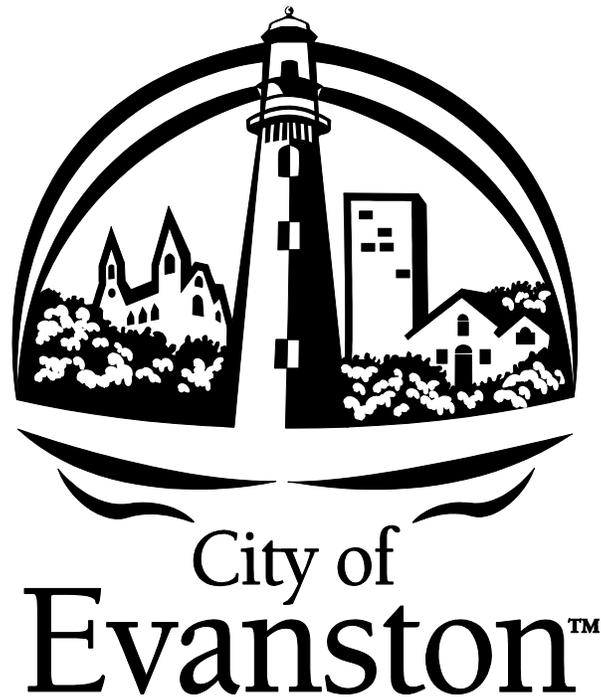


City of Evanston, Illinois



*Annual Comprehensive Financial Report
For the Year Ended December 31, 2021*

CITY OF EVANSTON, ILLINOIS

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the Year Ended
December 31, 2021

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

CITY OF EVANSTON, ILLINOIS
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CITY OF EVANSTON

Principal Officials

December 31, 2021

LEGISLATIVE

Daniel Biss, Mayor

| | |
|---------------------|----------|
| Clare Kelly | 1st Ward |
| Peter Braithwaite | 2nd Ward |
| Melissa A. Wynne | 3rd Ward |
| Jonathan Nieuwsma | 4th Ward |
| Bobby Burns | 5th Ward |
| Thomas M. Suffredin | 6th Ward |
| Eleanor Revelle | 7th Ward |
| Devon Reid | 8th Ward |
| Juan Geracaris | 9th Ward |

Stephanie Mendoza, City Clerk

EXECUTIVE

Kelley A. Gandurski, Interim City Manager
David Stoneback, Interim Deputy City Manager
Hitesh Desai, CFO / Treasurer

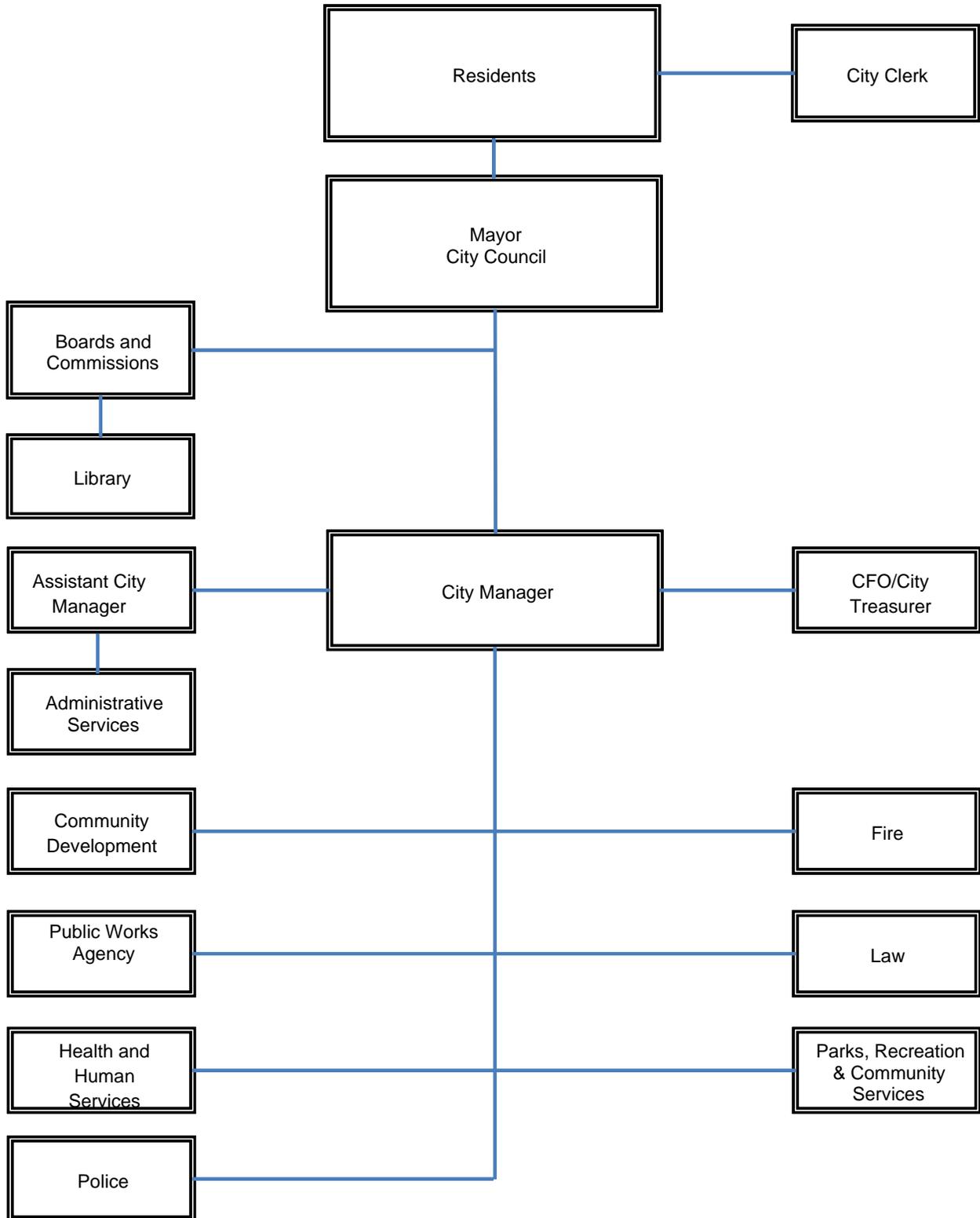
ADMINISTRATIVE

| | |
|---|--|
| Administrative Services Director Luke Stowe | City Attorney Nicholas Cummings |
| Health and Human Services Director Ikenga Ogbo | Public Works Agency Director Dave Stoneback |
| Community Development Director Johanna Leonard | Interim Police Chief Aretha Barnes |
| Parks, Recreation, & Community Services Director Lawrence Hemingway | Fire Chief Paul Polep |
| | Library Director Karen Danczak Lyons |



City of Evanston

Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

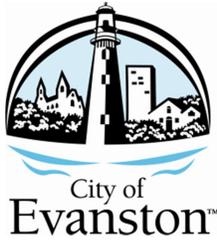
**City of Evanston
Illinois**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morill

Executive Director/CEO



City Manager's Office
2100 Ridge Avenue
Evanston, Illinois 60201-2798
T 847.866.2936
TTY 847.448.8064
www.cityofevanston.org

July 6, 2022

The Honorable Mayor Daniel Biss,
Members of the City Council
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, 2021, 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, 2021, to December 31, 2021. Management assumes full responsibility for the completeness and reliability of all 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. 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, LLP, 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, 2021, 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, 2021, 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 75,000 is diverse by race, religion, age, education,

economics, and occupation. With 8,700 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 of approximately eight square miles 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 represent one of nine wards and are elected to terms of four years. The City Council is organized into four standing committees: Administration and Public Works, Human Services, Planning and Development, and Rules. 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 and supervises the directors of 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's fiscal year 2022 began on January 1, 2022. The City Manager submitted to the City Council a proposed operating budget in October 2021 for the fiscal year 2022 commencing the following January 1. The City budget team started the budget process for fiscal year 2022 in late summer followed by meeting with all departments for their individual budgets. On November 22, 2021, the Council adopted the ordinance 98-O-21 approving the FY 2022 budget. The City operates under the Illinois Budget Act, adopting a budget by an ordinance. All Funds are included in the Ordinance.

The City is committed to long-term financial planning. The City closely monitors factors that contribute to long-term financial stability, including, bond ratings, debt ratios, and equalized assessed valuation. The City is also pursuing strategies to expand the City's revenue base and diversify revenue sources.

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.

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 Comprehensive Annual Financial Report (CAFR) 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. 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. In the fiscal year 2021 budget, the City projected that 37.5% (\$111 million-including transfers) of all City expenditures will occur in the General Fund. Other major funds include the Capital Improvement, General Obligation Debt, Parking, Water, and Sewer 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).

Financial Control Procedures: The City reports financial results based on generally accepted accounting principles as promulgated by the GASB. The accounts of the City are divided into separate self-balancing funds comprised of its assets, liabilities, fund equity, revenues, and expenditures, as appropriate.

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 2022

Following are annual goals and major initiatives by department as a part of budget document preparation.

The City Manager's Office will: Implement Language Access Program Citywide 2. Continue to implement the Reparations Program and Policy Development 3. Implement programs under the American Rescue Plan (ARPA) 4. Develop Comprehensive Civic Engagement Policy and Plan 5. Continue to Monitor Covid Response and Financial Impact to City Operations including Grants 6. Implement Centralized Billing and payment system

The Law Department will: Work with IT and the Collector's Office to bring the application and payment process for liquor licensing to an online platform. 2. 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. 3. 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.

The Administrative Services Department will: 1. Continue to analyze internal service and operational data through an equity lens 2. Continue to focus on providing equitable services by enhancing its workforce and ensuring all City buildings and Fleet for efficient operations 3. Expand the CFA software platform to track the Fleet's repairs and maintenance 4. Review and plan repurposing/replacing Fleet through a scoring system 5. Continue to electrify Fleet to meet the Climate Action Resilience Goals 6. Expand the EV Charging program and solar power options through Facilities & Fleet Management and Parking 7. Review parking study and plan for implementation (citations, fees and general areas that need improvement) 8. Continue to expand Human Resources training on performance, equity, and sexual harassment for its employees 9. Continue to renew and negotiate numerous IT contracts - ensuring financial responsibility while expanding technology efficiency for residents, employees, and other stakeholders 10. Continue to enhance cybersecurity. 11. Continue to expand fiber-optic communications 12. IT and FFM continue to support many employees working remotely or in a hybrid environment.

The Community Development Department will: 1. Implement Updated Permit Software 2. Initiate New Comprehensive Plan Process 3. Implement programs and projects under the American Rescue Plan (ARPA) 4. Implement projects and programs to address homeless & unstably housed with HOME-ARP 5. Investigate, track, monitor and inspect vacant buildings and rental properties 6. Enhance our communication with landlords and property managers 7. Implement landlord tenant and inclusionary housing waitlist programs 8. Coordinate the CTA Purple Line Modernization Program in Evanston 9. Implement ADA bus stop conversion project and coordinate new bus shelter program 10. Continue and refine social services funding process to address inequities in access to services 11. Assess and amend the inclusionary housing ordinance to respond to improve its effectiveness 12. Expand tools to address the housing needs of low-, moderate-, and middle-income residents

The Police Department will: 1. Appoint new Chief of Police 2. Replace all radio transmitters, receivers, and antennas for the Fire Department by the 911 Center (located in the Police Department) 3. Research/implement comprehensive scheduling software 4. Research development/implementation of a new 911 Continuity of Operations Center during system failure in case of needed back up

The Fire Department will: 1. Restart the Citizen Fire Academy (2022) 2. Restart the Fire Explorers Program (2022) 3. Host an Active Shooter Incident Training for Emergency Management leaders in the Northern Illinois area (January 2022) 4. Host a special operations training for the Fire Department members (i.e., TRT Training) (Summer 2022) 5. Hold Fire Prevention Week events (October 2022)

The Health and Human Services Department will: 1. Continue to prioritize the response to COVID-19 in the community including schools, facilities housing high-risk populations such as in our long-term care facilities and congregate settings 2. Continue to transition to regular HHS operations while responding to COVID-19 related activities 3. Continue to conduct COVID-19 vaccination activities in the community 4. Create a clearinghouse of data to better measure health equity achievements 5. Continue with the integration process of the Senior Service and Youth and Young Adult Divisions into the Health and Human Services Department to facilitate a holistic and equitable social services approach for the community.

The Public Works Agency will: 1. Complete construction on the Central Street Bridge Replacement project 2. Begin construction on the 30" Transmission Main project 3. Complete design of the Animal Shelter Improvements 4. Implement Sidewalk Improvement and Sidewalk Gap Infill Programs 5. Begin incorporation of CARP goals into City infrastructure projects 6. Complete draft Stormwater Master Plan and develop long-term sewer capital program for stormwater mitigation 7. Develop affordable water rate structure 8. Begin development of the Lead Service Line Replacement Program in compliance with State of Illinois regulatory requirements 9. Replace approximately 65

light fixtures in street light poles with new LED fixtures in conformance with the Street Light Master Plan 10. Replace ADA accessible beach paths at the three remaining beaches (Lighthouse, Lee, South Blvd.)

The Parks, Recreation and Community Services will: 1. implement free beaches for Evanston residents 2 Continued implement free Starlight Concert and Movie Series in all wards 3. Explore improvements to RecTrac registration software or implement new recreation software. 4. Work to revive special events 5. Continued increase in diversity of recreational programs offered.

Library operations are shown separately in the City's Comprehensive Annual 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 a broader context to the financial information contained in this Annual Report.

Local Economy: Since March 2020, the world had experienced a pandemic caused by the novel coronavirus known as COVID-19. This crisis has deeply affected the City's priorities and operations in 2020. Since day one, employees across the organization have been dedicated to fighting the virus, keeping our residents safe, and continuing to provide vital City services in frequently changing circumstances. While City employees worked harder than ever during the pandemic, the City had experienced significant losses in revenue to fund operations in 2020. The revenue losses are due to a contraction of economic activity because of the pandemic.

The city had taken many steps to mitigate the impact of revenue losses. During 2020, measures like lay off, hiring freeze. Furloughs, holding vacant positions etc. were taken to cut down the expenses to match reduced revenues. As the economy started getting back to normal during 2021, city revenues started going up significantly. Northwestern University operating in in-person classes has helped boost some of the city revenues. Strong job market coupled with housing boom has helped push some of the revenues well over budget in 2021.

The city expects this trend of overall improved economic environment to continue in 2022. We already see a strong performance for all major revenues in 2022. The city has been gradually adding positions to alleviate the stress on employees to maintain the level of services for the resident and businesses.

The city has received significant grant funding related to the COVID-19 response. These grants were given on a reimbursement basis. Most grants have carried forward from 2020 into 2021, and appropriate amounts are shown in the 2021 budget.

The city was also awarded \$43.1 million under American Rescue Plan Act of 2021 (ARPA). The city received half of that money from the Department of Treasury in May 2021 and the other half in June of 2022. These funds can be used for eligible projects including supporting public health expenditures, addressing negative economic impacts, providing premium pay for essential workers, investing in Water, Sewer, and Broadband infrastructure. The City council continues to make decisions on the best possible use of ARPA money. So far, roughly half the ARAP money has been committed.

For the 2022 Budget, the city continued its focus on maintaining core services and ensuring the continued health and safety of our residents. On October 11, 2021, staff presented the proposed budget to the city council. The council deliberated on the budget at the several city council meetings. Budget was also discussed at many wards meeting during October and November. There were special city council meetings to discuss the budget including critical importance of ways to fight covid-19.

But, in spite of still some lingering effects of COVID-19, the city is reporting a significant operating surplus pushing fund balance level to a new height. Overall revenues in GF are higher by 13m compared to budgeted numbers. Expenditures came as 101% of the budget in General Fund.

As the economy continues to prosper and pandemic-related restrictions are almost lifted, staff anticipates revenue numbers to improve/stay strong for remainder of 2022.

Some of the revenues which far exceeded their budget numbers were Sales Tax, Income Tax, Real Estate Transfer tax, building permits, Use tax. The Parking Fund is slow to recover in terms of revenues from parking meters and parking garages because of the remote/hybrid work environment. We have seen some improvements in the Parking revenues in the early part of 2022.

Overall, General Fund expenditures were at 102% of budgeted expenditures with Community Development, Administrative Services, Health Department and Public Works Department reporting higher than budgeted expenditures for FY 2021; while Parks and Recreation department reporting slightly lower than budgeted numbers.

AWARDS AND ACKNOWLEDGMENTS

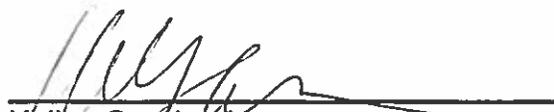
The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended December 31, 2020. To be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it 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 2022 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 Andy Villamin, Accounting Manager and his 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,



Kelley Gandurski
Interim City Manager



Hitesh Desai
Chief Financial Officer/Treasurer

FINANCIAL SECTION

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

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, 2021, 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, 2021, 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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory 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 July 6, 2022 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 LLP

Naperville, Illinois

July 6, 2022

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**



MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2021

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 increased by \$50,875,884 from the prior fiscal year. The governmental net position increased by \$42,062,290 or 37% from the prior period and the business-type activities net position increased by \$8,813,594 or 2.9% from the prior period.
- B. The governmental activities revenue increased by \$23,544,324 or 16.9% from the prior period principally due to increase in taxes and funding from other governmental agencies. The expenses decreased by \$28,168,387 or 18.6% principally due to decrease in Public Safety and Housing and Development expenses.
- C. The business-type activities revenue decreased by \$1,717,133 or 3.6% principally due to decrease in charges for services. The expenses increased by \$433,502 or 1.2% from the prior period.
- D. The total cost of all City programs decreased by \$27,734,885 or 14.9%. This decrease was mainly attributable to a decrease in public safety related expenses.
- E. Total assets of the City increased by \$62,987,482 mainly due to increase in cash, investments and pension assets; while total liabilities went down by \$14,516,800 due to decrease in pension liabilities.
- F. Deferred outflows and inflows resources of the city had a net deferred inflows increase of \$26,628,398 principally due to increase in the governmental net deferred inflows.

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 and liabilities, 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 5-8 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 are included in the required supplementary section of this report. Budgetary comparison schedules for various special revenue 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 government fund financial statements are presented on pages 9 – 13 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 14 - 18 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 19 - 20 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 21 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 79 – 92 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 93. Additional information on capital assets and long-term debt can be found on page 38 and 45, respectively.

Financial Analysis of the City as a Whole

The City's combined net position increased by \$50,875,884 from \$186,852,914 to \$237,728,798.

STATEMENT OF POSITION

| | Governmental Activities | | Business-type Activities | | Total Primary Government | |
|--|-------------------------|---------------|--------------------------|---------------|--------------------------|---------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| | | | | (as restated) | | (as restated) |
| Current and Other Assets | \$ 182,796,690 | 123,129,061 | 32,743,095 | 27,224,987 | 215,539,785 | 150,354,048 |
| Capital Assets | 224,571,971 | 226,632,064 | 366,634,796 | 366,557,958 | 591,206,767 | 593,190,022 |
| Total Assets | 407,368,661 | 349,761,125 | 399,377,891 | 393,782,945 | 806,746,552 | 743,544,070 |
| Deferred Outflows | 25,672,525 | 32,729,995 | 4,858,437 | 5,403,237 | 30,530,962 | 38,133,232 |
| | 433,041,186 | 382,491,120 | 404,236,328 | 399,186,182 | 837,277,514 | 781,677,302 |
| Long-Term Liabilities | 370,079,055 | 394,073,575 | 84,736,446 | 89,264,447 | 454,815,501 | 483,338,022 |
| Other Liabilities | 28,058,982 | 12,499,556 | 3,580,379 | 5,134,084 | 31,639,361 | 17,633,640 |
| Total Liabilities | 398,138,037 | 406,573,131 | 88,316,825 | 94,398,531 | 486,454,862 | 500,971,662 |
| Deferred Inflows | 106,653,922 | 89,946,052 | 6,439,932 | 4,121,674 | 113,093,854 | 94,067,726 |
| Total Liabilities and Deferred Inflows | 504,791,959 | 496,519,183 | 94,756,757 | 98,520,205 | 599,548,716 | 595,039,388 |
| Net Investment in Capital Assets | 69,635,907 | 65,388,067 | 289,164,675 | 284,515,854 | 358,800,582 | 349,903,921 |
| Restricted | 23,472,163 | 19,843,337 | - | - | 23,472,163 | 19,843,337 |
| Unrestricted (Deficit) | (164,858,843) | (199,044,467) | 20,314,896 | 16,150,123 | (144,543,947) | (182,894,344) |
| Restatement | - | - | - | - | - | - |
| Total Net Position | \$ (71,750,773) | (113,813,063) | 309,479,571 | 300,665,977 | 237,728,798 | 186,852,914 |

The City's total revenues increased by \$ 21,827,191 or 11.6%. The City's total expenses for all programs decreased by \$27,734,885 or 14.9%. Business-type activity revenues decreased by \$1,717,133 in the current fiscal period mainly due to decrease in charges for services. Business-type activity expenses increased by \$433,502, while Governmental activity expense decreased by \$28,168,387 due to lower costs in public safety. The list of expenses can be found in the table below.

The governmental activities experienced an increase of \$42,062,290 in the net position balance.

The business-type activities experienced an increase of \$8,813,594 in the net position balance.

The following table provides a summary of the City's changes in net position:

STATEMENT OF CHANGES IN NET POSITION

| | <u>Governmental Activities</u> | | <u>Business-type Activities</u> | | <u>Total Primary Government</u> | |
|--|--------------------------------|----------------------|---------------------------------|---------------------|---------------------------------|--------------------|
| | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> | <u>2021</u> | <u>2020</u> |
| Revenue | | | | | | |
| Program Revenues: | | | | | | |
| Charges for services | \$ 26,906,127 | 24,297,935 | 44,332,669 | 46,083,874 | 71,238,796 | 70,381,809 |
| Operating grants and contributions | 10,066,887 | 9,671,509 | - | - | 10,066,887 | 9,671,509 |
| Capital grants and contributions | 4,275,024 | 2,971,261 | - | 382,670 | 4,275,024 | 3,353,931 |
| General Revenues: | | | | | - | - |
| Sales taxes | 21,497,119 | 16,444,775 | - | - | 21,497,119 | 16,444,775 |
| Property taxes | 53,268,947 | 51,655,091 | 1,332,500 | 1,332,500 | 54,601,447 | 52,987,591 |
| Utility taxes | 6,084,133 | 5,856,287 | - | - | 6,084,133 | 5,856,287 |
| Income taxes | 10,141,121 | 8,202,429 | - | - | 10,141,121 | 8,202,429 |
| Other | 30,818,051 | 20,064,954 | 595,906 | - | 31,413,957 | 20,064,954 |
| Investment income | 73,715 | 422,559 | (39,286) | 139,878 | 34,429 | 562,437 |
| Total Revenue | <u>163,131,124</u> | <u>139,586,800</u> | <u>46,221,789</u> | <u>47,938,922</u> | <u>209,352,913</u> | <u>187,525,722</u> |
| Expenses | | | | | | |
| General management and support | 19,391,474 | 18,629,851 | - | - | 19,391,474 | 18,629,851 |
| Public safety | 58,492,344 | 83,014,656 | - | - | 58,492,344 | 83,014,656 |
| Public works | 16,860,988 | 18,572,687 | - | - | 16,860,988 | 18,572,687 |
| Health and human resources development | 3,969,841 | 3,718,980 | - | - | 3,969,841 | 3,718,980 |
| Recreation and cultural opportunities | 9,147,647 | 1,325,788 | - | - | 9,147,647 | 1,325,788 |
| Housing and economic development | 11,046,288 | 20,992,355 | - | - | 11,046,288 | 20,992,355 |
| Interest | 4,429,823 | 5,252,475 | - | - | 4,429,823 | 5,252,475 |
| Water | - | - | 14,561,520 | 13,612,333 | 14,561,520 | 13,612,333 |
| Sewer | - | - | 6,706,402 | 6,794,936 | 6,706,402 | 6,794,936 |
| Solid Waste | - | - | 5,475,571 | 5,315,941 | 5,475,571 | 5,315,941 |
| Motor vehicle parking system | - | - | 8,395,131 | - | 8,395,131 | - |
| Total Expense | <u>123,338,405</u> | <u>151,506,792</u> | <u>35,138,624</u> | <u>34,705,122</u> | <u>158,477,029</u> | <u>186,211,914</u> |
| Increase (decrease) in net position before transfers | 39,792,719 | (11,919,992) | 11,083,165 | 13,233,800 | 50,875,884 | 1,313,808 |
| Transfers | <u>2,269,571</u> | <u>10,218,697</u> | <u>(2,269,571)</u> | <u>(10,218,697)</u> | <u>-</u> | <u>-</u> |
| Increase/(Decrease) in Net Position | 42,062,290 | (1,701,295) | 8,813,594 | 3,015,103 | 50,875,884 | 1,313,808 |
| Net Position - Beginning | (113,813,063) | (112,111,768) | 300,665,977 | 298,905,874 | 186,852,914 | 186,794,106 |
| Change in accounting principle | - | - | - | (1,255,000) | - | (1,255,000) |
| Net Position - Beginning, Restated | <u>(113,813,063)</u> | <u>(112,111,768)</u> | <u>300,665,977</u> | <u>297,650,874</u> | <u>186,852,914</u> | <u>185,539,106</u> |
| Net Position - Ending | <u>\$ (71,750,773)</u> | <u>(113,813,063)</u> | <u>309,479,571</u> | <u>300,665,977</u> | <u>237,728,798</u> | <u>186,852,914</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 \$73,525,237 as of December 31, 2021 which includes \$125,028 non-spendable, \$27,150,907 restricted, \$14,717,518 assigned and \$31,531,784 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 clearly stated on page 11 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 fund balance of the General Fund reported an increase of \$14,995,858 with actual revenue of \$121,418,997 and expenditures of \$115,156,403. The City reported an increase in fund balance mainly due to some of the major revenues coming significantly higher than budgeted amounts.

Starting FY 2016 the Police and Fire pension employer contributions were included in the Adopted Budget documents. These had previously been reported in a separate fund. So now, Property tax and Personal Property Replacement Taxes are included in the General Fund and then transferred to the respective pension funds.

The fund balance of the General Obligation Debt Fund had an increase of \$731,113 from \$721,459 to \$1,452,572.

Combined Nonmajor Governmental Funds

Combined nonmajor fund balances totaled \$38,401,843, an increase of \$6,557,575 from prior period of \$31,844,268. Non-major funds with surpluses for the fiscal year include Motor Fuel, Neighborhood Improvement, Emergency Telephone System, Community Development Loan, SSD #9, Good Neighbor, Reparations, ARPA, General Assistance, Dempster Dodge TIF, Howard Ridge TIF, West Evanston TIF, SSD #7, SSD #8, Capital Improvements, Crown Construction and Crown Maintenance. Nonmajor funds with deficits for the period include Affordable Housing, Home Fund, Chicago Main TIF, SSD #6 and Special Assessment.

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 \$8,813,594 in the net position. The Water Fund reported the highest increase in the amount of \$7,111,601. The Solid Waste Fund added \$825,853 to the net position during the year. The Sewer Fund reported an increase of \$3,217,194, while Parking Fund reported a decrease of \$2,341,054. It should also be noted that the Water and Sewer Funds carry substantial debt levels, although Parking and Solid Waste Funds have lesser debts.

Internal Service Funds

The City's combined internal service fund's net position increased by \$3,628,460 from a deficit of \$252,764, as of January 1, 2021 to a net position of \$3,375,696 as of December 31, 2021. The increase in net position can be attributed to net income of \$3,964,507 in the Insurance Fund which continues to improve.

General Fund Highlights

Total revenues for the General Fund were \$121,418,997 while total expenditures were \$115,156,403. Overall General Fund revenue came in higher than budget by \$16,659,391. Total expenditures in the General Fund were lower than budgeted amounts by \$849,205. The actual net surplus of \$6,262,594 was supplemented by \$8,733,264 in net transfers to the General Fund from other funds.

Capital Assets

The City's Capital Asset policy generally includes capitalizing assets or properties with \$20,000 or more in value (with the exception of vehicles to the \$20,000 threshold). The City's capital assets (net of depreciation) for governmental and business-type activities as of December 31, 2021, were \$591,206,767. The governmental funds capital assets had a net decrease of \$2,060,093, while business type capital assets increased by \$76,838. Overall, capital assets decreased by 0.3% for the City as a whole. The net decrease in capital assets were principally due to a decrease 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, 2021, the City had outstanding total general obligation bonded debt of \$182,998,412 of which \$34,457,947 was for business type activities to be paid for by the City's Water, Solid Waste and Sewer Funds. Overall general obligation bonded debt represents a \$2,792,658 decrease from 2020. The City's general obligation debt service principal payments for 2021 totaled \$10,457,658. During the current year, the City issued \$14,420,000 in general obligation bonds. 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 2021 General obligation bonds are rated AA (stable outlook) by S&P and AA+ by Fitch Ratings.

Economic Factors

Evanston is a diverse community consisting primarily of residential homes, several nonprofit organizations including a very well-known private university, two hospitals, and many smaller scale retail shops and restaurants as well as some popular big box retailers.

Local Economy:

Since March 2020, the world had experienced a pandemic caused by the novel coronavirus known as COVID-19. This crisis has deeply affected the City's priorities and operations in 2020. The city had taken many steps to mitigate the impact of revenue losses. During 2020, measures like lay off, hiring freeze, Furloughs, holding vacant positions etc. were taken to cut down the expenses to match reduced revenues.

As the economy started getting back to normal during 2021, city revenues started going up significantly. Northwestern University operating in in-person classes has helped boost some of the city revenues. Strong job market coupled with housing boom has helped push some of the revenues well over budget in 2021. The city expects this trend of overall improved economic environment to continue in 2022.

The city was also awarded \$43.1 million under American Rescue Plan Act of 2021 (ARPA). The city received half of that money from the Department of Treasury in May 2021 and the other half in June of 2022. These funds can be used for eligible projects including supporting public health expenditures, addressing negative economic impacts, providing premium pay for essential workers, investing in Water, Sewer, and Broadband infrastructure. The City council continues to make decisions on the best possible use of ARPA money. So far, roughly half the ARPA money has been committed.

For the 2022 Budget, the city continued its focus on maintaining core services and ensuring the continued health and safety of our residents. On October 11, 2021, staff presented the proposed budget to the city council. The council deliberated on the budget at the several city council meetings. Budget was also discussed at many wards meeting during October and November. There were special city council meetings to discuss the budget including critical importance of ways to fight covid-19.

But, despite still some lingering effects of COVID-19, the city is reporting a significant operating surplus pushing fund balance level to a new height. Overall revenues in GF are higher by 13M compared to budgeted numbers. Expenditures came as 101% of the budget in General Fund.

Some of the revenues which far exceeded their budget numbers were Sales Tax, Income Tax, Real Estate Transfer tax, building permits, Use tax. The Parking Fund is slow to recover in terms of revenues from parking meters and parking garages because of the remote/hybrid work environment. We have seen some improvements in the Parking revenues in the early part of 2022.

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, 2100 Ridge Avenue, Evanston, Illinois 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, 2021

| | Primary Government | | | Component Unit |
|---|----------------------------|-----------------------------|--------------------|----------------------------|
| | Governmental Activities | Business-Type Activities | Total | Evanston Public Library |
| ASSETS | | | | |
| Cash and equivalents | \$ 37,042,826 | \$ 21,950,849 | \$ 58,993,675 | \$ 9,731,468 |
| Investments | 44,300,255 | - | 44,300,255 | - |
| Receivables (net, where applicable, of allowances for uncollectibles) | | | | |
| Property taxes | 47,651,420 | 1,332,500 | 48,983,920 | 7,758,625 |
| Utility taxes | 1,006,255 | - | 1,006,255 | - |
| Accounts | - | 5,669,396 | 5,669,396 | - |
| Notes | 100,000 | 199,000 | 299,000 | - |
| Loans | 9,462,720 | - | 9,462,720 | - |
| Special assessments | 436,380 | - | 436,380 | - |
| Other | 934,649 | 125,580 | 1,060,229 | 76,324 |
| Due from other governments | 11,140,685 | - | 11,140,685 | - |
| Due from primary government | - | - | - | 70,303 |
| Internal balances | 3,079,334 | (3,079,334) | - | - |
| Inventories | 1,625,141 | 858,764 | 2,483,905 | - |
| Prepaid items | 5,390,479 | 166,816 | 5,557,295 | - |
| Net pension asset | 20,626,546 | 5,519,524 | 26,146,070 | 3,022,763 |
| Capital assets | | | | |
| Capital assets not being depreciated | 43,148,179 | 6,479,517 | 49,627,696 | 311,380 |
| Capital assets being depreciated, net | 181,423,792 | 360,155,279 | 541,579,071 | 10,410,421 |
| Total Assets | 407,368,661 | 399,377,891 | 806,746,552 | 31,381,284 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Asset retirement obligations | - | 3,684,899 | 3,684,899 | - |
| Pension items - Police | 10,158,365 | - | 10,158,365 | - |
| Pension items - Fire | 7,785,759 | - | 7,785,759 | - |
| Pension items - IMRF | 3,549,031 | 949,696 | 4,498,727 | 520,101 |
| OPEB items | 4,179,370 | 223,842 | 4,403,212 | 76,840 |
| Total Deferred Outflows of Resources | 25,672,525 | 4,858,437 | 30,530,962 | 596,941 |
| Total Assets and Deferred Outflows of Resources | 433,041,186 | 404,236,328 | 837,277,514 | 31,978,225 |

(This statement is continued on the following page.)

CITY OF EVANSTON, ILLINOIS

Statement of Net Position

December 31, 2021

| | Primary Government | | | Component Unit |
|--|-------------------------|--------------------------|-----------------------|-------------------------|
| | Governmental Activities | Business-Type Activities | Total | Evanston Public Library |
| LIABILITIES | | | | |
| Vouchers payable | \$ 7,676,737 | \$ 3,319,473 | \$ 10,996,210 | \$ 211,968 |
| Retainage payable | - | 42,470 | 42,470 | - |
| Deposits payable | - | 1,796 | 1,796 | - |
| Accrued payroll | 1,822,555 | - | 1,822,555 | - |
| Accrued interest | 470,769 | 216,640 | 687,409 | 20,160 |
| Due to other governments | 1,139,518 | - | 1,139,518 | - |
| Due to primary government | 70,303 | - | 70,303 | - |
| Due to fiduciary funds | 92,273 | - | 92,273 | - |
| Unearned revenue | 16,786,827 | - | 16,786,827 | - |
| Noncurrent liabilities | | | | |
| Due within one year | 12,334,763 | 5,543,054 | 17,877,817 | 362,393 |
| Due in more than one year | 357,744,292 | 79,193,392 | 436,937,684 | 6,996,380 |
| Total Liabilities | 398,138,037 | 88,316,825 | 486,454,862 | 7,590,901 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Pension items - Police Pension | 24,920,320 | - | 24,920,320 | - |
| Pension items - Fire Pension | 13,116,970 | - | 13,116,970 | - |
| Pension items - IMRF | 18,495,730 | 4,949,332 | 23,445,062 | 2,710,498 |
| OPEB items | 2,951,890 | 158,100 | 3,109,990 | 54,272 |
| Property taxes levied for future periods | 47,169,012 | 1,332,500 | 48,501,512 | 7,688,202 |
| Total Deferred Inflows of Resources | 106,653,922 | 6,439,932 | 113,093,854 | 10,452,972 |
| Total Liabilities and Deferred Inflows of Resources | 504,791,959 | 94,756,757 | 599,548,716 | 18,043,873 |
| NET POSITION (DEFICIT) | | | | |
| Net investment in capital assets | 69,635,907 | 289,164,675 | 358,800,582 | 4,193,203 |
| Restricted for | | | | |
| Highway maintenance | 5,080,823 | - | 5,080,823 | - |
| Emergency telephone system | 1,534,487 | - | 1,534,487 | - |
| HUD approved projects | 397,488 | - | 397,488 | - |
| Neighborhood improvements | 5,738,745 | - | 5,738,745 | - |
| Reparations | 505,715 | - | 505,715 | - |
| Governmental services | 26,545 | - | 26,545 | - |
| Capital improvements | 902,163 | - | 902,163 | 878,126 |
| Debt service | 8,675,881 | - | 8,675,881 | 1,145 |
| General assistance | 610,316 | - | 610,316 | - |
| Endowment | - | - | - | 5,337,662 |
| Unrestricted (deficit) | (164,858,843) | 20,314,896 | (144,543,947) | 3,524,216 |
| Total Net Position (Deficit) | \$ (71,750,773) | \$ 309,479,571 | \$ 237,728,798 | \$ 13,934,352 |

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

Statement of Activities

For the Fiscal Year Ended December 31, 2021

| FUNCTIONS/PROGRAMS PRIMARY GOVERNMENT | Expenses | Program Revenues | | |
|--|----------------|-------------------------|--|--|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Governmental Activities | | | | |
| General management and support | \$ 19,041,432 | \$ 8,736,043 | \$ 513,106 | \$ - |
| Public safety | 58,842,386 | 5,747,794 | 271,220 | - |
| Public works | 16,860,988 | 231,957 | 4,569,954 | 3,140,579 |
| Health and human resource development | 3,969,841 | 364,933 | 901,627 | - |
| Recreational and cultural opportunities | 9,147,647 | 6,080,420 | 213,695 | 1,000,000 |
| Housing and economic development | 11,046,288 | 5,744,980 | 3,597,285 | 134,445 |
| Interest | 4,429,823 | - | - | - |
| Total Governmental Activities | 123,338,405 | 26,906,127 | 10,066,887 | 4,275,024 |
| Business-Type Activities | | | | |
| Water | 14,561,520 | 20,900,063 | - | - |
| Sewer | 6,706,402 | 10,373,597 | - | - |
| Solid waste | 5,475,571 | 4,968,924 | - | - |
| Motor vehicles parking system | 8,395,131 | 8,090,085 | - | - |
| Total Business-Type Activities | 35,138,624 | 44,332,669 | - | - |
| Total Primary Government | \$ 158,477,029 | \$ 71,238,796 | \$ 10,066,887 | \$ 4,275,024 |
| Evanston Public Library | | | | |
| Community services | \$ 7,706,990 | \$ 42,817 | \$ 850,629 | \$ - |
| Interest | 223,661 | - | - | - |
| Total Evanston Public Library | \$ 7,930,651 | \$ 42,817 | \$ 850,629 | \$ - |

| Net (Expense) Revenue and Change in Net Position | | | | |
|--|--------------------------|--------------------------|-------------------------|----------------|
| Primary Government | | | | Component Unit |
| Governmental Activities | Business-Type Activities | Total Primary Government | Evanston Public Library | |
| \$ (9,792,283) | \$ - | \$ (9,792,283) | \$ - | |
| (52,823,372) | - | (52,823,372) | - | |
| (8,918,498) | - | (8,918,498) | - | |
| (2,703,281) | - | (2,703,281) | - | |
| (1,853,532) | - | (1,853,532) | - | |
| (1,569,578) | - | (1,569,578) | - | |
| (4,429,823) | - | (4,429,823) | - | |
| (82,090,367) | - | (82,090,367) | - | |
| - | 6,338,543 | 6,338,543 | - | |
| - | 3,667,195 | 3,667,195 | - | |
| - | (506,647) | (506,647) | - | |
| - | (305,046) | (305,046) | - | |
| - | 9,194,045 | 9,194,045 | - | |
| (82,090,367) | 9,194,045 | (72,896,322) | - | |
| - | - | - | (6,813,544) | |
| - | - | - | (223,661) | |
| - | - | - | (7,037,205) | |
| General Revenues | | | | |
| Taxes | | | | |
| Property tax | 53,268,947 | 1,332,500 | 54,601,447 | 7,851,282 |
| Other taxes | 7,588,822 | - | 7,588,822 | - |
| Personal property replacement taxes | 2,870,429 | - | 2,870,429 | - |
| Sales and home rule tax | 21,497,119 | - | 21,497,119 | - |
| Utility tax | 6,084,133 | - | 6,084,133 | - |
| Liquor tax | 3,078,034 | - | 3,078,034 | - |
| Parking tax | 2,845,047 | - | 2,845,047 | - |
| Real estate transfer tax | 6,227,230 | - | 6,227,230 | - |
| Intergovernmental | 4,800,000 | - | 4,800,000 | - |
| Income tax | 10,141,121 | - | 10,141,121 | - |
| Investment income | 73,715 | (39,286) | 34,429 | 711,170 |
| Gain on sale of capital assets | - | 216,656 | 216,656 | - |
| Miscellaneous | 3,408,489 | 379,250 | 3,787,739 | 15,222 |
| Transfers | 2,269,571 | (2,269,571) | - | - |
| Total | 124,152,657 | (380,451) | 123,772,206 | 8,577,674 |
| Change in Net Position | 42,062,290 | 8,813,594 | 50,875,884 | 1,540,469 |
| Net Position (Deficit), January 1 | (113,813,063) | 300,665,977 | 186,852,914 | 12,393,883 |
| Net Position (Deficit), December 31 | \$ (71,750,773) | \$ 309,479,571 | \$ 237,728,798 | \$ 13,934,352 |

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

Balance Sheet
Governmental Funds

December 31, 2021

| | General | General Obligation Debt Service | Nonmajor Governmental Funds | Total Governmental Funds |
|----------------------------|----------------------|---------------------------------------|-----------------------------------|--------------------------------|
| ASSETS | | | | |
| Cash and equivalents | \$ 13,815,407 | \$ - | \$ 23,157,419 | \$ 36,972,826 |
| Investments | 9,800,308 | 5,145,434 | 29,354,513 | 44,300,255 |
| Receivables | | | | |
| Property taxes | 31,884,164 | 13,436,256 | 2,331,000 | 47,651,420 |
| Utility | 1,006,255 | - | - | 1,006,255 |
| Notes | 100,000 | - | - | 100,000 |
| Loans | - | - | 9,462,720 | 9,462,720 |
| Special assessments | - | - | 436,380 | 436,380 |
| Other | 934,649 | - | - | 934,649 |
| Due from other governments | 9,790,479 | - | 1,350,206 | 11,140,685 |
| Due from other funds | 4,696,477 | - | 4,432,094 | 9,128,571 |
| Inventories | 25,028 | - | - | 25,028 |
| | | | | |
| Total Assets | <u>\$ 72,052,767</u> | <u>\$ 18,581,690</u> | <u>\$ 70,524,332</u> | <u>\$ 161,158,789</u> |

(This statement is continued on the following page.)

