed a long-term water supply contract with the Village of Skokie, Illinois, to replace an expiring contract. The contract took effect on March 1, 1997 and continues in effect for a period of 20 years until February 28, 2017. The contract was extended further until December 31, 2040.

The City provides potable Lake Michigan water to the Northwest Water Commission (NWWC) under a long-term water supply contract. Sale of potable water under this contract began on February 28, 1985 and continues until February 28, 2030. Under the terms of the current contract, the City is to supply NWWC sufficient potable Lake Michigan water to satisfy NWWC's maximum 24-hour demands for Lake Michigan water for resale to NWWC's customers.

9. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Water Fund (Continued)

The City provides potable Lake Michigan water to the Morton Grove Niles Water Commission (MGNWC) under a long-term water supply contract. Sale of potable water under this contract began January 24, 2017 and continues until December 31, 2056. Under the terms of the current contract, the City is to supply MGNWC sufficient potable Lake Michigan water to satisfy MGNWC's maximum 24-hour demands for Lake Michigan water for resale to MGNW's customers.

The City also provides potable Lake Michigan water to the Village of Lincolnwood under a long-term water supply contract. Sale of potable water under this contract began August 24, 2018 and continues until August 24, 2047.

The Water Fund revenues reflect payment from the Village of Skokie at the rate of \$2.06 per 1000 gallons as agreed upon in 2017.

c. Special Service District No. 6

Special Service District No. 6 comprises the central business district of the City. The special district was established for the purpose of providing funds for special maintenance and repair and for promotion and advertisement. The annual property tax levy for 2025 was \$227,550 which includes an estimated allowance amount of \$5,550.

d. Special Service District No. 7

On December 9, 2019, the City Council adopted Ordinance No. 159-O-19 which established Special Service District No. 7. Special Service District No. 7 comprises the central business district of the City. The special district was established for the purpose of providing funds for special maintenance and repair and for promotion and advertisement. The annual property tax levy for 2025 was \$150,052 which includes an estimated allowance amount of \$3,660.

e. Special Service District No. 8

On December 9, 2019, the City Council adopted Ordinance No. 160-O-19 which created Special Service District No. 8. Special Service District No. 8 comprises the central business district of the City. The special district was established for the purpose of providing funds for special maintenance and repair and for promotion and advertisement. The annual property tax levy for 2025 was \$63,556 which includes an estimated allowance amount of \$1,550.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. INDIVIDUAL FUND DISCLOSURES (Continued)

f. Special Service District No. 9

On December 9, 2019, the City Council adopted Ordinance No. 161-O-19 which terminated the life of Special Service District No. 4 and reestablished the Special Service Area as Special Service Area No. 9. Special Service District No. 9 comprises the central business district of the City. The special district was established for the purpose of providing funds for special maintenance and repair and for promotion and advertisement. The annual property tax levy for 2025 was \$691,875 which includes an estimated allowance amount of \$16,875.

g. Special Service District No. 10

On January 22, 2024, the City Council adopted Ordinance No. 03-O-24 established Special Service Area No. 10. Special Service District No. 10 comprises the contiguous area along Howard St from the CTA tracks to just west of Asbury Ave. The special district was established for the purpose of providing funds for special maintenance and repair and for promotion and advertisement. The annual property tax levy for 2025 was \$100,035 which includes an estimated allowance amount of \$2,440.

10. FUND EQUITY

a. Restricted Net Position - Fiduciary Funds

Police Pension Fund for employee pension benefits	\$ 236,847,584
Firefighters' Pension Fund restrictions for employee pension benefits	<u>154,409,166</u>
TOTAL FIDUCIARY FUNDS	<u>\$ 391,256,750</u>

b. Assigned Fund Balances

General Fund	
Assigned for Parks and Recreation programs	\$ 1,965,340
Assigned for Mayor's program	93,679
Assigned for Public Safety programs	300,226
Other assignments	258,332
Assigned for subsequent year's budget	<u>11,994,210</u>
Total general fund	<u>14,611,787</u>
TOTAL ASSIGNED FUND BALANCES	<u>\$ 14,611,787</u>

11. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; and injuries to the City's employees. The City maintains commercial all-risk property insurance to cover damage to city facilities and contents and other losses including business interruption and loss of rents. The coverage is subject to a deductible of \$50,000 (except \$100,000 for flood and earthquake and \$10,000 for artwork) for each loss and each location. The City also maintains crime and fidelity insurance coverage with a \$25,000 deductible to a limit of \$2,000,000. In addition, coverage is maintained for ambulance/paramedic liability.

For workers' compensation, specific excess coverage in excess of \$750,000 per occurrence is purchased from a commercial insurance company. For general liability claims, the City retains risk of loss of \$1,250,000 to a limit of \$20,000,000.

Settled claims have not exceeded this coverage in any of the past three fiscal years.

Workers' compensation and general liability risks are accounted for in the Insurance Fund. The fund was established on March 1, 1994 to administer general liability claims and workers' compensation programs on a cost-reimbursement basis. The fund accounts for the aforementioned liabilities of the City, but does not constitute a transfer of risk from the City.

The City records estimated liabilities for workers' compensation and for general claims. Claims liabilities are based on estimates of the ultimate cost of reported claims including future claim adjustment expenses. Changes in the balances of claims liabilities during the past two fiscal years are as follows:

	Workers' Compensation	General Liability	Total
DECEMBER 31, 2023	\$ 1,360,750	\$ 2,224,999	\$ 3,585,749
New claims/estimate revisions	755,723	730,001	1,485,724
Claims payments	(343,723)	-	(343,723)
DECEMBER 31, 2024	1,772,750	2,955,000	4,727,750
New claims/estimate revisions	469,476	1,875,000	2,344,476
Claims payments	(111,425)	(1,130,000)	(1,241,425)
DECEMBER 31, 2025	<u>\$ 2,130,801</u>	<u>\$ 3,700,000</u>	<u>\$ 5,830,801</u>

For its health insurance coverages, the City participates through a sub-pool in the Intergovernmental Personnel Benefit Cooperative (IPBC). IPBC is a public entity risk pool established in 1979 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)

11. RISK MANAGEMENT (Continued)

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. Management consists of a Board of Directors comprised of one appointed representative from each member. The officers of IPBC are chosen by the Board of Directors from among their membership. The City does not exercise any control over the activities of IPBC beyond its representation on the Board of Directors of the sub-pool. To obtain IPBC's financial statements, contact the administrative offices of IPBC at 301 East Irving Park Road, Streamwood, Illinois 60107.

12. CONTINGENCIES

There are various claims and legal actions pending against the City for which provision has been made in the financial statements. At the present time, the City believes that the reserves established are sufficient so that the expected liability for these claims and legal actions will not materially exceed the amounts recorded in the financial statements. 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 the expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

13. JOINT VENTURES

Solid Waste Agency of Northern Cook County

On March 28, 1988, the Evanston City Council authorized agreements providing for the City's participation in the Solid Waste Agency of Northern Cook County (the Agency) and in the interim financing of that Agency. The Agency was planned and developed by the Northwest Municipal Conference, of which the City is a member. The Agency is empowered to plan, finance, construct, and operate a solid waste disposal system.

The Agency is a municipal joint action agency created as of May 2, 1988 under the provisions of the Intergovernmental Cooperation Act (the Act), 5 ILCS 220/3.2. The Agency consists of 23 municipalities. The Agency is governed by a Board of Directors consisting of one official selected by each member community who serves a two-year term. Each director has one vote. The Board of Directors determines the general policies of the Agency. The Executive Committee of the Agency consists of seven persons elected by the Board of Directors. Each person is entitled to one vote. The Executive Committee may take action not specifically reserved to the Board of Directors by the Act, the Agency agreement, or the by-laws.

13. JOINT VENTURES

Solid Waste Agency of Northern Cook County (Continued)

The authority to designate management, influence operations, and formulate budgets rests with the Board of Directors and Executive Committee. No one member has the ability to significantly influence operations; therefore, the Agency is not a component unit of any other governmental reporting entity.

Under the 1992 project use agreement executed by the City with the Agency, the City's share of project costs, including debt service and disposal, is based on its share of deliveries to the Wheeling Transfer Station for each year. The City does not control the Agency's fiscal management or operations nor is the City legally responsible for any more than its share of the Agency's debt or operating deficits, if any.

Complete financial statements for the Agency can be obtained at 77 W. Hintz Rd., Suite 200, Wheeling, Illinois, 60090.

14. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Administration

The City administers a single-employer defined benefit health care plan which provides coverage to active employees and retired members. Benefit provisions are established through collective bargaining agreements and state that eligible retirees and their spouses at established contribution rates.

b. Benefits Provided

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. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

The City's group health insurance plan provides coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. This results in another postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy.

To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. For certain disabled employees who qualify for health insurance benefits under the Public Safety Employee Benefits Act (PSEBA), the City is required to pay 100% of the cost of basic health insurance for the employee and their dependents for their lifetime.

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Benefits Provided (Continued)

The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care; and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the City’s plan becomes secondary.

c. Membership

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

Inactive fund members and beneficiaries currently receiving benefit payments	71
Inactive fund members entitled to but not yet receiving benefit payments	5
Active fund members	<u>784</u>
 TOTAL	 <u>860</u>
 Participating employers	 <u>1</u>

d. Contributions

Contribution requirements are established through Illinois State laws. The City and the Library implicitly contribute the difference between retiree’s contributions and unblended rates. Retirees pay 100% of the blended premiums to cover themselves and their covered dependents ranging from \$595 for single coverage to \$2,134 for family coverage. The City pays 100% of health care premiums for police officers and firefighters, their dependents and their surviving spouses and dependent children if they were injured or killed in the line of duty during an emergency, ranging from \$595 for single coverage to \$2,134 for family coverage. For the year ended December 31, 2025, the estimated contribution to the plan is \$874,958. The annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with parameters of GASB Statement No. 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Actuarial Assumptions

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 valuation date	December 31, 2024
Measurement date	December 31, 2025
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	3.50%
Discount rate	4.83%
Healthcare cost trend rates	6.50% initial to an ultimate trend rate of 4.50%
Asset valuation method	N/A

Probabilities of death for participants were according to PubS-2010 base rates projected Fully Generationally using scale MP2021 for Police and Fire. For all others, the PubG-2010 base rates projected Fully Generationally using scale MP2021 was used.

f. Discount Rate

The discount rate was based on the S&P Municipal Bond 20-year high-grade rate index rate for tax exempt general obligation municipal bonds rated AA or better at December 31, 2025.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Changes in the Total OPEB Liability

	Total OPEB Liability
BALANCES AT JANUARY 1, 2025	<u>\$ 21,570,807</u>
Changes for the period	
Service cost	1,648,075
Interest	862,240
Changes in assumptions	(1,630,903)
Difference between expected and actual experience	-
Benefit payments	(874,958)
Other changes	<u>-</u>
Net changes	<u>4,454</u>
BALANCES AT DECEMBER 31, 2025	<u>\$ 21,575,261</u>

There were changes in assumptions related to the discount in 2025.

The table presented above includes amounts for both the City and the Library. The City's proportionate share of the total OPEB liability at December 31, 2025 was \$21,030,192. The Library's proportionate share of the total OPEB liability at December 31, 2025 was \$545,069.

h. Rate Sensitivity

The following is a sensitive analysis of 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 City and Library calculated using the discount rate of 4.83% as well as what the City's and Library's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.83%) or one percentage point higher (5.83%) than the current rate:

	1% Decrease (3.83%)	Current Discount Rate (4.83%)	1% Increase (5.83%)
Total OPEB liability - City	\$ 23,214,241	\$ 21,030,192	\$ 19,101,462
Total OPEB liability - Library	601,676	545,069	495,079
TOTAL OPEB LIABILITY	<u>\$ 23,815,917</u>	<u>\$ 21,575,261</u>	<u>\$ 19,596,541</u>

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

h. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the City calculated using the healthcare rate of 4.50% to 6.50% as well as what the City's total OPEB liability would be if it were calculated using a healthcare rate that is one percentage point lower (3.50% to 5.50%) or one percentage point higher (5.50% to 7.50%) than the current rate:

	1% Decrease (3.50% to 5.50%)	Current Healthcare Rate (4.50% to 6.50%)	1% Increase (5.50% to 7.50%)
Total OPEB liability - City	\$ 18,470,911	\$ 21,030,192	\$ 24,138,194
Total OPEB liability - Library	478,737	545,069	625,623
TOTAL OPEB LIABILITY	\$ 18,949,648	\$ 21,575,261	\$ 24,763,817

i. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2025, the City recognized OPEB expense of \$1,849,490. The Library's share of OPEB expense was \$47,936. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	City		Library		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 6,603,611	\$ -	\$ 171,155	\$ -	\$ 6,774,766
Changes in assumption	3,006,958	2,732,052	77,936	70,810	3,084,894	2,802,862
TOTAL	\$ 3,006,958	\$ 9,335,663	\$ 77,936	\$ 241,965	\$ 3,084,894	\$ 9,577,628

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

- i. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

<u>Year Ending December 31,</u>	
2026	\$ (612,889)
2027	(612,889)
2028	(612,889)
2029	(537,406)
2030	(671,360)
Thereafter	<u>(3,445,301)</u>
 TOTAL	 <u>\$ (6,492,734)</u>

15. EMPLOYEE RETIREMENT SYSTEMS

The City contributes to three different defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan, which is a single-employer pension plan; and the Firefighters' Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all three plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. None of the pension plans issue separate reports on the pension plans. However, IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. Those reports can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at imrf.org.

The table below is a summary for all pension plans as reported as of and for the year ended December 31, 2025:

	(City's share) IMRF	Police Pension	Firefighters' Pension	Total
Net pension liability	\$ 240,401	\$ 91,973,147	\$ 90,698,955	\$ 182,912,503
Deferred outflows of resources	15,497,909	18,892,993	14,128,007	48,518,909
Deferred inflows of resources	156,581	25,779,509	12,791,367	38,727,457
Pension expense	9,840,221	12,894,364	11,516,631	34,251,216

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration and Benefits Provided

All employees (other than those covered by the Police Pension Plan or Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. 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.

Contributions

These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.50% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the fiscal year ended December 31, 2025 was 3.90% of covered payroll.

Plan Membership

At December 31, 2024, IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	752
Inactive employees entitled to but not yet receiving benefits	494
Active employees	<u>601</u>
TOTAL	<u><u>1,847</u></u>

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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 for both IMRF and SLEP are summarized in the following table.

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%	

Actuarial Assumptions

The City'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.

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

The City has elected to report the data from the prior year IMRF valuation date due to when the current year valuation and audited financial statements become available.

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 City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments of 7.25% was used to determine the total pension liability.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT			
JANUARY 1, 2024	\$ 296,356,862	\$ 297,943,250	\$ (1,586,388)
Changes for the period			
Service cost	4,145,550	-	4,145,550
Interest	20,990,933	-	20,990,933
Difference between expected and actual experience	5,913,719	-	5,913,719
Changes in assumptions	-	-	-
Employer contributions	-	1,523,964	(1,523,964)
Employee contributions	-	2,337,261	(2,337,261)
Net investment income	-	29,421,077	(29,421,077)
Benefit payments and refunds	(17,799,048)	(17,799,048)	-
Other (net transfer)	-	(4,084,491)	4,084,491
Net changes	13,251,154	11,398,763	1,852,391
BALANCES AT			
DECEMBER 31, 2024	\$ 309,608,016	\$ 309,342,013	\$ 266,003

The table presented above includes amounts for both the City and the Library. The City's proportionate share of the net pension liability (asset) at January 1, 2024, the employer contributions, and the net pension liability at December 31, 2025 was \$(1,437,743), \$1,377,286, and \$240,401, respectively. The Library's proportionate share of the net pension liability at January 1, 2024, the employer contributions and the net pension liability at December 31, 2025 was \$(148,645), \$146,678, and \$25,602, respectively.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended December 31, 2025, the City recognized pension expense of \$9,840,221. The Library recognized net pension expense of \$977,505. At December 31, 2025, the City and the Library reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	City		Library		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 6,745,739	\$ 44,076	\$ 718,405	\$ 4,694	\$ 7,464,144	\$ 48,770
Changes in assumption	-	112,505	-	11,982	-	124,487
Net difference between projected and actual earnings on pension plan investments	6,463,924	-	688,393	-	7,152,317	-
Employer contributions subsequent to the measurement date	2,288,246	-	243,693	-	2,531,939	-
TOTAL	\$ 15,497,909	\$ 156,581	\$ 1,650,491	\$ 16,676	\$ 17,148,400	\$ 173,257

\$2,531,939 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the reporting year ending 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:

Year Ending December 31,	City	Library	Total
2026	\$ 7,251,180	\$ 772,234	\$ 8,023,414
2027	10,801,024	1,150,283	11,951,307
2028	(3,467,533)	(369,284)	(3,836,817)
2029	(1,531,589)	(163,111)	(1,694,700)
2030	-	-	-
Thereafter	-	-	-
TOTAL	\$ 13,053,082	\$ 1,390,122	\$ 14,443,204

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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 City calculated using the discount rate of 7.25% as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one 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)			
City	\$ 30,799,985	\$ 240,401	\$ (24,148,548)
Library	3,280,126	25,602	(2,571,763)
TOTAL	\$ 34,080,111	\$ 266,003	\$ (26,720,311)

Police Pension Plan

Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the Police Pension Plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the City's Council, one member is elected by pension beneficiaries and two members are elected by active police employees.

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Plan Membership

At December 31, 2025, the Police Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	205
Inactive plan members entitled to but not yet receiving benefits	26
Active plan members	<u>144</u>
TOTAL	<u><u>375</u></u>

Benefits Provided

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$113,645, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Covered employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary, including amounts for administrative costs. Benefits and refunds are recorded as a liability when due and payable. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the City has elected to fund 100% of the past service cost by 2040. The City's contribution was 76.63% of covered payroll for the year ended December 31, 2025.

Illinois Police Officers' Pension Investment Fund

The Illinois Police Officers' Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610 and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds as defined in 40 ILCS 5/22B-105. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory.

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Deposits with Financial Institutions

The plan retains all of its available cash with two financial institutions. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the plan.

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the fund's deposits may not be returned to them. The fund's investment policies do not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the fund's deposits with financial institutions.

Investments

Investments of the plan are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual report. For additional information on IPOPIF's investments, please refer to their annual report. A copy of that report can be obtained from IPOPIF at 456 Fulton Street, Suite 402, Peoria, IL 61602 or at www.ipopif.org.

Fair Value Measurement

The plan categorizes 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 plan held no investments subject to fair value measurement at December 31, 2025.

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Net Asset Value

The Net Asset Value (NAV) of the plan's pooled investment in IPOPIF was \$229,524,792 at December 31, 2025. The pooled investments consist of the investments as noted in the target allocation table below. Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at December 31, 2025. The plan may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

Investment Policy

IPOPIF's investment policy was originally adopted by the Board of Trustees on December 17, 2021. IPOPIF has the authority to invest trust fund assets in any type of security subject to the requirements and restrictions set forth in the Illinois Pension Code and is not restricted by the Pension Code sections that pertain exclusively to the Article 3 participating police pension funds. IPOPIF shall be subject to the provisions of the Illinois Pension Code including, but not limited to, utilization of emerging investment managers and utilization of businesses owned by minorities, women and persons with disabilities.

Investment Rate of Return

For the year ended December 31, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 17.79%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (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, 2025	\$ 316,006,264	\$ 201,250,220	\$ 114,756,044
Changes for the period			
Service cost	4,400,226	-	4,400,226
Interest	20,284,275	-	20,284,275
Difference between expected and actual experience	4,587,273	-	4,587,273
Changes in assumptions	-	-	-
Changes of benefit terms	-	-	-
Employer contributions	-	15,213,458	(15,213,458)
Employee contributions	-	1,971,429	(1,971,429)
Buy back contributions	224,144	224,144	-
Net investment income	-	34,940,289	(34,940,289)
Benefit payments and refunds	(16,681,451)	(16,681,451)	-
Administrative expense	-	(70,505)	70,505
Net changes	12,814,467	35,597,364	(22,782,897)
BALANCES AT DECEMBER 31, 2025	\$ 328,820,731	\$ 236,847,584	\$ 91,973,147

The plan's fiduciary net position as a percentage of the total pension liability was 72.03% at December 31, 2025.

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2025, using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2025
Measurement date	December 31, 2025
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.00% to 9.00%
Interest rate	6.50%
Cost of living adjustments	Tier 1 at 3.00%
	Tier 2 at 1.25%
Asset valuation method	Fair value

The discount rate was based on The Bond Buyer 20-Bond GO Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

Mortality rates were based on the PubS.H-2010 Study using improvement scale MP-2021.

Discount Rate

The discount rate used to measure the total pension liability was 6.50%. 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 City's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Plan calculated using the discount rate of 6.50% as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net pension liability	\$ 137,283,426	\$ 91,973,147	\$ 55,062,239

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

For the year ended December 31, 2025, the City recognized police pension expense of \$12,894,364. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 18,072,588	\$ 718,964
Changes in assumption	820,405	-
Net difference between projected and actual earnings on pension plan investments	-	25,060,545
TOTAL	\$ 18,892,993	\$ 25,779,509

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

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

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

<u>Year Ending</u> <u>December 31,</u>	
2026	\$ 5,837,652
2027	(2,810,508)
2028	(6,463,581)
2029	(3,450,079)
2030	-
Thereafter	-
	<hr/>
TOTAL	<u>\$ (6,886,516)</u>

Firefighters' Pension Plan

Plan Administration

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The City accounts for the Firefighters' Pension Plan as a pension trust fund.

The plan is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the City's Council, one member is elected by pension beneficiaries and two members are elected by active firefighter employees.

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Plan Membership

At December 31, 2025, the Firefighters' Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	148
Inactive plan members entitle to but not yet receiving benefits	9
Active plan members	<u>112</u>
TOTAL	<u><u>269</u></u>

Benefits Provided

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$113,645, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary including amounts for administrative costs. Benefits and refunds are recorded as a liability when due and payable. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past services costs for the Firefighters' Pension Plan. However, the City has elected to fund 100% of the past service cost by 2040. The City's contribution was 89.52% of covered payroll for the year ended December 31, 2025.

Illinois Firefighters' Pension Investment Fund

The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory. The pension fund transferred their investment assets to the IFPIF in January 2022.

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Deposits with Financial Institutions

The plan retains all of its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the plan. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the plan.

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the fund's deposits may not be returned to it. The fund's investment policy requires that any funds deposited directly in financial institutions should be made with fully federally insured financial institutions and that any deposits in excess of FDIC insurance should be collateralized at 110% of the fair market value of the deposits. The collateral will be held in a safekeeping by a third party and evidenced by a written agreement.

