

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

FY 2021

Name of Redevelopment Project Area (below):	West Evanston TIF District No.6
--	--

Primary Use of Redevelopment Project Area*: Mixed
--

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

If "Combination/Mixed" List Component Types: Retail/Commercial

Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act	<u> X </u>
Industrial Jobs Recovery Law	<u> </u>

Please utilize the information below to properly label the Attachments.

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

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

Provide an analysis of the special tax allocation fund.

FY 2021

West Evanston TIF District No.6

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 1,794,631

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$ 1,795,432	\$ 6,212,113	87%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 5,468	\$ 38,365	1%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources		\$ 22,622	0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)	\$ 171,504	\$ 905,699	13%

All Amount Deposited in Special Tax Allocation Fund \$ 1,972,404

Cumulative Total Revenues/Cash Receipts \$ 7,178,799 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 493,821

Transfers to Municipal Sources

Distribution of Surplus

Total Expenditures/Disbursements \$ 493,821

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ 1,478,583

Previous Year Adjustment (Explain Below) \$ -

FUND BALANCE, END OF REPORTING PERIOD* \$ 3,273,214

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

Previous Year Explanation:

SECTION 3.2 A

PAGE 3

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

TOTAL ITEMIZED EXPENDITURES		\$ 493,821
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SECTION 5 - 20 ILCS 620/4.7 (7)(F)

PAGE 1

FY 2021

TIF Name: West Evanston TIF District No.6

Page 1 is to be included with TIF report. Pages 2 and 3 are to be included **ONLY** if projects are listed.Select **ONE** of the following by indicating an 'X':

1. NO projects were undertaken by the Municipality Within the Redevelopment Project Area.	
2. The Municipality DID undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	X
2a. The total number of ALL activities undertaken in furtherance of the objectives of the redevelopment plan:	8

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

TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 13,732,000	\$ -	\$ -
Public Investment Undertaken	\$ 172,805	\$ -	\$ -
Ratio of Private/Public Investment	79 20/43		0

*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

Project 1*: LSL Industries

Private Investment Undertaken (See Instructions)	\$ 1,100,000		
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 2*:Church Street Townhouses

Private Investment Undertaken (See Instructions)	\$ 7,000,000		
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 3*:Greenwood Loft

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

Project 4*:IRMCI Façade

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

Project 5*: Northshore General Contractors CO-OP

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

Project 6*:Emerson Square

Private Investment Undertaken (See Instructions)	\$ 19,000		
Public Investment Undertaken	\$ 9,805		
Ratio of Private/Public Investment	1 15/16		0

Project 7*:IMRCO

Private Investment Undertaken (See Instructions)	\$	363,000		
Public Investment Undertaken	\$	63,000		
Ratio of Private/Public Investment		5 16/21		0

Project 8*:Heartwood

Private Investment Undertaken (See Instructions)	\$	250,000		
Public Investment Undertaken	\$	100,000		
Ratio of Private/Public Investment		2 1/2		0

Project 9*:

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

Project 10*:

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

Project 11*:

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

Project 12*:

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

Project 13*:

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

Project 14*:

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

Project 15*:

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



City of Evanston
2100 Ridge Ave.
Evanston, IL, 60201-2798
T 847.448.4311
www.cityofevanston.org

October 29, 2022

Re: West Evanston TIF District

I, Daniel Biss Mayor of the City of Evanston, County of Cook, State of Illinois, do hereby certify that to the best of my knowledge, the City of Evanston complied with the requirements pertaining to the Illinois Tax Increment Redevelopment Allocation Act during the Fiscal Year beginning January 1, 2021, and ending December 31, 2021.

Daniel Biss

MAYOR

10 / 29 / 2022

DATE



City of Evanston
2100 Ridge Ave.
Evanston, IL, 60201-2798
T 847.448.4311
www.cityofevanston.org

October 29, 2022

RE: Attorney Review City of West Evanston TIF District

To Whom It May Concern:

This will confirm that I am the City Attorney for the City of Evanston, Illinois. I have reviewed all information provided to me by the City staff and consultants, and I find that the City of Evanston has conformed to all applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act set forth thereunder for the Fiscal Year beginning January 1, 2021 and ending December 31, 2021, to the best of my knowledge and belief.