CITY OF EVANSTON, ILLINOIS

Balance Sheet
Governmental Funds

December 31, 2021

| | General | General Obligation Debt Service | Nonmajor Governmental Funds | Total Governmental Funds |
|---|----------------------|---------------------------------------|-----------------------------------|--------------------------------|
| LIABILITIES | | | | |
| Vouchers payable | \$ 3,811,894 | \$ 1,000 | \$ 2,517,054 | \$ 6,329,948 |
| Accrued payroll | 1,822,555 | - | - | 1,822,555 |
| Unearned revenue | - | - | 16,786,827 | 16,786,827 |
| Due to other governments | 990,895 | - | 148,623 | 1,139,518 |
| Due to component unit | 70,303 | - | - | 70,303 |
| Due to other funds | 29,635 | 3,833,488 | 460,893 | 4,324,016 |
| Due to fiduciary funds | 92,273 | - | - | 92,273 |
| Total Liabilities | 6,817,555 | 3,834,488 | 19,913,397 | 30,565,440 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Long-term loans | - | - | 9,899,100 | 9,899,100 |
| Property taxes levied for future periods | 31,564,390 | 13,294,630 | 2,309,992 | 47,169,012 |
| Total Deferred Inflows of Resources | 31,564,390 | 13,294,630 | 12,209,092 | 57,068,112 |
| Total Liabilities and Deferred Inflows of Resources | 38,381,945 | 17,129,118 | 32,122,489 | 87,633,552 |
| FUND BALANCES | | | | |
| Nonspendable | | | | |
| Notes | 100,000 | - | - | 100,000 |
| Inventory | 25,028 | - | - | 25,028 |
| Restricted | | | | |
| Highway maintenance | - | - | 5,080,823 | 5,080,823 |
| Emergency telephone system | - | - | 1,534,487 | 1,534,487 |
| HUD approved projects | - | - | 397,488 | 397,488 |
| Neighborhood improvements | - | - | 4,642,395 | 4,642,395 |
| Reparations | - | - | 505,715 | 505,715 |
| Governmental services | - | - | 26,545 | 26,545 |
| Debt service | - | 1,452,572 | 7,223,309 | 8,675,881 |
| General assistance | - | - | 610,316 | 610,316 |
| Capital improvements | - | - | 5,677,257 | 5,677,257 |
| Assigned | | | | |
| Capital improvements | - | - | 12,910,258 | 12,910,258 |
| Other | 1,807,260 | - | - | 1,807,260 |
| Unassigned (deficit) | 31,738,534 | - | (206,750) | 31,531,784 |
| Total Fund Balances | 33,670,822 | 1,452,572 | 38,401,843 | 73,525,237 |
| Total Liabilities, Inflows of Resources, and Fund Balances | \$ 72,052,767 | \$ 18,581,690 | \$ 70,524,332 | \$ 161,158,789 |

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, 2021

| | | |
|---|------------------|---------------------|
| <hr/> <hr/> | | |
| Fund Balances of Governmental Funds | \$ | 73,525,237 |
| 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 | \$ | 224,571,971 |
| Less internal service fund portion | <u>7,799,946</u> | 216,772,025 |
| Total OPEB liability payable is not due and payable in the current period and, therefore, is not reported in the governmental funds | | (22,306,697) |
| Interest payable is not due and payable in the current period and, therefore, not reported in the governmental funds | | (470,769) |
| 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 | \$ | (148,540,465) |
| Less internal service fund portion | <u>(660,000)</u> | (147,880,465) |
| Bonds premium liability | | (11,170,693) |
| Compensated absences payable | | (10,679,051) |
| Net pension liability / asset is shown as a liability / asset on the statement of net position | | |
| Illinois Municipal Retirement Fund | | 20,626,546 |
| Police Pension Fund | | (85,774,906) |
| Firefighters' Pension Fund | | (83,846,627) |
| 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 | | (14,946,699) |
| Police Pension Fund | | (14,761,955) |
| Firefighters' Pension Fund | | (5,331,211) |
| OPEB | | 1,219,696 |
| Deferred inflows for long-term loans are not available and, therefore, not revenue in fund financial statements | | 9,899,100 |
| The net position of the internal service fund is included in the governmental activities on the statement of net position | | <u>3,375,696</u> |
| Net Position of Governmental Funds | <u>\$</u> | <u>(71,750,773)</u> |

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds

For the Fiscal Year Ended December 31, 2021

| | General | General Obligation Debt Service | Nonmajor Governmental Funds | Total Governmental Funds |
|--|----------------------|---------------------------------------|-----------------------------------|--------------------------------|
| Revenues | | | | |
| Taxes | \$ 69,949,398 | \$ 14,457,696 | \$ 8,331,177 | \$ 92,738,271 |
| Licenses and permits | 11,032,555 | - | - | 11,032,555 |
| Special assessments | - | - | 109,459 | 109,459 |
| Intergovernmental | 24,444,948 | - | 14,141,987 | 38,586,935 |
| Charges for services | 10,593,430 | - | 168,794 | 10,762,224 |
| Fines and forfeits | 3,643,890 | - | - | 3,643,890 |
| Investment income | 33,432 | (13,391) | 53,674 | 73,715 |
| Miscellaneous | 1,721,344 | - | 4,462,731 | 6,184,075 |
| Total Revenues | 121,418,997 | 14,444,305 | 27,267,822 | 163,131,124 |
| Expenditures | | | | |
| Current | | | | |
| General management and support | 18,565,384 | 35 | 1,142,523 | 19,707,942 |
| Public safety | 65,932,688 | - | 1,226,775 | 67,159,463 |
| Public works | 11,865,594 | - | 9,064,762 | 20,930,356 |
| Health and human resource development | 4,473,366 | - | - | 4,473,366 |
| Recreational and cultural opportunities | 11,036,243 | - | - | 11,036,243 |
| Housing and economic development | 3,283,128 | - | 7,088,852 | 10,371,980 |
| Capital outlay | - | - | 2,480,222 | 2,480,222 |
| Debt service | | | | |
| Principal | - | 9,311,152 | - | 9,311,152 |
| Interest | - | 5,602,575 | - | 5,602,575 |
| Fiscal charges | - | 56,486 | 115,852 | 172,338 |
| Total Expenditures | 115,156,403 | 14,970,248 | 21,118,986 | 151,245,637 |
| Excess (Deficiency) of Revenues Over Expenditures | 6,262,594 | (525,943) | 6,148,836 | 11,885,487 |
| Other Financing Sources (Uses) | | | | |
| Issuance of bonds | - | 3,569,500 | 8,370,000 | 11,939,500 |
| Premium on bonds issued | - | 465,136 | 549,852 | 1,014,988 |
| Payment to escrow agent | - | (3,975,000) | - | (3,975,000) |
| Transfers in | 9,183,260 | 1,197,420 | 449,996 | 10,830,676 |
| Transfers (out) | (449,996) | - | (8,961,109) | (9,411,105) |
| Total Other Financing Sources (Uses) | 8,733,264 | 1,257,056 | 408,739 | 10,399,059 |
| Net Change in Fund Balances | 14,995,858 | 731,113 | 6,557,575 | 22,284,546 |
| Fund Balances, January 1 | 18,674,964 | 721,459 | 31,844,268 | 51,240,691 |
| Fund Balances, December 31 | \$ 33,670,822 | \$ 1,452,572 | \$ 38,401,843 | \$ 73,525,237 |

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

Reconciliation of Governmental Funds Statement of Revenues,
Expenditures, and Changes in Fund Balances to the Governmental
Activities in the Statement of Activities

For the Fiscal Year Ended December 31, 2021

| | |
|--|---|
| Net Change in Fund Balances - Total Governmental Funds | \$ 22,284,546 |
| 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 and depreciated in the statement of activities | 8,491,459 |
| 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 | (10,743,798) |
| The issuance of long-term debt is reported as an other financing sources in governmental funds, but as an increase of principal outstanding in the statement of activities Issuance of general obligation bonds Premium on bond issuance Payment to escrow agent | (11,939,500) (1,014,988) 3,975,000 |
| 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 | 9,311,152 |
| The amortization of premium on long-term debt is reported as a reduction of interest expense on the statement of activities | 1,201,175 |
| Changes in total other postemployment benefits obligations are reported only in the statement of activities | (1,428,833) |
| The change in compensated absences payable is shown as an expense on the statement of activities | 326,905 |
| The change in the accrual of interest is reported as interest expense on the statement of activities | 143,915 |
| The change in the net pension liability (asset) is reported only in the statement of activities Illinois Municipal Retirement Fund Police Pension Fund Firefighters' Pension Fund | 18,211,927 15,846,210 6,943,283 |
| The change in deferred inflows and outflows of resources is reported only in the statement of activities Illinois Municipal Retirement Fund Police Pension Fund Firefighters' Pension Fund OPEB | (10,487,614) (9,831,135) (4,166,023) 213,799 |
| The change in deferred inflows for long-term loans is not an expense on the statement of activities | 1,096,350 |
| Internal service funds are reported separately in the fund financial statements | <u>3,628,460</u> |
| Change in Net Position of Governmental Activities | <u>\$ 42,062,290</u> |

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

Statement of Net Position
Proprietary Funds

December 31, 2021

| | Water | Sewer | Solid Waste | Motor Vehicle Parking System | Total | Governmental Activities - Internal Service Funds |
|--|--------------------|--------------------|------------------|---------------------------------|--------------------|---|
| Current Assets | | | | | | |
| Cash and cash equivalents | \$ 17,038,016 | \$ 1,415,514 | \$ - | \$ 3,497,319 | \$ 21,950,849 | \$ 70,000 |
| Receivables | | | | | | |
| Property taxes | - | - | 1,332,500 | - | 1,332,500 | - |
| Accounts - water and sewerage charges | | | | | | |
| Accounts - billed | 1,591,518 | 288,556 | 266,668 | - | 2,146,742 | - |
| Accounts - unbilled | 1,273,912 | 1,503,224 | 745,518 | - | 3,522,654 | - |
| Other | 3,844 | 100 | 47,687 | 73,949 | 125,580 | - |
| Inventories | 742,075 | 116,689 | - | - | 858,764 | 1,600,113 |
| Prepaid items | - | - | 166,816 | - | 166,816 | 5,390,479 |
| Due from other funds | 7,432,688 | 3,540,561 | - | - | 10,973,249 | - |
| Total Current Assets | 28,082,053 | 6,864,644 | 2,559,189 | 3,571,268 | 41,077,154 | 7,060,592 |
| Noncurrent Assets | | | | | | |
| Capital assets | | | | | | |
| Capital assets not being depreciated | 2,080,288 | 2,751 | - | 4,396,478 | 6,479,517 | - |
| Capital assets being depreciated | 159,176,886 | 263,760,149 | 842,278 | 92,584,111 | 516,363,424 | 27,431,531 |
| Accumulated depreciation | (37,771,368) | (75,086,323) | (137,754) | (43,212,700) | (156,208,145) | (19,631,585) |
| Total Capital Assets | 123,485,806 | 188,676,577 | 704,524 | 53,767,889 | 366,634,796 | 7,799,946 |
| Other Assets | | | | | | |
| Net pension asset | 3,180,612 | 737,802 | 811,646 | 789,464 | 5,519,524 | - |
| Notes receivable | - | - | - | 199,000 | 199,000 | - |
| Total Other Assets | 3,180,612 | 737,802 | 811,646 | 988,464 | 5,718,524 | - |
| Total Noncurrent Assets | 126,666,418 | 189,414,379 | 1,516,170 | 54,756,353 | 372,353,320 | 7,799,946 |
| Total Assets | 154,748,471 | 196,279,023 | 4,075,359 | 58,327,621 | 413,430,474 | 14,860,538 |
| Deferred Outflows of Resources | | | | | | |
| Asset retirement obligations | 3,684,899 | - | - | - | 3,684,899 | - |
| Pension items - IMRF | 547,260 | 126,947 | 139,653 | 135,836 | 949,696 | - |
| OPEB items | 87,233 | 51,422 | 47,349 | 37,838 | 223,842 | 26,504 |
| Total Deferred Outflows of Resources | 4,319,392 | 178,369 | 187,002 | 173,674 | 4,858,437 | 26,504 |
| Total Assets and Deferred Outflows of Resources | 159,067,863 | 196,457,392 | 4,262,361 | 58,501,295 | 418,288,911 | 14,887,042 |

(This statement is continued on the following page.)

CITY OF EVANSTON, ILLINOIS

Statement of Net Position

Proprietary Funds

December 31, 2021

| | Water | Sewer | Solid Waste | Motor Vehicle Parking System | Total | Governmental Activities - Internal Service Funds |
|--|----------------------|-----------------------|---------------------|---------------------------------|-----------------------|---|
| Current Liabilities | | | | | | |
| Vouchers payable | \$ 1,788,447 | \$ 985,006 | \$ 274,607 | \$ 271,413 | \$ 3,319,473 | \$ 1,346,789 |
| Retainage payable | 42,470 | - | - | - | 42,470 | - |
| Deposits payable | - | 190 | 1,606 | - | 1,796 | - |
| Unearned revenue | - | - | - | - | - | - |
| Interest payable - restricted | 109,227 | 104,255 | - | 3,158 | 216,640 | - |
| Notes payable - IEPA | 1,127,391 | 3,051,713 | - | - | 4,179,104 | - |
| Current portion of GO bonds payable | 897,832 | 188,404 | - | 35,000 | 1,121,236 | - |
| Current portion of total OPEB liability | 18,021 | 10,623 | 9,782 | 7,817 | 46,243 | 4,898 |
| Claims payable | - | - | - | - | - | 1,424,750 |
| Due to other funds | 11,031,508 | - | 288,048 | 2,733,027 | 14,052,583 | 1,725,221 |
| Compensated absences payable | 124,645 | 22,906 | 37,547 | 11,373 | 196,471 | 23,130 |
| Total Current Liabilities | 15,139,541 | 4,363,097 | 611,590 | 3,061,788 | 23,176,016 | 4,524,788 |
| Noncurrent Liabilities | | | | | | |
| Notes payable - IEPA | 22,424,983 | 13,668,144 | - | - | 36,093,127 | - |
| General obligation bonds payable | 30,650,396 | 3,947,163 | - | 1,479,095 | 36,076,654 | 660,000 |
| Asset retirement obligations | 5,081,625 | - | - | - | 5,081,625 | - |
| Total OPEB liability | 450,542 | 265,586 | 244,549 | 195,428 | 1,156,105 | 137,468 |
| Claims payable | - | - | - | - | - | 6,077,850 |
| Compensated absences payable | 498,581 | 91,623 | 150,186 | 45,491 | 785,881 | 92,520 |
| Total Long-Term Liabilities | 59,106,127 | 17,972,516 | 394,735 | 1,720,014 | 79,193,392 | 6,967,838 |
| Total Liabilities | 74,245,668 | 22,335,613 | 1,006,325 | 4,781,802 | 102,369,408 | 11,492,626 |
| Deferred Inflows of Resources | | | | | | |
| Pension items - IMRF | 2,852,040 | 661,584 | 727,799 | 707,909 | 4,949,332 | - |
| OPEB items | 61,613 | 36,319 | 33,443 | 26,725 | 158,100 | 18,720 |
| Deferred property taxes | - | - | 1,332,500 | - | 1,332,500 | - |
| Total Deferred Inflows of Resources | 2,913,653 | 697,903 | 2,093,742 | 734,634 | 6,439,932 | 18,720 |
| Total Liabilities and Deferred Inflows of Resources | 77,159,321 | 23,033,516 | 3,100,067 | 5,516,436 | 108,809,340 | 11,511,346 |
| Net Position | | | | | | |
| Net investment in capital assets | 68,385,204 | 167,821,153 | 704,524 | 52,253,794 | 289,164,675 | 7,139,946 |
| Unrestricted | 13,523,338 | 5,602,723 | 457,770 | 731,065 | 20,314,896 | (3,764,250) |
| Total Net Position | \$ 81,908,542 | \$ 173,423,876 | \$ 1,162,294 | \$ 52,984,859 | \$ 309,479,571 | \$ 3,375,696 |

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds

For the Fiscal Year Ended December 31, 2021

| | Water | Sewer | Solid Waste | Motor Vehicle Parking System | Total | Governmental Activities - Internal Service Funds |
|---|----------------------|-----------------------|---------------------|---------------------------------|-----------------------|---|
| Operating Revenues | | | | | | |
| Charges for services | \$ 20,285,494 | \$ 10,350,347 | \$ 4,964,577 | \$ 7,736,969 | \$ 43,337,387 | \$ 24,655,405 |
| Miscellaneous | 614,569 | 23,250 | 4,347 | 353,116 | 995,282 | - |
| Total Operating Revenues | 20,900,063 | 10,373,597 | 4,968,924 | 8,090,085 | 44,332,669 | 24,655,405 |
| Operating Expenses Excluding Depreciation | | | | | | |
| Administration | 717,673 | 1,437,304 | 1,351,112 | 1,707,154 | 5,213,243 | - |
| Operations | 9,266,970 | 841,110 | 4,054,612 | 3,733,017 | 17,895,709 | 20,488,563 |
| Total Operating Expenses Excluding Depreciation | 9,984,643 | 2,278,414 | 5,405,724 | 5,440,171 | 23,108,952 | 20,488,563 |
| Operating Income (Loss) Before Depreciation | 10,915,420 | 8,095,183 | (436,800) | 2,649,914 | 21,223,717 | 4,166,842 |
| Depreciation | 3,156,091 | 3,851,711 | 69,847 | 2,916,281 | 9,993,930 | 1,525,498 |
| Operating Income (Loss) | 7,759,329 | 4,243,472 | (506,647) | (266,367) | 11,229,787 | 2,641,344 |
| Non-Operating Revenue (Expenses) | | | | | | |
| Investment income | (19,582) | (6,084) | - | (13,620) | (39,286) | 201 |
| Property taxes | - | - | 1,332,500 | - | 1,332,500 | - |
| Interest expense | (1,420,786) | (576,277) | - | (38,679) | (2,035,742) | (20,379) |
| Gain (loss) on disposal of capital assets | 216,656 | - | - | - | 216,656 | 157,294 |
| Claims reimbursements | 379,250 | - | - | - | 379,250 | - |
| Total Non-Operating Revenues (Expenses) | (844,462) | (582,361) | 1,332,500 | (52,299) | (146,622) | 137,116 |
| Income (Loss) Before Transfers and Capital Contributions | 6,914,867 | 3,661,111 | 825,853 | (318,666) | 11,083,165 | 2,778,460 |
| Transfers and Contributions | | | | | | |
| Transfers in | 3,181,174 | 332,637 | - | 950,000 | 4,463,811 | 850,000 |
| Transfers (out) | (4,049,568) | (776,554) | - | (2,972,388) | (7,798,510) | - |
| Capital contributions | 1,065,128 | - | - | - | 1,065,128 | - |
| Total Transfers and Capital Contributions | 196,734 | (443,917) | - | (2,022,388) | (2,269,571) | 850,000 |
| Net Income (Loss) | 7,111,601 | 3,217,194 | 825,853 | (2,341,054) | 8,813,594 | 3,628,460 |
| Net Position (Deficit), January 1 | 74,796,941 | 170,206,682 | 336,441 | 55,325,913 | 300,665,977 | (252,764) |
| Net Position, December 31 | \$ 81,908,542 | \$ 173,423,876 | \$ 1,162,294 | \$ 52,984,859 | \$ 309,479,571 | \$ 3,375,696 |

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

Statement of Cash Flows
Proprietary Funds

For the Fiscal Year Ended December 31, 2021

| | Water | Sewer | Solid Waste | Motor Vehicle Parking System | Total | Governmental Activities - Internal Service Funds |
|---|--------------------|--------------------|--------------------|---------------------------------|---------------------|---|
| Cash Flows from Operating Activities | | | | | | |
| Receipts from customers and users | \$ 25,193,859 | \$ 10,344,086 | \$ 4,782,317 | \$ 8,016,136 | \$ 48,336,398 | \$ 3,779,319 |
| Receipts from/(payments for) interfund services provided | (665,417) | (2,470,305) | (817,556) | 648,654 | (3,304,624) | 17,023,243 |
| Receipts from other agencies | - | - | - | - | - | 687,061 |
| Payments to suppliers | (11,751,723) | (577,082) | (3,472,507) | (3,405,840) | (19,207,152) | (2,370,035) |
| Payments to employees | (375,344) | (1,381,583) | (1,537,148) | (1,731,124) | (5,025,199) | (1,225,489) |
| Payments for insurance premiums | - | - | - | - | - | (18,472,863) |
| Net Cash from Operating Activities | 12,401,375 | 5,915,116 | (1,044,894) | 3,527,826 | 20,799,423 | (578,764) |
| Cash Flows from Noncapital Financing Activities | | | | | | |
| Property taxes | - | - | 1,332,500 | - | 1,332,500 | - |
| Transfers in | 4,246,302 | 332,637 | - | 950,000 | 5,528,939 | 850,000 |
| Transfers out | (4,049,568) | (776,554) | - | (2,972,388) | (7,798,510) | - |
| Net Cash from Noncapital Financing Activities | 196,734 | (443,917) | 1,332,500 | (2,022,388) | (937,071) | 850,000 |
| Cash Flows from Capital and Related Financing Activities | | | | | | |
| Sale of capital assets | - | - | - | - | - | 157,294 |
| Acquisition and construction of capital assets | (9,419,562) | (935,888) | (287,606) | (327,456) | (10,970,512) | (1,969,642) |
| Proceeds from general obligation bonds | 2,803,730 | - | - | - | 2,803,730 | (20,379) |
| Proceeds from loans | 3,157,398 | - | - | - | 3,157,398 | - |
| Principal paid on general obligation bonds | (1,526,815) | (218,690) | - | - | (1,745,505) | - |
| Interest paid on general obligation bonds | (1,410,073) | (650,841) | - | (52,828) | (2,113,742) | - |
| Principal paid on IEPA loans | (1,127,390) | (4,325,673) | - | - | (5,453,063) | - |
| Net Cash from Capital and Related Financing Activities | (7,522,712) | (6,131,092) | (287,606) | (380,284) | (14,321,694) | (1,832,727) |
| Cash Flows from Investing Activities | | | | | | |
| Interest income | (19,582) | (6,084) | - | (13,620) | (39,286) | 201 |
| Net Cash from Investing Activities | (19,582) | (6,084) | - | (13,620) | (39,286) | 201 |
| Net Increase (Decrease) in Cash and Cash Equivalents | 5,055,815 | (665,977) | - | 1,111,534 | 5,501,372 | (1,561,290) |
| Cash and Cash Equivalents | | | | | | |
| Beginning | 11,982,201 | 2,081,491 | - | 2,385,785 | 16,449,477 | 1,631,290 |
| Ending | \$ 17,038,016 | \$ 1,415,514 | \$ - | \$ 3,497,319 | \$ 21,950,849 | \$ 70,000 |

(This statement is continued on the following page.)

CITY OF EVANSTON, ILLINOIS

Statement of Cash Flows
Proprietary Funds

For the Fiscal Year Ended December 31, 2021

| | Water | Sewer | Solid Waste | Motor Vehicle Parking System | Total | Governmental Activities - Internal Service Funds |
|--|----------------------|---------------------|-----------------------|---------------------------------|----------------------|---|
| Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities | | | | | | |
| Operating income (loss) | \$ 7,759,329 | \$ 4,243,472 | \$ (506,647) | \$ (266,367) | \$ 11,229,787 | \$ 2,641,344 |
| Adjustments to reconcile operating income (loss) to net cash from operating activities | | | | | | |
| Depreciation | 3,156,091 | 3,851,711 | 69,847 | 2,916,281 | 9,993,930 | 1,525,498 |
| Changes in assets and liabilities | | | | | | |
| Accounts receivable | 4,293,796 | (29,517) | (186,607) | (73,949) | 4,003,723 | 66,550 |
| Notes receivable | - | - | - | - | - | - |
| Interfund receivable | 4,207,853 | (1,878,045) | - | - | 2,329,808 | - |
| Prepaid expenses | - | - | 5,494 | - | 5,494 | (999,136) |
| Inventories | 34,805 | 5,089 | - | - | 39,894 | (17,730) |
| Compensated absences | (20,516) | (7,262) | 96,536 | (87,026) | (18,268) | (27,469) |
| OPEB items | 14,394 | 8,212 | 11,036 | 17,797 | 51,439 | 4,075 |
| Pension items - IMRF | (1,191,197) | (277,485) | (293,608) | (306,245) | (2,068,535) | - |
| Deposits payable | - | 6 | 914 | - | 920 | - |
| Vouchers payable | (2,770,421) | (1,065) | 274,607 | 167,181 | (2,329,698) | 212,336 |
| Interfund payable | (3,153,622) | - | (516,466) | 1,160,154 | (2,509,934) | (3,232,332) |
| Deferred outflows - asset retirement obligations | 70,863 | - | - | - | 70,863 | - |
| Claims payable | - | - | - | - | - | (751,900) |
| Net Cash from Operating Activities | \$ 12,401,375 | \$ 5,915,116 | \$ (1,044,894) | \$ 3,527,826 | \$ 20,799,423 | \$ (578,764) |
| Noncash investing, capital, and related financing activities | | | | | | |
| Capital assets acquired through vouchers and retainage payable | | | | | | |
| | \$ (50,255) | \$ (849,908) | \$ - | \$ - | \$ (900,163) | \$ 251,898 |
| Capital contributions | 1,065,128 | - | - | - | 1,065,128 | - |
| Issuance of Refunding Bonds | 2,480,500 | - | - | - | 2,480,500 | - |
| Total noncash investing, capital, and related financing activities | \$ 3,495,373 | \$ (849,908) | \$ - | \$ - | \$ 2,645,465 | \$ 251,898 |

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

Statement of Fiduciary Net Position Fiduciary Funds

December 31, 2021

| | <u>Pension Trust</u> |
|---|--------------------------|
| Assets | |
| Cash and cash equivalents | \$ 19,645,837 |
| Investments at fair value | |
| U.S. Treasury obligations | 29,989,731 |
| U.S. agency obligations | 11,485,735 |
| Corporate bonds | 26,086,728 |
| Common stock | 52,796,392 |
| Equity mutual funds | 155,433,002 |
| Real estate | 1,308,489 |
| Prepays | 9,081 |
| Receivables | |
| Accrued interest | 374,985 |
| Due from City | <u>92,273</u> |
| Total Assets | <u>297,222,253</u> |
| Liabilities | |
| Vouchers payable | <u>54,569</u> |
| Total Liabilities | <u>54,569</u> |
| Net Position Restricted For Pensions | <u>\$ 297,167,684</u> |

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

Statement of Changes in Fiduciary Net Position Fiduciary Funds

For the Fiscal Year Ended December 31, 2021

| | |
|--|-----------------------|
| Additions | |
| Contributions - employer | \$ 21,172,765 |
| Contributions - plan members | <u>2,564,570</u> |
| Total Contributions | <u>23,737,335</u> |
| Investment income | |
| Net appreciation in fair value of investments | 33,426,706 |
| Interest on investments | 7,033,308 |
| Less investment expenses | <u>(561,795)</u> |
| Total Investment Income | <u>39,898,219</u> |
| Total Additions | <u>63,635,554</u> |
| Deductions | |
| Administration | 168,084 |
| Benefit payments and refunds | <u>25,470,336</u> |
| Total Deductions | <u>25,638,420</u> |
| Net Increase | 37,997,134 |
| Net Position Restricted For Pensions | |
| January 1 | <u>259,170,550</u> |
| December 31 | <u>\$ 297,167,684</u> |

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

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CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

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CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

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Note 15 Evanston Library Component Unit

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CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Evanston, Illinois (the City) and Evanston Public Library (the Library or EPL) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental 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 and the Library'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, (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 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.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

A. Reporting Entity - Continued

Discrete Component Unit:

The EPL 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 EPL 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 a resolution by the City Council.

The EPL serves the community through three branches. The EPL partners with Northwestern University and other agencies to implement digitally based science, technology, and math learning opportunities for teens. The EPL 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 EPL does not issue

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.

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.

Joint Ventures

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

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

B. 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.

C. 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."

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.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses 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.

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 (home rule) | 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 *General Obligation Debt Fund* is a debt service fund which accumulate monies for the principal and interest payments on general obligation debt.

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.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

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 *Solid Waste Fund* accounts for the recycling, refuse, and yard waste removal services related fees and expenses. Refuse and yard waste are contracted out, while recycling is handled by the City staff. The City has elected to present this fund as major.

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.

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.

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.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation - Continued

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.

E. 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.

F. 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.

G. 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.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

H. 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.

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

| <u>Description</u> | <u>Years</u> | <u>Description</u> | <u>Years</u> |
|--------------------------------------|--------------|--------------------------------|--------------|
| Land improvements | 10-100 | Buildings and improvements | 10-50 |
| Leasehold 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 |

I. 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. All payments due in the event of termination are accrued when incurred in the government-wide and proprietary fund financial statements. The General Fund has been used in prior years to liquidate the liability for compensated absences of governmental funds.

J. 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.

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.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

K. 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.

L. 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.

M. 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.

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 2020 tax levy received during the fiscal period between January 1, 2021 and December 31, 2021. A 3% allowance for loss is reflected in the City and the Library financial statements.

The 2021 tax levy collections are intended to finance the 2022 fiscal year and are not considered available for current operations and are, therefore, shown as unavailable/deferred revenue.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

N. 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 can not 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.
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, (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 16.6% 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 long-term debt outstanding issued to construct the capital assets.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

O. 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.

P. 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.

Q. 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 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, 2021, outstanding bond balance of the 2019A Revenue Bonds was \$3,650,000 and outstanding balance of the 2019B Revenue Bonds was \$3,540,000.

The City approved the issuance of not \$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 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, 2021, outstanding bond balance was \$8,275,000.

R. Deferred Implementation

In accordance with the provisions of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, the City has delayed the implementation of GASB Statement No. 87, *Leases*, to December 31, 2022.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Deficit Fund Equity

The Insurance Fund, an internal service fund, had a net deficit of \$4,499,181 as of December 31, 2021. The City plans to use current resources to pay for future liabilities.

The Special Service District No. 9 had a net deficit of \$206,750 as of December 31, 2021. The City plans to use current resources to pay for future liabilities.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

The City and pension funds categorize the fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; 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 (IMET), 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.

IMET is a not-for-profit investment trust formed pursuant to the Illinois Municipal code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which 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.

The Firefighters' and Police Pension Funds are set up for the exclusive purpose of providing retirement and other benefits to plan participants and beneficiaries. All investments are governed and authorized by the respective Fire and Police Pension Boards. The investment objectives and parameters mirror those listed above for the City. However, unlike the City's public funds, the Firefighters' and Police Pension Funds may invest in various equity accounts up to a limit of 65% of the aggregate value of each respective fund's assets. The pension funds invest to conform to all state and local statutes governing pension funds. Additional detail is available in each pension fund's investment policies.

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.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS – Continued

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.

The following table presents the investment and maturities of the City's debt securities as of December 31, 2021:

| City Investment Type | Investment Maturities (In Years) | | | | |
|----------------------|----------------------------------|------------------|--------------|--------------|-----------------------|
| | Fair Value | Less Than 1 Year | 1 - 5 Years | 6 - 10 Years | Greater than 10 Years |
| Municipal bonds | \$ 4,232,431 | \$ 803,269 | \$ 3,429,162 | \$ - | \$ - |
| Total | \$ 4,232,431 | \$ 803,269 | \$ 3,429,162 | \$ - | \$ - |

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 Police and Firefighters' Pension Funds have investments in corporate bonds with S&P ratings ranging from BBB- to AAA. 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 Aa2 by Moody's. IMET's Convenience Fund collateralizes all of its deposits 110%. The investments in the securities of the U.S. Government agencies were all rated AAA or Aaa by the Standard & Poor's and by Moody's Investor's Services. The following 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, 2021. The investments in municipal bonds and mutual funds are valued using quoted matrix pricing models (Level 2 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.

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, 2021.

Deposits consist of deposits in interest-bearing and non-interest-bearing checking accounts. At December 31, 2021, the carrying amount of the City's deposits, including cash on hand of \$11,952 was 35,770,568. The financial institutions' balances totaled \$44,708,321.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 4. RECEIVABLES

A. Summary of Receivables

Other receivables as of December 31, 2021 for the government’s individual major funds, nonmajor, internal service funds, and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

| | General | | Total |
|---|----------------------------|-----------------------------|---------------------|
| | Governmental Activities | Business-Type Activities | |
| Receivables (net, where applicable, of allowances for uncollectibles): | | | |
| Amusement tax | \$ 95,293 | \$ - | \$ 95,293 |
| Franchise fees | - | 47,687 | 47,687 |
| Hotel tax | 181,714 | - | 181,714 |
| Liquor tax | 391,018 | - | 391,018 |
| Local motor fuel tax | 71,618 | - | 71,618 |
| Parking tax | 69,023 | - | 69,023 |
| Police services | - | - | - |
| Transportation network tax | 123,642 | - | 123,642 |
| Other miscellaneous | 2,341 | 77,893 | 80,234 |
| Net Total Receivables | <u>\$ 934,649</u> | <u>\$ 125,580</u> | <u>\$ 1,060,229</u> |

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.

