



**Finance and Budget Committee
Tuesday, July 9, 2024
Lorraine H. Morton Civic Center 5:00 PM**

AGENDA

Join Zoom Meeting

<https://us06web.zoom.us/j/82506495754?pwd=hINmoTJ5jy9S0Yk8UV3TU7HMz54bHc.1>

Meeting ID: 825 0649 5754

Passcode: 060841

• +1 312 626 6799 US (Chicago)

Meeting ID: 825 0649 5754

Passcode: 060841

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1. CALL TO ORDER/DECLARATION OF A QUORUM

2. PUBLIC COMMENT

3. APPROVAL OF MINUTES

M1. Approval of the June 17, 2024 Finance & Budget Committee meeting minutes.

3 - 5

[Finance and Budget Committee - Jun 17 2024 - Minutes - Pdf](#)

4. PRESENTATIONS

- P1. **Presentation on City of Evanston Fund Structure, Fund Balances, and Finance Terminology** 6 - 24
Presentation and Discussion Only.
For Discussion
[Presentation on City of Evanston Fund Structure, Fund Balances, and Finance Terminology - Attachment - Pdf](#)

5. CONSIDERATION

- FB1. **Recommendation to City Council to Accept and Place on File the 2023 Audit Report** 25 - 248
Staff recommends that the Finance & Budget Committee recommend to the City Council that they accept and place on file the FY 2023 Audit Report.
For Action
[Recommendation to City Council to Accept and Place on File the 2023 Audit Report - Attachment - Pdf](#)

6. DISCUSSION

- D1. **Discussion Regarding Budgeting for CIP Projects** 249 - 250
Discussion Only.
For Discussion
[Discussion Regarding Budgeting for CIP Projects - Attachment - Pdf](#)
- D2. **Update on 2024 Bond Issuance** 251
Discussion Only.
For Discussion
[Update on 2024 Bond Issuance - Attachment - Pdf](#)

7. ADJOURNMENT



City of
Evanston™
MINUTES

Finance and Budget Committee

Monday, June 17, 2024 @ 5:00 PM

Lorraine H. Morton Civic Center

**COMMITTEE MEMBER
PRESENT:**

David Livingston, Resident, Clare Kelly, Councilmember, Jonathan Nieuwsma, Councilmember, Leslie McMillan, Committee Member, Melissa Wynne, Councilmember, and Shari Reiches, Committee Member

**COMMITTEE MEMBER
ABSENT:**

Bobby Burns, Councilmember and Devon Reid, Councilmember

STAFF PRESENT:

Hitesh Desai, Chief Financial Officer/Treasurer, Michael Van Dorpe, Financial Analyst, Clayton Black, Budget Manager, Cara Pratt, Sustainability and Resilience Coordinator, and Lara Biggs, City Engineer

1. CALL TO ORDER/DECLARATION OF A QUORUM

The meeting was called to order at 5:00 PM.

2. PUBLIC COMMENT

John Kennedy commented on the City's Climate Action Resilience Plan (CARP) and CIP projects related to meeting those goals.

3. APPROVAL OF MINUTES

M1. Approval of the May 14, 2024 Finance & Budget Committee Meeting minutes.

4. CONSIDERATION

FB1. Recommendation on the Policy for Unbudgeted Expenses

Clayton Black, Budget Manager, and Lara Biggs, City Engineer, facilitated the discussion of this item.

Members of the committee asked clarifying questions and made recommendations to adjust the policy before drafting a resolution to go to City Council. Namely, 1) the policy should apply to all funds, 2) staff will report on any unbudgeted increases over \$100,000, and 3) when an emergency meeting is called it can consist of the F&B Chair and a Councilmember on F&B of the Chair's choosing.

Councilmember Nieuwsma moved to direct staff to craft a resolution for this policy for City Council with the aforementioned edits.

Moved by Councilmember Nieuwsma
Seconded by Councilmember Wynne

Ayes: Livingston, Kelly, Nieuwsma, McMillan, Wynne, and Reiches
Motion Passed 6-0 on a recorded vote

Motion passed.

5. DISCUSSION

D1. Discussion Regarding Direct Pay refunds for Sustainability Projects

Ian Goldsmith, a representative from the World Research Institute, presented materials on Direct Pay.

Cara Pratt, Sustainability and Resilience Manager, provided an update on the City's status in applying for Direct Pay with the IRS and what projects are eligible for the program. Members of the Committee asked questions about eligible projects, when/if this program will sunset, and the length of time to get reimbursed by the IRS.

D2. Discussion Regarding the Liquor Tax

Clayton Black, Budget Manager, presented on research and ongoing discussions related to the Liquor Tax.

Members of the committee discussed the merits of repealing the Liquor Tax, how to replace or offset the revenue that would be lost from repealing the Liquor Tax, and the desire to see more information before providing a recommendation to City Council.

D3. Discussion Regarding Pickleball Court Cost Increase

Lara Biggs, City Engineer, presented on the increased costs for installing pickleball courts at James Park.

Members of the committee discussed the costs of installing 4 or 6 courts at James Park, how this project should be prioritized amidst the entirety of CIP projects, and the feasibility of a more comprehensive analysis of all parks to determine other locations for future pickleball courts.

Councilmember Nieuwsma moved that the Finance & Budget Committee recommend to City Council that this project move forward with installing four pickleball courts at James Park.

Draft

Finance and Budget Committee
June 17, 2024

Moved by Councilmember Nieuwsma
Seconded by Councilmember Wynne

Ayes: Kelly, Nieuwsma, McMillan, Wynne, and Reiches
Nays: Livingston

Motion Passed 5-1 on a recorded vote

Motion passed.

D4. Discussion Regarding Comparable Community Benchmarking Data

Michael Van Dorpe, Financial Analyst, presented on comparable community data.

Members of the committee asked clarifying questions about the data.

6. ADJOURNMENT

The meeting was adjourned at 7:07 PM.



Memorandum

To: Members of the Finance and Budget Committee
From: Clayton Black, Budget Manager
Subject: Presentation on City of Evanston Fund Structure, Fund Balances, and Finance Terminology
Date: July 9, 2024

Recommended Action:
Presentation and Discussion Only.

Committee Action:
For Discussion

Summary:
Staff have attached the presentation that will be shared for this item.

Attachments:
[7-2024 Finance and Budget Committee Educational Session.pptx](#)



Finance and Budget Committee Educational Session 1

July 2024

Summary

- Types of Funds
- Calculating Fund Balance & Cash Balance
- Audit Process
- Fund Equity Terminology
- Reserves and Excess Reserves

Types of Funds

- **General (2)** - Includes the General Fund and the Human Services Fund.

- **Library (3)** - Funds supporting Evanston Public Library operating, capital, and debt service needs.

- **Special Revenue Funds (12)** -
 - Track funding from specific federal and state funding sources including CDBG, MFT, ARPA, E911.
 - Track funding for specific purposes including sustainability, reparations, and affordable housing.

Types of Funds

- **Debt Service Fund (1)** - For annual principal and interest payments on non-enterprise GO bonds.
- **TIF and SSA Funds (9)** - Funds to promote economic development and capital investment in defined parts of the community.
- **Capital Funds (4)** - Major infrastructure projects (parks, roads, facilities, etc.)
- **Enterprise Funds (4)** - Funds supported by user fees (Parking, Water, Sewer, Solid Waste).

Types of Funds

- **Internal Services (3)** - Funds that serve city operations, supported by transfers from all other funds. (i.e. Equipment Replacement, Fleet, Insurance).
- **Police and Fire Pension Funds (2)** - Pension funds held in trust by the City, controlled by separate Pension Boards.

Fund Balance v. Cash Balance

Fund Balance (Governmental Funds):

- + **Assets** (e.g. cash and investments, amounts due from other funds, receivable, advances)
- **Liabilities** (e.g. amounts payable, unearned revenue, amounts due to other funds, advances)
- **Revenues Available in Future Years** (e.g. loans, leases, etc.)

Throughout the year, changes to fund balance are reported as previous year-end fund balance plus revenues and transfers in, less expenditures and transfers out.

Fund Balance v. Cash Balance

Fund Balance (Enterprise and Internal Service):

- + **Current Assets** (e.g. cash/investments, inventories, prepayments, amounts due from other funds, receivables, advances)
- + **Non-Current Assets** (e.g. capital assets and depreciation)
- + **Deferred Outflow of Resources** (e.g. OPEB, pensions)
- **Current Liabilities** (e.g. amounts payable, amounts due to other funds, advances)
- **Non-Current Liabilities** (e.g. Loans and bonds payable in future years, asset retirement, claims payable)
- **Deferred Inflow of Resources** (e.g. OPEB, pensions)
- **Net Investment in Capital Assets**

Fund Balance v. Cash Balance

Cash Balance:

- + Cash and Equivalents**
- + Investments**
- +/- Due to/from Other Funds**
- +/- Advances to/from Other Funds**

Fund Balance v. Cash Balance

- Throughout the year, changes to fund balance reported as previous year-end fund balance plus revenues/transfers in, less expenditures/transfers out.

- Many of the aforementioned items that impact fund balance are adjusted once per year during the audit. Examples include:
 - Depreciation and other adjustments to capital assets.
 - Reconciliation of year-end amounts payable and receivable.
 - Reconciliation of pre-payments with assets/services received.
 - Enterprise GO bond and loan principal and interest.
 - Adjustments for loans and leases.
 - Identification of deferred inflow/outflow of future resources.
 - Identification of inventory on hand at year-end.
 - Ensuring capital expenses/retainage are assigned to the year work is performed.

Terminology

Fund Equity (most constraining to least constraining)

- **Nonspendable:** Fund balance amounts that can not be spent because they are not in spendable form or legal constraints (e.g. capital assets).
- **Restricted:** Constraints placed on their use by either external groups such as creditors, grants, laws (e.g. TIFs, SSAs, MFT, CDBG).
- **Unrestricted:**
 - **Committed:** Constraints placed on their use through formal action by the City (e.g. Sustainability, Reparations, Affordable Housing).
 - **Assigned:** Spendable fund balances intended for specific purposes not considered restricted or committed (i.e. General Fund, Crown Construction/Maintenance Funds).
 - **Unassigned:** Residual positive/negative fund balances which have not been classified. Includes reserves and excess reserves.

<https://www.gfoa.org/materials/fund-balance-guidelines-for-the-general-fund>

Fund Balance v. Cash Balance

Examples (E911 Fund):

Entire \$1,560,774 in fund balance is considered “restricted” since E911 revenues are restricted by the State.

E911 Fund		
	Fund Balance	Cash Balance
Assets		
Cash and Investments	\$ 1,123,008	\$ 1,123,008
Due from other governments	\$ 361,300	
Due from other funds	\$ 100,515	\$ 100,515
Liabilities		
Vouchers Payable	\$ 24,049	
Total	\$ 1,560,774	\$ 1,223,523

Fund Balance v. Cash Balance

Examples (General Fund):

- \$4,407,258 non-spendable
- \$10,472,567 “assigned” to FY 2024 budgeted deficit
- \$2,357,780 is “assigned” to various programs
- \$31,828,867 is considered “unassigned” and includes reserves and excess reserves

	Fund Balance	Cash Balance
Assets		
Cash and Investments	\$ 49,574,932	\$ 49,574,932
Receivables	\$ 35,524,347	
Due from other governments	\$ 9,499,314	
Due from other funds	\$ 1,009,276	\$ 1,009,276
Advances to other funds	\$ 4,300,000	\$ 4,300,000
Inventories	\$ 32,258	
Liabilities		
Vouchers Payable	\$ 3,053,940	
Accrued payroll	\$ 2,289,226	
Due to other governments	\$ 4,296,596	
Due to other funds	\$ 5,280,149	\$ 5,280,149
Other	\$ 656,740	
Deferred Inflow of Resources		
	\$ 32,664,744	
Less Human Services Fund	\$ 2,389,010	\$ 2,389,010
Less Foreign Fire Insurance Fund	\$ 243,247	\$ 243,247
Cash adjustments in HSF		\$ 30,310
Total	\$ 49,066,475	\$ 46,941,492

Fund Balance v. Cash Balance

Examples (CIP Fund):

The CIP Fund finished with an “unassigned” negative fund balance of (\$8,173,411) because of amounts payable to IDOT and other agencies. Cash finished at \$3,469,241 as it excludes those amounts.

	Fund Balance	Cash Balance
Assets		
Cash and Equivalents	\$ 1,492,097	\$ 1,492,097
Investments	\$ 4,312,680	\$ 4,312,680
Due From Other Funds	\$ 1,964,464	\$ 1,964,464
Liabilities		
Vouchers Payable	\$ 11,289,239	
Unearned Revenue	\$ 353,413	
Advances from other funds	\$ 4,300,000	\$ 4,300,000
Total	\$ (8,173,411)	\$ 3,469,241

Fund Balance v. Cash Balance

Examples (Water Fund):

The Water Fund finished with an “unrestricted” fund balance of \$5,431,051 because of amounts payable to IDOT and other agencies. Cash finished at (\$500,324) given amounts due to other funds.

Water Fund	Fund Balance	Cash Balance
Current Assets		
Cash and Equivalents	\$ 300	\$ 300
Investments	\$ 4,520,909	\$ 4,520,909
Receivables (billed and unbilled water)	\$ 7,883,715	
Inventories	\$ 793,962	
Pre-Paid Items	\$ 49,463	
Due from other funds	\$ 17,905,288	\$ 17,905,288
Non-Current Assets	\$ 155,474,859	
Deferred Outflows of Resources	\$ 6,307,258	
Current Liabilities		
Vouchers Payable	\$ 1,975,356	
Retainage Payable	\$ 353,413	
IEPA /GO Bonds Payable	\$ 3,198,518	
Due to other funds	\$ 22,926,821	\$ 22,926,821
Other	\$ 369,618	
Non-Current Assets	\$ 73,919,030	
Deferred Inflow of Resources	\$ 203,105	
Net Investment in Capital Assets	\$ 84,558,842	
Total	\$ 5,431,051	\$ (500,324)

Fund Balance Policies

15 of 40 funds have reserves fund/cash balance policies

- General, Parking, Sewer, Solid Waste, & Water:
 - 16.6% of operating expenses
- Motor Fuel Tax, Capital Improvements:
 - 25% of operating expenses:
- Fleet & Equipment Replacement:
 - Positive cash balance
- Insurance:
 - No less than three months of annual expenses
 - Cash at 25% of outstanding claims payable
- TIF Funds:
 - Based on Outstanding Debt:

Cash/Fund Balances as of 12/31/23

Fund #	Fund	Revenue	Expense	Net	Fund Balance	Cash Balance
100	General	134,293,831	143,029,844	(8,736,013)	49,066,472	46,941,492
170	American Rescue Plan	8,937,837	7,434,037	1,503,800	2,034,971	26,793,235
175	General Assistance	1,399,634	1,091,177	308,457	1,294,845	1,275,556
176	Human Services	3,571,686	4,246,737	(675,051)	2,389,010	2,656,026
177	Reparations	3,566,945	2,261,405	1,305,540	1,554,075	1,303,481
178	Sustainability	970,454	567,747	402,708	787,300	855,719
180	Good Neighbor	12,799	557,887	(545,088)	188,325	188,325
185	Library	8,578,733	7,762,567	816,166	4,826,771	4,838,592
186	Library Debt Service	507,912	507,913	(1)	2,781	2,781
187	Library Capital Improvement FD	-	1,192,903	(1,192,903)	(488,514)	(488,514)
200	MFT	3,657,750	2,831,512	826,238	6,284,204	6,117,993
205	E911	1,740,804	1,664,398	76,406	1,560,774	1,223,523
210	Special Service Area (SSA) #9	853,753	640,515	213,238	13,252	337,443
215	CDBG	2,020,464	2,020,464	-	59,323	(356,303)
220	CD Loan	163,577	151,862	11,715	390,964	485,996
235	Neighborhood Improvement	590	-	590	22,885	22,885
240	Home	105,160	104,159	1,002	7,855	(5,382)
250	Affordable Housing	655,750	487,487	168,262	2,770,626	3,027,604
320	Debt Service	16,142,783	15,203,557	939,226	2,905,035	2,701,368
330	Howard Ridge	1,285,619	1,553,879	(268,259)	1,836,837	1,876,101
335	West Evanston	2,035,737	2,282,700	(246,963)	2,217,034	3,389,870
340	Dempster-Dodge-TIF	460,671	185,426	275,246	648,258	650,191
345	Chicago Main-TIF	1,250,395	2,722,028	(1,471,633)	222,046	258,392
350	Special Service Area (SSA) #6	236,429	206,759	29,670	34,226	327,348
355	Special Service Area (SSA) #7	146,123	144,223	1,900	14,336	78,192
360	Special Service Area (SSA) #8	63,257	60,632	2,624	7,152	35,644
365	Five-Fifth TIF	919,482	920,970	(1,488)	(137,389)	(37,810)
415	Capital Improvements	4,024,212	14,164,514	(10,140,302)	(8,173,410)	3,469,242
416	Crown Construction	511,786	1,013,010	(501,224)	4,804,106	4,815,414
417	Crown Community CTR Maintenance	174,996	-	174,996	665,041	665,041
420	Special Assessment	257,237	1,137,031	(879,794)	563,058	841,729
505	Parking	11,018,164	12,888,981	(1,870,816)	2,535,070	2,180,679
510-513	Water	25,531,649	21,683,306	3,848,343	5,431,051	(500,324)
515	Sewer	9,574,128	7,604,285	1,969,842	8,587,274	7,112,498
520	Solid Waste	6,683,034	6,191,417	491,618	2,931,152	2,156,870
600	Fleet	5,175,288	4,137,721	1,037,566	1,381,625	46,051
601	Equipment Replacement	2,745,787	1,585,432	1,160,355	3,449,978	1,303,826
605	Insurance	24,629,468	19,192,139	5,437,329	3,290,132	3,229,856

Cash/Fund Balances as of 12/31/23

	Ending Fund Balance (12/31/23)	Non-Spendable	Restricted	Assigned	Unassigned	Required Fund Balance	Excess/ (Deficit)	Notes
General Fund	49,066,472	4,407,258		12,830,347	31,828,867	23,891,972	7,936,895	
Motor Fuel Tax Fund	6,284,204		6,284,204			1,655,000	4,629,204	
Howard-Ridge TIF Fund	1,836,834		1,836,834			N/A	N/A	4,340,438 outstanding principal and interest
West Evanston TIF Fund	2,217,034		2,217,034			N/A	N/A	2,315,000 in CIP projects in 2024
Dempster-Dodge TIF Fund	648,257		648,257			N/A	N/A	2,052,090 outstanding principal and interest
Chicago-Main TIF	222,045		222,045			N/A	N/A	2,975,790 outstanding principal and interest
Five Fifths TIF	(137,389)				(137,389)	N/A	N/A	
Capital Improvements Fund	(8,173,410)				(8,173,411)	6,304,625	(14,478,035)	Cash is \$3,469,242.
Parking System Fund	2,535,070				2,535,070	1,565,606	969,464	
Sewer Fund	8,587,274				8,587,274	1,893,440	6,693,834	
Solid Waste Fund	2,931,152				2,931,152	1,120,695	1,810,457	
Water Fund	5,431,051				5,431,051	5,810,000	(378,949)	
Fleet Services Fund*	1,381,521					-	46,051	Cash balance of \$46,051
Equipment Replacement Fund*	3,449,978					-	1,303,826	Cash balance of \$1,303,826
Insurance Fund*	3,290,132					3,593,960	(364,104)	Cash balance of \$3,229,856.
* Policy applies to cash balance, not fund balance.								

Takeaways

- Use care when combining large amounts.
- Fund balances include non-spendable, restricted, and unrestricted (committed, assigned, and unassigned) funds.
- Unassigned funds include both reserves and excess reserves.
- Throughout the year, changes to fund balance are reported as previous year-end fund balance plus revenues and transfers in, less expenditures and transfers out as part of monthly reports.
- Significant adjustments made as part of audit process once per year.



Memorandum

To: Members of the Finance and Budget Committee
From: Hitesh Desai, Chief Financial Officer/Treasurer
CC: Clayton Black
Subject: Recommendation to City Council to Accept and Place on File the 2023 Audit Report
Date: July 9, 2024

Recommended Action:

Staff recommends that the Finance & Budget Committee recommend to the City Council that they accept and place on file the FY 2023 Audit Report.

Committee Action:

For Action

Summary:

Local governments are required by state law to have their annual financial statements audited by a qualified, certified public accountant. The City retained the services of Sikich, LLP to perform the audit of the City of Evanston's financial statements for the fiscal year ending December 31, 2023.

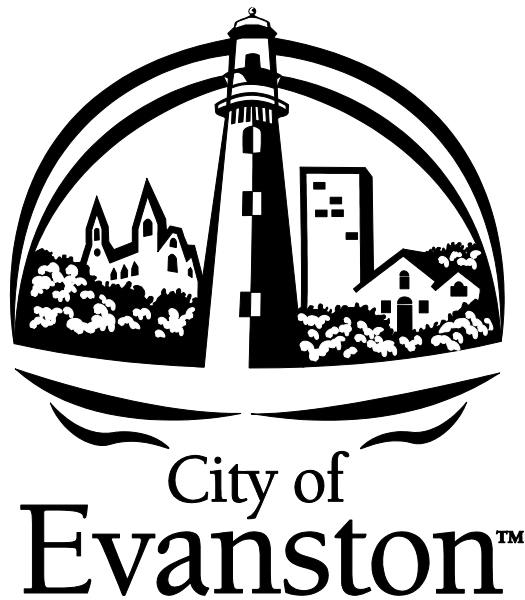
The auditors' opinion on the financial statements reports that the financial statements are prepared in accordance with generally accepted accounting principles and present fairly the the financial position of the City on December 31, 2023, and the results of its operations for the year that ended.

The ACFR is attached to this agenda. Staff from Sikich will be in attendance to present the results and address any questions.

Attachments:

[23-8100 Final Audit - CO Evanston](#)

City of Evanston, Illinois



Annual Comprehensive Financial Report For the Year Ended December 31, 2023

CITY OF EVANSTON, ILLINOIS

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

For the Year Ended
December 31, 2023

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, 2023

LEGISLATIVE

Daniel Biss, Mayor

Clare Kelly	1st Ward
Krissie Harris	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

Luke Stowe, City Manager

Hitesh Desai, CFO / Treasurer

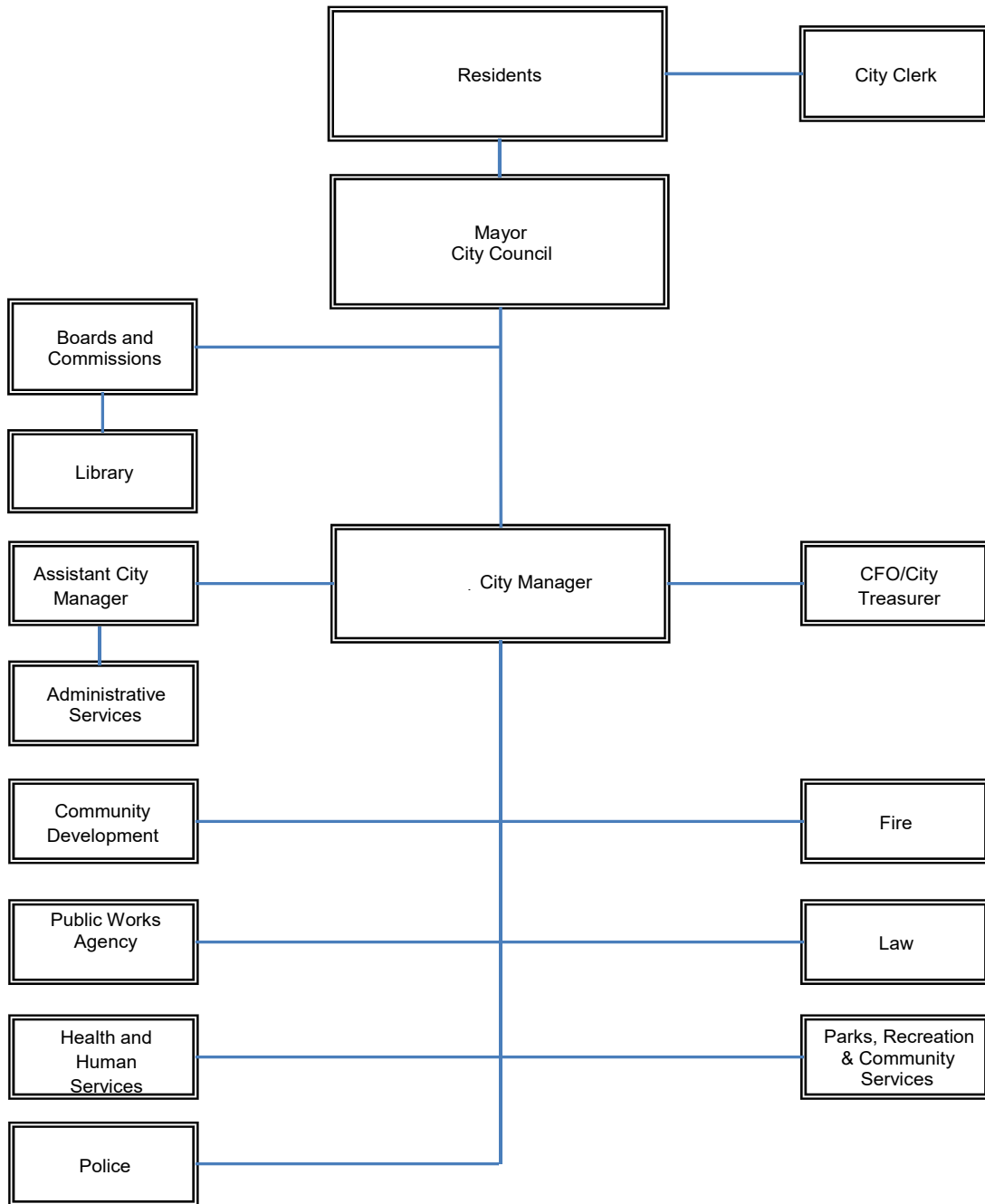
ADMINISTRATIVE

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



City of Evanston

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, 2022

Christopher P. Morill

Executive Director/CEO

- iii -



City Manager's Office
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June 27, 2024

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

INTRODUCTION

The Annual Comprehensive Financial Report (Annual Report) of the City of Evanston (City) for the fiscal year ended December 31, 2023, 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, 2023, to December 31, 2023. Management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, City management has established a comprehensive internal control framework that is designed to both protect the government's assets from loss, theft, or misuse and to compile sufficient, reliable information for the preparation of the City of Evanston's financial statements in conformity with Generally Accepted Accounting Principles (GAAP) within the United States of America. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 as amended and U.S. Office of Management and Budget 2 CFR part 200, subpart F, Audits of States, Local Governments, and Non-Profit Organizations. Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations, and auditors' reports on the

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

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

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

The City's financial statements have been audited by Sikich CPA LLC, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Evanston for the fiscal year ended December 31, 2023, 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, 2023, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE CITY OF EVANSTON

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

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

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

In 1863, the Village of Evanston was incorporated as a town, and after several annexations in 1892, the town became a City. The City's southern boundary 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 represents one of nine wards and are elected to terms of four years. The City Council is organized into five standing committees: Administration and Public Works, Human Services, Planning and Development, Rules, and Referrals. The City Council has also established several special committees, commissions and advisory boards.

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

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

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

Budget Process: The City's fiscal year 2024 began on January 1, 2024. The City Manager submitted to the City Council a proposed operating budget in October 2023 for the fiscal year 2024 commencing the following January 1. The City's budget team started the budget process for fiscal year 2024 in late summer followed by a meeting with all departments for their individual budgets. On December 12, 2023, the Council adopted Ordinance 82-O-23 approving the FY 2024 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 expenditure 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 Annual Comprehensive Financial Report (ACFR) of the City presents expenditures and revenues on both a GAAP basis and a budgetary basis for comparison.

Fund Accounting: The City uses funds to report on both its financial position and results of its operations. 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 2024 budget, the City projected that 33.0% (\$143.9 million-including transfers) of all City expenditures will occur in the General Fund. Other major funds include the Capital Improvement, General Obligation Debt, ARPA, 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 2024

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

The City Manager's Office will: (1) Increase communication platform, branding, and social media training for staff. (2) Implement the 2-year strategic plan for arts and culture in Evanston (3) Implement Evanston Thrives Recommendations (4) Working with the Finance and Budget Committee and City Departments to improve projections and forecasts in all City Funds. (5) Develop Comprehensive Civic Engagement Policy and Plan. (6) Updating the Bid/RFP/RFQ Templates and Forms. (7) Introduce ZenDesk to streamline email notifications and requests (8) Continue to implement recommendations of the Environmental Justice Resolution.

The Law Department will: (1) 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. (4) Identify opportunities for training and education for staff to increase knowledge surrounding real estate and land use. (5) Work with the collector's office to recover money owed to the City.

The Administrative Services Department will: (1) Continue to expand its use of the VueWorks program to better plan maintenance, replacements and improvements at our City Facilities in a manner that is proactive rather than reactive. (2) Parking staff will be reviewing a parking study report prepared by a consultant and bringing forward any thoughtful changes to City Council for review. (3) Parking staff will be evaluating revenues to recommend increases to monthly lot permit parking as well as residential parking districts, areas that have not had a fee increase in many years. (4) IT staff will continue to work on improving cybersecurity posture in an ongoing effort to ensure the City assets are kept safe, and continue to work on the City's website ensuring accessibility.

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 Act (ARPA). (4) Implement projects and programs to address homeless & unstably housed with HOME-ARPA. (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) Fill vacant positions with competent, qualified personnel. (2) Research and evaluate Tyler's Enterprise Public Safety system. (3) Development and implementation of a new 911 Continuity of Operations Center during system failure in case of needed backup. (4) Review and implementation of new performance evaluations. (4) Research and development of a master plan for the replacement or complete renovation of the Evanston Police Department Building in conjunction with City Departments and stakeholders.

The Fire Department will: (1) Enhancing lifeguard protocols, using lessons learned after a successful first season. (2) Contract with a vendor to better organize, update and review policies and procedures, General Orders, Standard Operating Procedures, etc., ensuring up to date with local, State and Federal policies. (3) Equip all stations with security cameras to ensure the safety of the stations, employees, and equipment. (4) Replace and update major medical equipment from Stryker Corporation through ALS360.

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) Apply for additional grants to support operations and activities of the Department. (3) Create a clearinghouse of data to better measure health equity achievements. (4) Continue to be leaders in progressive tobacco cessation policies and implement strategies in Evanston to deter unhealthy behaviors. (5) Continue to incorporate the City's EPLAN in City operations and goals thereby using it as a tool to make significant positive impacts to equity and disparity issues in the community. (6) Begin enforcement of the plastic bag ordinance for establishments less than 10,000 sq ft (7) Improve licensing and inspecting efficiency by partnering with Byrne Software to work on Accela

The Public Works Agency will: (1) Complete construction and engineering of projects that are part of the CIP plan. (2) Continue incorporation of CARP goals into City infrastructure projects. (3) Begin implementing recommendations from the Stormwater Master Plan and develop long-term goals for stormwater mitigation. (4) Finalize development of the Lead Service Line Replacement Program in compliance with State of Illinois regulatory requirements. (5) Establish and maintain a section pruning program and prune all trees on a seven-year cycle by completing pruning of trees in 1/7th of the City. (6) Replace approximately 65 light fixtures in street light poles with new LED fixtures in conformance with the Street Light Master Plan. (7) Install ComEd meters in four street light power centers to get them off dusk to dawn charges.

The Parks, Recreation and Community Services will: (1) Implement a new Community Affiliates Program to mirror current Sports Affiliate Program, strengthening partnerships with community and social service partners. (2) Continue implementation of free Starlight Concert and Movie Series in all nine wards with an increase in community engagement to select musical performers and movie titles. (3) Explore and test new recreation software system for special events, park/field permits, and facility rentals. (4) Revival of special events with the addition of the Special Events Coordinator, expanding events throughout the nine wards. (5) Establish work plan, including objectives that are SMART (Specific, Measurable, Achievable, Relevant, Time Bound) for each Division that will be used to implement Parks and Strategic Green Space Plan.

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

FACTORS AFFECTING FINANCIAL CONDITION

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

Local Economy: As home to Northwestern University and nine unique business districts, Evanston's thriving local economy has continued to generate strong local revenues over the past three years. Revenue from Sales Taxes, Home Rule Sales Taxes, Real Estate Transfer Taxes, and several other economy-based revenues rebounded from pandemic lows to record highs in 2022 mainly due to increased consumer spending in an inflationary environment.

With some exceptions, General Fund revenues remained strong during 2023, with Sales Taxes and Home Rule Sales Taxes outperforming 2022 results. Other local revenues like Recreation Program Fees, Building Permits, Ticket Fines, GEMT (Ground Emergency Medical Transportation), Investment Income, and Ambulance Fees also met

or exceeded 2022 totals.

Many of the positive revenue returns are largely due to economic recovery and consumer spending, it is also a result of high inflation rates over the past two years. According to the BLS, the Consumer Price Index measures inflation as experienced by consumers in their day-to-day living expenses. While CPI stood at 5.3% in October 2021, it peaked at 9.1% in July 2022, the highest rate in nearly 40 years. Throughout 2023, CPI has stabilized around 2.5%, but the 17 months of rates greater than 5% continue to have a lingering effect on the City's finances.