Sincerely,

Nicholas E. Cummings

Corporation Counsel

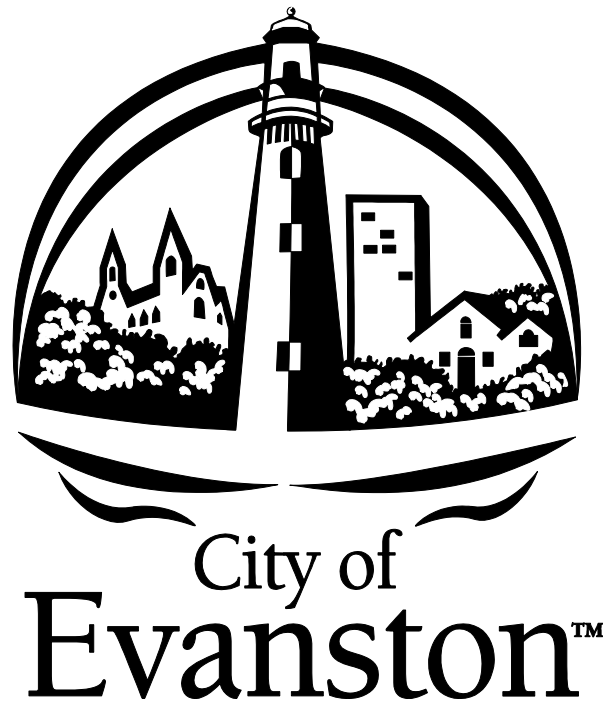
Attachment D Statement setting forth all activities undertaken in furtherance of the objectives of the Redevelopment Plan, including:

- A. Any project implemented during the reporting Period; and
- B. A description of the redevelopment activities undertaken.

The City continued to monitor redevelopment activities.

The City executed a Grant Agreement with Evanston Rebuilding Warehouse for the renovation of 1245 Hartrey Avenue Warehouse in the amount of \$87,500. It is a 29,000 square foot warehouse.

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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INTRODUCTORY SECTION