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:

| Loan Type | Interest Rates | Beginning | Loans Made | Loan Repayments | Loan Adjustments | Ending |
|----------------|-------------------|---------------------|---------------------|--------------------|---------------------|---------------------|
| Title Transfer | 0% - 8% | \$ 2,519,891 | \$ 384,755 | \$ 214,798 | \$ - | \$ 2,689,848 |
| Amortizing | 0% - 8% | 1,341,889 | 1,300,001 | 292,278 | - | 2,349,612 |
| Forgivable | 0% - 8% | 4,484,938 | 120,839 | 10,010 | (94,507) | 4,501,260 |
| Allowance | | (78,000) | - | - | - | (78,000) |
| Total Loans | | <u>\$ 8,268,718</u> | <u>\$ 1,805,595</u> | <u>\$ 517,086</u> | <u>\$ (94,507)</u> | <u>\$ 9,462,720</u> |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 5. CAPITAL ASSETS

A. Capital Asset Activity

Capital asset activity for the fiscal year ended December 31, 2021 was as follows:

| | Beginning | Additions | Deletions | Transfers | Ending |
|--|-----------------------|---------------------|---------------------|-------------|-----------------------|
| Governmental Activities: | | | | | |
| Capital Assets, not being Depreciated: | | | | | |
| Land | \$ 7,250,067 | \$ - | \$ - | \$ - | \$ 7,250,067 |
| Right of way | 18,695,896 | - | - | - | 18,695,896 |
| Artwork | 471,051 | - | - | - | 471,051 |
| Construction in progress | 13,988,283 | 6,608,035 | 3,865,153 | - | 16,731,165 |
| Total Capital Assets, not being Depreciated | 40,405,297 | 6,608,035 | 3,865,153 | - | 43,148,179 |
| Capital Assets, being Depreciated/Amortized: | | | | | |
| Buildings and improvements | 141,973,735 | 1,590,237 | - | - | 143,563,972 |
| Office equipment and furniture | 7,274,554 | 119,250 | - | - | 7,393,804 |
| Intangible assets | 8,212,119 | 102,713 | - | - | 8,314,832 |
| Machinery and equipment | 30,241,614 | 1,746,457 | 923,319 | - | 31,064,752 |
| Infrastructure | 201,393,119 | 3,907,664 | - | - | 205,300,783 |
| Capitalized leases | 502,532 | - | - | - | 502,532 |
| Total Capital Assets being Depreciated/Amortized | 389,597,673 | 7,466,321 | 923,319 | - | 396,140,675 |
| Less Accumulated Depreciation/Amortization for: | | | | | |
| Buildings and improvements | 44,290,938 | 2,937,952 | - | - | 47,228,890 |
| Office equipment and furniture | 5,109,469 | 409,759 | - | - | 5,519,228 |
| Intangible assets | 7,117,004 | 226,154 | - | - | 7,343,158 |
| Machinery and equipment | 21,616,329 | 1,778,818 | 923,319 | - | 22,471,828 |
| Infrastructure | 124,746,358 | 6,912,705 | - | - | 131,659,063 |
| Capitalized leases | 490,808 | 3,908 | - | - | 494,716 |
| Total Accumulated Depreciation/Amortization | 203,370,906 | 12,269,296 | 923,319 | - | 214,716,883 |
| Total Capital Assets being Depreciated/Amortized, Net | 186,226,767 | (4,802,975) | - | - | 181,423,792 |
| Governmental Activities Capital Assets, Net | \$ 226,632,064 | \$ 1,805,060 | \$ 3,865,153 | \$ - | \$ 224,571,971 |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 5. CAPITAL ASSETS - Continued

A. Capital Asset Activity - Continued

| | Beginning | Additions | Deletions | Transfers | Ending |
|--|-----------------------|---------------------|---------------------|-------------|-----------------------|
| Business-Type activities: | | | | | |
| Capital Assets, not being Depreciated: | | | | | |
| Land | \$ 4,592,141 | \$ - | \$ - | \$ - | \$ 4,592,141 |
| Construction in progress | 2,685,131 | 500,898 | 1,658,405 | - | 1,527,624 |
| Artwork | 359,752 | - | - | - | 359,752 |
| Total Capital Assets, not being Depreciated | 7,637,024 | 500,898 | 1,658,405 | - | 6,479,517 |
| Capital Assets, being Depreciated/Amortized: | | | | | |
| Land improvements | 9,909,854 | - | - | - | 9,909,854 |
| Buildings and improvements | 77,883,334 | 88,986 | - | - | 77,972,320 |
| Leasehold improvements | 772,131 | - | - | - | 772,131 |
| Plant | 68,205,481 | 2,883,343 | 748,729 | - | 70,340,095 |
| Transmission and distribution system | 82,363,541 | 6,088,327 | - | - | 88,451,868 |
| Sewer system and underground lines | 259,629,379 | 1,783,045 | - | - | 261,412,424 |
| Intangible assets | 1,250,490 | - | - | - | 1,250,490 |
| Equipment | 3,934,423 | 526,076 | - | - | 4,460,499 |
| Parking meters | 1,793,741 | - | - | - | 1,793,741 |
| Total Capital Assets being Depreciated/Amortized | 505,742,374 | 11,369,777 | 748,729 | - | 516,363,422 |
| Less Accumulated Depreciation/Amortization for: | | | | | |
| Land improvements | 3,960,818 | 460,396 | - | - | 4,421,214 |
| Buildings and improvements | 34,255,256 | 2,017,945 | - | - | 36,273,201 |
| Leasehold improvements | 383,597 | 23,824 | - | - | 407,421 |
| Plant | 22,285,315 | 1,798,631 | 607,227 | - | 23,476,719 |
| Transmission and distribution system | 12,552,271 | 1,357,459 | - | - | 13,909,730 |
| Sewer system and underground lines | 70,215,676 | 3,547,016 | - | - | 73,762,692 |
| Intangible assets | 832,582 | 100,237 | - | - | 932,819 |
| Equipment | 1,426,923 | 492,988 | - | - | 1,919,911 |
| Parking meters | 909,002 | 195,434 | - | - | 1,104,436 |
| Total Accumulated Depreciation/Amortization | 146,821,440 | 9,993,930 | 607,227 | - | 156,208,143 |
| Total Capital Assets being Depreciated/Amortized, Net | 358,920,934 | 1,375,847 | 141,502 | - | 360,155,279 |
| Business-Type Activities Capital Assets, Net | \$ 366,557,958 | \$ 1,876,745 | \$ 1,799,907 | \$ - | \$ 366,634,796 |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 5. CAPITAL ASSETS - Continued

A. Capital Asset Activity - Continued

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

| | |
|---|----------------------|
| Governmental Activities: | |
| General management and support | \$ 415,040 |
| Public safety | 765,226 |
| Public works | 8,799,528 |
| Housing and economic development | 9,303 |
| Recreation and cultural opportunities | 754,701 |
| Internal service funds | <u>1,525,498</u> |
| Total Depreciation Expense - Governmental Activities | <u>\$ 12,269,296</u> |
| Business-Type Activities: | |
| Water | \$ 3,156,091 |
| Sewer | 3,851,711 |
| Solid waste | 69,847 |
| Motor vehicle parking | <u>2,916,281</u> |
| Total Depreciation Expense - Business-Type Activities | <u>\$ 9,993,930</u> |

B. Construction Commitments

The value of construction contracts signed, where the work has not yet been performed at December 31, 2021 is as follows:

| | |
|-----------------------------------|----------------------|
| Capital Improvement Fund | \$ 11,959,096 |
| Crown Capital Improvement Fund | 704,433 |
| Motor Fuel Tax Fund | 103,966 |
| Water Fund | 5,908,969 |
| Motor Vehicle Parking System Fund | 114,255 |
| West Evanston TIF | 24,700 |
| Special Assessment Fund | 36,796 |
| Chicago Main TIF | <u>25,341</u> |
| Total Construction Commitments | <u>\$ 18,877,556</u> |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 6. INTERFUNDS

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.

A. Interfund Accounts

At December 31, 2021, interfund receivables and payables consist of the following:

| Funds | Due From | Due To |
|--------------------------------------|---------------|---------------|
| General Fund | \$ 4,696,477 | \$ 121,908 |
| General Obligation Debt Service Fund | - | 3,833,488 |
| Water Fund | 7,432,688 | 11,031,508 |
| Sewer Fund | 3,540,561 | - |
| Solid Waste Fund | - | 288,048 |
| Motor Vehicle Parking System Fund | - | 2,733,027 |
| Nonmajor Governmental Funds | 4,432,094 | 460,893 |
| Fiduciary | 92,273 | - |
| Internal Service Funds | - | 1,725,221 |
| Total | \$ 20,194,093 | \$ 20,194,093 |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 6. INTERFUNDS - Continued

B. 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, (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.

At December 31, 2021, transfers in (out) consist of the following:

| Funds | Transfers In | Transfers Out |
|--|------------------|------------------|
| Governmental Funds | | |
| General Fund | | |
| Emergency Telephone System | \$ 90,000 | \$ - |
| Dempster Dodge TIF | 9,996 | - |
| Howard Ridge TIF | 75,000 | - |
| Chicago-Main TIF | 30,000 | - |
| Water | 4,049,568 | - |
| Sewer | 330,168 | - |
| Special Assessment | 92,004 | - |
| Motor Vehicle Parking System | 2,972,388 | - |
| Motor Fuel Tax | 1,044,984 | - |
| West Evanston TIF | 75,000 | - |
| Crown Community Center | - | 174,996 |
| Good Neighbor | 414,152 | - |
| Reparations | - | 275,000 |
| Total General Fund | <u>9,183,260</u> | <u>449,996</u> |
| General Obligation Debt Service Fund | | |
| Sewer | 265,212 | - |
| Special Assessment | 397,320 | - |
| Chicago-Main TIF | 232,851 | - |
| Dempster Dodge TIF | 158,928 | - |
| Howard Ridge TIF | 143,112 | - |
| Total General Obligation Debt Service Fund | <u>1,197,423</u> | <u>-</u> |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 6. INTERFUNDS - Continued

B. Interfund Transfers - Continued

| Funds | Transfers In | Transfers Out |
|--|-----------------|------------------|
| Nonmajor Governmental Funds | | |
| ARPA | | |
| Motor Vehicle Parking System | \$ - | \$ 950,000 |
| Water | - | 3,000,000 |
| Equipment Replacement | - | 850,000 |
| Total Crown Capital | - | 4,800,000 |
| Dempster Dodge TIF | | |
| General | - | 9,996 |
| General Obligation Debt Service | - | 158,928 |
| Total Dempster Dodge TIF | - | 168,924 |
| Howard Ridge TIF | | |
| General | - | 75,000 |
| General Obligation Debt Service | - | 143,112 |
| Total Howard Ridge TIF | - | 218,112 |
| Chicago-Main TIF | | |
| General | - | 30,000 |
| General Obligation Debt Service | - | 232,851 |
| Water | - | 1,065,125 |
| Total Chicago-Main TIF | - | 1,327,976 |
| West Evanston Tax Increment District | | |
| General | - | 75,000 |
| Sewer | - | 332,637 |
| Total West Evanston Tax Increment District | - | 407,637 |
| Special Assessment | | |
| General | - | 92,004 |
| General Obligation Debt Service | - | 397,320 |
| Total Special Assessment | - | 489,324 |
| Emergency Telephone System | | |
| General | - | 90,000 |
| Total Emergency Telephone System | - | 90,000 |
| Motor Fuel Tax | | |
| General | - | 1,044,984 |
| Total Motor Fuel Tax | - | 1,044,984 |
| Crown Maintenance | | |
| General | 174,996 | - |
| Total Crown Maintenance | 174,996 | - |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 6. INTERFUNDS - Continued

B. Interfund Transfers - Continued

| Funds | Transfers In | Transfers Out |
|---|--------------------------|--------------------------|
| Nonmajor Governmental Funds - Continued | | |
| Good Neighbor | | |
| General | \$ - | \$ 414,152 |
| Total Good Neighbor | <u>-</u> | <u>414,152</u> |
| Reparations | | |
| General | 275,000 | - |
| Total Reparations | <u>275,000</u> | <u>-</u> |
| Total Nonmajor Governmental Funds | <u>449,996</u> | <u>8,961,109</u> |
| Total Governmental Funds | <u>10,830,679</u> | <u>9,411,105</u> |
| Enterprise Funds | | |
| Water | | |
| General | - | 4,049,568 |
| Sewer | 181,174 | - |
| ARPA | 3,000,000 | - |
| Total Water | <u>3,181,174</u> | <u>4,049,568</u> |
| Sewer | | |
| General | - | 330,168 |
| General Obligation Debt Service Fund | - | 265,212 |
| West Evanston TIF | 332,637 | - |
| Water | - | 181,174 |
| Total Sewer | <u>332,637</u> | <u>776,554</u> |
| Motor Vehicle Parking System | | |
| General | - | 2,972,388 |
| ARPA | 950,000 | - |
| Total Motor Vehicle Parking System | <u>950,000</u> | <u>2,972,388</u> |
| Total Enterprise Funds | <u>4,463,811</u> | <u>7,798,510</u> |
| Internal Service Funds | | |
| Equipment Replacement | | |
| ARPA | 850,000 | - |
| Total Insurance | <u>850,000</u> | <u>-</u> |
| Total Internal Service Funds | <u>850,000</u> | <u>-</u> |
| Business-Type Activities | <u>1,065,125</u> | <u>-</u> |
| Total Primary Government | <u>17,209,615</u> | <u>17,209,615</u> |
| Total | <u>\$ 17,209,615</u> | <u>\$ 17,209,615</u> |

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

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements
For the Fiscal Year Ended December 31, 2021

NOTE 7. LONG-TERM DEBT

A. Changes in Long-Term Debt

| | Interest Rate | Final Maturity Date | Balance 12/31/2020 | Issued | Refunded | Payments | Balance 12/31/2021 | Due Within One Year |
|--|---------------|---------------------|-----------------------|----------------------|---------------------|----------------------|-----------------------|----------------------|
| G.O. Debt Governmental Activities | | | | | | | | |
| Series 2012A | 2.00%-3.25% | 12/1/2032 | \$ 4,675,000 | \$ - | \$ 3,975,000 | \$ 700,000 | \$ - | \$ - |
| Series 2013A | 2.00%-4.75% | 12/1/2033 | 7,705,000 | - | - | 520,000 | 7,185,000 | 545,000 |
| Series 2013B | 2.00%-3.00% | 12/1/2025 | 7,276,882 | - | - | 1,788,893 | 5,487,989 | 1,838,117 |
| Series 2014 | 1.25%-5.00% | 12/1/2034 | 7,150,000 | - | - | 415,000 | 6,735,000 | 430,000 |
| Series 2015A | 2.00%-4.00% | 12/1/2035 | 6,145,000 | - | - | 330,000 | 5,815,000 | 345,000 |
| Series 2015B | 2.00%-3.00% | 12/1/2022 | 3,475,000 | - | - | 1,750,000 | 1,725,000 | 1,725,000 |
| Series 2016A | 2.00%-4.00% | 12/1/2036 | 7,920,000 | - | - | 425,000 | 7,495,000 | 435,000 |
| Series 2016B | 2.00%-3.00% | 12/1/2026 | 4,825,000 | - | - | 745,000 | 4,080,000 | 770,000 |
| Series 2017A | 3.00%-4.00% | 12/1/2037 | 10,350,000 | - | - | 485,000 | 9,865,000 | 500,000 |
| Series 2017B | 4.00%-5.00% | 12/1/2027 | 5,865,772 | - | - | 776,893 | 5,088,879 | 795,281 |
| Series 2017C | 2.05%-4.00% | 12/1/2035 | 4,770,000 | - | - | 235,000 | 4,535,000 | 245,000 |
| Series 2018A | 3.12%-5.00% | 12/1/2043 | 24,385,000 | - | - | - | 24,385,000 | 570,000 |
| Series 2018B | 2.29%-5.00% | 12/1/2038 | 9,675,439 | - | - | - | 9,675,439 | 105,263 |
| Series 2018C | 4.00%-5.00% | 12/1/2038 | 5,686,539 | - | - | 917,988 | 4,768,551 | 589,838 |
| Series 2018D | 3.70%-4.25% | 12/1/2035 | 3,570,000 | - | - | - | 3,570,000 | 180,000 |
| Series 2019A | 1.72%-2.85% | 12/1/2043 | 12,750,000 | - | - | - | 12,750,000 | 330,000 |
| Series 2019B | 1.66%-2.68% | 12/1/2039 | 6,808,604 | - | - | 222,378 | 6,586,226 | 233,359 |
| Series 2020 | 2.00%-5.00% | 12/1/2040 | 16,853,881 | - | - | - | 16,853,881 | 100,000 |
| Series 2021 | 2.00%-5.00% | 12/1/2041 | - | 11,939,500 | - | - | 11,939,500 | 317,200 |
| Subtotal Governmental Activities | | | <u>149,887,117</u> | <u>11,939,500</u> | <u>3,975,000</u> | <u>9,311,152</u> | <u>148,540,465</u> | <u>10,054,058</u> |
| Bonds premium | | | 11,356,880 | 1,014,988 | - | 1,201,175 | 11,170,693 | - |
| OPEB liability - City | | | 20,877,864 | 1,428,833 | - | - | 22,306,697 | 762,545 |
| OPEB liability - Internal Service Funds | | | 137,112 | 5,254 | - | - | 142,366 | 4,898 |
| Net pension liability - Police Pension | | | 101,621,116 | - | - | 15,846,210 | 85,774,906 | - |
| Net pension liability - Firefighters' Pension | | | 90,789,910 | - | - | 6,943,283 | 83,846,627 | - |
| Compensated absences payable - City | | | 11,005,956 | 1,874,286 | - | 2,201,191 | 10,679,051 | 65,382 |
| Compensated absences payable - Internal Service Funds | | | 143,120 | 1,154 | - | 28,624 | 115,650 | 23,130 |
| Claims payable | | | 8,254,500 | 807,630 | - | 1,559,530 | 7,502,600 | 1,424,750 |
| Subtotal Other Governmental Activities Liabilities | | | <u>244,186,458</u> | <u>5,132,145</u> | <u>-</u> | <u>27,780,013</u> | <u>221,538,590</u> | <u>2,280,705</u> |
| Total Governmental Activities Debt and Liabilities | | | <u>\$ 394,073,575</u> | <u>\$ 17,071,645</u> | <u>\$ 3,975,000</u> | <u>\$ 37,091,165</u> | <u>\$ 370,079,055</u> | <u>\$ 12,334,763</u> |
| G.O. Debt Business-Type Activities | | | | | | | | |
| Series 2012A | 2.00%-3.25% | 12/1/2032 | \$ 2,990,000 | \$ - | \$ 2,780,000 | 210,000 | \$ - | \$ - |
| Series 2013A - Water | 2.00%-4.75% | 12/1/2033 | 1,465,000 | - | - | 90,000 | 1,375,000 | 90,000 |
| Series 2014 | 1.25%-5.00% | 12/1/2034 | 2,115,000 | - | - | 115,000 | 2,000,000 | 120,000 |
| Series 2015A | 2.00%-4.00% | 12/1/2035 | 4,485,000 | - | - | 230,000 | 4,255,000 | 235,000 |
| Series 2016A | 2.00%-4.00% | 12/1/2036 | 3,070,000 | - | - | 150,000 | 2,920,000 | 155,000 |
| Series 2017A | 3.00%-4.00% | 12/1/2037 | 865,000 | - | - | 40,000 | 825,000 | 45,000 |
| Series 2018B | 2.29%-5.00% | 12/1/2038 | 4,837,719 | - | - | - | 4,837,719 | 52,632 |
| Series 2018C | 4.00%-5.00% | 12/1/2038 | 1,158,461 | - | - | 187,012 | 971,449 | 120,162 |
| Series 2019B | 1.66%-2.68% | 12/1/2039 | 3,811,654 | - | - | 124,494 | 3,687,160 | 130,642 |
| Series 2020 | 2.00%-5.00% | 12/1/2040 | 11,106,119 | - | - | - | 11,106,119 | 140,000 |
| Series 2021 | 2.00%-5.00% | 12/1/2041 | - | 2,480,500 | - | - | 2,480,500 | 32,800 |
| Subtotal Business-Type Activities | | | <u>35,903,953</u> | <u>2,480,500</u> | <u>2,780,000</u> | <u>1,146,506</u> | <u>34,457,947</u> | <u>1,121,236</u> |
| IEPA loans | 2.535%-3.59% | Various | 43,407,478 | 2,172,061 | - | 5,307,308 | 40,272,231 | 4,179,104 |
| Bonds premium | | | 2,730,673 | 323,230 | - | 313,960 | 2,739,943 | - |
| Compensated absences payable - City | | | 1,000,620 | 181,856 | - | 200,124 | 982,352 | 196,471 |
| Asset retirement obligations | | | 5,081,625 | - | - | - | 5,081,625 | - |
| OPEB liability | | | 1,140,098 | 62,250 | - | - | 1,202,348 | 46,243 |
| Subtotal Other Business-Type Activities Liabilities | | | <u>9,953,016</u> | <u>567,336</u> | <u>-</u> | <u>514,084</u> | <u>10,006,268</u> | <u>242,714</u> |
| Total Business-Type Activities Debt and Liabilities | | | <u>\$ 89,264,447</u> | <u>\$ 5,219,897</u> | <u>\$ 2,780,000</u> | <u>\$ 6,967,898</u> | <u>\$ 84,736,446</u> | <u>\$ 5,543,054</u> |
| Total Governmental and Business-Type Activities Debt and Liabilities | | | <u>\$ 483,338,022</u> | <u>\$ 22,291,542</u> | <u>\$ 6,755,000</u> | <u>\$ 44,059,063</u> | <u>\$ 454,815,501</u> | <u>\$ 17,877,817</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.

At December 31, 2021, the City reported an IMRF net pension asset of \$20,626,546 in Governmental Activities and \$5,519,524 in Business-Type Activities.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 7. LONG-TERM DEBT - Continued

A. Changes in Long-Term Debt - Continued

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 principal totaling \$111,337,936 in IEPA loans issued in 1994 through 2021. 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 2040. Annual principal and interest on the loans are expected to require \$4,942,895 of net revenues for the fiscal year 2022. The total principal and interest remaining to be paid on the loans is \$45,544,504. Principal and interest paid for the current period and total customer net revenues were \$6,186,195 and \$12,002,801, respectively.

IEPA loans payable consist of the following:

| <u>Date of Issue</u> | <u>Final Maturity</u> | <u>Interest Rates</u> | <u>Original Indebtedness</u> | <u>Balance</u> |
|---|---------------------------|---------------------------|----------------------------------|----------------------|
| Various | Various | Various | \$ 111,337,936 | <u>\$ 40,272,231</u> |
| Total Business-Type Activities - IEPA Loan Debt | | | | <u>\$ 40,272,231</u> |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 7. LONG-TERM DEBT - Continued

B. General Obligation Bonds Payable

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both governmental and business-type activities.

General obligation bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued as 20-year serial bonds with equal amounts of principal maturing each year.

On September 14, 2021, the City issued Series 2021 General Obligation Bonds for a total of \$14,420,000 with interest rates ranging from 2.00%-5.00%. The bonds were issued to provide financing for certain capital improvements (\$8,370,000) and to refund certain outstanding bonds (\$6,050,000).

As described above, \$12,225,000 of the City's 2021 General Obligation bonds issued were to advance refund \$6,050,000 of the outstanding General Obligation Bonds Series 2012A (call date December 1, 2021). As a result of the refunding, the City realized a cash flow savings of \$666,466 and economic gain of approximately \$757,135.

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

| Year Ending December 31, | Governmental Activities | | Business-Type Activities | |
|-----------------------------|-------------------------|----------------------|--------------------------|----------------------|
| | Principal | Interest | Principal | Interest |
| 2022 | \$ 10,054,058 | \$ 5,449,235 | \$ 1,121,236 | \$ 1,235,215 |
| 2023 | 9,971,563 | 5,225,660 | 1,712,707 | 1,162,184 |
| 2024 | 9,873,921 | 4,836,112 | 1,937,687 | 1,091,779 |
| 2025 | 10,226,121 | 4,437,788 | 2,013,796 | 1,011,868 |
| 2026 | 9,487,199 | 4,020,490 | 1,951,405 | 925,817 |
| 2027-2031 | 40,225,900 | 14,802,391 | 10,766,339 | 3,400,664 |
| 2032-2036 | 33,128,276 | 8,056,667 | 9,518,911 | 1,582,075 |
| 2037-2041 | 20,588,427 | 3,096,454 | 5,435,866 | 320,359 |
| 2042-2044 | 4,985,000 | 328,400 | - | - |
| Total | \$ 148,540,465 | \$ 50,253,197 | \$ 34,457,947 | \$ 10,729,961 |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 7. LONG-TERM DEBT - Continued

C. Notes Payable - IEPA Loans

As of December 31, 2021, the City currently has 19 outstanding loans from the IEPA. The City will repay the loans solely from revenues derived from the sewer and water system; the loans do not constitute a full faith and credit obligation of the City. They will be repaid with equal installments consisting of principal plus simple interest, on unpaid principal balances, over a period of 20 years. Initial principal balances will consist of disbursements and interest accrued during construction. Repayments begin not later than six months after completion of construction.

Notes payable - IEPA debt service requirements to maturity are as follows:

| For the Fiscal Year Ending | Business-Type Activities | |
|-------------------------------|--------------------------|---------------------|
| | Principal | Interest |
| 2022 | \$ 4,179,103 | \$ 803,871 |
| 2023 | 4,275,753 | 707,221 |
| 2024 | 4,042,946 | 610,460 |
| 2025 | 3,251,171 | 521,838 |
| 2026 | 3,027,193 | 453,868 |
| 2027-2031 | 9,143,830 | 1,569,626 |
| 2032-2036 | 7,339,611 | 816,627 |
| 2037-2041 | <u>5,012,624</u> | <u>206,171</u> |
| Total | <u>\$ 40,272,231</u> | <u>\$ 5,689,682</u> |

D. Postemployment Benefits other than Pensions (Defined Benefit Plan)

The City and the Library administer 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.

The City's and the Library's group health insurance plan provides coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. This results in an other postemployment benefit (OPEB) for the retirees, commonly referred to as an implicit rate subsidy. The group health insurance plan does not issue a publicly available financial report.

Contribution requirements are established through Illinois State laws. The City and the Library implicitly contributes 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, 2021, the City and Library's estimated contribution to the plan is \$827,885. The City's and the Library's annual other postemployment benefit (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.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 7. LONG-TERM DEBT - Continued

D. Postemployment Benefits other than Pensions (Defined Benefit Plan) - Continued

Membership

At December 31, 2021, membership consisted of:

| | |
|--|-----------------------|
| Retirees and beneficiaries current receiving benefits | 71 |
| Terminated employees entitled to benefits but not yet receiving them | 10 |
| Active employees | <u>682</u> |
| Total | <u><u>763</u></u> |

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined by an actuarial valuation performed as of December 31, 2021 using the following actuarial methods and assumptions.

| | |
|-----------------------------|---|
| Actuarial valuation date | December 31, 2021 |
| Measurement date | December 31, 2021 |
| Actuarial cost method | Entry-age normal |
| Inflation | 3.50% |
| Discount rate | 1.84% |
| Healthcare cost trend rates | 7.00% in Fiscal 2021, to an ultimate trend rate of 4.50% |
| Asset valuation method | N/A |
| Mortality rates | RP - 2014 Blue Collar base rates for Police and Fire, RP-2014 base rates for all other employees, projected to 2020 using scale MP2020. |

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, 2021.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 7. LONG-TERM DEBT - Continued

D. Postemployment Benefits other than Pensions (Defined Benefit Plan) - Continued

Changes in the Total OPEB Liability

| | Total OPEB Liability | |
|--|----------------------|---------------|
| | City | Library |
| Balances at January 1, 2021 | \$ 22,155,075 | \$ 379,444 |
| Changes for the period | | |
| Service cost | 1,518,472 | 25,946 |
| Interest | 434,979 | 7,433 |
| Changes in benefits | - | - |
| Differences between expected and actual experience | - | - |
| Changes in assumptions | 356,862 | 13,819 |
| Implicit benefit payments | (813,977) | (13,908) |
| Other changes | - | - |
| Net changes | <u>1,496,336</u> | <u>33,290</u> |
| Balances at December 31, 2021 | \$ 23,651,411 | \$ 412,734 |

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

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 1.84% 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 1 percentage point lower (0.84%) or 1 percentage point higher (2.84%) than the current rate:

| | 1% Decrease (0.84%) | Current Discount Rate (1.84%) | 1% Increase (2.84%) |
|----------------------|------------------------|-------------------------------------|------------------------|
| City | \$ 26,171,383 | \$ 23,651,411 | \$ 21,455,946 |
| Library | <u>448,230</u> | <u>412,734</u> | <u>367,470</u> |
| Total OPEB Liability | <u>\$ 26,619,613</u> | <u>\$ 24,064,145</u> | <u>\$ 21,823,416</u> |

The table below presents the total OPEB liability of the City and Library calculated using the healthcare rate of 7.5% decreasing to 4.5% as well as what the City's and Library's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (6.5% decreasing to 3.5%) or 1 percentage point higher (8.5% decreasing to 5.5%) than the current rate:

| | 1% Decrease (6.5% to 3.5%) | Current Discount Rate (7.5% to 4.5%) | 1% Increase (8.5% to 5.5%) |
|----------------------|-------------------------------|--|-------------------------------|
| City | \$ 20,641,273 | \$ 23,651,411 | \$ 27,302,847 |
| Library | <u>353,518</u> | <u>412,734</u> | <u>467,608</u> |
| Total OPEB Liability | <u>\$ 20,994,791</u> | <u>\$ 24,064,145</u> | <u>\$ 27,770,455</u> |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 7. LONG-TERM DEBT - Continued

D. Postemployment Benefits other than Pensions (Defined Benefit Plan) - Continued

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

For the year ended December 31, 2021, the City recognized OPEB expense of \$2,127,436. At December 31, 2021, the City reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ - | \$ 2,341,073 |
| Changes in assumption | 4,480,052 | 823,189 |
| Total | <u>\$ 4,480,052</u> | <u>\$ 3,164,262</u> |

The deferred outflows and deferred inflows of resources presented in the table above include amounts for the City. The Library's proportionate share of the deferred outflows and deferred inflows of resources at December 31, 2021 was \$75,437 and \$53,281 respectively.

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

| | Year Ending December 31, |
|------------|-----------------------------|
| 2022 | \$ 138,238 |
| 2023 | 138,238 |
| 2024 | 138,238 |
| 2025 | 138,238 |
| 2026 | 138,238 |
| Thereafter | <u>624,600</u> |
| Total | <u>\$ 1,315,790</u> |

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 remaining useful lives of the intake pipelines are 53 years.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 8. FUND EQUITY

A. Restricted Net Position - Fiduciary Funds

| | |
|--|---------------------------|
| Fiduciary Funds | |
| Firefighters' Pension Fund restriction for employee pension benefits | \$ 114,592,514 |
| Police Pension Fund restriction for employee pension benefits | <u>182,575,170</u> |
| Total Fiduciary Funds | <u>\$ 297,167,684</u> |

B. Assigned Fund Balances

The following are the assigned fund balances:

| | |
|--|--------------------------|
| General Fund | |
| Assigned for Arts Council | \$ 3,948 |
| Assigned for parkway trees | 60,722 |
| Assigned for Butterfield sculpture | 30,880 |
| Assigned for Noyes Center | 312,170 |
| Assigned for recreation group activities | 207,123 |
| Assigned for parks and recreation | 450,505 |
| Assigned for Mayor's programs | 93,679 |
| Other assignments | <u>648,233</u> |
| Total General Fund | <u>1,807,260</u> |
| Nonmajor Governmental Funds | |
| Assigned for capital improvements | 10,776,662 |
| Assigned for special assessment capital projects | <u>2,133,596</u> |
| Total Nonmajor Governmental Funds | <u>12,910,258</u> |
| Total Assigned Fund Balances | <u>\$ 14,717,518</u> |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 9. INDIVIDUAL FUND ACTIVITIES

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; tax increment revenues in the Howard Hartrey Tax Increment District; 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 October 31, 2017.

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.

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 MGNWC's customers.

The City also provides potable Lake Michigan water to the Village of Lincolnwood (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 \$1.26 per 1000 gallons as agreed upon during 2021.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 9. INDIVIDUAL FUND ACTIVITIES - Continued

C. 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 2021 was \$159,444 which includes an estimated allowance amount of \$4,644.

D. 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 2021 was \$62,006 which includes an estimated allowance amount of \$1,806.

E. 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 2021 was \$610,995 which includes an estimated allowance amount of \$18,330.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 10. RISK MANAGEMENT - CLAIMS AND JUDGMENTS

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.

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.

The changes in the balances of claims liabilities during the past two fiscal periods are as follows:

| | <u>Workers'</u> <u>Compensation</u> | <u>General</u> <u>Liability</u> | <u>Total</u> |
|--------------------------------------|--|------------------------------------|---------------------|
| December 31, 2019 | 2,617,550 | 4,809,000 | 7,426,550 |
| New claims and/or estimate revisions | (164,669) | 1,700,000 | 1,535,331 |
| Claims payments | (570,381) | (137,000) | (707,381) |
| December 31, 2020 | 1,882,500 | 6,372,000 | 8,254,500 |
| New claims and/or estimate revisions | 782,630 | 25,000 | 807,630 |
| Claims payments | (572,530) | (987,000) | (1,559,530) |
| December 31, 2021 | <u>\$ 2,092,600</u> | <u>\$ 5,410,000</u> | <u>\$ 7,502,600</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) 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.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 11. 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.

NOTE 12. JOINT VENTURES

A. 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 (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.

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.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS

The City contributes to three 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 City had an aggregate net pension asset of \$26,146,070, aggregate net pension liability of \$169,621,533, aggregate deferred outflows of resources of \$22,442,851, aggregate deferred inflows of resources of \$61,482,352 and aggregate pension expense of \$8,607,037 at December 31, 2021.

A. Plan Descriptions

Illinois Municipal Retirement Fund

The City contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois (other than those covered by the Police or Firefighters' Pension Plan). 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 supplementary information for the plan as a whole, but not by individual employer. That report may be obtained by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Plan Administration

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

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

Plan Membership

At December 31, 2020, IMRF membership consisted of:

| | |
|---|-------------|
| Inactive employees or their beneficiaries | |
| currently receiving benefits | 704 |
| Inactive employees entitled to but not | |
| yet receiving benefits | 395 |
| Active employees | 505 |
| | <hr/> |
| Total | 1,604 |
| | <hr/> <hr/> |

The IMRF data included in the table above includes membership of both the City and the Library.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS - Continued

A. Plan Descriptions - Continued

Illinois Municipal Retirement Fund - Continued

Benefits Provided

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

Contributions

Employees participating in IMRF are required to contribute 4.50% of their annual covered salary to IMRF. The member rate is established by state statute. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year ended December 31, 2021 was 8.1% of covered payroll.

Actuarial Assumptions

The City's net pension liability was measured as of December 31, 2020 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, 2020 |
| Actuarial cost method | Entry-age normal |
| Assumptions | |
| Inflation | 2.50% |
| Salary increases | 3.35% to 14.25% |
| Interest rate | 7.25% |
| Cost of living adjustments | 3.25% |
| Asset valuation method | Fair value |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS - Continued

A. Plan Descriptions - Continued

Illinois Municipal Retirement Fund - Continued

Actuarial Assumptions - Continued

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Healthy Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustments that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

There were no changes in assumptions made since the prior measurement date.

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 City's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS - Continued

A. Plan Descriptions - Continued

Illinois Municipal Retirement Fund - Continued

Changes in Net Pension Liability

| | (a) Total Pension Liability | (b) Plan Fiduciary Net Position | (a) - (b) Net Pension Liability (Asset) |
|---|-----------------------------------|---------------------------------------|---|
| Balances at | | | |
| January 1, 2020 | \$ 258,150,479 | \$ 261,570,579 | \$ (3,420,100) |
| Changes for the period | | | |
| Service cost | 3,850,771 | - | 3,850,771 |
| Interest | 18,314,051 | - | 18,314,051 |
| Difference between expected and actual experience | (2,056,346) | - | (2,056,346) |
| Changes in assumptions | (1,993,968) | - | (1,993,968) |
| Employer contributions | - | 3,235,547 | (3,235,547) |
| Employee contributions | - | 1,684,700 | (1,684,700) |
| Net investment income | - | 37,552,547 | (37,552,547) |
| Benefit payments and refunds | (14,936,529) | (14,936,529) | - |
| Administrative expense | - | - | - |
| Other (net transfer) | - | 1,390,447 | (1,390,447) |
| Net changes | 3,177,979 | 28,926,712 | (25,748,733) |
| Balances at | | | |
| December 31, 2020 | <u>\$ 261,328,458</u> | <u>\$ 290,497,291</u> | <u>\$ (29,168,833)</u> |

The table presented above includes amounts for both the City and the Library. The City's proportionate share of the net pension liability at January 1, 2020, the employer contributions, and the net pension liability (asset) at December 31, 2021 was \$(3,062,601), \$2,989,630, and \$(26,146,070), respectively. The Library's proportionate share of the net pension liability at January 1, 2020, the employer contributions and the net pension liability (asset) at December 31, 2021 was \$(357,499), \$332,181, and \$(3,022,763), respectively.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. 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, 2021, the City recognized pension expense of \$(3,773,393). At December 31, 2021, the City and the Library reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

| City | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| | <u> </u> | <u> </u> |
| Difference between expected and actual experience | \$ 476,142 | \$ 1,379,185 |
| Changes in assumption | 1,045,013 | 1,272,548 |
| Net difference between projected and actual earnings on pension plan investments | - | 20,793,329 |
| Employer contributions after the measurement date | <u>2,977,572</u> | <u>-</u> |
| Total | <u>\$ 4,498,727</u> | <u>\$ 23,445,062</u> |
| | | |
| Library | Deferred Outflows of Resources | Deferred Inflows of Resources |
| | <u> </u> | <u> </u> |
| Difference between expected and actual experience | \$ 55,047 | \$ 159,448 |
| Changes in assumption | 120,815 | 147,120 |
| Net difference between projected and actual earnings on pension plan investments | - | 2,403,930 |
| Employer contributions after the measurement date | <u>344,239</u> | <u>-</u> |
| Total | <u>\$ 520,101</u> | <u>\$ 2,710,498</u> |
| | | |
| Total | Deferred Outflows of Resources | Deferred Inflows of Resources |
| | <u> </u> | <u> </u> |
| Difference between expected and actual experience | \$ 531,189 | \$ 1,538,633 |
| Changes in assumption | 1,165,828 | 1,419,668 |
| Net difference between projected and actual earnings on pension plan investments | - | 23,197,259 |
| Employer contributions after the measurement date | <u>3,321,811</u> | <u>-</u> |
| Total | <u>\$ 5,018,828</u> | <u>\$ 26,155,560</u> |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS - Continued

A. Plan Descriptions - Continued

Illinois Municipal Retirement Fund - Continued

\$3,321,811 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting year ending December 31, 2022. 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 |
|-----------------------------|------------------------|-----------------------|-----------------|
| 2022 | \$ (6,239,300) | \$ (721,329) | \$ (6,960,629) |
| 2023 | (3,534,386) | (408,612) | (3,942,998) |
| 2024 | (8,761,696) | (1,012,945) | (9,774,641) |
| 2025 | (3,388,525) | (391,750) | (3,780,275) |
| Thereafter | - | - | - |
| Total | <u>\$ (21,923,907)</u> | <u>\$ (2,534,636)</u> | \$ (24,458,543) |

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 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

| | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|---------|------------------------|-------------------------------------|------------------------|
| City | \$ (487,281) | \$ (26,146,070) | \$ (46,364,954) |
| Library | (56,335) | (3,022,763) | (5,360,280) |
| Total | <u>\$ (543,616)</u> | <u>\$ (29,168,833)</u> | <u>\$ (51,725,234)</u> |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS - Continued

A. Plan Descriptions - Continued

Police and Firefighters' Pension Plans

Plan Administration

The Police Pension Plan and Firefighters' Pension Plan are contributory, single employer defined benefit public employee retirement plans administered by the City and a Board of Trustees for each fund. All sworn city police officers and firefighters are participants in the plans. The plans do not issue stand-alone financial reports and they are not included in the report of a public employee retirement system or another entity. The City accounts for the Police Pension and Firefighters' Pension Plans as pension trust funds.