In 2023, Evanston's City Council also approved the replacement of the 97-year-old Ryan Field, home to Northwestern Football games. This project is expected to cost \$800 million, generate \$12 million in local permit fees, and increase a variety of local taxes with football games and up to six concerts planned at the stadium once construction is completed in 2026. Along with the approval of the stadium, the City Council approved a Community Benefits Agreement (CBA) between Northwestern and the City of Evanston. Among the many components of the CBA is a \$3 million annual contribution to the Good Neighbor Fund for fifteen years beginning in 2024. Of that \$3 million, \$1 million is to be directed to Affordable Housing, and \$500,000 is to be directed towards Sustainability efforts. The remaining \$1.5 million can be allocated as the City Council chooses on an annual basis.

Additionally, the City was fortunate to receive \$43 million in federal relief funding from the American Recovery Plan and has used those funds to implement new social programs and offset expenses typically covered by other City revenues.

While inflation and these other items have resulted in increases in revenues, the 2023 budget warned that there would be a lag effect on the City's expenses, which has become apparent. All four of the City's collective bargaining contracts were approved in 2023 at higher than budgeted levels, more closely mirroring inflation rates from early 2021. In 2023, a 4.5% increase was budgeted for salaries. Police Patrol (18%), Police Sergeants (~8%), Fire (11%), AFSCME (11%), and non-Union received increases commensurate with inflation over the past two years and to put salaries more in line with comparable communities. As a service organization, these wage increases have resulted in increases in many of the City's funds where employees are budgeted.

One additional challenge the City faced in 2023 was the impact of inflation on the cost of capital improvement projects as several came in well over the amount budgeted. As a result, the City used \$3.4 million to cover overages on a variety of projects. In 2023, the City utilized available General Fund reserves to address several other ongoing challenges including \$4.5 million in additional pension contributions to exceed statutory requirements and fully fund public safety pensions by 2040.

As a result of these wage increases and capital project cost overruns, General Fund expenditures finished 111% of budgeted expenditures with nearly all City departments reporting higher than budgeted expenditures for FY 2023. As noted, revenues finished the year at 114% of the budget. Overall, revenues in the General Fund finished at \$16.5 million higher than budgeted numbers. As a result, the General Fund finished with a deficit of \$8.6 million, compared to the budgeted deficit of \$10.1 million, drawing from General Fund excess reserves.

For the 2024 Budget, the City continued its focus on maintaining core services and advancing progress towards City Council goals and priorities. On October 10, 2023, staff presented the proposed budget to the City Council. The council deliberated on the budget at several City Council meetings before approval on December 11, 2023.

As part of the adopted budget, the City utilized the available General Fund surplus to add 22 new staff positions and to provide \$4.9 million in funding beyond the Public Safety Pension Levy to the Public Safety Pension Funds. The City Council held the property tax levy for the fourth consecutive year while also approving one of the largest Capital Improvement Plans in City history at \$98 million with the largest project being the continued replacement of a 60-inch water intake pipeline that extends one mile in Lake Michigan.

The 2024 budget also includes the issuance of General Obligation Bonds for capital improvement and water projects. Historically, the City has issued GO Bonds on a nearly annual basis to finance capital improvement projects. The City has been able to utilize available cash and reserves to advance these projects given the challenging interest rate environment. However, much of these available reserves and cash have been drawn down and future large capital projects will require action on bond issuances, further drawdown of reserves, deferral of projects, or identification of other funding sources.

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, 2022. 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

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current annual comprehensive 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 2024 budget. To qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including policy documentation, financial planning, and organization. The City has been getting this GFOA budget award for many years.

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

Respectfully submitted,

Luke Stowe

Luke Stowe
City Manager

Hitesh Desai

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, 2023, 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, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund 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 June 27, 2024 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.

Sibich CPA LLC

Naperville, Illinois
June 27, 2024



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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Evanston, Illinois (City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements and have issued our report thereon dated June 27, 2024. The financial statements of Evanston Public Library were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Evanston Public Library.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Sikich CPA LLC

Naperville, Illinois
June 27, 2024

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**



MANAGEMENT'S DISCUSSION AND ANALYSIS

DECEMBER 31, 2023

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 \$9,633,950 from the prior fiscal year. The governmental net position increased by \$5,195,148 or 17.0% from the prior period and the business-type activities net position increased by \$4,438,802 or 1.4% from the prior period.
- B. The governmental activities revenue decreased by \$4,272,025 or 2.4% from the prior period principally due to decrease in operating grants and contributions and charges for services. The expenses increased by \$32,030,123 or 22.3% principally due to an increase in all governmental activities.
- C. The business-type activities revenue increased by \$2,074,516 or 4.3% due to an increase in charges for services and investment income. The expenses increased by \$5,553,934 or 15.9% from the prior period due to increases in all business-type activities.
- D. The total cost of all City programs increased by \$37,584,057 or 21.0%. This increase was mainly attributable to increases in wages across all City programs.
- E. Total assets of the City decreased by \$49,591,801; while total liabilities decreased by \$28,270,698.

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.

MD&A 1

REPORTING THE CITY AS A WHOLE

Government-wide Financial Statements

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

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

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

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

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

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

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

The City has three kinds of funds:

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

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

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

The basic government fund financial statements are presented on pages 11-18 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 –19-23 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 –24-25 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 26 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 97-111 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 112. Additional information on capital assets and long-term debt can be found on page 45-47 and 53-54, respectively.

Financial Analysis of the City as a Whole

The City's combined net position increased by \$9,633,950 from \$287,144,314 to \$296,778,264.

STATEMENT OF POSITION

	Governmental Activities		Business-type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 194,740,275	\$ 248,350,460	29,066,672	37,514,732	223,806,947	285,865,192
Capital Assets	231,696,070	228,756,629	390,457,572	380,930,569	622,153,642	609,687,198
Total Assets	426,436,345	477,107,089	419,524,244	418,445,301	845,960,589	895,552,390
Deferred Outflows	45,910,708	55,577,584	8,438,372	4,935,510	54,349,080	60,513,094
	472,347,053	532,684,673	427,962,616	423,380,811	900,309,669	956,065,484
Long-Term Liabilities	390,982,159	422,853,966	95,475,109	83,423,489	486,457,268	506,277,455
Other Liabilities	51,110,301	53,440,394	3,535,247	9,655,666	54,645,548	63,096,060
Total Liabilities	442,092,460	476,294,360	99,010,356	93,079,155	541,102,816	569,373,515
Deferred Inflows	55,735,055	87,065,923	6,693,534	12,481,732	62,428,589	99,547,655
Total Liabilities and Deferred Inflows	497,827,515	563,360,283	105,703,890	105,560,887	603,531,405	668,921,170
Net Investment in Capital Assets	93,847,182	80,017,854	302,774,179	296,945,278	396,621,361	376,963,132
Restricted	25,274,487	62,604,468	-	9,267,670	25,274,487	71,872,138
Unrestricted (Deficit)	(144,602,131)	(173,297,932)	19,484,547	11,606,976	(125,117,584)	(161,690,956)
Restatement	-	-	-	-	-	-
Total Net Position	\$ (25,480,462)	\$ (30,675,610)	322,258,726	317,819,924	296,778,264	287,144,314

The City's total revenues decreased by \$ 2,197,509 or .1%. The City's total expenses for all programs increased by \$37,584,057 or 21.0%. Business-type activity revenues increased by \$2,074,516 in the current fiscal period mainly due to an increase in charges for services. Business-type activity expenses increased by \$5,553,934, while Governmental activity expenses increased by \$32,030,123 due to increased costs in wages. The list of revenues and expenses can be found in the table below.

The governmental activities and business-type activities saw net position balance increases of \$5,195,148 and of \$4,483,802, respectively. The following table provides a summary of the City's changes in net position:

STATEMENT OF CHANGES IN NET POSITION

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Revenue						
Program Revenues:						
Charges for services	\$ 29,232,736	\$ 32,625,387	48,087,216	46,776,641	77,319,952	79,402,028
Operating grants and contributions	-	-			-	-
	7,529,896	9,913,241			7,529,896	9,913,241
Capital grants and contributions	-	-			-	-
	910,849	936,608			910,849	936,608
General Revenues:						
Sales taxes	23,725,230	23,443,235			23,725,230	23,443,235
Property taxes	54,425,981	52,498,104	1,332,500	1,332,500	55,758,481	53,830,604
Utility taxes	6,176,206	6,878,514			6,176,206	6,878,514
Income taxes	12,558,980	12,826,057			12,558,980	12,826,057
Other	35,015,735	39,200,596	-	-	35,015,735	39,200,596
Investment income	5,808,554	1,334,450	763,849	(92)	6,572,403	1,334,358
Total Revenue	175,384,167	179,656,192	50,183,565	48,109,049	225,567,732	227,765,241
Expenses						
General management and support	29,867,575	22,825,409			29,867,575	22,825,409
Public safety	79,009,306	70,097,181			79,009,306	70,097,181
Public works	29,297,432	20,711,786			29,297,432	20,711,786
Health and human resources development	-	-			-	-
	6,095,290	3,158,454			6,095,290	3,158,454
Recreation and cultural opportunities	-	-			-	-
	11,929,994	11,098,493			11,929,994	11,098,493
Housing and economic development	-	-			-	-
	15,346,710	10,317,825			15,346,710	10,317,825
Interest	3,854,428	5,161,464			3,854,428	5,161,464
Water	-	-	17,482,399	14,562,608	17,482,399	14,562,608
Sewer			6,942,639	6,385,682	6,942,639	6,385,682
Solid Waste			6,191,417	5,148,518	6,191,417	5,148,518
Motor vehicle parking system			9,916,592	8,882,305	9,916,592	8,882,305
	-	-	-	-	-	-
Total Expense	175,400,735	143,370,612	40,533,047	34,979,113	215,933,782	178,349,725
Increase (decrease) in net position before transfers	(16,568)	36,285,580	9,650,518	13,129,936	9,633,950	49,415,516
Transfers	5,211,716	4,789,583	(5,211,716)	(4,789,583)	-	-
Increase/(Decrease) in Net Position	5,195,148	41,075,163	4,438,802	8,340,353	9,633,950	49,415,516
Net Position - Beginning	(30,675,610)	(71,750,773)	317,819,924	309,479,571	287,144,314	237,728,798
Change in accounting principle	-	-	-	-	-	-
Net Position - Beginning, Restated	(30,675,610)	(71,750,773)	317,819,924	309,479,571	287,144,314	237,728,798
Net Position - Ending	\$ (25,480,462)	\$ (30,675,610)	322,258,726	317,819,924	296,778,264	287,144,314

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 \$74,274,461 as of December 31, 2023, which includes \$4,407,258 non-spendable, \$25,417,382 restricted, \$20,057,926 assigned and \$24,391,895 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 15 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. In these statements, the General Fund includes the Human Services Fund and the Foreign Fire Insurance Fund. The fund balance of these funds reported a decrease of \$9,424,474 with actual revenue of \$130,379,878 and expenditures of \$137,971,207, before transfers. The City reported a decrease in fund balance mainly due to an increase in wages and unbudgeted transfers. The total General Fund balance on page 16 is \$51,698,732.

Fund	General Fund	Human Services Fund	Foreign Fire Insurance Fund	Total Combined
Operating Revenue	126,559,988	3,571,686	248,204	130,379,878
Operating Expenses	(133,462,855)	(4,246,737)	(261,615)	(137,971,207)
Transfers In	7,733,940	-		7,733,940
Transfers Out	(9,567,085)	-		(9,567,085)
Net Change In Fund Balances	(8,736,012)	(675,051)	(13,411)	(9,424,474)
				-
Fund Balances January 1	57,802,487	3,064,061	256,658	61,123,206
Net Change In Fund Balances	(8,736,012)	(675,051)	(13,411)	(9,424,474)
Fund Balances December 31	\$ 49,066,475	\$ 2,389,010	\$ 243,247	51,698,732

As a result of higher than budgeted wage increases and transfers to other funds including Fleet Fund, Insurance Fund and CIP fund for cost overages, GF expenditures were significantly higher than the original budget. The City also utilized General Fund reserves to contribute around \$4.5M towards public safety pensions as a part of funding 100% by 2040 goal.

The General Fund revenues (before transfers) finished at \$7.5M higher than budgeted resulting in an actual deficit of \$8.7M against the budgeted deficit of \$10.1M, drawing from General Fund excess reserves.

The Capital Improvement Fund has a fund balance deficit of \$8,173,411 due to the City not issuing bonds but continuing to pay for Capital Improvement expenses. The fund balance reported a decrease of \$10,140,303 with actual revenues of \$759,985 and expenditures of \$14,164,514, before transfers. This fund received a transfer of \$3,264,226 from the General Fund to fund overages on CIP projects.

The fund balance of the General Obligation Debt Service Fund had an increase of \$939,225 from \$1,965,810 to \$2,905,035, resulting primarily from transfers in from other funds.

The ARPA Fund reported an increase of fund balance of \$1,503,803 from \$531,170 to \$2,034,973 due to investment income.

Combined Nonmajor Governmental Funds

Combined nonmajor fund balances totaled \$25,809,132, a decrease of \$115,852 from prior period of \$25,924,984.

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 \$4,438,802 in the net position. The Water Fund reported the highest increase in the amount of \$3,848,343. The Solid Waste Fund added \$491,616 to the net position during the year. The Sewer Fund reported an increase of \$1,969,663, while Parking Fund reported a decrease of \$1,870,820. 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 \$7,623,884 from a \$7,520,619, as of January 1, 2023 to a net position of \$15,144,503 as of December 31, 2023. Of the total net position, \$8,121,631 is unrestricted. The increase in net position can be attributed to transfers received in Fleet Services Fund and Insurance Fund of \$1,900,000 and 3,000,000 from the General Fund, respectively.

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, 2023, was \$622,153,642. The governmental funds capital assets had a net increase of \$2,939,441, while business type capital assets increased by \$9,527,003. The net increase in capital assets were principally due to an increase in capital projects for the year. Readers desiring more detailed information on capital asset activity should refer to Note 5 in the Notes to the Financial Statements.

Long-Term Debt

As of December 31, 2023, the City had outstanding total general obligation bonded debt of \$160,138,849 of which \$31,624,005 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 \$11,684,269 decrease from 2022. The City's general obligation debt service principal payments for 2023 totaled \$11,684,269. During the current year, the City did not issue 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 2023 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:

As home to Northwestern University and nine unique business districts, Evanston's thriving local economy has continued to generate strong local revenues over the past three years. Revenue from Sales Taxes, Home Rule Sales Taxes, Real Estate Transfer Taxes, and several other economy-based revenues rebounded from pandemic lows to record highs in 2022 mainly due to increased consumer spending in an inflationary environment.

With some exceptions, General Fund revenues remained strong during 2023, with Sales Taxes and Home Rule Sales Taxes outperforming 2022 results. Other local revenues like Recreation Program Fees, Building Permits, Ticket Fines, GEMT (Ground Emergency Medical Transportation), Investment Income, and Ambulance Fees also met or exceeded 2022 totals.

Many of the positive revenue returns are largely due to economic recovery and consumer spending, it is also a result of high inflation rates over the past two years. According to the BLS, the Consumer Price Index measures inflation as experienced by consumers in their day-to-day living expenses. While CPI stood at 5.3% in October 2021, it peaked at 9.1% in July 2022, the highest rate in nearly 40 years. Throughout 2023, CPI has stabilized around 2.5%, but the 17 months of rates greater than 5% continue to have a lingering effect on the City's finances.

One additional challenge the City faced in 2023 was the impact of inflation on the cost of capital improvement projects as several came in well over the amount budgeted. As a result, the City used \$3.4 million to cover overages on a variety of projects. In 2023, the City utilized available General Fund reserves to address a number of other ongoing challenges including \$4.5 million in additional pension contributions to exceed statutory requirements and fully fund public safety pensions by 2040.

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, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Evanston Public Library
ASSETS				
Cash and equivalents	\$ 34,923,544	\$ 2,704,939	\$ 37,628,483	\$ 8,618,383
Investments	82,215,248	6,055,579	88,270,827	-
Receivables (net, where applicable, of allowances for uncollectibles)				
Property taxes	48,209,794	1,332,500	49,542,294	8,901,308
Utility taxes	648,337	-	648,337	-
Accounts	-	10,313,849	10,313,849	-
Notes	75,000	-	75,000	-
Loans	9,470,772	-	9,470,772	-
Special assessments	835,099	-	835,099	-
Leases	625,334	5,120,889	5,746,223	-
Accrued interest	552	7,132	7,684	-
Other	1,491,868	357,998	1,849,866	-
Due from other governments	10,628,083	-	10,628,083	-
Due from primary government	-	-	-	188,291
Internal balances	(2,189,205)	2,189,205	-	-
Inventories	1,776,576	935,118	2,711,694	-
Prepaid items	6,029,273	49,463	6,078,736	-
Capital assets				
Capital assets not being depreciated	55,956,089	16,992,831	72,948,920	311,380
Capital assets being depreciated, net	175,739,981	373,464,741	549,204,722	10,491,351
Total assets	426,436,345	419,524,244	845,960,589	28,510,713
DEFERRED OUTFLOWS OF RESOURCES				
Asset retirement obligations	-	3,543,173	3,543,173	-
Pension items - Police	9,964,173	-	9,964,173	-
Pension items - Fire	13,002,707	-	13,002,707	-
Pension items - IMRF	19,036,860	4,712,589	23,749,449	2,519,160
OPEB items	3,906,968	182,610	4,089,578	58,046
Total deferred outflows of resources	45,910,708	8,438,372	54,349,080	2,577,206
Total assets and deferred outflows of resources	472,347,053	427,962,616	900,309,669	31,087,919

(This statement is continued on the following page.)

CITY OF EVANSTON, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Evanston Public Library
LIABILITIES				
Vouchers payable	\$ 19,652,638	\$ 2,840,875	\$ 22,493,513	\$ 124,788
Retainage payable	-	399,713	399,713	-
Deposits payable	-	-	-	-
Accrued payroll	2,289,226	-	2,289,226	-
Accrued interest	442,015	294,659	736,674	18,440
Due to other governments	4,475,106	-	4,475,106	-
Due to component unit	188,291	-	188,291	-
Due to fiduciary funds	429,444	-	429,444	-
Unearned revenue	23,633,581	-	23,633,581	-
Noncurrent liabilities				
Due within one year	13,744,790	6,605,814	20,350,604	451,180
Due in more than one year	377,237,369	88,869,295	466,106,664	6,963,814
Total liabilities	442,092,460	99,010,356	541,102,816	7,558,222
DEFERRED INFLOWS OF RESOURCES				
Pension items - Police Pension	2,156,892	-	2,156,892	-
Pension items - Fire Pension	-	-	-	-
Pension items - IMRF	717,799	177,692	895,491	94,987
OPEB items	5,010,944	234,209	5,245,153	74,447
Property taxes levied for future periods	47,251,160	1,332,500	48,583,660	8,788,341
Leases	598,260	4,949,133	5,547,393	-
Total deferred inflows of resources	55,735,055	6,693,534	62,428,589	8,957,775
Total liabilities and deferred inflows of resources	497,827,515	105,703,890	603,531,405	16,515,997
NET POSITION				
Net investment in capital assets	93,847,182	302,774,179	396,621,361	4,081,234
Restricted for				
Highway maintenance	6,284,204	-	6,284,204	-
Emergency telephone system	1,560,774	-	1,560,774	-
HUD approved projects	458,142	-	458,142	-
Neighborhood improvements	3,282,640	-	3,282,640	-
Reparations	1,554,075	-	1,554,075	-
Sustainability	787,300	-	787,300	-
Governmental services	2,034,973	-	2,034,973	-
Capital improvements	188,325	-	188,325	-
Debt service	7,829,210	-	7,829,210	2,781
General assistance	1,294,844	-	1,294,844	-
Endowment	-	-	-	4,453,815
Unrestricted (deficit)	(144,602,131)	19,484,547	(125,117,584)	6,034,092
TOTAL NET POSITION (DEFICIT)	\$ (25,480,462)	\$ 322,258,726	\$ 296,778,264	\$ 14,571,922

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2023

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General management and support	\$ 29,867,575	\$ 9,545,528	\$ 127,408	\$ -
Public safety	79,009,306	7,244,971	70,442	-
Public works	29,297,432	550,150	3,459,705	585,849
Health and human resource development	6,095,290	359,897	1,131,791	-
Recreational and cultural opportunities	11,929,994	7,207,494	489,512	-
Housing and economic development	15,346,710	4,324,696	2,251,038	325,000
Interest	3,854,428	-	-	-
Total governmental activities	175,400,735	29,232,736	7,529,896	910,849
Business-Type Activities				
Water	17,482,399	23,679,652	-	-
Sewer	6,942,639	9,348,891	-	-
Solid waste	6,191,417	5,328,363	-	-
Motor vehicles parking system	9,916,592	9,730,310	-	-
Total business-type activities	40,533,047	48,087,216	-	-
TOTAL PRIMARY GOVERNMENT	\$ 215,933,782	\$ 77,319,952	\$ 7,529,896	\$ 910,849
COMPONENT UNIT				
Evanston Public Library	\$ 9,321,197	\$ 49,269	\$ 645,160	\$ -

Net (Expense) Revenue and Change in Net Position				
Primary Government				Component Unit
Governmental Activities	Business-Type Activities	Total Primary Government	Evanston Public Library	
\$ (20,194,639)	\$ -	\$ (20,194,639)	\$ -	
(71,693,893)	-	(71,693,893)	-	
(24,701,728)	-	(24,701,728)	-	
(4,603,602)	-	(4,603,602)	-	
(4,232,988)	-	(4,232,988)	-	
(8,445,976)	-	(8,445,976)	-	
(3,854,428)	-	(3,854,428)	-	
(137,727,254)	-	(137,727,254)	-	
-	6,197,253	6,197,253	-	
-	2,406,252	2,406,252	-	
-	(863,054)	(863,054)	-	
-	(186,282)	(186,282)	-	
-	7,554,169	7,554,169	-	
(137,727,254)	7,554,169	(130,173,085)	-	
-	-	-	(8,626,768)	
General Revenues				
Taxes				
Property tax	54,425,981	1,332,500	55,758,481	8,253,648
Other taxes	10,544,622	-	10,544,622	-
Personal property replacement taxes	4,087,124	-	4,087,124	-
Sales and home rule tax	23,725,230	-	23,725,230	-
Utility tax	6,176,206	-	6,176,206	-
Liquor tax	3,772,043	-	3,772,043	-
Parking tax	2,952,554	-	2,952,554	-
Real estate transfer tax	3,310,770	-	3,310,770	-
Intergovernmental	7,434,037	-	7,434,037	-
Income tax	12,558,980	-	12,558,980	-
Investment income	5,808,554	763,849	6,572,403	774,987
Miscellaneous	2,914,585	-	2,914,585	4,867
Transfers	5,211,716	(5,211,716)	-	-
Total	142,922,402	(3,115,367)	139,807,035	9,033,502
CHANGE IN NET POSITION	5,195,148	4,438,802	9,633,950	406,734
NET POSITION (DEFICIT), JANUARY 1	(30,675,610)	317,819,924	287,144,314	14,165,188
NET POSITION (DEFICIT), DECEMBER 31	\$ (25,480,462)	\$ 322,258,726	\$ 296,778,264	\$ 14,571,922

See accompanying notes to financial statements.

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CITY OF EVANSTON, ILLINOIS

**BALANCE SHEET
GOVERNMENTAL FUNDS**

December 31, 2023

	General	Capital Improvements	General Obligation Debt Service
ASSETS			
Cash and equivalents	\$ 5,712,759	\$ 1,492,097	\$ 2,331,863
Investments	43,862,173	4,312,680	585,651
Receivables			
Property taxes	33,038,341	-	12,969,760
Utility	648,337	-	-
Notes	75,000	-	-
Loans	-	-	-
Special assessments	-	-	-
Leases	270,454	-	-
Accrued interest	347	-	-
Other	1,491,868	-	-
Due from other governments	9,499,314	-	-
Due from other funds	1,009,276	1,964,464	-
Advances to other funds	4,300,000	-	-
Inventories	32,258	-	-
TOTAL ASSETS	\$ 99,940,127	\$ 7,769,241	\$ 15,887,274
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Vouchers payable	\$ 3,053,940	\$ 11,289,239	\$ -
Accrued payroll	2,289,226	-	-
Accrued interest	39,005	-	-
Unearned revenue	-	353,413	-
Due to other governments	4,296,596	-	-
Due to component unit	188,291	-	-
Due to other funds	5,280,149	-	216,146
Due to fiduciary funds	429,444	-	-
Advances from other funds	-	4,300,000	-
Total liabilities	15,576,651	15,942,652	216,146
DEFERRED INFLOWS OF RESOURCES			
Long-term loans	-	-	-
Property taxes levied for future periods	32,407,402	-	12,766,093
Leases	257,342	-	-
Total deferred inflows of resources	32,664,744	-	12,766,093
Total liabilities and deferred inflows of resources	48,241,395	15,942,652	12,982,239

ARPA	Nonmajor Governmental Funds	Total Governmental Funds
\$ 393,380	\$ 23,369,295	\$ 33,299,394
27,255,596	6,199,148	82,215,248
-	2,201,693	48,209,794
-	-	648,337
-	-	75,000
-	9,470,772	9,470,772
-	835,099	835,099
-	354,880	625,334
-	205	552
-	-	1,491,868
-	1,128,769	10,628,083
-	707,954	3,681,694
-	-	4,300,000
-	-	32,258
<u>\$ 27,648,976</u>	<u>\$ 44,267,815</u>	<u>\$ 195,513,433</u>

\$ 1,478,095	\$ 3,081,272	\$ 18,902,546
-	-	2,289,226
-	-	39,005
23,280,168	-	23,633,581
-	178,510	4,475,106
-	-	188,291
855,740	2,474,447	8,826,482
-	-	429,444
-	-	4,300,000
<u>25,614,003</u>	<u>5,734,229</u>	<u>63,083,681</u>
-	10,305,871	10,305,871
-	2,077,665	47,251,160
-	340,918	598,260
<u>-</u>	<u>12,724,454</u>	<u>58,155,291</u>
<u>25,614,003</u>	<u>18,458,683</u>	<u>121,238,972</u>

(This statement is continued on the following page)

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CITY OF EVANSTON, ILLINOIS

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

December 31, 2023

	<u>General</u>	<u>Capital Improvements</u>	<u>General Obligation Debt Service</u>
FUND BALANCES			
Nonspendable			
Advances	\$ 4,300,000	\$ -	\$ -
Notes	75,000	-	-
Inventory	32,258	-	-
Restricted			
Highway maintenance	-	-	-
Emergency telephone system	-	-	-
HUD approved projects	-	-	-
Neighborhood improvements	-	-	-
Reparations	-	-	-
Sustainability	-	-	-
Governmental services	-	-	-
Debt service	-	-	2,905,035
General assistance	-	-	-
Capital improvements	-	-	-
Assigned			
Capital improvements	-	-	-
Other	14,588,779	-	-
Unassigned (deficit)	32,702,695	(8,173,411)	-
	<hr/>	<hr/>	<hr/>
Total fund balances (deficit)	51,698,732	(8,173,411)	2,905,035
	<hr/>	<hr/>	<hr/>
TOTAL LIABILITIES, INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 99,940,127	\$ 7,769,241	\$ 15,887,274

ARPA	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 4,300,000
-	-	75,000
-	-	32,258
-	6,284,204	6,284,204
-	1,560,774	1,560,774
-	458,142	458,142
-	3,425,535	3,425,535
-	1,554,075	1,554,075
-	787,300	787,300
2,034,973	-	2,034,973
-	4,924,175	7,829,210
-	1,294,844	1,294,844
-	188,325	188,325
-	5,469,147	5,469,147
-	-	14,588,779
-	(137,389)	24,391,895
2,034,973	25,809,132	74,274,461
\$ 27,648,976	\$ 44,267,815	\$ 195,513,433

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, 2023

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 74,274,461
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	\$ 231,696,070
Less internal service fund portion	<u>7,999,675</u> 223,696,395
Total OPEB liability payable is not due and payable in the current period and, therefore, is not reported in the governmental funds	(22,858,273)
Interest payable is not due and payable in the current period and, therefore, not reported in the governmental funds	(403,010)
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	\$ (128,514,844)
Less internal service fund portion	<u>(660,000)</u> (127,854,844)
Bonds premium liability	(9,334,044)
Compensated absences payable	(12,321,470)
Net pension liability/asset is shown as a liability/asset on the statement of net position	
Illinois Municipal Retirement Fund	(5,432,157)
Police Pension Fund	(106,273,070)
Firefighters' Pension Fund	(102,455,458)
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	18,319,061
Police Pension Fund	7,807,281
Firefighters' Pension Fund	13,002,707
OPEB	(1,098,415)
Deferred inflows for long-term loans are not available and, therefore, not revenue in fund financial statements	10,305,871
The net position of the internal service fund is included in the governmental activities on the statement of net position	<u>15,144,503</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (25,480,462)</u></u>

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	General	Capital Improvements	General Obligation Debt Service
REVENUES			
Taxes	\$ 71,051,672	\$ -	\$ 13,454,095
Licenses and permits	9,845,981	-	-
Special assessments	-	-	-
Intergovernmental	27,779,639	335,849	-
Fees	-	32,748	-
Charges for services	13,009,442	82,036	-
Fines and forfeits	4,094,917	-	-
Investment income	2,384,515	309,352	369,711
Miscellaneous	2,213,712	-	-
Total revenues	130,379,878	759,985	13,823,806
EXPENDITURES			
Current			
General management and support	22,608,932	62	35
Public safety	79,003,597	1,563	-
Public works	13,908,332	8,176,789	-
Health and human resource development	5,961,497	-	-
Recreational and cultural opportunities	12,982,724	-	-
Housing and economic development	3,467,120	-	-
Capital outlay	-	5,986,100	-
Debt service			
Principal	-	-	9,971,562
Interest	39,005	-	5,225,660
Fiscal charges	-	-	6,300
Total expenditures	137,971,207	14,164,514	15,203,557
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,591,329)	(13,404,529)	(1,379,751)
OTHER FINANCING SOURCES (USES)			
Transfers in	7,733,940	3,264,226	2,318,976
Transfers (out)	(9,567,085)	-	-
Total other financing sources (uses)	(1,833,145)	3,264,226	2,318,976
NET CHANGE IN FUND BALANCES	(9,424,474)	(10,140,303)	939,225
FUND BALANCES, JANUARY 1	61,123,206	1,966,892	1,965,810
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 51,698,732	\$ (8,173,411)	\$ 2,905,035

(This statement is continued on the following page.)

ARPA	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 12,753,901	\$ 97,259,668
-	-	9,845,981
-	186,037	186,037
7,434,037	5,722,388	41,271,913
-	480,754	513,502
-	-	13,091,478
-	-	4,094,917
1,503,803	1,241,173	5,808,554
-	1,098,405	3,312,117
<u>8,937,840</u>	<u>21,482,658</u>	<u>175,384,167</u>
2,972,848	4,403,276	29,985,153
1,085,026	1,574,398	81,664,584
-	2,831,572	24,916,693
-	-	5,961,497
-	-	12,982,724
-	10,564,349	14,031,469
776,163	824,561	7,586,824
-	-	9,971,562
-	-	5,264,665
-	-	6,300
<u>4,834,037</u>	<u>20,198,156</u>	<u>192,371,471</u>
<u>4,103,803</u>	<u>1,284,502</u>	<u>(16,987,304)</u>
-	1,006,750	14,323,892
(2,600,000)	(2,407,104)	(14,574,189)
<u>(2,600,000)</u>	<u>(1,400,354)</u>	<u>(250,297)</u>
1,503,803	(115,852)	(17,237,601)
531,170	25,924,984	91,512,062
<u>\$ 2,034,973</u>	<u>\$ 25,809,132</u>	<u>\$ 74,274,461</u>

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2023

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ (17,237,601)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	13,112,429
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	(10,899,202)
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	9,971,562
The amortization of premium on long-term debt is reported as a reduction of interest expense on the statement of activities	918,325
Changes in total other postemployment benefits obligations are reported only in the statement of activities	(2,508,591)
The change in compensated absences payable is shown as an expense on the statement of activities	(2,392,934)
The change in the accrual of interest is reported as interest expense on the statement of activities	498,212
The change in the net pension liability (asset) is reported only in the statement of activities Illinois Municipal Retirement Fund	(44,524,483)
Police Pension Fund	22,662,185
Firefighters' Pension Fund	8,120,190
The change in deferred inflows and outflows of resources is reported only in the statement of activities Illinois Municipal Retirement Fund	43,108,773
Police Pension Fund	(17,847,655)
Firefighters' Pension Fund	(6,068,481)
OPEB	801,430
The change in deferred inflows for long-term loans is not an expense on the statement of activities	(142,895)
Internal service funds are reported separately in the fund financial statements	<u>7,623,884</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 5,195,148</u></u>

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

December 31, 2023

	Business-Type Activities					Governmental
	Water	Sewer	Solid Waste	Motor Vehicle	Total	Internal Service
				Parking System		Funds
CURRENT ASSETS						
Cash and cash equivalents	\$ 300	\$ 7,500	\$ 1,136,421	\$ 1,560,718	\$ 2,704,939	\$ 1,624,150
Investments	4,520,909	1,332,566	-	202,104	6,055,579	-
Receivables						
Property taxes	-	-	1,332,500	-	1,332,500	-
Accounts - water and sewerage charges						
Accounts - billed	6,493,780	143,261	163,223	-	6,800,264	-
Accounts - unbilled	1,389,935	1,365,782	757,868	-	3,513,585	-
Leases	-	-	-	5,120,889	5,120,889	-
Accrued interest	-	-	-	7,132	7,132	-
Other	-	-	133,784	224,214	357,998	-
Inventories	793,962	141,156	-	-	935,118	1,744,318
Prepaid items	49,463	-	-	-	49,463	6,029,273
Due from other funds	17,905,288	5,772,432	1,020,449	417,857	25,116,026	2,955,583
Total current assets	31,153,637	8,762,697	4,544,245	7,532,914	51,993,493	12,353,324
NONCURRENT ASSETS						
Capital assets						
Capital assets not being depreciated	12,596,353	-	-	4,396,478	16,992,831	-
Capital assets being depreciated	187,416,585	267,455,359	1,122,235	94,393,841	550,388,020	28,547,053
Accumulated depreciation	(44,538,079)	(82,702,613)	(348,204)	(49,334,383)	(176,923,279)	(20,547,378)
Total capital assets	155,474,859	184,752,746	774,031	49,455,936	390,457,572	7,999,675
Other assets						
Notes receivable	-	-	-	-	-	-
Total other assets	-	-	-	-	-	-
Total noncurrent assets	155,474,859	184,752,746	774,031	49,455,936	390,457,572	7,999,675
Total assets	186,628,496	193,515,443	5,318,276	56,988,850	442,451,065	20,352,999
DEFERRED OUTFLOWS OF RESOURCES						
Asset retirement obligations	3,543,173	-	-	-	3,543,173	-
Pension items - IMRF	2,684,652	601,551	759,163	667,223	4,712,589	-
OPEB items	79,433	42,853	28,320	32,004	182,610	19,678
Total deferred outflows of resources	6,307,258	644,404	787,483	699,227	8,438,372	19,678
Total assets and deferred outflows of resources	192,935,754	194,159,847	6,105,759	57,688,077	450,889,437	20,372,677

(This statement is continued on the following page.)

