

CITY OF EVANSTON, ILLINOIS
Single Audit Report

For the Year Ended December 31, 2025

TABLE OF CONTENTS

Independent Auditor's Report on Schedule of Expenditures of Federal Awards	1-2
Schedule of Expenditures of Federal Awards	3-5
Notes to Schedule of Expenditures of Federal Awards	6-8
Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	9-11
Schedule of Findings and Questioned Costs	12-13

INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Schedule of Expenditures of Federal Awards

Opinion

We have audited the accompanying Schedule of Expenditures of Federal Awards ("Schedule") of the City of Evanston, Illinois ("City") for the year ended December 31, 2025 and the related notes to the Schedule.

In our opinion, the accompanying Schedule of Expenditures of Federal Awards presents fairly, in all material respects, the expenditures of federal awards of the City for the year ended December 31, 2025, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Schedule of Expenditures of Federal Awards 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 opinion.

Responsibilities of Management for the Schedule of Expenditures of Federal Awards

Management is responsible for the preparation and fair presentation of the Schedule 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 the Schedule that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Schedule of Expenditures of Federal Awards

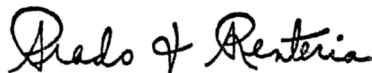
Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from

error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Schedule.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedule, 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 Schedule.
- 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 Schedule.

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.



Chicago, Illinois
September 22, 2026

CITY OF EVANSTON, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2025

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Identifying Number	Award Date	Passed-Through to Subrecipients	Federal Expenditures
DEPARTMENT OF AGRICULTURE					
Passed through the Illinois State Board of Education Child and Adult Care Food Program	10.558	05-016-510P-00	June 30, 2025 - Aug 31, 2025	\$ -	\$ 64,441
Passed through the Illinois State Board of Education Summer Food Service Program for Children	10.559	05-016-510P-00	June 30, 2025 - Aug 31, 2025	-	158,964
Passed through GreenLatinos Inflation Reduction Act Urban & Community Forestry Program	10.727	00000016	July 26, 2024	-	151,005
Total Department of Agriculture				<u>-</u>	<u>374,410</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					
Community Development Block Grants/Entitlement Grants					
Entitlement year 46	14.218	B20MC-170012	August 21, 2020	-	22,403
Entitlement year 47	14.218	B21MC-170012	August 3, 2021	-	6,483
Entitlement year 48	14.218	B22MC-170012	September 8, 2022	42,422	100,000
Entitlement year 49	14.218	B23MC-170012	July 12, 2023	10,703	88,298
Entitlement year 50	14.218	B24MC-170012	September 8, 2024	-	271,930
Entitlement year 51	14.218	B25MC-170012	September 22, 2025	202,584	887,182
Total Community Development Block Grants/Entitlement Grants				<u>255,709</u>	<u>1,376,296</u>
COVID-19 Community Development Block Grants/Entitlement Grants					
Entitlement year 46	14.218	B20MW170012	July 16, 2020	-	136,207
Emergency Solutions Grant Program	14.231	E25MC170012	September 22, 2025	2,647	13,139
Home Investment Partnerships Program	14.239	M22-MC-170218	September 8, 2022	85,796	85,796
Home Investment Partnerships Program	14.239	M23-MC-170218	July 12, 2023	-	430
Home Investment Partnerships Program	14.239	M24-MC-170218	September 8, 2024	26,929	26,929
Total Home Investment Partnerships Program				<u>112,725</u>	<u>113,156</u>
COVID-19 Home Investment Partnerships Program	14.239	M21MP170218	September 27, 2021	-	22,313
Total Department of Housing and Urban Development				<u>371,081</u>	<u>1,661,111</u>

See Independent Auditor's Report and Notes to Schedule of Expenditures of Federal Awards

CITY OF EVANSTON, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2025

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Identifying Number	Award Date	Passed-Through to Subrecipients	Federal Expenditures
DEPARTMENT OF JUSTICE					
Equitable Sharing Program	16.922	N/A	January 31, 2025	-	120,946
Total Department of Justice				<u>-</u>	<u>120,946</u>
DEPARTMENT OF TRANSPORTATION					
Passed through Illinois Department of Transportation Highway Planning and Construction	20.205	D-91-143-21	March 10, 2022	-	161,273
Passed through Illinois Department of Transportation State and Community Highway Safety	20.600	HS-25-0075	June 1, 2024	-	85,667
State and Community Highway Safety	20.600	HS-26-0040	June 1, 2025	-	4,224
Total State and Community Highway Safety				<u>-</u>	<u>89,891</u>
Asset Concessions and Innovative Finance Assistance	20.945	69A6212550011	February 3, 2025	-	148,699
Total Department of Transportation				<u>-</u>	<u>399,862</u>
DEPARTMENT OF HOMELAND SECURITY					
Passed through Illinois Emergency Management Agency Emergency Management Performance Grants	97.042	N/A	October 1, 2024	-	28,969
Total Department of Homeland Security				<u>-</u>	<u>28,969</u>
DEPARTMENT OF TREASURY					
COVID-19 CoronaVirus State/Local Fiscal Recovery Funds (CSLFRF)*	21.027	N/A	March 11, 2021	1,064,204	3,917,986
Total Department of Treasury				<u>1,064,204</u>	<u>3,917,986</u>

See Independent Auditor's Report and Notes to Schedule of Expenditures of Federal Awards

CITY OF EVANSTON, ILLINOIS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2025