The plans are governed by a five-member pension board. Two members appointed by the City's Council, one elected retired pension member, and two elected active members constitute the pension boards.

The Police and Firefighters' Pension Plans are 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 on an expense and liability when due and payable.

For employer contributions, the City's budget policy is to fund pension plans at the funding level recommended annually by the actuary. The General Fund is used to liquidate the net pension liability.

Plan Membership

At January 1, 2021, plan membership consisted of:

| | <u>Police Pension</u> | <u>Firefighters' Pension</u> |
|--|-----------------------|----------------------------------|
| Inactive plan members or beneficiaries | | |
| currently receiving benefits | 192 | 149 |
| Inactive plan members entitled to | | |
| but not yet receiving benefits | 18 | 2 |
| Active plan members | <u>146</u> | <u>95</u> |
| Total | <u><u>356</u></u> | <u><u>246</u></u> |

Benefits Provided

As provided for in the Illinois Compiled Statutes, the Police and Firefighters' Pension Funds provide retirement benefits as well as death and disability benefits to employees grouped into two tiers. Tier 1 is for employees hired prior to January 1, 2011 and Tier 2 is for employees hired after that date. The following is a summary of the Police and Firefighters' Pension Funds as provided for in Illinois Compiled Statutes.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS – Continued

A. Plan Descriptions - Continued

Police and Firefighters' Pension Plans - Continued

Benefits Provided - Continued

Police Pension Plan

Tier 1 - Covered employees hired prior to January 1, 2011 attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one half of the salary attached to the rank on the last day of service, or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.5% 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 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension 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 paid upon reaching at least age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees 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 obtained 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 \$106,800, 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 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 preceding calendar year.

Firefighters' Pension Plan

Tier 1 - Covered employees hired prior to January 1, 2011 attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive a monthly retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one-twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension benefit of a firefighter 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 paid upon reaching at least the age 55, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 - Covered employees 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 (1) the average monthly salary obtained by dividing the total salary of the firefighter 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 (2) the average monthly salary obtained 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 \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded annually. 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 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 preceding calendar year.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS - Continued

A. Plan Descriptions - Continued

Police and Firefighters' Pension Plans - Continued

Contributions

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plans as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded by the year 2040. For the year ended December 31, 2021, the City's contribution was 74.82% of covered payroll.

Participants contribute a fixed percentage of their base salary to the Firefighters' Pension Plan. At December 31, 2021, the contribution percentage was 9.455%. If a participant leaves covered with less than 20 years of service, accumulated participant contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded by the year 2040. For the year ended December 31, 2021, the City's contribution was 87.82% of covered payroll.

Investment Policy

Police Pension Fund

Permitted Deposits and Investments - Statutes and the Police Pension Fund's (the Fund) investment policy authorize the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, The Illinois Funds, IMET, certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, and Illinois insurance company general and separate accounts, mutual funds and equity securities (not to exceed 65% of the total net position of the Fund), contracts and agreements of life insurance companies (no more than 10% of portfolio in real estate and no more than 10% of portfolio in bonds with ratings of less than Baa1), and corporate bonds. During the year, no changes to the investment policy were approved by the Board of Trustees.

The Fund's investment policy allows investments in all of the above listed accounts, but does exclude any repurchase agreements. The Fund's investment policy, in accordance with Illinois Statutes, establishes the following target allocation across asset classes:

| <u>Police Pension Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|-----------------------------------|--------------------------|---|
| Domestic Large-Cap Equities | 52.00% | 1.80% |
| Domestic Small-Cap Equities | 5.00% | 2.10% |
| International Equities | 5.00% | 4.20% |
| Fixed Income | 32.00% | 0.30% |
| REITS | 3.00% | 3.40% |
| Cash | <u>3.00%</u> | -1.00% |
| Total | <u>100.00%</u> | |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS - Continued

A. Plan Descriptions - Continued

Police and Firefighters' Pension Plans - Continued

Investment Policy - Continued

Police Pension Fund - Continued

The long-term expected rate of return on the Fund's 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 expenses, 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 by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2021 are listed in the table above.

Firefighters' Pension Fund

The Firefighters' Pension Fund (the Fund) allows funds to be invested in any type of security authorized by the Illinois Pension Code. During the year, no changes to the investment policy were approved by the Board of Trustees. The Fund's investment policy, in accordance with Illinois Statutes, establishes the following target allocation across asset classes:

| <u>Firefighters' Pension Asset Class</u> | <u>Target Allocation</u> | <u>Long-Term Expected Real Rate of Return</u> |
|--|--------------------------|---|
| U.S. Large Cap | 41.15% | 6.95% |
| U.S. Mid Cap | 9.15% | 7.45% |
| U.S. Small Cap | 5.10% | 7.35% |
| Emerging & Frontier Market Equities | 6.75% | 6.05% |
| Fixed Income and Preferred | 30.40% | 1.75% |
| Alternatives | <u>7.45%</u> | 4.45% |
| Total | <u>100.00%</u> | |

The long-term expected rate of return on the Fund's 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 expenses, 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 by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2021 are listed in the table above.

Investment Valuations

All investments in the Police and Firefighters' Pension Plans are stated at fair value and are recorded as of the trade date. Fair value is based on quoted market prices at December 31 for debt securities, equity securities and mutual funds, and contract values for any insurance contracts. Investment income is recognized as earned. Gains and losses on sales and exchanges of fixed income securities are recognized on the transaction date.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS - Continued

A. Plan Descriptions - Continued

Police and Firefighters' Pension Plans - Continued

Investment Rate of Return

For the year ended December 31, 2021, the Police Pension Plan annual money-weighted rate of return on pension plan investment, net of pension plan investment expense, was 16.65%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

For the year ended December 31, 2021, the Firefighters' Pension Plan annual money weighted rate of return on pension plan investment, net of pension plan investment expense, was 13.91%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Funds' deposits may not be returned to them. The Funds' 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 Funds' deposits with financial institutions.

Interest Rate Risk

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of December 31, 2021:

| Police Pension Investment Type | Fair Value | Investment Maturities (In Years) | | | |
|-----------------------------------|----------------------|----------------------------------|---------------------|----------------------|-----------------------|
| | | Less Than 1 Year | 1 - 5 Years | 6 - 10 Years | Greater than 10 Years |
| Corporate bonds | \$ 16,590,230 | \$ 1,187,813 | \$ 4,563,610 | \$ 7,189,861 | \$ 3,648,946 |
| U.S. Treasuries | 21,708,743 | 7,473,586 | 3,730,137 | 4,424,436 | 6,080,584 |
| Federal Home Loan Mortgage Corp | 696,685 | 82 | 15,163 | 334 | 681,106 |
| Fannie Mae | 6,316,688 | - | 268,271 | 97,906 | 5,950,511 |
| Ginnie Mae | 58,752 | - | 4,965 | 7,179 | 46,608 |
| Other U.S. Government Agencies | 15,500 | - | - | 15,500 | - |
| Total Police Investments | \$ 45,386,598 | \$ 8,661,481 | \$ 8,582,146 | \$ 11,735,216 | \$ 16,407,755 |

The following table presents the investments and maturities of the Firefighters' Pension Fund's debt securities as of December 31, 2021:

| Firefighters' Pension Investment Type | Fair Value | Investment Maturities (In Years) | | | |
|--|----------------------|----------------------------------|----------------------|---------------------|-----------------------|
| | | Less Than 1 Year | 1 - 5 Years | 6 - 10 Years | Greater than 10 Years |
| Corporate bonds | \$ 9,496,498 | \$ 1,183,993 | \$ 5,659,297 | \$ 2,653,208 | \$ - |
| U.S. Treasuries | 8,280,988 | 2,142,291 | 2,092,074 | 4,046,623 | - |
| Federal Home Loan Bank | 619,167 | - | 358,609 | 260,558 | - |
| Federal Home Loan Mortgage Corp | 3,047,369 | 230,016 | 2,039,904 | 188,222 | 589,227 |
| Fannie Mae | 731,574 | 126,155 | 599,794 | - | 5,625 |
| Total Firefighters' Investments | \$ 22,175,596 | \$ 3,682,455 | \$ 10,749,678 | \$ 7,148,611 | \$ 594,852 |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS - Continued

A. Plan Descriptions - Continued

Police and Firefighters' Pension Plans - Continued

Interest Rate Risk - Continued

In accordance with its investment policies, the Funds limit exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds not needed within a one-year period. The investment policies do not limit the maximum maturity length of investments in the Funds.

The Police and Firefighters' Pension Funds categorize the fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The City's Police Pension Fund has the following recurring fair value measurements as of December 31, 2021. The U.S. Treasury Obligations, Domestic and International Equity securities, and mutual funds are valued using quoted market prices (Level 1 inputs). Corporate bonds and U.S. agency obligations, and real estate pools are valued using matrix pricing models (Level 2 inputs).

The City's Firefighters' Pension Fund has the following recurring fair value measurements as of December 31, 2021. The U.S. Treasury Obligations, equity index funds, and mutual funds are valued using quoted market prices (Level 1 inputs). Corporate bonds and U.S. agency obligations are valued using matrix pricing models (Level 2 inputs).

Credit Risk

The Funds' limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government bonds and investment grade bonds. The U.S. Treasury and agency obligations are rated by Moody's Aaa and the corporate bonds are rated between Baa3 and Aaa. The Illinois Funds is rated Aaa by Standard and Poor's.

Custodial Credit Risk - Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Funds' will not be able to recover the value of their investments that are in possession of an outside party. To limit its exposure, the Funds' investment policies require all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Funds' agent separate from where the investment was purchased in the Funds' name. The Illinois Funds and IMET are not subject to custodial credit risk.

Concentration of Credit Risk - Illinois Compiled Statutes (ILCS) limits the Funds' investments in equities, mutual funds, and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

The Police Pension Trust Fund had no significant investments (other than U.S. Treasuries) in any one organization that represented 5% or more of the fund's fiduciary net position.

The Firefighters' Pension Trust Fund had no significant investments (other than U.S. Treasuries) in any one organization that represented 5% or more of the fund's fiduciary net position.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS - Continued

A. Plan Descriptions - Continued

Police and Firefighters' Pension Plans - Continued

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed using the following actuarial methods and assumptions.

| | <u>Police Pension</u> | <u>Firefighters' Pension</u> |
|--|-----------------------|------------------------------|
| Actuarial valuation date | December 31, 2021 | December 31, 2021 |
| Actuarial cost method | Entry-age normal | Entry-age normal |
| Asset valuation method | Market value | Market value |
| Actuarial assumptions: | | |
| Projected salary increases graded by age | From 7.36% to 3.62% | From 7.36% to 3.62% |
| Inflation | 2.50% | 2.50% |
| Interest rate | 6.50% | 6.50% |
| Cost-of-living adjustments | From 3.00% to 1.25% | From 3.00% to 1.25% |

Mortality rates were based on PubS.H-2010 Employee mortality, projected five years past the valuation date with Scale MP-2019.

Discount Rate

The discount rate used to measure the total police 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 contribution will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Police Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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 90% of the past service cost on the level dollar method by 2040.

The discount rate used to measure the total firefighters' 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 contribution will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Firefighters' Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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 90% of the past service cost on the level dollar method by 2040.

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS - Continued

A. Plan Descriptions - Continued

Police and Firefighters' Pension Plans - Continued

Discount Rate (Continued)

| | <u>1% Decrease</u> | <u>Current Discount Rate</u> | <u>1% Increase</u> |
|------------------------------------|-----------------------|----------------------------------|-----------------------|
| Police Pension Fund: | | | |
| Discount rate | 5.50% | 6.50% | 7.50% |
| Net pension liability | \$ 122,198,879 | \$ 85,774,906 | \$ 55,849,511 |
| Firefighters' Pension Fund: | | | |
| Discount rate | 5.50% | 6.50% | 7.50% |
| Net pension liability | \$ 110,003,124 | \$ 83,846,627 | \$ 62,307,887 |
| Total Net Pension Liability | <u>\$ 232,202,003</u> | <u>\$ 169,621,533</u> | <u>\$ 118,157,398</u> |

Changes in the Net Pension Liability

Police Pension Fund

| | <u>(a) Total Pension Liability</u> | <u>(b) Plan Fiduciary Net Position</u> | <u>(a) - (b) Net Pension Liability</u> |
|--|--|--|--|
| Balances at January 1, 2021 | \$ 259,757,553 | \$ 158,136,437 | \$ 101,621,116 |
| Changes for the period | | | |
| Service cost | 3,842,941 | - | 3,842,941 |
| Interest | 16,648,988 | - | 16,648,988 |
| Difference between expected and actual experience | 3,025,037 | - | 3,025,037 |
| Employer contributions | - | 11,501,791 | (11,501,791) |
| Employee contributions | - | 1,523,341 | (1,523,341) |
| Net investment income | - | 26,382,486 | (26,382,486) |
| Benefit payments and refunds | (14,924,443) | (14,924,443) | - |
| Administrative expense | - | (44,442) | 44,442 |
| Net changes | <u>8,592,523</u> | <u>24,438,733</u> | <u>(15,846,210)</u> |
| Balances at December 31, 2021 | <u>\$ 268,350,076</u> | <u>\$ 182,575,170</u> | <u>\$ 85,774,906</u> |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS - Continued

A. Plan Descriptions - Continued

Police and Firefighters' Pension Plans - Continued

Changes in the Net Pension Liability - Continued

Firefighters' Pension Fund

| | (a) Total Pension Liability | (b) Plan Fiduciary Net Position | (a) - (b) Net Pension Liability |
|---|-----------------------------------|---------------------------------------|---------------------------------------|
| Balances at January 1, 2021 | \$ 191,824,023 | \$ 101,034,113 | \$ 90,789,910 |
| Changes for the period | | | |
| Service cost | 2,739,481 | - | 2,739,481 |
| Interest | 12,303,886 | - | 12,303,886 |
| Difference between expected and actual experience | 2,117,644 | - | 2,117,644 |
| Employer contributions | - | 9,670,974 | (9,670,974) |
| Employee contributions | - | 1,041,229 | (1,041,229) |
| Net investment income | - | 13,515,733 | (13,515,733) |
| Benefit payments and refunds | (10,545,893) | (10,545,893) | - |
| Administrative expense | - | (123,642) | 123,642 |
| Net changes | <u>6,615,118</u> | <u>13,558,401</u> | <u>(6,943,283)</u> |
| Balances at December 31, 2021 | <u>\$ 198,439,141</u> | <u>\$ 114,592,514</u> | <u>\$ 83,846,627</u> |

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

Police Pension Fund

For the year ended December 31, 2021, the City recognized police pension expense of \$5,486,716. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the Fund from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Difference between expected and actual experience | \$ 6,911,945 | \$ - |
| Changes in assumption | 3,246,420 | 2,486,476 |
| Net difference between projected and actual earnings on pension plan investments | - | 22,433,844 |
| Total | <u>\$ 10,158,365</u> | <u>\$ 24,920,320</u> |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS - Continued

A. Plan Descriptions - Continued

Police and Firefighters' Pension Plans - Continued

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

Police Pension Fund - Continued

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Police Pension Plan

| | <u>Year Ending December 31,</u> |
|------------|-------------------------------------|
| 2022 | \$ (2,948,395) |
| 2023 | (6,704,653) |
| 2024 | (2,480,556) |
| 2025 | (2,628,351) |
| 2026 | - |
| Thereafter | <u>-</u> |
| Total | <u>\$ (14,761,955)</u> |

Firefighters' Pension Fund

For the year ended December 31, 2021, the City recognized firefighters' pension expense of \$6,893,714. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the Fund from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Difference between expected and actual experience | \$ 4,645,461 | \$ - |
| Changes in assumption | 3,140,298 | 2,064,120 |
| Net difference between projected and actual earnings on pension plan investments | <u>-</u> | <u>11,052,850</u> |
| Total | <u>\$ 7,785,759</u> | <u>\$ 13,116,970</u> |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 13. EMPLOYEE RETIREMENT SYSTEMS - Continued

A. Plan Descriptions - Continued

Police and Firefighters' Pension Plans - Continued

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

Firefighters' Pension Fund - Continued

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Firefighters'

| | <u>Year Ending December 31,</u> | |
|------------|-------------------------------------|--------------------|
| 2022 | \$ | (778,386) |
| 2023 | | (3,390,624) |
| 2024 | | (499,097) |
| 2025 | | (1,016,045) |
| 2026 | | 352,941 |
| Thereafter | | <u>-</u> |
| Total | \$ | <u>(5,331,211)</u> |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 14. PENSION TRUST FUNDS

Fiduciary Funds Summary Financial Information

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

A. Schedule of Net Position

| | Firefighters' Pension | Police Pension | Total |
|----------------------------|--------------------------|-----------------------|-----------------------|
| Assets | | | |
| Cash and cash equivalents | \$ 10,781,130 | \$ 8,864,707 | \$ 19,645,837 |
| Investments at fair value | | | |
| U.S. Treasury obligations | 8,280,988 | 21,708,743 | 29,989,731 |
| U.S. agency obligations | 4,398,110 | 7,087,625 | 11,485,735 |
| Corporate bonds | 9,496,498 | 16,590,230 | 26,086,728 |
| Common stock | - | 52,796,392 | 52,796,392 |
| Equity mutual funds | 81,535,426 | 73,897,576 | 155,433,002 |
| Real estate | - | 1,308,489 | 1,308,489 |
| Receivables | | | |
| Accrued interest | 106,447 | 268,538 | 374,985 |
| Prepays | 9,081 | - | 9,081 |
| Due from City | 39,403 | 52,870 | 92,273 |
| | <u>114,647,083</u> | <u>182,575,170</u> | <u>297,222,253</u> |
| Liabilities | | | |
| Accounts payable | 54,569 | - | 54,569 |
| | <u>54,569</u> | <u>-</u> | <u>54,569</u> |
| Net Position Held in Trust | | | |
| For Pension Benefits | <u>\$ 114,592,514</u> | <u>\$ 182,575,170</u> | <u>\$ 297,167,684</u> |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 14. PENSION TRUST FUNDS - Continued

Fiduciary Funds Summary Financial Information - Continued

B. Changes in Plan Net Position

| | Firefighters' Pension | Police Pension | Total |
|---|--------------------------|-----------------------|-----------------------|
| Additions | | | |
| Contributions | | | |
| Employer | \$ 9,670,974 | \$ 11,501,791 | \$ 21,172,765 |
| Plan members | 1,041,229 | 1,523,341 | 2,564,570 |
| Total Contributions | <u>10,712,203</u> | <u>13,025,132</u> | <u>23,737,335</u> |
| Investment Income | | | |
| Net appreciation (depreciation) in fair value of investments | 10,287,653 | 23,139,053 | 33,426,706 |
| Interest on investments | 3,441,785 | 3,591,523 | 7,033,308 |
| Less investment expenses | <u>(213,705)</u> | <u>(348,090)</u> | <u>(561,795)</u> |
| Total Investment Income | <u>13,515,733</u> | <u>26,382,486</u> | <u>39,898,219</u> |
| Total Additions | <u>24,227,936</u> | <u>39,407,618</u> | <u>63,635,554</u> |
| Deductions | | | |
| Administrative | 123,642 | 44,442 | 168,084 |
| Benefits payments | <u>10,545,893</u> | <u>14,924,443</u> | <u>25,470,336</u> |
| Total Deductions | <u>10,669,535</u> | <u>14,968,885</u> | <u>25,638,420</u> |
| Net Increase (Decrease) | 13,558,401 | 24,438,733 | 37,997,134 |
| Net Position Held in Trust For Pension Benefits | | | |
| January 1 | <u>101,034,113</u> | <u>158,136,437</u> | <u>259,170,550</u> |
| December 31 | <u>\$ 114,592,514</u> | <u>\$ 182,575,170</u> | <u>\$ 297,167,684</u> |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 15. EVANSTON LIBRARY COMPONENT UNIT

A. Types of Accounts and Securities

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.

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 not-for-profit investment trust formed pursuant to the Illinois Municipal code and managed by a Board of Trustees elected from the participating members. IMET is not registered with the SEC as an investment company. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold.

Custodial Credit Risk. 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.

Concentration of Credit Risk is the risk that the Library has a high percentage of its investments invested in one type of investments. Currently, the Library has diversified its investments in various types of investments. The Library investment policy provides the high/low limits for various type of investments like equity, fixed income securities, and cash.

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, 2021, 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 the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 15. EVANSTON LIBRARY COMPONENT UNIT - Continued

B. Reconciliation of Cash and Investments

| | |
|---------------------------------|----------------------------|
| Cash and Equivalents | \$ 2,378,646 |
| Investments | <u>7,352,822</u> |
| Total per Statement of Position | <u><u>\$ 9,731,468</u></u> |
| Cash in bank | \$ 2,378,646 |
| Vanguard Money Market | 306,452 |
| Vanguard Equity Mutual Funds | <u>7,046,370</u> |
| Total Cash and Investments | <u><u>\$ 9,731,468</u></u> |

C. Summary of Receivables

| | |
|----------------|----------------------------|
| Receivables: | |
| Property taxes | <u><u>\$ 7,758,625</u></u> |

D. Capital Assets Activity

| | <u>Beginning</u> | <u>Additions</u> | <u>Deletions</u> | <u>Ending</u> |
|---|-----------------------------|----------------------------|--------------------------|-----------------------------|
| Capital Assets, not being Depreciated: | | | | |
| Land | \$ 311,380 | \$ - | \$ - | \$ 311,380 |
| Capital Assets, being Depreciated/Amortized: | | | | |
| Buildings and improvements | 20,398,936 | 352,300 | - | 20,751,236 |
| Office equipment and furniture | 2,285,009 | - | - | 2,285,009 |
| Infrastructure | 230,006 | - | - | 230,006 |
| Library collections | 8,969,223 | - | 520,788 | 8,448,435 |
| Capitalized leases | <u>266,190</u> | <u>-</u> | <u>-</u> | <u>266,190</u> |
| Total capital assets being depreciated/amortized | <u>32,149,364</u> | <u>352,300</u> | <u>520,788</u> | <u>31,980,876</u> |
| Less Accumulated Depreciation/Amortization for: | | | | |
| Buildings and improvements | 9,918,323 | 516,512 | - | 10,434,835 |
| Office equipment and furniture | 2,285,009 | - | - | 2,285,009 |
| Infrastructure | 169,746 | 14,757 | - | 184,503 |
| Library collections | 8,568,006 | 92,306 | 260,394 | 8,399,918 |
| Capitalized leases | <u>266,190</u> | <u>-</u> | <u>-</u> | <u>266,190</u> |
| Total Accumulated Depreciation/Amortization | <u>21,207,274</u> | <u>623,575</u> | <u>260,394</u> | <u>21,570,455</u> |
| Total Capital Assets being Depreciated/Amortized, Net | <u>10,942,090</u> | <u>(271,275)</u> | <u>260,394</u> | <u>10,410,421</u> |
| Library Activities Capital Assets, Net | <u><u>\$ 11,253,470</u></u> | <u><u>\$ (271,275)</u></u> | <u><u>\$ 260,394</u></u> | <u><u>\$ 10,721,801</u></u> |

CITY OF EVANSTON, ILLINOIS

Notes to the Financial Statements

For the Fiscal Year Ended December 31, 2021

NOTE 15. EVANSTON LIBRARY COMPONENT UNIT - Continued

E. Long-Term Debt

| | Interest Rate | Final Maturity Date | Balance 1/1/2021 | Issued | Payments | Balance 12/31/2021 | Due Within One Year |
|--|---------------|---------------------|------------------|------------|------------|--------------------|---------------------|
| General Obligations Debt | | | | | | | |
| Series 2013B | 2.00%-3.00% | 12/1/2025 | \$ 138,118 | \$ - | \$ 26,107 | \$ 112,011 | \$ 26,883 |
| Series 2016A | 2.00%-4.00% | 12/1/2036 | 555,000 | - | 25,000 | 530,000 | 30,000 |
| Series 2017A | 3.00%-4.00% | 12/1/2037 | 1,240,000 | - | 55,000 | 1,185,000 | 55,000 |
| Series 2017B | 4.00%-5.00% | 12/1/2027 | 514,228 | - | 68,107 | 446,121 | 69,719 |
| Series 2018B | 2.29%-5.00% | 12/1/2038 | 2,031,842 | - | - | 2,031,842 | 22,105 |
| Series 2019B | 1.66%-2.68% | 12/1/2039 | 1,779,742 | - | 58,129 | 1,721,613 | 60,999 |
| | | | 6,258,930 | | 232,343 | 6,026,587 | 264,706 |
| Bond premiums | | | 535,001 | - | 32,990 | 502,011 | - |
| Total OPEB liability | | | 379,444 | 33,290 | - | 412,734 | 14,199 |
| Compensated absences payable - Library | | | 437,821 | 67,184 | 87,564 | 417,441 | 83,488 |
| Total Long-Term Debt | | | \$ 7,611,196 | \$ 100,474 | \$ 352,897 | \$ 7,358,773 | \$ 362,393 |

The Library had an IMRF net pension asset of \$3,022,763 at December 31, 2021.

The following schedule illustrates the annual debt service requirements to maturity for Library General Obligation Bonds.

| Year Ending | Principal | Interest |
|--------------|--------------|--------------|
| December 31, | | |
| 2022 | \$ 264,706 | \$ 241,919 |
| 2023 | 275,730 | 232,183 |
| 2024 | 353,392 | 221,284 |
| 2025 | 370,083 | 206,866 |
| 2026 | 356,396 | 191,425 |
| 2027-2031 | 1,657,761 | 737,733 |
| 2032-2036 | 1,917,813 | 393,651 |
| 2037-2041 | 830,706 | 61,487 |
| Total | \$ 6,026,587 | \$ 2,286,548 |

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF EVANSTON, ILLINOIS

Schedule of Changes in the Employer's
Total OPEB Liability and Related Ratios
Other Postemployment Benefit Plan

Last Four Fiscal Years

| MEASUREMENT DATE DECEMBER 31, | 2018 | 2019 | 2020 | 2021 |
|--|----------------------|----------------------|----------------------|----------------------|
| TOTAL OPEB LIABILITY | | | | |
| Service cost | \$ 1,050,028 | \$ 974,443 | \$ 1,249,550 | \$ 1,544,418 |
| Interest | 630,168 | 733,796 | 593,787 | 442,412 |
| Benefit changes | - | - | (53,511) | - |
| Differences between expected and actual experience | - | - | (2,856,275) | - |
| Changes in assumptions | (1,272,525) | 2,879,775 | 2,471,462 | 370,681 |
| Implicit benefit payments | (797,159) | (860,932) | (925,502) | (827,885) |
| Other changes | - | - | - | - |
| Net change in total OPEB liability | (389,488) | 3,727,082 | 479,511 | 1,529,626 |
| Total OPEB liability - beginning | 18,717,414 | 18,327,926 | 22,055,008 | 22,534,519 |
| TOTAL OPEB LIABILITY - ENDING | \$ 18,327,926 | \$ 22,055,008 | \$ 22,534,519 | \$ 24,064,145 |
| Covered-employee payroll | \$ 59,333,084 | \$ 60,964,744 | \$ 59,251,377 | \$ 61,325,175 |
| Employer's total OPEB liability as a percentage of covered-employee payroll | 30.89% | 36.18% | 38.03% | 39.24% |

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 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 Seven Fiscal Years

| FISCAL YEAR ENDED DECEMBER 31, | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Actuarially determined contribution | \$ 3,977,718 | \$ 3,882,629 | \$ 3,695,564 | \$ 3,634,209 | \$ 2,379,845 | \$ 3,235,547 | \$ 3,240,141 |
| Contributions in relation to the actuarially determined contribution | 4,018,268 | 3,963,856 | 3,702,271 | 3,634,209 | 2,379,845 | 3,235,547 | 3,240,141 |
| Contribution Deficiency (Excess) | \$ (40,550) | \$ (81,227) | \$ (6,707) | \$ - | \$ - | \$ - | \$ - |
| Percentage contributed | 101.0% | 102.1% | 100.2% | 100.0% | 100.0% | 100.0% | 100.0% |
| Covered payroll | \$ 37,703,487 | \$ 37,477,116 | \$ 37,480,368 | \$ 38,519,776 | \$ 38,103,750 | \$ 37,019,990 | \$ 40,236,023 |
| Contributions as a percentage of covered payroll | 10.7% | 10.6% | 9.9% | 9.4% | 6.2% | 8.7% | 8.1% |

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 23 years; the asset valuation method was five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 3.25% to 14.25% annually, and postretirement benefit increases of 3.00% compounded annually.

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
Police Pension Fund

Last Eight Fiscal Years

| FISCAL YEAR ENDED DECEMBER 31, | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Actuarially determined contribution | \$ 8,358,924 | \$ 8,257,475 | \$ 9,380,940 | \$ 10,237,200 | \$ 10,462,704 | \$ 10,502,308 | \$ 11,225,650 | \$ 11,431,461 |
| Contributions in relation to the actuarially determined contribution | 8,644,196 | 8,804,264 | 9,450,824 | 10,300,549 | 10,462,704 | 10,502,308 | 11,225,650 | 11,501,791 |
| Contribution Deficiency (Excess) | \$ (285,272) | \$ (546,789) | \$ (69,884) | \$ (63,349) | \$ - | \$ - | \$ - | \$ (70,330) |
| Percentage contributed | 103.4% | 106.6% | 100.7% | 100.6% | 100.0% | 100.0% | 100.0% | 100.6% |
| Covered payroll | \$ 13,537,726 | \$ 14,921,328 | \$ 17,474,672 | \$ 15,352,846 | \$ 15,845,701 | \$ 15,980,131 | \$ 15,368,002 | \$ 15,371,756 |
| Contributions as a percentage of covered payroll | 63.9% | 59.0% | 54.1% | 67.1% | 66.0% | 65.7% | 73.0% | 74.8% |

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 20 years; the asset valuation method was market 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.

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
Firefighters' Pension Fund

Last Eight Fiscal Years

| FISCAL YEAR ENDED DECEMBER 31, | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Actuarially determined contribution | \$ 6,239,481 | \$ 5,903,483 | \$ 7,350,865 | \$ 8,148,709 | \$ 8,344,947 | \$ 8,266,584 | \$ 9,247,042 | \$ 9,626,778 |
| Contributions in relation to the actuarially determined contribution | 6,527,697 | 6,385,244 | 7,396,641 | 8,205,800 | 8,344,947 | 8,266,584 | 9,257,516 | 9,670,974 |
| Contribution Deficiency (Excess) | \$ (288,216) | \$ (481,761) | \$ (45,776) | \$ (57,091) | \$ - | \$ - | \$ (10,474) | \$ (44,196) |
| Percentage contributed | 104.6% | 108.2% | 100.6% | 100.7% | 100.0% | 100.0% | 100.1% | 100.5% |
| Covered payroll | \$ 9,520,925 | \$ 10,396,357 | \$ 10,546,779 | \$ 10,311,920 | \$ 11,618,255 | \$ 10,341,544 | \$ 10,428,768 | \$ 11,012,470 |
| Contributions as a percentage of covered payroll | 68.6% | 61.4% | 70.1% | 79.6% | 71.8% | 79.9% | 88.8% | 87.8% |

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 20 years; the asset valuation method was market; 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.

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 Changes in the Employer's
Net Pension Liability and Related Ratios
Illinois Municipal Retirement Fund

Last Seven Fiscal Years

| MEASUREMENT DATE DECEMBER 31, | 2014 | 2015 | 2016 |
|---|-----------------------|-----------------------|-----------------------|
| Total Pension Liability | | | |
| Service cost | \$ 3,898,440 | \$ 3,910,996 | \$ 3,951,687 |
| Interest | 14,880,724 | 16,235,086 | 16,947,408 |
| Changes in benefit terms | - | - | - |
| Differences between expected and actual experience | 3,043,895 | 1,465,442 | (2,905,680) |
| Changes of assumptions | 7,927,038 | 266,906 | (269,039) |
| Benefit payments, including refunds of member contributions | (11,468,097) | (11,928,345) | (12,270,564) |
| Net Change in Total Pension Liability | 18,282,000 | 9,950,085 | 5,453,812 |
| Total Pension Liability - Beginning | 202,194,485 | 220,476,485 | 230,426,570 |
| Total Pension Liability - Ending | \$ 220,476,485 | \$ 230,426,570 | \$ 235,880,382 |
| Plan Fiduciary Net Position | | | |
| Contributions - employer | \$ 3,963,983 | \$ 4,018,268 | \$ 3,963,856 |
| Contributions - member | 1,710,168 | 1,767,523 | 1,705,636 |
| Net investment income | 12,425,190 | 1,062,353 | 14,441,739 |
| Benefit payments, including refunds of member contributions | (11,468,097) | (11,928,345) | (12,270,564) |
| Administrative expense | 2,322,043 | 737,427 | (142,981) |
| Net Change in Plan Fiduciary Net Position | 8,953,287 | (4,342,774) | 7,697,686 |
| Plan Fiduciary Net Position - Beginning | 206,588,617 | 215,541,904 | 211,199,130 |
| Plan Fiduciary Net Position - Ending | \$ 215,541,904 | \$ 211,199,130 | \$ 218,896,816 |
| Employer's Net Pension Liability (Asset) | \$ 4,934,581 | \$ 19,227,440 | \$ 16,983,566 |
| Plan fiduciary net position as a percentage of the total pension liability (asset) | 97.76% | 91.66% | 92.80% |
| Covered payroll | \$ 35,171,426 | \$ 37,703,487 | \$ 37,477,116 |
| Employer's net pension liability as a percentage of covered payroll | 14.03% | 51.00% | 45.32% |

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.

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

| 2017 | 2018 | 2019 | 2020 |
|-----------------|----------------|----------------|-----------------|
| \$ 3,970,214 | \$ 3,671,434 | \$ 3,926,313 | \$ 3,850,771 |
| 17,355,320 | 17,185,510 | 17,812,836 | 18,314,051 |
| - | - | - | - |
| (2,489,328) | 2,992,302 | (166,989) | (2,056,346) |
| (7,652,648) | 6,567,349 | - | (1,993,968) |
| (12,922,439) | (13,674,160) | (14,305,617) | (14,936,529) |
| (1,738,881) | 16,742,435 | 7,266,543 | 3,177,979 |
| 235,880,382 | 234,141,501 | 250,883,936 | 258,150,479 |
| \$ 234,141,501 | \$ 250,883,936 | \$ 258,150,479 | \$ 261,328,458 |
| \$ 3,702,271 | \$ 3,634,209 | \$ 2,379,845 | \$ 3,235,547 |
| 1,693,912 | 1,847,906 | 1,845,576 | 1,684,700 |
| 39,438,193 | (14,090,715) | 43,379,549 | 37,552,547 |
| (12,922,439) | (13,674,160) | (14,305,617) | (14,936,529) |
| (4,817,948) | 3,915,577 | 647,604 | 1,390,447 |
| 27,093,989 | (18,367,183) | 33,946,957 | 28,926,712 |
| 218,896,816 | 245,990,805 | 227,623,622 | 261,570,579 |
| \$ 245,990,805 | \$ 227,623,622 | \$ 261,570,579 | \$ 290,497,291 |
| \$ (11,849,304) | \$ 23,260,314 | \$ (3,420,100) | \$ (29,168,833) |
| 105.06% | 90.73% | 101.32% | 111.16% |
| \$ 37,480,368 | \$ 38,519,776 | \$ 38,103,750 | \$ 37,019,990 |
| -31.61% | 60.39% | -8.98% | -78.79% |

(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 Eight Fiscal Years

| MEASUREMENT DATE DECEMBER 31, | 2014 | 2015 | 2016 | 2017 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
| Total Pension Liability | | | | |
| Service cost | \$ 3,439,223 | \$ 3,488,385 | \$ 3,679,212 | \$ 3,993,751 |
| Interest | 12,284,036 | 12,663,010 | 13,192,680 | 14,088,889 |
| Changes in benefit terms | - | - | - | - |
| Differences between expected and actual experience | - | 3,928,479 | (3,214,201) | 424,390 |
| Changes of assumptions | - | 5,791,392 | 11,039,027 | 7,096,300 |
| Benefit payments, including refunds of member contributions | (9,891,045) | (10,424,955) | (10,970,916) | (11,475,943) |
| Net Change in Total Pension Liability | 5,832,214 | 15,446,311 | 13,725,802 | 14,127,387 |
| Total Pension Liability - Beginning | 183,492,025 | 189,324,239 | 204,770,550 | 218,496,352 |
| Total Pension Liability - Ending | \$ 189,324,239 | \$ 204,770,550 | \$ 218,496,352 | \$ 232,623,739 |
| Plan Fiduciary Net Position | | | | |
| Contributions - employer | \$ 8,644,196 | \$ 8,804,264 | \$ 9,450,824 | \$ 10,300,549 |
| Contributions - member | 1,565,053 | 1,454,720 | 1,731,740 | 1,521,467 |
| Net investment income | 8,675,133 | 430,756 | 7,544,856 | 15,240,680 |
| Benefit payments, including refunds of member contributions | (9,891,045) | (10,424,955) | (10,970,916) | (11,475,943) |
| Administrative expense | (68,938) | (71,408) | (123,796) | (148,631) |
| Net Change in Plan Fiduciary Net Position | 8,924,399 | 193,377 | 7,632,708 | 15,438,122 |
| Plan Fiduciary Net Position - Beginning | 90,763,143 | 99,687,542 | 98,558,837 | 106,191,545 |
| Prior period adjustment | - | (1,322,082) | - | - |
| Plan Fiduciary Net Position - Beginning, restated | 90,763,143 | 98,365,460 | 98,558,837 | 106,191,545 |
| Plan Fiduciary Net Position - Ending | \$ 99,687,542 | \$ 98,558,837 | \$ 106,191,545 | \$ 121,629,667 |
| Employer's Net Pension Liability | \$ 89,636,697 | \$ 106,211,713 | \$ 112,304,807 | \$ 110,994,072 |
| Plan fiduciary net position as a percentage of the total pension liability | 52.65% | 48.13% | 48.60% | 52.29% |
| Covered payroll | \$ 13,537,726 | \$ 14,921,328 | \$ 17,474,672 | \$ 15,352,846 |
| Employer's net pension liability as a percentage of covered payroll | 662.13% | 711.81% | 642.67% | 722.95% |

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%. The discount rate used in the prior actuarial valuation, dated December 31, 2015, is 6.50%. The discount rate used in the valuation dated, dated December 31, 2014 was 6.75%.