Investments

Investments of the plan are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, Illinois 60148 or at <https://ifpif.org>.

Fair Value Measurement

The plan categorizes 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 plan held no investments subject to fair value measurement at December 31, 2025.

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Net Asset Value

The NAV of the plan's pooled investment in IFPIF was \$148,981,339 at December 31, 2025. The pooled investments consist of the investments as noted in the target allocation table available at <https://ifpif.org>. Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at December 31, 2025. The plan may redeem shares by giving notice by 5:00 pm central time on the 1st of each month. Requests properly submitted on or before the 1st of each month will be processed for redemption by the 14th of the month. Expedited redemptions may be processed at the sole discretion of IFPIF.

Investment Policy

IFPIF's current investment policy was adopted by the Board of Trustees on June 17, 2022. IFPIF is authorized to invest in all investments allowed by ILCS. The IFPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code.

Investment Rate of Return

For the year ended December 31, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 17.55%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (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, 2025	\$ 235,477,368	\$ 129,409,918	\$ 106,067,450
Changes for the period			
Service cost	3,788,754	-	3,788,754
Interest	15,161,240	-	15,161,240
Changes in benefit terms	-	-	-
Difference between expected and actual experience	2,713,315	-	2,713,315
Changes in assumptions	-	-	-
Employer contributions	-	13,298,621	(13,298,621)
Employee contributions	-	1,404,511	(1,404,511)
Net investment income	-	22,606,465	(22,606,465)
Benefit payments and refunds	(12,032,556)	(12,032,556)	-
Administrative expense	-	(277,793)	277,793
Net changes	9,630,753	24,999,248	(15,368,495)
BALANCES AT DECEMBER 31, 2025	\$ 245,108,121	\$ 154,409,166	\$ 90,698,955

The plan's fiduciary net position as a percentage of the total pension liability was 63.00% at December 31, 2025.

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2025 using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2025
Measurement date	December 31, 2025
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.62% to 7.36%
Interest rate	6.50%
Cost of living adjustments	Tier 1 at 3.00% Tier 2 at 1.25%
Asset valuation method	Fair value

The discount rate was based on The Bond Buyer 20-Bond GO Index, which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

Mortality rates were based on the PubS.H-2010 Study using improvement scale MP-2021 applied on a fully generational basis.

Discount Rate

The discount rate used to measure the total pension liability was 6.50%. 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 City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the Plan calculated using the discount rate of 6.50% as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net pension liability	\$ 124,520,900	\$ 90,698,955	\$ 63,084,308

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

For the year ended December 31, 2025, the City recognized firefighters' pension expense of \$11,516,631. At December 31, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 12,068,573	\$ -
Changes in assumption	2,059,434	-
Net difference between projected and actual earnings on pension plan investments	-	12,791,367
TOTAL	<u>\$ 14,128,007</u>	<u>\$ 12,791,367</u>

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

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

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

<u>Year Ending</u> <u>December 31,</u>	
2026	\$ 3,551,750
2027	(1,359,898)
2028	(966,391)
2029	(341,040)
2030	452,219
Thereafter	<u>-</u>
TOTAL	<u><u>\$ 1,336,640</u></u>

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

16. PENSION TRUST FUNDS

Fiduciary Funds Summary Financial Information

The following is summary financial information for the Police Pension Plan and the Firefighters' Pension Plan.

Statement of Net Position

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ASSETS			
Cash and cash equivalents	\$ 3,081,893	\$ 1,485,979	\$ 4,567,872
Investments			
Investments held in the Illinois Firefighters' Pension Investment Fund	-	148,981,339	148,981,339
Investments held in the Illinois Police Pension Investment Fund	229,524,792	-	229,524,792
Prepaid items	-	9,334	9,334
Receivables			
Accounts	-	3,123	3,123
Accrued interest	-	948	948
Due from City	4,240,899	3,932,378	8,173,277
Total assets	236,847,584	154,413,101	391,260,685
LIABILITIES			
Accounts payable	-	3,935	3,935
Total liabilities	-	3,935	3,935
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	\$ 236,847,584	\$ 154,409,166	\$ 391,256,750

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

16. PENSION TRUST FUNDS (Continued)

Fiduciary Funds Summary Financial Information (Continued)

Changes in Plan Net Position

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ADDITIONS			
Contributions			
Employer	\$ 15,213,458	\$ 13,298,621	\$ 28,512,079
Plan members	1,971,429	1,404,511	3,375,940
Total contributions	17,184,887	14,703,132	31,888,019
Investment income			
Net appreciation in fair value of investments	33,891,929	19,936,020	53,827,949
Interest	1,247,807	2,792,604	4,040,411
Total investment income	35,139,736	22,728,624	57,868,360
Less investment expense	(199,447)	(122,159)	(321,606)
Net investment income	34,940,289	22,606,465	57,546,754
Total additions	52,125,176	37,309,597	89,434,773
DEDUCTIONS			
Administrative	70,505	277,793	348,298
Benefits and refunds	16,457,307	12,032,556	28,489,863
Total deductions	16,527,812	12,310,349	28,838,161
NET INCREASE	35,597,364	24,999,248	60,596,612
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
January 1	201,250,220	129,409,918	330,660,138
December 31	\$ 236,847,584	\$ 154,409,166	\$ 391,256,750

17. EVANSTON LIBRARY COMPONENT UNIT

This report contains the Evanston Public Library (the Library), which is included as a component unit. Financial information is presented as a discrete column in the statement of net position and statement of activities.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

a. Basis of Accounting/Measurement Focus

The Library follows the accrual basis of accounting and the flow of economic resources measurement focus at the government-wide level and the modified accrual basis of accounting and the current financial resources measurement focus for its governmental funds.

b. Deposits and Investments

Illinois Statutes authorize the Library to invest in obligations of the U.S. Treasury, in Government Sponsored Enterprises (GSE) such as Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan Bank (FHLB), and Fannie Mae (FNMA); bankers acceptances as well as commercial paper rated only in the highest tier; repurchase agreements of the highest grade; collateralized certificates of deposit issued by FDIC insured financial institutions, money market mutual funds with portfolios limited to securities guaranteed by the United States Government, IMET, and The Illinois Funds.

Library investments consists of equities, ETFs, money market funds, mutual funds, corporate bonds, and U.S. Treasuries. Investments are reported at fair value, except that non-negotiable certificate of deposits are stated at cost. The Library has a formal investment policy adopted by its governing board to handle endowment funds. The funds will be invested and administered by a three-member committee. It is the general policy of the Library 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 Library and conforming to all state and local statutes governing the investment of public funds using “prudent person” standard for managing the overall portfolio. It may be noted though that the Library has investments in equities which is not permissible under the state statutes.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The exposure to interest rate risk can be limited by structuring the portfolio to provide liquidity for cash requirements for ongoing operations in shorter term securities.

17. EVANSTON LIBRARY COMPONENT UNIT (Continued)

b. Deposits and Investments (Continued)

Credit Risk is the risk that the issuer of the debt security will not pay its par value upon maturity. The Library's investment policy has several guidelines to minimize the potential losses on individual investment by diversifying the investment portfolio, not permitting the investment in certain high risk securities. State law limits investments in commercial paper, corporate bonds, and mutual bonds funds to the top two ratings issued by nationally recognized statistical rating organizations.

The Illinois Funds, created by the Illinois State Legislature under the control of the State Comptroller, operates as qualified external investment pools in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than fair value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Funds Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

IMET is a local government investment pool. Created in 1996 as a not-for-profit trust formed under the Intergovernmental Cooperation Act and the Illinois Municipal Code. IMET was formed to provide Illinois government agencies with safe, liquid, attractive alternatives for investing and is managed by a Board of Trustees elected from the participating members. IMET offers participants two separate vehicles to meet their investment needs. The IMET Core Fund is designed for public funds that may be invested for longer than one year. The Core Fund carries the highest rating available (AAAf/bf) from Moody's for such funds. Member withdrawals can be made from the core fund with a five-day notice. The IMET Convenience Fund (CVF) is designed to accommodate funds requiring high liquidity, including short term cash management programs and temporary investment of bond proceeds. It is comprised of collateralized and FHLB LoC backed bank deposits, FDIC insured certificates of deposit and U.S. Government securities. Member withdrawals are generally on the same day as requested. Investments in IMET are valued at IMET's share price, which is the price the investment could be sold.

c. Custodial Credit Risk

For a deposit, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Library will not be able to recover the value of its deposit or collateral securities that are in the possession of an outside party. At December 31, 2025, all of the Library's deposits were insured or collateralized by an agent of the Library in the Library's name.

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

17. EVANSTON LIBRARY COMPONENT UNIT (Continued)

c. Custodial Credit Risk (Continued)

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Library will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The Illinois Funds are not subject to custodial credit risk.

d. Capital Asset Activity

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

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated				
Land	\$ 311,380	\$ -	\$ -	\$ 311,380
Total capital assets not being depreciated/amortized	311,380	-	-	311,380
Capital assets being depreciated				
Buildings and improvements	22,093,086	-	-	22,093,086
Office equipment and furniture	2,285,009	-	-	2,285,009
Infrastructure	335,781	-	-	335,781
Total capital assets being depreciated/amortized	24,713,876	-	-	24,713,876
Less accumulated depreciation/amortization for:				
Buildings and improvements	12,286,449	687,254	-	12,973,703
Office equipment and furniture	2,285,009	-	-	2,285,009
Infrastructure	245,762	11,807	-	257,569
Total accumulated depreciation/amortization	14,817,220	699,061	-	15,516,281
Total capital assets being depreciated/amortized, net	9,896,656	(699,061)	-	9,197,595
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 10,208,036	\$ (699,061)	\$ -	\$ 9,508,975

CITY OF EVANSTON, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

17. EVANSTON LIBRARY COMPONENT UNIT (Continued)

e. Long-Term Debt

Long-term obligations activity for the year ended December 31, 2025 was as follows:

	Interest Rate	Final Maturity Date	Balance January 1	Issued	Payments	Balance December 31	Due Within One Year
General obligation debt							
Series 2013B	2.00%-3.00%	12/1/2025	\$ 29,202	\$ -	\$ 29,202	\$ -	\$ -
Series 2016A	2.00%-4.00%	12/1/2036	440,000	-	30,000	410,000	35,000
Series 2017A	3.00%-4.00%	12/1/2037	1,010,000	-	65,000	945,000	65,000
Series 2017B	4.00%-5.00%	12/1/2027	232,531	-	75,361	157,170	77,376
Series 2018B	2.29%-5.00%	12/1/2038	1,892,457	-	99,474	1,792,983	104,386
Series 2019B	1.66%-2.68%	12/1/2039	1,528,569	-	71,046	1,457,523	74,634
Total general obligation debt			5,132,759	-	370,083	4,762,676	356,396
Bonds premiums			403,041	-	32,991	370,050	-
Total OPEB Liability			541,543	3,526	-	545,069	22,105
Net pension liability - IMRF*			-	25,602	-	25,602	-
Compensated absences payable			700,022	-	4,282	695,740	340,818
TOTAL LONG-TERM DEBT			\$ 6,777,365	\$ 29,128	\$ 407,356	\$ 6,399,137	\$ 719,319

The change in compensated absences is reported net of increases and decreases.

*In the prior fiscal year, the Library reported an IMRF net pension asset.

Debt service requirements to maturity are as follows:

Fiscal Year Ending December 31,	Principal	Interest	Total
2026	\$ 356,396	\$ 191,425	\$ 547,821
2027	372,929	176,153	549,082
2028	302,249	160,055	462,304
2029	317,081	147,392	464,473
2030	327,528	134,045	461,573
2031-2035	1,845,470	463,238	2,308,708
2036-2040	1,241,023	111,988	1,353,011
TOTAL	\$4,762,676	\$ 1,384,296	\$ 6,146,972

17. EVANSTON LIBRARY COMPONENT UNIT (Continued)

f. Employee Retirement System

The Library contributes to IMRF an agent multiple-employer pension plan that acts as a common investment and administrative agent for local governments and school districts in Illinois through the City. 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 financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

The employees of the Library are pooled with the employees of City for purposes of actuarial valuation.

18. RESTATEMENTS - CHANGES WITHIN REPORTING ENTITY

The City's beginning balances were adjusted due to a change within the reporting entity as follows:

	Reporting Units Affected by Restatements of Beginning Balance	
	ARPA Fund	Nonmajor Governmental Funds
FUND BALANCE, DECEMBER 31, 2024, AS PREVIOUSLY REPORTED	\$ 1,392,844	\$ 30,790,582
Change within reporting entity	(1,392,844)	1,392,844
FUND BALANCE, DECEMBER 31, 2024, AS RESTATED	<u>\$ -</u>	<u>\$ 32,183,426</u>

The change within the reporting entity was made to present the ARPA Fund, which was previously reported as a major fund of the City, as a Nonmajor Governmental Fund.

19. SUBSEQUENT EVENTS

On June 9, 2026, the City issued \$29,010,000 General Obligation Corporate Purpose Bonds, Series 2026, of the City of Evanston, to finance capital improvements and refinance Series 2013A Bonds.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes	\$ 78,154,902	\$ 78,154,902	\$ 80,681,316	\$ 2,526,414
Licenses and permits	11,572,300	11,572,300	17,580,349	6,008,049
Intergovernmental	17,716,334	17,716,334	18,073,617	357,283
Charges for services	14,961,709	14,961,709	14,515,400	(446,309)
Fines and forfeits	3,998,000	3,998,000	4,286,229	288,229
Investment income	750,000	750,000	2,365,741	1,615,741
Miscellaneous	13,778,000	13,778,000	2,978,395	(10,799,605)
Total revenues	140,931,245	140,931,245	140,481,047	(450,198)
EXPENDITURES				
Current				
General management and support	28,009,861	28,270,486	29,523,174	1,252,688
Public safety	83,709,050	89,348,425	88,581,374	(767,051)
Public works	16,350,871	16,350,871	16,202,431	(148,440)
Health and human services development	1,969,411	1,969,411	1,909,490	(59,921)
Recreation and cultural opportunities	15,585,980	15,585,980	15,931,458	345,478
Housing and economic development	5,078,230	5,078,230	4,594,776	(483,454)
Total expenditures	150,703,403	156,603,403	156,742,703	139,300
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,772,158)	(15,672,158)	(16,261,656)	(589,498)
OTHER FINANCING SOURCES (USES)				
Transfers in	10,381,740	10,381,740	10,076,736	(305,004)
Transfers (out)	(575,000)	(575,000)	(374,996)	200,004
Total other financing sources (uses)	9,806,740	9,806,740	9,701,740	(105,000)
NET CHANGE IN FUND BALANCE	\$ 34,582	\$ (5,865,418)	(6,559,916)	\$ (694,498)
FUND BALANCE, JANUARY 1			49,020,653	
FUND BALANCE, DECEMBER 31			\$ 42,460,737	

(See independent auditor's report.)

CITY OF EVANSTON, 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	\$ 1,050,028	\$ 974,443	\$ 1,249,550	\$ 1,544,418	\$ 1,613,298	\$ 1,829,446	\$ 2,007,380	\$ 1,648,075
Interest	630,168	733,796	593,787	442,412	434,590	862,905	900,936	862,240
Benefit changes	-	-	(53,511)	-	-	-	-	-
Differences between expected and actual experience	-	-	(2,856,275)	-	(2,081,084)	-	(4,892,979)	(1,630,903)
Changes in assumptions	(1,272,525)	2,879,775	2,471,462	370,681	(1,428,232)	754,687	107,608	-
Benefit payments	(797,159)	(860,932)	(925,502)	(827,885)	(890,214)	(812,414)	(899,265)	(874,958)
Other changes	-	-	-	-	-	-	-	-
Net change in total OPEB liability	(389,488)	3,727,082	479,511	1,529,626	(2,351,642)	2,634,624	(2,776,320)	4,454
Total OPEB liability - beginning	18,717,414	18,327,926	22,055,008	22,534,519	24,064,145	21,712,503	24,347,127	21,570,807
TOTAL OPEB LIABILITY - ENDING	\$ 18,327,926	\$ 22,055,008	\$ 22,534,519	\$ 24,064,145	\$ 21,712,503	\$ 24,347,127	\$ 21,570,807	\$ 21,575,261
Covered-employee payroll	\$ 59,333,084	\$ 60,964,744	\$ 59,251,377	\$ 61,325,175	\$ 61,334,086	\$ 63,480,779	\$ 80,841,130	\$ 83,670,569
Employer's total OPEB liability as a percentage of covered-employee payroll	30.89%	36.18%	38.03%	39.24%	35.40%	38.35%	26.68%	25.79%

No assets accumulate in a trust that meets the criteria in paragraph 4 in GASB Statement No. 75.

There was a change in assumptions related to the discount rate in 2025.

There was a change in assumptions related to the discount rate and healthcare rates in 2024.

There was a change in assumptions related to the discount rate in 2023.

There was a change in assumptions related to the discount rate in 2022.

There was a change in assumptions related to the discount rate in 2021.

There was a change in assumptions related to the mortality rates assumption and discount rate in 2020. There was a change in benefit terms related to the elimination of the excise tax in 2020.

There was a change in assumptions related to the discount rate in 2019.

There was a change in assumptions related to the discount rate and mortality rate assumptions in 2018.

The information above is presented for the City and Library in total.

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.)

CITY OF EVANSTON, 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	\$ 3,882,629	\$ 3,695,564	\$ 3,634,209	\$ 2,379,845	\$ 3,235,547	\$ 3,245,589	\$ 2,000,416	\$ 1,560,298	\$ 1,510,672	\$ 2,531,939
Contributions in relation to the actuarially determined contribution	3,963,856	3,702,271	3,634,209	2,379,845	3,235,547	3,245,589	2,000,416	1,560,298	1,510,672	2,531,939
CONTRIBUTION DEFICIENCY (Excess)	\$ (81,227)	\$ (6,707)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Percentage contributed	102.09%	100.18%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Covered payroll	\$ 37,477,116	\$ 37,480,368	\$ 38,519,776	\$ 38,103,750	\$ 37,019,990	\$ 40,098,516	\$ 41,244,660	\$ 47,138,914	\$ 52,369,909	\$ 64,873,841
Contributions as a percentage of covered payroll	10.58%	9.88%	9.43%	6.25%	8.74%	8.09%	4.85%	3.31%	2.88%	3.90%

Notes to the Required Supplemental 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 entry-age normal; the amortization method was level percent of pay, 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% annually, and postretirement benefit increases of 2.75% compounded annually.

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially determined contribution	\$ 9,380,940	\$ 10,237,200	\$ 10,462,704	\$ 10,502,308	\$ 11,225,650	\$ 11,431,461	\$ 11,194,538	\$ 11,548,482	\$ 13,215,001	\$ 15,785,426
Contributions in relation to the actuarially determined contribution	9,450,824	10,300,549	10,462,704	10,502,308	11,225,650	11,501,791	11,405,076	13,544,556	13,215,672	15,213,458
CONTRIBUTION DEFICIENCY (Excess)	\$ (69,884)	\$ (63,349)	\$ -	\$ -	\$ -	\$ (70,330)	\$ (210,538)	\$ (1,996,074)	\$ (671)	\$ 571,968
Percentage contributed	100.74%	100.62%	100.00%	100.00%	100.00%	100.62%	101.88%	117.28%	100.01%	96.38%
Covered payroll	\$ 17,474,672	\$ 15,352,846	\$ 15,845,701	\$ 15,980,131	\$ 15,368,002	\$ 15,371,756	\$ 13,396,912	\$ 17,265,863	\$ 17,319,526	\$ 19,851,887
Contributions as a percentage of covered payroll	54.08%	67.09%	66.03%	65.72%	73.05%	74.82%	85.13%	78.45%	76.31%	76.63%

Notes to the Required Supplemental 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 entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 16 years; the asset valuation method was five-year smoothed fair value and the significant actuarial assumptions were an investment rate of return at 6.50% annually, projected salary increases assumption of 3.62% to 7.36% annually, and postretirement benefit increases of 3.00% compounded annually.

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially determined contribution	\$ 7,350,865	\$ 8,148,709	\$ 8,344,947	\$ 8,266,584	\$ 9,247,042	\$ 9,626,778	\$ 9,528,524	\$ 11,793,978	\$ 12,355,183	\$ 13,810,918
Contributions in relation to the actuarially determined contribution	7,396,641	8,205,800	8,344,947	8,266,584	9,257,516	9,670,974	9,707,213	12,020,942	12,355,183	13,298,621
CONTRIBUTION DEFICIENCY (Excess)	\$ (45,776)	\$ (57,091)	\$ -	\$ -	\$ (10,474)	\$ (44,196)	\$ (178,689)	\$ (226,964)	\$ -	\$ 512,297
Percentage contributed	100.62%	100.70%	100.00%	100.00%	100.11%	100.46%	101.88%	101.92%	100.00%	96.29%
Covered payroll	\$ 10,546,779	\$ 10,311,920	\$ 11,618,255	\$ 10,341,544	\$ 10,428,768	\$ 11,012,470	\$ 11,523,258	\$ 13,222,940	\$ 14,284,305	\$ 14,854,691
Contributions as a percentage of covered payroll	70.13%	79.58%	71.83%	79.94%	88.77%	87.82%	84.24%	90.91%	86.49%	89.52%

Notes to the Required Supplemental 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 entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 16 years; the asset valuation method was five-year smoothed fair value; and the significant actuarial assumptions were an investment rate of return at 6.50% annually, projected salary increases assumption of 3.62% to 7.36% annually, and postretirement benefit increases of 3.00% compounded annually.

(See independent auditor's report.)

