

**PRELIMINARY OFFICIAL STATEMENT DATED MAY 27, 2025**

**SALE DATE AND TIME: June 5, 2025: 10:00 A.M. CDT**

**NEW ISSUE—BOOK ENTRY ONLY  
BANK QUALIFIED**

**Rating: Moody's "Aa1"  
(See "RATING" in this Official Statement)**

*The delivery of the Bonds is subject to the opinion of Katten Muchin Rosenman LLP ("Bond Counsel"), to the effect that under existing law, interest on the Bonds is not includible in the gross income of the owners thereof for federal income tax purposes and that, assuming continuing compliance with the applicable requirements of the Internal Revenue Code of 1986, interest on the Bonds will continue to be excluded from the gross income of the owners thereof for federal income tax purposes. Interest on the Bonds is not an item of tax preference for purposes of computing alternative minimum taxable income for individuals. Interest on the Bonds is included in computing adjusted financial statement income of those corporations subject to the corporate alternative minimum tax. See "TAX MATTERS" herein. Interest on the Bonds is not exempt from present Illinois income taxes.*



**\$8,185,000\***  
**CITY OF PARK RIDGE, ILLINOIS**  
**General Obligation Bonds**  
**Series 2025**

**Dated: Date of Delivery**

**Due: December 1 (See Inside Cover)**

The \$8,185,000\* General Obligation Bonds, Series 2025 (the "Bonds") of the City of Park Ridge, Illinois (the "City") will be fully registered and will be in the denomination of \$5,000 or any integral multiple thereof. Principal of and semi-annual interest on the Bonds is payable by Amalgamated Bank of Chicago, Chicago, Illinois, as registrar and paying agent (the "Bond Registrar" and "Agent"). Interest will be payable on December 1, 2025 and semiannually on each June 1 and December 1 thereafter. The Bonds will be in global book entry form, without coupons, and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository of the Bonds. Individual purchases will be made in book-entry form only. Purchasers will not receive certificates representing their interests in the Bonds unless the book-entry system is terminated. See "Book-Entry System" in Appendix B of this Official Statement.

The Bonds are subject to optional redemption and mandatory sinking fund redemption.\* See "DESCRIPTION OF THE BONDS" herein.

The proceeds of the Bonds will be used to finance various capital improvements throughout the City and to pay the costs of issuing the Bonds. See "PURPOSES OF THE BONDS" herein.

The Bonds are general obligations of the City, payable from ad valorem taxes to be levied upon all taxable property in the City, in addition to all other taxes, without limitation as to rate or amount.

*The Bonds are offered when, as and if issued and received by the underwriters, subject to the approval of legality by Katten Muchin Rosenman LLP, Chicago, Illinois, Bond Counsel. In connection with the issuance of the Bonds, certain legal matters will be passed upon for the City by its local counsel, Ancel Glink, P.C, and in connection with the preparation of this Official Statement by its Disclosure Counsel, Katten Muchin Rosenman LLP, Chicago, Illinois. The Bonds in definitive form are expected to be available for delivery through the facilities of The Depository Trust Company on or about June 24, 2025\*.*

The date of this Official Statement is June \_\_, 2025.

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\* Preliminary, subject to change.

## Maturities, Principal Amounts, Interest Rates and Yields

### \$8,185,000\* General Obligation Bonds, Series 2025

Maturity (December 1)	Principal Amount*	Interest Rate	Yield	CUSIP†
2025	\$ 495,000			
2026	295,000			
2027	310,000			
2028	320,000			
2029	340,000			
2030	355,000			
2031	380,000			
2032	395,000			
2033	415,000			
2034	435,000			
2035	455,000			
2036	480,000			
2037	505,000			
2038	530,000			
2039	555,000			
2040	350,000			
2041	365,000			
2042	385,000			
2043	400,000			
2044	420,000			

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\* Preliminary, subject to change.

† CUSIP numbers appearing in this Official Statement have been provided by CUSIP Global Services (“CGS”). CGS is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. The City is not responsible for the selection of CUSIP numbers and makes no representation as to their correctness on the Bonds or as set forth on the cover of this Official Statement. The CUSIP numbers are subject to change after issuance of the Bonds.

## BOND ISSUE SUMMARY

This Bond Issue Summary is expressly qualified by the entire Official Statement, including the Official Notice of Sale and the Official Bid Form, which are provided for the convenience of potential investors and which should be reviewed in their entirety by potential investors.

<b>Issuer:</b>	City of Park Ridge, Illinois (the “City”).
<b>Issue:</b>	\$8,185,000* General Obligation Bonds, Series 2025 (the “Bonds”).
<b>Dated Date:</b>	Date of delivery, expected to be on or about June 24, 2025.
<b>Interest Due:</b>	Each June 1 and December 1, commencing December 1, 2025.
<b>Principal Due:</b>	Serially each December 1, as detailed on the inside cover page of this Official Statement.
<b>Optional Redemption:</b>	The Bonds are subject to optional redemption and mandatory sinking fund redemption*.
<b>Authorization:</b>	The City is a home rule unit under the Illinois Constitution and, as such, is not subject to debt limitations and is not required to seek referendum approval to issue the Bonds. The Bonds are being issued pursuant to an authorizing bond ordinance adopted by the City Council of the City on May 19, 2025 and as supplemented by a bond order.
<b>Purpose:</b>	Bond proceeds will be used to finance various capital improvements throughout the City and to pay the costs of issuing the Bonds.
<b>Security:</b>	The Bonds are valid and legally binding general obligations of the City and the City is obligated to levy ad valorem taxes upon all the taxable property within the City for the payment of the Bonds and the interest thereon without limitation as to rate or amount. However, the enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency, or other laws affecting creditors’ rights and remedies heretofore or hereafter enacted.
<b>Investment Rating:</b>	The Bonds have been rated “Aa1” from Moody’s Investors Service, New York, New York (“Moody’s”).
<b>Tax Matters:</b>	Katten Muchin Rosenman LLP, Chicago, Illinois, will provide an opinion as to the tax exemption of the Bonds as discussed under “TAX MATTERS” in this Official Statement. Interest on the Bonds is not exempt from present State of Illinois income taxes.

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\* Preliminary, subject to change.

<b>Bank Qualification:</b>	The City intends to designate the Bonds as “qualified tax-exempt obligations” under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.
<b>Bond Registrar/Paying Agent:</b>	Amalgamated Bank of Chicago, Chicago, Illinois.
<b>Delivery:</b>	The Bonds are expected to be delivered on or about June 24, 2025.
<b>Book-Entry Form:</b>	The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Bonds. See APPENDIX B herein.
<b>Denomination:</b>	\$5,000 or integral multiples thereof.
<b>Municipal Advisor:</b>	Robert W. Baird & Co., Naperville, Illinois.

**CITY OF PARK RIDGE**  
**Illinois**

505 Butler Place  
Park Ridge, Illinois 60068

*MAYOR*  
Marty Maloney

*CITY CLERK*  
Michael M. Lupo

*ALDERMEN*

First Ward:	John Moran
Second Ward:	Fred Sanchez
Third Ward:	Kelly Lawrence
Fourth Ward:	Kelly Muno
Fifth Ward:	Joseph Steinfels
Sixth Ward:	Lauren Rapisand
Seventh Ward:	Mwende Lefler

*ADMINISTRATION*

City Manager  
Finance Director  
Assistant Finance Director

Joseph Gilmore  
Christopher Lipman  
Nate Giacalone

*CITY ATTORNEY*  
Julie Tappendorf  
Adam Simon  
Ancel Glink, P.C.

*BOND & DISCLOSURE COUNSEL*  
Katten Muchin Rosenman LLP  
Chicago, Illinois

*AUDITOR*  
Lauterbach & Amen LLP  
Naperville, Illinois

*MUNICIPAL ADVISOR*  
Robert W. Baird & Co.  
Naperville, Illinois

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission (“Rule 15c2-12”), this document, as the same may be supplemented or corrected by the City from time to time (collectively, the “Official Statement”), may be treated as an Official Statement with respect to the Bonds described herein that is deemed near final as of the date hereof (or the date of any such supplement or correction) by the City.

The Official Statement, when further supplemented by an addendum or addenda specifying the maturity dates, principal amounts and interest rates of the Bonds, together with any other information required by law or deemed appropriate by the City, shall constitute a “Final Official Statement” of the City with respect to the Bonds, as that term is defined in Rule 15c2-12. Any such addendum or addenda shall, on and after the date thereof, be fully incorporated herein and made a part hereof by reference. Alternatively, such final terms of the Bonds and other information may be included in a separate document entitled “Final Official Statement” rather than through supplementing the Official Statement by an addendum or addenda.

No dealer, broker, salesman or other person has been authorized by the City to give any information or to make any representations with respect to the Bonds other than as contained in the Official Statement and the Final Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. Certain information contained in the Official Statement and the Final Official Statement may have been obtained from sources other than records of the City and, while believed to be reliable, is not guaranteed as to completeness. THE INFORMATION AND EXPRESSIONS OF OPINION IN THE OFFICIAL STATEMENT AND THE FINAL OFFICIAL STATEMENT ARE SUBJECT TO CHANGE, AND NEITHER THE DELIVERY OF THE OFFICIAL STATEMENT OR THE FINAL OFFICIAL STATEMENT NOR ANY SALE MADE UNDER EITHER SUCH DOCUMENT SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE CITY SINCE THE RESPECTIVE DATES THEREOF.

This Official Statement contains “forward-looking statements” that are based upon the City’s current expectations and its projections about future events. When used in this Official Statement, the words “project,” “estimate,” “intend,” “expect,” “scheduled,” “pro-forma” and similar words identify forward-looking statements. Forward-looking statements are subject to known and unknown risks, uncertainties and factors that are outside of the control of the City. Actual results could differ materially from those contemplated by the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. Neither the City nor any other party plans to issue any updates or revisions to these forward-looking statements based on future events.

References herein to laws, rules, regulations, ordinances, resolutions, agreements, reports and other documents do not purport to be comprehensive or definitive. All references to such documents are qualified in their entirety by reference to the particular document, the full text of which may contain qualifications of and exceptions to statements made herein. Where full texts have not been included as appendices to the Official Statement or the Final Official Statement, they will be furnished on request. This Official Statement does not constitute an offer to sell, or solicitation of an offer to buy, any securities to any person in any jurisdiction where such offer or solicitation of such offer would be unlawful.

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## **OFFICIAL STATEMENT**

### **CITY OF PARK RIDGE, ILLINOIS \$8,185,000\* General Obligation Bonds, Series 2025**

#### **INTRODUCTION**

This Official Statement is furnished by the City of Park Ridge, Illinois (the “City”), in connection with the offering of its \$8,185,000\* General Obligation Bonds, Series 2025 (the “Bonds”).

The Bonds are issued pursuant to and in accordance with the authority granted to home rule units of local government by Article VII, Section 6 of the 1970 Constitution of the State of Illinois, the Illinois Municipal Code and the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto and an ordinance of the City Council adopted on May 19, 2025 (as supplemented by the bond order authorized therein and executed in connection with the sale of the Bonds, the “Bond Ordinance”).

This Official Statement, which includes its cover page, Bond Issue Summary and Appendices, provides information concerning the City and the Bonds. All references to agreements and documents are qualified in their entirety by their definitive forms, and all references to the Bonds are further qualified by the information with respect to them contained in the Bond Ordinance. This Official Statement should be read in its entirety by any prospective purchaser of the Bonds.

#### **DESCRIPTION OF THE BONDS**

The Bonds will be dated and will bear interest from their date of delivery. The Bonds will mature on the dates and will bear interest at the respective interest rates per annum shown on the inside front cover of this Official Statement. Interest on the Bonds is payable on June 1 and December 1 in each year, with the first interest payment date being December 1, 2025. Interest will be computed on the basis of a 360-day year consisting of twelve 30-day months. Interest will be payable by Amalgamated Bank of Chicago, Chicago, Illinois acting as bond registrar and paying agent (the “Paying Agent”) for the Bonds. Interest on the Bonds shall be payable on each interest payment date to the registered owners of record thereof appearing on the registration books maintained by the City for such purpose at the corporate trust office of the bond registrar, as of the close of business on the 15th day of the calendar month next preceding the applicable interest payment date.

#### **Optional Redemption**

The Bonds maturing on or after December 1, 2035, are subject to redemption prior to maturity at the option of the City in whole or in part in integral multiples of \$5,000 in any order of their maturity as determined by the City on any date on or after December 1, 2034, at a price of par plus accrued interest to the redemption date. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the City and within any maturity by lot.