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CITY OF EVANSTON, ILLINOIS
STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

December 31, 2023

	Business-Type Activities					Governmental
	Water	Sewer	Solid Waste	Motor Vehicle		Internal Service
				Parking System	Total	Funds
CURRENT LIABILITIES						
Vouchers payable	\$ 1,975,356	\$ 154,388	\$ 534,858	\$ 176,273	\$ 2,840,875	\$ 750,092
Retainage payable	399,713	-	-	-	399,713	-
Deposits payable	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-
Interest payable - restricted	224,515	67,298	-	2,846	294,659	-
Notes payable - IEPA	1,555,423	2,931,450	-	-	4,486,873	-
Current portion of GO bonds payable	1,643,095	249,592	-	45,000	1,937,687	-
Current portion of total OPEB liability	14,351	7,970	5,764	6,308	34,393	3,870
Claims payable	-	-	-	-	-	621,750
Due to other funds	22,926,821	-	-	-	22,926,821	-
Compensated absences payable	84,452	21,996	15,779	24,634	146,861	18,222
Total current liabilities	28,823,726	3,432,694	556,401	255,061	33,067,882	1,393,934
NONCURRENT LIABILITIES						
Notes payable - IEPA	40,049,898	8,772,899	-	-	48,822,797	-
General obligation bonds payable	27,267,888	3,385,663	-	1,382,772	32,036,323	660,000
Asset retirement obligations	5,081,625	-	-	-	5,081,625	-
Total OPEB liability	415,745	230,894	166,986	182,745	996,370	112,113
Claims payable	-	-	-	-	-	2,963,999
Compensated absences payable	337,810	87,985	63,115	98,536	587,446	72,889
Net pension liability	766,064	171,652	216,627	190,391	1,344,734	-
Total noncurrent liabilities	73,919,030	12,649,093	446,728	1,854,444	88,869,295	3,809,001
Total liabilities	102,742,756	16,081,787	1,003,129	2,109,505	121,937,177	5,202,935
DEFERRED INFLOWS OF RESOURCES						
Pension items - IMRF	101,227	22,682	28,625	25,158	177,692	-
OPEB items	101,878	54,962	36,322	41,047	234,209	25,239
Deferred property taxes	-	-	1,332,500	-	1,332,500	-
Leases	-	-	-	4,949,133	4,949,133	-
Total deferred inflows of resources	203,105	77,644	1,397,447	5,015,338	6,693,534	25,239
Total liabilities and deferred inflows of resources	102,945,861	16,159,431	2,400,576	7,124,843	128,630,711	5,228,174
NET POSITION						
Net investment in capital assets	84,558,842	169,413,142	774,031	48,028,164	302,774,179	7,022,872
Unrestricted	5,431,051	8,587,274	2,931,152	2,535,070	19,484,547	8,121,631
TOTAL NET POSITION	\$ 89,989,893	\$ 178,000,416	\$ 3,705,183	\$ 50,563,234	\$ 322,258,726	\$ 15,144,503

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Business-Type Activities					Governmental
	Water	Sewer	Solid Waste	Motor Vehicle	Total	Activities
				Parking System		Internal Service
						Funds
OPERATING REVENUES						
Charges for services	\$ 22,853,411	\$ 9,324,141	\$ 5,286,652	\$ 9,297,572	\$ 46,761,776	\$ 25,639,998
Miscellaneous	826,241	24,750	41,711	432,738	1,325,440	10,590
Total operating revenues	23,679,652	9,348,891	5,328,363	9,730,310	48,087,216	25,650,588
OPERATING EXPENSES EXCLUDING DEPRECIATION						
Administration	2,033,258	1,869,994	1,831,618	2,260,434	7,995,304	-
Operations	10,511,088	699,094	4,247,575	4,533,524	19,991,281	23,330,179
Total operating expenses excluding depreciation	12,544,346	2,569,088	6,079,193	6,793,958	27,986,585	23,330,179
OPERATING INCOME (LOSS) BEFORE DEPRECIATION AND AMORTIZATION	11,135,306	6,779,803	(750,830)	2,936,352	20,100,631	2,320,409
Depreciation and amortization	3,560,735	3,872,791	112,224	3,086,651	10,632,401	1,596,479
OPERATING INCOME (LOSS)	7,574,571	2,907,012	(863,054)	(150,299)	9,468,230	723,930
NON-OPERATING REVENUES (EXPENSES)						
Investment income	387,878	187,267	22,170	166,534	763,849	24,450
Property taxes	-	-	1,332,500	-	1,332,500	-
Interest expense	(1,351,812)	(401,808)	-	(35,983)	(1,789,603)	-
Gain (loss) on disposal of capital assets	(25,506)	(98,952)	-	-	(124,458)	238,503
Claims reimbursements	-	-	-	-	-	-
Total non-operating revenues (expenses)	(989,440)	(313,493)	1,354,670	130,551	182,288	262,953
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	6,585,131	2,593,519	491,616	(19,748)	9,650,518	986,883
TRANSFERS AND CONTRIBUTIONS						
Transfers in	137,792	-	-	1,121,316	1,259,108	6,637,001
Transfers (out)	(4,049,568)	(623,856)	-	(2,972,388)	(7,645,812)	-
Capital contributions	1,174,988	-	-	-	1,174,988	-
Total transfers and capital contributions	(2,736,788)	(623,856)	-	(1,851,072)	(5,211,716)	6,637,001
NET INCOME (LOSS)	3,848,343	1,969,663	491,616	(1,870,820)	4,438,802	7,623,884
NET POSITION, JANUARY 1	86,141,550	176,030,753	3,213,567	52,434,054	317,819,924	7,520,619
NET POSITION, DECEMBER 31	\$ 89,989,893	\$ 178,000,416	\$ 3,705,183	\$ 50,563,234	\$ 322,258,726	\$ 15,144,503

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended December 31, 2023

	Water	Sewer	Solid Waste	Motor Vehicle Parking System	Total	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers and users	\$ 23,776,574	\$ 9,479,944	\$ 5,269,533	\$ 9,764,753	\$ 48,290,804	\$ 3,931,840
Receipts from (payments for) interfund services provided	(1,845,132)	(808,632)	(500,092)	(711,621)	(3,865,477)	21,105,667
Receipts from other agencies	-	-	-	-	-	618,075
Payments to suppliers	(10,231,000)	(629,594)	(3,637,398)	(4,333,380)	(18,831,372)	(2,941,620)
Payments to employees	(309,183)	(1,248,382)	(1,572,897)	(1,626,696)	(4,757,158)	(4,768,932)
Payments for insurance premiums	-	-	-	-	-	(15,915,273)
Net cash from operating activities	11,391,259	6,793,336	(440,854)	3,093,056	20,836,797	2,029,757
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Property taxes	-	-	1,332,500	-	1,332,500	-
Transfers in	137,792	-	-	1,121,316	1,259,108	6,637,001
Transfers (out)	(4,049,568)	(623,856)	-	(2,972,388)	(7,645,812)	-
Interfund activity	2,952,323	(1,855,722)	222,605	(635,850)	683,356	(6,110,704)
Net cash from noncapital financing activities	(959,453)	(2,479,578)	1,555,105	(2,486,922)	(4,370,848)	526,297
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Sale of capital assets	-	-	-	-	-	255,552
Acquisition and construction of capital assets	(17,469,165)	(1,078,203)	-	(131,180)	(18,678,548)	(2,339,743)
Proceeds from loans	7,648,773	-	-	-	7,648,773	-
Principal paid on general obligation bonds	(1,436,736)	(235,971)	-	(40,000)	(1,712,707)	-
Interest paid on general obligation bonds and IEPA loans	(1,391,170)	(457,858)	-	(41,813)	(1,890,841)	-
Principal paid on IEPA loans	(1,185,806)	(3,183,578)	-	-	(4,369,384)	-
Net cash from capital and related financing activities	(13,834,104)	(4,955,610)	-	(212,993)	(19,002,707)	(2,084,191)
CASH FLOWS FROM INVESTING ACTIVITIES						
Sale (Purchase) of investments	3,136,323	-	-	(9,131)	3,127,192	-
Interest income	265,975	127,068	22,170	165,264	580,477	24,450
Net cash from investing activities	3,402,298	127,068	22,170	156,133	3,707,669	24,450
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	(514,784)	1,136,421	549,274	1,170,911	496,313
CASH AND CASH EQUIVALENTS, JANUARY 1	300	522,284	-	1,011,444	1,534,028	1,127,837
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 300	\$ 7,500	\$ 1,136,421	\$ 1,560,718	\$ 2,704,939	\$ 1,624,150

(This statement is continued on the following page.)

CITY OF EVANSTON, ILLINOIS
STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended December 31, 2023

	Water	Sewer	Solid Waste	Motor Vehicle Parking System	Total	Governmental Activities - Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES						
Operating income (loss)	\$ 7,574,571	\$ 2,907,012	\$ (863,054)	\$ (150,299)	\$ 9,468,230	\$ 723,930
Adjustments to reconcile operating income to net cash from operating activities						
Depreciation	3,560,735	3,872,791	112,224	3,086,651	10,632,401	1,596,479
Changes in assets and liabilities						
Accounts receivable	96,922	131,243	(58,830)	141,204	310,539	4,994
Lease items	-	-	-	(106,761)	(106,761)	-
Prepaid expenses	(49,463)	-	-	-	(49,463)	120,557
Inventories	64,805	(2,891)	-	-	61,914	(4,828)
Compensated absences	2,311	14,956	19,464	21,791	58,522	5,297
OPEB items	(2,104)	5,698	18,660	14,917	37,171	8,912
Pension items - IMRF	58,736	52,330	44,106	45,405	200,577	-
Deposits payable	-	(190)	(1,605)	-	(1,795)	-
Vouchers payable	13,883	(187,613)	288,181	40,148	154,599	125,909
Deferred outflows - asset retirement obligations	70,863	-	-	-	70,863	-
Claims payable	-	-	-	-	-	(551,493)
NET CASH FROM OPERATING ACTIVITIES	\$ 11,391,259	\$ 6,793,336	\$ (440,854)	\$ 3,093,056	\$ 20,836,797	\$ 2,029,757
NONCASH INVESTING, CAPITAL, AND RELATED FINANCING ACTIVITIES						
Capital assets acquired through vouchers and retainage payable	\$ 399,713	\$ -	\$ -	\$ -	\$ 399,713	\$ 316,803
Capital asset contributions	1,174,988	-	-	-	1,174,988	-
IEPA loan receivable	(2,526,454)	-	-	-	(2,526,454)	-
Change in fair value of investments	121,903	60,199	-	9,114	191,216	-
TOTAL NONCASH INVESTING, CAPITAL, AND RELATED FINANCING ACTIVITIES	\$ (829,850)	\$ 60,199	\$ -	\$ 9,114	\$ (760,537)	\$ 316,803

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS**

December 31, 2023

	Pension Trust Funds
ASSETS	
Cash and cash equivalents	\$ 21,419,363
Investments	
U.S. Treasury obligations	23,273,388
U.S. agency obligations	10,119,483
Corporate bonds	10,604,326
Common stock	54,221,395
Equity mutual funds	69,827,992
Real estate	1,210,129
Investments held in the Illinois Firefighters' Pension Investment Fund	99,355,205
Prepays	9,245
Receivables	
Accounts	3,123
Accrued interest	404,100
Due from City	429,444
	290,877,193
Total assets	290,877,193
LIABILITIES	
Vouchers payable	19,054
	19,054
Total liabilities	19,054
NET POSITION RESTRICTED FOR PENSIONS	\$ 290,858,139

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Pension Trust Funds
ADDITIONS	
Contributions	
Contributions - employer	\$ 25,565,498
Contributions - plan members	2,961,276
Total contributions	28,526,774
Investment income	
Net appreciation in fair value of investments	34,480,603
Interest on investments	5,933,646
Less investment expenses	(491,881)
Total investment income	39,922,368
Total additions	68,449,142
DEDUCTIONS	
Administration	176,522
Benefit payments and refunds	27,410,575
Total deductions	27,587,097
NET INCREASE	40,862,045
NET POSITION RESTRICTED FOR PENSIONS	
January 1	249,996,094
December 31	\$ 290,858,139

See accompanying notes to financial statements.

CITY OF EVANSTON, ILLINOIS

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2023

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 government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the City's accounting policies are described below.

a. Reporting Entity

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

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

Blended Component Unit

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

Discrete Component Unit

The 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 an ordinance by the City Council.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Discrete Component Unit (Continued)

The EPL serves the community through two 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 separate financial statements.

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

Police Pension Employees Retirement System

The City's financial statements include the Police Pension Employees Retirement System (PPERS) as a fiduciary component unit reported as a pension trust fund. The City's sworn police employees participate in the PPERS. PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City Council, one elected pension beneficiary, and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the City is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of the City's contribution levels. Accordingly, the PPERS is fiscally dependent on the City.

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.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Joint Ventures

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

c. Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are reported in the supplementary information.

d. Fund Accounting

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Fund Accounting (Continued)

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

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

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

The City reports the following major governmental funds:

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The City reports the following major proprietary funds:

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

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

The 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

The City and Library report unearned revenue and unavailable/deferred revenue on its financial statements. Unavailable revenues arise when a potential revenue does not meet both the measurable and available criteria for recognition in the current period, under the modified accrual basis of accounting. Deferred revenues arise when property tax levies are intended to finance the next fiscal year. Unearned revenue arises when a revenue is measurable but not earned under the accrual basis of accounting. Unearned revenues also arise when resources are received by the City and Library before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the issuance of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City and Library have a legal claim to the resources, the liability and deferred inflows of resource for unearned and unavailable/deferred revenue are removed from the financial statements and revenue is recognized.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Cash and Equivalents

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

g. Investments

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

h. Inventories and Prepaid Items

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

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

i. Tangible and Intangible Capital Assets

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Tangible and Intangible Capital Assets (Continued)

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

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

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

j. Compensated Absences

It is the City's and the Library's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vested or accumulated leave time or benefits owed to retirees or terminated employees, if applicable, is reported as an expenditure and a fund liability of the governmental fund that will pay it in the fund financial statements. Vested or accumulated leave time or benefits of proprietary funds and governmental activities is recorded as an expense and liability as the benefits accrue to employees.

k. Long-Term Obligations

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

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 FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l. Self-Insurance

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

m. Deferred Inflows/Outflows of Resources

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

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

n. Property Taxes

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Property Taxes (Continued)

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 2022 tax levy received during the fiscal period between January 1, 2023 and December 31, 2023. A 3% allowance for loss is reflected in the City and the Library financial statements.

The 2023 tax levy collections are intended to finance the 2024 fiscal year and are not considered available for current operations and, therefore, are shown as unavailable/deferred revenue.

o. Fund Equity

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

1. Nonspendable - Includes fund balance amounts that 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

o. Fund Equity (Continued)

4. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that are not considered restricted or committed. Fund balance may be assigned through the following: (1) Council may take official action to assign amounts or (2) all remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed. Assignments may take place after the end of the reporting period.
5. Unassigned - Includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceeds amounts restricted, committed, or assigned for those purposes.

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

The City has established a policy requiring a minimum of 16.6% 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.

p. Interfund Transactions

Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

q. Use of Estimates

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

r. Conduit Debt

The City approved the issuance of \$5,000,000 Series 2010 Revenue Bonds during the fiscal year 2010-2011 to provide financial assistance to Chiaravalle Montessori School, deemed to be in 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, 2023, outstanding bond balance of the 2019A Revenue Bonds was \$3,335,000 and outstanding balance of the 2019B Revenue Bonds was \$3,335,000.

The City approved the issuance of \$8,275,000 Series 2021 Revenue Bonds during the fiscal period ended December 31, 2021. The use of proceeds includes the refunding of outstanding balance of the "Series 2011" bonds, fund one or more debt service reserve funds and to pay certain costs incurred in connection with the issuance of the bonds. The bonds are secured by the property or mortgages financed and are payable from the moneys, securities, and other revenues pledged under the indenture by the 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, 2023, outstanding bond balance was \$8,275,000.

2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

The Five Fifths Tax Increment District had a net deficit of \$137,389 as of December 31, 2023. The City plans to use current resources to pay for future liabilities.

The Capital Improvement Fund had a net deficit of \$8,173,411 as of December 31, 2023. The City plans to use current resources to pay for future liabilities.

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

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

a. Types of Accounts and Securities

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

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

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (Continued)

a. Types of Accounts and Securities (Continued)

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.

c. Types of Investments

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

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

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (Continued)

c. Types of Investments (Continued)

The following table presents the investment and maturities of the City’s debt securities as of December 31, 2023:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 45,142,659	\$ 25,766,690	\$ 19,375,969	\$ -	\$ -
Municipal bonds	6,850,456	5,177,592	1,672,864	-	-
Negotiable CDs	1,706,669	1,706,669	-	-	-
TOTAL	\$ 53,699,784	\$ 32,650,951	\$ 21,048,833	\$ -	\$ -

Credit Risk. State law limits investments in commercial paper, corporate bonds, and mutual bonds funds to the top two ratings issued by nationally recognized statistical rating organizations. The City’s investment policy does not impose further limits on investment choices. The Illinois Funds and money markets were rated AAA by Standard & Poor’s. IMET exclusively invests in AAA Standard & Poor’s securities, such as treasury and agency obligations. The City’s municipal bond investments were rated from Aa3 to Aa2 by Moody’s. IMET’s Convenience Fund collateralizes all of its deposits 110%. Investments in negotiable CDs were not rated. The investments of the City in The Illinois Funds, PMA, and IMET are valued at the funds’ share price, the price for which the investments could be sold.

The City has the following recurring fair value measurements as of December 31, 2023. The investments in municipal bonds and negotiable CDs are valued using quoted matrix pricing models (Level 2 inputs). The U.S. Treasury obligations use Level 1 inputs.

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

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

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

3. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (Continued)

d. Deposits

Custodial Credit Risk. For a deposit, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its deposit or collateral securities that are in the possession of an outside party. Collateral is required for City deposits equal to or greater than the amount of City deposits which exceed FDIC insured amounts. The City's depository pledges a Federal Home Loan Bank line of credit in the City's name as collateral. All of the City's deposits were insured or collateralized at December 31, 2023.

4. RECEIVABLES

a. Summary of Receivables

Other receivables as of December 31, 2023 for the City's Governmental Activities and Business-Type Activities, including the applicable allowances for uncollectible accounts, are as follows:

	Governmental Activities	Business-Type Activities	Total
Receivables (net, where applicable, of allowances for uncollectibles)			
Amusement tax	\$ 128,402	\$ -	\$ 128,402
Hotel tax	114,596	-	114,596
Liquor tax	356,795	-	356,795
Local motor fuel tax	76,755	-	76,755
Parking tax	90,826	-	90,826
Transportation network tax	222,324	-	222,324
Athletic tax	482,037	-	482,037
Other miscellaneous	20,133	357,998	378,131
NET TOTAL RECEIVABLES	\$ 1,491,868	\$ 357,998	\$ 1,849,866

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

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

4. RECEIVABLES (Continued)

b. Loans Receivable - Special Revenue Funds

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

Loan Type	Interest Rates	Beginning	Loans Made	Loan Repayments	Loan Adjustments	Ending
Title transfer	0% - 8%	\$ 2,731,610	\$ -	\$ 249,131	\$ -	\$ 2,482,479
Amortizing	0% - 8%	2,681,863	-	48,633	-	2,633,230
Forgivable	0% - 8%	4,452,200	-	-	(19,137)	4,433,063
Allowance		(78,000)	-	-	-	(78,000)
TOTAL LOANS		\$ 9,787,673	\$ -	\$ 297,764	\$ (19,137)	\$ 9,470,772

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

5. CAPITAL ASSETS

a. Capital Asset Activity

Capital asset activity for the year ended December 31, 2023, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
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	22,471,879	11,271,306	4,204,110	29,539,075
Total capital assets not being depreciated	<u>48,888,893</u>	<u>11,271,306</u>	<u>4,204,110</u>	<u>55,956,089</u>
Capital assets being depreciated/amortized				
Buildings and improvements	144,816,807	3,377,453	-	148,194,260
Office equipment and furniture	7,792,312	-	-	7,792,312
Intangible assets	8,314,832	-	-	8,314,832
Machinery and equipment	31,809,160	2,358,078	1,412,351	32,754,887
Infrastructure	212,779,154	2,649,445	-	215,428,599
Capitalized leases	502,532	-	-	502,532
Total capital assets being depreciated/amortized	<u>406,014,797</u>	<u>8,384,976</u>	<u>1,412,351</u>	<u>412,987,422</u>
Less accumulated depreciation/amortization for				
Buildings and improvements	50,186,654	3,018,243	-	53,204,897
Office equipment and furniture	5,945,166	426,298	-	6,371,464
Intangible assets	7,548,487	205,329	-	7,753,816
Machinery and equipment	23,485,532	1,925,554	1,395,301	24,015,785
Infrastructure	138,482,598	6,916,349	-	145,398,947
Capitalized leases	498,624	3,908	-	502,532
Total accumulated depreciation/amortization	<u>226,147,061</u>	<u>12,495,681</u>	<u>1,395,301</u>	<u>237,247,441</u>
Total capital assets being depreciated/amortized, net	<u>179,867,736</u>	<u>(4,110,705)</u>	<u>17,050</u>	<u>175,739,979</u>
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	<u>\$ 228,756,629</u>	<u>\$ 7,160,601</u>	<u>\$ 4,221,160</u>	<u>\$ 231,696,068</u>

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

5. CAPITAL ASSETS (Continued)

a. Capital Asset Activity (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 4,592,141	\$ -	\$ -	\$ 4,592,141
Construction in progress	1,721,265	10,415,909	96,236	12,040,938
Artwork	359,752	-	-	359,752
Total capital assets not being depreciated	6,673,158	10,415,909	96,236	16,992,831
Capital assets being depreciated/amortized				
Land improvements	10,316,777	-	-	10,316,777
Buildings and improvements	78,875,610	131,180	-	79,006,790
Leasehold improvements	772,131	-	-	772,131
Plant	71,977,498	1,121,147	-	73,098,645
Transmission and distribution system	106,461,668	7,562,796	91,445	113,933,019
Sewer system and underground lines	264,005,606	608,784	-	264,614,390
Intangible assets	1,250,490	-	-	1,250,490
Equipment	5,358,794	469,419	226,176	5,602,037
Parking meters	1,793,741	-	-	1,793,741
Total capital assets being depreciated/amortized	540,812,315	9,893,326	317,621	550,388,020
Less accumulated depreciation/amortization				
Land improvements	4,900,590	486,147	-	5,386,737
Buildings and improvements	38,343,510	2,083,595	-	40,427,105
Leasehold improvements	430,825	23,404	-	454,229
Plant	25,329,326	1,864,591	-	27,193,917
Transmission and distribution system	15,399,902	1,625,281	65,939	16,959,244
Sewer system and underground lines	77,342,902	3,604,412	-	80,947,314
Intangible assets	1,029,448	93,022	-	1,122,470
Equipment	2,478,531	585,652	127,224	2,936,959
Parking meters	1,299,870	195,434	-	1,495,304
Total accumulated depreciation/amortization	166,554,904	10,561,538	193,163	176,923,279
Total capital assets being depreciated and amortized, net	374,257,411	(668,212)	124,458	373,464,741
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	\$ 380,930,569	\$ 9,747,697	\$ 220,694	\$ 390,457,572

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

5. CAPITAL ASSETS (Continued)

a. Capital Asset Activity (Continued)

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

GOVERNMENTAL ACTIVITIES	
General management and support	\$ 473,334
Public safety	727,235
Public works	8,890,173
Housing and economic development	9,303
Recreation and cultural opportunities	799,157
Internal service funds	<u>1,596,479</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 12,495,681</u>
BUSINESS-TYPE ACTIVITIES	
Water	\$ 3,489,872
Sewer	3,872,791
Solid waste	112,224
Motor vehicle parking	<u>3,086,651</u>
TOTAL DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES	<u>\$ 10,561,538</u>

b. Construction Commitments

The value of construction contracts signed, where the work has not yet been performed at December 31, 2023 is as follows:

Capital Improvement Fund	\$ 17,346,155
Crown Capital Improvement Fund	441,974
Motor Fuel Tax Fund	528,191
Water Fund	41,682,512
Sewer Fund	676,678
Motor Vehicle Parking System Fund	4,785
West Evanston TIF	439,070
Special Assessment Fund	30,797
Chicago Main TIF	2,349,666
Five Fifth TIF	74,011
Sustainability Fund	<u>27,100</u>
TOTAL CONSTRUCTION COMMITMENTS	<u>\$ 63,600,939</u>

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

6. INTERFUNDS

a. Interfund Accounts

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

Due from/to other funds are as follows:

	Due From	Due To
General	\$ 1,009,276	\$ 5,280,149
General Obligation Debt Service	-	216,146
Capital Improvement	1,964,464	-
ARPA	-	855,740
Water	17,905,288	22,926,821
Sewer	5,772,432	-
Solid Waste	1,020,449	-
Motor Vehicle Parking System	417,857	-
Nonmajor Governmental	707,954	2,474,447
Internal Service	2,955,583	-
TOTAL	\$ 31,753,303	\$ 31,753,303

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

	Advance From	Advance To
General	\$ 4,300,000	\$ -
Capital Improvement	-	4,300,000
TOTAL	\$ 4,300,000	\$ 4,300,000

c. Interfund Transfers

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

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

6. INTERFUNDS (Continued)

c. Interfund Transfers (Continued)

Interfund transfers between funds for the year ended December 31, 2023 were as follows:

	Transfers In	Transfers Out
Governmental Funds		
General		
Emergency Telephone System	\$ 90,000	\$ -
Special Assessment	91,992	-
Dempster-Dodge Tax Increment District	9,996	-
Chicago Main Tax Increment District	30,000	-
Howard Ridge Tax Increment District	75,000	-
West Evanston Tax Increment District	75,000	-
Water	4,049,568	137,792
Sewer	339,996	-
Motor Vehicle Parking System	2,972,388	21,316
SSA #9	-	206,750
Capital Improvements	-	3,264,226
Crown Community Center	-	174,996
Sustainability	-	200,004
Reparations	-	425,000
Internal Service Funds	-	5,137,001
	7,733,940	9,567,085
Total General		
General Obligation Debt Service		
Sewer	283,860	-
Special Assessment	363,360	-
Chicago Main Tax Increment District	241,356	-
Dempster-Dodge Tax Increment District	164,484	-
Howard Ridge Tax Increment District	320,916	-
Crown Construction	945,000	-
	2,318,976	-
Total General Obligation Debt Service		
ARPA		
Motor Vehicle Parking System	-	1,100,000
Equipment Replacement	-	1,500,000
	-	2,600,000
Total ARPA		

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

6. INTERFUNDS (Continued)

c. Interfund Transfers (Continued)

	Transfers In	Transfers Out
Governmental Funds (Continued)		
Capital Improvements		
General	\$ 3,264,226	-
Total Capital Improvements	<u>3,264,226</u>	<u>-</u>
Nonmajor Governmental		
Emergency Telephone System		
General	-	90,000
Total Emergency Telephone System	<u>-</u>	<u>90,000</u>
Sustainability		
General	200,004	-
Total Sustainability	<u>200,004</u>	<u>-</u>
Chicago Main Tax Increment District		
General	-	30,000
General Obligation Debt Service	-	241,356
Total Chicago Main Tax Increment District	<u>-</u>	<u>271,356</u>
Dempster-Dodge Tax Increment District		
General	-	9,996
General Obligation Debt Service	-	164,484
Total Dempster-Dodge Tax Increment District	<u>-</u>	<u>174,480</u>
Howard Ridge Tax Increment District		
General	-	75,000
General Obligation Debt Service	-	320,916
Total Howard Ridge Tax Increment District	<u>-</u>	<u>395,916</u>

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

6. INTERFUNDS (Continued)

c. Interfund Transfers (Continued)

	Transfers In	Transfers Out
Governmental Funds (Continued)		
Nonmajor Governmental (Continued)		
West Evanston Tax Increment District		
General	\$ -	\$ 75,000
Total West Evanston Tax Increment District	-	75,000
Crown Construction		
General Obligation Debt Service	-	945,000
Total Crown Construction	-	945,000
Crown Maintenance		
General	174,996	-
Total Crown Maintenance	174,996	-
Special Assessment		
General	-	91,992
General Obligation Debt Service	-	363,360
Total Special Assessment	-	455,352
Reparations		
General	425,000	-
Total Reparations	425,000	-
SSA#9		
General	206,750	-
Total SSA#9	206,750	-
Total Nonmajor Governmental Funds	1,006,750	2,407,104
Total Governmental Funds	14,323,892	14,574,189

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

6. INTERFUNDS (Continued)

c. Interfund Transfers (Continued)

	Transfers In	Transfers Out
Enterprise Funds		
Water		
General	\$ 137,792	\$ 4,049,568
Total Water	<u>137,792</u>	<u>4,049,568</u>
Sewer		
General	-	339,996
General Obligation Debt Service	-	283,860
Total Sewer	<u>-</u>	<u>623,856</u>
Motor Vehicle Parking System		
General	21,316	2,972,388
ARPA	1,100,000	-
Total Motor Vehicle Parking System	<u>1,121,316</u>	<u>2,972,388</u>
Total Enterprise Funds	<u>1,259,108</u>	<u>7,645,812</u>
Internal Service Funds		
Equipment Replacement		
General	5,137,001	-
ARPA	1,500,000	-
Total Equipment Replacement	<u>6,637,001</u>	<u>-</u>
Total Internal Service Funds	<u>6,637,001</u>	<u>-</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 22,220,001</u>	<u>\$ 22,220,001</u>

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

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

7. LONG-TERM DEBT

a. Changes in Long-Term Debt

G.O. Debt Governmental Activities	Interest Rate	Final Maturity Date	Balances January 1	Issued	Payments	Balances December 31	Current Portion
Series 2013A	2.00%-4.75%	12/1/2033	\$ 6,640,000	\$ -	\$ 565,000	\$ 6,075,000	\$ 585,000
Series 2013B	2.00%-3.00%	12/1/2025	3,649,872	-	1,892,504	1,757,368	866,570
Series 2014A	1.25%-5.00%	12/1/2034	6,305,000	-	450,000	5,855,000	470,000
Series 2015A	2.00%-4.00%	12/1/2035	5,470,000	-	355,000	5,115,000	370,000
Series 2016A	2.00%-4.00%	12/1/2036	7,060,000	-	455,000	6,605,000	470,000
Series 2016B	2.00%-3.00%	12/1/2026	3,310,000	-	790,000	2,520,000	815,000
Series 2017A	3.00%-4.00%	12/1/2037	9,365,000	-	520,000	8,845,000	540,000
Series 2017B	4.00%-5.00%	12/1/2027	4,293,598	-	809,072	3,484,526	832,057
Series 2017C	2.05%-4.00%	12/1/2035	4,290,000	-	260,000	4,030,000	270,000
Series 2018A	3.12%-5.00%	12/1/2043	23,815,000	-	595,000	23,220,000	750,000
Series 2018B	2.29%-5.00%	12/1/2038	9,570,176	-	108,187	9,461,989	450,292
Series 2018C	4.00%-5.00%	12/1/2038	4,178,713	-	618,915	3,559,798	647,991
Series 2018D	3.70%-4.25%	12/1/2038	3,390,000	-	185,000	3,205,000	160,000
Series 2019A	1.72%-2.85%	12/1/2043	12,420,000	-	350,000	12,070,000	365,000
Series 2019B	1.66%-2.68%	12/1/2039	6,352,866	-	247,086	6,105,780	258,068
Series 2020A&B	1.42%-1.61%	12/1/2040	16,753,881	-	997,398	15,756,483	1,225,792
Series 2021	2.00%-5.00%	12/1/2041	11,622,300	-	773,400	10,848,900	798,150
Subtotal G.O. debt governmental activities			138,486,406	-	9,971,562	128,514,844	9,873,920
Bonds premium			10,252,369	-	918,325	9,334,044	-
OPEB liability - City			20,349,682	2,508,591	-	22,858,273	762,734
OPEB liability - Internal Service Funds			103,014	12,969	-	115,983	3,870
Net pension liability - IMRF			-	5,432,157	-	5,432,157	-
Net pension liability - Police Pension			128,935,255	-	22,662,185	106,273,070	-
Net pension liability - Firefighters' Pension			110,575,648	-	8,120,190	102,455,458	-
Compensated absences payable - City			9,928,536	4,594,125	2,201,191	12,321,470	2,464,294
Compensated absences payable - Internal Service Funds			85,814	22,460	17,163	91,111	18,222
Claims payable			4,137,242	1,504,250	2,055,743	3,585,749	621,750
Subtotal other governmental activities liabilities			284,367,560	14,074,552	35,974,797	262,467,315	3,870,870
TOTAL GOVERNMENTAL ACTIVITIES DEBT AND LIABILITIES			\$ 422,853,966	\$ 14,074,552	\$ 45,946,359	\$ 390,982,159	\$ 13,744,790

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

7. LONG-TERM DEBT (Continued)

a. Changes in Long-Term Debt (Continued)

G.O. Debt Business-Type Activities	Interest Rate	Final Maturity Date	Balances January 1	Issued	Payments	Balances December 31	Current Portion
Series 2013A	2.00%-4.75%	12/1/2033	\$ 1,285,000	\$ -	\$ 95,000	\$ 1,190,000	\$ 100,000
Series 2014	1.25%-5.00%	12/1/2034	1,880,000	-	125,000	1,755,000	130,000
Series 2015A	2.00%-4.00%	12/1/2035	4,020,000	-	245,000	3,775,000	255,000
Series 2016A	2.00%-4.00%	12/1/2036	2,765,000	-	160,000	2,605,000	170,000
Series 2017A	3.00%-4.00%	12/1/2037	780,000	-	45,000	735,000	45,000
Series 2018B	2.29%-5.00%	12/1/2038	4,785,087	-	54,094	4,730,993	225,146
Series 2018C	4.00%-5.00%	12/1/2038	851,287	-	126,085	725,202	132,009
Series 2019B	1.66%-2.68%	12/1/2039	3,556,519	-	138,326	3,418,193	144,474
Series 2020	2.00%-5.00%	12/1/2040	10,966,119	-	412,602	10,553,517	414,208
Series 2021	2.00%-5.00%	12/1/2041	2,447,700	-	311,600	2,136,100	321,850
Subtotal G.O. debt business-type activities			33,336,712	-	1,712,707	31,624,005	1,937,687
IEPA loans	2.535%-3.590%	Various	47,503,827	10,175,227	4,369,384	53,309,670	4,486,873
Bonds premium			2,544,974	-	194,969	2,350,005	-
Compensated absences payable - City			675,785	193,679	135,157	734,307	146,861
Asset retirement obligations			5,081,625	-	-	5,081,625	-
Net pension liability - IMRF			-	1,344,734	-	1,344,734	-
OPEB liabilities			955,944	74,819	-	1,030,763	34,393
Subtotal other business-type activities liabilities			9,258,328	1,613,232	330,126	10,541,434	181,254
TOTAL BUSINESS-TYPE ACTIVITIES DEBT AND LIABILITIES			\$ 90,098,867	\$ 11,788,459	\$ 6,412,217	\$ 95,475,109	\$ 6,605,814

Note: Sewer Fund, Water Fund, Solid Waste Fund, Parking Fund, and General Fund have been used to liquidate IMRF pension liability. General Fund, Fleet Fund, Water Fund, Parking Fund, Solid Waste Fund, and Sewer Fund have been used to liquidate other postemployment benefit obligations. The General Fund has been used to liquidate the liability for compensated absences of governmental funds.

b. Business-Type Activities - IEPA Loans

Business-type activities IEPA loans are payable from revenues derived from Sewer and Water service fees. The City has pledged future revenues, net of operating expenses, to repay IEPA loans issued in 1994 through 2023. 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 2042. Annual principal and interest on the loans are expected to require \$5,304,556 of net revenues for the fiscal year 2024. The total principal and interest remaining to be paid on the loans is \$60,222,506. Principal and interest paid for the current period and total customer net revenues were \$5,090,202, and \$10,175,227, respectively.