CITY OF EVANSTON, 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	\$ 3,910,996	\$ 3,951,687	\$ 3,970,214	\$ 3,671,434	\$ 3,926,313	\$ 3,850,771	\$ 3,420,369	\$ 3,688,135	\$ 3,824,107	\$ 4,145,550
Interest	16,235,086	16,947,408	17,355,320	17,185,510	17,812,836	18,314,051	18,507,004	19,445,021	19,885,915	20,990,933
Changes in benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	1,465,442	(2,905,680)	(2,489,328)	2,992,302	(166,989)	(2,056,346)	6,705,189	(635,408)	9,012,648	5,913,719
Changes of assumptions	266,906	(269,039)	(7,652,648)	6,567,349	-	(1,993,968)	-	-	(316,479)	-
Benefit payments, including refunds of member contributions	(11,928,345)	(12,270,564)	(12,922,439)	(13,674,160)	(14,305,617)	(14,936,529)	(15,539,235)	(16,117,334)	(16,851,528)	(17,799,048)
Net change in total pension liability	9,950,085	5,453,812	(1,738,881)	16,742,435	7,266,543	3,177,979	13,093,327	6,380,414	15,554,663	13,251,154
Total pension liability - beginning	220,476,485	230,426,570	235,880,382	234,141,501	250,883,936	258,150,479	261,328,458	274,421,785	280,802,199	296,356,862
PLAN FIDUCIARY NET POSITION	\$ 230,426,570	\$ 235,880,382	\$ 234,141,501	\$ 250,883,936	\$ 258,150,479	\$ 261,328,458	\$ 274,421,785	\$ 280,802,199	\$ 296,356,862	\$ 309,608,016
PLAN FIDUCIARY NET POSITION										
Contributions - employer	\$ 4,018,268	\$ 3,963,856	\$ 3,702,271	\$ 3,634,209	\$ 2,379,845	\$ 3,235,547	\$ 3,245,589	\$ 2,000,416	\$ 1,560,298	\$ 1,523,964
Contributions - member	1,767,523	1,705,636	1,693,912	1,847,906	1,845,576	1,684,700	1,806,941	1,891,800	2,204,956	2,337,261
Net investment income	1,062,353	14,441,739	39,438,193	(14,090,715)	43,379,549	37,552,547	49,648,106	(42,076,770)	30,319,316	29,421,077
Benefit payments, including refunds of member contributions	(11,928,345)	(12,270,564)	(12,922,439)	(13,674,160)	(14,305,617)	(14,936,529)	(15,539,235)	(16,117,334)	(16,851,528)	(17,799,048)
Administrative expense/other	737,427	(142,981)	(4,817,948)	3,915,577	647,604	1,390,447	(1,512,861)	(537,476)	7,403,741	(4,084,491)
Net change in plan fiduciary net position	(4,342,774)	7,697,686	27,093,989	(18,367,183)	33,946,957	28,926,712	37,648,540	(54,839,364)	24,636,783	11,398,763
Plan fiduciary net position - beginning	215,541,904	211,199,130	218,896,816	245,990,805	227,623,622	261,570,579	290,497,291	328,145,831	273,306,467	297,943,250
PLAN FIDUCIARY NET POSITION - ENDING	\$ 211,199,130	\$ 218,896,816	\$ 245,990,805	\$ 227,623,622	\$ 261,570,579	\$ 290,497,291	\$ 328,145,831	\$ 273,306,467	\$ 297,943,250	\$ 309,342,013
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 19,227,440	\$ 16,983,566	\$ (11,849,304)	\$ 23,260,314	\$ (3,420,100)	\$ (29,168,833)	\$ (53,724,046)	\$ 7,495,732	\$ (1,586,388)	\$ 266,003

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 (asset)	91.66%	92.80%	105.06%	90.73%	101.32%	111.16%	119.58%	97.33%	100.54%	99.91%
Covered payroll	\$ 37,703,487	\$ 37,477,116	\$ 37,480,368	\$ 38,519,776	\$ 38,103,750	\$ 37,019,990	\$ 40,098,516	\$ 41,244,660	\$ 47,138,914	\$ 52,369,909
Employer's net pension liability as a percentage of covered payroll	51.00%	45.32%	(31.61%)	60.39%	(8.98%)	(78.79%)	(133.98%)	18.17%	(3.37%)	0.51%

There was a change in assumptions related to mortality and other demographic assumptions in 2023.

There was a change in assumptions related to the retirement age and mortality rates in 2020.

There were changes in assumptions related to the discount rate in 2018.

There were changes in assumptions related to price inflation, salary increases, retirement age, and mortality rates in 2017. There was a change in assumption related to the discount rate made since the prior measurement date. The discount rate used in the actuarial valuation dated December 31, 2016 is 7.50%. The discount rate used in the prior actuarial valuations, dated December 31, 2015 and December 31, 2014 was 7.49% and 7.50%, respectively.

The information above is presented for the City and Library in total.

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
POLICE PENSION FUND

Last Ten Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
TOTAL PENSION LIABILITY										
Service cost	\$ 3,679,212	\$ 3,993,751	\$ 4,285,425	\$ 3,980,758	\$ 4,018,178	\$ 3,842,941	\$ 3,614,698	\$ 3,574,325	\$ 4,158,038	\$ 4,400,226
Interest	13,192,680	14,088,889	14,433,770	15,128,398	16,138,601	16,648,988	17,149,791	17,900,355	18,095,141	20,284,275
Changes in benefit terms	-	-	-	853,365	-	-	-	-	-	-
Differences between expected and actual experience	(3,214,201)	424,390	3,079,328	4,364,013	2,021,226	3,025,037	2,912,380	(2,875,856)	27,640,583	4,587,273
Changes of assumptions	11,039,027	7,096,300	(7,459,427)	4,127,403	-	-	4,102,024	-	-	-
Buy back contributions	-	-	-	-	-	-	-	-	-	224,144
Benefit payments, including refunds of member contributions	(10,970,916)	(11,475,943)	(11,937,685)	(12,522,660)	(13,376,879)	(14,924,443)	(16,243,656)	(16,139,127)	(16,232,508)	(16,681,451)
Net change in total pension liability	13,725,802	14,127,387	2,401,411	15,931,277	8,801,126	8,592,523	11,535,237	2,459,697	33,661,254	12,814,467
Total pension liability - beginning	204,770,550	218,496,352	232,623,739	235,025,150	250,956,427	259,757,553	268,350,076	279,885,313	282,345,010	316,006,264
TOTAL PENSION LIABILITY - ENDING	\$ 218,496,352	\$ 232,623,739	\$ 235,025,150	\$ 250,956,427	\$ 259,757,553	\$ 268,350,076	\$ 279,885,313	\$ 282,345,010	\$ 316,006,264	\$ 328,820,731
PLAN FIDUCIARY NET POSITION										
Contributions - employer	\$ 9,450,824	\$ 10,300,549	\$ 10,462,704	\$ 10,502,308	\$ 11,225,650	\$ 11,501,791	\$ 11,405,076	\$ 13,544,556	\$ 13,215,672	\$ 15,213,458
Contributions - member	1,731,740	1,521,467	1,570,309	1,583,631	1,522,969	1,523,341	1,327,634	1,711,047	1,716,365	1,971,429
Net investment income	7,544,856	15,240,680	(4,911,053)	25,043,593	17,521,008	26,382,486	(28,069,391)	26,066,421	26,540,549	34,940,289
Benefit payments, including refunds of member contributions	(10,970,916)	(11,475,943)	(11,937,685)	(12,522,660)	(13,376,879)	(14,924,443)	(16,243,656)	(16,139,127)	(16,232,508)	(16,457,307)
Administrative expense	(123,796)	(148,631)	(58,885)	(52,088)	(66,152)	(44,442)	(44,775)	(61,015)	(61,798)	(70,505)
Net change in plan fiduciary net position	7,632,708	15,438,122	(4,874,610)	24,554,784	16,826,596	24,438,733	(31,625,112)	25,121,882	25,178,280	35,597,364
Plan fiduciary net position - beginning	98,558,837	106,191,545	121,629,667	116,755,057	141,309,841	158,136,437	182,575,170	150,950,058	176,071,940	201,250,220
PLAN FIDUCIARY NET POSITION - ENDING	\$ 106,191,545	\$ 121,629,667	\$ 116,755,057	\$ 141,309,841	\$ 158,136,437	\$ 182,575,170	\$ 150,950,058	\$ 176,071,940	\$ 201,250,220	\$ 236,847,584
EMPLOYER'S NET PENSION LIABILITY	\$ 112,304,807	\$ 110,994,072	\$ 118,270,093	\$ 109,646,586	\$ 101,621,116	\$ 85,774,906	\$ 128,935,255	\$ 106,273,070	\$ 114,756,044	\$ 91,973,147

MEASUREMENT DATE DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Plan fiduciary net position as a percentage of the total pension liability	48.60%	52.29%	49.68%	56.31%	60.88%	68.04%	53.93%	62.36%	63.69%	72.03%
Covered payroll	\$ 17,474,672	\$ 15,352,846	\$ 15,845,701	\$ 15,980,131	\$ 15,368,002	\$ 15,371,756	\$ 13,396,912	\$ 17,265,863	\$ 17,319,526	\$ 19,851,887
Employer's net pension liability as a percentage of covered payroll	642.67%	722.95%	746.39%	686.14%	661.25%	558.00%	962.43%	615.51%	662.58%	463.30%

For the measurement date December 31, 2022, there were changes in assumptions related to the mortality tables.

For the measurement date December 31, 2019, there were no changes in assumptions. There were changes in plan benefits required under PA-101-0610 (SB 1300).

For the measurement date December 31, 2018, there were changes in assumptions related to the mortality tables. Additionally, the discount rate was increased to 6.50%.

The discount rate used in the valuation dated December 31, 2017 is 6.25%.

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

**SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
FIREFIGHTERS' PENSION FUND**

Last Ten Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
TOTAL PENSION LIABILITY										
Service cost	\$ 2,731,257	\$ 2,813,961	\$ 3,026,223	\$ 2,763,258	\$ 2,948,710	\$ 2,739,481	\$ 2,889,155	\$ 2,964,280	\$ 3,743,916	\$ 3,788,754
Interest	9,922,911	10,507,435	10,741,734	11,061,538	12,013,035	12,303,886	12,731,909	13,451,766	13,984,665	15,161,240
Changes in benefit terms	-	-	-	799,936	-	-	-	-	-	-
Differences between expected and actual experience	(3,239,221)	368,761	384,928	5,218,449	122,642	2,117,644	288,722	2,475,375	12,180,910	2,713,315
Changes of assumptions	7,971,672	5,192,584	(6,192,362)	4,549,731	-	-	6,178,299	-	-	-
Benefit payments, including refunds of member contributions	(8,343,940)	(8,609,369)	(9,150,830)	(9,624,766)	(10,255,160)	(10,545,893)	(10,905,542)	(11,271,448)	(11,673,780)	(12,032,556)
Net change in total pension liability	9,042,679	10,273,372	(1,190,307)	14,768,146	4,829,227	6,615,118	11,182,543	7,619,973	18,235,711	9,630,753
Total pension liability - beginning	154,100,886	163,143,565	173,416,937	172,226,630	186,994,776	191,824,023	198,439,141	209,621,684	217,241,657	235,477,368
TOTAL PENSION LIABILITY - ENDING	\$ 163,143,565	\$ 173,416,937	\$ 172,226,630	\$ 186,994,776	\$ 191,824,023	\$ 198,439,141	\$ 209,621,684	\$ 217,241,657	\$ 235,477,368	\$ 245,108,121
PLAN FIDUCIARY NET POSITION										
Contributions - employer	\$ 7,396,641	\$ 8,205,800	\$ 8,344,947	\$ 8,266,584	\$ 9,257,516	\$ 9,670,974	\$ 9,707,213	\$ 12,020,942	\$ 12,355,183	\$ 13,298,621
Contributions - member	997,198	974,992	1,098,506	954,112	986,040	1,041,229	1,089,524	1,250,229	1,350,581	1,404,511
Net investment income	3,894,765	7,974,296	(3,478,827)	14,527,581	11,387,655	13,515,733	(15,351,364)	13,855,947	12,712,777	22,606,465
Benefit payments, including refunds of member contributions	(8,343,940)	(8,609,369)	(9,150,830)	(9,624,766)	(10,255,160)	(10,545,893)	(10,905,542)	(11,271,448)	(11,673,780)	(12,032,556)
Administrative expense	(85,750)	(72,640)	(105,755)	(97,588)	(148,979)	(123,642)	(86,309)	(115,507)	(121,042)	(277,793)
Net change in plan fiduciary net position	3,858,914	8,473,079	(3,291,959)	14,025,923	11,227,072	13,558,401	(15,546,478)	15,740,163	14,623,719	24,999,248
Plan fiduciary net position - beginning	66,741,084	70,599,998	79,073,077	75,781,118	89,807,041	101,034,113	114,592,514	99,046,036	114,786,199	129,409,918
PLAN FIDUCIARY NET POSITION - ENDING	\$ 70,599,998	\$ 79,073,077	\$ 75,781,118	\$ 89,807,041	\$ 101,034,113	\$ 114,592,514	\$ 99,046,036	\$ 114,786,199	\$ 129,409,918	\$ 154,409,166
EMPLOYER'S NET PENSION LIABILITY	\$ 92,543,567	\$ 94,343,860	\$ 96,445,512	\$ 97,187,735	\$ 90,789,910	\$ 83,846,627	\$ 110,575,648	\$ 102,455,458	\$ 106,067,450	\$ 90,698,955

MEASUREMENT DATE DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Plan fiduciary net position as a percentage of the total pension liability	43.27%	45.60%	44.00%	48.03%	52.67%	57.75%	47.25%	52.84%	54.96%	63.00%
Covered payroll	\$ 10,546,779	\$ 10,311,920	\$ 11,618,255	\$ 10,341,544	\$ 10,428,768	\$ 11,012,470	\$ 11,523,258	\$ 13,222,940	\$ 14,284,305	\$ 14,854,691
Employer's net pension liability as a percentage of covered payroll	877.46%	914.90%	830.12%	939.78%	870.57%	761.38%	959.59%	774.83%	742.55%	610.57%

For the measurement date December 31, 2022, there were changes in assumptions related to the mortality tables.

For the measurement date December 31, 2019, there were no changes in assumptions. There were changes in plan benefits required under PA-101-0610 (SB 1300).

For the measurement date December 31, 2018, there were changes in assumptions related to the mortality tables. Additionally, the discount rate was increased to 6.50%.

The discount rate used in the valuation dated December 31, 2017 is 6.25%.

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND**

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Annual money-weighted rate of return, net of investment expense	6.90%	14.25%	(5.20%)	21.13%	12.88%	16.65%	(16.78%)	15.06%	13.47%	17.79%

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

**SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND**

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Annual money-weighted rate of return, net of investment expense	5.90%	11.42%	(4.54%)	19.62%	12.72%	13.91%	(14.94%)	15.50%	11.00%	17.55%

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2025

BUDGETARY INFORMATION

The City follows these procedure in establishing the budgetary data reflected in the financial statements:

1. Because of a calendar year, the City Manager will submit to the City Council a proposed operating budget for the upcoming fiscal year commencing January 1, 2026. The operating budget includes proposed expenditures and the means of financing them.
2. Public budget hearings are conducted. Taxpayer comments are received and noted.
3. The budget is legally enacted through passage of a resolution.
4. The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. There were budget allocations within General Fund.
5. Annual budgets are adopted on a basis consistent with GAAP for all governmental and proprietary funds, with the exception of the Enterprise and Internal Service Funds which are budgeted on the Non-GAAP budgetary basis. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, Internal Service Funds, and Pension Trust Funds. A budget was not adopted for the Neighborhood Improvement and Parks and Recreation funds. All annual budgets lapse at fiscal year-end.

The level of control (level at which expenditures may not exceed budget) is the fund. All unencumbered annual appropriations lapse at the end of the fiscal year.

During the year, budget amendments were approved by the City Council.

The following funds had an excess of actual budgetary expenditures over original and final budget for the fiscal year ended December 31, 2025.

Fund	Actual	Final Budget	Variance
Debt Service	\$ 15,994,812	\$ 15,988,861	\$ 5,951
General	156,742,703	156,603,403	139,300

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

General Fund - to account for all financial resources of the City except those accounted for in another fund.

Capital Improvements Fund - to account for capital projects not funded through special revenue, tax increment financing, or enterprise funds. Capital projects include, but are not limited to: long-term improvements to public buildings, the paving of city streets, and the improvement and development of recreation facilities. Financing is provided primarily by grants and general obligation bond proceeds.

General Obligation Debt Fund - to account for non-abated, general obligation payments on the principal and interest related to bonds and/or other city debt.

CITY OF EVANSTON, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes				
Property taxes	\$ 29,439,902	\$ 29,439,902	\$ 27,735,535	\$ (1,704,367)
Other taxes				
State use tax	2,900,000	2,900,000	700,735	(2,199,265)
Sales tax - home rule	10,500,000	10,500,000	12,452,215	1,952,215
Auto rental tax	65,000	65,000	54,884	(10,116)
Transportation network provider tax	800,000	800,000	1,005,414	205,414
Athletic contest tax	500,000	500,000	735,207	235,207
Municipal hotel tax	2,350,000	2,350,000	2,516,140	166,140
Utility tax	6,750,000	6,750,000	6,458,716	(291,284)
Cigarette tax	200,000	200,000	99,000	(101,000)
Evanston motor fuel tax	1,000,000	1,000,000	1,053,650	53,650
Liquor tax	3,300,000	3,300,000	3,289,121	(10,879)
Recreational cannabis tax	100,000	100,000	296,524	196,524
Bag tax	200,000	200,000	102,990	(97,010)
Parking tax	2,900,000	2,900,000	2,967,907	67,907
Amusement tax	1,300,000	1,300,000	1,642,322	342,322
Retailer and service occupation tax	13,350,000	13,350,000	15,896,857	2,546,857
Real estate transfer tax	2,500,000	2,500,000	3,674,099	1,174,099
Total other taxes	48,715,000	48,715,000	52,945,781	4,230,781
Total taxes	78,154,902	78,154,902	80,681,316	2,526,414
Licenses and permits				
Vehicle licenses	2,800,000	2,800,000	2,724,765	(75,235)
Business licenses	50,000	50,000	23,580	(26,420)
Bed and breakfast licenses	150	150	-	(150)
Collection box license	2,500	2,500	1,050	(1,450)
Pet licenses	20,000	20,000	25,393	5,393
Contractor licenses	170,000	170,000	211,150	41,150
Rooming house licenses	-	-	19,100	19,100
Liquor licenses	520,000	520,000	516,388	(3,612)
One-day liquor licenses	17,000	17,000	18,624	1,624
Farmer's market licenses	55,000	55,000	83,577	28,577
Rental building registration	587,200	587,200	429,532	(157,668)
Other licenses	20,000	20,000	-	(20,000)
Long-term care license	180,000	180,000	121,340	(58,660)
Seasonal foot ESTB	15,000	15,000	8,800	(6,200)
Mobile food vehicle license	1,450	1,450	-	(1,450)
Hen coop license	800	800	630	(170)
Resident care home license	1,200	1,200	-	(1,200)
Building permits	5,000,000	5,000,000	11,961,892	6,961,892
Elevator permits	42,000	42,000	16,548	(25,452)
Right of way permits	383,000	383,000	290,489	(92,511)
Residents parking permit	-	-	2,378	2,378
Dumpster permit fee	-	-	50	50
Fire suppression/alarm permit	-	-	540	540
Oversize truck permit	25,000	25,000	68,550	43,550
Moving van permit	55,000	55,000	-	(55,000)
IL Bell franchise fee	90,000	90,000	72,433	(17,567)
Northwestern University easement	47,000	47,000	112,457	65,457

(This schedule is continued on the following pages.)

CITY OF EVANSTON, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Fiscal Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES (Continued)				
Licenses and permits (Continued)				
Cable franchise fee	\$ 800,000	\$ 800,000	\$ 687,583	\$ (112,417)
PEG fees - Comcast	120,000	120,000	99,617	(20,383)
Nicor franchise fee	75,000	75,000	83,883	8,883
Other permits	495,000	495,000	-	(495,000)
Total licenses and permits	11,572,300	11,572,300	17,580,349	6,008,049
Intergovernmental				
State income tax	13,500,000	13,500,000	14,145,983	645,983
State highway maintenance	92,000	92,000	93,491	1,491
Health Department Basic Service Grant	166,875	166,875	146,315	(20,560)
Illinois tobacco free community	27,954	27,954	27,954	-
IL HIV Surveillance Grant	34,150	34,150	28,487	(5,663)
DIS Grant	100,000	100,000	84,956	(15,044)
IAC Project Grant	30,000	30,000	-	(30,000)
NEA Grant	50,000	50,000	-	(50,000)
Other State/County Grant	20,000	20,000	182,395	162,395
CRI Grant	64,841	64,841	75,986	11,145
PEHP Grant	62,944	62,944	56,704	(6,240)
Lead Paint Hazard Grant	150,000	150,000	-	(150,000)
Beach Grant	23,000	23,000	18,900	(4,100)
Federal Grant/Aid	407,900	407,900	594,070	186,170
Market link vouchers	35,000	35,000	40,046	5,046
Civil Defense Grants (F.E.M.A.)	30,000	30,000	9,022	(20,978)
Narcotics enforcement revenue	40,000	40,000	16,432	(23,568)
eShare revenue	120,000	120,000	110,293	(9,707)
Police DUI reimbursement	7,400	7,400	-	(7,400)
Strengthening Public Health Grant	115,000	115,000	-	(115,000)
Putting Assets to Work Grant	-	-	148,699	148,699
Respiratory Outbreak Grant	125,000	125,000	157,329	32,329
Cook County WNV Grant	14,270	14,270	14,270	-
Comm Aging Grant	-	-	23,961	23,961
Personal property replacement tax	2,500,000	2,500,000	2,098,324	(401,676)
Total intergovernmental	17,716,334	17,716,334	18,073,617	357,283
Charges for services				
Recreation				
Recreation - program	8,217,409	8,217,409	7,862,508	(354,901)
Recreation - concessions	362,100	362,100	99,261	(262,839)
Recreation - special events	115,000	115,000	108,325	(6,675)
Total recreation	8,694,509	8,694,509	8,070,094	(624,415)
Other charges for services				
Health clinic fees - food establishment	230,000	230,000	220,965	(9,035)
Temporary license fee	11,000	11,000	10,198	(802)
Food delivery vehicle	6,500	6,500	4,542	(1,958)
Beverage snack vending machine	46,000	46,000	39,115	(6,885)
Tobacco license	17,000	17,000	15,027	(1,973)
Beekeeper license	300	300	225	(75)
Funeral director license	6,000	6,000	-	(6,000)

(This schedule is continued on the following page.)