Federal Grantor/Pass-Through Grantor/ Program Title	Assistance Listing Number	Identifying Number	Award Date	Passed-Through to Subrecipients	Federal Expenditures
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Passed through Age Options					
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	2567-29728	September 10, 2024	-	3,500
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	N/A	September 30, 2025	-	30,359
Total Special Programs for the Aging Title III				-	33,859
Passed through the Illinois Department of Public Health					
Public Health Emergency Preparedness	93.069	57180011L	May 4, 2024	-	62,944
Public Health Emergency Preparedness	93.069	57580003M	March 11, 2024	-	65,031
Total Public Health Emergency Preparedness				-	127,975
Total Department of Health and Human Services				-	161,834
INSTITUTE OF MUSEUM & LIBRARY SERVICES					
Passed through Office of Sec of State - IL State Library					
Grants to States					
Project Next Generation (PNG)	45.310	25-3040-PNG	August 19, 2024	-	19,199
Total Institute of Museum & Library Services				-	19,199
NATIONAL ENDOWMENT FOR THE ARTS					
Promotion of the Arts Grants to Organizations and Individuals	45.024	1920421-52-C-23	May 14, 2024	-	2,500
Total National Endowment For The Arts				-	2,500
Total Expenditures of Federal Awards				\$ 1,435,285	\$ 6,686,817

* Denotes a major program

See Independent Auditor's Report and Notes to Schedule of Expenditures of Federal Awards

CITY OF EVANSTON, ILLINOIS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2025

NOTE 1 – REPORTING ENTITY

This report on Federal Awards includes the federal awards of the City of Evanston, Illinois. The reporting entity for the city is based upon criteria established by the Governmental Accounting Standards Board (GASB).

NOTE 2 – BASIS OF PRESENTATION

The accounting records for some grant programs are maintained on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred. The accounting records for other grant programs are maintained on the accrual basis, i.e., when the revenue has been earned and the liability is incurred.

The information in this schedule is presented in accordance with the requirements of OMB Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in preparation of, the basic financial statements.

NOTE 3 – SUBRECIPIENTS

Of the federal expenditures presented in the schedule of expenditures of federal awards, the City of Evanston provided federal awards to subrecipients as follows:

Program Title	Federal Assistance Listing Number	Amount Provided to Subrecipients
Community Development Block Grants/Entitlement Grants	14.218	\$255,709
Emergency Solutions Grant Program	14.231	\$2,647
HOME Investment Partnerships Program	14.239	\$112,725
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	\$1,064,204

CITY OF EVANSTON, ILLINOIS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2025

NOTE 4 – PROGRAM INCOME

The City of Evanston received the following program income amounts for the year ended December 31, 2025.

Program Title	Federal Assistance Listing Number	Amount
Community Development Block Grants/Entitlement Grants	14.218	\$82,142
HOME Investment Partnerships Program	14.239	\$24,852

NOTE 5 – NOTES RECEIVABLE OUTSTANDING

The City of Evanston has several notes receivable outstanding as of December 31, 2025. These loans are for various uses. The Community Development Block Grants/Entitlement Grants Loan funds a number of programs to make decent housing available and affordable to low- and moderate-income families, and to help low- and moderate-income residents maintain their property. The Home Investment Partnerships Program Loan provides loans to housing developers to acquire, rehab or construct housing for low- and moderate-income households.

Program Title	Federal Assistance Listing Number	Amount
Community Development Block Grants/Entitlement Grants	14.218	\$1,568,398
HOME Investment Partnerships Program	14.239	\$5,102,186

The notes receivable balances are not subject to continuing OMB Uniform Guidance compliance requirements.

CITY OF EVANSTON, ILLINOIS
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2025

NOTE 6 – LOANS PAYABLE OUTSTANDING

The City of Evanston has the following loans payable outstanding as of December 31, 2025. These loans are from The Capitalization Grants for Drinking Water and Clean Water State Revolving Funds. Projects funded were the sewer lining at Emerson and Davis streets, rehab of large diameter sewers and rehab of the Cleveland street sewer.

Program Title	Federal Assistance Listing Number	Amount
Capitalization Grants for Drinking Water State Revolving Funds	66.468	\$568,816
Capitalization Grants for Clean Water State Revolving Funds	66.458	\$546,413

The loan payable balances are not subject to continuing OMB Uniform Guidance compliance requirements.

NOTE 7 – NONCASH ASSISTANCE

Of the federal expenditures presented in the schedule of expenditures of federal awards, the City of Evanston did not receive any noncash assistance during the year ended December 31, 2025.

NOTE 8 – FEDERAL INSURANCE

The City of Evanston had no federal insurance for the year ended December 31, 2025.

NOTE 9 – INDIRECT COST RATE

The City of Evanston has not elected to use the 10% de minimis indirect cost rate.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the City of Evanston, Illinois ("City") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the City's major federal programs for the year ended December 31, 2025. The City's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of the federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

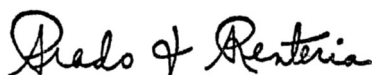
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Chicago, Illinois
September 22, 2026

CITY OF EVANSTON, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2025

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

- 1) Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: **Unmodified**
- 2) Internal control over financial reporting:
- Material weakness(es) identified? _____ Yes ✓ No
 - Significant deficiency(ies) identified? _____ Yes ✓ None reported
- 3) Noncompliance material to financial statements noted? _____ Yes ✓ No

Federal Awards

- 1) Internal control over major federal programs:
- Material weakness(es) identified? _____ Yes ✓ No
 - Significant deficiency(ies) identified? _____ Yes ✓ None reported
- 2) Type of auditors’ report issued on compliance for major federal programs: **Unmodified**
- 3) Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes ✓ No

Identification of major programs:

Assistance

Listing
Number

Name of Federal Program or Cluster

21.027

COVID-19 Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)

Dollar threshold used to distinguish between type A and type B Programs: _____ \$1,000,000

Auditee qualified as low risk auditee? ✓ Yes _____ No

CITY OF EVANSTON, ILLINOIS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2025

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters were reported.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

No matters were reported.

SECTION IV – PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.