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

7. LONG-TERM DEBT (Continued)

c. Debt Service Requirements

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

Fiscal Year Ending December 31,	General Obligation Bonds Payable from Governmental Activities			General Obligation Bonds Payable by Enterprise Funds		
	Principal	Interest	Total	Principal	Interest	Total
	2024	\$ 9,873,920	\$ 4,836,112	\$ 14,710,033	\$ 1,937,687	\$ 1,091,779
2025	10,226,121	4,437,788	14,663,909	2,013,796	1,011,868	3,025,664
2026	9,487,199	4,020,490	13,507,689	1,951,405	925,817	2,877,222
2027	8,818,941	3,627,235	12,446,176	2,033,130	841,884	2,875,014
2028	8,182,897	3,257,430	11,440,327	2,109,854	761,238	2,871,092
2029-2033	37,584,553	11,851,667	49,436,220	10,719,039	2,613,855	13,332,894
2034-2038	29,080,858	5,843,613	34,924,471	8,644,389	1,013,035	9,657,424
2039-2043	15,260,355	1,703,968	16,964,322	2,214,705	73,085	2,287,790
TOTAL	\$ 128,514,844	\$ 39,578,303	\$ 168,093,147	\$ 31,624,005	\$ 8,332,561	\$ 39,956,566

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

Fiscal Year Ending December 31,	IEPA Loans Payable by Enterprise Funds		
	Principal	Interest	Total
	2024	\$ 4,486,873	\$ 817,683
2025	4,236,689	765,904	5,002,593
2026	4,024,275	686,370	4,710,645
2027	3,657,361	611,706	4,269,067
2028	2,780,877	548,337	3,329,214
2029-2033	13,234,972	2,113,514	15,348,486
2034-2038	12,253,263	1,098,235	13,351,498
2039-2043	8,064,653	265,774	8,330,427
2044-2048	570,707	5,313	576,020
TOTAL	\$ 53,309,670	\$ 6,912,836	\$ 60,222,506

d. 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 52 years.

8. LESSOR DISCLOSURES

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

The City entered into a lease arrangement on May 1, 2015 to lease commercial property. Payments of \$15,000 to \$20,101 are due to the City in monthly installments through December 31, 2041. The lease agreement is noncancelable and maintains an interest rate of 1.837%. During the fiscal year, the City collected \$180,000 and recognized a \$174,943 reduction in the related deferred inflow of resource. The remaining lease receivable and offsetting deferred inflow of resource for this agreement is \$3,091,632 and \$2,988,609, respectively, as of December 31, 2023.

The City entered into a lease arrangement on October 1, 2016 to lease commercial property. Payments of \$3,710 to \$6,887 are due to the City in monthly installments through October 31, 2034. The lease arrangement is noncancelable and maintains an interest rate of 1.581%. During the fiscal year, the City collected \$56,026 and recognized a \$58,988 reduction in the related deferred inflow of resource. The remaining lease receivable and offsetting deferred inflow of resource for this agreement is \$667,875 and \$639,040, respectively, as of December 31, 2023.

The City entered into a lease arrangement on August 1, 2020 to lease commercial property. Payments of \$110,352 to \$133,525 are due to the City in annual installments through October 31, 2035. The lease arrangement is noncancelable and maintains an interest rate of 1.338%. During the fiscal year, the City collected \$110,352 and recognized a \$111,675 reduction in the related deferred inflow of resource. The remaining lease receivable and offsetting deferred inflow of resource for this agreement is \$1,361,382 and \$1,321,483, respectively, as of December 31, 2023.

The City entered into a lease arrangement on August 1, 2019 to lease commercial property. Payments of \$1,200 to \$1,815 are due to the City in monthly installments through July 31, 2034. The lease arrangement is noncancelable and maintains an interest rate of 1.581%. During the fiscal year, the City collected \$15,932 and recognized a \$16,644 reduction in the related deferred inflow of resource. The remaining lease receivable and offsetting deferred inflow of resource for this agreement is \$184,013 and \$176,158, respectively, as of December 31, 2023.

The City entered into a lease arrangement on December 1, 2016 to lease commercial property. Payments of \$637 to \$1,130 are due to the City in variable monthly installments through December 31, 2031. The lease arrangement is noncancelable and maintains an interest rate of 1.458%. During the fiscal year, the City collected \$9,162 and recognized a \$10,148 reduction in the related deferred inflow of resource. The remaining lease receivable and offsetting deferred inflow of resource for this agreement is 86,441 and \$81,185, respectively, as of December 31, 2023.

8. LESSOR DISCLOSURES (Continued)

The City entered into a lease arrangement on April 12, 2018 to lease commercial property. Payments of \$3,500 to \$5,345 are due to the City in variable monthly installments through April 11, 2028. The lease arrangement is noncancelable and maintains an interest rate of 1.008%. During the fiscal year, the City collected \$55,418 and recognized a \$56,610 reduction in the related deferred inflow of resource. The remaining lease receivable and offsetting deferred inflow of resource for this agreement is \$252,118 and \$242,322, respectively, as of December 31, 2023.

The City entered into a lease arrangement on December 1, 2019 to lease commercial property. Payments of \$2,500 to \$3,073 are due to the City in variable monthly installments through November 30, 2026. The lease arrangement is noncancelable and maintains an interest rate of 0.830%. During the fiscal year, the City collected \$33,359 and recognized a \$33,805 reduction in the related deferred inflow of resource. The remaining lease receivable and offsetting deferred inflow of resource for this agreement is \$102,762 and \$98,596, respectively, as of December 31, 2023.

9. INDIVIDUAL FUND DISCLOSURES

a. General Obligation Debt Service Fund

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

b. Water Fund

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

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

9. INDIVIDUAL FUND DISCLOSURES (Continued)

b. Water Fund (Continued)

The City provides potable Lake Michigan water to the Morton Grove Niles Water Commission (MGNWC) under a long-term water supply contract. Sale of potable water under this contract began January 24, 2017 and continues until December 31, 2056. Under the terms of the current contract, the City is to supply MGNWC sufficient potable Lake Michigan water to satisfy MGNWC's maximum 24-hour demands for Lake Michigan water for resale to 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 \$2.06 per 1000 gallons as agreed upon in 2017.

c. Special Service District No. 6

Special Service District No. 6 comprises the central business district of the City. The special district was established for the purpose of providing funds for special maintenance and repair and for promotion and advertisement. The annual property tax levy for 2023 was \$227,835 which includes an estimated allowance amount of \$7,835.

d. Special Service District No. 7

On December 9, 2019, the City Council adopted Ordinance No. 159-O-19 which established Special Service District No. 7. Special Service District No. 7 comprises the central business district of the City. The special district was established for the purpose of providing funds for special maintenance and repair and for promotion and advertisement. The annual property tax levy for 2023 was \$146,392 which includes an estimated allowance amount of \$4,528.

e. Special Service District No. 8

On December 9, 2019, the City Council adopted Ordinance No. 160-O-19 which created Special Service District No. 8. Special Service District No. 8 comprises the central business district of the City. The special district was established for the purpose of providing funds for special maintenance and repair and for promotion and advertisement. The annual property tax levy for 2023 was \$62,062 which includes an estimated allowance amount of \$1,919.

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

9. INDIVIDUAL FUND DISCLOSURES (Continued)

f. Special Service District No. 9

On December 9, 2019, the City Council adopted Ordinance No. 161-O-19 which terminated the life of Special Service District No. 4 and reestablished the Special Service Area as Special Service Area No. 9. Special Service District No. 9 comprises the central business district of the City. The special district was established for the purpose of providing funds for special maintenance and repair and for promotion and advertisement. The annual property tax levy for 2023 was \$610,995 which includes an estimated allowance amount of \$18,330.

10. FUND EQUITY

a. Restricted Net Position - Fiduciary Funds

Police Pension Fund for employee pension benefits	\$ 176,071,940
Firefighters' Pension Fund restrictions for employee pension benefits	<u>114,786,199</u>
TOTAL FIDUCIARY FUNDS	<u>\$ 290,858,139</u>

b. Assigned Fund Balances

General Fund	
Assigned for Arts Council	\$ 29,706
Assigned for Parks & Recreation programs	1,737,160
Assigned for Mayor's program	93,679
Assigned for Public Safety programs	344,185
Other assignments	153,050
Assigned for subsequent year's budget	<u>12,230,999</u>
Total general fund	<u>14,588,779</u>
TOTAL ASSIGNED FUND BALANCES	<u>\$ 14,588,779</u>

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

11. RISK MANAGEMENT

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

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

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

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

	Workers’ Compensation	General Liability	Total
DECEMBER 31, 2021	\$ 2,092,600	\$ 5,410,000	\$ 7,502,600
New claims/estimate revisions	521,059	(595,887)	(74,828)
Claims payments	(1,171,417)	(2,119,113)	(3,290,530)
DECEMBER 31, 2022	1,442,242	2,695,000	4,137,242
New claims/estimate revisions	663,815	(145,001)	518,814
Claims payments	(745,307)	(325,000)	(1,070,307)
DECEMBER 31, 2023	\$ 1,360,750	\$ 2,224,999	\$ 3,585,749

11. RISK MANAGEMENT (Continued)

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.

12. CONTINGENCIES

There are various claims and legal actions pending against the City for which provision has been made in the financial statements. At the present time, the City believes that the reserves established are sufficient so that the expected liability for these claims and legal actions will not materially exceed the amounts recorded in the financial statements. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of the expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

13. JOINT VENTURES

Solid Waste Agency of Northern Cook County

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

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

13. JOINT VENTURES (Continued)

Solid Waste Agency of Northern Cook County (Continued)

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

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

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

14. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Administration

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

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report.

b. Benefits Provided

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

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

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

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

b. Benefits Provided (Continued)

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

c. Membership

At December 31, 2022 (most recent information available), membership consisted of:

Inactive fund members and beneficiaries currently receiving benefit payments	71
Inactive fund members entitled to but not yet receiving benefit payments	8
Active fund members	<u>690</u>
TOTAL	<u><u>769</u></u>
Participating employers	<u><u>1</u></u>

d. Contributions

Contribution requirements are established through Illinois State laws. The City and the Library implicitly contribute the difference between retiree’s contributions and unblended rates. Retirees pay 100% of the blended premiums to cover themselves and their covered dependents ranging from \$595 for single coverage to \$2,134 for family coverage. The City pays 100% of health care premiums for police officers and firefighters, their dependents and their surviving spouses and dependent children if they were injured or killed in the line of duty during an emergency, ranging from \$595 for single coverage to \$2,134 for family coverage. For the year ended December 31, 2023, the estimated contribution to the plan is \$812,414. The annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with parameters of GASB Statement No. 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years.

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

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation performed as of December 31, 2023 using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2022
Measurement date	December 31, 2023
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	3.50%
Discount rate	3.77%
Healthcare cost trend rates	6.75% initial to an ultimate trend rate of 4.50%
Asset valuation method	N/A

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

f. Discount Rate

The discount rate was based on the S&P Municipal Bond 20-year high-grade rate index rate for tax exempt general obligation municipal bonds rated AA or better at December 31, 2023.

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

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JANUARY 1, 2023	<u>\$ 21,712,503</u>
Changes for the period	
Service cost	1,829,446
Interest	862,905
Changes in assumptions	754,687
Difference between expected and actual experience	-
Benefit payments	(812,414)
Other changes	<u>-</u>
Net changes	<u>2,634,624</u>
BALANCES AT DECEMBER 31, 2023	<u>\$ 24,347,127</u>

There were changes in assumptions related to the discount rate in 2023.

The table presented above includes amounts for both the City and the Library. The City's proportionate share of the total OPEB liability at December 31, 2023 was \$24,005,019. The Library's proportionate share of the total OPEB liability at December 31, 2023 was \$342,108.

h. Rate Sensitivity

The following is a sensitive analysis of total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the City and Library calculated using the discount rate of 3.77% 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 (2.77%) or 1 percentage point higher (4.77%) than the current rate:

	1% Decrease (2.77%)	Current Discount Rate (3.77%)	1% Increase (4.77%)
Total OPEB liability	\$ 27,253,777	\$ 24,347,127	\$ 21,869,991

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

14. OTHER POSTEMPLOYMENT BENEFITS (Continued)

h. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the City calculated using the healthcare rate of 4.50% to 6.75% as well as what the City's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.50% to 5.75%) or 1 percentage point higher (5.50% to 7.75%) than the current rate:

	1% Decrease (3.50% to 5.75%)	Current Healthcare Rate (4.50% to 6.75%)	1% Increase (5.50% to 7.75%)
Total OPEB liability	\$ 20,960,336	\$ 24,347,127	\$ 28,607,925

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

For the year ended December 31, 2023, the City recognized OPEB expense of \$2,591,939. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	City		Library		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 3,492,826	\$ -	\$ 49,953	\$ -	\$ 3,542,779
Changes in assumption	4,089,578	1,752,327	58,046	24,494	4,147,624	1,776,821
Net difference between projected and actual earnings on pension plan investments	-	-	-	-	-	-
TOTAL	\$ 4,089,578	\$ 5,245,153	\$ 58,046	\$ 74,447	\$ 4,147,624	\$ 5,319,600

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

<u>Year Ending December 31,</u>	
2024	\$ (100,415)
2025	(100,415)
2026	(100,415)
2027	(100,415)
Thereafter	<u>(770,316)</u>
TOTAL	<u>\$ (1,171,976)</u>

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

15. EMPLOYEE RETIREMENT SYSTEMS

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

The table below is a summary for all pension plans as of and for the year ended December 31, 2023:

	IMRF	Police Pension	Firefighters' Pension	Total
Net pension liability	\$ 6,776,891	\$ 106,273,070	\$ 102,455,458	\$ 215,505,419
Deferred outflows of resources	23,749,449	9,964,173	13,002,707	46,716,329
Deferred inflows of resources	895,491	2,156,892	-	3,052,383
Pension expense (income)	3,084,085	8,730,026	9,969,233	21,783,344

a. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration and Benefits Provided

All employees (other than those covered by the Police Pension Plan or Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Plan Administration and Benefits Provided (Continued)

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Contributions

These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.50% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution for the fiscal year ended December 31, 2023 was 3.30% of covered payroll.

Plan Membership

At December 31, 2022 (most recent information available), IMRF membership consisted of:

Inactive employees or their beneficiaries currently receiving benefits	726
Inactive employees entitled to but not yet receiving benefits	440
Active employees	<u>532</u>
 TOTAL	 <u><u>1,698</u></u>

Actuarial Assumptions

The City's net pension liability was measured as of December 31, 2022, 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.

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Actuarial Assumptions (Continued)

Actuarial valuation date	December 31, 2022
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.25%
Salary increases	2.85% to 13.75%
Interest rate	7.25%
Asset valuation method	Fair value

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables and future mortality improvements projected using scale MP-2020.

Discount Rate

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

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Asset)

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability (Asset)
BALANCES AT JANUARY 1, 2022	\$ 274,421,785	\$ 328,145,831	\$ (53,724,046)
Changes for the period			
Service cost	3,688,135	-	3,688,135
Interest	19,445,021	-	19,445,021
Difference between expected and actual experience	(635,408)	-	(635,408)
Changes in assumptions	-	-	-
Employer contributions	-	2,000,416	(2,000,416)
Employee contributions	-	1,891,800	(1,891,800)
Net investment income	-	(42,076,770)	42,076,770
Benefit payments and refunds	(16,117,334)	(16,117,334)	-
Administrative expense	-	-	-
Other (net transfer)	-	(537,476)	537,476
Net changes	6,380,414	(54,839,364)	61,219,778
BALANCES AT DECEMBER 31, 2022	\$ 280,802,199	\$ 273,306,467	\$ 7,495,732

The table presented above includes amounts for both the City and the Library. The City's proportionate share of the net pension liability (asset) at January 1, 2022, the employer contributions, and the net pension liability at December 31, 2023 was \$(48,359,996), \$1,808,576, and \$6,776,891, respectively. The Library's proportionate share of the net pension liability (asset) at January 1, 2022, the employer contributions and the net pension liability at December 31, 2023 was \$(5,364,050), \$191,840, and \$718,841, respectively.

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

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

For the year ended December 31, 2023, the City recognized pension income of \$3,084,085. At December 31, 2023, the City and the Library reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	City		Library		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,476,251	\$ 650,419	\$ 262,662	\$ 68,991	\$ 2,738,913	\$ 719,410
Changes in assumption	-	245,072	-	25,996	-	271,068
Net difference between projected and actual earnings on pension plan investments	19,805,428	-	2,100,808	-	21,906,236	-
Employer contributions subsequent to the measurement date	1,467,770	-	155,690	-	1,623,460	-
TOTAL	\$ 23,749,449	\$ 895,491	\$ 2,519,160	\$ 94,987	\$ 26,268,609	\$ 990,478

\$1,623,460 reported as deferred outflows of resources related to pensions resulting from city contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the reporting year ending December 31, 2024. 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
2024	\$ (642,378)	\$ (68,138)	\$ (710,516)
2025	3,667,470	389,017	4,056,487
2026	6,534,619	693,142	7,227,761
2027	11,826,476	1,254,463	13,080,939
Thereafter	-	-	-
TOTAL	\$ 21,386,187	\$ 2,268,484	\$ 23,654,671

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the net pension liability (asset) of the City calculated using the discount rate of 7.25% as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 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%)
Net pension liability (asset)			
City	\$ 34,344,217	\$ 6,776,891	\$ (15,032,165)
Library	3,642,971	718,841	(1,594,498)
TOTAL	\$ 37,987,188	\$ 7,495,732	\$ (16,626,663)

Police Pension Plan

Plan Administration

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

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

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

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Plan Membership

At December 31, 2023, the Police Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	197
Inactive plan members entitled to but not yet receiving benefits	22
Active plan members	<u>130</u>
TOTAL	<u>349</u>

Benefits Provided

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

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

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

Contributions

Covered employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the Police Pension Plan as actuarially determined by an enrolled actuary, including amounts for administrative costs. Benefits and refunds are recorded as a liability when due and payable. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the City has elected to fund 100% of the past service cost by 2040. The City's contribution was 78.5% of covered payroll for the year ended December 31, 2023.

Investment Policy

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.

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Policy (Continued)

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:

Asset Class	Target	Long-Term Expected Real Rate of Return
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%
Real estate	3.00%	3.40%
Cash	3.00%	(1.00%)

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, 2023 are listed in the table above.

Investment Valuations

All investments in the plan 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 FINANCIAL STATEMENTS (Continued)

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Investment Rate of Return

For the year ended December 31, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.06%. 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 Fund's deposits may not be returned to them. The Fund's investment policies do not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions.

Interest Rate Risk

The following table presents the investments and maturities of the Fund's debt securities as of December 31, 2023:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Corporate bonds	\$ 10,604,326	\$ -	\$ 5,274,510	\$ 4,385,239	\$ 944,577
U.S. Treasury obligations	23,273,388	2,026,836	7,784,809	8,995,002	4,466,741
U.S. agency obligations	10,119,483	130	220,459	1,040,552	8,858,342
TOTAL	\$ 43,997,197	\$ 2,026,966	\$ 13,279,778	\$ 14,420,793	\$ 14,269,660

The Fund categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The Fund has the following recurring fair value measurements as of December 31, 2023: the U.S. Treasury obligations, equity securities, and equity mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs), corporate bonds and U.S. agency obligations are valued using quoted matrix pricing models (Level 2 inputs).

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Interest Rate Risk (Continued)

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed within a one-year period. The investment policy does not limit the maximum maturity length of investments in the Fund.

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 and IMET are rated Aaa.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund's investment policy requires 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 Fund's agent separate from where the investment was purchased in the Fund's name. The Illinois Funds, IMET, and equity mutual funds are not subject to custodial credit risk.

Concentration of Credit Risk

There are no significant investments (other than United States Government guaranteed obligations and mutual funds) in any one organization that represents 5% or more of the Fund's investments.

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Pooled Real Estate Fund

The Fund invests in a pooled real estate fund measured at net asset value (NAV) valued at \$1,210,129 as of December 31, 2023. This investment focuses primarily on private equity commercial real estate, which will generate returns based on lease income and appreciation in building values. There are no unfunded commitments at December 31, 2023. Requests for withdrawals and transfers may be subject to contractual limitations in the investment, which allows for the investment to pay them out in a series of payments over the span of three years from the effective date of the limitation, which began on July 1, 2022.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2023	\$ 279,885,313	\$ 150,950,058	\$ 128,935,255
Changes for the period			
Service cost	3,574,325	-	3,574,325
Interest	17,900,355	-	17,900,355
Difference between expected and actual experience	(2,875,856)	-	(2,875,856)
Changes in assumptions	-	-	-
Changes of benefit terms	-	-	-
Employer contributions	-	13,544,556	(13,544,556)
Employee contributions	-	1,711,047	(1,711,047)
Net investment income	-	26,066,421	(26,066,421)
Benefit payments and refunds	(16,139,127)	(16,139,127)	-
Administrative expense	-	(61,015)	61,015
Net changes	2,459,697	25,121,882	(22,662,185)
BALANCES AT DECEMBER 31, 2023	\$ 282,345,010	\$ 176,071,940	\$ 106,273,070

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Changes in the Net Pension Liability (Continued)

The plan's fiduciary net position as a percentage of the total pension liability was 62.36% at December 31, 2023.

In 2023, there were no changes in assumptions.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2023, using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2023
Measurement date	December 31, 2023
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.00% to 9.00%
Interest rate	6.50%
Cost of living adjustments	Tier 1 at 3.00% Tier 2 at 1.25%
Asset valuation method	Fair value

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

Mortality rates were based on the PubS.H-2010 Study using improvement scale MP-2020.

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Discount Rate

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

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate of 6.50% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net pension liability	\$ 145,221,783	\$ 106,273,070	\$ 74,515,955

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

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

For the year ended December 31, 2023, the City recognized police pension expense of \$8,730,026. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 4,089,023	\$ 2,156,892
Changes in assumption	3,149,116	-
Net difference between projected and actual earnings on pension plan investments	2,726,034	-
TOTAL	\$ 9,964,173	\$ 2,156,892

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

<u>Year Ending December 31,</u>	
2024	\$ 2,910,531
2025	2,762,736
2026	5,391,087
2027	(3,257,073)
2028	-
Thereafter	-
TOTAL	\$ 7,807,281

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan

Plan Administration

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

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

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

Plan Membership

At December 31, 2023, the Firefighters' Pension Plan membership consisted of:

Inactive plan members currently receiving benefits	149
Inactive plan members entitle to but not yet receiving benefits	6
Active plan members	<u>105</u>
TOTAL	<u><u>260</u></u>

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided

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

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the greater of the average monthly salary obtaining by dividing the total salary during the 48 consecutive months of service within the last of 60 months in which the total salary was the highest by the number of months in that period; or the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$113,645, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to finance the Firefighters' Pension Plan as actuarially determined by an enrolled actuary including amounts for administrative costs. Benefits and refunds are recorded as a liability when due and payable. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past services costs for the Firefighters' Pension Plan. However, the City has elected to fund 100% of the past service cost by 2040. The City's contribution was 90.9% of covered payroll for the year ended December 31, 2023.

Illinois Firefighters' Pension Investment Fund

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

Deposits with Financial Institutions

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

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investments

Investments of the plan are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report as of June 30, 2023. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, Illinois 60148 or at <https://ifpif.org>.

Fair Value Measurement

The plan categorizes fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The plan held no investments subject to fair value measurement at December 31, 2023.

Net Asset Value

The Net Asset Value (NAV) of the plan's pooled investment in IFPIF was \$99,355,205 at December 31, 2023. The pooled investments consist of the investments as noted in the target allocation table available at <https://ifpif.org>. Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at December 31, 2023. The plan may redeem shares by giving notice by 5:00 pm central time on the 1st of each month. Requests properly submitted on or before the 1st of each month will be processed for redemption by the 14th of the month. Expedited redemptions may be processed at the sole discretion of IFPIF.

Investment Policy

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

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Investment Rate of Return

For the year ended December 31, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.50%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2023	\$ 209,621,684	\$ 99,046,036	\$ 110,575,648
Changes for the period			
Service cost	2,964,280	-	2,964,280
Interest	13,451,766	-	13,451,766
Changes in benefit terms	-	-	-
Difference between expected and actual experience	2,475,375	-	2,475,375
Changes in assumptions	-	-	-
Employer contributions	-	12,020,942	(12,020,942)
Employee contributions	-	1,250,229	(1,250,229)
Net investment income	-	13,855,947	(13,855,947)
Benefit payments and refunds	(11,271,448)	(11,271,448)	-
Administrative expense	-	(115,507)	115,507
Net changes	7,619,973	15,740,163	(8,120,190)
BALANCES AT DECEMBER 31, 2023	\$ 217,241,657	\$ 114,786,199	\$ 102,455,458

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Changes in the Net Pension Liability (Continued)

The plan's fiduciary net position as a percentage of the total pension liability was 52.84% at December 31, 2023. See the schedule of changes in the employer's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Fund.

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2023 using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2023
Measurement date	December 31, 2023
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	3.62% to 7.36%
Interest rate	6.50%
Cost of living adjustments	Tier 1 at 3.00% Tier 2 at 1.25%
Asset valuation method	Fair value

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

Mortality rates were based on the PubS.H-2010 Study using improvement scale MP-2020 applied on a fully generational basis.

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Discount Rate

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

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate of 6.50% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.50%) or 1 percentage point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Current Discount Rate (6.50%)	1% Increase (7.50%)
Net pension liability	\$ 132,523,335	\$ 102,455,458	\$ 77,925,761

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

15. EMPLOYEE RETIREMENT SYSTEMS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

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

For the year ended December 31, 2023, the City recognized firefighters' pension expense of \$9,969,233. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the firefighters' pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 4,224,740	\$ -
Changes in assumption	4,877,157	-
Net difference between projected and actual earnings on pension plan investments	3,900,810	-
TOTAL	\$ 13,002,707	\$ -

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

<u>Year Ending December 31,</u>	
2024	\$ 4,078,666
2025	3,561,718
2026	4,930,704
2027	19,056
2028	412,563
Thereafter	-
TOTAL	\$ 13,002,707

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

16. PENSION TRUST FUNDS

Fiduciary Funds Summary Financial Information

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

Statement of Net Position

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ASSETS			
Cash and cash equivalents	\$ 6,310,913	\$ 15,108,450	\$ 21,419,363
Investments			
U.S. Treasury obligations	23,273,388	-	23,273,388
U.S. agency obligations	10,119,483	-	10,119,483
Corporate bonds	10,604,326	-	10,604,326
Common stock	54,221,395	-	54,221,395
Equity mutual funds	69,827,992	-	69,827,992
Real estate	1,210,129	-	1,210,129
Investments held in the Illinois Firefighters' Pension Investment Fund	-	99,355,205	99,355,205
Prepaid items	-	9,245	9,245
Receivables			
Accounts	-	3,123	3,123
Accrued interest	348,984	55,116	404,100
Due from City	155,330	274,114	429,444
Total assets	176,071,940	114,805,253	290,877,193
LIABILITIES			
Accounts payable	-	19,054	19,054
Total liabilities	-	19,054	19,054
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	\$ 176,071,940	\$ 114,786,199	\$ 290,858,139

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

16. PENSION TRUST FUNDS (Continued)

Fiduciary Funds Summary Financial Information (Continued)

Changes in Plan Net Position

	Pension Trust		Total
	Police Pension	Firefighters' Pension	
ADDITIONS			
Contributions			
Employer	\$ 13,544,556	\$ 12,020,942	\$ 25,565,498
Plan members	1,711,047	1,250,229	2,961,276
Total contributions	15,255,603	13,271,171	28,526,774
Investment income			
Net appreciation in fair value of investments	22,765,890	11,714,713	34,480,603
Interest	3,638,698	2,294,948	5,933,646
Total investment income	26,404,588	14,009,661	40,414,249
Less investment expense	(338,167)	(153,714)	(491,881)
Net investment income	26,066,421	13,855,947	39,922,368
Total additions	41,322,024	27,127,118	68,449,142
DEDUCTIONS			
Administrative	61,015	115,507	176,522
Benefits and refunds	16,139,127	11,271,448	27,410,575
Total deductions	16,200,142	11,386,955	27,587,097
NET INCREASE	25,121,882	15,740,163	40,862,045
NET POSITION HELD IN TRUST FOR PENSION BENEFITS			
January 1	150,950,058	99,046,036	249,996,094
December 31	\$ 176,071,940	\$ 114,786,199	\$ 290,858,139

17. EVANSTON LIBRARY COMPONENT UNIT

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

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

a. Basis of Accounting/Measurement Focus

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

b. Deposits and Investments

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

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

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

17. EVANSTON LIBRARY COMPONENT UNIT (Continued)

b. Deposits and Investments (Continued)

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

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

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

c. Custodial Credit Risk

For a deposit, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Library will not be able to recover the value of its deposit or collateral securities that are in the possession of an outside party. At December 31, 2023, all of the Library's deposits were insured or collateralized by an agent of the Library in the Library's name.