CITY OF EVANSTON, ILLINOIS

SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Fiscal Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES (Continued)				
Charges for services (Continued)				
Other charges for services (Continued)				
Birth/death certificates	\$ 92,000	\$ 92,000	\$ 128,761	\$ 36,761
Senior Taxi coupon sales	60,000	60,000	59,784	(216)
Historic preservation	30,000	30,000	20,575	(9,425)
Tree preservation revenue	10,000	10,000	170,436	160,436
Ambulance service	5,300,000	5,300,000	5,297,253	(2,747)
Police CTA detail	357,000	357,000	264,689	(92,311)
Police report fees	25,000	25,000	17,176	(7,824)
Officer and gentlemen	1,000	1,000	-	(1,000)
Police training	-	-	40,125	40,125
Electricity infrastructure maintenance	-	-	130	130
Zoning fees	50,000	50,000	88,320	38,320
Background check daycare providers	400	400	-	(400)
New pavement degradation	20,000	20,000	34,148	14,148
Rental fees	-	-	33,837	33,837
Plan review	5,000	5,000	-	(5,000)
Total other service charges	6,267,200	6,267,200	6,445,306	178,106
Total charges for services	14,961,709	14,961,709	14,515,400	(446,309)
Fines and forfeits				
Ticket fines - parking	3,800,000	3,800,000	4,117,394	317,394
Regular fines	115,000	115,000	111,810	(3,190)
Boot release fee	50,000	50,000	19,420	(30,580)
Health code violation fees	3,000	3,000	-	(3,000)
Administrative adjudication fee	30,000	30,000	37,605	7,605
Total fines and forfeits	3,998,000	3,998,000	4,286,229	288,229
Investment income	750,000	750,000	2,365,741	1,615,741
Miscellaneous				
Police equipment reimbursement	10,000	10,000	25,233	15,233
Rethink your drink	5,000	5,000	-	(5,000)
We're Out Walking	6,000	6,000	1,819	(4,181)
Property sales and rentals	100,000	100,000	396,771	296,771
Donation	35,500	35,500	82,119	46,619
Miscellaneous revenue	12,176,500	12,176,500	987,571	(11,188,929)
Reimbursements - serve and protect	5,000	5,000	239,507	234,507
Reimbursements - salt use	32,000	32,000	23,765	(8,235)
Reimbursements - police	675,000	675,000	801,405	126,405
Payment in lieu of taxes	60,000	60,000	55,000	(5,000)
Chargeback revenue	300,000	300,000	263,312	(36,688)
Insurance proceeds	-	-	50	50
Private Elm Trees Insurance	28,000	28,000	37,070	9,070
Citizens CPR class fees	10,000	10,000	10,019	19
Telecommunication maintenance fee	35,000	35,000	-	(35,000)
Credit card fees	300,000	300,000	-	(300,000)
Right-to-use lease amortization	-	-	54,754	54,754
Total miscellaneous	13,778,000	13,778,000	2,978,395	(10,799,605)
TOTAL REVENUES	\$ 140,931,245	\$ 140,931,245	\$ 140,481,047	\$ (450,198)

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance Over (Under)
EXPENDITURES				
General management and support				
City council	\$ 594,319	\$ 594,319	\$ 483,643	\$ (110,676)
City manager and budget management	12,128,582	12,389,207	12,413,156	23,949
City clerk	538,319	538,319	581,678	43,359
Law department	1,521,045	1,521,045	1,770,109	249,064
Administrative services	13,227,596	13,227,596	14,274,588	1,046,992
Total general management and support	28,009,861	28,270,486	29,523,174	1,252,688
Public safety				
Police	60,414,086	66,053,461	64,908,309	(1,145,152)
Fire	23,294,964	23,294,964	23,673,065	378,101
Total public safety	83,709,050	89,348,425	88,581,374	(767,051)
Public works				
Public works director	4,034,938	4,034,938	4,110,243	75,305
Municipal service center	2,309,540	2,309,540	2,182,065	(127,475)
City engineer	785,575	785,575	706,728	(78,847)
Sanitation	-	-	2,800	2,800
Traffic engineer	4,091,737	4,091,737	3,937,682	(154,055)
Streets	5,129,081	5,129,081	5,262,913	133,832
Total public works	16,350,871	16,350,871	16,202,431	(148,440)
Health and human services development				
Health and human services director	205,945	205,945	214,733	8,788
Mental health	-	-	7,110	7,110
Human relations	-	-	4,337	4,337
Health department	1,763,466	1,763,466	1,683,310	(80,156)
Total health and human services development	1,969,411	1,969,411	1,909,490	(59,921)
Recreation and cultural opportunities				
Recreation	14,000,044	14,000,044	14,468,084	468,040
Ecology center	1,014,644	1,014,644	936,339	(78,305)
Cultural arts	571,292	571,292	527,035	(44,257)
Total recreation and cultural opportunities	15,585,980	15,585,980	15,931,458	345,478
Housing and economic development				
Community development administration	626,848	626,848	696,544	69,696
Planning and zoning	1,377,720	1,377,720	1,199,141	(178,579)
Housing rehabilitation and property standards	893,570	893,570	847,421	(46,149)
Building code compliance	2,180,092	2,180,092	1,851,670	(328,422)
Total housing and economic development	5,078,230	5,078,230	4,594,776	(483,454)
TOTAL EXPENDITURES	\$ 150,703,403	\$ 156,603,403	\$ 156,742,703	\$ 139,300

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental				
Grants	\$ 5,027,000	\$ 5,027,000	\$ 2,269,314	\$ (2,757,686)
Contributions/reimbursements	-	-	1,255,104	1,255,104
Fees	-	-	670,449	670,449
Charges for services	30,000	30,000	61,966	31,966
Investment income	75,000	75,000	128,101	53,101
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	5,132,000	5,132,000	4,384,934	(747,066)
EXPENDITURES				
Current				
General management and support	-	-	60	60
Public works	21,195,000	11,195,000	13,949,475	2,754,475
Capital outlay	5,027,000	5,027,000	1,004,180	(4,022,820)
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	26,222,000	16,222,000	14,953,715	(1,268,285)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<hr/>	<hr/>	<hr/>	<hr/>
	(21,090,000)	(11,090,000)	(10,568,781)	521,219
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of bonds	21,195,000	21,195,000	-	(21,195,000)
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	21,195,000	21,195,000	-	(21,195,000)
NET CHANGE IN FUND BALANCE	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 105,000	\$ 10,105,000	(10,568,781)	\$ (20,673,781)
FUND BALANCE (DEFICIT), JANUARY 1			<hr/>	(8,090,525)
FUND BALANCES (DEFICIT), DECEMBER 31			<hr/>	<u>\$ (18,659,306)</u>

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes			
Property taxes	\$ 12,766,093	\$ 12,385,312	\$ (380,781)
Investment income	10,000	372,366	362,366
	<hr/>	<hr/>	<hr/>
Total revenues	12,776,093	12,757,678	(18,415)
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current			
General management and support	-	2	2
Debt service			
Principal	10,746,121	10,746,121	-
Interest and fiscal charges	5,242,740	5,248,689	5,949
	<hr/>	<hr/>	<hr/>
Total expenditures	15,988,861	15,994,812	5,951
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<hr/>	<hr/>	<hr/>
	(3,212,768)	(3,237,134)	(24,366)
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers in	1,822,547	1,822,551	4
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	1,822,547	1,822,551	4
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (1,390,221)</u>	<u>(1,414,583)</u>	<u>\$ (24,362)</u>
FUND BALANCE, JANUARY 1		<u>3,453,006</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 2,038,423</u>	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are restricted or committed for a particular purpose.

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

Emergency Telephone System - to account for revenues and expenditures for 911 emergency telephone service. Financing provided by network connection surcharges.

Foreign Fire Insurance – to account for monies distributed from the State of Illinois Municipal League for the fire department. Financing provided by foreign fire insurance license fees.

Neighborhood Improvement - to account for a portion of the sales tax revenues derived from retail sales of the Home Depot U.S.A. Inc. store in the City. Sales tax revenues allocated to this fund are to be expended on public projects that will benefit the immediate neighborhood of the store.

Affordable Housing - to account for costs associated with housing-related programs of the City.

HOME - to account for the activity of the HOME program. Financing is provided by the federal government. Expenditures are made in accordance with the requirements of federal law.

Community Development Block Grant - to account for revenues and expenditures of the Community Block Grant program. Financing is provided by the federal government on a reimbursement basis in accordance with federal formula. Expenditures are made in accordance with the requirements of federal law.

Community Development Loan - to account for residential rehabilitation loans to residents.

Special Service District No. 9 - (successor to SSA #4) was reestablished in 2019 to provide certain public services to supplement services currently or customarily provided by the City to the Area. Services include the promotion and advertisement of the Area in order to attract businesses and consumers, and provide any other public services to the Area which the City may deem appropriate from time to time. SSA#9 is managed by Downtown Evanston (formerly EvMark), an Illinois not-for-profit corporation. Financing is provided by the City through an annual property tax levy.

Special Service District No. 10 - was established in 2024 to provide certain public services to supplement services currently or customarily provided by the City to the Area. Services include the promotion and advertisement of the Area in order to attract businesses and consumers, and provide any other public services to the Area which the City may deem appropriate from time to time. Financing is provided by the City through an annual property tax levy.

ARPA Fund - to account for the State and Local Fiscal Recovery Funds as provided for by the American Rescue Plan Act of 2021.

Reparations - to account for the municipal tax revenues (at 3% of retail price) collected from the sales of recreational cannabis.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

Sustainability - to account for the resources provided by the City's Climate Action and Resilience Plan.

Good Neighbor - to account for the resources provided by Northwestern University to assist city functions and increase programming.

General Assistance - to account for the assistance given to persons and/or families to meet their basic living expenses.

Human Services - to account for benefits and facilities such as education, food subsidies, health care, and subsidized housing provided by the City.

Parks and Recreation – to account for parks and recreation programs and recreation services that improve the quality of those who live, work, or play in the City.

DEBT SERVICE FUNDS

Debt Service Funds are used to account for the servicing of general long-term debt.

Chicago Main TIF - to account for principal and interest payments on debt proceeds issued and allocated to this tax increment financing district.

Special Service Area No. 6 Fund - to account for promotion, advertisement, and street maintenance costs of the area located in the City's commercial district surrounding Dempster, Chicago, and Main. Financing is provided by the City through an annual special service area property tax levy.

Special Service Area No. 7 Fund - to account for the City's support of commercial properties located in the Central Street merchant district. SSA #7 represents the east portion of Central Street located between Hartrey on the west, Eastwood on the east, Isabella on the north and Lincoln on the south. The purpose of the Central Street SSA districts is to help the merchant association grow and establish a stable funding stream for merchant and business district activities. Financing is provided by the City through an annual special service area property tax levy.

Special Service Area No. 8 Fund - to account for the City's support of commercial properties located in the Central Street merchant district. SSA #8 represents the west portion of Central Street located between Central Park Ave. on the west and Ewing Ave. on the east. The purpose of the Central Street SSA districts is to help the merchant association grow and establish a stable funding stream for merchant and business district activities. Financing is provided by the City through an annual special service area property tax levy.

Dempster-Dodge TIF - to account for principal and interest payments on debt proceeds issued and allocated to this tax increment financing district.

Howard/Ridge TIF - to account for principal and interest payments on debt proceeds issued and allocated to this tax increment financing district.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

DEBT SERVICE FUNDS (Continued)

West Evanston TIF - to account for principal and interest payments on debt proceeds issued and allocated to this tax increment financing district.

Five Fifths TIF - to account for principal and interest payments on debt proceeds issued and allocated to this tax increment financing district.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for activity related to capital improvements.

Crown Construction - to account for capital improvements (primarily alley paving) financed by both special assessments on property owners and city contributions.

Crown Maintenance - to account for capital improvements (primarily alley paving) financed by both special assessments on property owners and city contributions.

Special Assessment - to account for capital improvements (primarily alley paving) financed by both special assessments on property owners and City contributions.

CITY OF EVANSTON, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2025

	Special Revenue							
	Motor Fuel Tax	Emergency Telephone System	Foreign Fire Insurance	Neighborhood Improvement	Affordable Housing	HOME	Community Development Block Grant	
ASSETS								
Cash and equivalents	\$ 1,134,153	\$ 335,265	\$ 296,710	\$ 23,845	\$ 3,063,119	\$ 24,182	\$ -	
Investments	6,232,140	-	-	-	2,120,694	-	-	
Receivables								
Property tax	-	-	-	-	-	-	-	
Loans	-	-	-	-	2,512,891	5,102,186	-	
Special assessments	-	-	-	-	-	-	-	
Leases	-	-	-	-	-	-	-	
Accrued interest	-	-	-	-	-	-	-	
Due from other governments	316,225	346,040	-	-	-	34,830	522,969	
Due from other funds	4,421	73,333	-	36	779	9,812	-	
TOTAL ASSETS	\$ 7,686,939	\$ 754,638	\$ 296,710	\$ 23,881	\$ 7,697,483	\$ 5,171,010	\$ 522,969	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Vouchers payable	\$ 2,585,761	\$ 5,456	\$ -	\$ -	\$ 104,646	\$ 32,862	\$ 221,629	
Interest payable	-	-	-	-	-	-	-	
Unearned revenue	-	-	-	-	-	-	-	
Due to other governments	-	-	-	-	-	-	-	
Due to other funds	-	-	-	-	-	-	242,017	
Advances from other funds	-	-	-	-	-	-	-	
Total liabilities	2,585,761	5,456	-	-	104,646	32,862	463,646	
DEFERRED INFLOWS OF RESOURCES								
Long-term notes receivable	-	-	-	-	2,512,891	5,102,186	-	
Unavailable revenue - property taxes	-	-	-	-	-	-	-	
Leases	-	-	-	-	-	-	-	
Total deferred inflows of resources	-	-	-	-	2,512,891	5,102,186	-	
Total liabilities and deferred inflows of resources	2,585,761	5,456	-	-	2,617,537	5,135,048	463,646	
FUND BALANCES								
Restricted for								
Highway maintenance	5,101,178	-	-	-	-	-	-	
Emergency telephone system	-	749,182	-	-	-	-	-	
Public safety	-	-	296,710	-	-	-	-	
HUD approved projects	-	-	-	-	-	35,962	59,323	
Neighborhood improvements	-	-	-	23,881	5,079,946	-	-	
Reparations	-	-	-	-	-	-	-	
Governmental services	-	-	-	-	-	-	-	
Sustainability	-	-	-	-	-	-	-	
Debt service	-	-	-	-	-	-	-	
General assistance	-	-	-	-	-	-	-	
Human services	-	-	-	-	-	-	-	
Capital improvements	-	-	-	-	-	-	-	
Assigned	-	-	-	-	-	-	-	
Unassigned (deficit)	-	-	-	-	-	-	-	
Total fund balances (deficit)	5,101,178	749,182	296,710	23,881	5,079,946	35,962	59,323	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 7,686,939	\$ 754,638	\$ 296,710	\$ 23,881	\$ 7,697,483	\$ 5,171,010	\$ 522,969	

Special Revenue											
Community Development Loan	Special Service District No. 9	Special Service District No. 10	ARPA	Reparations	Sustainability	Good Neighbor	General Assistance	Human Services	Parks and Recreation	Total Special Revenue	
\$ 247,532	\$ 16,350	\$ -	\$ 718,275	\$ 229,988	\$ 1,008,338	\$ 376,483	\$ 514,717	\$ -	\$ -	\$ 7,988,957	
-	-	-	11,052,183	-	-	-	-	-	-	19,405,017	
-	964,120	97,595	-	-	-	-	1,031,165	6,150,000	1,000,000	9,242,880	
1,568,398	-	-	-	-	-	-	-	-	-	9,183,475	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
161,062	26	-	-	177,571	-	544	62,007	451,890	-	1,220,064	
\$ 1,976,992	\$ 980,496	\$ 97,595	\$ 11,770,458	\$ 407,559	\$ 1,008,338	\$ 377,027	\$ 1,607,889	\$ 6,601,890	\$ 1,000,000	\$ 47,981,874	
\$ -	\$ 354,641	\$ 92,624	\$ 655,624	\$ 14,024	\$ 211,486	\$ -	\$ 395	\$ 265,228	\$ -	\$ 4,544,376	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	10,191,090	-	-	-	-	-	-	10,191,090	
15,346	-	-	-	-	-	-	-	-	-	15,346	
-	-	-	466,858	-	17,106	-	-	-	-	725,981	
-	-	-	-	375,000	-	-	-	-	-	375,000	
15,346	354,641	92,624	11,313,572	389,024	228,592	-	395	265,228	-	15,851,793	
1,568,398	-	-	-	-	-	-	-	-	-	9,183,475	
-	675,000	97,595	-	-	-	-	750,000	6,150,000	1,000,000	8,672,595	
-	-	-	-	-	-	-	-	-	-	-	
1,568,398	675,000	97,595	-	-	-	-	750,000	6,150,000	1,000,000	17,856,070	
1,583,744	1,029,641	190,219	11,313,572	389,024	228,592	-	750,395	6,415,228	1,000,000	33,707,863	
-	-	-	-	-	-	-	-	-	-	5,101,178	
-	-	-	-	-	-	-	-	-	-	749,182	
-	-	-	-	-	-	-	-	-	-	296,710	
393,248	-	-	-	-	-	-	-	-	-	488,533	
-	-	-	-	-	-	-	-	-	-	5,103,827	
-	-	-	-	18,535	-	-	-	-	-	18,535	
-	-	-	456,886	-	-	-	-	-	-	456,886	
-	-	-	-	-	779,746	-	-	-	-	779,746	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	857,494	-	-	857,494	
-	-	-	-	-	-	-	-	186,662	-	186,662	
-	-	-	-	-	-	377,027	-	-	-	377,027	
-	-	-	-	-	-	-	-	-	-	-	
-	(49,145)	(92,624)	-	-	-	-	-	-	-	(141,769)	
393,248	(49,145)	(92,624)	456,886	18,535	779,746	377,027	857,494	186,662	-	14,274,011	
\$ 1,976,992	\$ 980,496	\$ 97,595	\$ 11,770,458	\$ 407,559	\$ 1,008,338	\$ 377,027	\$ 1,607,889	\$ 6,601,890	\$ 1,000,000	\$ 47,981,874	

(This schedule is continued on the following pages.)

CITY OF EVANSTON, ILLINOIS

COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2025

	Debt Service					
	Chicago Main Tax Increment District	Special Service Area No. 6	Special Service Area No. 7	Special Service Area No. 8	Dempster-Dodge Tax Increment District	Howard Ridge Tax Increment District
ASSETS						
Cash and equivalents	\$ 32,692	\$ 71,362	\$ 21,966	\$ 14,457	\$ 60,446	\$ 5,289
Investments	-	-	-	-	-	-
Receivables						
Property tax	780,321	296,068	202,729	83,585	241,584	825,785
Loans	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Leases	-	-	-	-	-	139,409
Accrued interest	-	-	-	-	-	74
Due from other governments	-	-	-	-	-	-
Due from other funds	204,985	113	35	23	1,001,733	2,193,565
TOTAL ASSETS	\$ 1,017,998	\$ 367,543	\$ 224,730	\$ 98,065	\$ 1,303,763	\$ 3,164,122
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Vouchers payable	\$ 967,228	\$ 101,559	\$ 66,815	\$ 28,394	\$ 261	\$ 27,415
Interest payable	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Total liabilities	967,228	101,559	66,815	28,394	261	27,415
DEFERRED INFLOWS OF RESOURCES						
Long-term notes receivable	-	-	-	-	-	-
Unavailable revenue - property taxes	-	210,000	146,392	62,006	-	-
Leases	-	-	-	-	-	129,102
Total deferred inflows of resources	-	210,000	146,392	62,006	-	129,102
Total liabilities and deferred inflows of resources	967,228	311,559	213,207	90,400	261	156,517
FUND BALANCES						
Restricted for						
Highway maintenance	-	-	-	-	-	-
Emergency telephone system	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
HUD approved projects	-	-	-	-	-	-
Neighborhood improvements	-	55,984	11,523	7,665	-	-
Reparations	-	-	-	-	-	-
Governmental services	-	-	-	-	-	-
Sustainability	-	-	-	-	-	-
Debt service	50,770	-	-	-	1,303,502	3,007,605
General assistance	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-
Capital improvements	-	-	-	-	-	-
Assigned	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-	-
Total fund balances (deficit)	50,770	55,984	11,523	7,665	1,303,502	3,007,605
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,017,998	\$ 367,543	\$ 224,730	\$ 98,065	\$ 1,303,763	\$ 3,164,122

West Evanston Tax Increment District	Debt Service		Capital Projects				Total Capital Projects	Total Nonmajor Governmental Funds
	Five-Fifths Tax Increment District	Total Debt Service	Crown Construction	Crown Maintenance	Special Assessment			
\$ 1,422	\$ 121,449	\$ 329,083	\$ 1,480,630	\$ 1,015,033	\$ 1,413,847	\$ 3,909,510	\$ 12,227,550	
-	-	-	3,517,164	-	-	3,517,164	22,922,181	
1,275,303	746,165	4,451,540	-	-	-	-	13,694,420	
-	-	-	-	-	-	-	9,183,475	
-	-	139,409	-	-	837,977	837,977	837,977	
-	-	74	-	-	-	-	139,409	
-	-	-	-	-	-	-	74	
-	-	-	-	-	-	-	1,220,064	
2,634,322	764,779	6,799,555	3,860	-	-	3,860	7,744,896	
<u>\$ 3,911,047</u>	<u>\$ 1,632,393</u>	<u>\$ 11,719,661</u>	<u>\$ 5,001,654</u>	<u>\$ 1,015,033</u>	<u>\$ 2,251,824</u>	<u>\$ 8,268,511</u>	<u>\$ 67,970,046</u>	
\$ 116,283	\$ 4,697	\$ 1,312,652	\$ 42,906	\$ -	\$ 940,066	\$ 982,972	\$ 6,840,000	
-	-	-	-	-	-	-	-	
-	566,641	566,641	-	-	-	-	10,191,090	
-	-	-	-	-	212,714	212,714	581,987	
-	-	-	-	-	-	-	938,695	
-	-	-	-	-	-	-	375,000	
116,283	571,338	1,879,293	42,906	-	1,152,780	1,195,686	18,926,772	
-	-	-	-	-	837,977	837,977	10,021,452	
-	-	418,398	-	-	-	-	9,090,993	
-	-	129,102	-	-	-	-	129,102	
-	-	547,500	-	-	837,977	837,977	19,241,547	
116,283	571,338	2,426,793	42,906	-	1,990,757	2,033,663	38,168,319	
-	-	-	-	-	-	-	5,101,178	
-	-	-	-	-	-	-	749,182	
-	-	-	-	-	-	-	296,710	
-	-	75,172	-	-	261,067	261,067	488,533	
-	-	-	-	-	-	-	5,440,066	
-	-	-	-	-	-	-	18,535	
-	-	-	-	-	-	-	456,886	
-	-	-	-	-	-	-	779,746	
3,794,764	1,061,055	9,217,696	-	-	-	-	9,217,696	
-	-	-	-	-	-	-	857,494	
-	-	-	-	-	-	-	186,662	
-	-	-	-	-	-	-	377,027	
-	-	-	4,958,748	1,015,033	-	5,973,781	5,973,781	
-	-	-	-	-	-	-	(141,769)	
3,794,764	1,061,055	9,292,868	4,958,748	1,015,033	261,067	6,234,848	29,801,727	
<u>\$ 3,911,047</u>	<u>\$ 1,632,393</u>	<u>\$ 11,719,661</u>	<u>\$ 5,001,654</u>	<u>\$ 1,015,033</u>	<u>\$ 2,251,824</u>	<u>\$ 8,268,511</u>	<u>\$ 67,970,046</u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2025