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

| | 2018 | 2019 | 2020 | 2021 |
|----|--------------|----------------|----------------|----------------|
| \$ | 4,285,425 | \$ 3,980,758 | \$ 4,018,178 | \$ 3,842,941 |
| | 14,433,770 | 15,128,398 | 16,138,601 | 16,648,988 |
| | - | 853,365 | - | - |
| | 3,079,328 | 4,364,013 | 2,021,226 | 3,025,037 |
| | (7,459,427) | 4,127,403 | - | - |
| | (11,937,685) | (12,522,660) | (13,376,879) | (14,924,443) |
| | 2,401,411 | 15,931,277 | 8,801,126 | 8,592,523 |
| | 232,623,739 | 235,025,150 | 250,956,427 | 259,757,553 |
| \$ | 235,025,150 | \$ 250,956,427 | \$ 259,757,553 | \$ 268,350,076 |
| \$ | 10,462,704 | \$ 10,502,308 | \$ 11,225,650 | \$ 11,501,791 |
| | 1,570,309 | 1,583,631 | 1,522,969 | 1,523,341 |
| | (4,911,053) | 25,043,593 | 17,521,008 | 26,382,486 |
| | (11,937,685) | (12,522,660) | (13,376,879) | (14,924,443) |
| | (58,885) | (52,088) | (66,152) | (44,442) |
| | (4,874,610) | 24,554,784 | 16,826,596 | 24,438,733 |
| | 121,629,667 | 116,755,057 | 141,309,841 | 158,136,437 |
| | - | - | - | - |
| | 121,629,667 | 116,755,057 | 141,309,841 | 158,136,437 |
| \$ | 116,755,057 | \$ 141,309,841 | \$ 158,136,437 | \$ 182,575,170 |
| \$ | 118,270,093 | \$ 109,646,586 | \$ 101,621,116 | \$ 85,774,906 |
| | 49.68% | 56.31% | 60.88% | 68.04% |
| \$ | 15,845,701 | \$ 15,980,131 | \$ 15,368,002 | \$ 15,371,756 |
| | 746.39% | 686.14% | 661.25% | 558.00% |

(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 Eight Fiscal Years

| MEASUREMENT DATE DECEMBER 31, | 2014 | 2015 | 2016 | 2017 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|
| Total Pension Liability | | | | |
| Service cost | \$ 2,326,092 | \$ 2,431,680 | \$ 2,731,257 | \$ 2,813,961 |
| Interest | 9,391,253 | 9,656,198 | 9,922,911 | 10,507,435 |
| Changes in benefit terms | - | - | - | - |
| Differences between expected and actual experience | - | 1,184,609 | (3,239,221) | 368,761 |
| Changes of assumptions | - | 4,239,272 | 7,971,672 | 5,192,584 |
| Benefit payments, including refunds of member contributions | (7,727,683) | (8,067,965) | (8,343,940) | (8,609,369) |
| Net Change in Total Pension Liability | 3,989,662 | 9,443,794 | 9,042,679 | 10,273,372 |
| Total Pension Liability - Beginning | 140,667,430 | 144,657,092 | 154,100,886 | 163,143,565 |
| Total Pension Liability - Ending | \$ 144,657,092 | \$ 154,100,886 | \$ 163,143,565 | \$ 173,416,937 |
| Plan Fiduciary Net Position | | | | |
| Contributions - employer | \$ 6,527,697 | \$ 6,385,244 | \$ 7,396,641 | \$ 8,205,800 |
| Contributions - member | 919,874 | 956,092 | 997,198 | 974,992 |
| Net investment income | 3,549,131 | 228,236 | 3,894,765 | 7,974,296 |
| Benefit payments, including refunds of member contributions | (7,727,683) | (8,067,965) | (8,343,940) | (8,609,369) |
| Administrative expense | (52,248) | (44,597) | (85,750) | (72,640) |
| Net Change in Plan Fiduciary Net Position | 3,216,771 | (542,990) | 3,858,914 | 8,473,079 |
| Plan Fiduciary Net Position - Beginning | 65,024,941 | 68,241,712 | 66,741,084 | 70,599,998 |
| Prior period adjustment | - | (957,638) | - | - |
| Plan Fiduciary Net Position - Beginning, restated | 65,024,941 | 67,284,074 | 66,741,084 | 70,599,998 |
| Plan Fiduciary Net Position - Ending | \$ 68,241,712 | \$ 66,741,084 | \$ 70,599,998 | \$ 79,073,077 |
| Employer's Net Pension Liability | \$ 76,415,380 | \$ 87,359,802 | \$ 92,543,567 | \$ 94,343,860 |
| Plan fiduciary net position as a percentage of the total pension liability | 47.17% | 43.31% | 43.27% | 45.60% |
| Covered payroll | \$ 9,520,925 | \$ 10,396,357 | \$ 10,546,779 | \$ 10,311,920 |
| Employer's net pension liability as a percentage of covered payroll | 802.60% | 840.29% | 877.46% | 914.90% |

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%. The discount rate used in the prior actuarial valuation, dated December 31, 2015, is 6.50%. The discount rate used in the actuarial valuation dated December 31, 2014 was 6.75%.

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

| 2018 | 2019 | 2020 | 2021 |
|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 3,026,223 | \$ 2,763,258 | \$ 2,948,710 | \$ 2,739,481 |
| 10,741,734 | 11,061,538 | 12,013,035 | 12,303,886 |
| - | 799,936 | - | - |
| 384,928 | 5,218,449 | 122,642 | 2,117,644 |
| (6,192,362) | 4,549,731 | - | - |
| (9,150,830) | (9,624,766) | (10,255,160) | (10,545,893) |
| (1,190,307) | 14,768,146 | 4,829,227 | 6,615,118 |
| 173,416,937 | 172,226,630 | 186,994,776 | 191,824,023 |
| <u>\$ 172,226,630</u> | <u>\$ 186,994,776</u> | <u>\$ 191,824,023</u> | <u>\$ 198,439,141</u> |
| \$ 8,344,947 | \$ 8,266,584 | \$ 9,257,516 | \$ 9,670,974 |
| 1,098,506 | 954,112 | 986,040 | 1,041,229 |
| (3,478,827) | 14,527,581 | 11,387,655 | 13,515,733 |
| (9,150,830) | (9,624,766) | (10,255,160) | (10,545,893) |
| (105,755) | (97,588) | (148,979) | (123,642) |
| (3,291,959) | 14,025,923 | 11,227,072 | 13,558,401 |
| 79,073,077 | 75,781,118 | 89,807,041 | 101,034,113 |
| - | - | - | - |
| 79,073,077 | 75,781,118 | 89,807,041 | 101,034,113 |
| <u>\$ 75,781,118</u> | <u>\$ 89,807,041</u> | <u>\$ 101,034,113</u> | <u>\$ 114,592,514</u> |
| <u>\$ 96,445,512</u> | <u>\$ 97,187,735</u> | <u>\$ 90,789,910</u> | <u>\$ 83,846,627</u> |
| 44.00% | 48.03% | 52.67% | 57.75% |
| \$ 11,618,255 | \$ 10,341,544 | \$ 10,428,768 | \$ 11,012,470 |
| 830.12% | 939.78% | 870.57% | 761.38% |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual | Variance |
|--|--------------------|-----------------------|----------------------|----------------------|
| Revenues | | | | |
| Taxes | \$ 57,823,539 | \$ 60,933,539 | \$ 69,949,398 | \$ 9,015,859 |
| Licenses and permits | 10,498,550 | 10,498,550 | 11,032,555 | 534,005 |
| Intergovernmental | 17,671,242 | 17,726,242 | 24,444,948 | 6,718,706 |
| Charges for services | 9,380,675 | 9,382,675 | 10,593,430 | 1,210,755 |
| Fines | 4,095,500 | 4,095,500 | 3,643,890 | (451,610) |
| Investment income | 55,000 | 55,000 | 33,432 | (21,568) |
| Miscellaneous | 2,068,100 | 2,068,100 | 1,721,344 | (346,756) |
| Total Revenues | 101,592,606 | 104,759,606 | 121,418,997 | 16,659,391 |
| Expenditures | | | | |
| General management and support | 17,676,934 | 17,676,934 | 18,565,384 | 888,450 |
| Public safety | 65,540,860 | 65,540,860 | 65,932,688 | 391,828 |
| Public works | 11,642,791 | 11,642,791 | 11,865,594 | 222,803 |
| Health and human services development | 1,306,420 | 4,952,144 | 4,473,366 | (478,778) |
| Recreation and cultural opportunities | 11,156,775 | 13,119,050 | 11,036,243 | (2,082,807) |
| Housing and economic development | 3,073,829 | 3,073,829 | 3,283,128 | 209,299 |
| Total Expenditures | 110,397,609 | 116,005,608 | 115,156,403 | (849,205) |
| Excess (Deficiency) of Revenues Over Expenditures | (8,805,003) | (11,246,002) | 6,262,594 | 17,508,596 |
| Other Financing Sources (Uses) | | | | |
| Transfers in | 9,430,003 | 9,500,003 | 9,183,260 | (316,743) |
| Transfers (out) | (175,000) | (175,000) | (449,996) | (274,996) |
| Total Other Financing Sources (Uses) | 9,255,003 | 9,325,003 | 8,733,264 | (591,739) |
| Net Change in Fund Balance | \$ 450,000 | \$ (1,920,999) | 14,995,858 | \$ 16,916,857 |
| Fund Balances | | | | |
| Beginning of Year | | | <u>18,674,964</u> | |
| End of Year | | | <u>\$ 33,670,822</u> | |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Schedule of Investment Returns
Police Pension Fund

Last Eight Fiscal Years

| FISCAL YEAR ENDED DECEMBER 31, | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------|-------|-------|--------|--------|--------|--------|--------|
| Annual money-weighted rate of return, net of investment expense | 9.54% | 1.45% | 6.90% | 14.25% | -5.20% | 21.13% | 12.88% | 16.65% |

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

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Schedule of Investment Returns
Firefighters' Pension Fund

Last Eight Fiscal Years

| FISCAL YEAR ENDED DECEMBER 31, | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------|-------|-------|--------|--------|--------|--------|--------|
| Annual money-weighted rate of return, net of investment expense | 5.47% | 0.36% | 5.90% | 11.42% | -4.54% | 19.62% | 12.72% | 13.91% |

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

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Notes to Required Supplementary Information

December 31, 2021

Budgetary Information

The City follows these procedures 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, 2021. 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. Budgets are legally adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, and Internal Service Funds, and Pension Trust Funds. A budget was not adopted for the Neighborhood Fund. 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, 2021.

| <u>Fund</u> | <u>Actual</u> | <u>Final Budget</u> | <u>Variance</u> |
|---------------|---------------|---------------------|-----------------|
| Good Neighbor | \$ 965,497 | \$ 380,000 | \$ 585,497 |

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

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

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

General Fund
Schedule of Revenues - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual | Variance with Final Budget Over (Under) |
|-------------------------------------|-----------------|---------------|---------------|--|
| Revenues | | | | |
| Taxes | | | | |
| Property | | | | |
| Current year levy | \$ 28,298,539 | \$ 31,408,539 | \$ 31,946,685 | \$ 538,146 |
| Total Property Taxes | 28,298,539 | 31,408,539 | 31,946,685 | 538,146 |
| Personal Property Replacement Tax | 1,205,000 | 1,205,000 | 2,870,429 | 1,665,429 |
| Other Taxes | | | | |
| State use tax | 2,200,000 | 2,200,000 | 2,908,688 | 708,688 |
| Sales tax - home rule | 7,250,000 | 7,250,000 | 9,324,471 | 2,074,471 |
| Auto rental tax | 40,000 | 40,000 | 66,575 | 26,575 |
| Transportation network provider tax | 510,000 | 510,000 | 552,220 | 42,220 |
| Athletic contest tax | 500,000 | 500,000 | 656,249 | 156,249 |
| Municipal hotel tax | 1,200,000 | 1,200,000 | 1,043,124 | (156,876) |
| Utility tax | 6,520,000 | 6,520,000 | 6,084,133 | (435,867) |
| Cigarette tax | 250,000 | 250,000 | 162,000 | (88,000) |
| Evanston motor fuel tax | 1,000,000 | 1,000,000 | 822,567 | (177,433) |
| Liquor tax | 2,900,000 | 2,900,000 | 3,078,034 | 178,034 |
| Medical cannabis tax | 150,000 | 150,000 | - | (150,000) |
| Recreational cannabis tax | - | - | 334,162 | 334,162 |
| Parking tax | 2,600,000 | 2,600,000 | 2,845,047 | 245,047 |
| Amusement tax | 200,000 | 200,000 | 809,791 | 609,791 |
| Foreign fire tax | - | - | 217,993 | 217,993 |
| Real estate transfer tax | 3,000,000 | 3,000,000 | 6,227,230 | 3,227,230 |
| Total Other Taxes | 28,320,000 | 28,320,000 | 35,132,284 | 6,812,284 |
| Total Taxes | 57,823,539 | 60,933,539 | 69,949,398 | 9,015,859 |
| Licenses and Permits | | | | |
| Vehicle licenses | 2,900,000 | 2,900,000 | 3,062,072 | 162,072 |
| Business licenses | 35,000 | 35,000 | 33,164 | (1,836) |
| Bed and breakfast licenses | 150 | 150 | 10 | (140) |
| Collection box license | 2,500 | 2,500 | 1,875 | (625) |
| Pet licenses | 10,000 | 10,000 | 19,137 | 9,137 |
| Contractor licenses | 170,000 | 170,000 | 140,425 | (29,575) |
| Rooming house licenses | 275,000 | 275,000 | 4,180 | (270,820) |
| Liquor licenses | 525,000 | 525,000 | 494,833 | (30,167) |
| One-day liquor licenses | 12,000 | 12,000 | 6,080 | (5,920) |
| Farmer's market licenses | 51,250 | 51,250 | 51,445 | 195 |
| Rental building register | 85,000 | 85,000 | 252,742 | 167,742 |
| Other licenses | 20,000 | 20,000 | - | (20,000) |
| Long-term care license | 120,000 | 120,000 | 127,850 | 7,850 |
| Seasonal foot ESTB | 15,000 | 15,000 | 8,350 | (6,650) |
| Mobile food vehicle license | 1,450 | 1,450 | - | (1,450) |
| Hen coop license | 800 | 800 | - | (800) |
| Resident care home license | 1,200 | 1,200 | - | (1,200) |
| Building permits | 4,225,100 | 4,225,100 | 5,512,307 | 1,287,207 |
| Elevator permits | 42,000 | 42,000 | 12,054 | (29,946) |

(This schedule is continued on the following pages.)

CITY OF EVANSTON, ILLINOIS

General Fund
 Schedule of Revenues - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual | Variance with Final Budget Over (Under) |
|--|-------------------|-------------------|-------------------|--|
| Revenues - Continued | | | | |
| Licenses and Permits - Continued | | | | |
| Right of way permits | \$ 358,000 | \$ 358,000 | \$ 15,010 | \$ (342,990) |
| Residents parking permit | 228,000 | 228,000 | 995 | (227,005) |
| Visitor parking permit | 13,000 | 13,000 | 148 | (12,852) |
| Fire suppression/alarm permit | 100,000 | 100,000 | 49,878 | (50,122) |
| Oversize truck permit | 20,000 | 20,000 | 28,525 | 8,525 |
| Moving van permit | 57,000 | 57,000 | 62,620 | 5,620 |
| Plat PR and sign application fee | 2,100 | 2,100 | - | (2,100) |
| IL Bell franchise fee | - | - | 126,770 | 126,770 |
| Alarm panel franchise fee | 4,000 | 4,000 | - | (4,000) |
| Northwestern University easement | 47,000 | 47,000 | - | (47,000) |
| Easements | - | - | 4,727 | 4,727 |
| Cable franchise fee | 950,000 | 950,000 | 956,118 | 6,118 |
| PEG fees - Comcast | 145,000 | 145,000 | 51,347 | (93,653) |
| Nicor franchise fee | 75,000 | 75,000 | 9,893 | (65,107) |
| Permit penalty fees | 8,000 | 8,000 | - | (8,000) |
| Total Licenses and Permits | 10,498,550 | 10,498,550 | 11,032,555 | 534,005 |
| Intergovernmental - Revenue from Other Agencies | | | | |
| Retailer and service occupation tax | 9,750,000 | 9,750,000 | 12,172,648 | 2,422,648 |
| State income tax | 6,600,000 | 6,600,000 | 10,141,121 | 3,541,121 |
| State highway maintenance | 72,200 | 72,200 | 100,014 | 27,814 |
| Health Department Basic Service Grant | 124,183 | 124,183 | 93,770 | (30,413) |
| Illinois tobacco free community | 25,000 | 25,000 | 23,116 | (1,884) |
| IL HIV Surveillance Grant | 34,150 | 34,150 | 23,233 | (10,917) |
| Childhood Lead Poisoning Grant | - | - | 13,500 | 13,500 |
| Other State/County Grant | 545,000 | 545,000 | 705,730 | 160,730 |
| Fire Department training | 6,000 | 6,000 | - | (6,000) |
| CRI Grant | 43,541 | 43,541 | 32,992 | (10,549) |
| PEHP Grant | 63,701 | 63,701 | 58,654 | (5,047) |
| Lead Paid Hazard Grant | 39,600 | 39,600 | - | (39,600) |
| Federal Grant/Aid | 246,097 | 301,097 | 435,278 | 134,181 |
| Commission on Aging Grant - Advocate | - | - | - | - |
| Vacant Property Grant | 37,500 | 37,500 | 2,750 | (34,750) |
| Market Link Vouchers | 30,000 | 30,000 | 50,910 | 20,910 |
| Civil Defense Grants (F.E.M.A.) | - | - | 44,879 | 44,879 |
| Narcotics enforcement revenue | 20,000 | 20,000 | 77,403 | 57,403 |
| Police training | 5,000 | 5,000 | 154 | (4,846) |
| Police DUI reimbursement | 15,000 | 15,000 | 3,855 | (11,145) |
| HUD Emergency Shelter Grant | - | - | 159,071 | 159,071 |
| COVID-19 Mass Vaccination Grant | - | - | 291,600 | 291,600 |
| Other Federal Aid | 14,270 | 14,270 | 14,270 | - |
| Total Intergovernmental - Revenue from Other Agencies | 17,671,242 | 17,726,242 | 24,444,948 | 6,718,706 |
| Charges for Services | | | | |
| Recreation | | | | |
| Recreation - program | 5,616,375 | 5,616,375 | 5,903,315 | 286,940 |
| Recreation - other | - | - | 120,944 | 120,944 |
| Recreation - charges | 3,000 | 3,000 | - | (3,000) |
| Recreation - special events | 12,500 | 12,500 | 7,589 | (4,911) |

(This schedule is continued on the following pages.)

CITY OF EVANSTON, ILLINOIS

General Fund
Schedule of Revenues - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance with Final Budget Over (Under)</u> |
|--------------------------|------------------------|---------------------|---------------|--|
| Total Recreation Revenue | 5,631,875 | 5,631,875 | 6,031,848 | 399,973 |

(This schedule is continued on the following page.)

CITY OF EVANSTON, ILLINOIS

General Fund
Schedule of Revenues - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual | Variance with Final Budget Over (Under) |
|---|------------------|------------------|-------------------|--|
| Revenues - Continued | | | | |
| Charges for Services (Continued) | | | | |
| Other Charges for Services | | | | |
| Health clinic fees - food establishment | \$ 230,000 | \$ 230,000 | \$ 201,656 | \$ (28,344) |
| Homeless health clinic | - | - | 150 | 150 |
| Infrastructure maintenance fees | 485,000 | 485,000 | 527,478 | 42,478 |
| Temporary license fee | 11,000 | 11,000 | 1,887 | (9,113) |
| Food delivery vehicle | 6,500 | 6,500 | 4,136 | (2,364) |
| Beverage snack vending machine | 41,000 | 41,000 | 31,534 | (9,466) |
| Tobacco license | 17,000 | 17,000 | 10,350 | (6,650) |
| Beekeeper license | 300 | 300 | 225 | (75) |
| Funeral director license | 6,000 | 6,000 | - | (6,000) |
| Temp funeral director licenses | 4,000 | 4,000 | 1,472 | (2,528) |
| Birth/death certificates | - | - | 4,537 | 4,537 |
| Parking enforcement reimbursement | 183,500 | 183,500 | 19,192 | (164,308) |
| Property clean up | 10,000 | 10,000 | - | (10,000) |
| Senior Taxi coupon sales | 85,000 | 85,000 | 48,573 | (36,427) |
| Fire cost recovery charge | 1,000 | 1,000 | 816 | (184) |
| Historic preservation | 30,000 | 30,000 | 34,395 | 4,395 |
| Tree preservation revenue | 5,000 | 5,000 | 13,359 | 8,359 |
| Ambulance service | 2,300,000 | 2,300,000 | 3,418,485 | 1,118,485 |
| Police report fees | 25,000 | 25,000 | 21,709 | (3,291) |
| Zoning fees | 50,000 | 50,000 | 24,210 | (25,790) |
| Fire building inspections | 25,000 | 25,000 | 11,908 | (13,092) |
| Fire report fee | 100 | 100 | 45 | (55) |
| Passport processing Fee | 30,000 | 30,000 | - | (30,000) |
| Aging Well conference | - | 2,000 | 200 | (1,800) |
| Alarm panel subscription fees | 115,000 | 115,000 | 185,210 | 70,210 |
| Background check daycare providers | 400 | 400 | - | (400) |
| New pavement degradation | 80,000 | 80,000 | - | (80,000) |
| I Heart Evanston Trees project | 3,000 | 3,000 | 55 | (2,945) |
| Plan review | 5,000 | 5,000 | - | (5,000) |
| Total Other Service Charges | 3,748,800 | 3,750,800 | 4,561,582 | 810,782 |
| Total Charges for Services | 9,380,675 | 9,382,675 | 10,593,430 | 1,210,755 |
| Fines | | | | |
| Ticket fines - parking | 3,200,000 | 3,200,000 | 3,075,670 | (124,330) |
| Regular fines | 115,000 | 115,000 | 260,537 | 145,537 |
| Animal ordinance penalties | 7,500 | 7,500 | - | (7,500) |
| Boot release fee | 90,000 | 90,000 | - | (90,000) |
| Fire false alarm fines | 115,000 | 115,000 | 770 | (114,230) |
| Police CTA detail | 300,000 | 300,000 | 266,021 | (33,979) |
| Housing code violation fines | 40,000 | 40,000 | - | (40,000) |
| Health code violation fees | 3,000 | 3,000 | - | (3,000) |
| Administrative adjudication fee | 225,000 | 225,000 | 40,892 | (184,108) |
| Total Fines | 4,095,500 | 4,095,500 | 3,643,890 | (451,610) |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

General Fund
 Schedule of Revenues - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual | Variance with Final Budget Over (Under) |
|------------------------------------|-----------------|----------------|----------------|--|
| Revenues - Continued | | | | |
| Investment Income | \$ 55,000 | \$ 55,000 | \$ 33,432 | \$ (21,568) |
| Other Revenues | | | | |
| Police equipment reimbursement | 10,000 | 10,000 | 16,253 | 6,253 |
| Rethink your drink | 5,000 | 5,000 | - | (5,000) |
| Holiday food drive | 10,000 | 10,000 | - | (10,000) |
| We're Out Walking | 6,000 | 6,000 | 25 | (5,975) |
| Property sales and rentals | 51,100 | 51,100 | 238,312 | 187,212 |
| Donation | 13,900 | 13,900 | 56,958 | 43,058 |
| Miscellaneous revenue | 122,100 | 122,100 | 583,141 | 461,041 |
| Sale of other assets | 1,500 | 1,500 | - | (1,500) |
| Reimbursements - serve and protect | 42,000 | 42,000 | 13,441 | (28,559) |
| Reimbursements - salt use | 45,000 | 45,000 | 20,771 | (24,229) |
| Reimbursements - fire department | 105,000 | 105,000 | 8,072 | (96,928) |
| Reimbursements - police | 600,000 | 600,000 | 212,970 | (387,030) |
| Community relief program | - | - | 2,300 | 2,300 |
| Payment in lieu of taxes | 200,000 | 200,000 | 85,000 | (115,000) |
| Fund balance applied | 500,000 | 500,000 | - | (500,000) |
| Chargeback revenue | 300,000 | 300,000 | 441,887 | 141,887 |
| Private Elm Trees Insurance | 35,000 | 35,000 | 32,620 | (2,380) |
| Citizens CPR class fees | 6,500 | 6,500 | 8,698 | 2,198 |
| Parking permits - Ryan Field | 15,000 | 15,000 | 896 | (14,104) |
| Total Other Revenues | 2,068,100 | 2,068,100 | 1,721,344 | (346,756) |
| Total Revenues | \$ 101,592,606 | \$ 104,759,606 | \$ 121,418,997 | \$ 16,659,391 |

CITY OF EVANSTON, ILLINOIS

General Fund
 Schedule of Expenditures - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual | Variance |
|--|-----------------------|-----------------------|-----------------------|---------------------|
| Expenditures | | | | |
| General Management and Support | | | | |
| City Council | \$ 556,166 | \$ 556,166 | \$ 532,148 | \$ (24,018) |
| City Manager and Budget Management | 6,004,835 | 6,004,835 | 6,271,508 | 266,673 |
| City Clerk | 178,795 | 178,795 | 200,438 | 21,643 |
| Law Department | 576,892 | 576,892 | 538,632 | (38,260) |
| Administrative Services | 10,360,246 | 10,360,246 | 11,022,658 | 662,412 |
| Total General Management and Support | 17,676,934 | 17,676,934 | 18,565,384 | 888,450 |
| Public Safety | | | | |
| Police | 39,534,286 | 39,534,286 | 39,470,164 | (64,122) |
| Fire | 26,006,574 | 26,006,574 | 26,462,524 | 455,950 |
| Total Public Safety | 65,540,860 | 65,540,860 | 65,932,688 | 391,828 |
| Public Works | | | | |
| Public Works Director | 3,389,510 | 3,389,510 | 3,421,142 | 31,632 |
| Municipal Service Center | 1,641,513 | 1,641,513 | 1,727,789 | 86,276 |
| City Engineer | 269,391 | 269,391 | 285,782 | 16,391 |
| Traffic Engineer | 3,445,049 | 3,445,049 | 3,215,380 | (229,669) |
| Streets | 2,880,468 | 2,880,468 | 3,074,034 | 193,566 |
| Sanitation | 16,860 | 16,860 | 141,467 | 124,607 |
| Total Public Works | 11,642,791 | 11,642,791 | 11,865,594 | 222,803 |
| Health and Human Services Development | | | | |
| COVID Contact Tracing | 392,000 | 392,000 | 523,084 | 131,084 |
| Health and Human Services Director | 111,823 | 111,823 | 169,162 | 57,339 |
| Health Department | 802,597 | 802,597 | 952,486 | 149,889 |
| Mental Health and Community Purchased Services | - | - | 16,385 | 16,385 |
| Human Relations | - | 3,645,724 | 2,812,249 | (833,475) |
| Total Health and Human Services Development | 1,306,420 | 4,952,144 | 4,473,366 | (478,778) |
| Recreation and Cultural Opportunities | | | | |
| Recreation | 10,010,454 | 11,972,729 | 9,990,214 | (1,982,515) |
| Ecology Center | 549,112 | 549,112 | 468,569 | (80,543) |
| Cultural Arts | 597,209 | 597,209 | 577,460 | (19,749) |
| Total Recreation and Cultural Opportunities | 11,156,775 | 13,119,050 | 11,036,243 | (2,082,807) |
| Housing and Economic Development | | | | |
| Community Development Administration | 436,695 | 436,695 | 473,071 | 36,376 |
| Planning and Zoning | 715,534 | 715,534 | 751,556 | 36,022 |
| Housing Rehabilitation and Property Standards | 584,726 | 584,726 | 651,795 | 67,069 |
| Building Code Compliance | 1,336,874 | 1,336,874 | 1,406,706 | 69,832 |
| Total Housing and Economic Development | 3,073,829 | 3,073,829 | 3,283,128 | 209,299 |
| Total Expenditures | \$ 110,397,609 | \$ 116,005,608 | \$ 115,156,403 | \$ (849,205) |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

General Obligation Debt Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual | Variance |
|--|-----------------|----------------|---------------|--------------|
| Revenues | | | | |
| Taxes | | | | |
| Property taxes | | | | |
| Current year levy, net | \$ 13,936,263 | \$ 13,936,263 | \$ 14,457,696 | \$ 521,433 |
| Investment income | 1,500 | 1,500 | (13,391) | (14,891) |
| Total Revenues | 13,937,763 | 13,937,763 | 14,444,305 | 506,542 |
| Expenditures | | | | |
| General management and support | - | - | 35 | 35 |
| Debt Service | | | | |
| Principal | 8,791,152 | 11,923,813 | 9,311,152 | (2,612,661) |
| Interest | 5,497,590 | 5,497,590 | 5,602,575 | 104,985 |
| Fiscal agent fees | - | - | 56,486 | 56,486 |
| Total Expenditures | 14,288,742 | 17,421,403 | 14,970,248 | (2,451,155) |
| Excess (Deficiency) of Revenues Over Expenditures | (350,979) | (3,483,640) | (525,943) | 2,957,697 |
| Other Financing Sources (Uses) | | | | |
| Issuance of bonds | - | - | 3,569,500 | 3,569,500 |
| Premium on issuance of bonds | - | - | 465,136 | 465,136 |
| Payment to escrow agent | - | - | (3,975,000) | (3,975,000) |
| Transfers in | 1,197,401 | 1,197,401 | 1,197,420 | 19 |
| Total Other Financing Sources (Uses) | 1,197,401 | 1,197,401 | 1,257,056 | 59,655 |
| Net Changes in Fund Balances | \$ 846,422 | \$ (2,286,239) | 731,113 | \$ 3,017,352 |
| Fund Balances | | | | |
| Beginning of Year | | | 721,459 | |
| End of Year | | | \$ 1,452,572 | |

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures 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.

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.

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

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

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.

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.

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

Capital Projects Funds

Capital Improvement - 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.

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, 2021

| | Special Revenue | | | | |
|--|---------------------|----------------------------------|-----------------------------|-----------------------|---------------------|
| | Motor Fuel Tax | Emergency Telephone System | Neighborhood Improvement | Affordable Housing | HOME |
| Assets | | | | | |
| Cash and equivalents | \$ - | \$ 989,501 | \$ 22,132 | \$ 834,760 | \$ 33,369 |
| Investments | 5,002,905 | - | - | 1,974,242 | - |
| Receivables | | | | | |
| Property tax | - | - | - | - | - |
| Loans | - | - | - | 2,517,149 | 4,983,978 |
| Special assessments | - | - | - | - | - |
| Other | - | - | - | - | - |
| Due from other governments | 276,988 | 365,588 | - | - | 126,124 |
| Due from other funds | - | 181,932 | 11 | - | 1,836 |
| Advances to other funds | - | - | - | - | - |
| Total Assets | \$ 5,279,893 | \$ 1,537,021 | \$ 22,143 | \$ 5,326,151 | \$ 5,145,307 |
| Liabilities | | | | | |
| Vouchers payable | \$ 166,138 | \$ 2,534 | \$ - | \$ 131,466 | \$ 135,594 |
| Unearned revenue | - | - | - | - | - |
| Due to other governments | - | - | - | 147,865 | - |
| Due to other funds | 32,932 | - | - | 56,727 | - |
| Total Liabilities | 199,070 | 2,534 | - | 336,058 | 135,594 |
| Deferred Inflows of Resources | | | | | |
| Long-term notes receivable | - | - | - | 2,517,149 | 4,983,978 |
| Unavailable revenue - property taxes | - | - | - | - | - |
| Total Deferred Inflows of Resources | - | - | - | 2,517,149 | 4,983,978 |
| Total Liabilities and Deferred Inflows of Resources | 199,070 | 2,534 | - | 2,853,207 | 5,119,572 |
| Fund Balances | | | | | |
| Restricted for | | | | | |
| Highway Maintenance | 5,080,823 | - | - | - | - |
| Emergency Telephone System | - | 1,534,487 | - | - | - |
| HUD Approved Projects | - | - | - | - | 25,735 |
| Neighborhood Improvements | - | - | 22,143 | 2,472,944 | - |
| Reparations | - | - | - | - | - |
| Governmental purposes | - | - | - | - | - |
| Debt Service | - | - | - | - | - |
| General Assistance | - | - | - | - | - |
| Capital Improvements | - | - | - | - | - |
| Assigned | - | - | - | - | - |
| Unassigned (deficit) | - | - | - | - | - |
| Total Fund Balances (Deficit) | 5,080,823 | 1,534,487 | 22,143 | 2,472,944 | 25,735 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 5,279,893 | \$ 1,537,021 | \$ 22,143 | \$ 5,326,151 | \$ 5,145,307 |

| Special Revenue | | | | | | | | |
|-----------------------------------|----------------------------|--------------------------------|-------------------|----------------------|-------------------|---------------------|-----------------------|--|
| Community Development Block Grant | Community Development Loan | Special Service District No. 9 | Reparations | ARPA | Good Neighbor | General Assistance | Total Special Revenue | |
| \$ 14,132 | \$ 314,262 | \$ - | \$ 502,583 | \$ - | \$ 902,163 | \$ 617,900 | \$ 4,230,802 | |
| - | - | - | - | 16,813,372 | - | - | 23,790,519 | |
| - | - | 595,000 | - | - | - | 1,300,000 | 1,895,000 | |
| - | 1,961,593 | - | - | - | - | - | 9,462,720 | |
| - | - | - | - | - | - | - | - | |
| - | - | - | - | - | - | - | - | |
| 581,506 | - | - | - | - | - | - | 1,350,206 | |
| - | - | - | 3,132 | - | - | - | 186,911 | |
| - | - | - | - | - | - | - | - | |
| <u>\$ 595,638</u> | <u>\$ 2,275,855</u> | <u>\$ 595,000</u> | <u>\$ 505,715</u> | <u>\$ 16,813,372</u> | <u>\$ 902,163</u> | <u>\$ 1,917,900</u> | <u>\$ 40,916,158</u> | |
| \$ 442,594 | \$ 52 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 878,378 | |
| - | - | - | - | 16,786,827 | - | - | 16,786,827 | |
| - | 758 | - | - | - | - | - | 148,623 | |
| 92,221 | 2,522 | 206,750 | - | - | - | 7,584 | 398,736 | |
| <u>534,815</u> | <u>3,332</u> | <u>206,750</u> | <u>-</u> | <u>16,786,827</u> | <u>-</u> | <u>7,584</u> | <u>18,212,564</u> | |
| - | 1,961,593 | - | - | - | - | - | 9,462,720 | |
| - | - | 595,000 | - | - | - | 1,300,000 | 1,895,000 | |
| - | 1,961,593 | 595,000 | - | - | - | 1,300,000 | 11,357,720 | |
| <u>534,815</u> | <u>1,964,925</u> | <u>801,750</u> | <u>-</u> | <u>16,786,827</u> | <u>-</u> | <u>1,307,584</u> | <u>29,570,284</u> | |
| - | - | - | - | - | - | - | 5,080,823 | |
| - | - | - | - | - | - | - | 1,534,487 | |
| 60,823 | 310,930 | - | - | - | - | - | 397,488 | |
| - | - | - | - | - | - | - | 2,495,087 | |
| - | - | - | 505,715 | - | - | - | 505,715 | |
| - | - | - | - | 26,545 | - | - | 26,545 | |
| - | - | - | - | - | - | - | - | |
| - | - | - | - | - | - | 610,316 | 610,316 | |
| - | - | - | - | - | 902,163 | - | 902,163 | |
| - | - | - | - | - | - | - | - | |
| - | - | (206,750) | - | - | - | - | (206,750) | |
| <u>60,823</u> | <u>310,930</u> | <u>(206,750)</u> | <u>505,715</u> | <u>26,545</u> | <u>902,163</u> | <u>610,316</u> | <u>11,345,874</u> | |
| <u>\$ 595,638</u> | <u>\$ 2,275,855</u> | <u>\$ 595,000</u> | <u>\$ 505,715</u> | <u>\$ 16,813,372</u> | <u>\$ 902,163</u> | <u>\$ 1,917,900</u> | <u>\$ 40,916,158</u> | |

(This schedule is continued on the following pages.)