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

17. EVANSTON LIBRARY COMPONENT UNIT (Continued)

c. Custodial Credit Risk (Continued)

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

d. Capital Asset Activity

Library capital asset activity for the year ended December 31, 2023, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets not being depreciated				
Land	\$ 311,380	\$ -	\$ -	\$ 311,380
Total capital assets not being depreciated/amortized	311,380	-	-	311,380
Capital assets being depreciated				
Buildings and improvements	20,928,250	1,048,586	-	21,976,836
Office equipment and furniture	2,285,009	-	-	2,285,009
Infrastructure	230,006	105,775	-	335,781
Library collections	8,433,561	-	8,433,561	-
Capitalized leases	266,190	-	266,190	-
Total capital assets being depreciated/amortized	32,143,016	1,154,361	8,699,751	24,597,626
Less accumulated depreciation/amortization for:				
Buildings and improvements	10,981,912	618,927	-	11,600,839
Office equipment and furniture	2,285,009	-	-	2,285,009
Infrastructure	199,260	21,167	-	220,427
Library collections	8,409,889	15,283	8,425,172	-
Capitalized leases	266,190	-	266,190	-
Total accumulated depreciation/amortization	22,142,260	655,377	8,691,362	14,106,275
Total capital assets being depreciated/amortized, net	10,000,756	498,984	8,389	10,491,351
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	\$ 10,312,136	\$ 498,984	\$ 8,389	\$ 10,802,731

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

17. EVANSTON LIBRARY COMPONENT UNIT (Continued)

e. Long-Term Debt

Long-term obligations activity for the year ended December 31, 2023 was as follows:

	Interest Rate	Final Maturity Date	Balance January 1, 2023	Issued	Payments	Balance December 31, 2023	Due Within One Year
General obligation debt							
Series 2013B	2.00% - 3.00%	12/1/2025	\$ 85,128	\$ -	\$ 27,496	\$ 57,632	\$ 28,430
Series 2016A	2.00% - 4.00%	12/1/2036	500,000	-	30,000	470,000	30,000
Series 2017A	3.00% - 4.00%	12/1/2037	1,130,000	-	60,000	1,070,000	60,000
Series 2017B	4.00% - 5.00%	12/1/2027	376,402	-	70,928	305,474	72,943
Series 2018B	2.29% - 5.00%	12/1/2038	2,009,737	-	22,719	1,987,018	94,561
Series 2019B	1.66% - 2.68%	12/1/2039	1,660,614	-	64,587	1,596,027	67,458
Total general obligation debt			5,761,881	-	275,730	5,486,151	353,392
Bonds premiums			469,021	-	32,990	436,031	-
Total OPEB Liability			303,863	38,245	-	342,108	11,415
Net pension liability - IMRF			-	718,841	-	718,841	-
Compensated absences payable			352,300	150,023	70,460	431,863	86,373
TOTAL LONG-TERM DEBT			\$ 6,887,065	\$ 907,109	\$ 379,180	\$ 7,414,994	\$ 451,180

Debt service requirements to maturity are as follows:

Fiscal Year Ending December 31,	Principal	Interest	Total
2024	\$ 353,392	\$ 221,284	\$ 574,676
2025	370,083	206,866	576,949
2026	356,396	191,425	547,821
2027	372,929	176,153	549,082
2028	302,249	160,055	462,304
2029-2033	1,711,408	599,975	2,311,383
2034-2038	1,879,753	249,688	2,129,441
2039-2042	139,941	6,997	146,938
TOTAL	\$ 5,486,151	\$ 1,812,443	\$ 7,298,594

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

17. EVANSTON LIBRARY COMPONENT UNIT (Continued)

f. Employee Retirement System

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

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

18. SUBSEQUENT EVENTS

On May 28, 2024, the City authorized the issuance of not to exceed \$35,500,000 General Obligation Corporate Purpose Bonds, Series 2024, to finance capital improvements.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes	\$ 63,127,402	\$ 63,127,402	\$ 71,051,672	\$ 7,924,270
Licenses and permits	10,643,450	10,643,450	9,845,981	(797,469)
Intergovernmental	23,583,184	23,583,184	27,779,639	4,196,455
Charges for services	10,521,075	10,521,075	13,009,442	2,488,367
Fines	3,255,500	3,255,500	4,094,917	839,417
Investment income	55,000	55,000	2,384,515	2,329,515
Miscellaneous	11,749,054	11,749,054	2,213,712	(9,535,342)
Total revenues	122,934,665	122,934,665	130,379,878	7,445,213
EXPENDITURES				
General management and support	21,680,985	27,796,923	22,608,932	(5,187,991)
Public safety	72,993,518	73,230,913	79,003,597	5,772,684
Public works	13,708,631	13,708,631	13,908,332	199,701
Health and human services development	5,864,256	5,864,256	5,961,497	97,241
Recreation and cultural opportunities	12,576,312	12,576,312	12,982,724	406,412
Housing and economic development	4,183,421	4,183,421	3,467,120	(716,301)
Debt service				
Interest	-	-	39,005	39,005
Total expenditures	131,007,123	137,360,456	137,971,207	610,751
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,072,458)	(14,425,791)	(7,591,329)	6,834,462
OTHER FINANCING SOURCES (USES)				
Transfers in	8,028,949	8,028,949	7,733,940	(295,009)
Transfers (out)	(1,181,750)	(10,145,769)	(9,567,085)	578,684
Total other financing sources (uses)	6,847,199	(2,116,820)	(1,833,145)	283,675
NET CHANGE IN FUND BALANCE	\$ (1,225,259)	\$ (16,542,611)	(9,424,474)	\$ 7,118,137
FUND BALANCE, JANUARY 1			61,123,206	
FUND BALANCE, DECEMBER 31			\$ 51,698,732	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 7,434,037	\$ 7,434,037
Investment income	-	-	1,503,803	1,503,803
Total revenues	-	-	8,937,840	8,937,840
EXPENDITURES				
General management and support	19,650,000	4,650,000	2,972,848	(1,677,152)
Public safety	500,000	500,000	1,085,026	585,026
Capital outlay	-	-	776,163	776,163
Total expenditures	20,150,000	5,150,000	4,834,037	(315,963)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(20,150,000)	(5,150,000)	4,103,803	9,253,803
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(2,600,000)	(2,600,000)	(2,600,000)	-
Other financing sources (uses) - net	(2,600,000)	(2,600,000)	(2,600,000)	-
NET CHANGE IN FUND BALANCE	\$ (22,750,000)	\$ (7,750,000)	1,503,803	\$ 9,253,803
FUND BALANCE, JANUARY 1			531,170	
FUND BALANCE, DECEMBER 31			\$ 2,034,973	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Six Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2018	2019	2020	2021	2022	2023
TOTAL OPEB LIABILITY						
Service cost	\$ 1,050,028	\$ 974,443	\$ 1,249,550	\$ 1,544,418	\$ 1,613,298	\$ 1,829,446
Interest	630,168	733,796	593,787	442,412	434,590	862,905
Benefit changes	-	-	(53,511)	-	-	-
Differences between expected and actual experience	-	-	(2,856,275)	-	(2,081,084)	-
Changes in assumptions	(1,272,525)	2,879,775	2,471,462	370,681	(1,428,232)	754,687
Implicit benefit payments	(797,159)	(860,932)	(925,502)	(827,885)	(890,214)	(812,414)
Other changes	-	-	-	-	-	-
Net change in total OPEB liability	(389,488)	3,727,082	479,511	1,529,626	(2,351,642)	2,634,624
Total OPEB liability - beginning	18,717,414	18,327,926	22,055,008	22,534,519	24,064,145	21,712,503
TOTAL OPEB LIABILITY - ENDING	\$ 18,327,926	\$ 22,055,008	\$ 22,534,519	\$ 24,064,145	\$ 21,712,503	\$ 24,347,127
Covered-employee payroll	\$ 59,333,084	\$ 60,964,744	\$ 59,251,377	\$ 61,325,175	\$ 61,334,086	\$ 63,480,779
Employer's total OPEB liability as a percentage of covered-employee payroll	30.89%	36.18%	38.03%	39.24%	35.40%	38.35%

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 2023.

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

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

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

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

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

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

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

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Nine Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2015	2016	2017	2018	2019	2020	2021	2022	2023
Actuarially determined contribution	\$ 3,977,718	\$ 3,882,629	\$ 3,695,564	\$ 3,634,209	\$ 2,379,845	\$ 3,235,547	\$ 3,245,589	\$ 2,000,416	\$ 1,560,298
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	3,245,589	2,000,416	1,560,298
CONTRIBUTION DEFICIENCY (Excess)	\$ (40,550)	\$ (81,227)	\$ (6,707)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Percentage contributed	101.02%	102.09%	100.18%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Covered payroll	\$ 37,703,487	\$ 37,477,116	\$ 37,480,368	\$ 38,519,776	\$ 38,103,750	\$ 37,019,990	\$ 40,098,516	\$ 41,244,660	\$ 47,268,309
Contributions as a percentage of covered payroll	10.66%	10.58%	9.88%	9.43%	6.25%	8.74%	8.09%	4.85%	3.30%

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 21 years; the asset valuation method was five-year smoothed fair value; and the significant actuarial assumptions were an investment rate of return at 7.25% annually, projected salary increases assumption of 2.85% to 13.75% annually, and postretirement benefit increases of 2.75% 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 Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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	\$ 11,194,538	\$ 11,548,482
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	11,405,076	13,544,556
CONTRIBUTION DEFICIENCY (Excess)	\$ (285,272)	\$ (546,789)	\$ (69,884)	\$ (63,349)	\$ -	\$ -	\$ -	\$ (70,330)	\$ (210,538)	\$ (1,996,074)
Percentage contributed	103.41%	106.62%	100.74%	100.62%	100.00%	100.00%	100.00%	100.62%	101.88%	117.28%
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	\$ 13,396,912	\$ 17,265,863
Contributions as a percentage of covered payroll	63.85%	59.00%	54.08%	67.09%	66.03%	65.72%	73.05%	74.82%	85.13%	78.45%

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 18 years; the asset valuation method was five-year smoothed fair value and the significant actuarial assumptions were an investment rate of return at 6.50% annually, projected salary increases assumption of 3.62% to 7.36% annually, and postretirement benefit increases of 3.00% compounded annually.

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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	\$ 9,528,524	\$ 11,793,978
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	9,707,213	12,020,942
CONTRIBUTION DEFICIENCY (Excess)	\$ (288,216)	\$ (481,761)	\$ (45,776)	\$ (57,091)	\$ -	\$ -	\$ (10,474)	\$ (44,196)	\$ (178,689)	\$ (226,964)
Percentage contributed	104.62%	108.16%	100.62%	100.70%	100.00%	100.00%	100.11%	100.46%	101.88%	101.92%
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	\$ 11,523,258	\$ 13,222,940
Contributions as a percentage of covered payroll	68.56%	61.42%	70.13%	79.58%	71.83%	79.94%	88.77%	87.82%	84.24%	90.91%

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 18 years; the asset valuation method was five-year smoothed fair value; and the significant actuarial assumptions were an investment rate of return at 6.50% annually, projected salary increases assumption of 3.62% to 7.36% annually, and postretirement benefit increases of 3.00% compounded annually.

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS
SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Nine Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022
TOTAL PENSION LIABILITY									
Service cost	\$ 3,898,440	\$ 3,910,996	\$ 3,951,687	\$ 3,970,214	\$ 3,671,434	\$ 3,926,313	\$ 3,850,771	\$ 3,420,369	\$ 3,688,135
Interest	14,880,724	16,235,086	16,947,408	17,355,320	17,185,510	17,812,836	18,314,051	18,507,004	19,445,021
Changes in benefit terms	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	3,043,895	1,465,442	(2,905,680)	(2,489,328)	2,992,302	(166,989)	(2,056,346)	6,705,189	(635,408)
Changes of assumptions	7,927,038	266,906	(269,039)	(7,652,648)	6,567,349	-	(1,993,968)	-	-
Benefit payments, including refunds of member contributions	(11,468,097)	(11,928,345)	(12,270,564)	(12,922,439)	(13,674,160)	(14,305,617)	(14,936,529)	(15,539,235)	(16,117,334)
Net change in total pension liability	18,282,000	9,950,085	5,453,812	(1,738,881)	16,742,435	7,266,543	3,177,979	13,093,327	6,380,414
Total pension liability - beginning	202,194,485	220,476,485	230,426,570	235,880,382	234,141,501	250,883,936	258,150,479	261,328,458	274,421,785
PLAN FIDUCIARY NET POSITION	\$ 220,476,485	\$ 230,426,570	\$ 235,880,382	\$ 234,141,501	\$ 250,883,936	\$ 258,150,479	\$ 261,328,458	\$ 274,421,785	\$ 280,802,199
PLAN FIDUCIARY NET POSITION									
Contributions - employer	\$ 3,963,983	\$ 4,018,268	\$ 3,963,856	\$ 3,702,271	\$ 3,634,209	\$ 2,379,845	\$ 3,235,547	\$ 3,245,589	\$ 2,000,416
Contributions - member	1,710,168	1,767,523	1,705,636	1,693,912	1,847,906	1,845,576	1,684,700	1,806,941	1,891,800
Net investment income	12,425,190	1,062,353	14,441,739	39,438,193	(14,090,715)	43,379,549	37,552,547	49,648,106	(42,076,770)
Benefit payments, including refunds of member contributions	(11,468,097)	(11,928,345)	(12,270,564)	(12,922,439)	(13,674,160)	(14,305,617)	(14,936,529)	(15,539,235)	(16,117,334)
Administrative expense/other	2,322,043	737,427	(142,981)	(4,817,948)	3,915,577	647,604	1,390,447	(1,512,861)	(537,476)
Net change in plan fiduciary net position	8,953,287	(4,342,774)	7,697,686	27,093,989	(18,367,183)	33,946,957	28,926,712	37,648,540	(54,839,364)
Plan fiduciary net position - beginning	206,588,617	215,541,904	211,199,130	218,896,816	245,990,805	227,623,622	261,570,579	290,497,291	328,145,831
PLAN FIDUCIARY NET POSITION - ENDING	\$ 215,541,904	\$ 211,199,130	\$ 218,896,816	\$ 245,990,805	\$ 227,623,622	\$ 261,570,579	\$ 290,497,291	\$ 328,145,831	\$ 273,306,467
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 4,934,581	\$ 19,227,440	\$ 16,983,566	\$ (11,849,304)	\$ 23,260,314	\$ (3,420,100)	\$ (29,168,833)	\$ (53,724,046)	\$ 7,495,732

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022
Plan fiduciary net position as a percentage of the total pension liability (asset)	97.76%	91.66%	92.80%	105.06%	90.73%	101.32%	111.16%	119.58%	97.33%
Covered payroll	\$ 35,171,426	\$ 37,703,487	\$ 37,477,116	\$ 37,480,368	\$ 38,519,776	\$ 38,103,750	\$ 37,019,990	\$ 40,098,516	\$ 41,244,660
Employer's net pension liability as a percentage of covered payroll	14.03%	51.00%	45.32%	(31.61%)	60.39%	(8.98%)	(78.79%)	(133.98%)	18.17%

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

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

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

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.

(See independent auditor's report.)

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

Last Ten Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
TOTAL PENSION LIABILITY										
Service cost	\$ 3,439,223	\$ 3,488,385	\$ 3,679,212	\$ 3,993,751	\$ 4,285,425	\$ 3,980,758	\$ 4,018,178	\$ 3,842,941	\$ 3,614,698	\$ 3,574,325
Interest	12,284,036	12,663,010	13,192,680	14,088,889	14,433,770	15,128,398	16,138,601	16,648,988	17,149,791	17,900,355
Changes in benefit terms	-	-	-	-	-	853,365	-	-	-	-
Differences between expected and actual experience	-	3,928,479	(3,214,201)	424,390	3,079,328	4,364,013	2,021,226	3,025,037	2,912,380	(2,875,856)
Changes of assumptions	-	5,791,392	11,039,027	7,096,300	(7,459,427)	4,127,403	-	-	4,102,024	-
Benefit payments, including refunds of member contributions	(9,891,045)	(10,424,955)	(10,970,916)	(11,475,943)	(11,937,685)	(12,522,660)	(13,376,879)	(14,924,443)	(16,243,656)	(16,139,127)
Net change in total pension liability	5,832,214	15,446,311	13,725,802	14,127,387	2,401,411	15,931,277	8,801,126	8,592,523	11,535,237	2,459,697
Total pension liability - beginning	183,492,025	189,324,239	204,770,550	218,496,352	232,623,739	235,025,150	250,956,427	259,757,553	268,350,076	279,885,313
TOTAL PENSION LIABILITY - ENDING	\$ 189,324,239	\$ 204,770,550	\$ 218,496,352	\$ 232,623,739	\$ 235,025,150	\$ 250,956,427	\$ 259,757,553	\$ 268,350,076	\$ 279,885,313	\$ 282,345,010
PLAN FIDUCIARY NET POSITION										
Contributions - employer	\$ 8,644,196	\$ 8,804,264	\$ 9,450,824	\$ 10,300,549	\$ 10,462,704	\$ 10,502,308	\$ 11,225,650	\$ 11,501,791	\$ 11,405,076	\$ 13,544,556
Contributions - member	1,565,053	1,454,720	1,731,740	1,521,467	1,570,309	1,583,631	1,522,969	1,523,341	1,327,634	1,711,047
Net investment income	8,675,133	430,756	7,544,856	15,240,680	(4,911,053)	25,043,593	17,521,008	26,382,486	(28,069,391)	26,066,421
Benefit payments, including refunds of member contributions	(9,891,045)	(10,424,955)	(10,970,916)	(11,475,943)	(11,937,685)	(12,522,660)	(13,376,879)	(14,924,443)	(16,243,656)	(16,139,127)
Administrative expense	(68,938)	(71,408)	(123,796)	(148,631)	(58,885)	(52,088)	(66,152)	(44,442)	(44,775)	(61,015)
Net change in plan fiduciary net position	8,924,399	193,377	7,632,708	15,438,122	(4,874,610)	24,554,784	16,826,596	24,438,733	(31,625,112)	25,121,882
Plan fiduciary net position - beginning	90,763,143	99,687,542	98,558,837	106,191,545	121,629,667	116,755,057	141,309,841	158,136,437	182,575,170	150,950,058
Prior period adjustment	-	(1,322,082)	-	-	-	-	-	-	-	-
Plan fiduciary net position - beginning, restated	90,763,143	98,365,460	98,558,837	106,191,545	121,629,667	116,755,057	141,309,841	158,136,437	182,575,170	150,950,058
PLAN FIDUCIARY NET POSITION - ENDING	\$ 99,687,542	\$ 98,558,837	\$ 106,191,545	\$ 121,629,667	\$ 116,755,057	\$ 141,309,841	\$ 158,136,437	\$ 182,575,170	\$ 150,950,058	\$ 176,071,940
EMPLOYER'S NET PENSION LIABILITY	\$ 89,636,697	\$ 106,211,713	\$ 112,304,807	\$ 110,994,072	\$ 118,270,093	\$ 109,646,586	\$ 101,621,116	\$ 85,774,906	\$ 128,935,255	\$ 106,273,070

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Plan fiduciary net position as a percentage of the total pension liability	52.65%	48.13%	48.60%	52.29%	49.68%	56.31%	60.88%	68.04%	53.93%	62.36%
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	\$ 13,396,912	\$ 17,265,863
Employer's net pension liability as a percentage of covered payroll	662.13%	711.81%	642.67%	722.95%	746.39%	686.14%	661.25%	558.00%	962.43%	615.51%

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

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

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

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

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS
 SCHEDULE OF CHANGES IN THE EMPLOYER'S
 NET PENSION LIABILITY AND RELATED RATIOS
 FIREFIGHTERS' PENSION FUND

Last Ten Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
TOTAL PENSION LIABILITY										
Service cost	\$ 2,326,092	\$ 2,431,680	\$ 2,731,257	\$ 2,813,961	\$ 3,026,223	\$ 2,763,258	\$ 2,948,710	\$ 2,739,481	\$ 2,889,155	\$ 2,964,280
Interest	9,391,253	9,656,198	9,922,911	10,507,435	10,741,734	11,061,538	12,013,035	12,303,886	12,731,909	13,451,766
Changes in benefit terms	-	-	-	-	-	799,936	-	-	-	-
Differences between expected and actual experience	-	1,184,609	(3,239,221)	368,761	384,928	5,218,449	122,642	2,117,644	288,722	2,475,375
Changes of assumptions	-	4,239,272	7,971,672	5,192,584	(6,192,362)	4,549,731	-	-	6,178,299	-
Benefit payments, including refunds of member contributions	(7,727,683)	(8,067,965)	(8,343,940)	(8,609,369)	(9,150,830)	(9,624,766)	(10,255,160)	(10,545,893)	(10,905,542)	(11,271,448)
Net change in total pension liability	3,989,662	9,443,794	9,042,679	10,273,372	(1,190,307)	14,768,146	4,829,227	6,615,118	11,182,543	7,619,973
Total pension liability - beginning	140,667,430	144,657,092	154,100,886	163,143,565	173,416,937	172,226,630	186,994,776	191,824,023	198,439,141	209,621,684
TOTAL PENSION LIABILITY - ENDING	\$ 144,657,092	\$ 154,100,886	\$ 163,143,565	\$ 173,416,937	\$ 172,226,630	\$ 186,994,776	\$ 191,824,023	\$ 198,439,141	\$ 209,621,684	\$ 217,241,657
PLAN FIDUCIARY NET POSITION										
Contributions - employer	\$ 6,527,697	\$ 6,385,244	\$ 7,396,641	\$ 8,205,800	\$ 8,344,947	\$ 8,266,584	\$ 9,257,516	\$ 9,670,974	\$ 9,707,213	\$ 12,020,942
Contributions - member	919,874	956,092	997,198	974,992	1,098,506	954,112	986,040	1,041,229	1,089,524	1,250,229
Net investment income	3,549,131	228,236	3,894,765	7,974,296	(3,478,827)	14,527,581	11,387,655	13,515,733	(15,351,364)	13,855,947
Benefit payments, including refunds of member contributions	(7,727,683)	(8,067,965)	(8,343,940)	(8,609,369)	(9,150,830)	(9,624,766)	(10,255,160)	(10,545,893)	(10,905,542)	(11,271,448)
Administrative expense	(52,248)	(44,597)	(85,750)	(72,640)	(105,755)	(97,588)	(148,979)	(123,642)	(86,309)	(115,507)
Net change in plan fiduciary net position	3,216,771	(542,990)	3,858,914	8,473,079	(3,291,959)	14,025,923	11,227,072	13,558,401	(15,546,478)	15,740,163
Plan fiduciary net position - beginning	65,024,941	68,241,712	66,741,084	70,599,998	79,073,077	75,781,118	89,807,041	101,034,113	114,592,514	99,046,036
Prior period adjustment	-	(957,638)	-	-	-	-	-	-	-	-
Plan fiduciary net position - beginning , restated	65,024,941	67,284,074	66,741,084	70,599,998	79,073,077	75,781,118	89,807,041	101,034,113	114,592,514	99,046,036
PLAN FIDUCIARY NET POSITION - ENDING	\$ 68,241,712	\$ 66,741,084	\$ 70,599,998	\$ 79,073,077	\$ 75,781,118	\$ 89,807,041	\$ 101,034,113	\$ 114,592,514	\$ 99,046,036	\$ 114,786,199
EMPLOYER'S NET PENSION LIABILITY	\$ 76,415,380	\$ 87,359,802	\$ 92,543,567	\$ 94,343,860	\$ 96,445,512	\$ 97,187,735	\$ 90,789,910	\$ 83,846,627	\$ 110,575,648	\$ 102,455,458

MEASUREMENT DATE DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Plan fiduciary net position as a percentage of the total pension liability	47.17%	43.31%	43.27%	45.60%	44.00%	48.03%	52.67%	57.75%	47.25%	52.84%
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	\$ 11,523,258	\$ 13,222,940
Employer's net pension liability as a percentage of covered payroll	802.60%	840.29%	877.46%	914.90%	830.12%	939.78%	870.57%	761.38%	959.59%	774.83%

For the measurement date December 31, 2022, there were changes in assumptions related to the mortality tables.
 For the measurement date December 31, 2019, there were no changes in assumptions. There were changes in plan benefits required under PA-101-0610 (SB 1300).
 For the measurement date December 31, 2018, there were changes in assumptions related to the mortality tables. Additionally, the discount rate was increased to 6.50%.

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

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS
SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND
Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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%	(16.78%)	15.06%

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS
SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
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%	(14.94%)	15.50%

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2023

BUDGETARY INFORMATION

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

1. Because of a calendar year, the City Manager will submit to the City Council a proposed operating budget for the upcoming fiscal year commencing January 1, 2024. 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, Internal Service Funds, and Pension Trust Funds. A budget was not adopted for the Neighborhood Improvement 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, 2023.

Fund	Actual	Final Budget	Variance
General	\$ 137,971,207	\$ 137,360,456	\$ 610,751
Good Neighbor	\$ 557,887	\$ 472,887	\$ 85,000

MAJOR GOVERNMENTAL FUNDS

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

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

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

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

CITY OF EVANSTON, ILLINOIS
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Taxes				
Property				
Current year levy	\$ 32,157,402	\$ 32,157,402	\$ 32,968,493	\$ 811,091
Total property taxes	32,157,402	32,157,402	32,968,493	811,091
Personal property replacement tax	2,855,000	2,855,000	4,087,124	1,232,124
Other taxes				
State use tax	2,650,000	2,650,000	3,040,435	390,435
Sales tax - home rule	8,000,000	8,000,000	10,396,123	2,396,123
Auto rental tax	50,000	50,000	69,883	19,883
Transportation network provider tax	700,000	700,000	855,245	155,245
Athletic contest tax	800,000	800,000	747,432	(52,568)
Municipal hotel tax	1,300,000	1,300,000	2,546,217	1,246,217
Utility tax	6,300,000	6,300,000	6,176,206	(123,794)
Cigarette tax	200,000	200,000	225,000	25,000
Evanston motor fuel tax	965,000	965,000	897,720	(67,280)
Liquor tax	3,000,000	3,000,000	3,772,043	772,043
Medical cannabis tax	50,000	50,000	-	(50,000)
Recreational cannabis tax	-	-	312,259	312,259
Bag tax	-	-	78,617	78,617
Parking tax	2,600,000	2,600,000	2,952,554	352,554
Amusement tax	750,000	750,000	1,367,347	617,347
Foreign fire tax	-	-	248,204	248,204
Real estate transfer tax	750,000	750,000	310,770	(439,230)
Total other taxes	28,115,000	28,115,000	33,996,055	5,881,055
Total taxes	63,127,402	63,127,402	71,051,672	7,924,270
Licenses and permits				
Vehicle licenses	3,100,000	3,100,000	2,875,749	(224,251)
Business licenses	20,000	20,000	31,970	11,970
Sealant office visits	-	-	-	-
Bed and breakfast licenses	150	150	-	(150)
Collection box license	2,500	2,500	1,700	(800)
Pet licenses	15,000	15,000	26,963	11,963
Contractor licenses	170,000	170,000	186,475	16,475
Rooming house licenses	-	-	1,500	1,500
Liquor licenses	500,000	500,000	540,463	40,463
One-day liquor licenses	12,000	12,000	17,619	5,619
Farmer's market licenses	51,250	51,250	57,210	5,960
Rental building registration	360,000	360,000	322,316	(37,684)
Other licenses	20,000	20,000	-	(20,000)
Long-term care license	120,000	120,000	116,040	(3,960)
Seasonal foot ESTB	15,000	15,000	7,575	(7,425)
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	4,058,773	(166,327)
Elevator permits	42,000	42,000	40,026	(1,974)

(This schedule is continued on the following pages.)

CITY OF EVANSTON, ILLINOIS
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES (Continued)				
Licenses and permits (Continued)				
Right of way permits	\$ 358,000	\$ 358,000	\$ 312,511	\$ (45,489)
Residents parking permit	228,000	228,000	1,160	(226,840)
Visitor parking permit	13,000	13,000	-	(13,000)
Dumpster permit fee	-	-	8,100	8,100
Fire suppression/alarm permit	-	-	890	890
Oversize truck permit	20,000	20,000	23,475	3,475
Moving van permit	57,000	57,000	54,470	(2,530)
Plat PR and sign application fee	-	-	-	-
IL Bell franchise fee	90,000	90,000	98,573	8,573
Alarm panel franchise fee	4,000	4,000	-	(4,000)
Northwestern University easement	47,000	47,000	119,882	72,882
Easements	-	-	-	-
Cable franchise fee	950,000	950,000	825,835	(124,165)
PEG fees - Comcast	145,000	145,000	113,813	(31,187)
Nicor franchise fee	75,000	75,000	-	(75,000)
Plumbing permits	-	-	90	90
Other permits	-	-	2,803	2,803
Permit penalty fees	-	-	-	-
Total licenses and permits	<u>10,643,450</u>	<u>10,643,450</u>	<u>9,845,981</u>	<u>(797,469)</u>
Intergovernmental - revenue from other agencies				
Retailer and service occupation tax	11,000,000	11,000,000	13,329,108	2,329,108
State income tax	11,500,000	11,500,000	12,558,980	1,058,980
State highway maintenance	83,000	83,000	82,356	(644)
Health Department Basic Service Grant	125,432	125,432	28,767	(96,665)
Illinois tobacco free community	27,594	27,594	20,761	(6,833)
IL HIV Surveillance Grant	34,150	34,150	13,472	(20,678)
NEA Grant	15,000	15,000	11,250	(3,750)
Aspire Program Grant	133,000	133,000	200,000	67,000
Other State/County Grant	-	-	410,068	410,068
Fire Department training	-	-	-	-
CRI Grant	62,697	62,697	67,187	4,490
PEHP Grant	62,944	62,944	80,164	17,220
Lead Paid Hazard Grant	150,000	150,000	-	(150,000)
Beach Grant	15,097	15,097	23,098	8,001
Federal Grant/Aid	206,000	206,000	594,869	388,869
Commission on Aging Grant - Advocate	64,000	64,000	107,334	43,334
Vacant Property Grant	-	-	-	-
Market link vouchers	30,000	30,000	(53,076)	(83,076)
Civil Defense Grants (F.E.M.A.)	-	-	-	-
Narcotics enforcement revenue	40,000	40,000	94,171	54,171
Police training	5,000	5,000	-	(5,000)
eShare revenue	-	-	7,408	7,408
Police DUI reimbursement	15,000	15,000	543	(14,457)
You Streets Grant	-	-	65,030	65,030
COVID-19 Mass Vaccination Grant	-	-	138,149	138,149
ARPA	-	-	-	-
Cook County WNV Grant	14,270	14,270	-	(14,270)
Total intergovernmental - revenue from other agencies	<u>23,583,184</u>	<u>23,583,184</u>	<u>27,779,639</u>	<u>4,196,455</u>

(This schedule is continued on the following pages.)

CITY OF EVANSTON, ILLINOIS
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES (Continued)				
Charges for services				
Recreation				
Recreation - program	\$ 5,371,375	\$ 5,371,375	\$ 7,111,501	\$ 1,740,126
Recreation - other	-	-	6,416	6,416
Recreation - charges	3,000	3,000	-	(3,000)
Recreation - special events	12,500	12,500	26,831	14,331
	<u>5,386,875</u>	<u>5,386,875</u>	<u>7,144,748</u>	<u>1,757,873</u>
Total recreation				
Other charges for services				
Health clinic fees - food establishment	230,000	230,000	209,040	(20,960)
Homeless health clinic	-	-	-	-
Sanitation classes	-	-	500	500
Infrastructure maintenance fees	-	-	-	-
Temporary license fee	11,000	11,000	2,997	(8,003)
Food delivery vehicle	6,500	6,500	2,800	(3,700)
Beverage snack vending machine	44,000	44,000	45,889	1,889
Tobacco license	17,000	17,000	14,000	(3,000)
Beekeeper license	300	300	300	-
Funeral director license	6,000	6,000	-	(6,000)
Temp funeral director licenses	-	-	-	-
Birth/death certificates	80,000	80,000	122,948	42,948
Wood recycling	-	-	2,970	2,970
Parking enforcement reimbursement	-	-	-	-
Property clean up	-	-	-	-
Senior Taxi coupon sales	85,000	85,000	59,322	(25,678)
Fire cost recovery charge	-	-	-	-
Historic preservation	30,000	30,000	4,630	(25,370)
Tree preservation revenue	5,000	5,000	35,051	30,051
Ambulance service	4,100,000	4,100,000	4,994,318	894,318
Police CTA detail	357,000	357,000	271,805	(85,195)
Police report fees	25,000	25,000	23,696	(1,304)
Officer and gentlemen	-	-	1,000	1,000
Zoning fees	50,000	50,000	31,900	(18,100)
Fire building inspections	-	-	-	-
Fire report fee	-	-	-	-
Aging Well conference	2,000	2,000	-	(2,000)
Alarm panel subscription fees	-	-	-	-
Background check daycare providers	400	400	-	(400)
New pavement degradation	80,000	80,000	41,511	(38,489)
I Heart Evanston Trees project	-	-	17	17
Plan review	5,000	5,000	-	(5,000)
	<u>5,134,200</u>	<u>5,134,200</u>	<u>5,864,694</u>	<u>730,494</u>
Total other service charges				
Total charges for services	<u>10,521,075</u>	<u>10,521,075</u>	<u>13,009,442</u>	<u>2,488,367</u>
Fines				
Ticket fines - parking	3,000,000	3,000,000	3,868,180	868,180
Regular fines	115,000	115,000	130,916	15,916
Animal ordinance penalties	7,500	7,500	-	(7,500)
Boot release fee	50,000	50,000	52,049	2,049
Fire false alarm fines	-	-	-	-

(This schedule is continued on the following page.)