	Special Revenue						
	Motor Fuel Tax	Emergency Telephone System	Foreign Fire Insurance	Neighborhood Improvement	Affordable Housing	HOME	Community Development Block Grant
REVENUES							
Taxes	\$ -	\$ -	\$ 277,400	\$ -	\$ 84,337	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-
Intergovernmental							
Grants	-	-	-	-	13,139	108,110	1,348,297
Contributions/reimbursements	-	-	-	-	393,964	-	-
Motor fuel tax allotments	3,565,969	-	-	-	-	-	-
Fees	-	1,629,663	-	-	-	-	-
Charges for services	-	-	-	-	-	-	-
Investment income	337,080	11,829	-	399	202,454	1,138	1,430
Miscellaneous	-	9,000	-	-	5,583	24,852	164,206
Total revenues	3,903,049	1,650,492	277,400	399	699,477	134,100	1,513,933
EXPENDITURES							
Current							
General management and support	-	-	-	-	-	-	-
Public safety	-	1,992,096	262,581	-	-	-	-
Public works	5,878,513	-	-	-	-	-	-
Health and human resource development	-	-	-	-	-	-	-
Housing and economic development	-	-	-	-	873,748	135,469	1,513,933
Capital outlay	-	-	-	-	-	-	-
Total expenditures	5,878,513	1,992,096	262,581	-	873,748	135,469	1,513,933
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,975,464)	(341,604)	14,819	399	(174,271)	(1,369)	-
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	1,030,000	-	-
Transfers (out)	-	(99,996)	-	-	-	-	-
Total other financing sources (uses)	-	(99,996)	-	-	1,030,000	-	-
NET CHANGE IN FUND BALANCES	(1,975,464)	(441,600)	14,819	399	855,729	(1,369)	-
FUND BALANCES (DEFICIT), JANUARY 1 (AS REPORTED)	7,076,642	1,190,782	281,891	23,482	4,224,217	37,331	59,323
Restatement - change in reporting entity	-	-	-	-	-	-	-
FUND BALANCES (DEFICIT), JANUARY 1 (AS RESTATED)	7,076,642	1,190,782	281,891	23,482	4,224,217	37,331	59,323
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 5,101,178	\$ 749,182	\$ 296,710	\$ 23,881	\$ 5,079,946	\$ 35,962	\$ 59,323

Special Revenue										
Community Development Loan	Special Service District No. 9	Special Service District No. 10	Previously Major	Reparations	Sustainability	Good Neighbor	General Assistance	Human Services	Parks and Recreation	Total Special Revenue
			ARPA							
\$ -	\$ 576,624	\$ -	\$ -	\$ 1,175,000	\$ -	\$ -	\$ 860,182	\$ 3,650,000	\$ -	\$ 6,623,543
-	-	-	-	-	-	-	-	-	-	-
-	-	-	3,917,986	-	-	-	-	376,089	-	5,763,621
-	-	-	-	2,530	-	3,090,000	-	8,000	-	3,494,494
-	-	-	-	-	-	-	-	-	-	3,565,969
-	-	-	-	-	-	-	-	-	-	1,629,663
-	-	-	-	-	-	-	-	-	-	-
-	2,292	-	564,205	7,490	19,426	9,349	53,860	14,055	-	1,225,007
82,142	-	-	-	-	-	-	28,314	-	-	314,097
82,142	578,916	-	4,482,191	1,185,020	19,426	3,099,349	942,356	4,048,144	-	22,616,394
-	-	-	3,516,433	1,311,500	934,233	686,056	1,301,401	-	-	7,749,623
-	-	-	204,324	-	-	-	-	-	-	2,459,001
-	-	-	-	-	-	-	-	-	-	5,878,513
-	-	-	-	-	-	-	-	5,306,427	-	5,306,427
31,568	642,145	92,624	-	-	-	-	-	-	-	3,289,487
-	-	-	197,392	-	-	-	-	-	-	197,392
31,568	642,145	92,624	3,918,149	1,311,500	934,233	686,056	1,301,401	5,306,427	-	24,880,443
50,574	(63,229)	(92,624)	564,042	(126,480)	(914,807)	2,413,293	(359,045)	(1,258,283)	-	(2,264,049)
-	-	-	-	-	715,000	-	-	-	-	1,745,000
-	-	-	(1,500,000)	-	-	(3,090,000)	-	-	-	(4,689,996)
-	-	-	(1,500,000)	-	715,000	(3,090,000)	-	-	-	(2,944,996)
50,574	(63,229)	(92,624)	(935,958)	(126,480)	(199,807)	(676,707)	(359,045)	(1,258,283)	-	(5,209,045)
342,674	14,084	-	-	145,015	979,553	1,053,734	1,216,539	1,444,945	-	18,090,212
-	-	-	1,392,844	-	-	-	-	-	-	1,392,844
342,674	14,084	-	1,392,844	145,015	979,553	1,053,734	1,216,539	1,444,945	-	19,483,056
\$ 393,248	\$ (49,145)	\$ (92,624)	\$ 456,886	\$ 18,535	\$ 779,746	\$ 377,027	\$ 857,494	\$ 186,662	\$ -	\$ 14,274,011

(This schedule is continued on the following pages.)

CITY OF EVANSTON, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2025

	Debt Service					
	Chicago Main Tax Increment District	Special Service Area No. 6	Special Service Area No. 7	Special Service Area No. 8	Dempster-Dodge Tax Increment District	Howard Ridge Tax Increment District
REVENUES						
Taxes	\$ 1,398,121	\$ 205,509	\$ 131,523	\$ 53,385	\$ 510,482	\$ 1,444,396
Special assessments	-	-	-	-	-	-
Intergovernmental						
Grants	-	-	-	-	-	-
Contributions/reimbursements	-	-	-	-	-	-
Motor fuel tax allotments	-	-	-	-	-	-
Fees	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Investment income	30,415	4,790	1,011	444	27,043	54,721
Miscellaneous	-	-	-	-	-	39,799
Total revenues	1,428,536	210,299	132,534	53,829	537,525	1,538,916
EXPENDITURES						
Current						
General management and support	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Health and human resource development	-	-	-	-	-	-
Housing and economic development	904,675	212,734	142,001	54,923	21,896	101,707
Capital outlay	-	-	-	-	-	-
Total expenditures	904,675	212,734	142,001	54,923	21,896	101,707
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	523,861	(2,435)	(9,467)	(1,094)	515,629	1,437,209
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers (out)	(307,992)	-	-	-	(193,344)	(343,908)
Total other financing sources (uses)	(307,992)	-	-	-	(193,344)	(343,908)
NET CHANGE IN FUND BALANCES	215,869	(2,435)	(9,467)	(1,094)	322,285	1,093,301
FUND BALANCES (DEFICIT), JANUARY 1 (AS REPORTED)	(165,099)	58,419	20,990	8,759	981,217	1,914,304
Restatement - change in reporting entity	-	-	-	-	-	-
FUND BALANCES (DEFICIT), JANUARY 1 (AS RESTATED)	(165,099)	58,419	20,990	8,759	981,217	1,914,304
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 50,770	\$ 55,984	\$ 11,523	\$ 7,665	\$ 1,303,502	\$ 3,007,605

West Evanston Tax Increment District	Debt Service		Capital Projects				Total Capital Projects	Total Nonmajor Governmental Funds
	Five-Fifths Tax Increment District	Total Debt Service	Crown Construction	Crown Maintenance	Special Assessment			
\$ 2,397,426	\$ 1,527,673	\$ 7,668,515	\$ -	\$ -	\$ -	\$ -	\$ 14,292,058	
-	-	-	-	-	215,970	215,970	215,970	
-	-	-	-	-	-	-	5,763,621	
-	-	-	500,000	-	-	500,000	3,994,494	
-	-	-	-	-	-	-	3,565,969	
-	-	-	-	-	-	-	1,629,663	
-	-	-	-	-	-	-	-	
68,886	28,480	215,790	262,432	-	57,403	319,835	1,760,632	
-	3,397	43,196	-	-	-	-	357,293	
2,466,312	1,559,550	7,927,501	762,432	-	273,373	1,035,805	31,579,700	
-	-	-	-	-	60	60	7,749,683	
-	-	-	-	-	-	-	2,459,001	
-	-	-	8,358	-	-	8,358	5,886,871	
-	-	-	-	-	-	-	5,306,427	
983,063	714,424	3,135,423	-	-	-	-	6,424,910	
-	-	-	334,169	-	984,295	1,318,464	1,515,856	
983,063	714,424	3,135,423	342,527	-	984,355	1,326,882	29,342,748	
1,483,249	845,126	4,792,078	419,905	-	(710,982)	(291,077)	2,236,952	
-	-	-	-	174,996	-	174,996	1,919,996	
(110,556)	(73,848)	(1,029,648)	(588,372)	-	(230,631)	(819,003)	(6,538,647)	
(110,556)	(73,848)	(1,029,648)	(588,372)	174,996	(230,631)	(644,007)	(4,618,651)	
1,372,693	771,278	3,762,430	(168,467)	174,996	(941,613)	(935,084)	(2,381,699)	
2,422,071	289,777	5,530,438	5,127,215	840,037	1,202,680	7,169,932	30,790,582	
-	-	-	-	-	-	-	1,392,844	
2,422,071	289,777	5,530,438	5,127,215	840,037	1,202,680	7,169,932	32,183,426	
\$ 3,794,764	\$ 1,061,055	\$ 9,292,868	\$ 4,958,748	\$ 1,015,033	\$ 261,067	\$ 6,234,848	\$ 29,801,727	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
MOTOR FUEL TAX FUND**

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance
REVENUES			
Intergovernmental			
Motor fuel tax allotments	\$ 3,300,000	\$ 3,565,969	\$ 265,969
Investment income	50,000	337,080	287,080
	<hr/>	<hr/>	<hr/>
Total revenues	3,350,000	3,903,049	553,049
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Public works	6,359,650	5,878,513	(481,137)
	<hr/>	<hr/>	<hr/>
Total expenditures	6,359,650	5,878,513	(481,137)
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (3,009,650)</u>	(1,975,464)	<u>\$ 1,034,186</u>
FUND BALANCE, JANUARY 1		<u>7,076,642</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 5,101,178</u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
EMERGENCY TELEPHONE SYSTEM FUND

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Fees	\$ 1,450,000	\$ 1,450,000	\$ 1,629,663	\$ 179,663
Investment income	15,000	15,000	11,829	(3,171)
Miscellaneous	-	-	9,000	9,000
Total revenues	<u>1,465,000</u>	<u>1,465,000</u>	<u>1,650,492</u>	<u>185,492</u>
EXPENDITURES				
Current				
Public safety	1,762,841	1,992,096	1,992,096	-
Total expenditures	<u>1,762,841</u>	<u>1,992,096</u>	<u>1,992,096</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(297,841)</u>	<u>(527,096)</u>	<u>(341,604)</u>	<u>185,492</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	<u>(100,000)</u>	<u>(100,000)</u>	<u>(99,996)</u>	<u>4</u>
NET CHANGE IN FUND BALANCE	<u>\$ (397,841)</u>	<u>\$ (627,096)</u>	<u>(441,600)</u>	<u>\$ 185,496</u>
FUND BALANCE, JANUARY 1			<u>1,190,782</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 749,182</u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOREIGN FIRE INSURANCE FUND

For the Year Ended December 31, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Taxes				
Foreign fire insurance tax	\$ 250,000	\$ 250,000	\$ 277,400	\$ 27,400
Total revenues	<u>250,000</u>	<u>250,000</u>	<u>277,400</u>	<u>27,400</u>
EXPENDITURES				
Current				
Public safety	<u>200,000</u>	<u>262,582</u>	<u>262,581</u>	<u>(1)</u>
Total expenditures	<u>200,000</u>	<u>262,582</u>	<u>262,581</u>	<u>(1)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 50,000</u>	<u>\$ (12,582)</u>	14,819	<u>\$ 27,401</u>
FUND BALANCE, JANUARY 1			<u>281,891</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 296,710</u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Taxes			
Affordable housing demo tax	\$ 50,000	\$ 84,337	\$ 34,337
Intergovernmental			
Grants	-	13,139	13,139
Contributions/reimbursements	125,000	393,964	268,964
Investment income	40,000	202,454	162,454
Miscellaneous	5,000	5,583	583
	<hr/>	<hr/>	<hr/>
Total revenues	220,000	699,477	479,477
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current			
Housing and economic development	2,362,480	873,748	(1,488,732)
	<hr/>	<hr/>	<hr/>
Total expenditures	2,362,480	873,748	(1,488,732)
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<hr/>	<hr/>	<hr/>
	(2,142,480)	(174,271)	1,968,209
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers in	1,000,000	1,030,000	30,000
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	1,000,000	1,030,000	30,000
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (1,142,480)</u>	855,729	<u>\$ 1,998,209</u>
FUND BALANCE, JANUARY 1		<hr/>	
		4,224,217	
FUND BALANCE, DECEMBER 31		<hr/>	
		\$ 5,079,946	
		<hr/>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental				
Contributions/reimbursements	\$ 2,256,469	\$ 2,256,469	\$ 108,110	\$ (2,148,359)
Investment income	150	150	1,138	988
Miscellaneous	25,000	25,000	24,852	(148)
	<hr/>			
Total revenues	2,281,619	2,281,619	134,100	(2,147,519)
	<hr/>			
EXPENDITURES				
Current				
Housing and economic development	2,275,912	775,912	135,469	(640,443)
	<hr/>			
Total expenditures	2,275,912	775,912	135,469	(640,443)
	<hr/>			
NET CHANGE IN FUND BALANCE	<u>\$ 5,707</u>	<u>\$ 1,505,707</u>	(1,369)	<u>\$ (1,507,076)</u>
FUND BALANCE, JANUARY 1			<u>37,331</u>	
FUND BALANCE, DECEMBER 31			<u><u>\$ 35,962</u></u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

For the Year Ended December 31, 2025

	<u>Original Budget</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental				
Grant from U.S. Department of Housing and Urban Development	\$ 2,616,400	\$ 2,616,400	\$ 1,348,297	\$ (1,268,103)
Investment income	-	-	1,430	1,430
Miscellaneous	-	-	164,206	164,206
	<hr/>			
Total revenues	2,616,400	2,616,400	1,513,933	(1,102,467)
<hr/>				
EXPENDITURES				
Current				
Housing and economic development	3,788,998	1,788,998	1,513,933	(275,065)
	<hr/>			
Total expenditures	3,788,998	1,788,998	1,513,933	(275,065)
<hr/>				
NET CHANGE IN FUND BALANCE	<u>\$ (1,172,598)</u>	<u>\$ 827,402</u>	-	<u>\$ (827,402)</u>
<hr/>				
FUND BALANCE, JANUARY 1			<u>59,323</u>	
<hr/>				
FUND BALANCE, DECEMBER 31			<u><u>\$ 59,323</u></u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

**SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (BUDGETARY BASIS)
COMMUNITY DEVELOPMENT BLOCK GRANT FUND**

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance
Administration/Planning				
CDBG administration	\$ 2,488,699	\$ 525,254	\$ 481,191	\$ (44,063)
Total administration/planning	2,488,699	525,254	481,191	(44,063)
Housing				
Rehab construction administration	140,299	140,299	117,956	(22,343)
Targeted housing code enforcement	-	-	259,423	259,423
Total housing	140,299	140,299	377,379	237,080
Neighborhood revitalization				
Twiggs Park	-	-	239,338	239,338
Phase I engineering	10,000	10,000	-	(10,000)
Other improvements	1,150,000	1,113,445	211,100	(902,345)
Total neighborhood revitalization	1,160,000	1,123,445	450,438	(673,007)
Public services				
YWCA domestic violence	-	-	30,000	30,000
Interfaith housing program - homeshare	-	-	45,000	45,000
Connections for homeless	-	-	125,000	125,000
Direct financial assistance to businesses	-	-	4,925	4,925
Total public services	-	-	204,925	204,925
TOTAL EXPENDITURES	\$ 3,788,998	\$ 1,788,998	\$ 1,513,933	\$ (275,065)

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT LOAN FUND**

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance
REVENUES			
Investment income	\$ 5,000	\$ -	\$ (5,000)
Miscellaneous	301,565	82,142	(219,423)
Total revenues	<u>306,565</u>	<u>82,142</u>	<u>(224,423)</u>
EXPENDITURES			
Current			
Housing and economic development	<u>306,565</u>	<u>31,568</u>	<u>(274,997)</u>
Total expenditures	<u>306,565</u>	<u>31,568</u>	<u>(274,997)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>50,574</u>	<u>\$ 50,574</u>
FUND BALANCE, JANUARY 1		<u>342,674</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 393,248</u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE DISTRICT NO. 9 FUND**

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes			
Property taxes	\$ 642,145	\$ 576,624	\$ (65,521)
Investment income	-	2,292	2,292
Total revenues	<u>642,145</u>	<u>578,916</u>	<u>(63,229)</u>
EXPENDITURES			
Current			
Housing and economic development	<u>642,145</u>	<u>642,145</u>	<u>-</u>
Total expenditures	<u>642,145</u>	<u>642,145</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(63,229)</u>	<u>\$ (63,229)</u>
FUND BALANCE, JANUARY 1		<u>14,084</u>	
FUND BALANCE (DEFICIT), DECEMBER 31		<u><u>\$ (49,145)</u></u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE DISTRICT NO. 10 FUND**

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Property taxes	\$ 92,624	\$ 92,624	\$ -	\$ (92,624)
Total revenues	<u>92,624</u>	<u>92,624</u>	<u>-</u>	<u>(92,624)</u>
EXPENDITURES				
Current				
Housing and economic development	90,000	92,624	92,624	-
Total expenditures	<u>90,000</u>	<u>92,624</u>	<u>92,624</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 2,624</u>	<u>\$ -</u>	<u>(92,624)</u>	<u>\$ (92,624)</u>
FUND BALANCE, JANUARY 1			<u>-</u>	
FUND BALANCE (DEFICIT), DECEMBER 31			<u>\$ (92,624)</u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Intergovernmental	\$ -			
Grants		\$ -	\$ 3,917,986	\$ 3,917,986
Investment income	650,000	650,000	564,205	(85,795)
Total revenues	650,000	650,000	4,482,191	3,832,191
EXPENDITURES				
Current				
General management and support	15,229,875	4,121,750	3,516,433	(605,317)
Public safety	858,100	218,832	204,324	(14,508)
Capital outlay	475,000	222,393	197,392	(25,001)
Total expenditures	16,562,975	4,562,975	3,918,149	(644,826)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(15,912,975)	(3,912,975)	564,042	4,477,017
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(1,500,000)	(1,500,000)	(1,500,000)	-
Other financing sources (uses) - net	(1,500,000)	(1,500,000)	(1,500,000)	-
NET CHANGE IN FUND BALANCE	<u>\$ (17,412,975)</u>	<u>\$ (5,412,975)</u>	(935,958)	<u>\$ 4,477,017</u>
FUND BALANCE, JANUARY 1			<u>1,392,844</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 456,886</u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Other taxes	\$ 1,200,000	\$ 1,200,000	\$ 1,175,000	\$ (25,000)
Intergovernmental				
Grants	100,000	100,000	-	(100,000)
Contributions/reimbursements	-	-	2,530	2,530
Investment income	2,500	2,500	7,490	4,990
Total revenues	<u>1,302,500</u>	<u>1,302,500</u>	<u>1,185,020</u>	<u>(117,480)</u>
EXPENDITURES				
Current				
General management and support	<u>1,301,000</u>	<u>1,311,500</u>	<u>1,311,500</u>	-
Total expenditures	<u>1,301,000</u>	<u>1,311,500</u>	<u>1,311,500</u>	-
NET CHANGE IN FUND BALANCE	<u>\$ 1,500</u>	<u>\$ (9,000)</u>	<u>(126,480)</u>	<u>\$ (117,480)</u>
FUND BALANCE, JANUARY 1			<u>145,015</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 18,535</u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance
REVENUES			
Intergovernmental			
Grants	\$ 260,000	\$ -	\$ (260,000)
Fees	510,000	-	(510,000)
Investment income	2,000	19,426	17,426
	<hr/>	<hr/>	<hr/>
Total revenues	772,000	19,426	(752,574)
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current			
General management and support	1,706,513	934,233	(772,280)
	<hr/>	<hr/>	<hr/>
Total expenditures	1,706,513	934,233	(772,280)
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<hr/>	<hr/>	<hr/>
	(934,513)	(914,807)	19,706
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers in	800,000	715,000	(85,000)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	800,000	715,000	(85,000)
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<hr/>	<hr/>	<hr/>
	\$ (134,513)	(199,807)	\$ (65,294)
	<hr/>	<hr/>	<hr/>
FUND BALANCE, JANUARY 1		979,553	
		<hr/>	
FUND BALANCE, DECEMBER 31		\$ 779,746	
		<hr/>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GOOD NEIGHBOR FUND