CITY OF EVANSTON, ILLINOIS

Combining Balance Sheet
 Nonmajor Governmental Funds

December 31, 2021

| | 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 |
| Assets | | | | | |
| Cash and equivalents | \$ 45,092 | \$ 1,779 | \$ 70,872 | \$ - | \$ 325,004 |
| Investments | - | - | - | - | - |
| Receivables | | | | | |
| Property tax | - | 221,000 | 154,800 | 60,200 | - |
| Loans | - | - | - | - | - |
| Special assessments | - | - | - | - | - |
| Other | - | - | - | - | - |
| Due from other governments | - | - | - | - | - |
| Due from other funds | 919,557 | - | - | 3,218 | - |
| Advances to other funds | - | - | - | - | - |
| Total Assets | \$ 964,649 | \$ 222,779 | \$ 225,672 | \$ 63,418 | \$ 325,004 |
| Liabilities | | | | | |
| Vouchers payable | \$ 13,122 | \$ - | \$ - | \$ - | \$ - |
| Unearned revenue | - | - | - | - | - |
| Due to other governments | - | - | - | - | - |
| Due to other funds | - | - | 62,157 | - | - |
| Total Liabilities | 13,122 | - | 62,157 | - | - |
| Deferred Inflows of Resources | | | | | |
| Long-term notes receivable | - | - | - | - | - |
| Unavailable revenue - property taxes | - | 221,000 | 154,800 | 60,200 | - |
| Total Deferred Inflows of Resources | - | 221,000 | 154,800 | 60,200 | - |
| Total Liabilities and Deferred Inflows of Resources | 13,122 | 221,000 | 216,957 | 60,200 | - |
| Fund Balances | | | | | |
| Restricted for | | | | | |
| Highway Maintenance | - | - | - | - | - |
| Emergency Telephone System | - | - | - | - | - |
| HUD Approved Projects | - | - | - | - | - |
| Neighborhood Improvements | - | 1,779 | 8,715 | 3,218 | - |
| Reparations | - | - | - | - | - |
| Governmental purposes | | | | | |
| Debt Service | 951,527 | - | - | - | 325,004 |
| Township | - | - | - | - | - |
| Capital Improvements | - | - | - | - | - |
| Assigned | - | - | - | - | - |
| Unassigned (deficit) | - | - | - | - | - |
| Total Fund Balances (Deficit) | 951,527 | 1,779 | 8,715 | 3,218 | 325,004 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 964,649 | \$ 222,779 | \$ 225,672 | \$ 63,418 | \$ 325,004 |

| | | Debt Service | | Capital Projects | | | | | |
|--|---|--------------------------|-------------------------|-----------------------|----------------------|-----------------------|------------------------------|--|--|
| Howard Ridge Tax Increment District | West Evanston Tax Increment District | Total Debt Service | Capital Improvements | Crown Construction | Crown Maintenance | Special Assessment | Total Capital Projects | Total Nonmajor Governmental Funds | |
| \$ 812,773 | \$ 52,206 | \$ 1,307,726 | \$ 11,408,332 | \$ 5,816,689 | \$ 349,996 | \$ 43,874 | \$ 17,618,891 | \$ 23,157,419 | |
| 2,014,361 | - | 2,014,361 | 1,494,435 | - | - | 2,055,198 | 3,549,633 | 29,354,513 | |
| - | - | 436,000 | - | - | - | - | - | 2,331,000 | |
| - | - | - | - | - | - | - | - | 9,462,720 | |
| - | - | - | - | - | - | 436,380 | 436,380 | 436,380 | |
| - | - | - | - | - | - | - | - | - | |
| - | - | - | - | - | - | - | - | 1,350,206 | |
| 447 | 3,200,000 | 4,123,222 | 87,437 | - | - | 34,524 | 121,961 | 4,432,094 | |
| - | - | - | - | - | - | - | - | - | |
| <u>\$ 2,827,581</u> | <u>\$ 3,252,206</u> | <u>\$ 7,881,309</u> | <u>\$ 12,990,204</u> | <u>\$ 5,816,689</u> | <u>\$ 349,996</u> | <u>\$ 2,569,976</u> | <u>\$ 21,726,865</u> | <u>\$ 70,524,332</u> | |
| \$ 154,017 | \$ - | \$ 167,139 | \$ 1,384,666 | \$ 86,871 | \$ - | \$ - | \$ 1,471,537 | \$ 2,517,054 | |
| - | - | - | - | - | - | - | - | 16,786,827 | |
| - | - | - | - | - | - | - | - | 148,623 | |
| - | - | 62,157 | - | - | - | - | - | 460,893 | |
| 154,017 | - | 229,296 | 1,384,666 | 86,871 | - | - | 1,471,537 | 19,913,397 | |
| - | - | - | - | - | - | 436,380 | 436,380 | 9,899,100 | |
| - | (21,008) | 414,992 | - | - | - | - | - | 2,309,992 | |
| - | (21,008) | 414,992 | - | - | - | 436,380 | 436,380 | 12,209,092 | |
| 154,017 | (21,008) | 644,288 | 1,384,666 | 86,871 | - | 436,380 | 1,907,917 | 32,122,489 | |
| - | - | - | - | - | - | - | - | 5,080,823 | |
| - | - | - | - | - | - | - | - | 1,534,487 | |
| - | - | - | - | - | - | - | - | 397,488 | |
| - | - | 13,712 | - | - | - | 2,133,596 | 2,133,596 | 4,642,395 | |
| - | - | - | - | - | - | - | - | 505,715 | |
| - | - | - | - | - | - | - | - | 26,545 | |
| 2,673,564 | 3,273,214 | 7,223,309 | - | - | - | - | - | 7,223,309 | |
| - | - | - | - | - | - | - | - | 610,316 | |
| - | - | - | 4,775,094 | - | - | - | - | 5,677,257 | |
| - | - | - | 6,830,444 | 5,729,818 | 349,996 | - | 12,910,258 | 12,910,258 | |
| - | - | - | - | - | - | - | - | (206,750) | |
| 2,673,564 | 3,273,214 | 7,237,021 | 11,605,538 | 5,729,818 | 349,996 | 2,133,596 | 19,818,948 | 38,401,843 | |
| <u>\$ 2,827,581</u> | <u>\$ 3,252,206</u> | <u>\$ 7,881,309</u> | <u>\$ 12,990,204</u> | <u>\$ 5,816,689</u> | <u>\$ 349,996</u> | <u>\$ 2,569,976</u> | <u>\$ 21,726,865</u> | <u>\$ 70,524,332</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 Fiscal Year Ended December 31, 2021

| | Special Revenue | | | | |
|--|--------------------|----------------------------------|-----------------------------|-----------------------|----------------|
| | Motor Fuel Tax | Emergency Telephone System | Neighborhood Improvement | Affordable Housing | HOME |
| Revenues | | | | | |
| Taxes | \$ - | \$ 1,451,159 | \$ - | \$ 15,453 | \$ - |
| Special assessments | - | - | - | - | - |
| Intergovernmental | 4,554,816 | - | - | 623,955 | 504,714 |
| Fees | - | - | - | - | - |
| Investment income | 4,986 | 736 | 22 | 7,428 | 34,283 |
| Miscellaneous | | | | | |
| Contributions | - | - | - | 125,000 | - |
| Other | - | 641 | - | 4,167 | 1,765 |
| Total Revenues | 4,559,802 | 1,452,536 | 22 | 776,003 | 540,762 |
| Expenditures | | | | | |
| Current | | | | | |
| General management and support | - | - | - | - | - |
| Public safety | - | 1,217,679 | - | - | - |
| Public works | 2,396,737 | - | - | - | - |
| Housing and economic development | - | - | - | 2,104,842 | 544,592 |
| Debt services | | | | | |
| Fiscal charges | - | - | - | - | - |
| Capital outlay | - | - | - | - | - |
| Total Expenditures | 2,396,737 | 1,217,679 | - | 2,104,842 | 544,592 |
| Excess (Deficiency) of Revenues Over Expenditures | 2,163,065 | 234,857 | 22 | (1,328,839) | (3,830) |
| Other Financing Sources (Uses) | | | | | |
| Issuance of bonds | - | - | - | - | - |
| Premium (discount) on bonds issued | - | - | - | - | - |
| Transfers in | - | - | - | - | - |
| Transfers (out) | (1,044,984) | (90,000) | - | - | - |
| Total Other Financing Sources (Uses) | (1,044,984) | (90,000) | - | - | - |
| Net Change in Fund Balances | 1,118,081 | 144,857 | 22 | (1,328,839) | (3,830) |
| Fund Balances (Deficit), January 1 | 3,962,742 | 1,389,630 | 22,121 | 3,801,783 | 29,565 |
| Fund Balances (Deficit), December 31 | \$ 5,080,823 | \$ 1,534,487 | \$ 22,143 | \$ 2,472,944 | \$ 25,735 |

| Special Revenue | | | | | | | | |
|-----------------------------------|----------------------------|--------------------------------|-------------|-------------|---------------|--------------------|-----------------------|--|
| Community Development Block Grant | Community Development Loan | Special Service District No. 9 | Reparations | ARPA | Good Neighbor | General Assistance | Total Special Revenue | |
| \$ - | \$ - | \$ 603,007 | \$ - | \$ - | \$ - | \$ 1,318,391 | \$ 3,388,010 | |
| - | - | - | - | - | - | - | - | |
| 2,317,923 | - | - | - | 4,800,000 | - | - | 12,801,408 | |
| - | - | - | - | - | - | - | - | |
| - | - | 28 | 391 | 26,545 | 884 | 1,442 | 76,745 | |
| - | - | - | 14,278 | - | 1,000,000 | - | 1,139,278 | |
| - | 172,475 | - | - | - | - | 2,585 | 181,633 | |
| 2,317,923 | 172,475 | 603,035 | 14,669 | 4,826,545 | 1,000,884 | 1,322,418 | 17,587,074 | |
| - | - | - | 2,096 | - | 35,387 | 1,101,639 | 1,139,122 | |
| - | - | - | - | - | - | - | 1,217,679 | |
| - | - | - | - | - | - | - | 2,396,737 | |
| 2,317,923 | 44,370 | 595,125 | - | - | - | - | 5,606,852 | |
| - | - | - | - | - | - | - | - | |
| - | - | - | - | - | - | - | - | |
| 2,317,923 | 44,370 | 595,125 | 2,096 | - | 35,387 | 1,101,639 | 10,360,390 | |
| - | 128,105 | 7,910 | 12,573 | 4,826,545 | 965,497 | 220,779 | 7,226,684 | |
| - | - | - | - | - | - | - | - | |
| - | - | - | - | - | - | - | - | |
| - | - | - | 275,000 | - | - | - | 275,000 | |
| - | - | - | - | (4,800,000) | (414,152) | - | (6,349,136) | |
| - | - | - | 275,000 | (4,800,000) | (414,152) | - | (6,074,136) | |
| - | 128,105 | 7,910 | 287,573 | 26,545 | 551,345 | 220,779 | 1,152,548 | |
| 60,823 | 182,825 | (214,660) | 218,142 | - | 350,818 | 389,537 | 10,193,326 | |
| \$ 60,823 | \$ 310,930 | \$ (206,750) | \$ 505,715 | \$ 26,545 | \$ 902,163 | \$ 610,316 | \$ 11,345,874 | |

(This schedule in continued on the following pages.)

CITY OF EVANSTON, ILLINOIS

Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Nonmajor Governmental Funds

For the Fiscal Year Ended December 31, 2021

| | 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 |
| Revenues | | | | | |
| Taxes | \$ 1,207,608 | \$ 221,554 | \$ 144,157 | \$ 49,544 | \$ 282,948 |
| Special assessments | - | - | - | - | - |
| Intergovernmental | - | - | - | - | - |
| Fees | - | - | - | - | - |
| Investment income | 2,771 | 66 | 104 | 11,208 | 540 |
| Miscellaneous | | | | | |
| Contributions | - | - | - | - | - |
| Other | - | - | - | - | - |
| Total Revenues | 1,210,379 | 221,620 | 144,261 | 60,752 | 283,488 |
| Expenditures | | | | | |
| Current | | | | | |
| General management and support | - | - | - | - | - |
| Public safety | - | - | - | - | - |
| Public works | - | - | - | - | - |
| Housing and economic development | 255,547 | 223,914 | 135,898 | 58,580 | 1,822 |
| Debt services | | | | | |
| Fiscal charges | - | - | - | - | - |
| Capital outlay | - | - | - | - | - |
| Total Expenditures | 255,547 | 223,914 | 135,898 | 58,580 | 1,822 |
| Excess (Deficiency) of Revenues Over Expenditures | 954,832 | (2,294) | 8,363 | 2,172 | 281,666 |
| Other Financing Sources (Uses) | | | | | |
| Issuance of bonds | - | - | - | - | - |
| Premium (discount) on bonds issued | - | - | - | - | - |
| Transfers in | - | - | - | - | - |
| Transfers (out) | (1,327,976) | - | - | - | (168,924) |
| Total Other Financing Sources (Uses) | (1,327,976) | - | - | - | (168,924) |
| Net Change in Fund Balances | (373,144) | (2,294) | 8,363 | 2,172 | 112,742 |
| Fund Balances (Deficit), January 1 | 1,324,671 | 4,073 | 352 | 1,046 | 212,262 |
| Fund Balances (Deficit), December 31 | \$ 951,527 | \$ 1,779 | \$ 8,715 | \$ 3,218 | \$ 325,004 |

| Debt Service | | | Capital Projects | | | | | |
|--|---|--------------------------|-------------------------|-----------------------|----------------------|-----------------------|------------------------------|--|
| Howard Ridge Tax Increment District | West Evanston Tax Increment District | Total Debt Service | Capital Improvements | Crown Construction | Crown Maintenance | Special Assessment | Total Capital Projects | Total Nonmajor Governmental Funds |
| \$ 1,241,924 | \$ 1,795,432 | \$ 4,943,167 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,331,177 |
| - | - | - | - | - | - | 109,459 | 109,459 | 109,459 |
| - | - | - | 340,579 | 1,000,000 | - | - | 1,340,579 | 14,141,987 |
| - | - | - | 168,794 | - | - | - | 168,794 | 168,794 |
| 5,685 | 5,468 | 25,842 | (65,826) | 12,174 | - | 4,739 | (48,913) | 53,674 |
| - | - | - | 60,873 | 2,800,000 | - | - | 2,860,873 | 4,000,151 |
| 28,078 | 171,504 | 199,582 | 81,365 | - | - | - | 81,365 | 462,580 |
| 1,275,687 | 1,972,404 | 5,168,591 | 585,785 | 3,812,174 | - | 114,198 | 4,512,157 | 27,267,822 |
| - | - | - | 3,341 | - | - | 60 | 3,401 | 1,142,523 |
| - | - | - | 9,096 | - | - | - | 9,096 | 1,226,775 |
| - | - | - | 6,654,196 | 13,829 | - | - | 6,668,025 | 9,064,762 |
| 720,055 | 86,184 | 1,482,000 | - | - | - | - | - | 7,088,852 |
| - | - | - | 115,852 | - | - | - | 115,852 | 115,852 |
| - | - | - | 1,636,125 | 699,411 | - | 144,686 | 2,480,222 | 2,480,222 |
| 720,055 | 86,184 | 1,482,000 | 8,418,610 | 713,240 | - | 144,746 | 9,276,596 | 21,118,986 |
| 555,632 | 1,886,220 | 3,686,591 | (7,832,825) | 3,098,934 | - | (30,548) | (4,764,439) | 6,148,836 |
| - | - | - | 8,370,000 | - | - | - | 8,370,000 | 8,370,000 |
| - | - | - | 549,852 | - | - | - | 549,852 | 549,852 |
| - | - | - | - | - | 174,996 | - | 174,996 | 449,996 |
| (218,112) | (407,637) | (2,122,649) | - | - | - | (489,324) | (489,324) | (8,961,109) |
| (218,112) | (407,637) | (2,122,649) | 8,919,852 | - | 174,996 | (489,324) | 8,605,524 | 408,739 |
| 337,520 | 1,478,583 | 1,563,942 | 1,087,027 | 3,098,934 | 174,996 | (519,872) | 3,841,085 | 6,557,575 |
| 2,336,044 | 1,794,631 | 5,673,079 | 10,518,511 | 2,630,884 | 175,000 | 2,653,468 | 15,977,863 | 31,844,268 |
| \$ 2,673,564 | \$ 3,273,214 | \$ 7,237,021 | \$ 11,605,538 | \$ 5,729,818 | \$ 349,996 | \$ 2,133,596 | \$ 19,818,948 | \$ 38,401,843 |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Motor Fuel Tax Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance</u> |
|--|--------------------------------------|---------------------|---------------------|
| Revenues | | | |
| Intergovernmental allotments | \$ 3,656,700 | \$ 4,554,816 | \$ 898,116 |
| Interest | 12,000 | 4,986 | (7,014) |
| | <hr/> | <hr/> | <hr/> |
| Total Revenues | 3,668,700 | 4,559,802 | 891,102 |
| Expenditures | | | |
| Public Works | 3,322,000 | 2,396,737 | (925,263) |
| | <hr/> | <hr/> | <hr/> |
| Excess (Deficiency) of Revenues Over Expenditures | 346,700 | 2,163,065 | 1,816,365 |
| | <hr/> | <hr/> | <hr/> |
| Other Financing Sources (Uses) | | | |
| Transfers (out) | (1,044,987) | (1,044,984) | 3 |
| | <hr/> | <hr/> | <hr/> |
| Other Financing Sources (Uses) - Net | (1,044,987) | (1,044,984) | 3 |
| | <hr/> | <hr/> | <hr/> |
| Net Change in Fund Balance | <u>\$ (698,287)</u> | 1,118,081 | <u>\$ 1,816,368</u> |
| Fund Balances | | | |
| Beginning of Year | | <u>3,962,742</u> | |
| End of Year | | <u>\$ 5,080,823</u> | |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Emergency Telephone System Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original and Final Budget | Actual | Variance |
|--|------------------------------|---------------------|-------------------|
| Revenues | | | |
| Taxes and special assessments | \$ 1,321,600 | \$ 1,451,159 | \$ 129,559 |
| Interest | 7,000 | 736 | (6,264) |
| Miscellaneous | | | |
| Other | - | 641 | 641 |
| Total Revenues | <u>1,328,600</u> | <u>1,452,536</u> | <u>123,936</u> |
| Expenditures | | | |
| Public safety | <u>1,434,371</u> | <u>1,217,679</u> | <u>(216,692)</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>(105,771)</u> | <u>234,857</u> | <u>340,628</u> |
| Other Financing Sources (Uses) | | | |
| Transfers (out) | <u>(90,000)</u> | <u>(90,000)</u> | <u>-</u> |
| Net Change in Fund Balance | <u>\$ (195,771)</u> | <u>144,857</u> | <u>\$ 340,628</u> |
| Fund Balance | | | |
| Beginning of Year | | <u>1,389,630</u> | |
| End of Year | | <u>\$ 1,534,487</u> | |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Affordable Housing Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original and Final Budget | Actual | Variance |
|----------------------------------|------------------------------|-------------|---------------------|
| Revenues | | | |
| Affordable housing demo tax | \$ 75,000 | \$ 15,453 | \$ (59,547) |
| Intergovernmental | 658,000 | 623,955 | (34,045) |
| Developer contributions | 125,000 | 125,000 | - |
| Interest | 5,700 | 7,428 | 1,728 |
| Miscellaneous | 50,600 | 4,167 | (46,433) |
| | <hr/> | <hr/> | <hr/> |
| Total Revenues | 914,300 | 776,003 | (138,297) |
| Expenditures | | | |
| Housing and economic development | 2,529,244 | 2,104,842 | (424,402) |
| | <hr/> | <hr/> | <hr/> |
| Net Change in Fund Balance | <u>\$ (1,614,944)</u> | (1,328,839) | <u>\$ 286,105</u> |
| Fund Balance | | | |
| Beginning of Year | | <hr/> | 3,801,783 |
| End of Year | | <hr/> | <u>\$ 2,472,944</u> |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

HOME Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original and Final Budget | Actual | Variance |
|----------------------------------|------------------------------|------------------------|-------------------|
| Revenues | | | |
| Intergovernmental allotments | \$ 540,453 | \$ 504,714 | \$ (35,739) |
| Interest | 150 | 34,283 | 34,133 |
| Miscellaneous | 25,000 | 1,765 | (23,235) |
| | <hr/> | <hr/> | <hr/> |
| Total Revenues | 565,603 | 540,762 | (24,841) |
| | <hr/> | <hr/> | <hr/> |
| Expenditures | | | |
| Housing and economic development | 564,941 | 544,592 | (20,349) |
| | <hr/> | <hr/> | <hr/> |
| Net Change in Fund Balance | <u>\$ 662</u> | (3,830) | <u>\$ (4,492)</u> |
| | <hr/> | <hr/> | <hr/> |
| Fund Balance | | | |
| Beginning of Year | | <hr/> 29,565 | |
| End of Year | | <hr/> <u>\$ 25,735</u> | |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Community Development Block Grant Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original and Final Budget | Actual | Variance |
|--|------------------------------|------------------|-------------------|
| Revenues | | | |
| Intergovernmental allotments | | | |
| Grant from U.S. Department of Housing and Urban Development | \$ 2,758,514 | \$ 2,317,923 | \$ (440,591) |
| Total Revenues | <u>2,758,514</u> | <u>2,317,923</u> | <u>(440,591)</u> |
| Expenditures | | | |
| Housing and economic development | <u>2,756,197</u> | <u>2,317,923</u> | <u>(438,274)</u> |
| Net Change in Fund Balance | <u>\$ 2,317</u> | - | <u>\$ (2,317)</u> |
| Fund Balance | | | |
| Beginning of Year | | <u>60,823</u> | |
| End of Year | | <u>\$ 60,823</u> | |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Community Development Block Grant Fund
 Schedule of Expenditures - Budget and Actual (Budgetary Basis)

For the Fiscal Year Ended December 31, 2021

| | Original and Final Budget | Actual | Variance |
|--|------------------------------|---------------------|---------------------|
| Administration/Planning | | | |
| CDBG administration | \$ 2,611,623 | \$ 330,403 | \$ (2,281,220) |
| Total Administration/Planning | <u>2,611,623</u> | <u>330,403</u> | <u>(2,281,220)</u> |
| Housing | | | |
| Rehab construction administration | 64,574 | 53,835 | (10,739) |
| Targeted housing code enforcement | - | 341,609 | 341,609 |
| Total Housing | <u>64,574</u> | <u>395,444</u> | <u>330,870</u> |
| Neighborhood Revitalization | | | |
| Special assessments - alleys | - | 4,280 | 4,280 |
| Alley paving program | - | 350,771 | 350,771 |
| Park improvements | - | 69,691 | 69,691 |
| Curbs/sidewalk replacement | - | 51,600 | 51,600 |
| Contributions to other agencies | - | 38,561 | 38,561 |
| Total Neighborhood Revitalization | <u>-</u> | <u>514,903</u> | <u>514,903</u> |
| Public Services | | | |
| Connection for Homeless | - | 386,398 | 386,398 |
| Summer youth employment | - | 150,092 | 150,092 |
| Direct financial assistance | - | 86,150 | 86,150 |
| Childcare Network Evanston | - | 25,000 | 25,000 |
| Curt's Café | - | 115,957 | 115,957 |
| James Moran Center | - | 50,000 | 50,000 |
| YWCA Domestic Violence | - | 35,000 | 35,000 |
| Interfaith Housing Program - Homeshare | - | 42,500 | 42,500 |
| Family Focus | - | 102,326 | 102,326 |
| North Shore Senior Center | - | 23,750 | 23,750 |
| Meals at Home | - | 30,000 | 30,000 |
| Direct financial assistance to businesses | 50,000 | 30,000 | (20,000) |
| Evanston Community Development Corporation | 30,000 | - | (30,000) |
| Total Public Services | <u>80,000</u> | <u>1,077,173</u> | <u>997,173</u> |
| Total Expenditures | <u>\$ 2,756,197</u> | <u>\$ 2,317,923</u> | <u>\$ (438,274)</u> |

(This schedule is continued on the following page.)

CITY OF EVANSTON, ILLINOIS

Community Development Loan Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original and Final Budget | Actual | Variance |
|----------------------------------|------------------------------|-------------------|-------------------|
| Revenues | | | |
| Miscellaneous | \$ 110,000 | \$ 172,475 | \$ 62,475 |
| Total Revenues | <u>110,000</u> | <u>172,475</u> | <u>62,475</u> |
| Expenditures | | | |
| Housing and economic development | <u>175,000</u> | <u>44,370</u> | <u>(130,630)</u> |
| Net Change in Fund Balance | <u>\$ (65,000)</u> | <u>128,105</u> | <u>\$ 193,105</u> |
| Fund Balances | | | |
| Beginning of Year | | <u>182,825</u> | |
| End of Year | | <u>\$ 310,930</u> | |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Special Service District No. 9 Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance</u> |
|--------------------------------------|------------------------|---------------------|---------------------|------------------|
| Revenues | | | | |
| Property taxes | | | | |
| Current year | \$ 592,665 | \$ 592,665 | \$ 603,007 | \$ 10,342 |
| Investment income | - | - | 28 | 28 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Total Revenues | 592,665 | 592,665 | 603,035 | 10,370 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Expenditures | | | | |
| Housing and economic development | 575,000 | 595,125 | 595,125 | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net Change in Fund Balance (Deficit) | <u>\$ 17,665</u> | <u>\$ (2,460)</u> | 7,910 | <u>\$ 10,370</u> |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Fund Balance (Deficit) | | | | |
| Beginning of Year | | | <u>(214,660)</u> | |
| | | | <hr/> | |
| End of Year | | | <u>\$ (206,750)</u> | |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Reparations Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original and Final Budget | Actual | Variance |
|--|------------------------------|-------------------|-------------------|
| Revenues | | | |
| Taxes | \$ 400,000 | \$ - | \$ (400,000) |
| Miscellaneous | | | |
| Contributions | - | 14,278 | 14,278 |
| Investment income | - | 391 | 391 |
| Total Revenues | <u>400,000</u> | <u>14,669</u> | <u>(385,331)</u> |
| Expenditures | | | |
| General management and support | <u>400,000</u> | <u>2,096</u> | <u>(397,904)</u> |
| Excess (Deficiency) of Revenues Over Expenditures | <u>-</u> | <u>12,573</u> | <u>12,573</u> |
| Other Financing Sources (Uses) | | | |
| Transfers in | <u>-</u> | <u>275,000</u> | <u>275,000</u> |
| Other Financing Sources (Uses) - Net | <u>-</u> | <u>275,000</u> | <u>275,000</u> |
| Net Change in Fund Balance | <u>\$ -</u> | <u>287,573</u> | <u>\$ 287,573</u> |
| Fund Balance | | | |
| Beginning of Year | | <u>218,142</u> | |
| End of Year | | <u>\$ 505,715</u> | |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

ARPA Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original Budget | Final Budget | Actual | Variance |
|--|-----------------|-----------------------|--------------------|---------------------|
| Revenues | | | | |
| Intergovernmental | \$ - | \$ - | \$ 4,800,000 | \$ 4,800,000 |
| Investment income | - | - | 26,545 | 26,545 |
| Total Revenues | - | - | 4,826,545 | 4,826,545 |
| Expenditures | | | | |
| None | - | - | - | - |
| Excess (Deficiency) of Revenues Over Expenditures | - | - | 4,826,545 | 4,826,545 |
| Other Financing Sources (Uses) | | | | |
| Transfers (out) | - | (4,800,000) | (4,800,000) | - |
| Other Financing Sources (Uses) - Net | - | (4,800,000) | (4,800,000) | - |
| Net Change in Fund Balance | \$ - | \$ (4,800,000) | 26,545 | \$ 4,826,545 |
| Fund Balance | | | | |
| Beginning of Year | | | - | |
| End of Year | | | \$ 26,545 | |

CITY OF EVANSTON, ILLINOIS

Good Neighbor Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original and Final Budget | Actual | Variance |
|--|------------------------------|--------------|------------|
| Revenues | | | |
| Miscellaneous | \$ 1,000,000 | \$ 1,000,000 | \$ - |
| Investment income | - | 884 | 884 |
| Total Revenues | 1,000,000 | 1,000,884 | 884 |
| Expenditures | | | |
| General management and support | 620,000 | 35,387 | (584,613) |
| Excess (Deficiency) of Revenues Over Expenditures | 380,000 | 965,497 | 585,497 |
| Other Financing Sources (Uses) | | | |
| Transfers (out) | (380,000) | (414,152) | (34,152) |
| Other Financing Sources (Uses) - Net | (380,000) | (414,152) | (34,152) |
| Net Change in Fund Balance | \$ - | 551,345 | \$ 551,345 |
| Fund Balance | | | |
| Beginning of Year | | 350,818 | |
| End of Year | | \$ 902,163 | |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

General Assistance Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | <u>Original and Final Budget</u> | <u>Actual</u> | <u>Variance</u> |
|--------------------------------|--------------------------------------|-------------------|-------------------|
| Revenues | | | |
| Property taxes | \$ 1,300,000 | \$ 1,318,391 | \$ 18,391 |
| Investment income | 1,000 | 1,442 | 442 |
| Miscellaneous | 27,500 | 2,585 | (24,915) |
| Total Revenues | 1,328,500 | 1,322,418 | (6,082) |
| Expenditures | | | |
| General management and support | 1,325,044 | 1,101,639 | (223,405) |
| Net Change in Fund Balance | <u>\$ 3,456</u> | 220,779 | <u>\$ 217,323</u> |
| Fund Balance | | | |
| Beginning of Year | | <u>389,537</u> | |
| End of Year | | <u>\$ 610,316</u> | |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Capital Improvements Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original and Final Budget | Actual | Variance |
|--|------------------------------|----------------------|---------------------|
| Revenues | | | |
| Intergovernmental | \$ - | \$ 340,579 | \$ 340,579 |
| Contributions | - | 60,873 | 60,873 |
| Fees | - | 168,794 | 168,794 |
| Investment income | - | (65,826) | (65,826) |
| Miscellaneous | - | 81,365 | 81,365 |
| Total Revenues | - | 585,785 | 585,785 |
| Expenditures | | | |
| General management and support | - | 3,341 | 3,341 |
| Public safety | - | 9,096 | 9,096 |
| Public works | 9,611,766 | 6,654,196 | (2,957,570) |
| Capital outlay | 790,000 | 1,636,125 | 846,125 |
| Debt Service | | | |
| Fiscal agent fees | - | 115,852 | 115,852 |
| Total Expenditures | 10,401,766 | 8,418,610 | (1,983,156) |
| Excess (Deficiency) of Revenues Over Expenditures | (10,401,766) | (7,832,825) | 2,568,941 |
| Other Financing Sources (Uses) | | | |
| Issuance of bonds | 7,645,000 | 8,370,000 | 725,000 |
| Premium on issuance of bonds | - | 549,852 | 549,852 |
| Total Other Financing Sources (Uses) | 7,645,000 | 8,919,852 | 1,274,852 |
| Net Change in Fund Balance | \$ (2,756,766) | 1,087,027 | \$ 3,843,793 |
| Fund Balances | | | |
| Beginning of Year | | <u>10,518,511</u> | |
| End of Year | | <u>\$ 11,605,538</u> | |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Crown Construction Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original and Final Budget | Actual | Variance |
|--|------------------------------|------------------|---------------------|
| Revenues | | | |
| Investment income | \$ - | \$ 12,174 | \$ 12,174 |
| Intergovernmental | - | 1,000,000 | 1,000,000 |
| Miscellaneous | | | |
| Contributions | 1,000,000 | 2,800,000 | 1,800,000 |
| Total Revenues | 1,000,000 | 3,812,174 | 2,812,174 |
| Expenditures | | | |
| Public works | - | 13,829 | 13,829 |
| Capital outlay | 1,000,000 | 699,411 | (300,589) |
| Total Expenditures | 1,000,000 | 713,240 | (286,760) |
| Excess (Deficiency) of Revenues Over Expenditures | | | |
| | - | 3,098,934 | 3,098,934 |
| Other Financing Sources (Uses) | | | |
| Transfers in | - | - | - |
| Transfers (out) | (637,500) | - | 637,500 |
| Total Other Financing Sources (Uses) | (637,500) | - | 637,500 |
| Net Change in Fund Balance | \$ (637,500) | 3,098,934 | \$ 3,736,434 |
| Fund Balances | | | |
| Beginning of Year | | 2,630,884 | |
| End of Year | | \$ 5,729,818 | |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Crown Maintenance Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original and Final Budget | Actual | Variance |
|--|------------------------------|-------------------|---------------|
| Revenues | | | |
| None | \$ - | \$ - | \$ - |
| Total Revenues | - | - | - |
| Expenditures | | | |
| None | - | - | - |
| Total Expenditures | - | - | - |
| Excess (Deficiency) of Revenues Over Expenditures | - | - | - |
| Other Financing Sources (Uses) | | | |
| Transfers in | 175,000 | 174,996 | (4) |
| Total Other Financing Sources (Uses) | 175,000 | 174,996 | (4) |
| Net Change in Fund Balance | <u>\$ 175,000</u> | 174,996 | <u>\$ (4)</u> |
| Fund Balances | | | |
| Beginning of Year | | <u>175,000</u> | |
| End of Year | | <u>\$ 349,996</u> | |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Special Assessment Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original and Final Budget | Actual | Variance |
|--|------------------------------|------------------|-------------------|
| Revenues | | | |
| Special assessments | \$ 155,000 | \$ 109,459 | \$ (45,541) |
| Investment income | - | 4,739 | 4,739 |
| Total Revenues | 155,000 | 114,198 | (40,802) |
| Expenditures | | | |
| Current | | | |
| General management and support | - | 60 | 60 |
| Capital outlay | 500,000 | 144,686 | (355,314) |
| Total Expenditures | 500,000 | 144,746 | (355,254) |
| Excess (Deficiency) of Revenues Over Expenditures | (345,000) | (30,548) | 314,452 |
| Other Financing Sources (Uses) | | | |
| Transfers (out) | (489,314) | (489,324) | (10) |
| Other Financing Sources (Uses) - Net | (489,314) | (489,324) | (10) |
| Net Change in Fund Balance | \$ (834,314) | (519,872) | \$ 314,442 |
| Fund Balance | | | |
| Beginning of Year | | 2,653,468 | |
| End of Year | | \$ 2,133,596 | |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Debt Service Funds
 Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Chicago Main Tax Increment District | | | Special Service Area No. 6 | | |
|--|--|---------------------|--------------------|-------------------------------|-------------------|-----------------|
| | Original Budget | Final Budget | Actual | Original Budget | Final Budget | Actual |
| Revenues | | | | | | |
| Taxes | | | | | | |
| Property taxes | \$ 879,000 | \$ 879,000 | \$ 1,207,608 | \$ 221,000 | \$ 221,000 | \$ 221,554 |
| Investment income | - | - | 2,771 | 500 | 500 | 66 |
| Miscellaneous | - | - | - | - | - | - |
| Total Revenues | 879,000 | 879,000 | 1,210,379 | 221,500 | 221,500 | 221,620 |
| Expenditures | | | | | | |
| Housing and economic development | | | | | | |
| | 1,135,000 | 1,320,681 | 255,547 | 221,500 | 223,914 | 223,914 |
| Total Expenditures | 1,135,000 | 1,320,681 | 255,547 | 221,500 | 223,914 | 223,914 |
| Excess (Deficiency) of Revenues Over Expenditures | (256,000) | (441,681) | 954,832 | - | (2,414) | (2,294) |
| Other Financing Sources (Uses) | | | | | | |
| Transfers in (out) | | | | | | |
| General | (30,000) | (30,000) | (30,000) | - | - | - |
| Other | (232,843) | (232,843) | (1,297,976) | - | - | - |
| Total Other Financing Sources (Uses) | (262,843) | (262,843) | (1,327,976) | - | - | - |
| Net Changes in Fund Balances | \$ (518,843) | \$ (704,524) | (373,144) | \$ - | \$ (2,414) | (2,294) |
| Fund Balances | | | | | | |
| Beginning of Year | | | <u>1,324,671</u> | | | <u>4,073</u> |
| End of Year | | | <u>\$ 951,527</u> | | | <u>\$ 1,779</u> |

| Special Service Area No. 7 | | | Special Service Area No. 8 | | Dempster-Dodge Tax Increment District | |
|-------------------------------|------------------|-----------------|-------------------------------|-----------------|--|-------------------|
| Original Budget | Final Budget | Actual | Original and Final Budget | Actual | Original and Final Budget | Actual |
| \$ 154,800 | \$ 154,800 | \$ 144,157 | \$ 60,200 | \$ 49,544 | \$ 147,000 | \$ 282,948 |
| - | - | 104 | - | 11,208 | - | 540 |
| - | - | - | - | - | - | - |
| 154,800 | 154,800 | 144,261 | 60,200 | 60,752 | 147,000 | 283,488 |
| 115,000 | 135,898 | 135,898 | 60,200 | 58,580 | 2,000 | 1,822 |
| 115,000 | 135,898 | 135,898 | 60,200 | 58,580 | 2,000 | 1,822 |
| 39,800 | 18,902 | 8,363 | - | 2,172 | 145,000 | 281,666 |
| - | - | - | - | - | (10,000) | (9,996) |
| - | - | - | - | - | (158,923) | (158,928) |
| - | - | - | - | - | (168,923) | (168,924) |
| <u>\$ 39,800</u> | <u>\$ 18,902</u> | 8,363 | <u>\$ -</u> | 2,172 | <u>\$ (23,923)</u> | 112,742 |
| | | <u>352</u> | | <u>1,046</u> | | <u>212,262</u> |
| | | <u>\$ 8,715</u> | | <u>\$ 3,218</u> | | <u>\$ 325,004</u> |

(This schedule is continued on the following page.)