CITY OF EVANSTON, ILLINOIS
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Fiscal Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES (Continued)				
Fines (Continued)				
Housing code violation fines	\$ -	\$ -	\$ 500	\$ 500
Health code violation fees	3,000	3,000	-	(3,000)
LEP program penalties	-	-	14,732	14,732
Administrative adjudication fee	80,000	80,000	28,540	(51,460)
Total fines	3,255,500	3,255,500	4,094,917	839,417
Investment income	55,000	55,000	2,384,515	2,329,515
Other revenues				
Police equipment reimbursement	20,000	20,000	5,015	(14,985)
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	-	(6,000)
Property sales and rentals	51,100	51,100	163,483	112,383
Donation	23,900	23,900	28,331	4,431
Miscellaneous revenue	522,100	522,100	889,164	367,064
Sale of other assets	1,500	1,500	1,478	(22)
Reimbursements - serve and protect	32,000	32,000	11,024	(20,976)
Reimbursements - salt use	32,000	32,000	35,336	3,336
Reimbursements - fire department	-	-	-	-
Reimbursements - police	540,000	540,000	570,531	30,531
Community relief program	-	-	-	-
Payment in lieu of taxes	85,000	85,000	60,000	(25,000)
Fund balance applied	10,085,454	10,085,454	-	(10,085,454)
Chargeback revenue	300,000	300,000	341,898	41,898
Insurance proceeds	-	-	2,451	2,451
Private Elm Trees Insurance	20,000	20,000	30,390	10,390
Citizens CPR class fees	-	-	10,160	10,160
Surface lot permits	-	-	-	-
Telecommunication maintenance fee	-	-	37,658	37,658
Commercial drive permits	-	-	-	-
Parking permits - Ryan Field	15,000	15,000	-	(15,000)
Right-to-use lease amortization	-	-	26,793	26,793
Total other revenues	11,749,054	11,749,054	2,213,712	(9,535,342)
TOTAL REVENUES	\$ 122,934,665	\$ 122,934,665	\$ 130,379,878	\$ 7,445,213

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance Over (Under)
EXPENDITURES				
General management and support				
City Council	\$ 658,324	\$ 658,324	\$ 627,836	\$ (30,488)
City Manager and Budget Management	7,336,325	13,011,364	7,213,026	(5,798,338)
City Clerk	360,108	360,108	421,653	61,545
Law Department	988,558	988,558	1,040,936	52,378
Administrative services	12,337,670	12,778,569	13,305,481	526,912
Total general management and support	21,680,985	27,796,923	22,608,932	(5,187,991)
Public safety				
Police	54,303,533	54,303,533	57,764,709	3,461,176
Fire	18,689,985	18,927,380	21,238,888	2,311,508
Total public safety	72,993,518	73,230,913	79,003,597	5,772,684
Public works				
Public Works Director	3,500,846	3,500,846	3,585,597	84,751
Municipal Service Center	2,071,307	2,071,307	2,242,386	171,079
City Engineer	385,457	385,457	478,200	92,743
Traffic Engineer	4,111,935	4,111,935	4,088,348	(23,587)
Streets	3,505,130	3,505,130	3,380,854	(124,276)
Sanitation	133,956	133,956	132,947	(1,009)
Total public works	13,708,631	13,708,631	13,908,332	199,701
Health and Human Services Development				
COVID contact tracing	-	-	172,113	172,113
Health and Human Services Director	164,842	164,842	137,263	(27,579)
Health Department	1,248,156	1,248,156	1,397,528	149,372
Mental health and community purchased services	-	-	6,036	6,036
Human relations	4,451,258	4,451,258	4,248,557	(202,701)
Total Health and Human Services Development	5,864,256	5,864,256	5,961,497	97,241
Recreation and cultural opportunities				
Recreation	11,207,520	11,207,520	11,724,431	516,911
Ecology Center	778,336	778,336	681,113	(97,223)
Cultural Arts	590,456	590,456	577,180	(13,276)
Total recreation and cultural opportunities	12,576,312	12,576,312	12,982,724	406,412
Housing and Economic Development				
Community development administration	1,099,268	1,099,268	356,432	(742,836)
Planning and zoning	961,876	961,876	1,006,315	44,439
Housing rehabilitation and property standards	727,322	727,322	680,322	(47,000)
Building code compliance	1,394,955	1,394,955	1,424,051	29,096
Total housing and economic development	4,183,421	4,183,421	3,467,120	(716,301)
Debt Service				
Interest	-	-	39,005	39,005
Total debt service	-	-	39,005	39,005
TOTAL EXPENDITURES	\$ 131,007,123	\$ 137,360,456	\$ 137,971,207	\$ 610,751

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 4,592,500	\$ 335,849	\$ (4,256,651)
Contributions	335,000	-	(335,000)
Fees	-	32,748	32,748
Charges for services	-	82,036	82,036
Investment income	-	309,352	309,352
	<hr/>	<hr/>	<hr/>
Total revenues	4,927,500	759,985	(4,167,515)
EXPENDITURES			
General management and support	-	62	62
Public works	10,130,000	8,176,789	(1,953,211)
Public safety	-	1,563	1,563
Capital outlay	5,362,500	5,986,100	623,600
	<hr/>	<hr/>	<hr/>
Total expenditures	15,492,500	14,164,514	(1,327,986)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	<hr/>	<hr/>	<hr/>
	(10,565,000)	(13,404,529)	(2,839,529)
OTHER FINANCING SOURCES (USES)			
Transfers in	85,000	3,264,226	3,179,226
Issuance of bonds	17,015,000	-	(17,015,000)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	17,100,000	3,264,226	(13,835,774)
NET CHANGE IN FUND BALANCE			
	<hr/>	<hr/>	<hr/>
	\$ 6,535,000	(10,140,303)	\$ (16,675,303)
FUND BALANCE, JANUARY 1			
		<hr/>	
		1,966,892	
FUND BALANCES (DEFICIT), DECEMBER 31			
		<hr/>	
		\$ (8,173,411)	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes			
Property taxes			
Current year levy, net	\$ 12,878,258	\$ 13,454,095	\$ 575,837
Investment income	10,000	369,711	359,711
	<hr/>	<hr/>	<hr/>
Total revenues	12,888,258	13,823,806	935,548
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
General management and support	100	35	(65)
Debt service			
Principal	9,971,562	9,971,562	-
Interest	5,825,561	5,225,660	(599,901)
Fiscal agent fees	6,500	6,300	(200)
	<hr/>	<hr/>	<hr/>
Total expenditures	15,803,723	15,203,557	(600,166)
	<hr/>	<hr/>	<hr/>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,915,465)	(1,379,751)	1,535,714
	<hr/>	<hr/>	<hr/>
OTHER FINANCING SOURCES (USES)			
Transfers in	2,918,969	2,318,976	(599,993)
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	2,918,969	2,318,976	(599,993)
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	\$ 3,504	939,225	\$ 935,721
	<hr/>	<hr/>	<hr/>
FUND BALANCE, JANUARY 1		1,965,810	
		<hr/>	
FUND BALANCE, DECEMBER 31		\$ 2,905,035	
		<hr/>	

(See independent auditor's report.)

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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

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.

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

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

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.

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

NONMAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS

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

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

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

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

CITY OF EVANSTON, ILLINOIS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2023

	Special Revenue				
	Motor Fuel Tax	Emergency Telephone System	Neighborhood Improvement	Affordable Housing	HOME
ASSETS					
Cash and equivalents	\$ 2,460,075	\$ 1,123,008	\$ 22,872	\$ 2,983,598	\$ -
Investments	3,657,918	-	-	-	-
Receivables					
Property tax	-	-	-	-	-
Loans	-	-	-	2,526,693	5,281,264
Special assessments	-	-	-	-	-
Leases	-	-	-	-	-
Accrued interest	-	-	-	-	-
Due from other governments	304,867	361,300	-	-	21,142
Due from other funds	-	100,515	13	44,006	-
TOTAL ASSETS	\$ 6,422,860	\$ 1,584,823	\$ 22,885	\$ 5,554,297	\$ 5,302,406
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Vouchers payable	\$ 138,656	\$ 24,049	\$ -	\$ 101,911	\$ 7,905
Interest payable	-	-	-	-	-
Due to other governments	-	-	-	155,067	-
Due to other funds	-	-	-	-	5,382
Total liabilities	138,656	24,049	-	256,978	13,287
DEFERRED INFLOWS OF RESOURCES					
Long-term notes receivable	-	-	-	2,526,693	5,281,264
Unavailable revenue - property taxes	-	-	-	-	-
Leases	-	-	-	-	-
Total deferred inflows of resources	-	-	-	2,526,693	5,281,264
Total liabilities and deferred inflows of resources	138,656	24,049	-	2,783,671	5,294,551
FUND BALANCES					
Restricted for					
Highway maintenance	6,284,204	-	-	-	-
Emergency telephone system	-	1,560,774	-	-	-
HUD approved projects	-	-	-	-	7,855
Neighborhood improvements	-	-	22,885	2,770,626	-
Reparations	-	-	-	-	-
Sustainability	-	-	-	-	-
Debt service	-	-	-	-	-
General assistance	-	-	-	-	-
Capital improvements	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances (deficit)	6,284,204	1,560,774	22,885	2,770,626	7,855
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 6,422,860	\$ 1,584,823	\$ 22,885	\$ 5,554,297	\$ 5,302,406

Special Revenue								
Community Development Block Grant	Community Development Loan	Special Service District No. 9	Reparations	Sustainability	Good Neighbor	General Assistance	Total Special Revenue	
\$ -	\$ 402,485	\$ 337,443	\$ 1,303,605	\$ 828,976	\$ 188,325	\$ 1,281,268	\$ 10,931,655	
-	-	-	-	-	-	-	3,657,918	
-	-	592,967	-	-	-	1,069,552	1,662,519	
-	1,662,815	-	-	-	-	-	9,470,772	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
441,460	-	-	-	-	-	-	1,128,769	
-	83,510	-	425,000	26,743	-	-	679,787	
<u>\$ 441,460</u>	<u>\$ 2,148,810</u>	<u>\$ 930,410</u>	<u>\$ 1,728,605</u>	<u>\$ 855,719</u>	<u>\$ 188,325</u>	<u>\$ 2,350,820</u>	<u>\$ 27,531,420</u>	
\$ 25,834	\$ 71,588	\$ 324,493	\$ 174,406	\$ 68,419	\$ -	\$ 263	\$ 937,524	
-	-	-	-	-	-	-	-	
-	23,443	-	-	-	-	-	178,510	
356,303	-	-	124	-	-	5,713	367,522	
<u>382,137</u>	<u>95,031</u>	<u>324,493</u>	<u>174,530</u>	<u>68,419</u>	<u>-</u>	<u>5,976</u>	<u>1,483,556</u>	
-	1,662,815	-	-	-	-	-	9,470,772	
-	-	592,665	-	-	-	1,050,000	1,642,665	
-	-	-	-	-	-	-	-	
-	1,662,815	592,665	-	-	-	1,050,000	11,113,437	
<u>382,137</u>	<u>1,757,846</u>	<u>917,158</u>	<u>174,530</u>	<u>68,419</u>	<u>-</u>	<u>1,055,976</u>	<u>12,596,993</u>	
-	-	-	-	-	-	-	6,284,204	
-	-	-	-	-	-	-	1,560,774	
59,323	390,964	-	-	-	-	-	458,142	
-	-	13,252	-	-	-	-	2,806,763	
-	-	-	1,554,075	-	-	-	1,554,075	
-	-	-	-	787,300	-	-	787,300	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	1,294,844	1,294,844	
-	-	-	-	-	188,325	-	188,325	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
<u>59,323</u>	<u>390,964</u>	<u>13,252</u>	<u>1,554,075</u>	<u>787,300</u>	<u>188,325</u>	<u>1,294,844</u>	<u>14,934,427</u>	
<u>\$ 441,460</u>	<u>\$ 2,148,810</u>	<u>\$ 930,410</u>	<u>\$ 1,728,605</u>	<u>\$ 855,719</u>	<u>\$ 188,325</u>	<u>\$ 2,350,820</u>	<u>\$ 27,531,420</u>	

(This schedule is continued on the following pages.)

CITY OF EVANSTON, ILLINOIS
 COMBINING BALANCE SHEET (Continued)
 NONMAJOR GOVERNMENTAL FUNDS

December 31, 2023

	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	\$ 2,294,592	\$ 327,348	\$ 78,192	\$ 35,644	\$ 650,191
Investments	-	-	-	-	-
Receivables					
Property tax	-	237,994	158,055	60,835	-
Loans	-	-	-	-	-
Special assessments	-	-	-	-	-
Leases	-	-	-	-	-
Accrued interest	-	-	-	-	-
Due from other governments	-	-	-	-	-
Due from other funds	-	-	-	-	-
TOTAL ASSETS	\$ 2,294,592	\$ 565,342	\$ 236,247	\$ 96,479	\$ 650,191
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Vouchers payable	\$ 36,346	\$ 311,116	\$ 67,111	\$ 29,127	\$ 1,933
Interest payable	-	-	-	-	-
Due to other governments	-	-	-	-	-
Due to other funds	2,036,200	-	-	-	-
Total liabilities	2,072,546	311,116	67,111	29,127	1,933
DEFERRED INFLOWS OF RESOURCES					
Long-term notes receivable	-	-	-	-	-
Unavailable revenue - property taxes	-	220,000	154,800	60,200	-
Leases	-	-	-	-	-
Total deferred inflows of resources	-	220,000	154,800	60,200	-
Total liabilities and deferred inflows of resources	2,072,546	531,116	221,911	89,327	1,933
FUND BALANCES					
Restricted for					
Highway maintenance	-	-	-	-	-
Emergency telephone system	-	-	-	-	-
HUD approved projects	-	-	-	-	-
Neighborhood improvements	-	34,226	14,336	7,152	-
Reparations	-	-	-	-	-
Sustainability	-	-	-	-	-
Debt service	222,046	-	-	-	648,258
General assistance	-	-	-	-	-
Capital improvements	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances (deficit)	222,046	34,226	14,336	7,152	648,258
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 2,294,592	\$ 565,342	\$ 236,247	\$ 96,479	\$ 650,191

Debt Service			Capital Projects				Total Nonmajor Governmental Funds	
Howard Ridge Tax Increment District	West Evanston Tax Increment District	Five-Fifths Tax Increment District	Total Debt Service	Crown Construction	Crown Maintenance	Special Assessment		Total Capital Projects
\$ 1,876,101	\$ 3,410,785	\$ -	\$ 8,672,853	\$ 2,286,184	\$ 665,041	\$ 813,562	\$ 3,764,787	\$ 23,369,295
-	-	-	-	2,541,230	-	-	2,541,230	6,199,148
8,380	40,349	33,561	539,174	-	-	-	-	2,201,693
-	-	-	-	-	-	-	-	9,470,772
-	-	-	-	-	-	835,099	835,099	835,099
354,880	-	-	354,880	-	-	-	-	354,880
205	-	-	205	-	-	-	-	205
-	-	-	-	-	-	-	-	1,128,769
-	-	-	-	-	-	28,167	28,167	707,954
<u>\$ 2,239,566</u>	<u>\$ 3,451,134</u>	<u>\$ 33,561</u>	<u>\$ 9,567,112</u>	<u>\$ 4,827,414</u>	<u>\$ 665,041</u>	<u>\$ 1,676,828</u>	<u>\$ 7,169,283</u>	<u>\$ 44,267,815</u>
\$ 61,811	\$ 1,213,185	\$ 133,140	\$ 1,853,769	\$ 11,308	\$ -	\$ 278,671	\$ 289,979	\$ 3,081,272
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	178,510
-	20,915	37,810	2,094,925	12,000	-	-	12,000	2,474,447
<u>61,811</u>	<u>1,234,100</u>	<u>170,950</u>	<u>3,948,694</u>	<u>23,308</u>	<u>-</u>	<u>278,671</u>	<u>301,979</u>	<u>5,734,229</u>
-	-	-	-	-	-	835,099	835,099	10,305,871
-	-	-	435,000	-	-	-	-	2,077,665
340,918	-	-	340,918	-	-	-	-	340,918
<u>340,918</u>	<u>-</u>	<u>-</u>	<u>775,918</u>	<u>-</u>	<u>-</u>	<u>835,099</u>	<u>835,099</u>	<u>12,724,454</u>
<u>402,729</u>	<u>1,234,100</u>	<u>170,950</u>	<u>4,724,612</u>	<u>23,308</u>	<u>-</u>	<u>1,113,770</u>	<u>1,137,078</u>	<u>18,458,683</u>
-	-	-	-	-	-	-	-	6,284,204
-	-	-	-	-	-	-	-	1,560,774
-	-	-	-	-	-	-	-	458,142
-	-	-	55,714	-	-	563,058	563,058	3,425,535
-	-	-	-	-	-	-	-	1,554,075
-	-	-	-	-	-	-	-	787,300
1,836,837	2,217,034	-	4,924,175	-	-	-	-	4,924,175
-	-	-	-	-	-	-	-	1,294,844
-	-	-	-	-	-	-	-	188,325
-	-	-	-	4,804,106	665,041	-	5,469,147	5,469,147
-	-	(137,389)	(137,389)	-	-	-	-	(137,389)
<u>1,836,837</u>	<u>2,217,034</u>	<u>(137,389)</u>	<u>4,842,500</u>	<u>4,804,106</u>	<u>665,041</u>	<u>563,058</u>	<u>6,032,205</u>	<u>25,809,132</u>
<u>\$ 2,239,566</u>	<u>\$ 3,451,134</u>	<u>\$ 33,561</u>	<u>\$ 9,567,112</u>	<u>\$ 4,827,414</u>	<u>\$ 665,041</u>	<u>\$ 1,676,828</u>	<u>\$ 7,169,283</u>	<u>\$ 44,267,815</u>

(See independent auditor's report.)

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

For the Year Ended December 31, 2023

	Special Revenue				
	Motor Fuel Tax	Emergency Telephone System	Neighborhood Improvement	Affordable Housing	HOME
REVENUES					
Taxes	\$ -	\$ 1,714,128	\$ -	\$ 36,380	\$ -
Special assessments	-	-	-	-	-
Intergovernmental	3,371,349	-	-	154,765	79,294
Fees	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment income	286,401	26,676	590	135,022	641
Miscellaneous					
Contributions	-	-	-	325,000	-
Other	-	-	-	4,583	25,227
Total revenues	3,657,750	1,740,804	590	655,750	105,162
EXPENDITURES					
Current					
General management and support	-	-	-	-	-
Public safety	-	1,574,398	-	-	-
Public works	2,831,512	-	-	-	-
Housing and economic development	-	-	-	487,487	104,159
Capital outlay	-	-	-	-	-
Debt service					
Interest and fiscal charges	-	-	-	-	-
Total expenditures	2,831,512	1,574,398	-	487,487	104,159
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	826,238	166,406	590	168,263	1,003
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers (out)	-	(90,000)	-	-	-
Total other financing sources (uses)	-	(90,000)	-	-	-
NET CHANGE IN FUND BALANCES	826,238	76,406	590	168,263	1,003
FUND BALANCES (DEFICIT), JANUARY 1	5,457,966	1,484,368	22,295	2,602,363	6,852
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 6,284,204	\$ 1,560,774	\$ 22,885	\$ 2,770,626	\$ 7,855

Special Revenue								
Community Development Block Grant	Community Development Loan	Special Service District No. 9	Reparations	Sustainability	Good Neighbor	General Assistance	Total Special Revenue	
\$ -	\$ -	\$ 642,483	\$ 3,000,000	\$ -	\$ -	\$ 1,342,956	\$ 6,735,947	
-	-	-	-	-	-	-	-	
2,016,980	-	-	100,000	-	-	-	5,722,388	
-	-	-	-	480,754	-	-	480,754	
-	-	-	-	-	-	-	-	
3,484	-	4,521	32,131	13,131	12,799	56,679	572,075	
-	-	-	9,813	-	-	-	334,813	
-	163,577	-	-	276,566	-	-	469,953	
2,020,464	163,577	647,004	3,141,944	770,451	12,799	1,399,635	14,315,930	
-	-	-	2,261,405	567,747	482,887	1,091,177	4,403,216	
-	-	-	-	-	-	-	1,574,398	
-	-	-	-	-	-	-	2,831,512	
2,020,464	151,862	640,515	-	-	-	-	3,404,487	
-	-	-	-	-	75,000	-	75,000	
-	-	-	-	-	-	-	-	
2,020,464	151,862	640,515	2,261,405	567,747	557,887	1,091,177	12,288,613	
-	11,715	6,489	880,539	202,704	(545,088)	308,458	2,027,317	
-	-	206,750	425,000	200,004	-	-	831,754	
-	-	-	-	-	-	-	(90,000)	
-	-	206,750	425,000	200,004	-	-	741,754	
-	11,715	213,239	1,305,539	402,708	(545,088)	308,458	2,769,071	
59,323	379,249	(199,987)	248,536	384,592	733,413	986,386	12,165,356	
\$ 59,323	\$ 390,964	\$ 13,252	\$ 1,554,075	\$ 787,300	\$ 188,325	\$ 1,294,844	\$ 14,934,427	

(This schedule is continued on the following pages.)

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

For the Year Ended December 31, 2023

	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	\$ 1,161,052	\$ 221,784	\$ 144,281	\$ 62,448	\$ 442,730
Special assessments	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Fees	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment income	89,344	14,646	1,842	807	17,939
Miscellaneous	-	-	-	-	-
Contributions	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	1,250,396	236,430	146,123	63,255	460,669
EXPENDITURES					
Current					
General management and support	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Housing and economic development	2,450,672	206,759	144,223	60,632	10,943
Capital outlay	-	-	-	-	-
Debt service	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total expenditures	2,450,672	206,759	144,223	60,632	10,943
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,200,276)	29,671	1,900	2,623	449,726
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers (out)	(271,356)	-	-	-	(174,480)
Total other financing sources (uses)	(271,356)	-	-	-	(174,480)
NET CHANGE IN FUND BALANCES	(1,471,632)	29,671	1,900	2,623	275,246
FUND BALANCES (DEFICIT), JANUARY 1	1,693,678	4,555	12,436	4,529	373,012
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 222,046	\$ 34,226	\$ 14,336	\$ 7,152	\$ 648,258

Debt Service			Capital Projects				Total Nonmajor Governmental Funds	
Howard Ridge Tax Increment District	West Evanston Tax Increment District	Five-Fifths Tax Increment District	Total Debt Service	Crown Construction	Crown Maintenance	Special Assessment		Total Capital Projects
\$ 1,146,362	\$ 1,919,815	\$ 919,482	\$ 6,017,954	\$ -	\$ -	\$ -	\$ -	\$ 12,753,901
-	-	-	-	-	-	186,037	186,037	186,037
-	-	-	-	-	-	-	-	5,722,388
-	-	-	-	-	-	-	-	480,754
-	-	-	-	-	-	-	-	-
95,621	115,922	-	336,121	261,785	-	71,192	332,977	1,241,173
-	-	-	-	250,000	-	-	250,000	584,813
43,639	-	-	43,639	-	-	-	-	513,592
1,285,622	2,035,737	919,482	6,397,714	511,785	-	257,229	769,014	21,482,658
-	-	-	-	-	-	60	60	4,403,276
-	-	-	-	-	-	-	-	1,574,398
-	-	-	-	60	-	-	60	2,831,572
1,157,963	2,207,700	920,970	7,159,862	-	-	-	-	10,564,349
-	-	-	-	67,950	-	681,611	749,561	824,561
-	-	-	-	-	-	-	-	-
1,157,963	2,207,700	920,970	7,159,862	68,010	-	681,671	749,681	20,198,156
127,659	(171,963)	(1,488)	(762,148)	443,775	-	(424,442)	19,333	1,284,502
-	-	-	-	-	174,996	-	174,996	1,006,750
(395,916)	(75,000)	-	(916,752)	(945,000)	-	(455,352)	(1,400,352)	(2,407,104)
(395,916)	(75,000)	-	(916,752)	(945,000)	174,996	(455,352)	(1,225,356)	(1,400,354)
(268,257)	(246,963)	(1,488)	(1,678,900)	(501,225)	174,996	(879,794)	(1,206,023)	(115,852)
2,105,094	2,463,997	(135,901)	6,521,400	5,305,331	490,045	1,442,852	7,238,228	25,924,984
\$ 1,836,837	\$ 2,217,034	\$ (137,389)	\$ 4,842,500	\$ 4,804,106	\$ 665,041	\$ 563,058	\$ 6,032,205	\$ 25,809,132

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental allotments	\$ 2,700,000	\$ 3,371,349	\$ 671,349
Investment income	12,000	286,401	274,401
	<hr/>	<hr/>	<hr/>
Total revenues	2,712,000	3,657,750	945,750
	<hr/>	<hr/>	<hr/>
EXPENDITURES			
Public works	3,641,600	2,831,512	(810,088)
	<hr/>	<hr/>	<hr/>
Total expenditures	3,641,600	2,831,512	(810,088)
	<hr/>	<hr/>	<hr/>
NET CHANGE IN FUND BALANCE	<u>\$ (929,600)</u>	826,238	<u>\$ 1,755,838</u>
FUND BALANCE, JANUARY 1		<hr/>	
FUND BALANCE, DECEMBER 31		<u>\$ 6,284,204</u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes and special assessments	\$ 1,400,000	\$ 1,714,128	\$ 314,128
Investment income	7,000	26,676	19,676
Total revenues	1,407,000	1,740,804	333,804
EXPENDITURES			
Public safety	1,582,200	1,574,398	(7,802)
Debt service			
Interest and fiscal charges	-	-	-
Total expenditures	1,582,200	1,574,398	(7,802)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(175,200)	166,406	341,606
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(90,000)	(90,000)	-
NET CHANGE IN FUND BALANCE	\$ (265,200)	76,406	\$ 341,606
FUND BALANCE, JANUARY 1		1,484,368	
FUND BALANCE, DECEMBER 31		\$ 1,560,774	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Affordable housing demo tax	\$ 50,000	\$ 50,000	\$ 36,380	\$ (13,620)
Intergovernmental	145,000	145,000	154,765	9,765
Developer contributions	125,000	125,000	325,000	200,000
Investment income	4,500	4,500	135,022	130,522
Miscellaneous	5,600	5,600	4,583	(1,017)
Total revenues	<u>330,100</u>	<u>330,100</u>	<u>655,750</u>	<u>325,650</u>
EXPENDITURES				
Housing and economic development	<u>1,926,626</u>	<u>926,626</u>	<u>487,487</u>	<u>(439,139)</u>
Total expenditures	<u>1,926,626</u>	<u>926,626</u>	<u>487,487</u>	<u>(439,139)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,596,526)</u>	<u>\$ (596,526)</u>	168,263	<u>\$ 764,789</u>
FUND BALANCE, JANUARY 1			<u>2,602,363</u>	
FUND BALANCE, DECEMBER 31			<u><u>\$ 2,770,626</u></u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance
REVENUES			
Intergovernmental allotments	\$ 650,000	\$ 79,294	\$ (570,706)
Investment income	150	641	491
Miscellaneous	25,000	25,227	227
	<hr/>		
Total revenues	675,150	105,162	(569,988)
	<hr/>		
EXPENDITURES			
Housing and economic development	654,838	104,159	(550,679)
	<hr/>		
Total expenditures	654,838	104,159	(550,679)
	<hr/>		
NET CHANGE IN FUND BALANCE	\$ 20,312	1,003	\$ (19,309)
	<hr/>		
FUND BALANCE, JANUARY 1		6,852	
		<hr/>	
FUND BALANCE, DECEMBER 31		\$ 7,855	
		<hr/>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance
REVENUES			
Intergovernmental allotments			
Grant from U.S. Department of Housing and Urban Development	\$ 3,629,000	\$ 2,016,980	\$ (1,612,020)
Investment income	-	3,484	3,484
	<hr/>	<hr/>	<hr/>
Total revenues	3,629,000	2,020,464	(1,608,536)
EXPENDITURES			
Housing and economic development	3,661,035	2,020,464	(1,640,571)
	<hr/>	<hr/>	<hr/>
Total expenditures	3,661,035	2,020,464	(1,640,571)
NET CHANGE IN FUND BALANCE	<u>\$ (32,035)</u>	-	<u>\$ 32,035</u>
FUND BALANCE, JANUARY 1		<u>59,323</u>	
FUND BALANCE, DECEMBER 31		<u><u>\$ 59,323</u></u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance
Administration/Planning			
CDBG administration	\$ 3,530,058	\$ 358,194	\$ (3,171,864)
Total administration/planning	<u>3,530,058</u>	<u>358,194</u>	<u>(3,171,864)</u>
Housing			
Rehab construction administration	55,977	77,753	21,776
Targeted housing code enforcement	-	326,619	326,619
Total housing	<u>55,977</u>	<u>404,372</u>	<u>348,395</u>
Neighborhood Revitalization			
Alley paving program	-	433,234	433,234
Curbs/sidewalk replacement	-	222,500	222,500
Twiggs park	-	75,258	75,258
Special assessments - alley	-	6,847	6,847
Total neighborhood revitalization	<u>-</u>	<u>737,839</u>	<u>737,839</u>
Public Services			
Interfaith Action Council	-	40,000	40,000
Connection for Homeless	-	211,263	211,263
Summer youth employment	-	9,679	9,679
Childcare Network Evanston	-	-	-
James Moran Center	-	60,000	60,000
YWCA Domestic Violence	-	17,500	17,500
Interfaith Housing Program - Homeshare	-	20,000	20,000
Family Focus	-	26,617	26,617
Books and Breakfast	-	20,000	20,000
Connections for Homeless	-	100,000	100,000
Direct financial assistance to businesses	75,000	15,000	(60,000)
Total public services	<u>75,000</u>	<u>520,059</u>	<u>445,059</u>
TOTAL EXPENDITURES	<u><u>\$ 3,661,035</u></u>	<u><u>\$ 2,020,464</u></u>	<u><u>\$ (1,640,571)</u></u>

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance
REVENUES			
Miscellaneous	\$ 100,000	\$ 163,577	\$ 63,577
Total revenues	<u>100,000</u>	<u>163,577</u>	<u>63,577</u>
EXPENDITURES			
Housing and economic development	<u>325,000</u>	<u>151,862</u>	<u>(173,138)</u>
Total expenditures	<u>325,000</u>	<u>151,862</u>	<u>(173,138)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (225,000)</u>	11,715	<u>\$ 236,715</u>
FUND BALANCE, JANUARY 1		<u>379,249</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 390,964</u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original Budget	Final Budget	Actual	Variance
REVENUES				
Property taxes				
Current year	\$ 595,000	\$ 595,000	\$ 642,483	\$ 47,483
Investment income	-	-	4,521	4,521
Total revenues	595,000	595,000	647,004	52,004
EXPENDITURES				
Housing and economic development	575,000	640,515	640,515	-
Total expenditures	575,000	640,515	640,515	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	20,000	(45,515)	6,489	52,004
OTHER FINANCING SOURCES (USES)				
Transfers in	206,750	206,750	206,750	-
Total other financing sources (uses)	206,750	206,750	206,750	-
NET CHANGE IN FUND BALANCE	\$ 226,750	\$ 161,235	213,239	\$ -
FUND BALANCE (DEFICIT), JANUARY 1			(199,987)	
FUND BALANCE, DECEMBER 31			\$ 13,252	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 3,400,000	\$ 3,000,000	\$ (400,000)
Intergovernmental	-	100,000	100,000
Miscellaneous			
Contributions	-	9,813	9,813
Investment income	-	32,131	32,131
	<hr/>	<hr/>	<hr/>
Total revenues	3,400,000	3,141,944	(258,056)
EXPENDITURES			
General management and support	3,400,000	2,261,405	(1,138,595)
	<hr/>	<hr/>	<hr/>
Total expenditures	3,400,000	2,261,405	(1,138,595)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	<hr/>	<hr/>	<hr/>
	-	880,539	880,539
OTHER FINANCING SOURCES (USES)			
Transfers in	-	425,000	425,000
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	-	425,000	425,000
NET CHANGE IN FUND BALANCE			
	<hr/>	<hr/>	<hr/>
	\$ -	1,305,539	\$ 1,305,539
FUND BALANCE, JANUARY 1			
		<hr/>	
		248,536	
FUND BALANCE, DECEMBER 31			
		<hr/>	
		\$ 1,554,075	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance
REVENUES			
Fees	\$ 500,000	\$ 480,754	\$ (19,246)
Investment income	-	13,131	13,131
Miscellaneous	500,000	276,566	(223,434)
	<hr/>	<hr/>	<hr/>
Total revenues	1,000,000	770,451	(229,549)
EXPENDITURES			
General management and support	802,893	567,747	(235,146)
	<hr/>	<hr/>	<hr/>
Total expenditures	802,893	567,747	(235,146)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES			
	<hr/>	<hr/>	<hr/>
	197,107	202,704	5,597
OTHER FINANCING SOURCES (USES)			
Transfers in	200,000	200,004	4
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	200,000	200,004	4
NET CHANGE IN FUND BALANCE			
	<hr/>	<hr/>	<hr/>
	\$ 397,107	402,708	\$ 5,601
FUND BALANCE, JANUARY 1			
		<hr/>	
		384,592	
FUND BALANCE, DECEMBER 31			
		<hr/>	
		\$ 787,300	

(See independent auditor's report.)

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

For the Year Ended December 31, 2023

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Investment income	\$ -	\$ -	\$ 12,799	\$ 12,799
Total revenues	-	-	12,799	12,799
EXPENDITURES				
General management and support	-	472,887	482,887	10,000
Capital outlay	-	-	75,000	75,000
Total expenditures	-	472,887	557,887	85,000
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	(472,887)	(545,088)	(72,201)
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(85,000)	(85,000)	-	85,000
Total other financing sources (uses)	(85,000)	(85,000)	-	85,000
NET CHANGE IN FUND BALANCE	<u>\$ (85,000)</u>	<u>\$ (557,887)</u>	(545,088)	<u>\$ 12,799</u>
FUND BALANCE, JANUARY 1			<u>733,413</u>	
FUND BALANCE, DECEMBER 31			<u>\$ 188,325</u>	

(See independent auditor's report.)