#### **Mandatory Sinking Fund Redemption**

The Bonds maturing in the years 20\_\_\_\_, 20\_\_\_\_ and 20\_\_\_\_ (the “Term Bonds”) are subject to mandatory redemption, in part and by lot, on December 1 of the years and in the respective principal

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\* Preliminary, subject to change.

amounts set forth in the following tables, by the application of sinking fund installments, at a redemption price equal to the principal amount thereof to be redeemed:

20__ Term Bonds		20__ Term Bonds		20__ Term Bonds	
Year	Principal Amount	Year	Principal Amount	Year	Principal Amount
20__	\$ ,000	20__	\$ ,000	20__	\$ ,000
20__	,000	20__	,000	20__	,000
20__	,000	20__	,000	20__	,000

On or prior to the 60th day preceding any sinking fund installment date, the City may purchase the Bonds, which are subject to mandatory redemption on such sinking fund installment date, at such prices as the City shall determine. Any Bond so purchased shall be cancelled and the principal amount thereof so purchased shall be credited against the unsatisfied balance of the next ensuing sinking fund installment of the Bonds of the same maturity as the Bond so purchased.

### **Redemption Procedures**

In the event of the redemption of less than all the Bonds of like series and maturity, the aggregate principal amount thereof to be redeemed shall be in the denominations of not less than \$5,000 or any integral multiple thereof\* (“Authorized Denominations”), and the bond registrar shall assign to each Bond of such maturity a distinctive number for each minimum Authorized Denomination principal amount of such Bond and, shall select by lot from the numbers so assigned as many numbers as, at the minimum Authorized Denomination for each number, shall equal the principal amount of such Bonds to be redeemed. The Bonds to be redeemed shall be the Bonds to which were assigned numbers so selected; provided that only so much of the principal amount of each Bond shall be redeemed as shall equal minimum Authorized Denomination for each number assigned to it and so selected.

### **Notice of Redemption**

Notice of the redemption of the Bonds shall be mailed not less than 30 days nor more than 60 days prior to the date fixed for such redemption to the registered owners of the Bonds to be redeemed at their last addresses appearing on said registration books. The Bonds or portions thereof specified in said notice shall become due and payable at the applicable redemption price on the redemption date therein designated, and if, on the redemption date, moneys for payment of the redemption price of all the Bonds or portions thereof to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, and if notice of redemption shall have been mailed as aforesaid (and notwithstanding any defect therein or the lack of actual receipt thereof by any registered owner), then from and after the redemption date, interest on such Bonds or portions thereof shall cease to accrue and become payable. Subject to the provisions for a conditional redemption described above, notice of redemption having been given as described above and in the Bond Ordinance, the Bonds or portions of Bonds so to be redeemed will, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds will be paid by the bond registrar at the redemption price.

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\* Preliminary, subject to change.

## **Registration and Transfer**

The bond registrar shall not be required to transfer or exchange any Bond after notice of the redemption of all or a portion thereof has been mailed. The bond registrar shall not be required to transfer or exchange any Bond during a period of 15 days next preceding the mailing of a notice of redemption that could designate for redemption all or a portion of such Bond.

## **PURPOSES OF THE BONDS**

The proceeds of the Bonds will be used to finance various capital improvements throughout the City (the "Project") and to pay the costs of issuing the Bonds. The Project may include, but is not limited to, the renovation of Fire Station 35, construction of four green alleys involving the removal of existing stone surfaces, replacement of major HVAC components and automation of HVAC controls in City Hall, construction of a new salt dome, the City's annual sidewalk replacement and repair program, resurfacing and repairs to the City's water tower including replacement of mechanical components as needed, and the annual water main replacement program. The currently anticipated completion date for the resurfacing and repair of the water tower and Fire Station 35 renovation are on or about July 1, 2025 and October 31, 2025, respectively.

## **SECURITY FOR THE BONDS**

The Bonds are general obligations of the City. The full faith and credit of the City are pledged to the punctual payment of principal and interest on the Bonds. To the extent revenue from sources other than pledged property taxes will be available to pay the Bonds, property taxes levied to pay the Bonds may be abated.

The Bonds, together with interest on them, will be payable from ad valorem taxes levied on all taxable property in the City, in addition to all other taxes, without limitation as to rate or amount, other than principal and interest due on December 1, 2025 to be paid from the City's funds on hand, which will be deposited in the applicable debt service fund at closing.

## **SOURCES AND USES OF FUNDS**

The proceeds of the Bonds will be applied as follows:

### Sources of Funds

Par Amount

Original Issue Premium

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### Uses of Funds

Costs of the Project

Cost of Issuance<sup>1</sup>

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<sup>1</sup> Includes Underwriter's Discount and other costs of issuance.

## **RISK FACTORS**

The purchase of the Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Bonds should make an independent evaluation of the entirety of the information presented in this Official Statement and its appendices in order to make an informed investment decision. Certain of the investment risks are described below. The following statements, however, should not be considered a complete description of all risks to be considered in the decision to purchase the Bonds, nor should the order of the presentation of such risks be construed to reflect the relative importance of the various risks. There can be no assurance that other risk factors are not material or will not become material in the future.

### **Future Pension Plan Funding Requirements**

The City participates in the Police Pension Plan and the Fire Pension Plan, both as hereinafter defined. Under the Illinois Pension Code, as amended (the “Pension Code”), the City is required to contribute to each plan in order to achieve a Funded Ratio of 90% by 2040. In order to achieve the 90% Funded Ratio for both plans by 2040, it is expected that the annual employer contributions required by the City will increase over time. The City also participates in the Illinois Municipal Retirement Plan (the “IMRF Plan”), which is a defined benefit pension plan administered by the Illinois Municipal Retirement Fund (“IMRF”); employer contributions are projected by IMRF to increase over time. Increasing annual required employer contributions for the City could have a material adverse effect on the finances of the City.

The Pension Code allows the State Comptroller, after proper procedures have taken place, to divert State payments intended for the City to the Police Pension Plan and the Fire Pension Plan to satisfy contribution shortfalls by the City. If the City does not make 100% of its annual required contributions to the Police Pension Plan and Fire Pension Plan, the City may have revenues withheld by the State Comptroller. Such withholdings by the State Comptroller could adversely affect the City’s financial health and operations. See “EMPLOYEE RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS” herein for a more complete discussion.

### **Cybersecurity**

Computer networks and data transmission and collection are vital to the efficient operation of the City. Despite the implementation of network security measures by the City, its information technology and infrastructure may be vulnerable to deliberate attacks by hackers, malware, ransomware or computer virus, or may otherwise be breached due to employee error, malfeasance or other disruptions. Any such breach could compromise networks and the information stored thereon could be disrupted, accessed, publicly disclosed, lost or stolen. Although the City does not believe that its information technology systems are at a materially greater risk of cybersecurity attacks than other similarly situated governmental entities, any such disruption, access, disclosure or other loss of information could have an adverse effect on the City’s operations and financial health. Further, as cybersecurity threats continue to evolve, the City may be required to expend significant additional resources to continue to modify and strengthen security measures, investigate and remediate any vulnerabilities, or invest in new technology designed to mitigate security risks.

### **Local Economy**

The financial health of the City is in part dependent on the strength of the local economy. Many factors affect the local economy, including rates of employment and economic growth and the level of residential and commercial development. It is not possible to predict to what extent any changes in

economic conditions, demographic characteristics, population or commercial and industrial activity will occur and what impact such changes would have on the finances of the City.

### **Bond Rating**

The Bonds have received a credit rating from Moody's Investors Service ("Moody's"). The rating can be changed or withdrawn at any time for reasons both under and outside the City's control. Any change, withdrawal or combination thereof could adversely affect the ability of investors to sell the Bonds or may affect the price at which they can be sold.

### **Secondary Market for the Bonds**

No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The hereinafter-defined Underwriter is not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof.

Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

### **Continuing Disclosure**

A failure by the City to comply with its continuing disclosure obligations (see "CONTINUING DISCLOSURE") will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934 (the "Exchange Act"), as amended, and may adversely affect the transferability and liquidity of the Bonds and their market price.

### **Suitability of Investment**

The interest rates borne by the Bonds are intended to compensate the investor for assuming the risk of investing in the Bonds. Furthermore, the tax-exempt feature of the Bonds is currently more valuable to high tax bracket investors than to investors that are in low tax brackets. As such, the value of the interest compensation to any particular investor will vary with individual tax rates and circumstances. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Bonds are an appropriate investment for such investor.

### **Future Changes in Laws**

Various state and federal laws, regulations and constitutional provisions apply to the City and to the Bonds. The City can give no assurance that there will not be a change in, interpretation of, or addition to such applicable laws, provisions and regulations which would have a material effect, either directly or indirectly, on the City, or the taxing authority of the City. For example, many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the State of Illinois (the "State") may affect the overall financial conditions of the City, the taxable value of property within the City, and the ability of the City to levy property taxes or collect revenues for its ongoing operations.

## **Factors Relating to Tax Exemption**

As discussed under “TAX MATTERS” herein, interest on the Bonds could become includible in gross income for purposes of federal income taxation, retroactive to the date the Bonds were issued, as a result of future acts or omissions of the City in violation of its covenants in the Bond Ordinance. Should such an event of taxability occur, the Bonds are not subject to any special redemption.

There are or may be pending in the Congress of the United States (“Congress”) legislative proposals relating to the federal tax treatment of interest on the Bonds, including some that carry retroactive effective dates, that, if enacted, could affect the market value of the Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to Bonds issued prior to enactment. Finally, reduction or elimination of the tax-exempt status of obligations such as the Bonds could have an adverse effect on the City’s ability to access the capital markets to finance future capital or operational needs by reducing market demand for such obligations or materially increasing borrowing costs of the City.

The tax-exempt bond office of the Internal Revenue Service (the “Service”) is conducting audits of tax-exempt bonds, both compliance checks and full audits, with increasing frequency to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether the Service will commence any such audit. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the Bondholders may have no right to participate in such proceeding. The commencement of an audit with respect to any tax-exempt obligations of the City could adversely affect the market value and liquidity of the Bonds, regardless of the ultimate outcome.

## **Bankruptcy**

The rights and remedies of the Bondholders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws or equitable principles that may affect the enforcement of creditors’ rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Bonds will be similarly qualified.

## **Climate Change Risk**

There are potential risks to the State, the City and their respective financial condition that are associated with changes to the climate over time and with increases in the frequency, timing and severity of extreme weather events, causing or increasing the severity of flooding and other natural disasters. The City cannot predict how or when various climate change risks may occur, nor can it quantify the impact on the State or the City, its population or its financial condition. Over time, the costs could be significant and could have a material adverse effect on the City’s finances.

## **Tariffs**

The imposition of tariffs or changes to trade policies at the federal or international level could adversely affect the City’s financial position and operations. Tariffs on construction materials such as steel, aluminum, or lumber could increase the costs associated with the Project, leading to potential budget overruns or delays in Project completion. Additionally, broader tariffs impacting goods and services could negatively influence the local economy by increasing costs for businesses and consumers, potentially reducing commercial activity, employment levels, and the City’s tax revenues. There can be no assurance

that future changes in tariffs, trade agreements, or related regulations will not materially impact the City’s ability to complete the Project on time and within budget, or the overall financial condition of the City.

## THE CITY OF PARK RIDGE

The City is located 15 miles northwest of downtown Chicago in Cook County, Illinois (the “County”) and encompasses an area of 7.1 square miles. Originally settled in 1840, the City has grown into a medium sized city with a current population of 39,241 according to 2023 U.S. Census estimates.

### Population

	2020 Population <sup>1</sup>	2023 Population <sup>2</sup>
The City	39,656	39,241
The County	5,275,541	5,185,812
The State	12,812,508	12,692,653

<sup>1</sup> Source: U.S. Bureau of the Census, Decennial Census.

<sup>2</sup> Source: U.S. Bureau of the Census, ACS, 2019-2023.

Known as a prime residential community, the City is served by some of the best school districts in the State, an excellent park and recreation system and dependable city services. The City is situated in a key geographic location in close proximity to O’Hare International Airport, the Northwest and Tri-State Tollways, the Kennedy Expressway, CTA Rapid Transit and the Metra commuter rail line. In addition, the proximity of O’Hare International Airport immediately west of the City makes air travel convenient, and has contributed significantly to economic growth in the area.