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Intergovernmental				
Contributions/reimbursements		\$ 3,000,000	\$ 3,090,000	\$ 90,000
Investment income	\$ -	-	9,349	9,349
Total revenues	-	3,000,000	3,099,349	99,349
EXPENDITURES				
Current				
General management and support	164,000	776,056	686,056	(90,000)
Total expenditures	164,000	776,056	686,056	(90,000)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(164,000)	2,223,944	2,413,293	189,349
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(3,000,000)	(3,000,000)	(3,090,000)	(90,000)
Total other financing sources (uses)	(3,000,000)	(3,000,000)	(3,090,000)	(90,000)
NET CHANGE IN FUND BALANCE	\$ (3,164,000)	\$ (776,056)	(676,707)	\$ 99,349
FUND BALANCE, JANUARY 1			1,053,734	
FUND BALANCE, DECEMBER 31			\$ 377,027	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes			
Property taxes	\$ 750,000	\$ 860,182	\$ 110,182
Investment income	1,000	53,860	52,860
Miscellaneous	27,500	28,314	814
	<hr/>	<hr/>	<hr/>
Total revenues	778,500	942,356	163,856
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Current			
General management and support	1,342,920	1,301,401	(41,519)
	<hr/>	<hr/>	<hr/>
Total expenditures	1,342,920	1,301,401	(41,519)
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (564,420)</u>	<u>(359,045)</u>	<u>\$ 205,375</u>
FUND BALANCE, JANUARY 1		<u>1,216,539</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 857,494</u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes			
Property taxes	\$ 3,650,000	\$ 3,650,000	\$ -
Intergovernmental			
Grants	335,000	376,089	41,089
Contributions/reimbursements	-	8,000	8,000
Investment income	6,000	14,055	8,055
Miscellaneous	20,000	-	(20,000)
	<hr/>	<hr/>	<hr/>
Total revenues	4,011,000	4,048,144	37,144
EXPENDITURES			
Current			
Health and human resource development	6,360,977	5,306,427	(1,054,550)
	<hr/>	<hr/>	<hr/>
Total expenditures	6,360,977	5,306,427	(1,054,550)
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (2,349,977)</u>	(1,258,283)	<u>\$ 1,091,694</u>
FUND BALANCE, JANUARY 1		<u>1,444,945</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 186,662</u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Intergovernmental				
Contributions/reimbursements	1,000,000	\$ 1,000,000	\$ 500,000	\$ (500,000)
Investment income	\$ 10,000	10,000	262,432	252,432
Total revenues	<u>10,000</u>	<u>1,010,000</u>	<u>762,432</u>	<u>(247,568)</u>
EXPENDITURES				
Current				
Public works	60	60	8,358	8,298
Capital outlay	200,000	342,469	334,169	(8,300)
Total expenditures	<u>200,060</u>	<u>342,529</u>	<u>342,527</u>	<u>(2)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(190,060)</u>	<u>667,471</u>	<u>419,905</u>	<u>(247,566)</u>
OTHER FINANCING SOURCES (USES)				
Transfers (out)	<u>(588,369)</u>	<u>(588,369)</u>	<u>(588,372)</u>	<u>(3)</u>
Total other financing sources (uses)	<u>(588,369)</u>	<u>(588,369)</u>	<u>(588,372)</u>	<u>(3)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (778,429)</u>	<u>\$ 79,102</u>	<u>(168,467)</u>	<u>\$ (247,569)</u>
FUND BALANCE, JANUARY 1			<u>5,127,215</u>	
FUND BALANCE, DECEMBER 31			<u><u>\$ 4,958,748</u></u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance
REVENUES			
None	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES			
Capital outlay	<u>175,000</u>	<u>-</u>	<u>(175,000)</u>
Total expenditures	<u>175,000</u>	<u>-</u>	<u>(175,000)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(175,000)</u>	<u>-</u>	<u>175,000</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	<u>175,000</u>	<u>174,996</u>	<u>(4)</u>
Total other financing sources (uses)	<u>175,000</u>	<u>174,996</u>	<u>(4)</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ -</u></u>	<u>174,996</u>	<u><u>\$ 174,996</u></u>
FUND BALANCE, JANUARY 1		<u>840,037</u>	
FUND BALANCE, DECEMBER 31		<u><u>\$ 1,015,033</u></u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL ASSESSMENT CAPITAL PROJECTS FUND**

For the Year Ended December 31, 2025

	Original and Final Budget	Actual	Variance
REVENUES			
Special assessments	\$ 215,000	\$ 215,970	\$ 970
Investment income	5,000	57,403	52,403
Total revenues	220,000	273,373	53,373
EXPENDITURES			
Current			
General management and support	50	60	10
Capital outlay	1,650,000	984,295	(665,705)
Total expenditures	1,650,050	984,355	(665,695)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,430,050)	(710,982)	719,068
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(230,631)	(230,631)	-
Total other financing sources (uses)	(230,631)	(230,631)	-
NET CHANGE IN FUND BALANCE	\$ (1,660,681)	(941,613)	\$ 719,068
FUND BALANCE, JANUARY 1		1,202,680	
FUND BALANCE, DECEMBER 31		\$ 261,067	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE FUNDS

For the Year Ended December 31, 2025

	Chicago Main Tax Increment District			Special Service Area No. 6		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
REVENUES						
Taxes						
Property taxes	\$ 1,295,000	\$ 1,295,000	\$ 1,398,121	\$ 221,000	\$ 221,000	\$ 205,509
Investment income	10,000	10,000	30,415	250	250	4,790
Miscellaneous	-	-	-	-	-	-
Total revenues	1,305,000	1,305,000	1,428,536	221,250	221,250	210,299
EXPENDITURES						
Current						
Housing and economic development	850,010	904,677	904,675	220,000	220,000	212,734
Total expenditures	850,010	904,677	904,675	220,000	220,000	212,734
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	454,990	400,323	523,861	1,250	1,250	(2,435)
OTHER FINANCING SOURCES (USES)						
Transfers (out)	(307,990)	(307,990)	(307,992)	-	-	-
Total other financing sources (uses)	(307,990)	(307,990)	(307,992)	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ 147,000</u>	<u>\$ 92,333</u>	215,869	<u>\$ 1,250</u>	<u>\$ 1,250</u>	(2,435)
FUND BALANCE (DEFICIT), JANUARY 1			(165,099)			58,419
FUND BALANCE, DECEMBER 31			<u>\$ 50,770</u>			<u>\$ 55,984</u>

Special Service Area No. 7			Special Service Area No. 8			Dempster-Dodge Tax Increment District		
Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
\$ 142,000	\$ 142,000	\$ 131,523	\$ 60,200	\$ 60,200	\$ 53,385	\$ 488,000	\$ 488,000	\$ 510,482
200	200	1,011	-	-	444	3,000	3,000	27,043
-	-	-	-	-	-	-	-	-
142,200	142,200	132,534	60,200	60,200	53,829	491,000	491,000	537,525
140,000	142,001	142,001	60,200	60,200	54,923	12,000	21,897	21,896
140,000	142,001	142,001	60,200	60,200	54,923	12,000	21,897	21,896
2,200	199	(9,467)	-	-	(1,094)	479,000	469,103	515,629
-	-	-	-	-	-	(193,343)	(193,343)	(193,344)
-	-	-	-	-	-	(193,343)	(193,343)	(193,344)
<u>\$ 2,200</u>	<u>\$ 199</u>	<u>(9,467)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,094)</u>	<u>\$ 285,657</u>	<u>\$ 275,760</u>	<u>322,285</u>
		<u>20,990</u>			<u>8,759</u>			<u>981,217</u>
		<u>\$ 11,523</u>			<u>\$ 7,665</u>			<u>\$ 1,303,502</u>

(This schedule is continued on the following pages.)

CITY OF EVANSTON, ILLINOIS

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Continued)
DEBT SERVICE FUNDS

For the Year Ended December 31, 2025

	Howard Ridge Tax Increment District			West Evanston Tax Increment District		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
REVENUES						
Taxes						
Property taxes	\$ 1,336,000	\$ 1,336,000	\$ 1,444,396	\$ 2,211,000	\$ 2,211,000	\$ 2,397,426
Investment income	12,000	12,000	54,721	6,000	6,000	68,886
Miscellaneous	-	-	39,799	-	-	-
Total revenues	<u>1,348,000</u>	<u>1,348,000</u>	<u>1,538,916</u>	<u>2,217,000</u>	<u>2,217,000</u>	<u>2,466,312</u>
EXPENDITURES						
Current						
Housing and economic development	513,500	513,500	101,707	2,712,790	2,712,790	983,063
Total expenditures	<u>513,500</u>	<u>513,500</u>	<u>101,707</u>	<u>2,712,790</u>	<u>2,712,790</u>	<u>983,063</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>834,500</u>	<u>834,500</u>	<u>1,437,209</u>	<u>(495,790)</u>	<u>(495,790)</u>	<u>1,483,249</u>
OTHER FINANCING SOURCES (USES)						
Transfers in (out)	(343,913)	(343,913)	(343,908)	(110,550)	(110,550)	(110,556)
Total other financing sources (uses)	<u>(343,913)</u>	<u>(343,913)</u>	<u>(343,908)</u>	<u>(110,550)</u>	<u>(110,550)</u>	<u>(110,556)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 490,587</u>	<u>\$ 490,587</u>	<u>1,093,301</u>	<u>\$ (606,340)</u>	<u>\$ (606,340)</u>	<u>1,372,693</u>
FUND BALANCE (DEFICIT), JANUARY 1			<u>1,914,304</u>			<u>2,422,071</u>
FUND BALANCE, DECEMBER 31			<u>\$ 3,007,605</u>			<u>\$ 3,794,764</u>

Five Fifths Tax Increment District			Total		
Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
\$ 1,477,000	\$ 1,477,000	\$ 1,527,673	\$ 7,230,200	\$ 7,230,200	\$ 7,668,515
1,000	1,000	28,480	32,450	32,450	215,790
-	-	3,397	-	-	43,196
1,478,000	1,478,000	1,559,550	7,262,650	7,262,650	7,927,501
1,150,520	1,150,520	714,424	5,659,020	5,725,585	3,135,423
1,150,520	1,150,520	714,424	5,659,020	5,725,585	3,135,423
327,480	327,480	845,126	1,603,630	1,537,065	4,792,078
(73,850)	(73,850)	(73,848)	(1,029,646)	(1,029,646)	(1,029,648)
(73,850)	(73,850)	(73,848)	(1,029,646)	(1,029,646)	(1,029,648)
<u>\$ 253,630</u>	<u>\$ 253,630</u>	771,278	<u>\$ 573,984</u>	<u>\$ 507,419</u>	3,762,430
		<u>289,777</u>			<u>5,530,438</u>
		<u>\$ 1,061,055</u>			<u>\$ 9,292,868</u>

(See independent auditor's report.)

ENTERPRISE FUNDS

Water Fund - To account for all activity related to providing water to the City's residents, as well as the Village of Skokie and the Northwest Water Commission. All activities necessary to provide such services are accounted for in this fund, including, but not limited to: administration, operation, maintenance, debt service, and billing/collection.

CITY OF EVANSTON, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
WATER FUND

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual
OPERATING REVENUES			
Charges for services	\$ 28,238,600	\$ 28,238,600	\$ 29,240,102
Miscellaneous	640,650	640,650	746,748
Total operating revenues	28,879,250	28,879,250	29,986,850
OPERATING EXPENSES EXCLUDING DEPRECIATION			
Administration	2,054,191	2,054,191	2,728,758
Operations			
Pumping	2,996,211	2,996,211	3,422,936
Filtration	3,692,297	3,692,297	3,802,803
Distribution	43,951,615	28,951,615	6,345,669
Meter maintenance	389,504	389,504	388,948
Administration	2,217,345	2,217,345	2,398,548
Other	2,962,525	2,962,525	1,725,770
Total operating expenses excluding depreciation	58,263,688	43,263,688	20,813,432
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(29,384,438)	(14,384,438)	9,173,418
Depreciation	-	-	3,659,829
OPERATING INCOME (LOSS)	(29,384,438)	(14,384,438)	5,513,589
NON-OPERATING REVENUES (EXPENSES)			
Investment income	150,000	150,000	988,705
Intergovernmental	-	-	86,081
Interest expense	(6,395,895)	(6,395,895)	(1,821,005)
Legal settlements	-	-	1,276,352
Issuance of bonds	14,000,000	14,000,000	-
Issuance of loans	21,514,085	21,514,085	-
Total non-operating revenues (expenses)	29,268,190	29,268,190	530,133
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	(116,248)	14,883,752	6,043,722
TRANSFERS AND CONTRIBUTIONS			
Transfers (out)	(4,129,000)	(4,129,000)	(4,129,008)
Contributions	-	-	708,582
Total transfers and contributions	(4,129,000)	(4,129,000)	(3,420,426)
NET INCOME (LOSS)	\$ (4,245,248)	\$ 10,754,752	2,623,296
NET POSITION, JANUARY 1			92,510,829
NET POSITION, DECEMBER 31			\$ 95,134,125

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

**SCHEDULE OF OPERATING REVENUES - BUDGET AND ACTUAL
OPERATION AND MAINTENANCE ACCOUNT
WATER FUND**

For the Year Ended December 31, 2025

	Original and Final Budget	Actual
CHARGES FOR SERVICES, NET		
Water sales		
Evanston	\$ 14,129,000	\$ 13,963,796
Skokie	3,710,000	3,575,037
Northwest Water Commission	7,134,500	8,464,559
Morton Grove Niles Water Commission	2,238,000	2,151,963
Lincolnwood	1,027,100	1,084,747
	<hr/>	<hr/>
Total charges for services	28,238,600	29,240,102
	<hr/>	<hr/>
MISCELLANEOUS		
Fees and outside work	185,000	204,248
Fees, merchandise, and other	455,650	542,500
	<hr/>	<hr/>
Total miscellaneous	640,650	746,748
	<hr/>	<hr/>
TOTAL OPERATING REVENUES	\$ 28,879,250	\$ 29,986,850

(See independent auditor's report.)

INTERNAL SERVICE FUNDS

Equipment Replacement Fund - To account for the costs associated with the purchase of vehicles and equipment.

Fleet Services Fund - To account for the cost of operating the municipal service center maintenance facility for transportation vehicles/equipment used by city departments. Such costs are billed to the user departments.

Insurance Fund - To account for all costs related to general liability and workers' compensation claims. Health insurance premiums are also accounted for in this fund. This internal service fund uses "funding premium" payments from city operating funds to pay claim and premium costs incurred.

CITY OF EVANSTON, ILLINOIS

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS**

December 31, 2025

	Equipment Replacement	Fleet Services	Insurance	Total
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,450,438	\$ 618,053	\$ 2,989,091	\$ 5,057,582
Receivables				
Other	56,974	14,753	-	71,727
Inventories	-	1,898,555	-	1,898,555
Prepaid items	658,613	-	5,101,689	5,760,302
Due from other funds	2,225	-	2,453,034	2,455,259
Total current assets	2,168,250	2,531,361	10,543,814	15,243,425
CAPITAL ASSETS				
Capital assets being depreciated	34,146,155	617,552	-	34,763,707
Accumulated depreciation	(21,759,923)	(617,447)	-	(22,377,370)
Total capital assets	12,386,232	105	-	12,386,337
Total assets	14,554,482	2,531,466	10,543,814	27,629,762
DEFERRED OUTFLOWS OF RESOURCES				
OPEB items	-	17,652	-	17,652
Total deferred outflows of resources	-	17,652	-	17,652
Total assets and deferred outflows of resources	14,554,482	2,549,118	10,543,814	27,647,414
CURRENT LIABILITIES				
Vouchers payable	134,561	250,179	109,527	494,267
Due to other funds	-	93,772	-	93,772
Total OPEB liability	-	5,006	-	5,006
Claims payable	-	-	1,108,082	1,108,082
Compensated absences payable	-	116,768	-	116,768
Total current liabilities	134,561	465,725	1,217,609	1,817,895
LONG-TERM LIABILITIES				
General obligation bonds payable	660,000	-	-	660,000
Total OPEB liability	-	118,446	-	118,446
Claims payable	-	-	4,722,719	4,722,719
Compensated absences payable	-	29,804	-	29,804
Total long-term liabilities	660,000	148,250	4,722,719	5,530,969
Total liabilities	794,561	613,975	5,940,328	7,348,864
DEFERRED INFLOWS OF RESOURCES				
OPEB items	-	54,802	-	54,802
Total deferred inflows of resources	-	54,802	-	54,802
Total liabilities and deferred inflows of resources	794,561	668,777	5,940,328	7,403,666
NET POSITION				
Net investment in capital assets	11,591,671	105	-	11,591,776
Unrestricted	2,168,250	1,880,236	4,603,486	8,651,972
TOTAL NET POSITION	\$ 13,759,921	\$ 1,880,341	\$ 4,603,486	\$ 20,243,748

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2025

	Equipment Replacement	Fleet Services	Insurance	Total
OPERATING REVENUES				
Charges for services				
General Fund	\$ 870,000	\$ 3,012,258	\$ 3,893,508	\$ 7,775,766
Sewer Fund	-	338,004	369,804	707,808
Solid Waste	-	418,596	-	418,596
Water Fund	-	234,000	1,665,132	1,899,132
Motor Vehicle Parking System Fund	-	207,996	369,072	577,068
Library Fund	4,884	5,436	-	10,320
Emergency Telephone System	-	-	19,140	19,140
Claims reimbursements	-	-	198,256	198,256
Health insurance contributions				
Contributions from other funds	-	-	12,036,500	12,036,500
Employee contributions	-	-	3,635,873	3,635,873
Other contributions	-	52,471	744,301	796,772
Total operating revenues	874,884	4,268,761	22,931,586	28,075,231
OPERATING EXPENSES				
General support	-	1,623,702	46,871	1,670,573
Major maintenance	23,054	2,304,661	-	2,327,715
General liability claims	-	-	4,983,517	4,983,517
Workers' compensation claims	-	-	1,417,753	1,417,753
Health insurance premiums	-	-	16,573,818	16,573,818
Total operating expenses	23,054	3,928,363	23,021,959	26,973,376
OPERATING INCOME BEFORE DEPRECIATION	851,830	340,398	(90,373)	1,101,855
Depreciation	2,041,818	-	-	2,041,818
OPERATING INCOME (LOSS)	(1,189,988)	340,398	(90,373)	(939,963)
NON-OPERATING REVENUES (EXPENSES)				
Investment income	37,759	5,692	87,832	131,283
Miscellaneous income	-	2,453	-	2,453
Intergovernmental	97,762	-	-	97,762
Gain on sale of property	126,476	-	-	126,476
Total non-operating revenues (expenses)	261,997	8,145	87,832	357,974
INCOME (LOSS) BEFORE TRANSFERS	(927,991)	348,543	(2,541)	(581,989)
TRANSFERS				
Transfers in	1,500,000	-	-	1,500,000
Total transfers	1,500,000	-	-	1,500,000
CHANGE IN NET POSITION	572,009	348,543	(2,541)	918,011
NET POSITION, JANUARY 1	13,187,912	1,531,798	4,606,027	19,325,737
NET POSITION, DECEMBER 31	\$ 13,759,921	\$ 1,880,341	\$ 4,603,486	\$ 20,243,748

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS**

For the Year Ended December 31, 2025

	Equipment Replacement	Fleet Services	Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ -	\$ -	\$ 3,834,129	\$ 3,834,129
Receipts from (payments for) Interfund services provided	854,828	4,216,290	18,353,156	23,424,274
Receipts from other agencies	-	54,881	744,301	799,182
Payments to suppliers	(23,054)	(2,363,825)	(46,871)	(2,433,750)
Payments to employees	-	(1,644,835)	(4,983,517)	(6,628,352)
Payments for insurance premiums	-	-	(19,006,790)	(19,006,790)
Net cash from operating activities	<u>831,774</u>	<u>262,511</u>	<u>(1,105,592)</u>	<u>(11,307)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund transfers	1,500,000	-	-	1,500,000
Interfund loans	3,107,755	(2,459)	3,153,092	6,258,388
Intergovernmental income	97,762	-	-	97,762
Net cash from noncapital financing activities	<u>4,705,517</u>	<u>(2,459)</u>	<u>3,153,092</u>	<u>7,856,150</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sale of capital assets	126,476	-	-	126,476
Acquisition and construction of capital assets	(4,810,905)	-	-	(4,810,905)
Net cash from capital and related financing activities	<u>(4,684,429)</u>	<u>-</u>	<u>-</u>	<u>(4,684,429)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	37,759	5,692	87,832	131,283
Net cash from investing activities	<u>37,759</u>	<u>5,692</u>	<u>87,832</u>	<u>131,283</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	890,621	265,744	2,135,332	3,291,697
CASH AND CASH EQUIVALENTS, JANUARY 1	559,817	352,309	853,759	1,765,885
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 1,450,438</u>	<u>\$ 618,053</u>	<u>\$ 2,989,091</u>	<u>\$ 5,057,582</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ (1,189,988)	\$ 340,398	\$ (90,373)	\$ (939,963)
Adjustments to reconcile operating income (loss) to Net cash from operating activities				
Depreciation	2,041,818	-	-	2,041,818
Miscellaneous income	-	2,453	-	2,453
Changes in assets and liabilities				
Accounts receivables	(20,056)	(43)	-	(20,099)
Prepaid expenses	-	-	(2,139,316)	(2,139,316)
Inventories	-	(73,576)	-	(73,576)
Compensated absences	-	(42,289)	-	(42,289)
OPEB items	-	21,156	-	21,156
Vouchers payable	-	14,412	21,046	35,458
Claims payable	-	-	1,103,051	1,103,051
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 831,774</u>	<u>\$ 262,511</u>	<u>\$ (1,105,592)</u>	<u>\$ (11,307)</u>

(This schedule is continued on the following page.)

CITY OF EVANSTON, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS (Continued)
INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2025

	Equipment Replacement	Fleet Services	Insurance	Total
NONCASH ACTIVITIES				
Capital assets acquired through vouchers and retainage payable	\$ 134,561	\$ -	\$ -	\$ 134,561
TOTAL NONCASH ACTIVITIES	<u>\$ 134,561</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 134,561</u>

(See independent auditor's report.)

COMPONENT UNIT - PUBLIC LIBRARY

**CITY OF EVANSTON LIBRARY COMPONENT UNIT
EVANSTON, ILLINOIS**

STATEMENT OF NET POSITION AND COMBINING BALANCE SHEET

December 31, 2025

	<u>Operating</u>	<u>Permanent Endowment</u>	<u>Capital Improvement</u>
ASSETS			
Cash and investments	\$ 965,514	\$ 5,105,955	\$ -
Property taxes receivable	13,222,903	-	-
Due from primary government	-	-	-
Net pension asset - IMRF	-	-	-
Capital assets not being depreciated	-	-	-
Capital assets net of accumulated depreciation	-	-	-
Total assets	<u>14,188,417</u>	<u>5,105,955</u>	<u>-</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	-	-	-
OPEB items	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>14,188,417</u>	<u>5,105,955</u>	<u>-</u>
LIABILITIES			
Current liabilities			
Accounts payable	238,236	-	-
Accrued interest	-	-	-
Due to primary government	358,536	-	-
Total current liabilities	<u>596,772</u>	<u>-</u>	<u>-</u>
Noncurrent liabilities			
Due within one year	-	-	-
Due in more than one year	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>596,772</u>	<u>-</u>	<u>-</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	-	-	-
OPEB items	-	-	-
Unavailable property taxes	9,486,782	-	-
Total deferred inflows of resources	<u>9,486,782</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>10,083,554</u>	<u>-</u>	<u>-</u>
FUND BALANCES/NET POSITION			
Net investment in capital assets	-	-	-
Restricted for debt service	-	-	-
Restricted for pensions	-	-	-
Restricted for endowment	-	5,105,955	-
Unassigned/unrestricted	4,104,863	-	-
TOTAL FUND BALANCE/NET POSITION	<u>\$ 4,104,863</u>	<u>\$ 5,105,955</u>	<u>\$ -</u>

Debt Service	Total	Adjustments	Statement of Net Position
\$ -	\$ 6,071,469	\$ -	\$ 6,071,469
547,822	13,770,725	-	13,770,725
2,779	2,779	-	2,779
-	-	-	-
-	-	311,380	311,380
-	-	9,197,595	9,197,595
550,601	19,844,973	9,508,975	29,353,948
-	-	1,650,491	1,650,491
-	-	77,936	77,936
-	-	1,728,427	1,728,427
550,601	19,844,973	11,237,402	31,082,375
-	238,236	-	238,236
-	-	15,952	15,952
-	358,536	-	358,536
-	596,772	15,952	612,724
-	-	719,319	719,319
-	-	5,679,818	5,679,818
-	-	6,399,137	6,399,137
-	596,772	6,415,089	7,011,861
-	-	16,676	16,676
-	-	241,965	241,965
547,822	10,034,604	-	10,034,604
547,822	10,034,604	258,641	10,293,245
547,822	10,631,376	6,673,730	17,305,106
-	-	4,376,249	4,376,249
2,779	2,779	-	2,779
-	-	-	-
-	5,105,955	-	5,105,955
-	4,104,863	187,423	4,292,286
\$ 2,779	\$ 9,213,597	\$ 4,563,672	\$ 13,777,269

(See independent auditor's report.)