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CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance
REVENUES			
Property taxes	\$ 1,300,000	\$ 1,342,956	\$ 42,956
Investment income	1,000	56,679	55,679
Miscellaneous	27,500	-	(27,500)
	<hr/>		
Total revenues	1,328,500	1,399,635	71,135
	<hr/>		
EXPENDITURES			
General management and support	1,360,220	1,091,177	(269,043)
	<hr/>		
Total expenditures	1,360,220	1,091,177	(269,043)
	<hr/>		
NET CHANGE IN FUND BALANCE	\$ (31,720)	308,458	\$ 340,178
		<hr/>	
FUND BALANCE, JANUARY 1		986,386	
		<hr/>	
FUND BALANCE, DECEMBER 31		\$ 1,294,844	
		<hr/>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance
REVENUES			
Investment income	\$ 10,000	\$ 261,785	\$ 251,785
Miscellaneous			
Contributions	<u>1,000,000</u>	<u>250,000</u>	<u>(750,000)</u>
Total revenues	<u>1,010,000</u>	<u>511,785</u>	<u>(498,215)</u>
EXPENDITURES			
Public works	-	60	60
Capital outlay	<u>200,000</u>	<u>67,950</u>	<u>(132,050)</u>
Total expenditures	<u>200,000</u>	<u>68,010</u>	<u>(131,990)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>810,000</u>	<u>443,775</u>	<u>(366,225)</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(945,000)</u>	<u>(945,000)</u>	-
Total other financing sources (uses)	<u>(945,000)</u>	<u>(945,000)</u>	-
NET CHANGE IN FUND BALANCE	<u>\$ (135,000)</u>	<u>(501,225)</u>	<u>\$ (366,225)</u>
FUND BALANCE, JANUARY 1		<u>5,305,331</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 4,804,106</u>	

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance
REVENUES			
None	\$ -	\$ -	\$ -
Total revenues	-	-	-
EXPENDITURES			
Capital outlay	175,000	-	(175,000)
Total expenditures	175,000	-	(175,000)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(175,000)	-	175,000
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>\$ -</u>	174,996	<u>\$ 174,996</u>
FUND BALANCE, JANUARY 1		<u>490,045</u>	
FUND BALANCE, DECEMBER 31		<u><u>\$ 665,041</u></u>	

(See independent auditor's report.)

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CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance
REVENUES			
Special assessments	\$ 155,000	\$ 186,037	\$ 31,037
Investment income	-	71,192	71,192
Total revenues	<u>155,000</u>	<u>257,229</u>	<u>102,229</u>
EXPENDITURES			
Current			
General management and support	-	60	60
Capital outlay	681,671	681,611	(60)
Total expenditures	<u>681,671</u>	<u>681,671</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(526,671)</u>	<u>(424,442)</u>	<u>102,229</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(455,360)</u>	<u>(455,352)</u>	<u>8</u>
Total other financing sources (uses)	<u>(455,360)</u>	<u>(455,352)</u>	<u>8</u>
NET CHANGE IN FUND BALANCE	<u>\$ (982,031)</u>	<u>(879,794)</u>	<u>\$ 102,237</u>
FUND BALANCE, JANUARY 1		<u>1,442,852</u>	
FUND BALANCE, DECEMBER 31		<u><u>\$ 563,058</u></u>	

(See independent auditor's report.)

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

For the Year Ended December 31, 2023

	Chicago Main Tax Increment District			Special Service Area No. 6		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
REVENUES						
Taxes						
Property taxes	\$ 1,000,000	\$ 1,000,000	\$ 1,161,052	\$ 221,000	\$ 221,000	\$ 221,784
Investment income	-	-	89,344	250	250	14,646
Miscellaneous	-	-	-	-	-	-
Total revenues	1,000,000	1,000,000.00	1,250,396	221,250	221,250.00	236,430
EXPENDITURES						
Housing and economic development	2,724,000	2,724,000	2,450,672	220,000	220,000	206,759
Total expenditures	2,724,000	2,724,000	2,450,672	220,000	220,000	206,759
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,724,000)	(1,724,000)	(1,200,276)	1,250	1,250	29,671
OTHER FINANCING SOURCES (USES)						
Transfers in (out)						
General	(30,000)	(30,000)	(30,000)	-	-	-
Other	(241,355)	(241,355)	(241,356)	-	-	-
Total other financing sources (uses)	(271,355)	(271,355)	(271,356)	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ (1,995,355)</u>	<u>\$ (1,995,355)</u>	(1,471,632)	<u>\$ 1,250</u>	<u>\$ 1,250</u>	29,671
FUND BALANCE (DEFICIT), JANUARY 1			1,693,678			4,555
FUND BALANCE (DEFICIT), DECEMBER 31			<u>\$ 222,046</u>			<u>\$ 34,226</u>

Special Service Area No. 7			Special Service Area No. 8			Dempster-Dodge Tax Increment District		
Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
\$ 142,000	\$ 142,000	\$ 144,281	\$ 60,200	\$ 60,200	\$ 62,448	\$ 180,000	\$ 180,000	\$ 442,730
200	200	1,842	-	-	807	1,000	1,000	17,939
-	-	-	-	-	-	-	-	-
142,200	142,200.00	146,123	60,200	60,200.00	63,255	181,000	181,000.00	460,669
140,000	144,223	144,223	60,200	60,632	60,632	2,000	10,943	10,943
140,000	144,223	144,223	60,200	60,632	60,632	2,000	10,943	10,943
2,200	(2,023)	1,900	-	(432)	2,623	179,000	170,057	449,726
-	-	-	-	-	-	(10,000)	(10,000)	(9,996)
-	-	-	-	-	-	(164,483)	(164,483)	(164,484)
-	-	-	-	-	-	(174,483)	(174,483)	(174,480)
<u>\$ 2,200</u>	<u>\$ (2,023)</u>	1,900	<u>\$ -</u>	<u>\$ (432)</u>	2,623	<u>\$ 4,517</u>	<u>\$ (4,426)</u>	275,246
		<u>12,436</u>			<u>4,529</u>			<u>373,012</u>
		<u>\$ 14,336</u>			<u>\$ 7,152</u>			<u>\$ 648,258</u>

(This schedule is continued on the following pages.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Howard Ridge Tax Increment District			West Evanston Tax Increment District		
	Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
REVENUES						
Taxes						
Property taxes	\$ 1,100,000	\$ 1,100,000	\$ 1,146,362	\$ 1,450,000	\$ 1,450,000	\$ 1,919,815
Investment income	10,000	10,000	95,621	5,000	5,000	115,922
Miscellaneous	5,000	5,000	43,639	10,000	10,000	-
Total revenues	<u>1,115,000</u>	<u>1,115,000</u>	<u>1,285,622</u>	<u>1,465,000</u>	<u>1,465,000</u>	<u>2,035,737</u>
EXPENDITURES						
Housing and economic development	1,035,000	1,157,966	1,157,963	3,865,000	3,865,000	2,207,700
Total expenditures	<u>1,035,000</u>	<u>1,157,966</u>	<u>1,157,963</u>	<u>3,865,000</u>	<u>3,865,000</u>	<u>2,207,700</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>80,000</u>	<u>(42,966)</u>	<u>127,659</u>	<u>(2,400,000)</u>	<u>(2,400,000)</u>	<u>(171,963)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in (out)						
General	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
Other	(320,913)	(320,913)	(320,916)	-	-	-
Total other financing sources (uses)	<u>(395,913)</u>	<u>(395,913)</u>	<u>(395,916)</u>	<u>(75,000)</u>	<u>(75,000)</u>	<u>(75,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (315,913)</u>	<u>\$ (438,879)</u>	<u>(268,257)</u>	<u>\$ (2,475,000)</u>	<u>\$ (2,475,000)</u>	<u>(246,963)</u>
FUND BALANCE (DEFICIT), JANUARY 1			<u>2,105,094</u>			<u>2,463,997</u>
FUND BALANCE (DEFICIT), DECEMBER 31			<u><u>\$ 1,836,837</u></u>			<u><u>\$ 2,217,034</u></u>

Five Fifths Tax Increment District			Total		
Original Budget	Final Budget	Actual	Original Budget	Final Budget	Actual
\$ -	\$ -	\$ 919,482	\$ 4,153,200	\$ 4,153,200	\$ 6,017,954
-	-	-	16,450	16,450	336,121
-	-	-	15,000	15,000	43,639
-	-	919,482	4,184,650	4,184,650	6,397,714
100,000	920,970	920,970	8,146,200	9,103,734	7,159,862
100,000	920,970	920,970	8,146,200	9,103,734	7,159,862
(100,000)	(920,970)	(1,488)	(3,961,550)	(4,919,084)	(762,148)
-	-	-	(190,000)	(190,000)	(189,996)
-	-	-	(726,751)	(726,751)	(726,756)
-	-	-	(916,751)	(916,751)	(916,752)
<u>\$ (100,000)</u>	<u>\$ (920,970)</u>	(1,488)	<u>\$ (4,878,301)</u>	<u>\$ (5,835,835)</u>	(1,678,900)
		<u>(135,901)</u>			<u>6,521,400</u>
		<u>\$ (137,389)</u>			<u>\$ 4,842,500</u>

(See independent auditor's report.)

ENTERPRISE FUNDS

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

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual
OPERATING REVENUES		
Charges for services	\$ 24,092,234.00	\$ 22,853,411
Miscellaneous	540,650	826,241
	24,632,884	23,679,652
OPERATING EXPENSES EXCLUDING DEPRECIATION		
Administration	2,242,896	2,033,258
Operations		
Pumping	2,991,693	3,153,356
Filtration	3,464,368	2,902,666
Distribution	2,280,400	1,789,017
Meter maintenance	461,382	345,659
Administration	1,346,764	954,188
Other	15,272,382	1,366,202
	28,059,885	12,544,346
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(3,427,001)	11,135,306
Depreciation	-	3,560,735
OPERATING INCOME (LOSS)	(3,427,001)	7,574,571
NON-OPERATING REVENUES (EXPENSES)		
Investment income	70,000	387,878
Interest expense	(4,072,486)	(1,351,812)
Claims reimbursements	-	-
Gain (loss) on disposal of capital assets	-	(25,506)
Issuance of bonds	4,933,000	-
Issuance of loans	45,902,000	-
	46,832,514	(989,440)
INCOME BEFORE TRANSFERS AND CONTRIBUTIONS	43,405,513	6,585,131
TRANSFERS AND CONTRIBUTIONS		
Transfers in	-	137,792
Transfers (out)	(4,049,559)	(4,049,568)
Contributions	-	1,174,988
	(4,049,559)	(2,736,788)
NET INCOME	\$ 39,355,954	3,848,343
NET POSITION, JANUARY 1		86,141,550
NET POSITION, DECEMBER 31		\$ 89,989,893

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual
CHARGES FOR SERVICES, NET		
Water Sales		
Evanston	\$ 10,292,856	\$ 9,634,189
Skokie	4,028,342	3,495,675
Northwest Water Commission	6,373,899	6,825,485
Morton Grove Niles Water Commission	2,364,095	1,933,664
Lincolnwood	1,033,042	964,398
	<hr/>	<hr/>
Total charges for services	24,092,234	22,853,411
	<hr/>	<hr/>
MISCELLANEOUS		
Fees and outside work	85,000	194,363
Fees, merchandise, and other	455,650	631,878
	<hr/>	<hr/>
Total miscellaneous	540,650	826,241
	<hr/>	<hr/>
TOTAL OPERATING REVENUES	\$ 24,632,884	\$ 23,679,652
	<hr/> <hr/>	<hr/> <hr/>

(See independent auditor's report.)

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INTERNAL SERVICE FUNDS

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

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

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

CITY OF EVANSTON, ILLINOIS
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS

December 31, 2023

	Equipment Replacement	Fleet Services	Insurance	Total
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,092,697	\$ -	\$ 531,453	\$ 1,624,150
Inventories	-	1,744,318	-	1,744,318
Prepaid items	2,194,480	-	3,834,793	6,029,273
Due from other funds	211,129	46,051	2,698,403	2,955,583
Total current assets	3,498,306	1,790,369	7,064,649	12,353,324
CAPITAL ASSETS				
Capital assets being depreciated	27,929,501	617,552	-	28,547,053
Accumulated depreciation	(19,929,931)	(617,447)	-	(20,547,378)
Total capital assets	7,999,570	105	-	7,999,675
Total assets	11,497,876	1,790,474	7,064,649	20,352,999
DEFERRED OUTFLOWS OF RESOURCES				
OPEB items	-	19,678	-	19,678
Total deferred outflows of resources	-	19,678	-	19,678
Total assets and deferred outflows of resources	11,497,876	1,810,152	7,064,649	20,372,677
CURRENT LIABILITIES				
Vouchers payable	365,130	196,194	188,768	750,092
Due to other funds	-	-	-	-
Compensated absences payable	-	18,222	-	18,222
Total OPEB liability	-	3,870	-	3,870
Claims payable	-	-	621,750	621,750
Total current liabilities	365,130	218,286	810,518	1,393,934
LONG-TERM LIABILITIES				
General obligation bonds payable	660,000	-	-	660,000
Compensated absences payable	-	72,889	-	72,889
Total OPEB liability	-	112,113	-	112,113
Claims payable	-	-	2,963,999	2,963,999
Total long-term liabilities	660,000	185,002	2,963,999	3,809,001
Total liabilities	1,025,130	403,288	3,774,517	5,202,935
DEFERRED INFLOWS OF RESOURCES				
OPEB items	-	25,239	-	25,239
Total deferred inflows of resources	-	25,239	-	25,239
Total liabilities and deferred inflows of resources	1,025,130	428,527	3,774,517	5,228,174
NET POSITION				
Net investment in capital assets	7,022,767	105	-	7,022,872
Unrestricted	3,449,979	1,381,520	3,290,132	8,121,631
TOTAL NET POSITION	\$ 10,472,746	\$ 1,381,625	\$ 3,290,132	\$ 15,144,503

(See independent auditor's report.)

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CITY OF EVANSTON, ILLINOIS

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

For the Year Ended December 31, 2023

	Equipment Replacement	Fleet Services	Insurance	Total
OPERATING REVENUES				
Charges for services				
General Fund	\$ 750,000	\$ 2,316,996	\$ 3,780,000	\$ 6,846,996
Sewer Fund	-	260,004	369,804	629,808
Solid Waste	-	321,996	-	321,996
Water Fund	-	180,000	1,665,132	1,845,132
Motor Vehicle Parking System Fund	-	159,996	369,072	529,068
Library Fund	4,884	5,436	-	10,320
Emergency Telephone System	-	-	19,140	19,140
Claims reimbursements	-	-	442,229	442,229
Health insurance contributions				
Contributions from other funds	-	-	10,892,617	10,892,617
Employee contributions	-	-	3,489,611	3,489,611
Other contributions	-	20,269	592,812	613,081
Miscellaneous	-	10,590	-	10,590
Total operating revenues	<u>754,884</u>	<u>3,275,287</u>	<u>21,620,417</u>	<u>25,650,588</u>
OPERATING EXPENSES				
General support	-	1,549,916	43,905	1,593,821
Major maintenance	319	2,587,805	-	2,588,124
General liability claims	-	-	3,233,225	3,233,225
Workers' compensation claims	-	-	1,353,807	1,353,807
Health insurance premiums	-	-	14,561,202	14,561,202
Total operating expenses	<u>319</u>	<u>4,137,721</u>	<u>19,192,139</u>	<u>23,330,179</u>
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	754,565	(862,434)	2,428,278	2,320,409
Depreciation	1,596,479	-	-	1,596,479
OPERATING INCOME (LOSS)	<u>(841,914)</u>	<u>(862,434)</u>	<u>2,428,278</u>	<u>723,930</u>
NON-OPERATING REVENUES (EXPENSES)				
Investment income	15,399	-	9,051	24,450
Gain (loss) on sale of property	238,503	-	-	238,503
Total non-operating revenues (expenses)	<u>253,902</u>	<u>-</u>	<u>9,051</u>	<u>262,953</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(588,012)</u>	<u>(862,434)</u>	<u>2,437,329</u>	<u>986,883</u>
TRANSFERS				
Transfers in	1,737,001	1,900,000	3,000,000	6,637,001
Total transfers	<u>1,737,001</u>	<u>1,900,000</u>	<u>3,000,000</u>	<u>6,637,001</u>
CHANGE IN NET POSITION	1,148,989	1,037,566	5,437,329	7,623,884
NET POSITION (DEFICIT), JANUARY 1	9,323,757	344,059	(2,147,197)	7,520,619
NET POSITION, DECEMBER 31	<u>\$ 10,472,746</u>	<u>\$ 1,381,625</u>	<u>\$ 3,290,132</u>	<u>\$ 15,144,503</u>

(See independent auditor's report.)

CITY OF EVANSTON, ILLINOIS
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2023

	Equipment Replacement	Fleet Services	Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ -	\$ -	\$ 3,931,840	\$ 3,931,840
Receipts from (payments for) Interfund services provided	754,884	3,255,018	17,095,765	21,105,667
Receipts from other agencies	4,994	20,269	592,812	618,075
Payments to suppliers	(302,231)	(2,595,484)	(43,905)	(2,941,620)
Payments to employees	-	(1,535,707)	(3,233,225)	(4,768,932)
Payments for insurance premiums	-	-	(15,915,273)	(15,915,273)
Net cash from operating activities	<u>457,647</u>	<u>(855,904)</u>	<u>2,428,014</u>	<u>2,029,757</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interfund transfers	1,737,001	1,900,000	3,000,000	6,637,001
Interfund activity	(90,996)	(1,044,096)	(4,975,612)	(6,110,704)
Net cash from noncapital financing activities	<u>1,646,005</u>	<u>855,904</u>	<u>(1,975,612)</u>	<u>526,297</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from sale of capital assets	255,552	-	-	255,552
Acquisition and construction of capital assets	(2,339,743)	-	-	(2,339,743)
Net cash from capital and related financing activities	<u>(2,084,191)</u>	<u>-</u>	<u>-</u>	<u>(2,084,191)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income	15,399	-	9,051	24,450
Net cash from investing activities	<u>15,399</u>	<u>-</u>	<u>9,051</u>	<u>24,450</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	34,860	-	461,453	496,313
CASH AND CASH EQUIVALENTS, JANUARY 1	1,057,837	-	70,000	1,127,837
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u>\$ 1,092,697</u>	<u>\$ -</u>	<u>\$ 531,453</u>	<u>\$ 1,624,150</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ (841,914)	\$ (862,434)	\$ 2,428,278	\$ 723,930
Adjustments to reconcile operating income (loss) to Net cash from operating activities				
Depreciation	1,596,479	-	-	1,596,479
Changes in assets and liabilities				
Increase (decrease) in accounts receivable miscellaneous	4,994	-	-	4,994
Prepaid expenses	(362,613)	-	483,170	120,557
Inventories	-	(4,828)	-	(4,828)
Compensated absences	-	5,297	-	5,297
OPEB items	-	8,912	-	8,912
Vouchers payable	60,701	(2,851)	68,059	125,909
Claims payable	-	-	(551,493)	(551,493)
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 457,647</u>	<u>\$ (855,904)</u>	<u>\$ 2,428,014</u>	<u>\$ 2,029,757</u>

(This schedule is continued on the following page.)

CITY OF EVANSTON, ILLINOIS
 COMBINING STATEMENT OF CASH FLOWS (Continued)
 INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2023

	Equipment Replacement	Fleet Services	Insurance	Total
NONCASH INVESTING, CAPITAL, AND RELATED FINANCING ACTIVITIES				
Capital assets acquired through vouchers and retainage payable	\$ 316,803	\$ -	\$ -	\$ 316,803
Loss on sale of capital assets	(17,049)	-	-	(17,049)

(See independent auditor's report.)
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COMPONENT UNIT - PUBLIC LIBRARY

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

STATEMENT OF NET POSITION AND COMBINING BALANCE SHEET

December 31, 2023

	<u>Operating</u>	<u>Permanent Endowment</u>	<u>Capital Improvement</u>
ASSETS			
Cash and investments	\$ 4,164,568	\$ 4,453,815	\$ -
Property taxes receivable	8,326,631	-	-
Other receivables	-	-	-
Due from primary government	185,510	-	-
Due from other funds	488,514	-	-
Net pension asset - IMRF	-	-	-
Capital assets not being depreciated	-	-	-
Capital assets net of accumulated depreciation	-	-	-
Total assets	<u>13,165,223</u>	<u>4,453,815</u>	<u>-</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	-	-	-
OPEB items	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Total assets and deferred outflows of resources	<u>\$ 13,165,223</u>	<u>\$ 4,453,815</u>	<u>\$ -</u>
LIABILITIES			
Current liabilities			
Accounts payable	\$ 124,788	\$ -	\$ -
Accrued interest	-	-	-
Due to other funds	-	-	488,514
Total current liabilities	<u>124,788</u>	<u>-</u>	<u>488,514</u>
Noncurrent liabilities			
Due within one year	-	-	-
Due in more than one year	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>124,788</u>	<u>-</u>	<u>488,514</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension items - IMRF	-	-	-
OPEB items	-	-	-
Unavailable property taxes	8,213,664	-	-
Total deferred inflows of resources	<u>8,213,664</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>8,338,452</u>	<u>-</u>	<u>488,514</u>
FUND BALANCES/NET POSITION			
Net investment in capital assets	-	-	-
Restricted for pensions	-	-	-
Restricted for debt service	-	-	-
Restricted for endowment	-	4,453,815	-
Unassigned/unrestricted (deficit)	4,826,771	-	(488,514)
Total fund balances (deficit)/net position	<u>4,826,771</u>	<u>4,453,815</u>	<u>(488,514)</u>
TOTAL FUND BALANCE/NET POSITION	<u>\$ 13,165,223</u>	<u>\$ 4,453,815</u>	<u>\$ -</u>

Debt Service	Total	Adjustments	Statement of Net Position
\$ -	\$ 8,618,383	\$ -	\$ 8,618,383
574,677	8,901,308	-	8,901,308
-	-	-	-
2,781	188,291	-	188,291
-	488,514	(488,514)	-
-	-	-	-
-	-	311,380	311,380
-	-	10,491,351	10,491,351
577,458	18,196,496	10,314,217	28,510,713
-	-	2,519,160	2,519,160
-	-	58,046	58,046
-	-	2,577,206	2,577,206
\$ 577,458	\$ 18,196,496	\$ 12,891,423	\$ 31,087,919
\$ -	\$ 124,788	\$ -	\$ 124,788
-	-	18,440	18,440
-	488,514	(488,514)	-
-	613,302	(470,074)	143,228
-	-	451,180	451,180
-	-	6,963,814	6,963,814
-	-	7,414,994	7,414,994
-	613,302	6,944,920	7,558,222
-	-	94,987	94,987
-	-	74,447	74,447
574,677	8,788,341	-	8,788,341
574,677	8,788,341	169,434	8,957,775
574,677	9,401,643	7,114,354	16,515,997
-	-	4,081,234	4,081,234
-	-	-	-
2,781	2,781	-	2,781
-	4,453,815	-	4,453,815
-	4,338,257	1,695,835	6,034,092
2,781	8,794,853	5,777,069	14,571,922
\$ 577,458	\$ 18,196,496	\$ 12,891,423	\$ 31,087,919

(See independent auditor's report.)

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

**STATEMENT OF ACTIVITIES AND COMBINING STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND**

For the Year Ended December 31, 2023

	<u>Operating</u>	<u>Permanent Endowment</u>	<u>Capital Improvement</u>
REVENUES			
Property taxes	\$ 7,745,736	\$ -	\$ -
Intergovernmental			
Grant revenue	250,451	-	-
Charges for services	49,269	-	-
Fines and forfeits	-	-	-
Other			
Investment income	262,236	512,751	-
Donations	394,709	-	-
Miscellaneous	4,867	-	-
	<hr/>	<hr/>	<hr/>
Total revenues	8,707,268	512,751	-
EXPENDITURES			
Current			
Community services	8,057,563	-	-
Capital outlay	-	-	1,192,903
Debt service			
Payment primary government	-	-	-
Principal	-	-	-
Interest and fiscal charges	-	-	-
	<hr/>	<hr/>	<hr/>
Total expenditures	8,057,563	-	1,192,903
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<hr/>	<hr/>	<hr/>
	649,705	512,751	(1,192,903)
OTHER FINANCING SOURCES (USES)			
Transfer in	166,460	-	-
Transfer (out)	-	(166,460)	-
	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	166,460	(166,460)	-
NET CHANGE IN FUND BALANCE	816,165	346,291	(1,192,903)
FUND BALANCE/NET POSITION, JANUARY 1	<hr/>	<hr/>	<hr/>
	4,010,606	4,107,524	704,389
FUND BALANCE (DEFICIT)/NET POSITION, DECEMBER 31	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ 4,826,771	\$ 4,453,815	\$ (488,514)

Debt Service	Total	Adjustments	Statement of Activities
\$ 507,912	\$ 8,253,648	\$ -	\$ 8,253,648
-	250,451	-	250,451
-	49,269	-	49,269
-	-	-	-
-	774,987	-	774,987
-	394,709	-	394,709
-	4,867	-	4,867
507,912	9,727,931	-	9,727,931
-	8,057,563	1,065,349	9,122,912
-	1,192,903	(1,192,903)	-
-	-	-	-
275,730	275,730	(275,730)	-
232,183	232,183	(33,898)	198,285
507,913	9,758,379	(437,182)	9,321,197
(1)	(30,448)	437,182	406,734
-	166,460	(166,460)	-
-	(166,460)	166,460	-
-	-	-	-
(1)	(30,448)	437,182	406,734
2,782	8,825,301	5,339,887	14,165,188
\$ 2,781	\$ 8,794,853	\$ 5,777,069	\$ 14,571,922

(See independent auditor's report.)

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

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

For the Year Ended December 31, 2023

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes			
Property taxes	\$ 7,535,472	\$ 7,745,736	\$ 210,264
Intergovernmental			
Grant revenue	331,866	250,451	(81,415)
Charges for services	33,394	49,269	15,875
Other			
Investment income	21,600	262,236	240,636
Donations	400,000	394,709	(5,291)
Miscellaneous	5,400	4,867	(533)
	<u>8,327,732</u>	<u>8,707,268</u>	<u>379,536</u>
EXPENDITURES			
General management and support	8,948,042	8,057,563	(890,479)
Debt service			
Interest and fiscal charges	-	-	-
	<u>8,948,042</u>	<u>8,057,563</u>	<u>(890,479)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(620,310)</u>	<u>649,705</u>	<u>1,270,015</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	250,000	166,460	(83,540)
	<u>250,000</u>	<u>166,460</u>	<u>(83,540)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (370,310)</u>	<u>816,165</u>	<u>\$ 1,186,475</u>
FUND BALANCE, JANUARY 1		<u>4,010,606</u>	
FUND BALANCE, DECEMBER 31		<u>\$ 4,826,771</u>	

(See independent auditor's report.)

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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.	157-166
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	167-169
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.	170-174
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	175-176
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	177-182

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

CITY OF EVANSTON, ILLINOIS

NET POSITION BY COMPONENT

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

Fiscal Year	2014	2015*	2016	2017
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	\$ 46,633	\$ 47,953	\$ 51,588	\$ 51,575
Restricted	25,446	16,409	18,523	11,990
Unrestricted	(11,436)	(136,007)	(170,270)	(164,614)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 60,643	\$ (71,645)	\$ (100,159)	\$ (101,049)
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	\$ 246,382	\$ 255,622	\$ 268,851	\$ 278,446
Restricted	649	-	-	-
Unrestricted	23,563	22,785	18,928	14,249
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 270,594	\$ 278,407	\$ 287,779	\$ 292,695
PRIMARY GOVERNMENT				
Net investment in capital assets	\$ 293,015	\$ 303,575	\$ 320,439	\$ 330,021
Restricted	26,095	16,409	18,523	11,990
Unrestricted	12,127	(113,222)	(151,342)	(150,365)
TOTAL PRIMARY GOVERNMENT	\$ 331,237	\$ 206,762	\$ 187,620	\$ 191,646

*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.

Data Source

City Finance Division

	2018**	2019	2020	2021	2022	2023
\$	52,536	\$ 53,784	\$ 65,388	\$ 69,636	\$ 80,018	\$ 93,847
	8,708	15,554	19,843	23,472	62,604	25,274
	(194,435)	(181,451)	(199,044)	(164,859)	(173,298)	(144,601)
\$	(133,191)	\$ (112,113)	\$ (113,813)	\$ (71,751)	\$ (30,676)	\$ (25,480)
\$	283,981	\$ 289,023	\$ 284,516	\$ 289,165	\$ 289,165	\$ 302,774
	-	-	-	-	-	-
	11,896	9,883	16,150	20,315	20,315	19,485
\$	295,877	\$ 298,906	\$ 300,666	\$ 309,480	\$ 309,480	\$ 322,259
\$	336,517	\$ 342,807	\$ 349,904	\$ 358,801	\$ 358,801	\$ 396,621
	8,708	15,554	19,843	23,472	23,472	25,274
	(182,539)	(171,568)	(182,894)	(144,544)	(144,544)	(125,116)
\$	162,686	\$ 186,793	\$ 186,853	\$ 237,729	\$ 237,729	\$ 296,779

CITY OF EVANSTON, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	2014	2015	2016	2017
EXPENSES				
Governmental activities				
General management and support	\$ 13,811	\$ 12,493	\$ 18,163	\$ 20,890
Public safety	58,795	57,443	55,625	61,191
Public works	25,825	20,011	13,668	24,793
Health and human resource development	3,837	2,911	3,319	3,354
Recreational and cultural opportunities	9,358	14,794	14,380	14,744
Housing and economic development	12,443	10,532	21,063	7,023
Interest	3,919	3,757	3,779	3,354
Total governmental activities expenses	<u>127,988</u>	<u>121,941</u>	<u>129,997</u>	<u>135,349</u>
Business-type activities				
Water	11,977	10,748	11,450	12,239
Sewer	7,293	6,608	6,683	6,540
Solid waste	4,856	5,150	4,967	4,907
Motor vehicle parking system	7,856	7,862	8,532	8,575
Total business-type activities expenses	<u>31,982</u>	<u>30,368</u>	<u>31,632</u>	<u>32,261</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 159,970</u>	<u>\$ 152,309</u>	<u>\$ 161,629</u>	<u>\$ 167,610</u>
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General management and support	\$ 9,374	\$ 8,629	\$ 10,094	\$ 8,145
Culture and recreation	5,360	5,572	5,560	5,669
Other activities	15,253	11,268	15,739	12,712
Operating grants and contributions	7,151	5,535	6,809	5,931
Capital grants and contributions	501	275	368	325
Total governmental activities program revenues	<u>37,639</u>	<u>31,279</u>	<u>38,570</u>	<u>32,782</u>
Business-type activities				
Charges for services				
Water	15,052	15,722	16,419	17,588
Sewer	12,785	12,511	13,049	12,478
Solid waste	3,971	4,004	4,031	4,061
Motor vehicle parking system	6,080	6,164	6,688	6,530
Operating grants and contributions	15	-	38,400	-
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>37,903</u>	<u>38,401</u>	<u>78,587</u>	<u>40,657</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 75,542</u>	<u>\$ 69,680</u>	<u>\$ 117,157</u>	<u>\$ 73,439</u>
NET REVENUE (EXPENSE)				
Governmental activities	\$ (90,349)	\$ (90,662)	\$ (91,427)	\$ (102,567)
Business-type activities	5,921	8,033	46,955	8,396
TOTAL PRIMARY GOVERNMENT NET REVENUE (EXPENSE)	<u>\$ (84,428)</u>	<u>\$ (82,629)</u>	<u>\$ (44,472)</u>	<u>\$ (94,171)</u>

	2018	2019	2020	2021	2022	2023
\$	20,016	\$ 19,444	\$ 18,630	\$ 19,041	\$ 22,825	\$ 29,868
	80,789	56,755	83,015	58,842	70,097	79,009
	22,718	26,584	18,573	16,861	20,712	29,297
	3,455	2,895	3,719	3,970	3,158	6,095
	14,061	11,081	1,326	9,148	11,098	11,930
	9,129	6,907	20,992	11,046	10,318	15,347
	4,683	5,454	5,252	4,430	5,161	3,854
	154,851	129,120	151,507	123,338	143,369	175,400
	12,964	12,880	13,612	14,562	14,563	17,482
	6,735	6,492	6,795	6,706	6,386	6,943
	4,852	5,079	5,316	5,476	5,149	6,191
	9,321	9,585	8,982	8,395	8,882	9,917
	33,872	34,036	34,705	35,139	34,980	40,533
\$	188,723	\$ 163,156	\$ 186,212	\$ 158,477	\$ 178,349	\$ 215,933
\$	8,985	\$ 8,768	\$ 7,267	\$ 8,736	\$ 9,403	\$ 9,546
	6,037	6,119	4,831	6,080	6,962	7,207
	11,945	10,917	12,200	12,090	16,260	12,480
	5,244	5,775	9,672	10,067	9,913	7,530
	125	8,630	2,971	4,275	937	911
	32,336	40,209	36,941	41,248	43,475	37,674
	15,642	17,789	23,934	20,900	22,926	23,680
	11,920	10,780	10,242	10,374	9,638	9,349
	4,083	4,668	4,618	4,969	5,324	5,328
	6,621	10,640	7,289	8,090	8,889	9,730
	-	-	-	-	-	-
	-	-	383	-	-	-
	38,266	43,877	46,466	44,333	46,777	48,087
\$	70,602	\$ 84,086	\$ 83,407	\$ 85,581	\$ 90,252	\$ 85,761
\$	(122,515)	\$ (88,911)	\$ (114,566)	\$ (82,090)	\$ (99,894)	\$ (137,726)
	4,394	9,841	11,761	9,194	11,797	7,554
\$	(118,121)	\$ (79,070)	\$ (102,805)	\$ (72,896)	\$ (88,097)	\$ (130,172)