### Government

The City was incorporated as the Village of Park Ridge in 1873 and incorporated as the City of Park Ridge in 1910. The City provides its citizens with a full range of high quality municipal services.

The City is a home rule municipality under the Constitution and laws of the State of Illinois, and operates a Mayor-Council form of government. The Mayor and City Clerk are elected from the population at large. Aldermen are elected from seven wards on the basis of ward representation. Policy is established by the Mayor and Council, while the day-to-day operations of the City and its employees are the responsibility of the City Manager.

The City Manager is the Chief Operating Officer of the City and is responsible for the management of all City operations under the direction of the Mayor and Aldermen. The City Manager is appointed by the Mayor with the advice and consent of the Aldermen. The City Department heads, including the Finance Director, report to the City Manager.

**Marty Maloney, Mayor.** Marty Maloney, a lifelong resident of the City, has served as Mayor since March 2015. He was appointed following the unexpected passing of Mayor David Schmidt and was subsequently elected in 2017 and re-elected in 2021. Prior to his mayoral tenure, Maloney served as the 7th Ward Alderperson from 2012 to 2015 and as a Park Ridge Park District Board Commissioner from 2003 to 2011. Professionally, he has a background in information technology sales to government entities.

**Joseph Gilmore, City Manager.** Joseph Gilmore has been the City Manager since his appointment in 2017. He oversees the operations of all City departments and manages governmental operations,

providing recommendations to the Mayor and City Council. Prior to becoming City Manager, Gilmore served as the Finance Director for the City, bringing over two decades of private sector experience in various accounting and finance roles, including Auditor, Treasurer, Controller, and VP of Finance. He holds a bachelor's degree in Finance from Northern Illinois University and an MBA from the University of Notre Dame.

***Christopher Lipman, Finance Director.*** Christopher Lipman has served as Finance Director for the City since his appointment in 2021, overseeing all aspects of the City's financial operations. Prior to joining the City, he was the Managing Deputy Budget Director for the County. Lipman also brings nearly a decade of private sector experience to the role. He holds a bachelor's degree in History from Illinois State University and an MBA from DePaul University.

### **Municipal Services**

The City provides emergency 911 telephone, police, fire, and emergency medical services. The Police Department is accredited by the Commission on Accreditation for Law Enforcement Agencies in the United States and Canada. The Fire Department is accredited by the Commission on Fire Accreditation International. The Fire Department also holds a class three fire insurance rating.

The City provides weekly curbside garbage and recycling pickup to its residents. The public works department manages a strong infrastructure program for the maintenance of sewers, alleys, water mains, streets, sidewalks, and trees. Sewer treatment is the responsibility of the Metropolitan Water Reclamation District of Greater Chicago. The City operates a water distribution system which provides residences and businesses with water from Lake Michigan via the City of Chicago.

The City levies property taxes on behalf of a public library, which circulated 824,216 physical and digital items in 2023. The library is a separate legal entity.

### **City Employees**

Total budgeted employment of the City is 287.25 full-time equivalent positions. Salaries, working conditions and benefits of certain employees in the following departments are governed through bargaining agreements:

Department	Budgeted Full Time Equivalent	Expiration
Illinois Fraternal Order of Police Labor Council and the Fraternal Order of Police Lodge #16	7.0	12/31/2025
International Association of Fire Fighters, AFL-CIO	46.25	In Negotiation
International Union of Operating Engineers, Local 150	30.0	4/30/2027
Illinois Council of Police	22.0	4/30/2026
Metropolitan Alliance of Police	43.0	In Negotiation

*Source: The City. Note: Expiration date of those contracts in negotiation was December 31, 2024.*

### **Schools**

The City is served by Park Ridge-Niles School District 64, which operates five elementary schools, two middle schools and an early education center. Maine Township High School District 207 operates three comprehensive high schools, two of which (Maine South and Maine East) are located in the City.

## **REAL PROPERTY ASSESSMENT, TAX LEVY AND COLLECTION**

### **Summary of Property Assessment, Tax Levy and Collection Procedures**

A separate tax to pay the principal of and interest on the Bonds will be levied on all taxable real property within the City. The information under this caption describes the current procedures for real property assessments, tax levies and collections in the County. There can be no assurance that the procedures described herein will not change.

### **Real Property Assessment**

The County Assessor (the “Assessor”) is responsible for the assessment of all taxable real property within the County, including such property located within the boundaries of the City, except for certain railroad property, pollution control facilities and low sulfur dioxide emission coal-fueled devices, which are assessed directly by the Department. For triennial reassessment purposes, the County is divided into three Districts: west and south suburbs (the “South Tri”), north and northwest suburbs (the “North Tri”), and the City of Chicago (the “City Tri”). The City is located in the North Tri and was last reassessed for the 2022 tax levy year. The City will next be reassessed for the 2025 levy year.

Real property in the County is separated into classes for assessment purposes. After the Assessor establishes the fair market value of a parcel of property, that value is multiplied by the appropriate classification percentage to arrive at the assessed valuation (the “Assessed Valuation”) for the parcel. Such classification percentages range from 10% for certain residential, commercial and industrial property to 25% for other industrial and commercial property.

Property is classified for assessment into six basic categories, each of which is assessed at various percentages of fair market value as follows: Class 1 - unimproved real estate (10%); Class 2 - residential (10%); Class 3 - rental-residential (16% in tax year 2009, 13% in tax year 2010, and 10% in tax year 2011 and subsequent years); Class 4 - not-for-profit (25%); Class 5a - commercial (25%); and Class 5b - industrial (25%).

In addition, property may be temporarily classified into one of eight additional assessment classification categories. Upon expiration of such classification, property so classified will revert to one of the basic six assessment classifications described above. The additional assessment classifications are as follows:

CLASS	DESCRIPTION OF QUALIFYING PROPERTY	ASSESSMENT PERCENTAGE	REVERTS TO CLASS
6b	Newly constructed industrial properties or substantially rehabilitated sections of existing industrial properties	10% for first 10 years and any 10 year renewal; if not renewed, 15% in year 11, 20% in year 12	5b
C	Industrial property that has undergone environmental testing and remediation	10% for first 10 years, 15% in year 11, 20% in year 12	5b 5a 5a
	Commercial property that has undergone environmental testing and remediation	10% for first 10 years, 15% in year 11, 20% in year 12	5a
7a/7b	Newly constructed or substantially rehabilitated commercial properties in an area in need of commercial development	10% for first 10 years, 15% in year 11, 20% in year 12	5a
7c	Newly constructed or rehabilitated commercial buildings and acquisition of abandoned property and rehabilitation of buildings thereon including the land upon which the buildings are situated and the land related to the rehabilitation	10% for first 3 years and any 3 year renewal; if not renewed, 15% in year 4, 20% in year 5	5b
8	Industrial properties in enterprise communities or zones in need of substantial revitalization	10% for first 10 years and any 10-year renewal; if not renewed, 15% in year 11, 20% in year 12	5a As Applicable 3
	Commercial properties in enterprise communities or zones in need of substantial revitalization	10% for first 10 years, 15% in year 11, 20% in year 12	3, 4, or 5b
9	New or substantially rehabilitated multi-family residential properties in target areas, empowerment or enterprise zones	10% for first 10 years and any 10 year renewal	5a
S	Class 3 properties subject to Section 8 contracts renewed under the "Mark up to Market" option	10% for term of Section 8 contract renewal and any subsequent renewal	
L	Substantially rehabilitated Class 3, 4 or 5b properties qualifying as "Landmark" or "Contributing" buildings	10% for first 10 years and any 10-year renewal; if not renewed, 15% in year 11, 20% in year 12	
	Substantially rehabilitated Class 5a properties qualifying as "Landmark" or "Contributing" buildings	10% for first 10 years, 15% in year 11, 20% in year 12	

The Assessor has established procedures enabling taxpayers to contest their proposed Assessed Valuations. Once the Assessor certifies its final Assessed Valuations, a taxpayer can seek review of its assessment by appealing to the Cook County Board of Review (the "Board of Review"), which consists of

three commissioners elected by the voters of the County. The Board of Review has the power to adjust the Assessed Valuations set by the Assessor.

Owners of residential property having six or fewer units are able to appeal decisions of the Board of Review to the Illinois Property Tax Appeal Board (the “PTAB”), a statewide administrative body. The PTAB has the power to determine the Assessed Valuation of real property based on equity and the weight of the evidence. Taxpayers may appeal the decision of PTAB to either the Circuit Court of Cook County (the “Circuit Court”) or the Illinois Appellate Court under the Illinois Administrative Review Law.

As an alternative to seeking review of Assessed Valuations by PTAB, taxpayers who have first exhausted their remedies before the Board of Review may file an objection in the Circuit Court. The procedure under this alternative is similar to the judicial review procedure described in the immediately preceding paragraph, however, the standard of proof differs. In addition, in cases where the Assessor agrees that an assessment error has been made after tax bills have been issued, the Assessor can correct any factual error, and thus reduce the amount of taxes due, by issuing a Certificate of Error. Certificates of Error are not issued in cases where the only issue is the opinion of the valuation of the property.

### **Equalization**

After the Assessor has established the Assessed Valuation for each parcel for a given year, and following any revisions by the Board of Review or PTAB, the Department is required by statute to review the Assessed Valuations. The Department establishes an equalization factor (the “Equalization Factor”), commonly called the “multiplier,” for each county to make all valuations uniform among the 102 counties in the State. Under State law, the aggregate of the assessments within each county is to be equalized at 33-1/3% of the estimated fair cash value of real property located within the county prior to any applicable exemptions. One multiplier is applied to all property in the County, regardless of its assessment category, except for certain farmland property and wind energy assessable property, which are not subject to equalization.

Once the Equalization Factor is established, the Assessed Valuation, as revised by the Board of Review or PTAB, is multiplied by the Equalization Factor to determine the equalized assessed valuation (the “EAV”) of that parcel. The EAV for each parcel is the final property valuation used for determination of tax liability. The aggregate EAV for all parcels in any taxing body’s jurisdiction, plus the valuation of property assessed directly by the Department, constitute the total real estate tax base for the taxing body, which is used to calculate tax rates (the “Assessment Base”). The following table sets forth the Equalization Factor for the County for the last 10 tax levy years.

<u>TAX LEVY YEAR</u>	<u>EQUALIZATION FACTOR</u>
2014	2.7253
2015	2.6685
2016	2.8032
2017	2.9627
2018	2.9109
2019	2.9160
2020	3.2234
2021	3.0027
2022	2.9237
2023	3.0163

## **Exemptions**

The Illinois Property Tax Code, as amended (the “Property Tax Code”), exempts certain property from taxation. Certain property is exempt from taxation on the basis of ownership and/or use, including, but not limited to, public parks, not-for-profit schools, public schools, churches, not-for-profit hospitals and public hospitals. In addition, the Property Tax Code provides a variety of homestead exemptions, which are discussed below.

An annual General Homestead Exemption provides that the EAV of certain property owned and used for residential purposes (“Residential Property”) may be reduced by the amount of any increase over the 1977 EAV, up to a maximum reduction of \$10,000 for tax year 2017 and thereafter.

The Long-Time Occupant Homestead Exemption limits the increase in EAV of a taxpayer’s homestead property to 10% per year if such taxpayer has owned the property for at least 10 years as of January 1 of the assessment year (or 5 years if purchased with certain government assistance) and has a household income of \$100,000 or less (“Qualified Homestead Property”). If the taxpayer’s annual income is \$75,000 or less, the EAV of the Qualified Homestead Property may increase by no more than 7% per year. There is no exemption limit for Qualified Homestead Properties.

The Homestead Improvement Exemption applies to Residential Property that has been improved or rebuilt in the two years following a catastrophic event, as defined in the Property Tax Code. The exemption is limited to an annual maximum amount of \$75,000 for up to four years, to the extent the Assessed Valuation is attributable solely to such improvements or rebuilding.

The Senior Citizens Homestead Exemption annually reduces the EAV on residences owned and occupied by senior citizens. Beginning with tax year 2017, the maximum exemption is \$8,000.

The Senior Citizens Assessment Freeze Homestead Exemption freezes property tax assessments for homeowners who are 65 and older, reside in their property as their principal place of residence and receive a household income not in excess of \$65,000. This exemption grants to qualifying senior citizens an exemption equal to the difference between (a) the current EAV of the residence and (b) the EAV of a senior citizen’s residence for the year prior to the year in which he or she first qualifies and applies for the exemption, plus the EAV of improvements since such year. Beginning in tax year 2017, the amount of the exemption is equal to the greater of the amount calculated as described in the previous sentence (as more completely set forth in the Property Tax Code) or \$2,000.