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

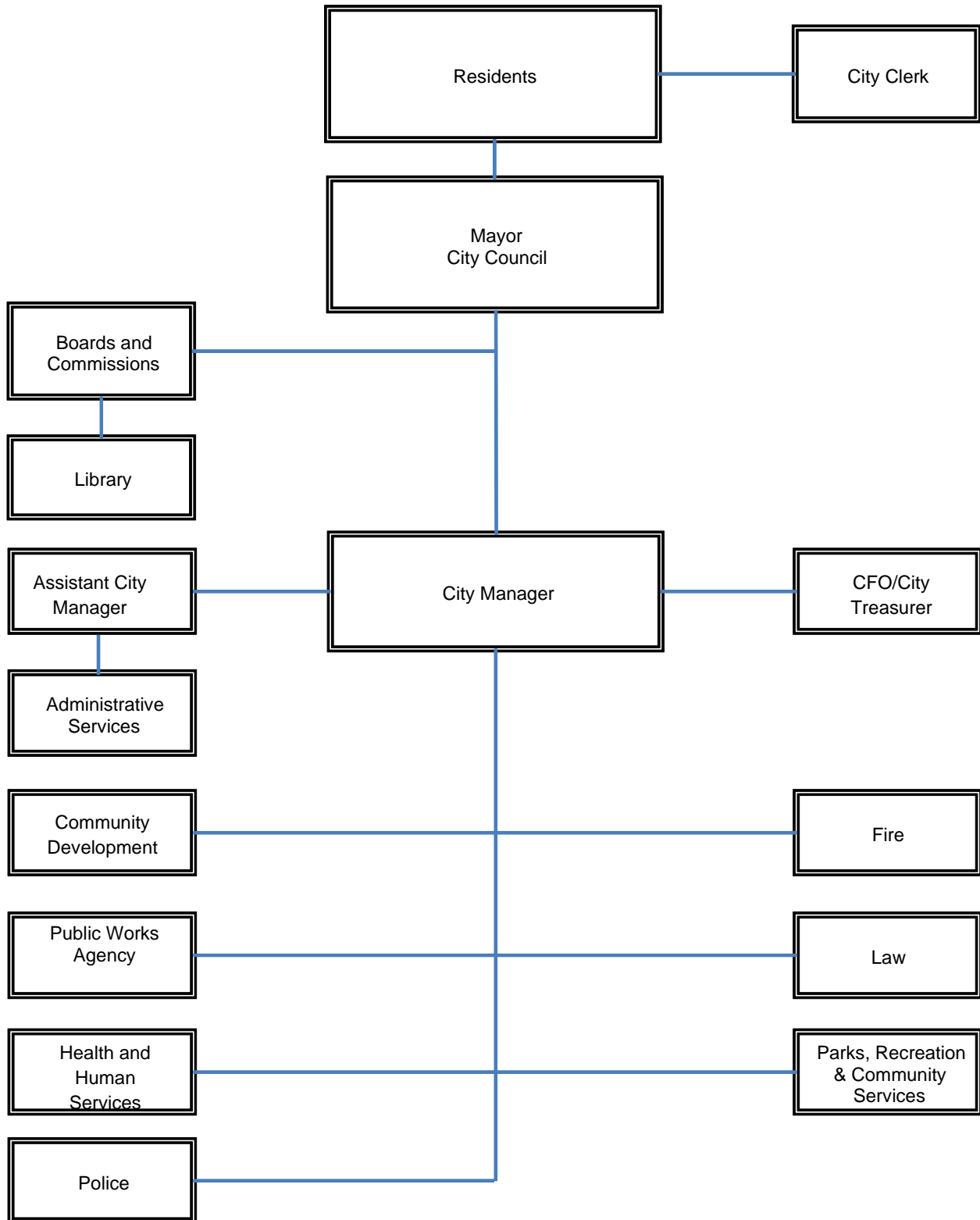
ADMINISTRATIVE

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

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Evanston, Illinois (the City), as of and for the year ended December 31, 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, Repairs, 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

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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

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
	<hr/>	<hr/>
Total	<u>\$ 20,194,093</u>	<u>\$ 20,194,093</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

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	<u>\$ 148,540,465</u>	<u>\$ 50,253,197</u>	<u>\$ 34,457,947</u>	<u>\$ 10,729,961</u>

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	<u>\$ 23,651,411</u>	<u>\$ 412,734</u>

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	<u>(56,335)</u>	<u>(3,022,763)</u>	<u>(5,360,280)</u>
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	<u>-</u>	<u>22,433,844</u>
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
Total Assets	114,647,083	182,575,170	297,222,253
Liabilities			
Accounts payable	54,569	-	54,569
Total Liabilities	54,569	-	54,569
Net Position Held in Trust For Pension Benefits	\$ 114,592,514	\$ 182,575,170	\$ 297,167,684

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 December 31,	Principal	Interest
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	-	-	-	-	4,775,094	
-	-	-	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

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance</u>
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)
Total Revenues	<u>914,300</u>	<u>776,003</u>	<u>(138,297)</u>
Expenditures			
Housing and economic development	<u>2,529,244</u>	<u>2,104,842</u>	<u>(424,402)</u>
Net Change in Fund Balance	<u>\$ (1,614,944)</u>	<u>(1,328,839)</u>	<u>\$ 286,105</u>
Fund Balance			
Beginning of Year		<u>3,801,783</u>	
End of Year		<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>	<u>(3,830)</u>	<u>\$ (4,492)</u>
	<hr/>	<hr/>	<hr/>
Fund Balance			
Beginning of Year		<u>29,565</u>	
		<hr/>	
End of Year		<u>\$ 25,735</u>	
		<hr/>	

(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, ILLINOISCommunity 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	2,611,623	330,403	(2,281,220)
Housing			
Rehab construction administration	64,574	53,835	(10,739)
Targeted housing code enforcement	-	341,609	341,609
Total Housing	64,574	395,444	330,870
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	-	514,903	514,903
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	80,000	1,077,173	997,173
Total Expenditures	\$ 2,756,197	\$ 2,317,923	\$ (438,274)

(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)	\$ 17,665	\$ (2,460)	7,910	\$ 10,370
	<hr/>	<hr/>	<hr/>	<hr/>
Fund Balance (Deficit)				
Beginning of Year			(214,660)	
			<hr/>	
End of Year			\$ (206,750)	
			<hr/>	