CITY OF EVANSTON, ILLINOIS

Debt Service Funds
 Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Howard Ridge Tax Increment District | | West Evanston Tax Increment District | | Total | |
|--|--|------------------|---|------------------|------------------------------|--------------------|
| | Original and Final Budget | Actual | Original and Final Budget | Actual | Original and Final Budget | Actual |
| Revenues | | | | | | |
| Taxes | | | | | | |
| Property taxes | \$ 968,000 | \$ 1,241,924 | \$ 1,237,000 | \$ 1,795,432 | \$ 3,452,000 | \$ 4,943,167 |
| Investment income | 400 | 5,685 | 4,000 | 5,468 | 4,900 | 25,842 |
| Miscellaneous | 5,366 | 28,078 | 11,000 | 171,504 | 16,366 | 199,582 |
| Total Revenues | 973,766 | 1,275,687 | 1,252,000 | 1,972,404 | 3,473,266 | 5,168,591 |
| Expenditures | | | | | | |
| Housing and economic development | | | | | | |
| | 835,000 | 720,055 | 705,000 | 86,184 | 3,086,595 | 1,482,000 |
| Total Expenditures | 835,000 | 720,055 | 705,000 | 86,184 | 3,086,595 | 1,482,000 |
| Excess (Deficiency) of Revenues Over Expenditures | 138,766 | 555,632 | 547,000 | 1,886,220 | 386,671 | 3,686,591 |
| Other Financing Sources (Uses) | | | | | | |
| Transfers in (out) | | | | | | |
| General | (75,000) | (75,000) | (75,000) | (75,000) | (190,000) | (189,996) |
| Other | (143,113) | (143,112) | - | (332,637) | (534,879) | (1,932,653) |
| Total Other Financing Sources (Uses) | (218,113) | (218,112) | (75,000) | (407,637) | (724,879) | (2,122,649) |
| Net Changes in Fund Balances | \$ (79,347) | 337,520 | \$ 472,000 | 1,478,583 | \$ (338,208) | 1,563,942 |
| Fund Balances | | | | | | |
| Beginning of Year | | 2,336,044 | | 1,794,631 | | 5,673,079 |
| End of Year | | \$ 2,673,564 | | \$ 3,273,214 | | \$ 7,237,021 |

(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.

Sewer Fund - To account for all activity related to providing sewer service to the City's residents and businesses. Activities necessary to provide such service include, but are not limited to: administration, operations, financing, capital improvements/maintenance, and billing/collection.

Parking Fund - To account for all city-owned parking facilities/garages, lots, and metered spaces. Maple Avenue and Sherman Plaza Garage activities have been included in this fund beginning in FY09-10. All activities are accounted for including administration, operations, financing, and revenue collection.

Solid Waste Fund - To account for all activity related to refuse, recycling, and yard waste collection and disposal. Activities necessary to provide such service include, but are not limited to: administration, operations, and revenue collection.

CITY OF EVANSTON, ILLINOIS

Water Fund

Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original and Final Budget | Actual |
|--|------------------------------|----------------------|
| Operating Revenues | | |
| Charges for services | \$ 22,758,700 | \$ 20,285,494 |
| Miscellaneous | 527,150 | 614,569 |
| Total Operating Revenues | 23,285,850 | 20,900,063 |
| Operating Expenses Excluding Depreciation | | |
| Administration | 1,977,052 | 717,673 |
| Operations | | |
| Pumping | 2,785,639 | 2,759,516 |
| Filtration | 2,952,634 | 2,494,191 |
| Distribution | 1,530,682 | 1,465,560 |
| Meter maintenance | 354,203 | 221,593 |
| Administration | 1,330,441 | 1,152,362 |
| Other | 27,118,831 | 1,173,748 |
| Total Operating Expenses Excluding Depreciation | 38,049,482 | 9,984,643 |
| Operating Income (Loss) Before Depreciation | (14,763,632) | 10,915,420 |
| Depreciation | - | 3,156,091 |
| Operating Income (Loss) | (14,763,632) | 7,759,329 |
| Non-Operating Revenue (Expenses) | | |
| Investment income | 70,000 | (19,582) |
| Interest expense | (2,318,294) | (1,420,786) |
| Gain/(loss) on the sale of capital assets | | 216,656 |
| Claims reimbursements | | 379,250 |
| Issuance of bonds | 3,000,000 | - |
| Issuance of loans | 16,400,000 | - |
| Total Non-Operating Revenues (Expenses) | 17,151,706 | (844,462) |
| Income Before Transfers and Contributions | 2,388,074 | 6,914,867 |
| Transfers and Contributions | | |
| Transfers in | - | 3,181,174 |
| Transfers (out) | (4,049,559) | (4,049,568) |
| Contributions | - | 1,065,128 |
| Total Transfers and Contributions | (4,049,559) | 196,734 |
| Net Income (Loss) | <u>\$ (1,661,485)</u> | 7,111,601 |
| Net Position | | |
| Beginning of Year | | 74,796,941 |
| End of Year | | <u>\$ 81,908,542</u> |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Water Fund - Operation and Maintenance Account
Schedule of Operating Revenues - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | <u>Original and Final Budget</u> | <u>Actual</u> |
|-------------------------------------|--------------------------------------|----------------------|
| Charges for Services, Net | | |
| Water Sales | | |
| Evanston | \$ 9,059,700 | \$ 8,800,247 |
| Skokie | 5,801,000 | 3,491,947 |
| Northwest Water Commission | 4,921,200 | 5,670,328 |
| Morton Grove Niles Water Commission | 1,987,000 | 1,813,040 |
| Lincolnwood | 989,800 | 509,932 |
| | <hr/> | <hr/> |
| Total Charges for Services | 22,758,700 | 20,285,494 |
| | <hr/> | <hr/> |
| Miscellaneous | | |
| Fees and outside work | 73,000 | 68,160 |
| Fees, merchandise, and other | 454,150 | 546,409 |
| | <hr/> | <hr/> |
| Total Miscellaneous | 527,150 | 614,569 |
| | <hr/> | <hr/> |
| Total Operating Revenues | <u>\$ 23,285,850</u> | <u>\$ 20,900,063</u> |

(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

Internal Service Funds
Combining Statement of Net Position

December 31, 2021

| | Equipment Replacement | Fleet Services | Insurance | Total |
|--|--------------------------|-------------------|-----------------------|---------------------|
| Current Assets | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ 70,000 | \$ 70,000 |
| Receivables - other | - | - | - | - |
| Inventories | - | 1,600,113 | - | 1,600,113 |
| Prepaid items | 1,131,816 | - | 4,258,663 | 5,390,479 |
| Due from other funds | - | - | - | - |
| Total Current Assets | 1,131,816 | 1,600,113 | 4,328,663 | 7,060,592 |
| Capital Assets | | | | |
| Capital assets being depreciated | 26,813,979 | 617,552 | - | 27,431,531 |
| Accumulated depreciation | (19,014,138) | (617,447) | - | (19,631,585) |
| Total Capital Assets | 7,799,841 | 105 | - | 7,799,946 |
| Total Assets | 8,931,657 | 1,600,218 | 4,328,663 | 14,860,538 |
| Deferred Outflows of Resources | | | | |
| OPEB items | - | 26,504 | - | 26,504 |
| Total Deferred Outflows of Resources | - | 26,504 | - | 26,504 |
| Total Assets and Deferred Outflows of Resources | 8,931,657 | 1,626,722 | 4,328,663 | 14,887,042 |
| Liabilities and Deferred Inflows of Resources | | | | |
| Current Liabilities | | | | |
| Vouchers payable | 959,228 | 279,438 | 108,123 | 1,346,789 |
| Due to other funds | 156,273 | 364,143 | 1,204,805 | 1,725,221 |
| Compensated absences payable | - | 20,667 | 2,463 | 23,130 |
| Total OPEB liability | - | 4,898 | - | 4,898 |
| Claims payable | - | - | 1,424,750 | 1,424,750 |
| Total Current Liabilities | 1,115,501 | 669,146 | 2,740,141 | 4,524,788 |
| Long-Term Liabilities | | | | |
| General obligation bonds payable | 660,000 | - | - | 660,000 |
| Compensated absences payable | - | 82,667 | 9,853 | 92,520 |
| Total OPEB liability | - | 137,468 | - | 137,468 |
| Claims payable | - | - | 6,077,850 | 6,077,850 |
| Total Long-Term Liabilities | 660,000 | 220,135 | 6,087,703 | 6,967,838 |
| Total Liabilities | 1,775,501 | 889,281 | 8,827,844 | 11,492,626 |
| Deferred Inflows of Resources | | | | |
| OPEB items | - | 18,720 | - | 18,720 |
| Total Deferred Inflows of Resources | - | 18,720 | - | 18,720 |
| Total Liabilities and Deferred Inflows of Resources | 1,775,501 | 908,001 | 8,827,844 | 11,511,346 |
| Net Position (Deficit) | | | | |
| Net investment in capital assets | 7,139,841 | 105 | - | 7,139,946 |
| Unrestricted (deficit) | 16,315 | 718,616 | (4,499,181) | (3,764,250) |
| Total Net Position (Deficit) | \$ 7,156,156 | \$ 718,721 | \$ (4,499,181) | \$ 3,375,696 |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Internal Service Funds
 Combining Statement of Revenues, Expenses, and Changes in Net Position

For the Fiscal Year Ended December 31, 2021

| | Equipment Replacement | Fleet Services | Insurance | Total |
|--|--------------------------|------------------|-------------------|-------------------|
| Operating Revenues | | | | |
| Charges for services | | | | |
| General Fund | \$ 219,984 | \$ 2,199,996 | \$ 4,250,004 | \$ 6,669,984 |
| Sewer Fund | - | 260,004 | 332,256 | 592,260 |
| Solid Waste | - | 302,004 | - | 302,004 |
| Water Fund | - | 180,000 | 1,539,648 | 1,719,648 |
| Motor Vehicle Parking System Fund | - | 159,996 | 351,504 | 511,500 |
| Library Fund | 4,884 | 5,436 | - | 10,320 |
| Emergency Telephone System | - | - | 18,228 | 18,228 |
| Claims reimbursements | - | - | 190,421 | 190,421 |
| Health insurance contributions | | | | |
| Contributions from other funds | - | - | 10,431,631 | 10,431,631 |
| Employee contributions | - | - | 3,588,898 | 3,588,898 |
| Other contributions | - | 15,774 | 604,737 | 620,511 |
| Miscellaneous | - | - | - | - |
| Total Operating Revenues | 224,868 | 3,123,210 | 21,307,327 | 24,655,405 |
| Operating Expenses | | | | |
| General support | - | 1,144,549 | 521,564 | 1,666,113 |
| Major maintenance | 1,469 | 1,999,725 | - | 2,001,194 |
| General liability claims | - | - | 57,546 | 57,546 |
| Workers' compensation claims | - | - | 1,865,745 | 1,865,745 |
| Health insurance premiums | - | - | 14,897,965 | 14,897,965 |
| Total Operating Expenses | 1,469 | 3,144,274 | 17,342,820 | 20,488,563 |
| Operating Income (Loss) Before Depreciation | 223,399 | (21,064) | 3,964,507 | 4,166,842 |
| Depreciation | 1,525,498 | - | - | 1,525,498 |
| Operating Income (Loss) | (1,302,099) | (21,064) | 3,964,507 | 2,641,344 |
| Non-Operating Revenue (Expenses) | | | | |
| Investment income | 201 | - | - | 201 |
| Gain (loss) on sale of property | 157,294 | - | - | 157,294 |
| Interest expense | (20,379) | - | - | (20,379) |
| Total Non-Operating Revenues (Expenses) | 137,116 | - | - | 137,116 |
| Income (Loss) Before Transfers | (1,164,983) | (21,064) | 3,964,507 | 2,778,460 |
| Transfers | | | | |
| Transfers in | 850,000 | - | - | 850,000 |
| Total Transfers | 850,000 | - | - | 850,000 |
| Change in Net Position | (314,983) | (21,064) | 3,964,507 | 3,628,460 |
| Net Position (Deficit) - Beginning | 7,471,139 | 739,785 | (8,463,688) | (252,764) |
| Net Position (Deficit) - Ending | \$ 7,156,156 | \$ 718,721 | \$ (4,499,181) | \$ 3,375,696 |

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

Internal Service Funds
 Combining Statement of Cash Flows

For the Fiscal Year Ended December 31, 2021

| | Equipment Replacement | Fleet Services | Insurance | Total |
|--|--------------------------|----------------|-----------------------|---------------------|
| Cash Flows from Operating Activities | | | | |
| Receipts from customers and users | \$ - | \$ - | \$ 3,779,319 | \$ 3,779,319 |
| Receipts from/(payments for) interfund services provided | 356,155 | 2,971,047 | 13,696,041 | 17,023,243 |
| Receipts from other agencies | 66,550 | 15,774 | 604,737 | 687,061 |
| Payments to suppliers | (1,469) | (1,847,002) | (521,564) | (2,370,035) |
| Payments to employees | - | (1,139,819) | (85,670) | (1,225,489) |
| Payments for insurance premiums | - | - | (18,472,863) | (18,472,863) |
| Net Cash from Operating Activities | 421,236 | - | (1,000,000) | (578,764) |
| Cash Flows from Noncapital Financing Activities | | | | |
| Interfund transfers | 850,000 | - | - | 850,000 |
| Net Cash from Noncapital Financing Activities | 850,000 | - | - | 850,000 |
| Cash Flows from Capital and Related Financing Activities | | | | |
| Proceeds from sale of capital assets | 157,294 | - | - | 157,294 |
| Acquisition and construction of capital assets | (1,969,642) | - | - | (1,969,642) |
| Interest paid on general obligation bonds | (20,379) | - | - | (20,379) |
| Net Cash from Capital and Related Financing Activities | (1,832,727) | - | - | (1,832,727) |
| Cash Flows from Investing Activities | | | | |
| Interest income | 201 | - | - | 201 |
| Net Cash from Investing Activities | 201 | - | - | 201 |
| Net Increase (Decrease) in Cash and Cash Equivalents | (561,290) | - | (1,000,000) | (1,561,290) |
| Cash and Equivalents | | | | |
| Beginning | 561,290 | - | 1,070,000 | 1,631,290 |
| Ending | \$ - | \$ - | \$ 70,000 | \$ 70,000 |
| Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities | | | | |
| Operating Income (Loss) | \$ (1,302,099) | \$ (21,064) | \$ 3,964,507 | \$ 2,641,344 |
| Adjustments to reconcile operating income (loss) to net cash from operating activities | | | | |
| Depreciation | 1,525,498 | - | - | 1,525,498 |
| Changes in assets and liabilities | | | | |
| Increase/decrease in accounts receivable miscellaneous | 66,550 | - | - | 66,550 |
| Interfund receivable | - | - | - | - |
| Prepaid expenses | - | - | (999,136) | (999,136) |
| Inventories | - | (17,730) | - | (17,730) |
| Compensated absences | - | 655 | (28,124) | (27,469) |
| OPEB items | - | 4,075 | - | 4,075 |
| Vouchers payable | - | 170,453 | 41,883 | 212,336 |
| Interfund payable | 131,287 | (136,389) | (3,227,230) | (3,232,332) |
| Claims payable | - | - | (751,900) | (751,900) |
| Net Cash from Operating Activities | \$ 421,236 | \$ - | \$ (1,000,000) | \$ (578,764) |
| Noncash investing, capital, and related financing activities | | | | |
| Capital assets acquired through vouchers and retainage payable | \$ 251,898 | \$ - | \$ - | \$ 251,898 |

(See independent auditor's report.)

COMPONENT UNIT - PUBLIC LIBRARY

CITY OF EVANSTON LIBRARY COMPONENT UNIT
EVANSTON, ILLINOIS

Combining Balance Sheet/Statement of Net Position

December 31, 2021

| | Operating | Permanent Endowment | Capital Improvement | Debt Service | Total | Adjustments | Statement of Net Position |
|--|----------------------|------------------------|------------------------|-------------------|----------------------|----------------------|------------------------------|
| Assets | | | | | | | |
| Cash and investments | \$ 3,494,922 | \$ 5,337,662 | \$ 897,739 | \$ 1,145 | \$ 9,731,468 | \$ - | \$ 9,731,468 |
| Property taxes receivable | 7,252,000 | - | - | 506,625 | 7,758,625 | - | 7,758,625 |
| Other receivables | 76,324 | - | - | - | 76,324 | - | 76,324 |
| Due from primary government | 70,303 | - | - | - | 70,303 | - | 70,303 |
| Net pension asset - IMRF | - | - | - | - | - | 3,022,763 | 3,022,763 |
| Capital assets not being depreciated | - | - | - | - | - | 311,380 | 311,380 |
| Capital assets net of accumulated depreciation | - | - | - | - | - | 10,410,421 | 10,410,421 |
| Total Assets | 10,893,549 | 5,337,662 | 897,739 | 507,770 | 17,636,720 | 13,744,564 | 31,381,284 |
| Deferred Outflows of Resources | | | | | | | |
| Pension items - IMRF | - | - | - | - | - | 520,101 | 520,101 |
| OPEB items | - | - | - | - | - | 76,840 | 76,840 |
| Total Deferred Outflows of Resources | - | - | - | - | - | 596,941 | 596,941 |
| Total Assets and Deferred Outflows of Resources | \$ 10,893,549 | \$ 5,337,662 | \$ 897,739 | \$ 507,770 | \$ 17,636,720 | \$ 14,341,505 | \$ 31,978,225 |
| Liabilities, Deferred Inflows of Resources, and Fund Balance/Net Position | | | | | | | |
| Current Liabilities | | | | | | | |
| Accounts payable | \$ 192,355 | \$ - | \$ 19,613 | \$ - | \$ 211,968 | \$ - | \$ 211,968 |
| Accrued interest | - | - | - | - | - | 20,160 | 20,160 |
| Total Current Liabilities | 192,355 | - | 19,613 | - | 211,968 | 20,160 | 232,128 |
| Noncurrent Liabilities | | | | | | | |
| Due within one year | - | - | - | - | - | 362,393 | 362,393 |
| Due in more than one year | - | - | - | - | - | 6,996,380 | 6,996,380 |
| Total Noncurrent Liabilities | - | - | - | - | - | 7,358,773 | 7,358,773 |
| Total Liabilities | 192,355 | - | 19,613 | - | 211,968 | 7,378,933 | 7,590,901 |
| Deferred Inflows of Resources | | | | | | | |
| Pension items - IMRF | - | - | - | - | - | 2,710,498 | 2,710,498 |
| OPEB items | - | - | - | - | - | 54,272 | 54,272 |
| Unavailable property taxes | 7,181,577 | - | - | 506,625 | 7,688,202 | - | 7,688,202 |
| Total Deferred Inflows of Resources | 7,181,577 | - | - | 506,625 | 7,688,202 | 2,764,770 | 10,452,972 |
| Total Liabilities and Deferred Inflows of Resources | 7,373,932 | - | 19,613 | 506,625 | 7,900,170 | 10,143,703 | 18,043,873 |
| Fund Balances/Net Position | | | | | | | |
| Net investment in capital assets | - | - | - | - | - | 4,193,203 | 4,193,203 |
| Restricted for debt service | - | - | - | 1,145 | 1,145 | - | 1,145 |
| Restricted for capital improvements | - | - | 878,126 | - | 878,126 | - | 878,126 |
| Restricted for endowment | - | 5,337,662 | - | - | 5,337,662 | - | 5,337,662 |
| Unassigned/unrestricted | 3,519,617 | - | - | - | 3,519,617 | 4,599 | 3,524,216 |
| Total Fund Balances/Net Position | 3,519,617 | 5,337,662 | 878,126 | 1,145 | 9,736,550 | 4,197,802 | 13,934,352 |
| Total Liabilities, Deferred Inflows, and Fund Balances/Net Position | \$ 10,893,549 | \$ 5,337,662 | \$ 897,739 | \$ 507,770 | \$ 17,636,720 | \$ 14,341,505 | \$ 31,978,225 |

(See independent auditor's report.)

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

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities
Governmental Fund

For Fiscal Year Ended December 31, 2021

| | Operating | Permanent Endowment | Capital Improvement | Debt Service | Total | Adjustments | Statement of Activities |
|--|------------------|------------------------|------------------------|----------------|------------------|------------------|----------------------------|
| Revenues | | | | | | | |
| Property taxes | \$ 7,369,039 | \$ - | \$ - | \$ 482,243 | \$ 7,851,282 | \$ - | \$ 7,851,282 |
| Intergovernmental | | | | | | | |
| Grant revenue | 409,954 | - | - | - | 409,954 | - | 409,954 |
| Charges for services | 42,817 | - | - | - | 42,817 | - | 42,817 |
| Other | | | | | | | |
| Investment income | (7,004) | 718,174 | - | - | 711,170 | - | 711,170 |
| Donations | 440,675 | - | - | - | 440,675 | - | 440,675 |
| Miscellaneous | 15,222 | - | - | - | 15,222 | - | 15,222 |
| Total Revenues | 8,270,703 | 718,174 | - | 482,243 | 9,471,120 | - | 9,471,120 |
| Expenditures | | | | | | | |
| Current | | | | | | | |
| Community services | 7,895,926 | - | - | - | 7,895,926 | (188,936) | 7,706,990 |
| Capital Outlay | - | - | 405,832 | - | 405,832 | (405,832) | - |
| Debt Service | | | | | | | |
| Principal | - | - | - | 232,343 | 232,343 | (232,343) | - |
| Interest and fiscal charges | - | - | - | 249,900 | 249,900 | (26,239) | 223,661 |
| Total Expenditures | 7,895,926 | - | 405,832 | 482,243 | 8,784,001 | (853,350) | 7,930,651 |
| Excess (Deficiency) or Revenues Over Expenditures | 374,777 | 718,174 | (405,832) | - | 687,119 | 853,350 | 1,540,469 |
| Other Financing Sources (Uses) | | | | | | | |
| Transfer in | 250,000 | - | - | - | 250,000 | (250,000) | - |
| Transfer (out) | - | (250,000) | - | - | (250,000) | 250,000 | - |
| Total Other Financing Sources (Uses) | 250,000 | (250,000) | - | - | - | - | - |
| Change in Fund Balance/Net Position | 624,777 | 468,174 | (405,832) | - | 687,119 | 853,350 | 1,540,469 |
| Fund Balances/Net Position | | | | | | | |
| Beginning of Year | 2,894,840 | 4,869,488 | 1,283,958 | 1,145 | 9,049,431 | 3,344,452 | 12,393,883 |
| End of Year | \$ 3,519,617 | \$ 5,337,662 | \$ 878,126 | \$ 1,145 | \$ 9,736,550 | \$ 4,197,802 | \$ 13,934,352 |

(See independent auditor's report.)

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

Library Operating Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Fiscal Year Ended December 31, 2021

| | Original and Final Budget | Actual | Variance |
|--|------------------------------|------------------|-------------------|
| Revenues | | | |
| Taxes | | | |
| Property taxes | \$ 7,252,000 | \$ 7,369,039 | \$ 117,039 |
| Intergovernmental | | | |
| Grant revenue | 403,000 | 409,954 | 6,954 |
| Charges for services | 62,224 | 42,817 | (19,407) |
| Other | | | |
| Investment income | 15,000 | (7,004) | (22,004) |
| Donations | 390,000 | 440,675 | 50,675 |
| Miscellaneous | 10,000 | 15,222 | 5,222 |
| Total Revenues | 8,132,224 | 8,270,703 | 138,479 |
| Expenditures | | | |
| General management and support | 8,331,744 | 7,895,926 | (435,818) |
| Total Expenditures | 8,331,744 | 7,895,926 | (435,818) |
| Excess (Deficiency) of Revenues Over Expenditures | (199,520) | 374,777 | 574,297 |
| Other Financing Sources (Uses) | | | |
| Transfers in | 209,000 | 250,000 | 41,000 |
| Total Other Financing Sources (Uses) | 209,000 | 250,000 | 41,000 |
| Net Changes in Fund Balances | \$ 9,480 | 624,777 | \$ 615,297 |
| Fund Balances | | | |
| Beginning of Year | | 2,894,840 | |
| End of Year | | \$ 3,519,617 | |

(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. | 134-143 |
| Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax. | 144-146 |
| 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. | 147-152 |
| 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. | 153-154 |
| 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. | 155-159 |

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)

| | 2012 | 2013 | 2014 | 2015* |
|--|-------------------|-------------------|-------------------|--------------------|
| Governmental Activities | | | | |
| Net investment in capital assets | \$ 60,105 | \$ 47,214 | \$ 46,633 | \$ 47,953 |
| Restricted | 31,754 | 24,720 | 25,446 | 16,409 |
| Unrestricted | (23,729) | (13,846) | (11,436) | (136,007) |
| Total Governmental Activities Net Position | \$ 68,130 | \$ 58,088 | \$ 60,643 | \$ (71,645) |
| Business-Type Activities | | | | |
| Net investment in capital assets | \$ 228,738 | \$ 239,243 | \$ 246,382 | \$ 255,622 |
| Restricted | 710 | 712 | 649 | - |
| Unrestricted | 26,363 | 25,484 | 23,563 | 22,785 |
| Total Business-Type Activities Net Position | \$ 255,811 | \$ 265,439 | \$ 270,594 | \$ 278,407 |
| Primary Government | | | | |
| Net investment in capital assets | \$ 288,843 | \$ 286,457 | \$ 293,015 | \$ 303,575 |
| Restricted | 32,464 | 25,432 | 26,095 | 16,409 |
| Unrestricted | 2,634 | 11,638 | 12,127 | (113,222) |
| Total Primary Government Net Position | \$ 323,941 | \$ 323,527 | \$ 331,237 | \$ 206,762 |

* The City implemented GASB Statement No. 68 which resulted in a decrease in unrestricted net position.

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

Source: City Finance Division

| 2016 | 2017 | 2018** | 2019 | 2020 | 2021 |
|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|
| \$ 51,588 | \$ 51,575 | \$ 52,536 | \$ 53,784 | \$ 65,388 | \$ 69,636 |
| 18,523 | 11,990 | 8,708 | 15,554 | 19,843 | 23,472 |
| (170,270) | (164,614) | (194,435) | (181,451) | (199,044) | (164,859) |
| <u>\$ (100,159)</u> | <u>\$ (101,049)</u> | <u>\$ (133,191)</u> | <u>\$ (112,113)</u> | <u>\$ (113,813)</u> | <u>\$ (71,751)</u> |
| \$ 268,851 | \$ 278,446 | \$ 283,981 | \$ 289,023 | \$ 284,516 | \$ 289,165 |
| - | - | - | - | - | - |
| 18,928 | 14,249 | 11,896 | 9,883 | 16,150 | 20,315 |
| <u>\$ 287,779</u> | <u>\$ 292,695</u> | <u>\$ 295,877</u> | <u>\$ 298,906</u> | <u>\$ 300,666</u> | <u>\$ 309,480</u> |
| \$ 320,439 | \$ 330,021 | \$ 336,517 | \$ 342,807 | \$ 349,904 | \$ 358,801 |
| 18,523 | 11,990 | 8,708 | 15,554 | 19,843 | 23,472 |
| (151,342) | (150,365) | (182,539) | (171,568) | (182,894) | (144,544) |
| <u>\$ 187,620</u> | <u>\$ 191,646</u> | <u>\$ 162,686</u> | <u>\$ 186,793</u> | <u>\$ 186,853</u> | <u>\$ 237,729</u> |

CITY OF EVANSTON, ILLINOIS

Changes in Net Position

Last Ten Fiscal Years

(amounts expressed in thousands)

| | 2012 | 2013 | 2014 | 2015 |
|--|--------------------|--------------------|--------------------|--------------------|
| Expenses | | | | |
| Governmental Activities | | | | |
| General management and support | \$ 22,508 | \$ 18,892 | \$ 13,811 | \$ 12,493 |
| Public safety | 52,740 | 57,090 | 58,795 | 57,443 |
| Public works | 11,099 | 13,782 | 25,825 | 20,011 |
| Health and human resource development | 3,200 | 3,601 | 3,837 | 2,911 |
| Recreational and cultural opportunities | 17,438 | 16,433 | 9,358 | 14,794 |
| Housing and economic development | 19,101 | 11,123 | 12,443 | 10,532 |
| Interest | 1,786 | 377 | 3,919 | 3,757 |
| Total Governmental Activities Expenses | 127,872 | 121,298 | 127,988 | 121,941 |
| Business-Type Activities | | | | |
| Water | 10,172 | 11,193 | 11,977 | 10,748 |
| Sewer | 7,872 | 7,649 | 7,293 | 6,608 |
| Solid waste | 4,612 | 4,732 | 4,856 | 5,150 |
| Motor vehicle parking system | 8,297 | 8,369 | 7,856 | 7,862 |
| Total Business-Type Activities Expenses | 30,953 | 31,943 | 31,982 | 30,368 |
| Total Primary Government Expenses | \$ 158,825 | \$ 153,241 | \$ 159,970 | \$ 152,309 |
| Program Revenues | | | | |
| Governmental Activities | | | | |
| Charges for services | | | | |
| General management and support | \$ 9,478 | \$ 8,917 | \$ 9,374 | \$ 8,629 |
| Culture and recreation | 9,934 | 5,236 | 5,360 | 5,572 |
| Other activities | 11,349 | 12,179 | 15,253 | 11,268 |
| Operating grants and contributions | 13,453 | 10,102 | 7,151 | 5,535 |
| Capital grants and contributions | 2,017 | 2,956 | 501 | 275 |
| Total Governmental Activities Program Revenues | 46,231 | 39,390 | 37,639 | 31,279 |
| Business-Type Activities | | | | |
| Charges for services | | | | |
| Water | 14,967 | 14,658 | 15,052 | 15,722 |
| Sewer | 14,115 | 13,510 | 12,785 | 12,511 |
| Solid waste | 3,490 | 3,651 | 3,971 | 4,004 |
| Motor vehicle parking system | 6,663 | 6,255 | 6,080 | 6,164 |
| Operating grants and contributions | 395 | 939 | 15 | - |
| Capital grants and contributions | - | - | - | - |
| Total Business-Type Activities Program Revenues | 39,630 | 39,013 | 37,903 | 38,401 |
| Total Primary Government Program Revenues | \$ 85,861 | \$ 78,403 | \$ 75,542 | \$ 69,680 |
| Net (Expense)/Revenue | | | | |
| Governmental Activities | \$ (81,641) | \$ (81,908) | \$ (90,349) | \$ (90,662) |
| Business-Type Activities | 8,677 | 7,070 | 5,921 | 8,033 |
| Total Primary Government Net Expense | \$ (72,964) | \$ (74,838) | \$ (84,428) | \$ (82,629) |

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|----|-----------------|-------------------|--------------------|-------------------|--------------------|-------------------|
| \$ | 18,163 | \$ 20,890 | \$ 20,016 | \$ 19,444 | \$ 18,630 | \$ 19,041 |
| | 55,625 | 61,191 | 80,789 | 56,755 | 83,015 | 58,842 |
| | 13,668 | 24,793 | 22,718 | 26,584 | 18,573 | 16,861 |
| | 3,319 | 3,354 | 3,455 | 2,895 | 3,719 | 3,970 |
| | 14,380 | 14,744 | 14,061 | 11,081 | 1,326 | 9,148 |
| | 21,063 | 7,023 | 9,129 | 6,907 | 20,992 | 11,046 |
| | 3,779 | 3,354 | 4,683 | 5,454 | 5,252 | 4,430 |
| | <u>129,997</u> | <u>135,349</u> | <u>154,851</u> | <u>129,120</u> | <u>151,507</u> | <u>123,338</u> |
| | 11,450 | 12,239 | 12,964 | 12,880 | 13,612 | 14,562 |
| | 6,683 | 6,540 | 6,735 | 6,492 | 6,795 | 6,706 |
| | 4,967 | 4,907 | 4,852 | 5,079 | 5,316 | 5,476 |
| | 8,532 | 8,575 | 9,321 | 9,585 | 8,982 | 8,395 |
| | <u>31,632</u> | <u>32,261</u> | <u>33,872</u> | <u>34,036</u> | <u>34,705</u> | <u>35,139</u> |
| \$ | <u>161,629</u> | <u>167,610</u> | <u>188,723</u> | <u>163,156</u> | <u>186,212</u> | <u>158,477</u> |
| \$ | 10,094 | \$ 8,145 | \$ 8,985 | \$ 8,768 | \$ 7,267 | \$ 8,736 |
| | 5,560 | 5,669 | 6,037 | 6,119 | 4,831 | 6,080 |
| | 15,739 | 12,712 | 11,945 | 10,917 | 12,200 | 12,090 |
| | 6,809 | 5,931 | 5,244 | 5,775 | 9,672 | 10,067 |
| | 368 | 325 | 125 | 8,630 | 2,971 | 4,275 |
| | <u>38,570</u> | <u>32,782</u> | <u>32,336</u> | <u>40,209</u> | <u>36,941</u> | <u>41,248</u> |
| | 16,419 | 17,588 | 15,642 | 17,789 | 23,934 | 20,900 |
| | 13,049 | 12,478 | 11,920 | 10,780 | 10,242 | 10,374 |
| | 4,031 | 4,061 | 4,083 | 4,668 | 4,618 | 4,969 |
| | 6,688 | 6,530 | 6,621 | 10,640 | 7,289 | 8,090 |
| | 38,400 | - | - | - | - | - |
| | - | - | - | - | 383 | - |
| | <u>78,587</u> | <u>40,657</u> | <u>38,266</u> | <u>43,877</u> | <u>46,466</u> | <u>44,333</u> |
| \$ | <u>117,157</u> | <u>73,439</u> | <u>70,602</u> | <u>84,086</u> | <u>83,407</u> | <u>85,581</u> |
| \$ | (91,427) | \$(102,567) | \$(122,515) | \$(88,911) | \$(114,566) | \$(82,090) |
| | 46,955 | 8,396 | 4,394 | 9,841 | 11,761 | 9,194 |
| \$ | <u>(44,472)</u> | <u>\$(94,171)</u> | <u>\$(118,121)</u> | <u>\$(79,070)</u> | <u>\$(102,805)</u> | <u>\$(72,896)</u> |

CITY OF EVANSTON, ILLINOIS

Changes in Net Position

Last Ten Fiscal Years
(amounts expressed in thousands)

| | 2012 | 2013 | 2014 | 2015 |
|--|------------------|------------------|-----------------|------------------|
| General Revenues and Other Changes in Net Position | | | | |
| Governmental Activities | | | | |
| Taxes | | | | |
| Property taxes | \$ 47,874 | \$ 46,349 | \$ 48,579 | \$ 45,840 |
| Sales taxes | 15,888 | 16,965 | 17,362 | 17,758 |
| Intergovernmental | - | - | - | - |
| Investment earnings | 398 | 79 | (258) | 30 |
| Miscellaneous | 25,348 | 27,369 | 26,612 | 30,950 |
| Transfers | (4,926) | (2,586) | 610 | 631 |
| Total Governmental Activities | <u>84,582</u> | <u>88,176</u> | <u>92,905</u> | <u>95,209</u> |
| Business-Type Activities | | | | |
| Property taxes | - | - | - | - |
| Investment earnings | 34 | 33 | (156) | 27 |
| Gains on sale of capital assets | - | - | - | - |
| Miscellaneous | - | (61) | - | 301 |
| Transfers | 4,926 | 2,586 | (610) | (631) |
| Total Business-Type Activities | <u>4,960</u> | <u>2,558</u> | <u>(766)</u> | <u>(303)</u> |
| Changes in Net Position | | | | |
| Governmental Activities | 2,941 | 6,268 | 2,556 | 4,547 |
| Business-Type Activities | <u>13,637</u> | <u>9,628</u> | <u>5,155</u> | <u>7,730</u> |
| Total Primary Government | <u>\$ 16,578</u> | <u>\$ 15,896</u> | <u>\$ 7,711</u> | <u>\$ 12,277</u> |

Source: City Finance Division

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|----|--------|-----------|-------------|-----------|-----------|-----------|
| \$ | 45,610 | \$ 46,563 | \$ 47,102 | \$ 44,163 | \$ 51,655 | \$ 53,269 |
| | 17,932 | 16,071 | 16,963 | 16,905 | 16,445 | 21,497 |
| | - | - | - | - | - | 4,800 |
| | 118 | 235 | 778 | 1,669 | 423 | 74 |
| | 33,217 | 35,011 | 38,786 | 39,051 | 34,123 | 42,242 |
| | 434 | 3,797 | 1,480 | 8,203 | 10,219 | 2,270 |
| | 97,311 | 101,677 | 105,109 | 109,991 | 112,865 | 124,152 |
| | - | - | 410 | 820 | 1,333 | 1,333 |
| | 59 | 114 | 234 | 565 | 140 | (39) |
| | - | - | - | 7 | - | 217 |
| | (245) | 203 | - | - | - | 379 |
| | (434) | (3,797) | (1,480) | (8,203) | (10,219) | (2,270) |
| | (620) | (3,480) | (836) | (6,811) | (8,746) | (380) |
| | 5,884 | (890) | (17,406) | 21,080 | (1,701) | 42,062 |
| | 46,335 | 4,916 | 3,558 | 3,030 | 3,015 | 8,814 |
| \$ | 52,219 | \$ 4,026 | \$ (13,848) | \$ 24,110 | \$ 1,314 | \$ 50,876 |

CITY OF EVANSTON, ILLINOIS

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(amounts expressed in thousands)

| | 2012 | 2013 | 2014 | 2015 |
|---|------------------|------------------|------------------|------------------|
| General Fund | | | | |
| Nonspendable | \$ - | \$ - | \$ - | \$ 118 |
| Assigned | 6,848 | 6,362 | 5,347 | 5,672 |
| Unassigned | 10,186 | 10,001 | 9,636 | 4,914 |
| Total General Fund | \$ 17,034 | \$ 16,363 | \$ 14,983 | \$ 10,586 |
| All Other Governmental Funds | | | | |
| Nonspendable | \$ - | \$ 407 | \$ 1,430 | \$ 2,158 |
| Restricted | 32,431 | 25,359 | 26,003 | 16,409 |
| Committed | 2,150 | 3,507 | 3,540 | 2,556 |
| Assigned | 5,307 | 8,372 | 10,467 | 5,517 |
| Unassigned | 1,105 | (149) | (153) | (221) |
| Total All Other Governmental Funds | \$ 40,993 | \$ 37,496 | \$ 41,287 | \$ 26,419 |