Purchasers of certain single family homes and residences of one to six units located in certain targeted areas (as defined in the Property Tax Code) can apply for the Community Stabilization Assessment Freeze Pilot Program. To be eligible the purchaser must meet certain requirements for rehabilitating the property, including expenditures of at least \$5 per square foot, adjusted by the Consumer Price Index (“CPI”). Upon meeting the requirements, the assessed value of the improvements is reduced by (a) 90% in the first seven years, (b) 65% in the eighth year and (c) 35% in the ninth year. The benefit ceases in the tenth year. The program will be phased out by June 30, 2029.

The Natural Disaster Homestead Exemption (the “Natural Disaster Exemption”) applies to homestead properties containing a residential structure that has been rebuilt following a natural disaster. A natural disaster is an occurrence of widespread or severe damage or loss of property resulting from any catastrophic cause including but not limited to fire, flood, earthquake, wind, or storm. The Natural Disaster Exemption is equal to the EAV of the residence in the first taxable year for which the taxpayer applies for the exemption minus the base amount. To be eligible for the Natural Disaster Exemption, the residential structure must be rebuilt within two years after the date of the natural disaster, and the square footage of

the rebuilt residential structure may not be more than 110% of the square footage of the original residential structure as it existed immediately prior to the natural disaster. The Natural Disaster Exemption remains at a constant amount until the taxable year in which the property is sold or transferred.

Several exemptions are available to veterans of the United States armed forces. The Veterans with Disabilities Exemption for Specially-Adapted Housing exempts up to \$100,000 of the Assessed Valuation of property owned and used exclusively by veterans with a disability, their spouses or unmarried surviving spouses. Qualification for this exemption requires the veteran's disability to be of such a nature that the federal government has authorized payment for purchase of specially adapted housing under the U.S. Code as certified to annually by the Illinois Department of Veterans Affairs or for housing or adaptations donated by a charitable organization to such disabled veteran.

The Standard Homestead Exemption for Veterans with Disabilities provides an annual homestead exemption to veterans with a service-connected disability based on the percentage of such disability. If the veteran has a (a) service- connected disability of 30% or more but less than 50%, the annual exemption is \$2,500, (b) service-connected disability of 50% or more but less than 70%, the annual exemption is \$5,000, and (c) service-connected disability of 70% or more, the property is exempt from taxation.

The Returning Veterans' Homestead Exemption is available for property owned and occupied as the principal residence of a veteran in the assessment year, and the year following the assessment year, in which the veteran returns from an armed conflict while on active duty in the United States armed forces. This provision grants a one-time, two- year homestead exemption of \$5,000.

Finally, the Homestead Exemption for Persons with Disabilities provides an annual homestead exemption in the amount of \$2,000 for property that is owned and occupied by certain disabled persons who meet State-mandated guidelines.

### **Tax Levy**

As part of the annual budgetary process of governmental units (the "Units") with power to levy taxes in the County, the designated body for each Unit annually adopts proceedings to levy real estate taxes. The administration and collection of real estate taxes is statutorily assigned to the County Clerk and the County Treasurer. After the Units file their annual tax levies, the County Clerk computes the annual tax rate for each Unit. The County Clerk computes the Unit's maximum allowable levy by multiplying the maximum tax rate for that Unit by the prior year's EAV for all property currently in the City. The prior year's EAV includes the EAV of any new property, the current year value of any annexed property and any recovered tax increment value, minus any disconnected property for the current year under the Limitation Law. The tax rate for a Unit is computed by dividing the lesser of the maximum allowable levy or the actual levy by the current year's EAV.

### **Property Tax Extension Limitation Law**

The Property Tax Extension Limitation Law (the "Limitation Law") limits the amount of the annual increase in property taxes to be extended for certain Illinois non-home rule units of government. In general, the Limitation Law restricts the amount of such increases to the lesser of 5% or the percentage increase in the CPI during the calendar year preceding the levy year. Currently, the Limitation Law applies only to and is a limitation upon all non-home rule taxing bodies in Cook County, the five collar counties (DuPage, Kane, Lake, McHenry and Will) and several downstate counties. Home rule units, including the City, are exempt from the limitations contained in the Limitation Law. If the Limitation Law were to apply in the future to the City, the limitations set forth therein will not apply to any taxes levied by the City to pay the principal of and interest on the Bonds. See "DESCRIPTION OF THE BONDS" herein.

Illinois legislators have introduced several proposals to further modify the Limitation Law, including freezing property taxes and extending tax caps to all taxing bodies in the State. The City cannot predict whether, or in what form, any change to the Limitation Law may be enacted into law, nor can the City predict the effect of any such change on the City's finances.

The City is a Home Rule unit of government and is not subject to the Limitation Law.

### **Extensions**

As part of the annual budgetary process of governmental units (the "Units") with power to levy taxes in the County, the designated body for each Unit annually adopts proceedings to levy real estate taxes. The administration and collection of real estate taxes is statutorily assigned to the County Clerk and the County Treasurer. After the Units file their annual tax levies, the County Clerk computes the annual tax rate for each Unit. The County Clerk computes the Unit's maximum allowable levy by multiplying the maximum tax rate for that Unit by the prior year's EAV for all property currently in the City. The prior year's EAV includes the EAV of any new property, the current year value of any annexed property and any recovered tax increment value, minus any disconnected property for the current year under the Limitation Law. The tax rate for a Unit is computed by dividing the lesser of the maximum allowable levy or the actual levy by the current year's EAV.

The County Clerk then computes the total tax rate applicable to each parcel of real property by aggregating the tax rates of all of the Units having jurisdiction over the particular parcel. The County Clerk extends the tax by entering the tax (determined by multiplying the total tax rate by the EAV of that parcel for the current assessment year) in the books prepared for the County Collector (the "Warrant Books") along with the tax rates, the Assessed Valuation and the EAV. The Warrant Books are the County Collector's authority for the collection of taxes and are used by the County Collector as the basis for issuing tax bills to all property owners.

### **Collections**

Property taxes are collected by the County Collector, who is also the County Treasurer, who remits to each Unit its share of the collections. Taxes levied in one year become payable during the following year in two installments, the first due on March 1 and the second on the later of August 1 or 30 days after the mailing of the tax bills. A payment due is deemed to be paid on time if the payment is postmarked on the due date. Beginning with the first installment payable in 2010, the first installment is equal to 55% of the prior year's tax bill. However, if a Certificate of Error is approved by a court or certified on or before November 30 of the preceding year and before the estimated tax bills are prepared, then the first installment is instead based on the certain percentage of the corrected prior year's tax bill. The second installment is for the balance of the current year's tax bill, and is based on the then current tax year levy, assessed value and Equalization Factor, and reflects any changes from the prior year in those factors. The first installment penalty date has historically been the first business day in March. Pursuant to Public Act 102-1112, the first installment penalty date for levy year 2022 was changed from March 1, 2023 to April 1, 2023. The following table sets forth the second installment penalty date for the last ten tax levy years in the County.

## SECOND INSTALLMENT

<u>TAX LEVY YEAR</u>	<u>PENALTY DATE</u>
2014	August 3, 2015
2015	August 1, 2016
2016	August 1, 2017
2017	August 1, 2018
2018	August 1, 2019
2019	August 3, 2020
2020	August 2, 2021
2021	December 30, 2022
2022	December 1, 2023
2023	August 1, 2024

As a result of ongoing efforts to modernize technology within various County property tax agencies, personnel shortages and turnover attributable to COVID-19 and the complicated nature of the reassessment of property taxes in the City of Chicago, for the 2021 tax year (for amounts payable in calendar year 2022), the distribution of amounts related to second installment County property tax bills for calendar year 2022 were delayed. Likewise, such distribution of amounts were delayed in calendar year 2023. The City did not experience any cash flow issues due to such delays. Distribution of amounts related to first installment County property tax bills for calendar year 2024 were on time.

It is possible that the changes to the assessment appeals process described above will cause delays similar to those experienced in past years in preparation and mailing of the second installment in future years. In the future, the County may provide for tax bills to be payable in four installments instead of two.

During the periods of peak collections, tax receipts are forwarded to each Unit on a weekly basis. Upon receipt of taxes from the County Collector, the City promptly credits the taxes received to the funds for which they were levied.

### **Unpaid Taxes and Annual Tax Sales**

Taxes that are not paid when due, or that are not paid by mail and postmarked on or before the due date, are deemed delinquent and bear interest at the rate of 0.75% per month (or portion thereof) until paid. Unpaid property taxes, together with penalties, interest and costs, constitute a lien against the property subject to the tax. If taxes go unpaid for 13 months, the County Treasurer is required to sell the delinquent property taxes at the "Annual Tax Sale", which is a sale of tax liens, not properties. A public sale is held, at which time successful tax buyers pay the unpaid taxes plus penalties. Taxpayers can redeem their property by paying the amount paid at the sale, plus interest penalties and fees. If no redemption is made within the applicable redemption period, the tax buyer can secure a court-ordered deed to the home. Tax buyers can seek the deed to a home after 2 1/2 years, with the option of a six month extension. If the property is abandoned, that time frame can be shortened to two years. Owners of vacant, commercial and industrial properties have six months to redeem their taxes before the tax buyer can seek ownership of the property.

If there is no sale of the tax lien on a parcel of property at the Annual Tax Sale, the taxes are forfeited and the property becomes eligible to be purchased at any time thereafter at an amount equal to all delinquent taxes and interest accrued to the date of purchase. Redemption periods and procedures are the same as applicable to the Annual Tax Sale.

When taxes remain unpaid for more than 20 years, Illinois law states that the property is “forfeited to the state.” As a practical matter, this does not happen. Instead, the taxes are wiped out, as the property remains in its distressed condition barring a change in the owner’s circumstances or it being sold.

### **Scavenger Sales**

In the County, if a property’s taxes go unpaid in at least three of the previous 20 years, the property is offered at a biennial “Scavenger Sale,” which like the Annual Tax Sale, is a sale of unpaid taxes. The winning bidder is not required to pay any of the previous years’ unpaid taxes. If the owner, however, does not redeem such back taxes, the winning bidder can seek deed to the property. To obtain the deed, the bidder must pay all unpaid taxes billed on the property between the last year covered by the Scavenger Sale and the date the bidder seeks the deed. Redemption periods vary from six months to two and a half years depending upon the type and occupancy of the property. As in the Annual Sale, bidders at the Scavenger Sale can seek the deed to a home after 2 1/2 years, with the option of a six month extension. If the property is abandoned, that time frame can be shortened to two years. With a vacant, commercial or industrial property, the winning buyer can seek the deed after six months.

Public Act 103 0555, effective January 1, 2024, eliminates the County’s mandatory Scavenger Sale and allows the County or local governments to take control of properties if they are not purchased in the Annual Tax Sale. The County, like all other Illinois counties, can cease selling tax liens and instead work to connect chronically-delinquent, forfeited tax liens to new development opportunities.

### **Truth in Taxation Law**

Legislation known as the Truth in Taxation Law (the “Law”) limits the aggregate amount of certain taxes which can be levied by, and extended for, a taxing district to 105% of the amount of taxes extended in the preceding year unless specified notice, hearing and certification requirements are met by the taxing body. The express purpose of the Law is to require published disclosure of, and hearing upon, an intention to adopt a levy in excess of the specified levels. The provisions of the Law do not apply to levies made to pay principal of and interest on the Bonds.

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## PROPERTY ASSESSMENT AND TAX INFORMATION

### Equalized Assessed Valuations

For the 2023 levy year, the City's EAV was comprised of approximately 88.45% residential, 11.44% commercial and industrial, and 0.10% of farm and railroad property valuations.

#### City of Park Ridge *Composition of Equalized Assessed Valuations*

	2020		2021		2022		2023	
	Value	Percent	Value	Percent	Value	Percent	Value	Percent
Residential	\$1,560,179,175	87.05%	\$1,436,055,328	86.83%	\$1,771,078,787	88.62%	\$1,809,025,758	88.45%
Commercial	230,048,830	12.84%	215,678,496	13.04%	225,060,339	11.26%	233,583,789	11.42%
Industrial	460,947	0.03%	429,386	0.03%	393,504	0.02%	405,966	0.02%
Railroad	1,649,009	0.09%	1,649,009	0.10%	1,967,704	0.10%	2,126,930	0.10%
TOTAL	<u>1,792,337,961</u>	<u>100.00%</u>	<u>1,653,812,219</u>	<u>100.00%</u>	<u>1,998,500,334</u>	<u>100.00%</u>	<u>\$2,045,142,443</u>	<u>100.00%</u>

Source: Cook County Clerk's Office. Excludes Incremental EAV.