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

(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

	Original and Final Budget	Actual	Variance
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)
	<hr/>		
Total Revenues	1,328,500	1,322,418	(6,082)
Expenditures			
General management and support	1,325,044	1,101,639	(223,405)
	<hr/>		
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	<u>973,766</u>	<u>1,275,687</u>	<u>1,252,000</u>	<u>1,972,404</u>	<u>3,473,266</u>	<u>5,168,591</u>
Expenditures						
Housing and economic development	835,000	720,055	705,000	86,184	3,086,595	1,482,000
Total Expenditures	<u>835,000</u>	<u>720,055</u>	<u>705,000</u>	<u>86,184</u>	<u>3,086,595</u>	<u>1,482,000</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>138,766</u>	<u>555,632</u>	<u>547,000</u>	<u>1,886,220</u>	<u>386,671</u>	<u>3,686,591</u>
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)	<u>(218,113)</u>	<u>(218,112)</u>	<u>(75,000)</u>	<u>(407,637)</u>	<u>(724,879)</u>	<u>(2,122,649)</u>
Net Changes in Fund Balances	<u>\$ (79,347)</u>	<u>337,520</u>	<u>\$ 472,000</u>	<u>1,478,583</u>	<u>\$ (338,208)</u>	<u>1,563,942</u>
Fund Balances						
Beginning of Year		<u>2,336,044</u>		<u>1,794,631</u>		<u>5,673,079</u>
End of Year		<u>\$ 2,673,564</u>		<u>\$ 3,273,214</u>		<u>\$ 7,237,021</u>

(See independent auditor's report.)

ENTERPRISE FUNDS

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

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	<u>23,285,850</u>	<u>20,900,063</u>
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	<u>38,049,482</u>	<u>9,984,643</u>
Operating Income (Loss) Before Depreciation	(14,763,632)	10,915,420
Depreciation	-	3,156,091
Operating Income (Loss)	<u>(14,763,632)</u>	<u>7,759,329</u>
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)	<u>17,151,706</u>	<u>(844,462)</u>
Income Before Transfers and Contributions	<u>2,388,074</u>	<u>6,914,867</u>
Transfers and Contributions		
Transfers in	-	3,181,174
Transfers (out)	(4,049,559)	(4,049,568)
Contributions	-	1,065,128
Total Transfers and Contributions	<u>(4,049,559)</u>	<u>196,734</u>
Net Income (Loss)	<u>\$ (1,661,485)</u>	7,111,601
Net Position		
Beginning of Year		<u>74,796,941</u>
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)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015*</u>
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	<u>\$ 68,130</u>	<u>\$ 58,088</u>	<u>\$ 60,643</u>	<u>\$ (71,645)</u>
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	<u>\$ 255,811</u>	<u>\$ 265,439</u>	<u>\$ 270,594</u>	<u>\$ 278,407</u>
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	<u>\$ 323,941</u>	<u>\$ 323,527</u>	<u>\$ 331,237</u>	<u>\$ 206,762</u>

* 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
	129,997	135,349	154,851	129,120	151,507	123,338
	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
	31,632	32,261	33,872	34,036	34,705	35,139
\$	161,629	\$ 167,610	\$ 188,723	\$ 163,156	\$ 186,212	\$ 158,477
\$	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
	38,570	32,782	32,336	40,209	36,941	41,248
	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	-
	78,587	40,657	38,266	43,877	46,466	44,333
\$	117,157	\$ 73,439	\$ 70,602	\$ 84,086	\$ 83,407	\$ 85,581
\$	(91,427)	\$ (102,567)	\$ (122,515)	\$ (88,911)	\$ (114,566)	\$ (82,090)
	46,955	8,396	4,394	9,841	11,761	9,194
\$	(44,472)	\$ (94,171)	\$ (118,121)	\$ (79,070)	\$ (102,805)	\$ (72,896)

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
\$ 11,668	\$ 13,348	\$ 13,855	\$ 15,890	\$ 18,675	\$ 33,671
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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)
\$ 28,935	\$ 23,515	\$ 42,489	\$ 36,013	\$ 32,566	\$ 39,854

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						Coverage
	Utility Service Charges	Less: Operating Expenses	Net Available Resources	Debt Service			
				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 Nilcs	-	-	-	-	-	-	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

Attachment L

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