Source: City Finance Division

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|------------------|------------------|------------------|------------------|------------------|------------------|
| \$ - | \$ 300 | \$ 310 | \$ 415 | \$ 220 | \$ 125 |
| 5,046 | 4,180 | 4,303 | 4,330 | 1,573 | 1,807 |
| 6,622 | 8,868 | 9,242 | 11,145 | 16,882 | 31,739 |
| <u>\$ 11,668</u> | <u>\$ 13,348</u> | <u>\$ 13,855</u> | <u>\$ 15,890</u> | <u>\$ 18,675</u> | <u>\$ 33,671</u> |
| \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18,523 | 11,418 | 25,651 | 15,933 | 19,457 | 27,151 |
| 2,996 | - | - | - | - | - |
| 7,668 | 12,301 | 17,065 | 20,306 | 13,324 | 12,910 |
| (252) | (204) | (227) | (226) | (215) | (207) |
| <u>\$ 28,935</u> | <u>\$ 23,515</u> | <u>\$ 42,489</u> | <u>\$ 36,013</u> | <u>\$ 32,566</u> | <u>\$ 39,854</u> |

CITY OF EVANSTON, ILLINOIS

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

(amounts expressed in thousands)

| | 2012 | 2013 | 2014 | 2015 |
|--|-------------------|----------------|-----------------|-------------------|
| Revenues | | | | |
| Taxes | \$ 79,331 | \$ 78,254 | \$ 77,933 | \$ 75,747 |
| Licenses, fees, and permits | 10,470 | 10,617 | 14,503 | 12,184 |
| Special assessments | 293 | 275 | 167 | 8,312 |
| Intergovernmental | 29,252 | 27,844 | 24,300 | 3,554 |
| Charges for services | 7,763 | 7,723 | 7,793 | 23,834 |
| Fines and penalties | 3,470 | 3,449 | 3,358 | 148 |
| Investment earnings | 397 | 94 | 89 | 30 |
| Other revenues | 2,915 | 1,906 | 1,791 | 1,722 |
| Total Revenues | 133,891 | 130,162 | 129,934 | 125,531 |
| Expenditures | | | | |
| General management and support | 18,532 | 17,611 | 13,314 | 13,444 |
| Public safety | 54,611 | 56,431 | 59,425 | 59,654 |
| Public works | 9,380 | 11,982 | 19,821 | 19,815 |
| Health and human development | 3,200 | 3,601 | 3,837 | 3,141 |
| Recreation and cultural opportunities | 14,309 | 14,775 | 10,524 | 11,087 |
| Housing and economic development | 19,095 | 11,305 | 9,348 | 13,292 |
| Capital outlay | 8,523 | 5,948 | 6,286 | 9,151 |
| Debt service | | | | |
| Principal | 13,055 | 34,259 | 10,040 | 20,833 |
| Interest | 5,175 | 4,996 | 4,411 | 4,413 |
| Fiscal agent fees | 76 | 127 | 43 | 16 |
| Total Governmental Activities Expenditure | 145,956 | 161,035 | 137,049 | 154,846 |
| Net (Expense)/Revenue | | | | |
| Governmental Activities | (12,065) | (30,873) | (7,115) | (29,315) |
| Other Financing Sources (Uses) | | | | |
| Proceeds from borrowing | \$ 12,618 | \$ 34,982 | \$ 9,989 | \$ 22,377 |
| Payment to escrow agent | - | - | - | - |
| Transfers in | 9,271 | 8,182 | 9,202 | 10,308 |
| Transfers (out) | (14,668) | (11,879) | (9,665) | (9,315) |
| Total Other Financing Sources (Uses) | 7,221 | 31,285 | 9,526 | 23,370 |
| Net Changes in Fund Balance | \$ (4,844) | \$ 412 | \$ 2,411 | \$ (5,945) |
| Debt Service as a Percentage of | | | | |
| Noncapital Expenditures | 13.32% | 25.31% | 11.05% | 17.33% |

Source: City Finance Division

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-----------|------------|-----------|------------|-------------|-----------|
| \$ 76,047 | \$ 78,157 | \$ 81,281 | \$ 78,645 | \$ 82,567 | \$ 92,738 |
| 17,933 | 13,358 | 11,664 | 10,012 | 11,853 | 11,033 |
| 169 | 260 | 199 | 230 | 185 | 109 |
| 24,886 | 22,627 | 23,004 | 25,278 | 27,592 | 38,587 |
| 8,791 | 8,713 | 10,053 | 8,925 | 7,879 | 10,762 |
| 3,612 | 3,468 | 3,765 | 5,108 | 2,983 | 3,644 |
| 118 | 235 | 778 | 1,669 | 423 | 74 |
| 3,892 | 3,843 | 5,220 | 12,130 | 6,105 | 6,184 |
| 135,448 | 130,661 | 135,964 | 141,997 | 139,587 | 163,131 |
| 17,064 | 18,152 | 18,330 | 19,206 | 18,767 | 19,708 |
| 62,252 | 64,347 | 65,533 | 65,821 | 66,970 | 67,159 |
| 13,477 | 14,041 | 22,069 | 15,848 | 18,787 | 20,930 |
| 3,021 | 3,111 | 3,142 | 2,989 | 3,749 | 4,473 |
| 11,894 | 12,371 | 12,789 | 12,247 | 9,351 | 11,036 |
| 10,477 | 7,225 | 9,006 | 6,567 | 9,043 | 10,372 |
| 9,953 | 14,953 | 11,399 | 39,796 | 12,389 | 2,480 |
| 19,661 | 24,253 | 17,557 | 10,166 | 9,988 | 9,311 |
| 4,276 | 4,040 | 4,536 | 5,749 | 5,643 | 5,604 |
| 14 | 2 | 537 | 274 | 214 | 172 |
| 152,089 | 162,495 | 164,898 | 178,663 | 154,901 | 151,245 |
| (16,641) | (31,834) | (28,934) | (36,666) | (15,314) | 11,886 |
| \$ 19,652 | \$ 26,558 | \$ 46,892 | \$ 23,976 | \$ 18,576 | \$ 12,954 |
| - | - | - | - | (12,143.00) | (3,975) |
| 16,011 | 17,428 | 20,698 | 14,405 | 15,633 | 10,831 |
| (15,542) | (15,893) | (19,174) | (6,156) | (7,414) | (9,411) |
| 20,121 | 28,093 | 48,416 | 32,225 | 14,652 | 10,399 |
| \$ 3,480 | \$ (3,741) | \$ 19,482 | \$ (4,441) | \$ (662) | \$ 22,285 |
| 17.62% | 19.18% | 14.39% | 11.62% | 11.40% | 10.45% |

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 |
|-----------------|----------------------|---------------|---------------------|---------------------|-------------------|--------------------------------|--------------------|----------------|
| 2011 | \$ 2,100,690,657 | \$ 15,956 | \$ 513,880,731 | \$ 111,899,205 | \$ 881,024 | \$ 2,727,367,573 | \$ 8,182,102,719 | \$ 1.591 |
| 2012 | 1,944,932,067 | 15,956 | 462,671,239 | 106,007,084 | 995,206 | 2,514,621,552 | 7,543,864,656 | 1.551 |
| 2013 | 1,653,524,481 | 15,956 | 452,108,891 | 94,820,879 | 1,226,831 | 2,201,697,038 | 6,605,091,114 | 1.760 |
| 2014 | 1,792,383,435 | 15,467 | 416,165,953 | 34,726,327 | 1,278,793 | 2,244,569,975 | 6,733,709,925 | 1.766 |
| 2015 | 1,751,252,888 | 15,467 | 410,670,248 | 32,549,681 | 1,533,241 | 2,196,021,525 | 6,588,064,575 | 1.762 |
| 2016 | 2,151,672,082 | 15,467 | 483,830,858 | 33,333,491 | 1,559,871 | 2,670,411,769 | 8,011,235,307 | 1.501 |
| 2017 | 2,178,182,897 | 15,467 | 527,589,667 | 32,680,857 | 1,591,232 | 2,740,060,120 | 8,220,180,360 | 1.490 |
| 2018 | 2,150,065,734 | 15,467 | 537,739,734 | 31,050,996 | 1,708,983 | 2,720,580,914 | 8,161,742,742 | 1.570 |
| 2019 | 2,653,214,356 | 15,467 | 742,361,383 | 34,692,634 | 1,864,707 | 3,432,148,547 | 10,296,445,641 | 1.413 |
| 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 |

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

| 2020 Levy | | | | 2011 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 |
| Orrington TT LLC Golub | \$ 37,978,079 | 1 | 1.10% | Grubb & Ellis | \$ 23,750,814 | 1 | 0.87% |
| Rotary International | 35,014,969 | 2 | 1.01% | Rotary International | 19,957,955 | 2 | 0.73% |
| FSP 909 Davis Street | 32,405,466 | 3 | 0.94% | Lowe Enterprises | 19,687,132 | 3 | 0.72% |
| Mccaffery Interests | 22,345,402 | 4 | 0.65% | Church Street Plaza | 17,812,119 | 4 | 0.65% |
| TIAA PK Evanston INC | 17,371,944 | 5 | 0.50% | NNN Church Street Office Center | 13,041,620 | 5 | 0.48% |
| FDS/David Alperstein | 17,340,599 | 6 | 0.50% | Evanston Hotel Assoc. | 11,605,700 | 6 | 0.43% |
| 1890 Maple LLC | 16,939,921 | 7 | 0.49% | Inland | 10,956,173 | 7 | 0.40% |
| MB Sherman Highlands | 16,302,742 | 8 | 0.47% | Church & Chicago Limited Partnership | 10,825,746 | 8 | 0.40% |
| 500 Davis Owner LLC | 15,611,816 | 9 | 0.45% | Northshore University Healthcare | 10,417,651 | 9 | 0.38% |
| Azzurri of Evanston | 14,300,176 | 10 | 0.41% | Paradigm Tax Group | 9,005,460 | 10 | 0.33% |
| Total | <u>\$ 225,611,114</u> | | <u>6.52%</u> | Total | <u>\$ 147,060,370</u> | | <u>5.39%</u> |
| Total EAV | <u>\$ 3,461,647,470</u> | | | Total EAV | <u>\$ 2,727,367,573</u> | | |

Source: Cook County

CITY OF EVANSTON, ILLINOIS

Property Tax Levies and Collections

Last Ten Levy Years

| Tax Levy Year | Taxes Levied for the Fiscal Year | Collected Receipts | | Collections in Subsequent Years | Total Collected to Date | |
|---------------|----------------------------------|--------------------|--------------------|---------------------------------|-------------------------|--------------------|
| | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2011 | \$ 43,397,590 | \$ 42,064,756 | 96.93% | \$ 348,189 | \$ 42,412,945 | 97.73% |
| 2012 | 43,330,121 | 41,776,375 | 96.41% | 559,130 | 42,335,505 | 97.70% |
| 2013 | 43,869,798 | 42,762,685 | 97.48% | 338,420 | 43,101,105 | 98.25% |
| 2014 | 45,557,079 | 44,280,493 | 97.20% | 270,619 | 44,551,112 | 97.79% |
| 2015 | 46,394,914 | 44,974,845 | 96.94% | 205,607 | 45,180,452 | 97.38% |
| 2016 | 47,538,529 | 46,723,672 | 98.29% | 97,249 | 46,820,921 | 98.49% |
| 2017 | 48,161,247 | 46,866,198 | 97.31% | 197,415 | 47,063,613 | 97.72% |
| 2018 | 49,712,625 | 49,032,839 | 98.63% | 217,133 | 49,249,972 | 99.07% |
| 2019 | 55,139,563 | 54,616,777 | 99.05% | 186,248 | 54,803,025 | 99.39% |
| 2020 | 55,711,545 | 55,836,792 | 100.22% | 538,227 | 56,375,019 | 101.19% |
| 2021 | 55,711,545 | See Note | See Note | See Note | See Note | See Note |

Note: Levy Year 2021 is collected through December 31, 2022

Source: City Finance Division

CITY OF EVANSTON, ILLINOIS

Ratio of General Bonded Debt Outstanding

Last Ten Fiscal Years

| Fiscal Year Ended | Population | (1) Equalized Assessed Valuation | (2) Gross General Obligation Bonded Debt | Debt Service Monies Available | (3) Debt Payable From Other Revenues | Net General Obligation Debt | Total Personal Income | Debt to Equalized Assessed Valuation | Debt to Total Personal Income | Net General Obligation Bonded Debt Per Capita |
|-------------------|------------|-------------------------------------|---|-------------------------------|---|-----------------------------|------------------------------|--------------------------------------|-------------------------------|---|
| 2011 | 74,486 | \$ 3,041,884,087 | \$ 162,107,740 | \$ 2,629,020 | \$ 47,111,060 | \$ 112,367,660 | \$ 3,197,311,550 | 5.33% | 5.07% | \$ 1,508.57 |
| 2012 | 74,486 | 2,727,367,573 | 155,931,041 | 16,085,747 | 44,899,176 | 94,946,118 | 3,176,902,386 | 5.72% | 4.91% | 1,274.68 |
| 2013 | 74,619 | 2,514,621,552 | 153,460,742 | 12,520,761 | 40,042,921 | 100,897,060 | 3,113,477,775 | 6.10% | 4.93% | 1,352.16 |
| 2014 | 75,570 | 2,201,697,038 | 150,421,841 | 12,209,139 | 34,614,357 | 103,598,345 | 3,262,734,750 | 6.83% | 4.61% | 1,370.89 |
| 2015 | 75,570 | 2,244,569,975 | 149,352,238 | 438,453 | 37,651,325 | 111,262,460 | 3,124,063,800 | 6.65% | 4.78% | 1,472.31 |
| 2016 | 75,603 | 2,196,021,525 | 147,017,512 | 745,997 | 34,547,933 | 111,723,582 | 3,235,052,370 | 6.69% | 4.54% | 1,477.77 |
| 2017 | 75,472 | 2,670,411,769 | 148,627,212 | 241,781 | 37,104,152 | 111,281,279 | 3,316,617,040 | 5.57% | 4.48% | 1,474.47 |
| 2018 | 75,557 | 2,740,060,120 | 178,238,427 | 417,987 | 39,701,503 | 138,118,937 | 3,472,297,492 | 6.50% | 5.13% | 1,828.01 |
| 2019 | 73,473 | 2,720,580,914 | 195,456,220 | 417,431 | 42,263,176 | 152,775,613 | 3,800,243,979 | 7.18% | 5.14% | 2,079.34 |
| 2020 | 73,473 | 3,432,148,547 | 199,878,623 | 6,389,067 | 38,634,626 | 154,854,930 | 3,800,243,979 | 5.82% | 5.26% | 2,107.64 |
| 2021 | 78,110 | 3,461,647,470 | 196,907,459 | 8,675,881 | 37,196,303 | 151,035,275 | 4,193,335,350 ⁽⁴⁾ | 5.69% | 4.70% | 1,933.62 |

Notes: (1) Equalized assessed values do not include tax increment financing district incremental equalized assessed values.

(2) Excludes limited purpose special service district bonds.

(3) These 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.

(4) 2021 data not available for Personal Income or Census Data, so 2020 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 | (2) Percentage of Personal Income | (1) Per Capita |
|-------------------|--------------------------|--------------------------------|---------------|---------------------------|---------------------|---------------|--------------------------|-----------------------------------|----------------|
| | General Obligation Bonds | Special Service District Bonds | Capital Lease | General Obligation Bonds | Water Revenue Bonds | IEPA Loans | | | |
| 2011 | \$ 124,347,790 | \$ 1,840,000 | \$ - | \$ 35,919,950 | \$ 1,170,000 | \$ 79,081,272 | \$ 242,359,012 | 7.58% | \$ 3,195 |
| 2012 | 120,388,381 | 1,515,000 | - | 34,027,660 | 595,000 | 70,375,368 | 226,901,409 | 7.14% | 3,022 |
| 2013 | 120,915,723 | 1,175,000 | - | 31,370,019 | 305,000 | 64,658,382 | 218,424,124 | 7.02% | 2,890 |
| 2014 | 119,060,744 | 795,000 | - | 30,566,097 | - | 58,412,659 | 208,834,500 | 6.40% | 2,763 |
| 2015 | 117,035,540 | 405,000 | - | 31,911,608 | - | 51,901,172 | 201,253,320 | 6.44% | 2,673 |
| 2016 | 116,091,162 | - | - | 30,926,350 | - | 45,256,237 | 192,273,749 | 5.94% | 2,543 |
| 2017 | 122,151,162 | - | - | 26,476,050 | - | 40,328,108 | 188,955,320 | 5.70% | 2,504 |
| 2018 | 151,056,754 | - | - | 27,182,674 | - | 34,921,821 | 213,161,249 | 6.14% | 2,821 |
| 2019 | 164,873,935 | - | - | 30,582,285 | - | 40,691,551 | 236,147,771 | 6.21% | 3,125 |
| 2020 | 161,243,997 | - | - | 38,634,626 | - | 43,407,478 | 243,286,101 | 5.80% | 3,214 |
| 2021 | 159,711,156 | - | - | 37,196,303 | - | 40,272,232 | 237,179,691 | 5.66% | 3,036 |

Notes: (1) Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(2) See the Schedule of Demographics and Economic Statistics for personal income and population data.

(3) 2021 Data Not Available

Source: City Finance Division

CITY OF EVANSTON, ILLINOIS

Direct and Overlapping Governmental Activities Debt

As of December 31, 2021

| | Total Outstanding | Percentage of Debt Applicable to the City | The City's Share of Debt (1) |
|---|------------------------------------|--|------------------------------------|
| Direct debt - bonds, notes, and contracts outstanding | <u>\$ 392,726,923</u> | 100.00% | <u>\$ 392,726,923</u> |
| Other bonded debt by taxing body | | | |
| High School District 202 | 23,365,000 | 91.55% | 21,390,205 |
| School District 65 | 64,886,167 | 91.55% | 59,402,030 |
| Community College District 535 | 47,200,000 | 13.44% | 6,343,617 |
| Cook County | 2,596,351,750 | 2.06% | 53,357,003 |
| Cook County Forest Preserve District | 122,255,000 | 2.06% | 2,512,433 |
| Metropolitan Water Reclamation District | 2,181,154,590 | 2.09% | 45,606,613 |
| Skokie Park District | <u>19,819,679</u> | 0.84% | <u>166,008</u> |
| Total Overlapping Debt | <u>5,055,032,186</u> | | <u>188,777,908</u> |
| Total Direct and Overlapping Debt (Less Debt Supported by Other Sources) | <u><u>\$ 5,447,759,109</u></u> | | <u><u>\$ 581,504,831</u></u> |

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

Source: Bonds Statement

CITY OF EVANSTON, ILLINOIS

Legal Debt Margin

December 31, 2021

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

Pledged-Revenue Coverage

Last Ten Fiscal Years

| Fiscal Year Ended | Water Revenue Bonds | | | | | |
|----------------------|-------------------------------|--------------------------------|-------------------------------|--------------|-----------|-----------|
| | Utility Service Charges | Less: Operating Expenses | Net Available Resources | Debt Service | | Coverage |
| | | | | Principal | Interest | |
| 2011 | \$ 12,368,533 | \$ 6,146,652 | \$ 6,221,881 | \$ - | \$ 24,672 | \$ 252.18 |
| 2012 | 14,967,204 | 8,430,599 | 6,536,605 | 575,000 | 37,687 | 10.67 |
| 2013 | 14,657,748 | 8,175,707 | 6,482,041 | 290,000 | 19,688 | 20.93 |
| 2014 | 15,051,732 | 7,938,838 | 7,112,894 | 305,000 | 6,672 | 22.82 |
| 2015 | NA | NA | NA | - | - | NA |
| 2016 | NA | NA | NA | - | - | NA |
| 2017 | NA | NA | NA | - | - | NA |
| 2018 | NA | NA | NA | - | - | NA |
| 2019 | NA | NA | NA | - | - | NA |
| 2020 | NA | NA | NA | - | - | NA |
| 2021 | NA | NA | NA | - | - | NA |

The City has no revenue bonds outstanding after December 31, 2014.

Note: Detail regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest, depreciation, or amortization expense.

Source: Various City departments

CITY OF EVANSTON, ILLINOIS

Principal Employers

Current Year and Nine Years Ago

| <u>2021</u> | | | | <u>2012</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 | 6,500 | 38% | 1 | Northwestern University | 10,858 | 51% | 1 |
| Northshore University Health System | 4,790 | 28% | 2 | Evanston Northwestern Healthcare | 4,377 | 21% | 2 |
| Evanston School District 65 | 1,511 | 9% | 3 | Evanston School District 65 | 1,550 | 7% | 3 |
| City of Evanston | 776 | 5% | 5 | St. Francis Hospital | 1,176 | 6% | 4 |
| Presence Saint Francis Hospital | 800 | 5% | 4 | City of Evanston | 828 | 4% | 5 |
| School District 202 | 635 | 4% | 6 | Presbyterian Homes/McGaw Care | 622 | 3% | 6 |
| Rotary International | 549 | 3% | 7 | School district 202 | 544 | 3% | 7 |
| ZS Associates | 517 | 3% | 8 | Rotary International | 535 | 3% | 8 |
| West Minster Pl., McGaw Care Center | 455 | 3% | 9 | Jewel/Osco Food Stores | 418 | 2% | 9 |
| C.E. Neifhoff & Co. | <u>384</u> | 2% | 10 | C.E. Neihoff & Co | <u>415</u> | 2% | 10 |
| Total | <u>16,917</u> | | | Total | <u>21,323</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 |
|---------------|------------|-----------------------|----------------------------|------------|---|-------------------|-------------------|
| 2011 | 74,486 | \$ 3,197,311,550 | \$ 42,925 | 34.3 | 94.0% | 11,369 | 7.3% |
| 2012 | 74,486 | 3,176,902,386 | 42,651 | 35.1 | 93.6% | 11,418 | 6.8% |
| 2013 | 74,619 | 3,113,477,775 | 41,725 | 34.4 | 93.9% | 10,293 | 6.7% |
| 2014 | 75,570 | 3,262,734,750 | 43,175 | 34.4 | 93.9% | 10,429 | 4.2% |
| 2015 | 75,570 | 3,124,063,800 | 41,340 | 34.4 | 93.9% | 11,088 | 4.5% |
| 2016 | 75,603 | 3,235,052,370 | 42,790 | 35.2 | 94.0% | 12,104 | 4.3% |
| 2017 | 75,472 | 3,316,617,040 | 43,945 | 35.3 | 94.0% | 12,026 | 3.9% |
| 2018 | 75,557 | 3,472,297,492 | 45,956 | 36.0 | 93.4% | 10,899 | 3.1% |
| 2019 | 73,473 | 3,800,243,979 | 51,723 | 35.1 | 99.7% | 11,601 | 3.7% |
| 2020 | 78,110 | 4,193,335,350 | 53,685 | 36.2 | 94.2% | 11,132 | 3.7% |

Note: 2021 data not available

CITY OF EVANSTON, ILLINOIS

Full-Time Equivalent City Government Employees by Function

Last Ten Fiscal Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <u>Function/Program</u> | | | | | | | | | | |
| General Government | | | | | | | | | | |
| City Clerk | 2.80 | 2.20 | 2.20 | 2.00 | 2.00 | 2.00 | 1.00 | 2.00 | 1.00 | 2.00 |
| City Manager's Office | 12.00 | 12.00 | 14.00 | 13.00 | 28.50 | 32.00 | 30.00 | 27.50 | 28.50 | 28.50 |
| Legal | 7.00 | 8.00 | 7.00 | 8.00 | 8.00 | 4.50 | 4.50 | 4.50 | 4.50 | 4.50 |
| Administrative Services | 68.30 | 59.00 | 49.00 | 51.00 | 57.20 | 57.70 | 55.70 | 53.10 | 54.10 | 54.50 |
| Community Development | 27.00 | 24.00 | 21.00 | 19.00 | 21.50 | 26.25 | 22.00 | 23.50 | 25.75 | 30.15 |
| Police | 225.00 | 220.00 | 227.00 | 227.00 | 225.50 | 225.80 | 220.00 | 217.00 | 216.00 | 201.00 |
| Fire | 110.00 | 106.00 | 110.00 | 110.00 | 110.00 | 110.00 | 110.00 | 110.00 | 110.00 | 110.00 |
| Human and Health Services | 17.70 | 20.00 | 21.10 | 22.10 | 21.10 | 21.10 | 21.75 | 17.75 | 8.75 | 8.75 |
| Parks and Recreation | 105.21 | 69 | 69.64 | 74.23 | 77.13 | 78.83 | 76.13 | 75.46 | 69.08 | 69.21 |
| Public Works | 49.25 | 97 | 108.45 | 107.45 | 84.25 | 84.25 | 72.5 | 70.00 | 71.00 | 69.00 |
| Total General Government | 624.26 | 617.20 | 629.39 | 633.78 | 635.18 | 642.43 | 613.58 | 600.81 | 588.68 | 577.61 |
| Library | 56.38 | 63.00 | 63.13 | 66.45 | 66.87 | 73.88 | 71.05 | 69.81 | 78.45 | 78.04 |
| Neighborhood Stabilization Program | 2.00 | 1.00 | 1.31 | 0.50 | 0.45 | 0.3 | 0.15 | - | - | - |
| Housing Rehabilitation | - | - | - | 1.75 | 1.75 | 1.75 | 1.75 | 1.75 | 1.50 | 1.43 |
| Human Services Fund | - | - | - | - | - | - | - | - | 17.90 | 17.90 |
| General Assistance Fund | - | - | - | 4.00 | 4.00 | 4.00 | 4.25 | 4.25 | 4.25 | 4.25 |
| HOME Fund | - | - | - | 0.40 | 0.50 | 0.50 | 0.35 | 0.35 | 0.35 | 0.73 |
| Emergency Telephone System | 5.00 | 4.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 5.00 | 6.00 |
| CDBG | 1.53 | 3.00 | 2.60 | 2.60 | 2.80 | 2.50 | 2.75 | 2.90 | 4.40 | 2.90 |
| Economic Development Fund | 7.00 | 5.00 | 6.25 | 6.25 | - | - | - | - | - | - |
| Capital Improvements Fund | - | - | - | - | - | - | 4.50 | 4.50 | 4.50 | 4.50 |
| Parking Fund | 15.50 | 15.50 | 15.50 | 15.50 | 15.50 | 15.50 | 18.00 | 19.00 | 17.00 | 16.50 |
| Water | 42.50 | 40.00 | 42.50 | 44.50 | 44.50 | 44.50 | 45.75 | 45.25 | 46.25 | 47.75 |
| Sewer | 13.00 | 11.00 | 13.33 | 11.33 | 11.33 | 11.33 | 12.25 | 12.25 | 12.25 | 12.75 |
| Solid Waste | 10.00 | 8.00 | 9.66 | 9.66 | 9.66 | 9.66 | 10.5 | 11.50 | 13.50 | 13.50 |
| Fleet Services | 12.00 | 10.00 | 12.00 | 12.50 | 12.50 | 12.00 | 9.50 | 9.90 | 9.90 | 10.00 |
| Insurance Fund | 4.00 | 4.00 | 5.00 | 5.00 | 5.00 | 5.50 | 5.50 | 5.50 | 5.50 | 5.50 |
| Total Other Functions | 168.91 | 164.50 | 176.28 | 185.44 | 179.86 | 186.42 | 191.3 | 191.96 | 220.75 | 221.75 |
| Total All Funds | 793.17 | 781.70 | 805.67 | 819.22 | 815.04 | 828.85 | 804.88 | 792.77 | 809.43 | 799.36 |

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 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| City of Evanston* | 1.592 | 1.551 | 1.760 | 1.766 | 1.800 | 1.536 | 1.524 | 1.604 | 1.446 | 1.452 |
| Consolidated Elections | 0.025 | - | 0.031 | - | 0.034 | - | 0.031 | - | 0.030 | - |
| Cook County | 0.462 | 0.531 | 0.560 | 0.568 | 0.552 | 0.533 | 0.496 | 0.489 | 0.454 | 0.453 |
| Cook County Forest Preserve District | 0.058 | 0.063 | 0.069 | 0.069 | 0.069 | 0.063 | 0.062 | 0.060 | 0.059 | 0.058 |
| Metropolitan Water Reclamation District | 0.320 | 0.370 | 0.417 | 0.430 | 0.426 | 0.406 | 0.402 | 0.396 | 0.389 | 0.378 |
| North Shore Mosquito Abatement District | 0.010 | 0.010 | 0.007 | 0.011 | 0.012 | 0.010 | 0.010 | 0.010 | 0.009 | 0.009 |
| Evanston Township | 0.011 | 0.010 | 0.053 | - | - | - | - | - | - | - |
| Community College 535 | 0.196 | 0.219 | 0.256 | 0.258 | 0.271 | 0.231 | 0.232 | 0.246 | 0.221 | 0.227 |
| School District 202 | 2.061 | 2.308 | 2.689 | 2.659 | 2.792 | 2.332 | 2.329 | 2.462 | 2.024 | 2.072 |
| School District 65 | 2.818 | 3.149 | 3.671 | 3.686 | 3.810 | 3.676 | 3.673 | 3.891 | 3.185 | 3.258 |
| Total Tax Rate for Property not in Park District or Special Service District | 7.553 | 8.211 | 9.513 | 9.447 | 9.766 | 8.787 | 8.759 | 9.158 | 7.817 | 7.907 |
| Percent of Total Tax Rate Levied by City of Evanston | 21.08% | 18.89% | 18.50% | 18.69% | 18.43% | 17.48% | 17.40% | 17.51% | 18.50% | 18.36% |

*City of Evanston rate includes General Assistance beginning in 2014. Does not include Evanston Public Library.

Note: 2021 data not available

Source: Cook County Assessor's office

CITY OF EVANSTON, ILLINOIS

Water Sold by Type of Customer

Last Ten Fiscal Years
(in 100 cubic feet)

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Type of Customer | | | | | | | | | | |
| Residential | \$ 2,276,492 | \$ 2,189,588 | \$ 2,065,980 | \$ 2,098,160 | \$ 2,057,713 | \$ 2,285,759 | \$ 2,344,636 | \$ 2,208,023 | \$ 2,058,029 | \$ 2,098,289 |
| Industrial | 14,758 | 12,392 | 11,627 | 10,772 | 9,808 | 12,777 | 16,405 | 14,182 | 1,111,151 | 10,589 |
| Commercial | 1,117,431 | 1,105,077 | 1,036,034 | 1,045,791 | 1,061,080 | 1,115,236 | 1,083,414 | 1,154,229 | 815,275 | 925,927 |
| Government | 66,561 | 61,908 | 53,732 | 55,485 | 57,965 | 67,547 | 72,062 | 69,065 | 38,856 | 27,900 |
| Total | \$ 3,475,242 | \$ 3,368,965 | \$ 3,167,373 | \$ 3,210,208 | \$ 3,186,566 | \$ 3,481,319 | \$ 3,516,517 | \$ 3,445,499 | \$ 4,023,311 | \$ 3,062,705 |
| Total direct rate per 100 cubic feet | \$ 1.75 | \$ 1.80 | \$ 1.98 | \$ 2.18 | \$ 2.18 | \$ 2.31 | \$ 2.47 | \$ 2.74 | \$ 2.74 | \$ 2.89 |

Source: City of Evanston Public Works Agency

CITY OF EVANSTON, ILLINOIS

Water Sold by Major Customers

Last Ten Fiscal Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|-------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Type of Customer | | | | | | | | | | |
| Evanston residents/businesses | \$ 6,124,221 | \$ 5,915,560 | \$ 6,301,307 | \$ 6,975,785 | \$ 6,820,350 | \$ 7,280,260 | \$ 7,640,457 | \$ 8,235,089 | \$ 8,613,315 | \$ 8,636,384 |
| Village of Skokie | 2,989,109 | 2,772,424 | 2,805,425 | 2,854,684 | 2,941,912 | 3,651,338 | 5,773,487 | 5,572,511 | 2,489,520 | 3,491,947 |
| Northwest Water Commission | 5,033,996 | 5,183,425 | 5,074,770 | 5,183,391 | 5,695,812 | 5,898,670 | 5,963,424 | 5,416,394 | 5,549,357 | 5,670,328 |
| Morton Grove and Niles | - | - | - | - | - | - | 19,830 | 1,075,089 | 1,918,954 | 1,813,040 |
| Village of Lincolnwood | - | - | - | - | - | - | - | - | 352,370 | 509,932 |
| Total | \$ 14,147,326 | \$ 13,871,409 | \$ 14,181,502 | \$ 15,013,860 | \$ 15,458,074 | \$ 16,830,268 | \$ 19,397,198 | \$ 20,299,083 | \$ 18,923,515 | \$ 20,121,631 |

Source: City Utilities Department

CITY OF EVANSTON, ILLINOIS

Operating Indicators by Function/Programs

Last Ten Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------|-----------|
| <u>Function/Program</u> | | | | | | | | | | |
| Police | | | | | | | | | | |
| Violent offenses | 230 | 131 | 97 | 80 | 130 | 122 | 140 | 73 | 88 | 96 |
| Property offenses | 2,078 | 1,980 | 1,959 | 1,872 | 1,681 | 1,777 | 1,708 | 1,979 | 1,481 | 2,453 |
| 911 calls received | 44,875 | 42,551 | 44,177 | 46,749 | 42,763 | 38,525 | 36,642 | 39,357 | 38,279 | 40,924 |
| Fire | | | | | | | | | | |
| Emergency responses | 9,330 | 9,373 | 9,617 | 9,630 | 10,267 | 10,058 | 10,014 | 10,256 | 9,091 | 9,867 |
| Fires extinguished | 154 | 129 | 120 | 99 | 114 | 90 | 111 | 69 | 77 | 89 |
| Inspections | 640 | 660 | 740 | 760 | 760 | 1,267 | 1,275 | 446 | 728 | 850 |
| EMS Responses (reported beginning 2016) | - | - | - | - | 6,441 | 6,456 | 6,419 | 6,678 | 5,912 | 6,529 |
| Other Public Works | | | | | | | | | | |
| Street resurfacing (estimated miles) | 3.4 | 3.4 | 4.9 | 2.7 | 2.9 | 2.9 | 2.9 | 1.9 | 2.9 | 5.0 |
| Parks and Recreation | | | | | | | | | | |
| Athletic field usage (hours) | 16,761 | 16,367 | 16,270 | 15,531 | 27,426 | 22,920 | 24,263 | 22,054 | 8,749 | 17,287 |
| Picnic permits issued | 541 | 445 | 448 | 404 | 229 | 652 | 572 | 641 | 94 | 644 |
| Library | | | | | | | | | | |
| Volumes in collection | 426,342 | 400,034 | 401,300 | 481,626 | 534,533 | 540,696 | 514,756 | 562,567 | 535,527 | 424,619 |
| Total volumes borrowed | 989,638 | 1,056,243 | 1,074,972 | 1,071,401 | 1,078,653 | 1,039,585 | 1,207,419 | 1,191,600 | 699,631 | 1,139,779 |
| Water | | | | | | | | | | |
| New connections | 4 | - | 18 | 9 | 3 | 3 | 7 | 15 | 8 | 10 |
| Water main breaks | 66 | 51 | 70 | 23 | 28 | 28 | 32 | 28 | 29 | 40 |
| Average daily consumption (millions of gallons) | 39.85 | 35.81 | 36.79 | 36.63 | 39.645 | 39.645 | 41.122 | 43.151 | 46.50 | 48.30 |
| Peak daily consumption (millions of gallons) | 69.21 | 56.95 | 48.91 | 50.59 | 55.084 | 55.084 | 55.291 | 60.248 | 62.63 | 66.50 |

Note: Indicators are not available for general government functions

CITY OF EVANSTON, ILLINOIS

Capital Assets Statistics by Function

Last Ten Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| <u>Function/Program</u> | | | | | | | | | | |
| Police | | | | | | | | | | |
| Number of stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Budgeted sworn officers | 164 | 164 | 164 | 164 | 165 | 165 | 165 | 166 | 154 | 153 |
| Fire Stations | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Other Public Works | | | | | | | | | | |
| Streets (miles) | 147 | 147 | 147 | 147 | 147 | 147 | 147 | 147 | 147 | 147 |
| Streetlights | 5,641 | 5,641 | 5,641 | 5,641 | 5,736 | 5,736 | 5,736 | 5,641 | 5,641 | 5,675 |
| Parks and Recreation | | | | | | | | | | |
| Acreage | 290 | 290 | 290 | 290 | 290 | 290 | 290 | 290 | 290 | 290 |
| Playgrounds | 51 | 51 | 51 | 51 | 51 | 51 | 60 | 60 | 60 | 60 |
| Baseball/softball diamonds | 18 | 18 | 18 | 18 | 18 | 18 | 13 | 16 | 16 | 16 |
| Soccer/football fields | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 | 27 |
| Community centers | 5 | 5 | 5 | 6 | 6 | 7 | 7 | 7 | 7 | 7 |
| Water | | | | | | | | | | |
| Water mains (miles) | 157 | 157 | 157 | 156.4 | 155.6 | 155.6 | 155.8 | 157.5 | 156.2 | 156.0 |
| Fire hydrants | 1,399 | 1,399 | 1,477 | 1,484 | 1,490 | 1,490 | 1,508 | 1,511 | 1,501 | 1,522 |
| Storage capacity (millions of gallons) | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 | 22 |

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

Source: Various City departments; Budget

Source: City Finance division

COMPLIANCE SECTION

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH STATE OF ILLINOIS PUBLIC ACT 85-1142

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

We have examined management's assertion that the City of Evanston, Illinois (the City), complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2021. Management is responsible for the City's assertion. Our responsibility is to express an opinion on management's assertion about the City's compliance with the specific requirements based on our examination.

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

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

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

In our opinion, management's assertion that the City of Evanston, Illinois, complied with the aforementioned requirements for the year ended December 31, 2021, is fairly stated in all material respects.

Sikich LLP

Naperville, Illinois
July 6, 2022