### Property Tax Rates

The following two tables present typical recent tax rates for governmental units with taxing authority over the major portion of the City.

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**City of Park Ridge**  
**Direct and Overlapping Property Tax Rates**

	LEVY YEAR					
	2018	2019	2020	2021	2022	2023
Direct Rates						
General Corporate	\$0.2058	\$0.2240	\$0.2089	\$0.2618	\$0.2757	\$0.2080
Debt Service (Bond and Interest)	0.0171	0.0000	0.0000	0.0000	0.0000	0.0000
Garbage	0.1895	0.1666	0.1741	0.1942	0.1709	0.1956
Police Pension	0.1625	0.1450	0.1797	0.1725	0.1228	0.1434
Fire Pension	0.1484	0.1329	0.1569	0.1578	0.1070	0.1178
Illinois Municipal Retirement	0.0590	0.0395	0.0409	0.0323	0.0123	0.0064
Social Security	0.0554	0.0443	0.0446	0.0539	0.0335	0.0344
Total Direct Rate as Rounded by Cook County	<u>0.838</u>	<u>0.753</u>	<u>0.806</u>	<u>0.873</u>	<u>0.723</u>	<u>0.0706</u>
Overlapping Rates						
Park Ridge Public Library	0.239	0.223	0.224	0.248	0.205	0.200
High School District 207	2.652	2.553	2.639	2.901	2.459	2.524
Elementary School District 64	4.236	3.720	3.741	4.295	3.751	3.845
Cook County Consolidated Elections	0.489	0.454	0.453	0.446	0.431	0.386
Cook County Forest Preserve	0.000	0.030	0.000	0.019	0.000	0.032
Water Reclamation District	-	-	-	-	-	-
Mosquito Abatement District	0.060	0.059	0.058	0.058	0.081	0.075
Maine Township*	0.396	0.389	0.378	0.382	0.374	0.345
Road and Bridge/Maine General Assistance/Maine Community	0.011	0.010	0.010	0.011	0.009	0.010
College District 535	0.092	0.033	0.022	0.075	0.064	0.066
Recreation and Park District	0.060	0.053	0.054	0.058	0.047	0.045
	0.000	0.000	0.000	0.015	0.013	0.013
	<u>0.246</u>	<u>0.221</u>	<u>0.227</u>	<u>0.252</u>	<u>0.221</u>	<u>0.277</u>
Total Overlapping Rates	<u>8.993</u>	<u>8.185</u>	<u>8.255</u>	<u>9.256</u>	<u>8.172</u>	<u>8.342</u>
Total Tax Bill	<u>9.831</u>	<u>8.938</u>	<u>9.061</u>	<u>10.129</u>	<u>8.895</u>	<u>8.413</u>

\* Includes Library Fund.

Source: Cook County Clerk's Office.

## Principal Taxpayers

### City of Park Ridge Top Ten Principal Taxpayers

Name	Type of Business or Property	2023 Equalized Assessed Valuation <sup>1</sup>	Percent of City's Total EAV
Park Ridge Bldg LLC	Office building	\$11,260,777	0.55%
Park Ridge Prop LLC	Special commercial structure	9,820,819	0.48
HSRE Park Ridge LLC	Special rental structure	8,277,566	0.40
Gale T. Landers	Special commercial structure	8,166,871	0.40
Uptown Station LLC	One story store	8,039,827	0.39
Crystal Landings	Commercial building	7,860,674	0.38
Imperial Realty Co	Two or three story building containing part or all retail and/ or commercial space	7,823,569	0.38
Tau Operating Partners	Supermarket	7,028,241	0.34
Dempster Development	Commercial buildings	6,521,113	0.32
Rushmore Village Green	Shopping Center	6,283,879	0.31
<b>TOTAL</b>		<b>\$81,083,336</b>	<b>3.96%</b>

<sup>1</sup> Includes only those parcels with 2023 equalized assessed valuations of approximately \$100,000 and over as recorded by the County Assessor.

Source: Cook County Clerk's and Maine Township Assessor's Offices.

## Tax Extensions and Collections

The following table illustrates the City's strong record of tax collections.

### City of Park Ridge Schedule of Property Taxes Extended and Collected

Tax Levy Year	Fiscal Year	Taxes Levied <sup>1</sup>	Taxes Collected and Distributed <sup>2</sup>	Percent Collected
2018	4/30/2020	\$16,498,859	\$15,751,277	95.47%
2019	4/30/2021	17,719,851	17,641,560	99.56
2020	12/31/2021	18,454,244	18,263,055	98.96
2021	12/31/2022	18,518,005	18,295,392	98.80
2022	12/31/2023	18,518,006	18,482,926	99.81
2023	12/31/2024	18,518,006	18,266,295	98.64

<sup>1</sup> Source: Cook County Clerk Tax Agency Reports (includes City of Park Ridge and Park Ridge Library levies).

<sup>2</sup> Source: Cook County Treasurer Agency Tax Year Collection Distribution Reports as of May 14, 2025.

Note: Property in the City is reassessed on a triannual basis.

## Sales Taxes

### City of Park Ridge State Sales Tax Receipts by Month<sup>1</sup> Fiscal Years 2020 – 2024

Sales Month <sup>2</sup>	FY20	FY21	SY21 <sup>3</sup>	Sales Month <sup>2</sup>	FY22	FY23	FY24	FY24 vs. FY20
May	\$366,614	\$291,712	\$422,192	Jan	\$362,340	\$412,066	\$459,730	\$93,116
Jun	353,391	329,636	422,637	Feb	356,972	400,182	435,323	81,931
Jul	361,016	345,869	387,027	Mar	400,644	448,266	490,079	129,062
Aug	335,301	332,378	390,135	Apr	400,337	445,187	472,271	136,969
Sept	335,614	333,090	393,044	May	451,774	493,855	524,375	188,760
Oct	338,955	323,945	382,001	Jun	461,391	485,029	503,864	164,908
Nov	340,676	314,226	422,346	Jul	415,490	468,370	465,784	125,108
Dec	435,499	422,374	492,743	Aug	418,117	480,100	485,726	50,227
Jan	302,928	339,309		Sept	464,609	476,697	514,736	211,807
Feb	299,996	313,153		Oct	450,200	483,092	505,274	205,277
Mar	309,120	420,457		Nov	472,496	498,558	495,444	186,323
Apr	253,280	393,721		Dec	545,838	602,868	614,807	361,527
Total	<b>4,032,394</b>	<b>4,159,874</b>	<b>3,312,129</b>		<b>5,200,213</b>	<b>5,694,274</b>	<b>5,967,417</b>	<b>1,935,022</b>

<sup>1</sup> Revenues recognized when both measurable and available; revenues collected within 120 days of the current year are considered available. Sales taxes include Municipal Sales, Home Rule Sales, Use, Auto Rental, and Games taxes.

<sup>2</sup> Denotes the month in which sales occur; receipts booked 3 months after sales (within 120-day revenue recognition policy).

<sup>3</sup> In January 2022, the City transitioned from the traditional municipal fiscal year to a calendar year fiscal period. The City had a stub year period denoted as Stub Year 2021 for the period from May 2021 through December 2021.

Source: The City of Park Ridge.

## TAX INCREMENT FINANCING DISTRICTS LOCATED WITHIN THE CITY

A portion of the City's EAV is contained in a tax-increment finance ("TIF") district. When a TIF district is created within the boundaries of a taxing body, such as the City, the EAV of the portion of real property designated as a TIF district is frozen at the level of the tax year in which it was designated as such (the "Base EAV"). Any incremental increases in property tax revenue produced by the increase in EAV (the "Incremental EAV") derived from the redevelopment project area during the life of the TIF district are not provided to the City until the TIF district expires. The current TIF district is described below.

### Tax Increment Financing Districts Located Within the City

Location/Name of TIF	Expiration Year 2027	2023 Frozen Base EAV	2023 EAV	Incremental 2023 EAV
Uptown TIF.....		\$37,158,476	\$95,231,311	\$58,072,835
Total Incremental 2023 EAV .....	\$ 58,072,835			
City 2023 EAV .....	\$2,045,142,443			
Total 2023 EAV .....	\$2,103,305,278			

Source: The County Clerk and the City.

## SOCIOECONOMIC INFORMATION

### Income

#### City of Park Ridge, Cook County, and State of Illinois *Per Capita Income*

	2020 Per Capita Income <sup>1</sup>	2023 Per Capita Income <sup>2</sup>
The City	\$58,978	\$73,112
The County	39,239	47,801
The State	37,306	45,104

<sup>1</sup> Source: U.S. Bureau of the Census, Decennial Census.

<sup>2</sup> Source: U.S. Bureau of the Census, ACS, 2019-2023.

Household income in the City is substantially higher than in surrounding areas and exceeds national averages. Based on U.S. Census Bureau 5-Year Estimates, the median household income is \$137,964. The City's median household income is 83.6% higher than the U.S. median household income, with only 4.3% of the population living in poverty. The 2023 per capita income for the City was \$73,112, compared to \$47,801 for the County and \$45,104 for the State.

The following table shows the distribution of household income in the City by income bracket. The table shows that a significant percentage of the City's population has a higher income than the population in either the County or the State.

#### City of Park Ridge, Cook County, and State of Illinois *Distribution of Household Income*

	City	County	State
\$0 - \$9,999	3.0%	6.2%	5.6%
\$10,000 - \$14,999	1.1	3.9	3.4
\$15,000 - \$24,999	4.5	5.8	5.9
\$25,000 - \$34,999	2.6	6.5	6.5
\$35,000 - \$49,999	5.0	9.7	10.0
\$50,000 - \$74,999	10.5	14.9	15.7
\$75,000 - \$99,999	9.4	11.8	12.4
\$100,000 - \$149,999	16.4	17.5	18.1
\$150,000 - \$199,999	10.9	9.5	9.6
\$200,000 or More	36.4	14.1	12.6

Source: U.S. Department of Commerce, Bureau of the Census, ACS, 2023.

Totals may not foot due to rounding.

The following table shows that the City ranks thirteenth among Illinois' wealthiest communities of 5,000 or more households.

**State of Illinois**  
**20 Wealthiest Communities with 5,000+ Households**

	Town	Households	Median Household Income	% of US Median
1	Hinsdale	5,700	\$340,370	437.95%
2	Lake Forest	7,014	269,752	347.09%
3	Wilmette	10,331	260,602	335.31%
4	Deerfield	7,475	221,079	284.46%
5	Highland Park	12,079	231,546	297.93%
6	Northbrook	13,395	200,011	257.35%
7	Libertyville	7,458	205,092	263.89%
8	La Grange	5,705	176,899	227.61%
9	Glenview	18,406	179,722	231.25%
10	Glen Ellyn	10,986	180,238	231.91%
11	Frankfort	6,405	164,908	212.18%
12	Naperville	53,234	171,081	220.13%
<b>13</b>	<b>Park Ridge</b>	<b>15,199</b>	<b>162,135</b>	<b>208.62%</b>
14	Elmhurst	16,476	172,909	222.48%

Source: U.S. Bureau of the Census, ACS, 2019-2023.

**Education**

Census data estimates from 2023 reflect that over 65% of adult residents of the City hold a bachelor's degree, compared to 37.9% nationally, and that over 96% of adult residents have attained at least a high school diploma or higher level of education.

**City of Park Ridge**  
**Educational Attainment — Population over Age 25**

Educational Level	Number	Percentage
Less than 9th grade	484	1.8%
9th to 12th grade, no diploma	385	1.4%
High school graduate	3,504	12.8%
Some college, no degree	3,804	13.9%
Associate's degree	1,406	5.1%
Bachelor's degree	10,530	38.4%
Graduate or professional degree	7,342	26.7%
Total	27,455	100.0%

Source: U.S. Department of Commerce, Bureau of Census, ACS, 2019-2023.

Totals may not foot due to rounding.

## Employment

The City benefits from a diverse economic base, which has contributed to a wide range of employment opportunities across multiple sectors. The first table below summarizes the occupations held by City residents aged 16 and older, while the second lists the City's largest employers.