**CITY OF EVANSTON LIBRARY COMPONENT UNIT
EVANSTON, ILLINOIS**

STATEMENT OF ACTIVITIES AND COMBINING STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended December 31, 2025

	Operating	Permanent Endowment	Capital Improvement
REVENUES			
Property taxes	\$ 7,891,784	\$ -	\$ -
Intergovernmental			
Grant revenue	205,304	-	-
Charges for services	47,726	-	-
Investment income	270,546	528,382	-
Miscellaneous			
Donations	448,020	-	-
Other	17,814	-	-
	<hr/>		
Total revenues	8,881,194	528,382	-
EXPENDITURES			
Current			
Community services	9,859,069	-	-
Debt service			
Principal	-	-	-
Interest	-	-	-
	<hr/>		
Total expenditures	9,859,069	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(977,875)	528,382	-
OTHER FINANCING SOURCES (USES)			
Transfer in	173,570	-	693,564
Transfer (out)	(693,564)	(173,570)	-
	<hr/>		
Total other financing sources (uses)	(519,994)	(173,570)	693,564
NET CHANGE IN FUND BALANCE	(1,497,869)	354,812	693,564
FUND BALANCE (DEFICIT)/NET POSITION, JANUARY 1	5,602,732	4,751,143	(693,564)
	<hr/>		
FUND BALANCE/NET POSITION, DECEMBER 31	\$ 4,104,863	\$ 5,105,955	\$ -
	<hr/>		

Debt Service	Total	Adjustments	Statement of Activities
\$ 576,946	\$ 8,468,730	\$ -	\$ 8,468,730
-	205,304	-	205,304
-	47,726	-	47,726
-	798,928	-	798,928
-	448,020	-	448,020
-	17,814	-	17,814
<u>576,946</u>	<u>9,986,522</u>	<u>-</u>	<u>9,986,522</u>
-	9,859,069	1,458,701	11,317,770
370,083	370,083	(370,083)	-
206,865	206,865	(34,278)	172,587
<u>576,948</u>	<u>10,436,017</u>	<u>1,054,340</u>	<u>11,490,357</u>
(2)	(449,495)	(1,054,340)	(1,503,835)
-	867,134	(867,134)	-
-	(867,134)	867,134	-
-	-	-	-
(2)	(449,495)	(1,054,340)	(1,503,835)
<u>2,781</u>	<u>9,663,092</u>	<u>5,618,012</u>	<u>15,281,104</u>
<u>\$ 2,779</u>	<u>\$ 9,213,597</u>	<u>\$ 4,563,672</u>	<u>\$ 13,777,269</u>

(See independent auditor's report.)

**CITY OF EVANSTON LIBRARY COMPONENT UNIT
EVANSTON, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LIBRARY OPERATING FUND**

For the Year Ended December 31, 2025

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes				
Property taxes	\$ 8,624,347	\$ 8,624,347	\$ 7,891,784	\$ (732,563)
Intergovernmental				
Grant revenue	215,000	215,000	205,304	(9,696)
Charges for services	22,000	22,000	47,726	25,726
Investment income	25,000	25,000	270,546	245,546
Miscellaneous				
Donations	400,000	400,000	448,020	48,020
Other	3,000	3,000	17,814	14,814
Total revenues	<u>9,289,347</u>	<u>9,289,347</u>	<u>8,881,194</u>	<u>(408,153)</u>
EXPENDITURES				
General management and support	<u>10,007,246</u>	<u>10,202,629</u>	<u>9,859,069</u>	<u>(343,560)</u>
Total expenditures	<u>10,007,246</u>	<u>10,202,629</u>	<u>9,859,069</u>	<u>(343,560)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(717,899)</u>	<u>(913,282)</u>	<u>(977,875)</u>	<u>(64,593)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	173,750	173,750	173,570	(180)
Transfers (out)	-	-	(693,564)	(693,564)
Total other financing sources (uses)	<u>173,750</u>	<u>173,750</u>	<u>(519,994)</u>	<u>(693,744)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (544,149)</u>	<u>\$ (739,532)</u>	<u>(1,497,869)</u>	<u>\$ (758,337)</u>
FUND BALANCE, JANUARY 1			<u>5,602,732</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 4,104,863</u>	

(See independent auditor's report.)

STATISTICAL SECTION

This part of the City of Evanston, Illinois' annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information displays about the City'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 City's financial performance and well-being have been changed over time.	158-167
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	168-170
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	171-174
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	175-176
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	177-182

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

CITY OF EVANSTON, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	2016	2017	2018*	2019
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 51,588	\$ 51,575	\$ 52,536	\$ 53,784
Restricted	18,523	11,990	8,708	15,554
Unrestricted	(170,270)	(164,614)	(194,435)	(181,451)
TOTAL GOVERNMENTAL ACTIVITIES	\$ (100,159)	\$ (101,049)	\$ (133,191)	\$ (112,113)
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 268,851	\$ 278,446	\$ 283,981	\$ 289,023
Restricted	-	-	-	-
Unrestricted	18,928	14,249	11,896	9,883
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 287,779	\$ 292,695	\$ 295,877	\$ 298,906
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 320,439	\$ 330,021	\$ 336,517	\$ 342,807
Restricted	18,523	11,990	8,708	15,554
Unrestricted	(151,342)	(150,365)	(182,539)	(171,568)
TOTAL PRIMARY GOVERNMENT	\$ 187,620	\$ 191,646	\$ 162,686	\$ 186,793

*The City implemented GASB Statement No. 75 which resulted in a decrease in unrestricted net

Data Source

City Finance Division

2020	2021	2022	2023	2024	2025
\$ 65,388	\$ 69,636	\$ 80,018	\$ 93,847	\$ 100,703	\$ 124,118
19,843	23,472	62,604	25,274	30,879	25,846
(199,044)	(164,859)	(173,298)	(144,601)	(149,088)	(172,952)
\$ (113,813)	\$ (71,751)	\$ (30,676)	\$ (25,480)	\$ (17,506)	\$ (22,988)
\$ 284,516	\$ 289,165	\$ 289,165	\$ 302,774	\$ 302,478	\$ 304,071
-	-	-	-	271	-
16,150	20,315	20,315	19,485	21,878	21,977
\$ 300,666	\$ 309,480	\$ 309,480	\$ 322,259	\$ 324,627	\$ 326,048
\$ 349,904	\$ 358,801	\$ 358,801	\$ 396,621	\$ 403,181	\$ 428,189
19,843	23,472	23,472	25,274	31,150	25,846
(182,894)	(144,544)	(144,544)	(125,116)	(127,210)	(150,975)
\$ 186,853	\$ 237,729	\$ 237,729	\$ 296,779	\$ 307,121	\$ 303,060

CITY OF EVANSTON, ILLINOIS

CHANGES IN NET POSITION

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	2016	2017	2018	2019
EXPENSES				
Governmental activities				
General management and support	\$ 18,163	\$ 20,890	\$ 20,016	\$ 19,444
Public safety	55,625	61,191	80,789	56,755
Public works	13,668	24,793	22,718	26,584
Health and human resource development	3,319	3,354	3,455	2,895
Recreational and cultural opportunities	14,380	14,744	14,061	11,081
Housing and economic development	21,063	7,023	9,129	6,907
Interest	3,779	3,354	4,683	5,454
Total governmental activities expenses	<u>129,997</u>	<u>135,349</u>	<u>154,851</u>	<u>129,120</u>
Business-type activities				
Water	11,450	12,239	12,964	12,880
Sewer	6,683	6,540	6,735	6,492
Solid waste	4,967	4,907	4,852	5,079
Motor vehicle parking system	8,532	8,575	9,321	9,585
Total business-type activities expenses	<u>31,632</u>	<u>32,261</u>	<u>33,872</u>	<u>34,036</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 161,629</u>	<u>\$ 167,610</u>	<u>\$ 188,723</u>	<u>\$ 163,156</u>
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General management and support	\$ 10,094	\$ 8,145	\$ 8,985	\$ 8,768
Culture and recreation	5,560	5,669	6,037	6,119
Other activities	15,739	12,712	11,945	10,917
Operating grants and contributions	6,809	5,931	5,244	5,775
Capital grants and contributions	368	325	125	8,630
Total governmental activities program revenues	<u>38,570</u>	<u>32,782</u>	<u>32,336</u>	<u>40,209</u>
Business-type activities				
Charges for services				
Water	16,419	17,588	15,642	17,789
Sewer	13,049	12,478	11,920	10,780
Solid waste	4,031	4,061	4,083	4,668
Motor vehicle parking system	6,688	6,530	6,621	10,640
Operating grants and contributions	38,400	-	-	-
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>78,587</u>	<u>40,657</u>	<u>38,266</u>	<u>43,877</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 117,157</u>	<u>\$ 73,439</u>	<u>\$ 70,602</u>	<u>\$ 84,086</u>
NET REVENUE (EXPENSE)				
Governmental activities	\$ (91,427)	\$ (102,567)	\$ (122,515)	\$ (88,911)
Business-type activities	46,955	8,396	4,394	9,841
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	<u>\$ (44,472)</u>	<u>\$ (94,171)</u>	<u>\$ (118,121)</u>	<u>\$ (79,070)</u>

	2020	2021	2022	2023	2024	2025
\$	18,630	\$ 19,041	\$ 22,825	\$ 29,868	\$ 29,549	\$ 37,230
	83,015	58,842	70,097	79,009	93,152	92,088
	18,573	16,861	20,712	29,297	35,019	36,315
	3,719	3,970	3,158	6,095	6,977	7,616
	1,326	9,148	11,098	11,930	10,748	11,720
	20,992	11,046	10,318	15,347	13,634	13,790
	5,252	4,430	5,161	3,854	4,431	4,332
	151,507	123,338	143,369	175,400	193,510	203,091
	13,612	14,562	14,563	17,482	22,299	26,294
	6,795	6,706	6,386	6,943	6,756	6,941
	5,316	5,476	5,149	6,191	6,295	6,487
	8,982	8,395	8,882	9,917	10,374	9,980
	34,705	35,139	34,980	40,533	45,724	49,702
\$	186,212	\$ 158,477	\$ 178,349	\$ 215,933	\$ 239,234	\$ 252,793
\$	7,267	\$ 8,736	\$ 9,403	\$ 9,546	\$ 9,231	\$ 9,446
	4,831	6,080	6,962	7,207	7,515	8,130
	12,200	12,090	16,260	12,480	24,804	21,168
	9,672	10,067	9,913	7,530	7,932	10,341
	2,971	4,275	937	911	2,718	4,418
	36,941	41,248	43,475	37,674	52,200	53,503
	23,934	20,900	22,926	23,680	25,640	29,987
	10,242	10,374	9,638	9,349	9,353	8,383
	4,618	4,969	5,324	5,328	5,666	6,034
	7,289	8,090	8,889	9,730	10,613	10,497
	-	-	-	-	3,211	709
	383	-	-	-	-	-
	46,466	44,333	46,777	48,087	54,483	55,610
\$	83,407	\$ 85,581	\$ 90,252	\$ 85,761	\$ 106,683	\$ 109,113
\$	(114,566)	\$ (82,090)	\$ (99,894)	\$ (137,726)	\$ (141,310)	\$ (149,588)
	11,761	9,194	11,797	7,554	8,759	5,908
\$	(102,805)	\$ (72,896)	\$ (88,097)	\$ (130,172)	\$ (132,551)	\$ (143,680)

CITY OF EVANSTON, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	2016	2017	2018	2019
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property taxes	\$ 45,610	\$ 46,563	\$ 47,102	\$ 44,163
Sales taxes	17,932	16,071	16,963	16,905
Intergovernmental	-	-	-	-
Investment earnings	118	235	778	1,669
Miscellaneous	33,217	35,011	38,786	39,051
Transfers	434	3,797	1,480	8,203
Total governmental activities	<u>97,311</u>	<u>101,677</u>	<u>105,109</u>	<u>109,991</u>
Business-type activities				
Property taxes	-	-	410	820
Other taxes	-	-	-	-
Investment earnings	59	114	234	565
Gains on sale of capital assets	-	-	-	7
Miscellaneous	(245)	203	-	-
Transfers	(434)	(3,797)	(1,480)	(8,203)
Total business-type activities	<u>(620)</u>	<u>(3,480)</u>	<u>(836)</u>	<u>(6,811)</u>
CHANGE IN NET POSITION				
Governmental activities	5,884	(890)	(17,406)	21,080
Business-type activities	<u>46,335</u>	<u>4,916</u>	<u>3,558</u>	<u>3,030</u>
TOTAL PRIMARY GOVERNMENT				
CHANGE IN NET POSITION	<u>\$ 52,219</u>	<u>\$ 4,026</u>	<u>\$ (13,848)</u>	<u>\$ 24,110</u>

Data Source:

City Finance Division

	2020	2021	2022	2023	2024	2025
\$	51,655	\$ 53,269	\$ 52,498	\$ 54,426	\$ 54,020	\$ 52,876
	16,445	21,497	23,443	23,725	24,771	28,349
	-	4,800	7,659	7,434	9,171	3,918
	423	74	1,334	5,809	5,978	4,627
	34,123	42,242	51,246	46,315	50,986	45,931
	10,219	2,270	4,790	5,212	7,988	8,406
	112,865	124,152	140,970	142,921	152,914	144,107
	1,333	1,333	1,333	1,333	1,333	950
	-	-	-	-	134	154
	140	(39)	-	764	827	1,453
	-	217	-	-	-	-
	-	379	-	-	-	1,276
	(10,219)	(2,270)	(4,790)	(5,212)	(7,988)	(8,406)
	(8,746)	(380)	(3,457)	(3,115)	(5,694)	(4,573)
	(1,701)	42,062	41,076	5,195	11,604	(5,481)
	3,015	8,814	8,340	4,439	3,065	1,335
\$	1,314	\$ 50,876	\$ 49,416	\$ 9,634	\$ 14,669	\$ (4,146)

CITY OF EVANSTON, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	2016	2017	2018	2019
GENERAL FUND				
Nonspendable	\$ -	\$ 300	\$ 310	\$ 415
Assigned	5,046	4,180	4,303	4,330
Unassigned	6,622	8,868	9,242	11,145
TOTAL GENERAL FUND	\$ 11,668	\$ 13,348	\$ 13,855	\$ 15,890
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	18,523	11,418	25,651	15,933
Committed	2,996	-	-	-
Assigned	7,668	12,301	17,065	20,306
Unassigned	(252)	(204)	(227)	(226)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 28,935	\$ 23,515	\$ 42,489	\$ 36,013

Data Source

City Finance Division

2020	2021	2022	2023	2024	2025
\$ 220	\$ 125	\$ 103	\$ 4,407	\$ 339	\$ 11,341
1,573	1,807	3,345	14,589	13,367	14,612
16,882	31,739	57,675	32,703	35,315	16,508
<u>\$ 18,675</u>	<u>\$ 33,671</u>	<u>\$ 61,123</u>	<u>\$ 51,699</u>	<u>\$ 49,021</u>	<u>\$ 42,461</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19,457	27,151	22,962	25,417	29,834	26,008
-	-	-	-	-	-
13,324	12,910	7,762	5,469	5,967	5,974
(215)	(207)	(336)	(8,310)	(8,255)	(18,801)
<u>\$ 32,566</u>	<u>\$ 39,854</u>	<u>\$ 30,388</u>	<u>\$ 22,576</u>	<u>\$ 27,546</u>	<u>\$ 13,181</u>

CITY OF EVANSTON, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	2016	2017	2018	2019
REVENUES				
Taxes	\$ 76,047	\$ 78,157	\$ 81,281	\$ 78,645
Licenses, fees, and permits	17,933	13,358	11,664	10,012
Special assessments	169	260	199	230
Intergovernmental	24,886	22,627	23,004	25,278
Charges for services	8,791	8,713	10,053	8,925
Fines and penalties	3,612	3,468	3,765	5,108
Investment earnings	118	235	778	1,669
Other revenues	3,892	3,843	5,220	12,130
Total revenues	135,448	130,661	135,964	141,997
EXPENDITURES				
General management and support	17,064	18,152	18,330	19,206
Public safety	62,252	64,347	65,533	65,821
Public works	13,477	14,041	22,069	15,848
Health and human development	3,021	3,111	3,142	2,989
Recreation and cultural opportunities	11,894	12,371	12,789	12,247
Housing and economic development	10,477	7,225	9,006	6,567
Capital outlay	9,953	14,953	11,399	39,796
Debt service				
Principal	19,661	24,253	17,557	10,166
Interest	4,276	4,040	4,536	5,749
Fiscal agent fees	14	2	537	274
Total expenditure	152,089	162,495	164,898	178,663
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(16,641)	(31,834)	(28,934)	(36,666)
OTHER FINANCING SOURCES (USES)				
Transfers in	16,011	17,428	20,698	14,405
Transfers (out)	(15,542)	(15,893)	(19,174)	(6,156)
Proceeds from borrowing	19,652	26,558	46,892	23,976
Premium on issuance of bonds	-	-	-	-
Payment to escrow agent	-	-	-	-
Total other financing sources (uses)	20,121	28,093	48,416	32,225
NET CHANGE IN FUND BALANCES	\$ 3,480	\$ (3,741)	\$ 19,482	\$ (4,441)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	17.62%	19.18%	14.39%	11.62%

Data Source

City Finance Division

	2020	2021	2022	2023	2024	2025
\$	82,567	\$ 92,738	\$ 98,538	\$ 97,260	\$ 95,935	\$ 107,359
	11,853	11,033	12,562	9,846	21,883	17,580
	185	109	318	186	189	216
	27,592	38,587	43,756	41,272	46,672	34,922
	7,879	10,762	14,549	13,604	14,042	16,877
	2,983	3,644	3,790	4,095	3,984	4,286
	423	74	1,334	5,809	5,978	4,627
	6,105	6,184	4,810	3,312	8,443	3,336
	139,587	163,131	179,657	175,384	197,126	189,203
	18,767	19,708	24,065	29,985	34,568	37,273
	66,970	67,159	66,387	81,665	89,316	91,040
	18,787	20,930	23,663	24,917	33,747	36,039
	3,749	4,473	4,781	5,961	7,177	7,216
	9,351	11,036	11,352	12,983	18,329	15,931
	9,043	10,372	11,432	14,031	12,941	11,020
	12,389	2,480	6,676	7,587	6,179	2,520
	9,988	9,311	10,054	9,972	9,874	10,746
	5,643	5,604	5,642	5,265	5,146	5,248
	214	172	7	6	162	-
	154,901	151,245	164,059	192,372	217,439	217,033
	(15,314)	11,886	15,598	(16,988)	(20,313)	(27,830)
	15,633	10,831	12,292	14,324	15,098	13,819
	(7,414)	(9,411)	(9,903)	(14,573)	(10,661)	(6,914)
	18,576	12,954	-	-	17,135	-
	-	-	-	-	1,033	-
	(12,143)	(3,975)	-	-	-	-
	14,652	10,399	2,389	(249)	22,605	6,905
\$	(662)	\$ 22,285	\$ 17,987	\$ (17,237)	\$ 2,292	\$ (20,925)
	11.40%	10.45%	9.57%	8.93%	7.67%	8.18%

CITY OF EVANSTON, ILLINOIS

Equalized Assessed Value and Actual Value of Taxable Property

Last Ten Levy Years

Levy Year Ended	Residential Property	Farm Property	Commercial Property	Industrial Property	Railroad Property	Total Equalized Assessed Value	Total Actual Value	Total Tax Rate
2015	\$ 1,751,252,888	\$ 15,467	\$ 410,670,248	\$ 32,549,681	\$ 1,533,241	\$ 2,196,021,525	\$ 6,588,064,575	1.800
2016	2,151,672,082	15,467	483,830,858	33,333,491	1,559,871	2,670,411,769	8,011,235,307	1.536
2017	2,178,182,897	15,467	527,589,667	32,680,857	1,591,232	2,740,060,120	8,220,180,360	1.524
2018	2,150,065,734	15,467	537,739,734	31,050,996	1,708,983	2,720,580,914	8,161,742,742	1.604
2019	2,653,214,356	15,467	742,361,383	34,692,634	1,864,707	3,432,148,547	10,296,445,641	1.446
2020	2,686,706,545	15,467	735,655,726	37,326,126	1,943,606	3,461,647,470	10,384,942,410	1.452
2021	2,492,953,368	15,467	690,224,247	35,719,445	1,943,606	3,220,856,133	9,662,568,399	1.560
2022	3,005,718,395	15,467	705,199,673	37,413,363	2,318,541	3,750,665,439	11,251,996,317	1.332
2023	3,077,249,698	15,467	728,203,168	37,126,608	2,505,866	3,845,100,807	11,535,302,421	1.325
2024	3,071,730,719	15,468	724,595,088	37,167,486	2,377,069	3,835,885,830	11,507,657,490	1.288

Note: Property is reassessed once every three years. Equalized Assessed value is approximately 1/3 of actual value. Tax rates are per \$100 of equalized assessed value.