CITY OF EVANSTON, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	2014	2015	2016	2017
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property taxes	\$ 48,579	\$ 45,840	\$ 45,610	\$ 46,563
Sales taxes	17,362	17,758	17,932	16,071
Intergovernmental	-	-	-	-
Investment earnings	(258)	30	118	235
Miscellaneous	26,612	30,950	33,217	35,011
Transfers	610	631	434	3,797
Total governmental activities	<u>92,905</u>	<u>95,209</u>	<u>97,311</u>	<u>101,677</u>
Business-type activities				
Property taxes	-	-	-	-
Investment earnings	(156)	27	59	114
Gains on sale of capital assets	-	-	-	-
Miscellaneous	-	301	(245)	203
Transfers	(610)	(631)	(434)	(3,797)
Total business-type activities	<u>(766)</u>	<u>(303)</u>	<u>(620)</u>	<u>(3,480)</u>
CHANGE IN NET POSITION				
Governmental activities	2,556	4,547	5,884	(890)
Business-type activities	<u>5,155</u>	<u>7,730</u>	<u>46,335</u>	<u>4,916</u>
TOTAL PRIMARY GOVERNMENT				
CHANGE IN NET POSITION	<u>\$ 7,711</u>	<u>\$ 12,277</u>	<u>\$ 52,219</u>	<u>\$ 4,026</u>

Data Source

City Finance Division

	2018	2019	2020	2021	2022	2023
\$	47,102	\$ 44,163	\$ 51,655	\$ 53,269	\$ 52,498	\$ 54,426
	16,963	16,905	16,445	21,497	23,443	23,725
	-	-	-	4,800	7,659	7,434
	778	1,669	423	74	1,334	5,809
	38,786	39,051	34,123	42,242	51,246	46,315
	1,480	8,203	10,219	2,270	4,790	5,212
	105,109	109,991	112,865	124,152	140,970	142,921
	410	820	1,333	1,333	1,333	1,333
	234	565	140	(39)	-	764
	-	7	-	217	-	-
	-	-	-	379	-	-
	(1,480)	(8,203)	(10,219)	(2,270)	(4,790)	(5,212)
	(836)	(6,811)	(8,746)	(380)	(3,457)	(3,115)
	(17,406)	21,080	(1,701)	42,062	41,076	5,195
	3,558	3,030	3,015	8,814	8,340	4,439
\$	(13,848)	\$ 24,110	\$ 1,314	\$ 50,876	\$ 49,416	\$ 9,634

CITY OF EVANSTON, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	2014	2015	2016	2017
GENERAL FUND				
Nonspendable	\$ -	\$ 118	\$ -	\$ 300
Assigned	5,347	5,672	5,046	4,180
Unassigned	9,636	4,914	6,622	8,868
TOTAL GENERAL FUND	\$ 14,983	\$ 10,586	\$ 11,668	\$ 13,348
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	\$ 1,430	\$ 2,158	\$ -	\$ -
Restricted	26,003	16,409	18,523	11,418
Committed	3,540	2,556	2,996	-
Assigned	10,467	5,517	7,668	12,301
Unassigned	(153)	(221)	(252)	(204)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 41,287	\$ 26,419	\$ 28,935	\$ 23,515

Data Source

City Finance Division

	2018	2019	2020	2021	2022	2023
\$	310	\$ 415	\$ 220	\$ 125	\$ 103	\$ 4,407
	4,303	4,330	1,573	1,807	3,345	14,589
	9,242	11,145	16,882	31,739	57,675	32,703
\$	13,855	\$ 15,890	\$ 18,675	\$ 33,671	\$ 61,123	\$ 51,699
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
	25,651	15,933	19,457	27,151	22,962	25,417
	-	-	-	-	-	-
	17,065	20,306	13,324	12,910	7,762	5,469
	(227)	(226)	(215)	(207)	(336)	(8,310)
\$	42,489	\$ 36,013	\$ 32,566	\$ 39,854	\$ 30,388	\$ 22,576

CITY OF EVANSTON, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	2014	2015	2016	2017
REVENUES				
Taxes	\$ 77,933	\$ 75,747	\$ 76,047	\$ 78,157
Licenses, fees, and permits	14,503	12,184	17,933	13,358
Special assessments	167	8,312	169	260
Intergovernmental	24,300	3,554	24,886	22,627
Charges for services	7,793	23,834	8,791	8,713
Fines and penalties	3,358	148	3,612	3,468
Investment earnings	89	30	118	235
Other revenues	1,791	1,722	3,892	3,843
Total revenues	129,934	125,531	135,448	130,661
EXPENDITURES				
General management and support	13,314	13,444	17,064	18,152
Public safety	59,425	59,654	62,252	64,347
Public works	19,821	19,815	13,477	14,041
Health and human development	3,837	3,141	3,021	3,111
Recreation and cultural opportunities	10,524	11,087	11,894	12,371
Housing and economic development	9,348	13,292	10,477	7,225
Capital outlay	6,286	9,151	9,953	14,953
Debt service				
Principal	10,040	20,833	19,661	24,253
Interest	4,411	4,413	4,276	4,040
Fiscal agent fees	43	16	14	2
Total expenditure	137,049	154,846	152,089	162,495
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,115)	(29,315)	(16,641)	(31,834)
OTHER FINANCING SOURCES (USES)				
Proceeds from borrowing	9,989	22,377	19,652	26,558
Payment to escrow agent	-	-	-	-
Transfers in	9,202	10,308	16,011	17,428
Transfers (out)	(9,665)	(9,315)	(15,542)	(15,893)
Total other financing sources (uses)	9,526	23,370	20,121	28,093
NET CHANGE IN FUND BALANCES	\$ 2,411	\$ (5,945)	\$ 3,480	\$ (3,741)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	11.05%	17.33%	17.62%	19.18%

Data Source

City Finance Division

	2018	2019	2020	2021	2022	2023
\$	81,281	\$ 78,645	\$ 82,567	\$ 92,738	\$ 98,538	\$ 97,260
	11,664	10,012	11,853	11,033	12,562	9,846
	199	230	185	109	318	186
	23,004	25,278	27,592	38,587	43,756	41,272
	10,053	8,925	7,879	10,762	14,549	13,604
	3,765	5,108	2,983	3,644	3,790	4,095
	778	1,669	423	74	1,334	5,809
	5,220	12,130	6,105	6,184	4,810	3,312
	135,964	141,997	139,587	163,131	179,657	175,384
	18,330	19,206	18,767	19,708	24,065	29,985
	65,533	65,821	66,970	67,159	66,387	81,665
	22,069	15,848	18,787	20,930	23,663	24,917
	3,142	2,989	3,749	4,473	4,781	5,961
	12,789	12,247	9,351	11,036	11,352	12,983
	9,006	6,567	9,043	10,372	11,432	14,031
	11,399	39,796	12,389	2,480	6,676	7,587
	17,557	10,166	9,988	9,311	10,054	9,972
	4,536	5,749	5,643	5,604	5,642	5,265
	537	274	214	172	7	6
	164,898	178,663	154,901	151,245	164,059	192,372
	(28,934)	(36,666)	(15,314)	11,886	15,598	(16,988)
	46,892	23,976	18,576	12,954	-	-
	-	-	(12,143)	(3,975)	-	-
	20,698	14,405	15,633	10,831	12,292	14,324
	(19,174)	(6,156)	(7,414)	(9,411)	(9,903)	(14,573)
	48,416	32,225	14,652	10,399	2,389	(249)
\$	19,482	\$ (4,441)	\$ (662)	\$ 22,285	\$ 17,987	\$ (17,237)
	14.39%	11.62%	11.40%	10.45%	9.57%	8.50%

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
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
2021	2,492,953,368	15,467	690,224,247	35,719,445	1,943,606	3,220,856,133	9,662,568,399	1.518
2022	3,005,718,395	15,467	705,199,673	37,413,363	2,318,541	3,750,665,439	11,251,996,317	1.296

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

2022 Levy				2013 Levy			
Tax Payer	Total Equalized Assessed Value (EAV)	Rank	Percentage of Total City Taxable EAV	Tax Payer	Total Equalized Assessed Value (EAV)	Rank	Percentage of Total City Taxable EAV
Rotary International	\$ 46,926,063	1	1.25%	Rotary International	\$ 25,119,560	1	1.14%
Orrington TT LLC Golub	44,473,433	2	1.19%	FSP 909 Davis Street	20,171,381	2	0.92%
1890 Maple LLC	27,070,857	3	0.72%	Lowe Enterprises	19,842,592	3	0.90%
FDS/David Alperstein	26,796,438	4	0.71%	Church Street Plaza	15,297,739	4	0.69%
TIAA Pk Evanston Inc	24,337,245	5	0.65%	Inland	14,032,720	5	0.64%
MB Sherman Highlands	23,087,661	6	0.62%	Omni Orrington Hotel	12,188,009	6	0.55%
Omni Orrington Hotel	22,547,402	7	0.60%	Northshore University Healthcare	11,529,496	7	0.52%
900 950 Church Street	21,318,371	8	0.57%	ITIAA Pk Evanston Inc	10,676,164	8	0.48%
FSP 909 Davis Street	20,283,168	9	0.54%	Cambridge Realty	9,571,831	9	0.43%
Albion at Evanston LLC	17,109,427	10	0.46%	New Albertson's LLC	9,422,663	10	0.43%
Total	\$ 273,950,065		7.30%	Total	\$ 147,852,155		6.72%
Total EAV	\$ 3,750,665,439			Total EAV	\$ 2,201,697,038		

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
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	57,100,401	102.49%	531,709	57,632,110	103.45%
2022	58,737,165	56,499,872	96.19%	836,393	57,336,265	97.61%
2023	56,344,336	See Note	See Note	See Note	See Note	See Note

Note: Levy Year 2023 is collected through December 31, 2024

Source: City Finance Division

CITY OF EVANSTON, ILLINOIS

Ratio of General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year Ended	Population	Equalized Assessed Valuation ¹	Gross General Obligation Bonded Debt ²	Debt Service Monies Available	Debt Payable From Other Revenues ³	Net General Obligation Debt	Total Personal Income	Debt to Equalized Assessed Valuation	Debt to Total Personal Income	Net General Obligation Bonded Debt Per Capita
2014	75,282	\$ 2,201,697,038	\$ 150,421,841	\$ 12,209,139	\$ 34,614,357	\$ 103,598,345	\$ 3,112,157,880	6.83%	4.83%	\$ 1,376
2015	75,603	2,244,569,975	149,352,238	438,453	37,651,325	111,262,460	3,235,052,370	6.65%	4.62%	1,472
2016	75,472	2,196,021,525	147,017,512	745,997	34,547,933	111,723,582	3,316,617,040	6.69%	4.43%	1,480
2017	75,557	2,670,411,769	148,627,212	241,781	37,104,152	111,281,279	3,472,297,492	5.57%	4.28%	1,473
2018	75,157	2,740,060,120	178,238,427	417,987	39,701,503	138,118,937	3,702,459,291	6.50%	4.81%	1,838
2019	74,587	2,720,580,914	195,456,220	417,431	42,263,176	152,775,613	3,857,863,401	7.18%	5.07%	2,048
2020	73,979	3,432,148,547	199,878,623	721,459	38,634,626	160,522,538	3,971,562,615	5.82%	5.03%	2,170
2021	78,454	3,461,647,470	196,907,459	8,675,881	37,196,303	151,035,275	4,520,990,204	5.69%	4.36%	1,925
2022	77,181	3,220,856,133	184,568,601	8,476,464	35,881,685	140,210,452	4,930,939,728	5.73%	3.74%	1,817
2023	77,181 ⁴	3,750,665,439	171,822,893	7,747,535	33,974,009	130,101,349	4,930,939,728	4.58%	3.48%	1,686

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

²Excludes limited purpose special service district bonds.

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

⁴2023 data not available for Personal Income or Population Data, so 2022 data was used

Source: Cook County and City Finance Division

CITY OF EVANSTON, ILLINOIS

Ratio of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities			Business- Type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Special Service District Bonds	Capital Lease	General Obligation Bonds	Water Revenue Bonds	IEPA Loans			
2014	\$ 119,060,744	\$ 795,000	\$ -	\$ 30,566,097	\$ -	\$ 58,412,659	\$ 208,834,500	6.71%	\$ 2,774
2015	117,035,540	405,000	-	31,911,608	-	51,901,172	201,253,320	6.22%	2,662
2016	116,091,162	-	-	30,926,350	-	45,256,237	192,273,749	5.80%	2,548
2017	122,151,162	-	-	26,476,050	-	40,328,108	188,955,320	5.44%	2,501
2018	151,056,754	-	-	27,182,674	-	34,921,821	213,161,249	5.76%	2,836
2019	164,873,935	-	-	30,582,285	-	40,691,551	236,147,771	6.12%	3,166
2020	161,243,997	-	-	38,634,626	-	43,407,478	243,286,101	6.13%	3,289
2021	159,711,156	-	-	37,196,303	-	40,272,232	237,179,691	5.25%	3,023
2022	148,686,916	-	-	35,881,685	-	47,503,827	232,072,428	4.71%	3,007
2023	137,848,888	-	-	33,974,010	-	53,309,670	225,132,568	4.57%	2,917

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

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

Source: City Finance Division

CITY OF EVANSTON, ILLINOIS

Direct and Overlapping Governmental Activities Debt

As of December 31, 2023

	Total Outstanding	Percentage of Debt Applicable to the City	The City's Share of Debt
Direct debt - bonds, notes, and contracts outstanding	\$ 137,848,884	100.00%	\$ 137,848,884
Other bonded debt by taxing body			
High School District 202	25,840,000	91.19%	23,563,532
School District 65	55,463,965	91.19%	50,577,667
Community College District 535	54,930,000	12.77%	7,012,489
Cook County	2,093,131,750	2.03%	42,492,721
Cook County Forest Preserve District	90,940,000	2.03%	1,846,155
Metropolitan Water Reclamation District	2,503,179,075	2.06%	51,654,947
Skokie Park District	23,916,363	0.75%	180,265
 Total Overlapping Debt	 4,847,401,153		 177,327,775
 Total Direct and Overlapping Debt (Less Debt Supported by Other Sources)	 \$ 4,985,250,037		 \$ 315,176,659

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

Source: Bonds Statement

CITY OF EVANSTON, ILLINOIS

Legal Debt Margin

December 31, 2023

The City is a home rule municipality.

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

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

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

CITY OF EVANSTON, ILLINOIS

Pledged-Revenue Coverage

Last Ten Fiscal Years

Fiscal Year Ended	Water Revenue Bonds					
	Utility Service Charges	Less: Operating Expenses	Net Available Resources	Debt Service		Coverage
				Principal	Interest	
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
2022	NA	NA	NA	-	-	NA
2023	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

2023				2014			
<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	33%	1	Northwestern University	9,471	48%	1
Northshore University Health System	4,652	24%	2	Northshore University Healthcare	3,727	19%	2
PT Solutions Holdings	2,000	10%	3	Evanston School District 65	1,599	8%	3
Evanston School District 65	1,500	8%	5	St. Francis Hospital	1,272	6%	4
KPFF, Inc.	1,293	7%	4	City of Evanston	918	5%	5
City of Evanston	864	4%	6	Presbyterian Homes/McGaw Care	602	3%	6
Presence Saint Francis Hospital	800	4%	7	Rotary International	535	3%	7
School District 202	663	3%	8	School District 202	520	3%	8
FourGen Holdings, Inc.	631	3%	9	C.E. Neihoff & Co	480	2%	9
Right at School, LLC	<u>586</u>	3%	10	Mather Lifeways	<u>450</u>	2%	10
Total	<u>19,489</u>			Total	<u>19,574</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
2013	74,937	\$ 3,093,699,108	\$ 41,284	34.6	94.3%	10,465	8.5%
2014	75,282	3,112,157,880	41,340	34.7	93.8%	10,793	8.2%
2015	75,603	3,235,052,370	42,790	35.2	94.0%	10,671	7.3%
2016	75,472	3,316,617,040	43,945	35.3	94.0%	10,640	6.2%
2017	75,557	3,472,297,492	45,956	36.0	93.4%	10,899	5.0%
2018	75,157	3,702,459,291	49,263	36.2	93.4%	10,980	4.1%
2019	74,587	3,857,863,401	51,723	36.1	93.7%	10,802	4.2%
2020	73,979	3,971,562,615	53,685	36.2	94.2%	10,355	5.0%
2021	78,454	4,520,990,204	57,626	36.6	95.4%	10,946	5.6%
2022	77,181	4,930,939,728	63,888	37.6	95.8%	10,552	6.1%

Note: 2023 data not yet available through US Census

Note: Figures in this table may differ from past years. After identifying minor inconsistencies with this data, City Staff identified a consistent method for obtaining these figures from the US Census Bureau.

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

CITY OF EVANSTON, ILLINOIS

Budgeted Full-Time Equivalent City Government Employees by Function

Last Ten Fiscal Years

Fund/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
City Clerk	2.20	2.00	2.00	2.00	1.00	2.00	1.00	2.00	1.00	2.00
City Manager's Office	14.00	13.00	28.50	32.00	30.00	27.50	28.50	28.50	29.50	32.90
Law	7.00	8.00	8.00	4.50	4.50	4.50	4.50	4.50	7.00	7.00
Administrative Services	49.00	51.00	57.20	57.70	55.70	53.10	54.10	54.50	59.00	65.00
Community Development	21.00	19.00	21.50	26.25	22.00	23.50	25.75	30.15	27.45	29.40
Police	227.00	227.00	225.50	225.80	220.00	217.00	216.00	201.00	201.00	201.00
Fire	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.00	110.50	118.50
Human and Health Services	21.10	22.10	21.10	21.10	21.75	17.75	8.75	8.75	13.25	11.45
Parks and Recreation	69.64	74.23	77.13	78.83	76.13	75.46	69.08	69.21	73.71	84.84
Public Works	108.45	107.45	84.25	84.25	72.50	70.00	71.00	69.00	78.00	78.50
Total General Fund	629.39	633.78	635.18	642.43	613.58	600.81	588.68	577.61	600.41	630.59
General Assistance Fund	0.00	4.00	4.00	4.00	4.25	4.25	4.25	4.25	4.25	4.25
Human Services Fund	0.00	0.00	0.00	0.00	0.00	0.00	17.90	17.90	17.00	22.10
Sustainability Fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.50
Emergency Telephone System (E911) Fund	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00
CDBG Fund	2.60	2.60	2.80	2.50	2.75	2.90	4.40	2.90	5.60	6.00
HOME Fund	0.00	0.40	0.50	0.50	0.35	0.35	0.35	0.73	0.70	0.70
Affordable Housing Fund	0.00	1.75	1.75	1.75	1.75	1.75	1.50	1.43	1.35	1.10
Parking Fund	15.50	15.50	15.50	15.50	18.00	19.00	17.00	16.50	16.00	16.00
Water Fund	42.50	44.50	44.50	44.50	45.75	45.25	46.25	47.75	48.25	56.25
Sewer Fund	13.33	11.33	11.33	11.33	12.25	12.25	12.25	12.75	11.75	11.75
Solid Waste Fund	9.66	9.66	9.66	9.66	10.50	11.50	13.50	13.50	15.50	15.50
Fleet Services Fund	12.00	12.50	12.50	12.00	9.50	9.90	9.90	10.00	11.00	12.00
Library Fund	63.13	66.45	66.87	73.88	71.05	69.81	78.45	78.04	79.58	78.93
Neighborhood Stabilization Program ¹	1.31	0.50	0.45	0.30	0.15	0.00	0.00	0.00	0.00	0.00
Economic Development Fund ²	6.25	6.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Capital Improvements Fund ³	0.00	0.00	0.00	0.00	4.50	4.50	4.50	4.50	0.00	0.00
Insurance Fund ⁴	5.00	5.00	5.00	5.50	5.50	5.50	5.50	5.50	0.00	0.00
Total Non-General Funds	176.28	185.44	179.86	186.42	191.30	191.96	220.75	221.75	216.98	233.08
Total All Funds	805.67	819.22	815.04	828.85	804.88	792.77	809.43	799.36	817.39	863.67

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

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

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

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

Source: City of Evanston HR Division

CITY OF EVANSTON, ILLINOIS

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

Last Ten Levy Years

Government Unit	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
City of Evanston ¹	1.760	1.766	1.800	1.536	1.524	1.604	1.446	1.452	1.560	1.332
City of Evanston Library Fund	0.234	0.265	0.282	0.241	0.247	0.254	0.218	0.216	0.233	0.208
Consolidated Elections	0.031	-	0.034	-	0.031	-	0.030	-	0.019	-
Cook County	0.560	0.568	0.552	0.533	0.496	0.489	0.454	0.453	0.446	0.431
Cook County Forest Preserve District	0.069	0.069	0.069	0.063	0.062	0.060	0.059	0.058	0.058	0.081
Metropolitan Water Reclamation District	0.417	0.430	0.426	0.406	0.402	0.396	0.389	0.378	0.382	0.374
North Shore Mosquito Abatement District	0.007	0.011	0.012	0.010	0.010	0.010	0.009	0.009	0.009	0.008
Evanston Township	0.053	-	-	-	-	-	-	-	-	-
Community College 535	0.256	0.258	0.271	0.231	0.232	0.246	0.221	0.227	0.252	0.221
School District 202	2.689	2.659	2.792	2.332	2.329	2.462	2.024	2.072	2.286	2.060
School District 65	3.671	3.686	3.810	3.676	3.673	3.891	3.185	3.258	3.593	3.230
Total Tax Rate for Property not in Park District	9.747	9.712	10.048	9.028	9.006	9.412	8.035	8.123	8.838	7.945
Percent of Total Tax Rate Levied by City of Evanston	18.06%	18.18%	17.91%	17.01%	16.92%	17.04%	18.00%	17.88%	17.65%	16.77%

¹City of Evanston rate includes General Assistance beginning in 2014. Does not include Library Fund or Special Service Areas

Note: 2023 data not available

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

Source: Cook County Assessor's Office

CITY OF EVANSTON, ILLINOIS

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

Last Ten Fiscal Years

Type of Customer	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Single-Family	915,024	949,824	916,853	1,070,119	1,068,781	1,029,919	1,177,703	999,810	897,739	887,598
Multi-Family	1,150,956	1,148,336	1,140,860	1,215,640	1,275,855	1,178,104	1,237,476	1,098,479	104,867	1,048,792
Residential Subtotal	2,065,980	2,098,160	2,057,713	2,285,759	2,344,636	2,208,023	2,415,179	2,098,289	1,002,606	1,936,390
Commercial	1,036,034	1,045,791	1,061,080	1,115,236	1,083,414	1,154,229	953,343	925,927	885,367	845,818
Industrial	11,627	10,772	9,808	12,777	16,405	14,182	12,604	10,589	9,233	8,797
Business Subtotal	1,047,661	1,056,563	1,070,888	1,128,013	1,099,819	1,168,411	965,947	936,516	894,600	854,615
City	13,883	15,221	14,351	16,776	19,137	17,515	11,780	14,633	1,854	15,682
Parks	4,218	6,632	5,969	7,728	5,984	7,429	8,720	13,267	10,588	12,110
Schools	35,631	33,632	37,645	43,043	46,941	44,121	21,706	24,746	33,715	34,806
Public Subtotal	53,732	55,485	57,965	67,547	72,062	69,065	42,206	52,646	46,157	62,598
Overall Total	3,167,373	3,210,208	3,186,566	3,481,319	3,516,517	3,445,499	3,423,332	3,087,451	1,943,363	2,853,603
Total direct rate per 100 cubic feet	\$ 1.98	\$ 2.18	\$ 2.18	\$ 2.31	\$ 2.47	\$ 2.74	\$ 2.74	\$ 2.89	\$ 3.17	\$ 3.33

Source: City of Evanston Public Works Agency

CITY OF EVANSTON, ILLINOIS

Water Sold by Major Customers

Last Ten Fiscal Years

Type of Customer	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Evanston residents/businesses	\$ 5,826,404	\$ 6,388,923	\$ 6,800,682	\$ 6,987,878	\$ 7,278,627	\$ 7,631,465	\$ 8,235,089	\$ 8,613,315	\$ 8,636,384	\$ 9,066,546	\$ 9,430,024
Village of Skokie	2,772,424	2,805,425	2,863,525	2,941,912	3,635,940	5,773,487	5,572,511	5,455,762	3,491,947	3,335,672	3,495,675
Northwest Water Commission	5,183,425	5,075,042	5,189,439	5,695,812	5,898,634	5,930,626	5,416,394	5,549,357	5,670,328	6,625,624	6,825,485
Morton Grove and Niles	-	-	-	-	-	27,677	1,075,089	1,918,954	1,813,040	2,077,157	1,933,644
Village of Lincolnwood	-	-	-	-	-	-	-	352,370	509,932	931,224	964,398
Total	\$ 13,782,253	\$ 14,269,390	\$ 14,853,646	\$ 15,625,602	\$ 16,813,201	\$ 19,363,255	\$ 20,299,083	\$ 21,889,757	\$ 20,121,631	\$ 22,036,223	\$ 22,649,226

Source: City Utilities Department

CITY OF EVANSTON, ILLINOIS

Operating Indicators by Function/Programs

Last Ten Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police										
Violent offenses	97	80	130	122	140	73	88	96	114	124
Property offenses	1,959	1,872	1,681	1,777	1,708	1,979	1,481	2,453	2,910	3,439
911 calls received	44,177	46,749	42,763	38,525	36,642	39,357	38,279	40,924	39,634	41,258
Fire										
Emergency responses	9,617	9,630	10,267	10,058	10,014	10,256	9,091	9,867	11,083	11,084
Fires extinguished	120	99	114	90	111	69	77	89	105	106
Inspections	740	760	760	1,267	1,275	446	728	850	900	901
EMS Responses (reported beginning 2016)	-	-	6,441	6,456	6,419	6,678	5,912	6,529	7,542	7,543
Parks and Recreation										
Athletic field usage (hours)	16,270	15,531	27,426	22,920	24,263	22,054	8,749	17,287	18,868	20,678
Picnic permits issued	448	404	229	652	572	641	94	644	650	677
Library										
Volumes in collection (online & physical materials)	401,300	481,626	534,533	540,696	514,756	562,567	535,527	424,619	654,134	557,615
Total volumes borrowed	1,074,972	1,071,401	1,078,653	1,039,585	1,207,419	1,191,600	699,631	1,139,779	964,682	1,001,132
Water										
New connections	18	9	3	3	7	15	8	10	7	11
Water main breaks	70	23	28	28	32	28	29	40	39	34
Average daily consumption (millions of gallons)	36.79	36.63	39.645	39.645	41.122	43.151	46.50	48.30	46.00	46.08
Peak daily consumption (millions of gallons)	48.91	50.59	55.084	55.084	55.291	60.248	62.630	66.500	60.760	65.652
Other Public Works										
Street resurfacing (estimated miles)	4.9	2.7	2.9	2.9	2.9	1.9	2.9	2.65	2.65	1.60

Note: Indicators are not available for general government functions

CITY OF EVANSTON, ILLINOIS

Capital Assets Statistics by Function

Last Ten Years

Function/Program	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police											
Number of stations	1	1	1	1	1	1	1	1	1	1	1
Budgeted sworn officers	164	164	164	165	165	165	166	154	153	153	153
Fire											
Fire Stations	5	5	5	5	5	5	5	5	5	5	5
Budgeted sworn firefighters	107	107	107	107	107	107	107	107	107	107	115
Parks and Recreation											
Acreage	290	290	290	290	290	290	290	290	290	290	290
Playgrounds	51	51	51	51	51	60	60	60	60	60	60
Baseball/softball diamonds	18	18	18	18	18	13	16	16	16	16	16
Soccer/football fields	27	27	27	27	27	27	27	27	27	27	27
Community centers	5	5	6	6	7	7	7	7	7	7	8
Water											
Water mains (miles)	157	157	156.4	155.6	155.6	155.8	157.5	156.2	156.0	156.0	156.1
Fire hydrants	1,399	1,477	1,484	1,490	1,490	1,508	1,511	1,501	1,522	1,531	1,535
Storage capacity (millions of gallons)	22	22	22	22	22	22	22	22	22	22	22
Other Public Works											
Streets (miles)	147	147	147	147	147	147	147	147	147	147	147
Streetlights	5,641	5,641	5,641	5,736	5,736	5,736	5,641	5,641	5,675	5,675	5,675
Street resurfacing (estimated miles)	3.40	4.90	2.70	2.90	2.90	2.90	1.90	2.90	2.65	2.65	1.60

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

Source: Various City departments; Budget

Source: City Finance division



Memorandum

To: Members of the Finance and Budget Committee
From: Clayton Black, Budget Manager
CC: Lara Biggs
Subject: Discussion Regarding Budgeting for CIP Projects
Date: July 9, 2024

Recommended Action:
Discussion Only.

Committee Action:
For Discussion

Summary:

Overview

In FY 2022 and FY 2023, the City spent significantly less than budgeted levels, largely due to the timing of large-scale capital improvement projects as well as spending on programs utilizing ARPA funds. As part of the most recent budget amendment, the Finance and Budget Committee asked staff if there was a better way to budget for capital projects that would result in more accurate budgeting. Staff would like to discuss potential options with the committee.

Background

It has been the City's practice to budget the full amount for capital projects in a single fiscal year, even though the project may take multiple fiscal years to complete. The benefit of this approach is that the City Council can reference an approved total budget for a project when approving construction contracts. However, large projects that stretch into future fiscal years appear to come in significantly under budget at year-end.

Generally Accepted Accounting Principles (GAAP) require that capital expenses be recorded in the year in which work is completed. Using the water intake project as an example, the City budgeted the full \$50+ million project in FY 2022 even though the project would take multiple years to complete. The City Council approved the construction contract in October 2022, and minimal work was completed. The amount remaining on the construction contract was rebudgeted in FY 2023, but again, minimal work was completed, with the bulk of construction being completed in FY 2024. This project and other large projects like it were the primary reason the City finished significantly under budget in FY 2022 and FY 2023.

The Finance and Budget Committee asked staff if there were other options to allow for more accurate budgeting, and staff would invite discussion on the following options:

Option 1: Continue with the current method of budgeting the full amount for projects in the current fiscal year.

The City Council can use an approved budget when approving contracts, but it will continue to result in overbudgeting for large projects that span multiple fiscal years.

Under this scenario, a \$5 million project spanning two fiscal years would have the full budget shown in year 1. The project would finish \$4 million under budget in year 1 and on budget in year 2.

	Contract Approval	Budget	Actual	Amount Over/Under
FY 1	\$ 5,000,000	\$ 5,000,000	\$ 1,000,000	(\$ 4,000,000)
FY 2	-	\$ 4,000,000	\$ 4,000,000	-

Option 2: Only budget the amount that is likely to be expended for a project in a given fiscal year.

This would result in more accurate budgeting, but the City Council may have concerns when approving contracts without seeing the full approved budget for that project in a given fiscal year's budget.

Under this scenario, a \$5 million project spanning two fiscal years would have its budget split across two years, with \$1 million in the first year and \$4 million planned for the following fiscal year. The full contract would be \$5 million, and the City Council would need to approve the contract even though the current year budget is just \$1 million.

	Contract Approval	Budget	Actual	Amount Over/Under
FY 1	\$ 5,000,000	\$ 1,000,000	\$ 1,000,000	-
FY 2	-	\$ 4,000,000	\$ 4,000,000	-

Conclusion

While this underbudgeting trend has become apparent in recent years, given the water intake project and ARPA, it is likely to continue over the next three to five years, given the large-scale capital projects in the City's CIP. As the development of the 2025 budget and CIP is underway, staff are seeking input from the Finance and Budget Committee on how they would prefer the City budget for these large projects moving forward.



Memorandum

To: Members of the Finance and Budget Committee
 From: Hitesh Desai, Chief Financial Officer/Treasurer
 Subject: Update on 2024 Bond Issuance
 Date: July 9, 2024

Recommended Action:
 Discussion Only.

Committee Action:
 For Discussion

Summary:
 The bond sale went well with a positive response, resulting in 41 bids from 9 firms.

Par Amount of Bonds: \$31,580,000
 Reoffering Premium: \$ 1,903,433
 True Interest Cost: 3.933%

Total Issue Sources And Uses

Dated 07/11/2024 | Delivered 07/11/2024

	New Money - General Capital	New Money - Water Projects	Issue Summary
Sources Of Funds			
Par Amount of Bonds	\$17,135,000.00	\$14,445,000.00	\$31,580,000.00
Reoffering Premium	1,032,725.40	870,708.00	1,903,433.40
Total Sources	\$18,167,725.40	\$15,315,708.00	\$33,483,433.40
Uses Of Funds			
Total Underwriter's Discount (0.492%)	84,277.47	71,046.87	155,324.34
Costs of Issuance	68,512.87	57,757.13	126,270.00
Deposit to Project Construction Fund	18,012,000.00	15,189,000.00	33,201,000.00
Rounding Amount	2,935.06	(2,096.00)	839.06
Total Uses	\$18,167,725.40	\$15,315,708.00	\$33,483,433.40