### City of Park Ridge *Employment by Occupation Category*

Type of Occupations	Number	Percentage
Management, Business, and Financial Occupations	5,834	29.7%
Computer, Engineering, and Science Occupations	1,748	8.9%
Education, Legal, Community Service, Arts and Media	2,643	13.4%
Healthcare and Technical Occupations	1,926	9.8%
Service Occupations	1,552	7.9%
Sales and Office Occupations	3,920	19.9%
Other Occupations	2,047	10.4%
Total	18,045	100.0%

Source: U.S. Department of Commerce, Bureau of Census, ACS, 2019-2023.

The City's top industry by employment remains health care, and its largest employer is Advocate Lutheran General Hospital, with approximately 4,400 employees.

### Major City Employers

Name	Type of Business, Property	Approx. Employees
Advocate Lutheran General Hospital	Hospital	4,400
Maine Township District 207	Public High Schools	940
Park Ridge-Niles School District 64	Public School - Elementary	880
Park Ridge Park District	Public Recreation Facilities & Programs	765
Koch Foods HQ	Poultry Producer	432
AMITA (Presence Resurrection) Health	Nursing and Rehabilitation Home	300
FM Global	Commercial Property Insurance	300
City of Park Ridge (Full-Time Equivalent)	City Government	290
Mariano's	Grocery	250
Peterson Technology Partners	IT Staffing & Consultants	250
Advocate Medical Group - Nessel Center	Physicians	200
Avantara (St. Mathew's Center for Health)	Nursing and Rehabilitation Home	200

Source: As of December 31, 2024, City Records / School District Records, Official Employer Website, Data Axle Reference Solutions – Business, and A to Z Business Profile Database.

### Major Area Employers

Name	Location	Type of Business	Approx. Employees
Alexian Brothers Medical Center	Elk Grove Village	Healthcare	2,800
SigmaTron International	Elk Grove Village	Electronic Mfg.	2,588
Rivers Casino	Des Plaines	Casino	1,500
Honeywell UOP	Des Plaines	Petroleum	1,300
Oakton College	Des Plaines	Education	1,200
Tigerflex Corporation	Elk Grove Village	Hose Mfg.	1,120
Woodward	Niles	Aerospace Mfg.	1,000
BC International Group Inc	Elk Grove Village	Medical Equipment	753
Alexian Brothers of America	Elk Grove Village	Medical	749
Sysco	Des Plaines	Food Service	729
Acuity Brands Lighting Inc	Des Plaines	Lighting	701
Family Behavioral Health Clinic	Des Plaines	Medical	650
Ascension Holy Family	Des Plaines	Medical	601
Shure	Niles	Audio	600

*Sources: 2023 ACFRs of Elk Grove Village, Des Plaines, and Niles.*

The average annual unemployment rate for the City in 2024, as reported by the Illinois Department of Employment Security, was 4.1%, compared to 5.4% in the County and 4.0% in the State.

### Average Annual Unemployment Rates

	2019	2020	2021	2022	2023	2024
The City	3.0%	7.9%	4.3%	3.6%	3.4%	4.1%
The County	3.9%	10.7%	7.0%	5.0%	4.5%	5.4%
The State	3.7%	8.1%	5.3%	3.6%	3.6%	4.0%

*Source: Illinois Department of Employment Security.*

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## Housing and Construction

Residential land use accounts for 49% of the total area of the City. The remaining land use is divided as follows: commercial – 4%; public, institutional, park, and open space – 24%; and transportation and utilities – 23%.

### City of Park Ridge Annual Building Permit Activity and Valuation

Calendar Year	Non-Residential Construction		Single Family Construction		Aggregate Permit
	# of Permits	Value	# of Permits	Value	Valuation
2019	680	\$48,419,286	1,278	\$37,166,864	\$ 85,586,149
2020	356	\$25,207,731	1,712	\$38,258,962	63,466,692
2021	393	\$44,581,008	1,746	\$46,731,767	91,312,775
2022	421	\$20,536,375	1,469	\$56,275,174	76,811,548
2023	444	\$67,590,630 <sup>1</sup>	1,562	\$45,922,885	113,513,515
2024	488	\$36,455,511	1,342	\$45,223,930	81,679,442

<sup>1</sup> Includes \$33.5 million park district project.

Source: The City.

The City has a long-established reputation as a stable residential community known for its well-maintained homes. The City has a long-established reputation as a stable residential community known for its well-maintained homes. Approximately 89% of the assessed valuation of the City is residential, and approximately 85% of the housing units are owner-occupied. The median owner-occupied home value in the City is \$518,500, compared to \$293,700 for the County and \$239,100 for the State.

### City of Park Ridge, Cook County and State of Illinois Median Home Value

Value	The City		The County		The State	
	Number	Percent	Number	Percent	Number	Percent
Under \$50,000.....	108	0.8%	41,998	3.5%	179,713	5.4%
\$50,000 to \$99,999.....	12	0.1%	40,050	3.3%	293,418	8.8%
\$100,000 to \$149,999.....	257	2.0%	84,534	7.1%	373,012	11.2%
\$150,000 to \$199,999.....	166	1.3%	117,090	9.8%	402,625	12.0%
\$200,000 to \$299,999.....	1,054	8.1%	303,912	25.4%	796,642	23.8%
\$300,000 to \$499,999.....	4,190	32.4%	361,818	30.2%	836,453	25.0%
\$500,000 to \$999,999.....	6,100	47.1%	193,482	16.1%	373,844	11.2%
\$1,000,000 or more.....	1,056	8.2%	55,950	4.7%	87,327	2.6%
Total.....	12,943	100.0%	1,198,834	100.0%	3,343,034	100.0%

Source: U.S. Department of Commerce, Bureau of Census, ACS, 2019-2023.

## **CITY FINANCES**

### **Budget Process**

The City operates under a comprehensive Budget Policy adopted under home rule authority. This Budget Policy is modeled closely on the Illinois “Budget Officer Act,” which is a statutory option for both home rule and non-home rule municipalities. Elements of the Budget Policy include a required public hearing prior to budget adoption and passage of the budget prior to the start of each fiscal year. The budget ordinance governs spending authority and no annual appropriation ordinance is required.

The City Manager is authorized to revise the budget within any fund during the fiscal year under rules set out in City ordinances, as long as funds are available from budgeted expenditures/expenses. Spending outside of these rules can be done through a budget amendment process requiring council approval.

Activities of the General Fund, special revenue funds, debt service funds, internal service funds, and enterprise funds are included in the budget. Budgets were not adopted for the capital projects funds, pension trust funds, foreign fire insurance tax fund, and some of the special revenue funds that have little to no activity (i.e. Special Service Area funds).

### **Independent Audit**

The City’s financial statements are audited annually by independent certified public accountants. Lauterbach & Amen, LLP is the City’s current auditor, having assumed the engagement beginning with the Fiscal Year 2021 audit, which covered an eight-month “stub period” from May 1 to December 31, 2021, following the City’s transition from an April 30 fiscal year-end to a calendar year basis. Lauterbach & Amen issued unmodified audit opinions for FY2021, FY2022, and FY2023. Prior to this, Wolf & Company, LLP served as the City’s auditor from FY2012 through FY2020. Lauterbach & Amen’s audit reports for the City’s Annual Comprehensive Financial Reports (“ACFRs”) for the years ended December 31, 2021 through 2023 are available on the City’s website. Lauterbach & Amen has neither reviewed nor approved this Official Statement.

The City adheres to Generally Accepted Accounting Principles (GAAP) in preparing its financial statements. The City’s ACFR for the fiscal year ended December 31, 2023 earned the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (“GFOA”). This award, also received for its FY2021 and FY2022 ACFR, affirms that the City publishes easily readable and efficiently organized financial reports meeting accounting standards and legal requirements.

### **Financial Accounting and Control Procedures**

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The City’s accounting system is organized on a fund basis. Each fund is a distinct self balancing entity. The basis of accounting for fund transactions is dictated by the specific type of fund utilized by the

City. The modified accrual basis of accounting is followed by all governmental funds (general fund, special revenue funds, debt service funds, capital projects funds), expendable trust funds and agency funds. The accrual basis of accounting is followed by the proprietary funds (enterprise funds and internal service funds) and pension trust funds.

City expenditures are monitored on a regular basis by the Finance Director. The City reports financial results based on generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB). The accounts of the City are divided into separate self-balancing funds comprising its assets, liabilities, fund equity, revenues and expenditures, as appropriate.

### **Revenues**

The principal sources of City revenue for all funds, fund groups, and accounts are property taxes; sales taxes; licenses, permits and fees; intergovernmental revenue and utility charges. The primary sources of General Fund revenues are sales tax, property tax, intergovernmental receipts and license fees.

### **Expenditures**

The principal City expenditures for all funds and account groups are for public safety, water and sewer service, capital projects, public works and general administrative services. The City's General Fund accounts for most of the basic services provided by the City.

### **Cash Management and Investment**

Normally, City funds not needed immediately for operating cash are invested. Investments are made in accordance with State statutes and an Investment Policy approved by the City Council. The policy authorizes investments in United States Treasury bills, United States bonds or notes, collateralized certificates of deposit or time deposits constituting direct obligations of banks, short-term discount obligations of the Federal National Mortgage Association, the Illinois Funds Investment Pool, Illinois Metropolitan Investment Pool, repurchase agreements and Money Market Mutual funds.

### **Consolidated Funds Financial Summaries**

The following two tables provide summaries of Revenues and Expenditures for the Governmental Funds and the General Fund for the six most recent fiscal periods. Comparative balance sheets for both the Governmental Funds and the General Fund for the six most recent fiscal periods are presented on the following pages.

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**City of Park Ridge**  
**Governmental Funds Revenues and Expenditures**  
**Past Six Fiscal Periods (\$)**

	2019 (4/30/19)	2020 (4/30/20)	2021 (4/30/21)	2021 (8 mo. Ended 12/31/21)*	2022 (12/31/22)	2023 (12/31/23)
<b>Revenues:</b>						
Property taxes	14,592,408	16,597,054	18,925,177	9,075,133	19,560,914	20,300,472
Other taxes	10,437,992	8,318,227	8,103,177	6,393,081	10,035,652	9,654,525
Licenses and permits	3,567,381	3,273,011	3,284,937	2,869,259	3,177,098	2,167,574
Intergovernmental	9,389,056	11,029,512	13,902,341	10,017,567	22,437,525	16,952,731
Charges for services	1,590,366	1,650,177	1,346,787	2,015,990	3,528,400	2,864,059
Fines and forfeitures	500,183	325,470	294,955	417,684	668,759	481,826
Interest	454,744	326,203	30,197	4,664	384,662	2,099,663
Miscellaneous	914,316	276,608	100,176	120,544	147,275	921,823
<b>Total Revenues</b>	<b>41,446,446</b>	<b>41,796,262</b>	<b>45,987,747</b>	<b>30,913,922</b>	<b>59,940,285</b>	<b>55,442,673</b>
<b>Expenditures</b>						
General government	9,951,295	9,591,070	9,208,568	6,477,674	6,121,973	7,197,128
Public safety	19,171,010	18,765,233	18,904,313	13,045,052	21,958,565	21,958,181
Public works	10,729,544	9,407,158	9,144,696	7,055,404	11,027,838	11,461,801
Development	2,934,591	1,813,348	1,979,922	1,298,526	1,645,319	2,760,131
Culture and civic	240,911	138,683	—	—	—	—
Debt Service	—	2,341,416	967,507	949,503	2,280,429	3,254,101
Principal Retirement	3,465,000	2,580,000	2,630,000	2,685,000	2,745,000	3,232,426
Interest and Fiscal Charges	718,046	365,470	313,650	258,059	172,100	122,226
<b>Total Expenditures</b>	<b>47,210,397</b>	<b>45,002,378</b>	<b>43,148,656</b>	<b>31,769,218</b>	<b>45,951,224</b>	<b>49,985,994</b>
<b>Excess (Deficiency) of Revenues</b>	<b>(5,763,951)</b>	<b>(3,206,116)</b>	<b>2,839,091</b>	<b>(855,296)</b>	<b>13,989,061</b>	<b>5,456,679</b>
<b>Other Financing Sources (Uses)</b>						
Net Change in Fund Balances	(2,980,279)	(1,728,229)	4,430,377	(1,725,431)	13,197,085	8,608,628

Sources: City of Park Ridge 2023 ACFR.

\* In 2021, the City's fiscal year-end was changed from April 30 to December 31. As a result, there was a transition period covering an eight-month fiscal year ending December 31, 2021.