Source: Illinois Department of Revenue and Cook County Clerk's Office

CITY OF EVANSTON, ILLINOIS

Principal Property Taxpayers

Current Year and Nine Years Ago

2024 Levy				2015 Levy			
Tax Payer	Total Equalized Assessed Value (EAV)	Rank	Percentage of Total City Taxable EAV	Tax Payer	Total Equalized Assessed Value (EAV)	Rank	Percentage of Total City Taxable EAV
ROTARY INTERNATIONAL	\$ 48,720,496	1	1.27%	Rotary International	\$ 25,179,949	1	1.15%
GREGOCO Orrington Own	44,986,914	2	1.17%	FSP 909 Davis Street	19,966,576	2	0.91%
HREX E2 DST	28,106,044	3	0.73%	Lowe Enterprises	17,461,023	3	0.80%
TIAA PK EVANSTON INC	25,267,887	4	0.66%	McCaffery Interests	15,310,340	4	0.70%
1710 ORR HOTEL LLC	23,409,609	5	0.61%	Evanston Hotel Assoc.	9,784,205	5	0.45%
MB SHERMAN HIGHLANDS	23,277,647	6	0.61%	Inland	9,759,474	6	0.44%
900 950 CHURCH STREET	21,878,257	7	0.57%	Northshore University Healthcare	9,556,069	7	0.44%
RED RIVER 909 DAVIS LL	21,058,791	8	0.55%	Azurri of Evanston	8,476,109	8	0.39%
ALBION AT EVANSTON LLC	17,763,682	9	0.46%	Target Proptx T927	7,336,363	9	0.33%
FDS/DAVID ALPERSTEIN	16,850,361	10	0.44%	1007 Church St LLS	7,279,722	10	0.33%
Total	<u>\$ 271,319,688</u>		<u>7.07%</u>	Total	<u>\$ 130,109,830</u>		<u>5.92%</u>
Total EAV	<u>\$ 3,835,885,830</u>			Total EAV	<u>\$ 2,196,021,525</u>		

Source: Cook County

CITY OF EVANSTON, ILLINOIS

Property Tax Levies and Collections

Last Ten Levy Years

Tax Levy Year	Gross Taxes Levied for the Fiscal Year	Net Taxes Levied for the Fiscal Year	Collected Receipts in Levy Year		Collections in Subsequent Years	Total Collect Receipts To Date	
			Amount	Percentage of Net Levy		Amount	Percentage of Net Levy
2016	\$ 47,388,805	\$ 46,667,135	\$ 46,723,672	100.12%	\$ 97,249	\$ 46,820,921	100.33%
2017	48,494,650	47,749,032	46,866,198	98.15%	197,415	47,063,613	98.56%
2018	50,497,912	49,712,625	49,032,839	98.63%	217,133	49,249,972	99.07%
2019	57,067,300	55,139,563	54,616,777	99.05%	186,248	54,803,025	99.39%
2020	57,709,576	55,711,545	55,836,792	100.22%	538,227	56,375,019	101.19%
2021	57,700,503	55,711,545	57,100,401	102.49%	531,709	57,632,110	103.45%
2022	57,689,881	55,711,545	56,499,872	101.42%	836,393	57,336,265	102.92%
2023	58,341,381	56,344,336	56,641,731	100.53%	38,756	56,680,487	100.60%
2024	58,283,145	56,757,288	35,308,173	62.21%	18,741,585	54,049,758	95.23%
2025	62,684,433	61,090,599	See Note	See Note	See Note	See Note	See Note

Note: Levy Year 2025 is collected through December 31, 2026

Note: Levy Amounts and Receipts include Library and General Assistance, but exclude Special Service Areas and TIFs

Note: Cook County experienced significant delays with issuing the bills for the second installment of the 2024 Tax Levy. This impacted when property tax revenue was received by the City and explains the significant difference in figures for that year.

Source: City Finance Division

CITY OF EVANSTON, ILLINOIS

Ratio of General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year Ended	Population	Equalized Assessed Valuation ¹	Gross General Obligation Bonded Debt ²	Debt Service Monies Available	Debt Payable From Other Revenues ³	Net General Obligation Debt	Total Personal Income	Debt to Equalized Assessed Valuation	Debt to Total Personal Income	Net General Obligation Bonded Debt Per Capita
2016	75,472	\$ 2,196,021,525	\$ 147,017,512	\$ 745,997	\$ 34,547,933	\$ 111,723,582	\$ 3,316,617,040	6.69%	4.43%	\$ 1,480
2017	75,557	2,670,411,769	148,627,212	241,781	37,104,152	111,281,279	3,472,297,492	5.57%	4.28%	1,473
2018	75,157	2,740,060,120	178,238,427	417,987	39,701,503	138,118,937	3,702,459,291	6.50%	4.81%	1,838
2019	74,587	2,720,580,914	195,456,220	417,431	42,263,176	152,775,613	3,857,863,401	7.18%	5.07%	2,048
2020	73,979	3,432,148,547	199,878,623	721,459	38,634,626	160,522,538	3,971,562,615	5.82%	5.03%	2,170
2021	78,454	3,461,647,470	196,907,459	8,675,881	37,196,303	151,035,275	4,520,990,204	5.69%	4.36%	1,925
2022	77,181	3,220,856,133	184,568,601	8,476,464	35,881,685	140,210,452	4,930,939,728	5.73%	3.74%	1,817
2023	76,552 ⁴	3,750,665,439	171,822,893	7,747,535	33,974,009	130,101,349	5,051,513,376	4.58%	3.40%	1,700
2024	76,552 ⁴	3,845,100,807	192,333,840	8,895,276	47,135,293	136,303,271	5,051,513,376	5.00%	3.81%	1,781
2025	76,340	3,835,885,830	178,016,933	11,256,119	44,442,991	122,317,823	5,092,794,080 ⁴	4.64%	3.50%	1,602

¹Equalized assessed values do not include tax increment financing district incremental equalized assessed values.

²Excludes limited purpose special service district bonds.

³These amounts include the general obligation bonds that are being repaid from the Water Fund, Solid Waste Fund, Sewer Fund, Motor Vehicle Parking System Fund, Howard Hartrey Tax Increment District, Washington National Tax Increment District, and Special Assessment Fund.

⁴2024 data not available for Personal Income or Population Data, so 2023 data was used

Source: Cook County and City Finance Division

CITY OF EVANSTON, ILLINOIS

Ratio of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities			Business- Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Service District Bonds	Capital Lease	General Obligation Bonds	Water Revenue Bonds	IEPA and WIFIA Loans			
2016	\$ 116,091,162	\$ -	\$ -	\$ 30,926,350	\$ -	\$ 45,256,237	\$ 192,273,749	5.80%	\$ 2,548
2017	122,151,162	-	-	26,476,050	-	40,328,108	188,955,320	5.44%	2,501
2018	151,056,754	-	-	27,182,674	-	34,921,821	213,161,249	5.76%	2,836
2019	164,873,935	-	-	30,582,285	-	40,691,551	236,147,771	6.12%	3,166
2020	161,243,997	-	-	38,634,626	-	43,407,478	243,286,101	6.13%	3,289
2021	159,711,156	-	-	37,196,303	-	40,272,232	237,179,691	5.25%	3,023
2022	148,686,916	-	-	35,881,685	-	47,503,827	232,072,428	4.71%	3,007
2023	137,848,884	-	-	33,974,009	-	53,309,667	225,132,560	4.46%	2,941
2024	145,198,547	-	-	47,135,293	-	70,620,282	262,954,122	5.21%	3,435
2025	133,573,939	-	-	44,442,993	-	71,995,888	250,012,820	4.91%	3,275

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

Note: See the Schedule of Demographics and Economic Statistics for personal income and population data.

Source: City Finance Division

CITY OF EVANSTON, ILLINOIS

Direct and Overlapping Governmental Activities Debt

As of December 31, 2025

	Total Outstanding	Percentage of Debt Applicable to the City	The City's Share of Debt (1)
Direct debt - bonds, notes, and contracts outstanding	\$ 133,573,939	100.00%	\$ 133,573,942
Other bonded debt by taxing body			
High School District 202	18,390,000	91.19%	16,769,841
School District 65	55,561,193	91.19%	50,666,252
Community College District 535	51,230,000	12.68%	6,495,964
Cook County	1,760,191,750	1.84%	32,387,528
Cook County Forest Preserve District	70,975,000	1.84%	1,305,940
Metropolitan Water Reclamation District	2,555,076,024	1.87%	47,779,922
Skokie Park District	25,795,651	0.79%	203,786
Total Overlapping Debt	4,537,219,618		155,609,231
Total Direct and Overlapping Debt (Less Debt Supported by Other Sources)	\$ 4,670,793,557		\$ 289,183,173

Note: Overlapping debt calculated based on the pro rata EAV.

Source: Bonds Statement

CITY OF EVANSTON, ILLINOIS

Legal Debt Margin

December 31, 2025

The City is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.”

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

CITY OF EVANSTON, ILLINOIS

Principal Employers

Current Year and Nine Years Ago

<u>2025</u>				<u>2016</u>			
<u>Employer</u>	<u>Employees</u>	<u>%</u>	<u>Rank</u>	<u>Employer</u>	<u>Employees</u>	<u>%</u>	<u>Rank</u>
Northwestern University	6,430	33%	1	Northwestern University	7,333	44%	1
Northshore University Health System	4,483	23%	2	Northshore University Healthcare	4,114	25%	2
PT Solutions Holdings	2,000	10%	3	Evanston School District 65	1,137	7%	3
Evanston School District 65	1,492	8%	5	St. Francis Hospital	1,000	6%	4
KPFF, Inc.	1,300	7%	4	City of Evanston	824	5%	5
City of Evanston	894	5%	6	School District 202	575	3%	6
Presence Saint Francis Hospital	800	4%	7	Rotary International	533	3%	7
School District 202	673	3%	8	Presbyterian Homes/McGaw Care	490	3%	8
FourGen Holdings, Inc.	631	3%	9	C.E. Neihoff & Co	350	2%	9
Right at School, LLC	<u>586</u>	3%	10	Whole Foods	<u>300</u>	2%	10
Total	<u>19,289</u>			Total	<u>16,656</u>		

Source: City Economic Development Division

CITY OF EVANSTON, ILLINOIS

Demographic and Economic Statistics

Last Ten Years

Calendar Year	Population	Total Personal Income	Per Capita Personal Income	Median Age	Education % of Population with HS Diploma or Higher	School Enrollment	Unemployment Rate
2015	75,603	\$ 3,235,052,370	\$ 42,790	35.2	94.0%	10,671	7.3%
2016	75,472	3,316,617,040	43,945	35.3	94.0%	10,640	6.2%
2017	75,557	3,472,297,492	45,956	36.0	93.4%	10,899	5.0%
2018	75,157	3,702,459,291	49,263	36.2	93.4%	10,980	4.1%
2019	74,587	3,857,863,401	51,723	36.1	93.7%	10,802	4.2%
2020	73,979	3,971,562,615	53,685	36.2	94.2%	10,355	5.0%
2021	78,454	4,520,990,204	57,626	36.6	95.4%	10,946	5.6%
2022	77,181	4,930,939,728	63,888	37.6	95.8%	10,552	6.1%
2023	76,552	5,051,513,376	65,988	38.0	96.4%	10,557	6.3%
2024	76,340	5,092,794,080	66,712	38.4	96.5%	10,296	6.2%

Note: 2025 data not yet available through US Census

Source: United States Census Bureau
 Tables DP03, DP05, S1401, S1501
 Using 5-Year Estimates

CITY OF EVANSTON, ILLINOIS

Budgeted Full-Time Equivalent City Government Employees by Function

Last Ten Fiscal Years

Fund/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
City Clerk	2.00	2.00	1.00	2.00	1.00	2.00	1.00	2.00	2.00	2.00
City Manager's Office	28.50	32.00	30.00	27.50	28.50	28.50	29.50	32.90	36.50	54.00
Law	8.00	4.50	4.50	4.50	4.50	4.50	7.00	7.00	9.00	9.00
Administrative Services	57.20	57.70	55.70	53.10	54.10	54.50	59.00	65.00	68.00	53.00
Community Development	21.50	26.25	22.00	23.50	25.75	30.15	27.45	29.40	32.50	34.75
Police	225.50	225.80	220.00	217.00	216.00	201.00	201.00	201.00	203.00	203.00
Fire	110.00	110.00	110.00	110.00	110.00	110.00	110.50	118.50	118.50	118.50
Human and Health Services	21.10	21.10	21.75	17.75	8.75	8.75	13.25	11.45	12.25	13.00
Parks and Recreation	77.13	78.83	76.13	75.46	69.08	69.21	73.71	84.84	86.48	86.98
Public Works	84.25	84.25	72.50	70.00	71.00	69.00	78.00	78.50	81.50	83.50
Total General Fund	635.18	642.43	613.58	600.81	588.68	577.61	600.41	630.59	649.73	657.73
ARPA Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
General Assistance Fund	4.00	4.00	4.25	4.25	4.25	4.25	4.25	4.25	4.25	4.25
Human Services Fund	0.00	0.00	0.00	0.00	17.90	17.90	17.00	22.10	21.30	26.55
Sustainability Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50	2.50	3.50
Emergency Telephone System (E911) Fund	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00	6.00	6.00
CDBG Fund	2.80	2.50	2.75	2.90	4.40	2.90	5.60	6.00	4.70	2.60
HOME Fund	0.50	0.50	0.35	0.35	0.35	0.73	0.70	0.70	0.60	0.35
Affordable Housing Fund	1.75	1.75	1.75	1.75	1.50	1.43	1.35	1.10	0.40	1.15
Parking Fund	15.50	15.50	18.00	19.00	17.00	16.50	16.00	16.00	14.00	10.50
Water Fund	44.50	44.50	45.75	45.25	46.25	47.75	48.25	56.25	58.33	58.33
Sewer Fund	11.33	11.33	12.25	12.25	12.25	12.75	11.75	11.75	12.50	12.50
Solid Waste Fund	9.66	9.66	10.50	11.50	13.50	13.50	15.50	15.50	16.67	16.67
Fleet Services Fund	12.50	12.00	9.50	9.90	9.90	10.00	11.00	12.00	12.00	12.50
Library Fund	66.87	73.88	71.05	69.81	78.45	78.04	79.58	78.93	81.20	80.83
Neighborhood Stabilization Program ¹	0.45	0.30	0.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Economic Development Fund ²	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital Improvements Fund ³	0.00	0.00	4.50	4.50	4.50	4.50	0.00	0.00	0.00	0.00
Insurance Fund ⁴	5.00	5.50	5.50	5.50	5.50	5.50	0.00	0.00	0.00	0.00
Total Non-General Funds	179.86	186.42	191.30	191.96	220.75	221.75	216.98	233.08	234.45	236.73
Total All Funds	815.04	828.85	804.88	792.77	809.43	799.36	817.39	863.67	884.18	894.46

¹Positions in Neighborhood Stabilization Program were rolled into the CDBG Fund in 2019

²Positions in the Economic Development Fund were rolled into the General Fund (CMO) in 2016

³Positions in the Capital Improvements Fund were rolled into the General Fund (Public Works) in 2022

⁴Positions in the Insurance Fund were rolled into the General Fund (Law) in 2022

Source: City of Evanston HR Division

CITY OF EVANSTON, ILLINOIS

Property Tax Rates per \$100 - Direct and Overlapping Governments

Last Ten Levy Years

Government Unit	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
City of Evanston ¹	1.800	1.536	1.524	1.604	1.446	1.452	1.560	1.332	1.325	1.288
City of Evanston Library Fund	0.282	0.241	0.247	0.254	0.218	0.216	0.233	0.208	0.221	0.231
Consolidated Elections	0.034	-	0.031	-	0.030	-	0.019	-	0.032	-
Cook County	0.552	0.533	0.496	0.489	0.454	0.453	0.446	0.431	0.386	0.390
Cook County Forest Preserve District	0.069	0.063	0.062	0.060	0.059	0.058	0.058	0.081	0.075	0.069
Metropolitan Water Reclamation District	0.426	0.406	0.402	0.396	0.389	0.378	0.382	0.374	0.345	0.340
North Shore Mosquito Abatement District	0.012	0.010	0.010	0.010	0.009	0.009	0.009	0.008	0.008	0.007
Community College 535	0.271	0.231	0.232	0.246	0.221	0.227	0.252	0.221	0.227	0.237
School District 202	2.792	2.332	2.329	2.462	2.024	2.072	2.286	2.060	2.112	2.202
School District 65	3.810	3.676	3.673	3.891	3.185	3.258	3.593	3.230	3.322	3.470
Total Tax Rate for Property not in Park District	10.048	9.028	9.006	9.412	8.035	8.123	8.838	7.945	8.053	8.234
Percent of Total Tax Rate Levied by City of Evanston	17.91%	17.01%	16.92%	17.04%	18.00%	17.88%	17.65%	16.77%	16.45%	15.64%

¹City of Evanston rate includes General Assistance. Does not include Library Fund or Special Service Areas

Note: 2025 data not available

Note: This table excludes partial taxing districts, such as Ridgeville Park District, Skokie Park District, and School District 73 1/2, which only impact a small portion of Evanston residents.

Source: Cook County Assessor's Office

CITY OF EVANSTON, ILLINOIS

Water Sold by Type of Customer
(in 100 cubic feet)

Last Ten Fiscal Years

Type of Customer	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Single-Family	916,853	1,070,119	1,068,781	1,029,919	1,177,703	999,810	897,739	887,598	837,026	876,032
Multi-Family	1,140,860	1,215,640	1,275,855	1,178,104	1,237,476	1,098,479	104,867	1,048,792	1,021,350	1,021,447
Residential Subtotal	2,057,713	2,285,759	2,344,636	2,208,023	2,415,179	2,098,289	1,002,606	1,936,390	1,858,376	1,897,479
Commercial	1,061,080	1,115,236	1,083,414	1,154,229	953,343	925,927	885,367	845,818	841,895	888,943
Industrial	9,808	12,777	16,405	14,182	12,604	10,589	9,233	8,797	8,707	8,676
Business Subtotal	1,070,888	1,128,013	1,099,819	1,168,411	965,947	936,516	894,600	854,615	850,602	897,619
City	14,351	16,776	19,137	17,515	11,780	14,633	1,854	15,682	13,684	12,656
Parks	5,969	7,728	5,984	7,429	8,720	13,267	10,588	12,110	14,222	11,736
Schools	37,645	43,043	46,941	44,121	21,706	24,746	33,715	34,806	34,865	32,826
Public Subtotal	57,965	67,547	72,062	69,065	42,206	52,646	46,157	62,598	62,771	57,218
Overall Total	3,186,566	3,481,319	3,516,517	3,445,499	3,423,332	3,087,451	1,943,363	2,853,603	2,771,749	2,852,316

Total direct rate

per 100 cubic feet	\$	2.18	\$	2.31	\$	2.47	\$	2.74	\$	2.74	\$	2.89	\$	3.17	\$	3.33	\$	3.91	\$	4.82
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Source: City of Evanston Public Works Agency

CITY OF EVANSTON, ILLINOIS

Water Sold by Major Customers

Last Ten Fiscal Years

Type of Customer	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Evanston residents/businesses	\$ 6,987,878	\$ 7,278,627	\$ 7,631,465	\$ 8,235,089	\$ 8,613,315	\$ 8,636,384	\$ 9,066,546	\$ 9,430,024	\$ 11,252,068	\$ 13,721,992
Village of Skokie	2,941,912	3,635,940	5,773,487	5,572,511	5,455,762	3,491,947	3,335,672	3,495,675	3,215,905	3,575,037
Northwest Water Commission	5,695,812	5,898,634	5,930,626	5,416,394	5,549,357	5,670,328	6,625,624	6,825,485	7,164,185	7,697,238
Morton Grove and Niles	-	-	27,677	1,075,089	1,918,954	1,813,040	2,077,157	1,933,644	2,024,170	2,151,963
Village of Lincolnwood	-	-	-	-	352,370	509,932	931,224	964,398	1,033,869	1,084,747
Total	\$ 15,625,602	\$ 16,813,201	\$ 19,363,255	\$ 20,299,083	\$ 21,889,757	\$ 20,121,631	\$ 22,036,223	\$ 22,649,226	\$ 24,690,197	\$ 28,230,977

Source: City Utilities Department

CITY OF EVANSTON, ILLINOIS

Operating Indicators by Function/Programs

Last Ten Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police										
Violent offenses	130	122	140	73	88	96	114	124	111	110
Property offenses	1,681	1,777	1,708	1,979	1,481	2,453	2,910	3,439	3,104	2,789
911 calls received	42,763	38,525	36,642	39,357	38,279	40,924	39,634	41,258	41,395	41,770
Fire										
Emergency responses	10,267	10,058	10,014	10,256	9,091	9,867	11,083	11,084	12,063	12,303
Fires extinguished	114	90	111	69	77	89	105	106	105	78
Inspections	760	1,267	1,275	446	728	850	900	901	900	607
EMS Responses (reported beginning 2016)	6,441	6,456	6,419	6,678	5,912	6,529	7,542	7,543	8,277	8,612
Parks and Recreation										
Athletic field usage (hours)	27,426	22,920	24,263	22,054	8,749	17,287	18,868	20,678	21,073	10,292
Picnic permits issued	229	652	572	641	94	644	650	677	658	656
Library										
Volumes in collection (online & physical materials)	534,533	540,696	514,756	562,567	535,527	424,619	654,134	557,615	305,843	295,498
Total volumes borrowed	1,078,653	1,039,585	1,207,419	1,191,600	699,631	1,139,779	964,682	1,001,132	1,018,946	972,387
Water										
New connections	3	3	7	15	8	10	7	11	-	6
Water main breaks	28	28	32	28	29	40	39	34	31	44
Average daily consumption (millions of gallons)	39.65	39.645	41.122	43.151	46.5	48.30	46.00	46.08	46.65	47.80
Peak daily consumption (millions of gallons)	55.08	55.084	55.291	60.248	62.63	66.500	60.760	65.652	63.632	59.613
Other Public Works										
Street resurfacing (estimated miles)	2.9	2.9	2.9	1.9	2.9	2.7	2.65	1.60	2.50	3.30

Note: Indicators are not available for general government functions

CITY OF EVANSTON, ILLINOIS

Capital Assets Statistics by Function

Last Ten Years

Function/Program	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Police										
Number of stations	1	1	1	1	1	1	1	1	1	1
Budgeted sworn officers	165	165	165	166	154	153	153	153	153	153
Fire										
Fire Stations	5	5	5	5	5	5	5	5	5	5
Budgeted sworn firefighters	107	107	107	107	107	107	107	115	115	115
Parks and Recreation										
Acreage	290	290	290	290	290	290	290	290	290	290
Playgrounds	51	51	60	60	60	60	60	60	60	60
Baseball/softball diamonds	18	18	13	16	16	16	16	16	16	16
Soccer/football fields	27	27	27	27	27	27	27	27	27	27
Community centers	6	7	7	7	7	7	7	8	8	8
Water										
Water mains (miles)	155.6	155.6	155.8	157.5	156.2	156.0	156.0	156.1	156.1	155.9
Fire hydrants	1,490	1,490	1,508	1,511	1,501	1,522	1,531	1,535	1,533	1,541
Storage capacity (millions of gallons)	22	22	22	22	22	22	22	22	22	22
Other Public Works										
Streets (miles)	147	147	147	147	147	147	147	147	147	147
Streetlights	5,736	5,736	5,736	5,641	5,641	5,675	5,675	5,675	5,680	5,690
Street resurfacing (estimated miles)	2.90	2.90	2.90	1.90	2.90	2.65	2.65	1.60	2.50	3.30

Note: No capital asset indicators are available for the general government or library function

Source: Various City departments; Budget

Source: City Finance Division