**City of Park Ridge**  
**General Fund Revenues and Expenditures**  
Past Six Fiscal Periods (\$)

	2019 (4/30/19)	2020 (4/30/20)	2021 (4/30/21)	2021 (8 mo. Ended 12/31/21)*	2022 (12/31/22)	2023 (12/31/23)
<b>Revenues:</b>						
Property taxes	7,392,957	16,825,815	17,320,011	11,492,909	19,907,047	20,089,196
Other taxes	9,568,388	—	—	—	—	—
Licenses and permits	3,567,381	3,273,011	3,284,937	2,869,259	3,177,098	2,167,574
Intergovernmental	8,437,641	9,646,438	11,325,364	8,577,804	20,074,237	15,241,119
Charges for services	1,590,366	1,650,177	1,346,787	2,015,990	3,528,400	2,864,059
Fines and forfeitures	500,183	322,209	288,226	416,959	593,230	481,567
Investment Income	440,143	266,132	23,330	3,161	257,790	1,530,769
Miscellaneous	900,052	276,608	100,176	120,544	147,275	834,544
<b>Total Revenues</b>	<b>32,397,111</b>	<b>32,260,390</b>	<b>33,688,831</b>	<b>25,496,626</b>	<b>47,685,077</b>	<b>43,208,828</b>
<b>Expenditures</b>						
General government	8,996,012	8,659,842	7,529,834	5,333,881	4,672,045	6,398,772
Public safety	17,702,298	18,572,756	18,818,177	12,991,633	21,883,063	21,796,804
Public works	6,138,121	5,116,705	5,137,904	3,417,011	6,095,914	6,018,188
Development	1,133,133	1,157,174	1,081,691	744,936	1,333,516	1,388,777
Culture and civic	83,702	—	—	—	—	—
Debt Service	—	—	—	—	—	—
Principal Retirement	—	—	—	—	—	—
Interest and Fiscal	—	—	—	—	—	—
Charges	—	—	—	—	—	—
<b>Total Expenditures</b>	<b>34,053,266</b>	<b>35,847,893</b>	<b>32,944,391</b>	<b>22,897,461</b>	<b>34,646,248</b>	<b>37,982,537</b>
<b>Excess (Deficiency) of Revenues</b>	<b>(1,656,155)</b>	<b>(3,587,503)</b>	<b>744,440</b>	<b>2,599,165</b>	<b>13,038,829</b>	<b>5,226,291</b>
Other Financing Sources (Uses)	758,465	—	—	—	—	—
Net Change in Fund Balances	(897,690)	(2,084,686)	1,544,861	1,760,715	9,681,620	4,233,751

Sources: City of Park Ridge ACFRs for fiscal years 2019, 2020, 2021, 2022, and 2023.

\* In 2021, the City's fiscal year-end was changed from April 30 to December 31. As a result, there was a transition period covering an eight-month fiscal year ending December 31, 2021.

**City of Park Ridge**  
**Balance Sheet - Governmental Funds**  
Past Six Fiscal Periods (\$)

	2019	2020 (4/30/20)	2021 (4/30/21)	2021 (8 mo. Ended 12/31/21)*	2022 (12/31/22)	2023 (12/31/23)
<b>Assets</b>						
Cash and Investments	\$27,940,038	\$27,260,357	\$29,664,199	\$30,150,074	\$40,372,860	\$49,954,719
Receivables - Net of Allowances						
Property Taxes	5,981,734	6,569,753	7,852,904	14,383,843	18,432,438	14,528,929
Other Taxes	1,087,313	782,655	1,129,626	1,311,421	1,137,535	1,327,750
Intergovernmental	2,090,155	1,700,024	2,254,724	2,966,610	2,716,948	2,905,497
Lease Receivable	—	—	—	—	181,001	139,213
Other Receivables	522,284	452,435	542,881	600,879	578,886	577,837
Prepays	513,965	144,162	268,678	467,429	593,580	1,310,996
Inventories	159,917	142,677	75,463	98,605	160,973	171,911
Due from Other Funds	403,665	333,954	581,524	1,063,348	688,377	410,733
<b>Total Assets</b>	<u>38,699,071</u>	<u>37,386,017</u>	<u>42,369,999</u>	<u>51,052,209</u>	<u>64,862,598</u>	<u>71,327,585</u>
<b>Liabilities</b>						
Accounts Payable	1,332,398	1,381,158	978,478	1,602,214	3,062,700	2,296,299
Retainage Payable	—	—	—	—	35,847	—
Accrued Payroll	—	580,317	645,056	430,189	414,126	441,266
Deposits	—	43,614	59,702	57,727	53,584	53,459
Due to Other Funds	—	9,434	—	—	1,911,268	—
Other Payables	1,118,961	216,226	380,243	196,530	836,476	1,214,152
<b>Total Liabilities</b>	<u>2,451,359</u>	<u>2,230,749</u>	<u>2,063,479</u>	<u>2,397,820</u>	<u>6,314,001</u>	<u>4,203,551</u>
<b>Deferred Inflows of Resources</b>						
Property Taxes	5,908,873	6,494,143	7,014,963	14,130,500	14,174,349	14,184,538
Other Taxes	766,311	544,126	744,181	1,003,563	181,001	137,621
Grants	—	—	—	2,514,164	—	—
<b>Total Deferred Inflows of Resources</b>	6,675,184	7,038,269	7,759,144	17,648,227	14,355,350	14,322,159
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>9,126,543</u>	<u>9,269,018</u>	<u>9,822,623</u>	<u>20,046,047</u>	<u>20,669,351</u>	<u>18,525,710</u>
<b>Fund Balance/(Deficit)</b>						
Nonspendable	673,882	286,839	344,141	566,034	754,553	1,482,907
Restricted	8,760,527	9,166,279	12,010,747	8,878,652	12,732,461	17,107,245
Committed	147,773	301,247	330,730	237,732	122,014	22,706
Assigned	14,338	14,378	16,366	13,557	2,073	—
Unassigned	19,976,008	18,348,256	19,845,392	21,300,187	30,582,146	34,189,017
<b>Total Fund Balances</b>	<u>29,572,528</u>	<u>28,116,999</u>	<u>32,547,376</u>	<u>30,996,162</u>	<u>44,193,247</u>	<u>52,801,875</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	38,699,071	37,386,017	42,369,999	51,042,209	64,862,598	71,327,585

Sources: City of Park Ridge ACFRs for fiscal years 2019, 2020, 2021, 2022, and 2023.

\* In 2021, the City's fiscal year-end was changed from April 30 to December 31. As a result, there was a transition period covering an eight-month fiscal year ending December 31, 2021.

**City of Park Ridge**  
**Balance Sheet - General Fund**  
Past Five Fiscal Periods (\$)

	2019 (4/30/19)	2020 (4/30/20)	2021 (4/30/21)	2021 (8 mo. Ended 12/31/21)*	2022 (12/31/22)	2023 (12/31/23)
<b>Assets</b>						
Cash and Investments	\$19,150,362	\$18,157,855	\$18,000,520	\$21,035,976	\$27,962,242	\$32,852,038
Receivables - Net of Allowances						
Property Taxes	3,747,434	4,377,262	5,413,121	9,758,226	12,254,930	9,556,188
Other Taxes	1,087,313	782,655	1,129,626	1,311,421	1,137,535	1,327,750
Intergovernmental	2,000,605	1,585,252	2,121,843	2,818,533	2,549,535	2,743,302
Lease Receivable	—	—	—	—	181,001	139,213
Other Receivables	522,284	452,435	542,881	600,879	578,886	577,837
Prepays	416,162	144,162	215,215	467,429	537,331	1,310,996
Inventories	159,917	142,677	75,463	98,605	160,973	171,911
Due from Other Funds	403,665	333,954	581,524	1,063,348	688,377	410,733
<b>Total Assets</b>	<u>27,487,742</u>	<u>25,976,252</u>	<u>28,080,193</u>	<u>37,154,417</u>	<u>46,050,810</u>	<u>49,089,968</u>
<b>Liabilities</b>						
Accounts Payable	1,282,697	1,177,085	670,333	957,427	1,354,063	1,506,294
Retainage Payable	—	—	—	—	—	—
Accrued Payroll	—	578,559	643,095	430,189	414,126	441,266
Deposits	—	43,614	59,702	57,727	53,584	53,459
Due to Other Funds	—	—	—	—	1,222,891	—
Other Payables	836,417	216,226	380,243	196,530	836,476	1,214,152
<b>Total Liabilities</b>	<u>2,119,114</u>	<u>2,015,484</u>	<u>1,753,373</u>	<u>1,641,873</u>	<u>3,881,140</u>	<u>3,215,171</u>
<b>Deferred Inflows of Resources</b>						
Property Taxes	3,707,112	4,333,423	4,954,559	9,606,022	9,918,254	9,433,010
Other Taxes	766,311	544,126	744,181	1,003,563	181,001	137,621
Grants	—	—	—	2,514,164	—	—
<b>Total Deferred Inflows of Resources</b>	<u>4,473,423</u>	<u>4,877,549</u>	<u>5,698,740</u>	<u>13,123,749</u>	<u>10,099,255</u>	<u>9,570,631</u>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>6,592,537</u>	<u>6,893,033</u>	<u>7,452,113</u>	<u>14,765,622</u>	<u>13,980,395</u>	<u>12,785,802</u>
<b>Fund Balance/(Deficit)</b>						
Nonspendable	576,079	286,839	290,678	566,034	698,304	1,482,907
Restricted	107,838	123,065	144,914	155,785	468,787	523,045
Committed	147,773	301,247	330,730	237,732	122,014	22,706
Assigned	14,338	14,378	16,366	13,557	2,073	—
Unassigned	20,049,177	18,357,690	19,845,392	21,415,687	30,779,237	34,275,508
<b>Total Fund Balances</b>	<u>20,895,205</u>	<u>19,083,219</u>	<u>20,628,080</u>	<u>22,388,795</u>	<u>32,070,415</u>	<u>36,304,166</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	27,487,742	25,976,252	28,080,193	37,154,417	46,050,810	49,089,968

Sources: City of Park Ridge, Illinois Annual Financial Report for fiscal years 2019, 2020, 2021, 2022, and 2023.

\* In 2021, the City's fiscal year-end was changed from April 30 to December 31. As a result, there was a transition period covering an eight-month fiscal year ending December 31, 2021.

**General Fund  
Budget and Interim Financial Information**

	Revised Budgeted Twelve Months Ending <u>12/31/2024</u>	Preliminary Projected Twelve Months Ending <u>12/31/2024</u>	Revised Budgeted Twelve Months Ending <u>12/31/2025</u>
<b>REVENUES:</b>			
Taxes .....	\$20,226,472	\$19,212,728	\$20,175,968
Charges for Services .....	3,951,157	4,221,402	4,646,160
Fines and Forfeitures.....	478,500	567,766	553,000
Intergovernmental .....	5,337,305	15,725,750	15,897,830
Investment Income.....	900,000	2,166,231	900,000
Licenses and Permits.....	2,095,400	2,292,926	2,048,175
Miscellaneous .....	178,900	265,892	179,940
Other Financing Sources .....	5,754,615	-	5,754,615
Total Revenues.....	\$48,922,349	\$44,452,695	\$50,155,688
<b>EXPENDITURES:</b>			
Salaries and Wages .....	\$20,877,544	\$20,068,778	\$21,577,635
Benefits and Related .....	3,975,691	3,486,853	4,424,795
Contractual Services .....	14,828,903	14,045,782	14,561,224
Supplies and Services .....	1,421,629	1,178,754	1,440,820
Investment Expenses.....	12,554	12,554	-
Interfund Transfer Expense.....	10,039,663	6,817,190	9,464,106
Other Expenditures .....	6,472	1,472	200,000
Total Expenditures .....	51,162,456	45,611,382	51,668,580
Revenues over (Under) Expenditures and Transfers .	(2,240,107)	(1,158,687)	(1,512,892)

*Source: The City.*

**FINANCIAL ANALYSIS OF THE CITY'S FUNDS**

**Financial Highlights**

*Revenues*

Revenues for the City totaled \$68.5 million for the fiscal year ended December 31, 2023, while expenses totaled \$53.06 million, resulting in an increase in net position of \$15.4 million. General Fund revenues continued to exceed short-term expenditures, much of this as a result of macro-economic influences including inflationary-affected revenue such as sales and income taxes which have trended significantly higher over the past several years. The General Fund reported a surplus of \$4.2 million, resulting in an ending fund balance of \$36.3 million, an increase of 13.2%. This surplus was driven primarily by stronger than anticipated revenues, particularly those impacted by inflation such as sales and income taxes. The City also earned higher than anticipated investment returns due to a continuing high interest rate environment and received a one-time payment of \$589,381 from the final dissolution of an excess liability pool for which the City had been a member several years prior.

### *Costs of City Programs*

For the fiscal year ended December 31, 2023, the City incurred total government-wide expenses of \$53.0 million. General Fund expenditures totaled \$38.0 million, which were \$888,322 below the final budget, driven primarily by personnel turnover. While General Fund revenues continued to exceed short-term expenditures, ongoing inflationary trends affecting sales and income taxes contributed to stronger-than-anticipated revenues, which helped to offset program costs. Additionally, delayed construction of Fire Station 35 and supply chain issues affecting large vehicle orders resulted in excess balances remaining within the capital project funds at year-end.

### **Government-Wide Statement**

#### *Governmental Funds*

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available at the end of the fiscal year.

As of December 31, 2023, the governmental funds reported a combined fund balance of \$52.8 million, an increase of \$8.6 million from the previous year's fund balance of \$44.2 million. The increase reflects stronger-than-expected General Fund revenues and delayed capital spending. The following list provides the fund balances for the governmental funds as of December 31, 2023. (Negative amounts are in parentheses):

General Fund	\$36,304,166
Municipal Waste Management	(86,491)
Motor Fuel Tax	3,362,852
IMRF	443,812
Uptown TIF	6,548,602
Asset Forfeiture	156,917
Dempster TIF	1,217,785
Foreign Fire Insurance Tax	130,620
Special Service Area	204
FICA	684,752
Debt Service	\$26,688

Of the \$52.8 million total governmental fund balances as of December 31, 2023, \$34.2 million is unassigned fund balance. The General Fund is the only fund with a positive unassigned fund balance, totaling \$34.3 million. The Municipal Waste Management Fund has a negative unassigned fund balance of \$86,491, the only deficit balance among governmental funds.

### **Major Funds:**

#### *General Fund Revenue*

Revenue for FY2023 in the General Fund totaled \$43.2 million, exceeding the final budget of \$37.8 million by \$5.4 million, or 14.4%. The favorable variance was driven primarily by stronger-than-expected revenues in taxes influenced by inflation, including sales and income taxes, as well as investment income, which exceeded budget by nearly \$1.4 million due to a high interest rate environment. In addition, the City received a one-time payment of \$589,381 from the dissolution of an excess liability pool. Charges for

services and building-related revenues also exceeded expectations, contributing to the overall revenue surplus.

### *General Fund Expenditures*

Expenditures for FY2023 in the General Fund came in at \$37.983 million, under the final budget of \$38.866 million by \$888,322, or 2.3%. General contractual services were \$847,458 less than budgeted, reflecting lower-than-expected costs across departments. Salary expenditures were \$759,968 below budget, primarily due to personnel turnover. Capital outlay was over budget by \$1.04 million, driven by planned equipment and facility improvements. No major projects were eliminated, but favorable variances were realized through vacancies and delays in contracted services.

### *Municipal Waste Management*

Revenues exceeded operating expenditures by \$54,351 in FY2023. This increased the fund balance in the Municipal Waste Management Fund from \$(140,842) to \$(86,491). The Municipal Waste Management Fund continues to be funded through a property tax levy.

## **Non-Major Funds**

For detailed financial information regarding the City's non-major governmental funds, see the City's audited financial statements for fiscal year 2023 included in APPENDIX A.

### *Capital Assets*

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2023, totaled \$130.91 million (net of accumulated depreciation and amortization), an increase of \$4.49 million from the prior year. This investment includes land, construction in progress, works of art, land improvements, buildings, machinery and equipment, office furniture and equipment, vehicles, infrastructure, and subscription-based software assets. The following table provides a summary of the City's capital assets, net of depreciation and amortization, for governmental and business-type activities for the fiscal years ended December 31, 2023 and December 31, 2022.

	Capital Assets - Net of Depreciation/Amortization					
	Governmental Activities		Business-Type Activities		Totals	
	12/31/23	12/31/22	12/31/23	12/31/22	12/31/23	12/31/22
Land	\$ 36,603,675	\$36,603,675	\$150,458	\$150,458	\$36,754,133	\$36,754,133
Construction in Progress	2,691,869	4,331,408	2,546,434	208,591	5,238,303	4,539,999
Works of Art	89,800	89,800	—	—	89,800	89,800
Land Improvements	2,657,745	2,864,708	—	—	2,657,745	2,864,708
Buildings	10,462,446	10,800,685	—	—	10,462,446	10,800,685
Machinery and Equipment	1,345,574	1,078,608	174,616	189,444	1,520,190	1,268,052
Office Furniture and Equipment	44,274	51,502	—	—	44,274	51,502
Vehicles	3,907,607	3,555,695	—	—	3,907,607	3,555,695
Infrastructure	26,383,110	22,677,447	42,814,186	43,823,842	69,197,296	66,501,289
Subscription Assets - Software	1,041,748	—	—	—	1,041,748	—
Totals	\$85,227,848	\$82,053,528	\$45,685,694	\$44,372,335	\$130,913,542	\$126,425,863

## CAPITAL IMPROVEMENT PLAN

The following table sets forth the City's anticipated capital improvements and their costs over the next four fiscal years.

### City of Park Ridge Proposed Capital Improvement Plan Summary Fiscal Years 2024 through 2028

	Budget 2024	Budget 2025	Budget 2026	Budget 2027	Budget 2028
<b>By Fund</b>					
Capital Improvement and Equip Fund	\$7,604,184	\$8,765,600	\$3,004,000	\$2,234,620	\$1,615,000
Motor Fuel Tax Fund	2,000,000	3,150,000	1,700,000	1,800,000.	1,900,000
Motor Equip. Replacement Fund	1,154,182	2,572,938	2,870,707	768,711	942,032
Technology Equip Replacement Fund	590,648	533,670	150,000	380,000	75,000
Water Fund	1,058,441	2,775,000	1,700,000	1,100,000	1,150,000
Sewer Fund	800,000	1,600,000	600,000	630,000	660,000
<b>Total Capital Improvements</b>	<u>\$18,387,772</u>	<u>\$19,397,208</u>	<u>\$10,024,707</u>	<u>\$6,973,331</u>	<u>\$6,342,032</u>

Potential funding sources for the capital improvements include but are not limited to, general obligation bond proceeds, debt certificate and lease proceeds, federal and state grant funding, motor fuel tax proceeds, developer donations, water and sewer user fees, and pay-as-you-go contributions from the City's operating funds.

## EMPLOYEE RETIREMENT AND OTHER POSTEMPLOYMENT BENEFITS OBLIGATIONS

The City participates in three defined benefit pension plans that cover substantially all employees: the IMRF the Police Pension Fund, and the Firefighters' Pension Fund. Retirement benefits are provided for employees who meet certain age and service requirements. Payments are generally correlated with the employee's length of service and earnings. Legal requirements of the plans (including contributions, vesting, benefit, and fund deficit provisions) are governed by Illinois Compiled Statutes. The plans are funded by employee and employer contributions and investment earnings, with all administration costs borne by the City.

All employees, other than sworn police officers, the Chief of Police, firefighters, and those working fewer than 1,000 hours per year, are covered by the IMRF, a statewide multi-employer plan governed by a state board of trustees. The IMRF determines the contribution rate for the City to provide for full funding of prior service costs. Participating members contribute 4.5% of their salary; the City must fund the balance. The actuarially determined employer rate for calendar year 2023 to fund that balance was 1.42%.

In addition, the City maintains a separate account within IMRF under the Sheriff's Law Enforcement Personnel ("SLEP") Plan, which provides benefits for sheriffs, deputy sheriffs, and certain police chiefs. For the SLEP Plan, members are required to contribute 7.50% of their annual covered salary while the City must fund the balance. The actuarially determined employer rate for calendar year 2023 to fund that balance was 12.05%.

In compliance with State law enacted under Public Act 101-0610, investment management for the Police Pension Fund and Firefighters' Pension Fund was transferred to the statewide Illinois Police Officers' Pension Investment Fund and the Illinois Firefighters' Pension Investment Fund. Accordingly, the Police Pension Fund and Firefighters' Pension Fund no longer maintain independent asset allocations of fixed income and equity, but participate in pooled portfolios managed at the state level.

In 2023, the City contributed approximately \$2.57 million to the Police Pension Fund and approximately \$2.25 million to the Firefighters' Pension Fund. Although the City's police and fire pension plans are single employer plans, benefits and employee contribution levels are established by the State. State statute also outlines minimum employer contributions. State legislation enacted in 2010 requires cities to fund the planned unit credit amortization plus an amount sufficient to bring the total assets of the pension plans to 90% of total actuarial liabilities by the end of fiscal year 2040. The City's funding policy utilizes the Entry Age Normal method, which meets both GAAP and actuarial standards. A portion of state revenues may be withheld from cities that do not comply with the requirement, but the City does not expect any diversion of funds given its current funding levels.

See **APPENDIX D** herein for a discussion of the City's employee retirement and other postemployment benefits obligations.

## **INDEBTEDNESS**

### **Bonded Indebtedness**

The City operates as a "home rule unit" under the 1970 Illinois Constitution and accordingly has neither a tax rate limit nor debt limits, and it is not required to conduct a referendum to authorize the incurrence of debt or the increase of property taxes.

In August 2014, the City issued \$7,590,000 in General Obligation Refunding Bonds, Series 2014A (the "2014A Bonds"), to currently refund the City's outstanding 2004B Bonds, originally issued to finance improvements to the water reservoir and pumping station. The 2014A Bonds are being repaid from the Water Fund and are scheduled to mature in 2025.

In December 2021, the City issued \$2,865,000 in General Obligation Bonds, Series 2021B (the "2021B Bonds"), to refund the City's outstanding General Obligation Bonds, Series 2012A. The 2021B Bonds are being repaid from the Sewer Fund and will mature in 2028.

Principal as of December 31, 2024	
Series 2014A	\$875,000
Series 2021B	<u>1,655,000</u>
Total	\$2,530,000

Fiscal Year	The Bonds	Existing Bonds <sup>1</sup>	All Bond Outstanding*	
	Principal	Principal	Principal	% Paid
2025	\$ 495,000	\$1,285,000	\$1,780,000	16.6%
2026	295,000	410,000	705,000	23.2%
2027	310,000	415,000	725,000	30.0%
2028	320,000	420,000	740,000	36.9%
2029	340,000	--	340,000	40.0%
2030	355,000	--	355,000	43.4%
2031	380,000	--	380,000	46.9%
2032	395,000	--	395,000	50.6%
2033	415,000	--	415,000	54.5%
2034	435,000	--	435,000	58.5%
2035	455,000	--	455,000	62.8%
2036	480,000	--	480,000	67.2%
2037	505,000	--	505,000	72.0%
2038	530,000	--	530,000	76.9%
2039	555,000	--	555,000	82.1%
2040	350,000	--	350,000	85.3%
2041	365,000	--	365,000	88.8%
2042	385,000	--	385,000	92.3%
2043	400,000	--	400,000	96.1%
2044	420,000	--	420,000	100.0%
<b>Total</b>	<b>\$8,185,000</b>	<b>\$2,530,000</b>	<b>\$10,715,000</b>	

Source: The City.

<sup>1</sup> Includes the 2014A Bonds and 2021B Bonds.

\* Preliminary, subject to change.

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**City of Park Ridge**  
**Direct and Overlapping General Obligation Bonded Debt**  
As of December 31, 2024

Governmental Unit	Outstanding Bonds	Estimated Percentage Applicable	Amount Applicable
Direct Debt	\$2,530,000	100%	\$2,530,000
The Bonds*	8,185,000	100%	8,185,000
<b>Total Direct Debt*</b>			<b>\$10,715,000</b>
Cook County	1,930,661,750	1.027%	19,827,896
Cook County Forest Preserve	75,290,000	1.027%	773,228
Met Water Reclamation District	2,430,261,774 <sup>1</sup>	1.045%	25,396,236
Leyden Township	0	2.553%	0
Des Plaines Park District	4,123,180 <sup>2</sup>	1.531%	63,126
Golf Maine Park District	55,000	8.101%	4,456
Niles Park District	1,265,000 <sup>2 3</sup>	0.018%	228
Park Ridge Park District	43,440,000	96.436%	41,891,798
School District #63	49,280,000	3.728%	1,837,158
School District #64	26,100,000	91.815%	23,963,715
School District #79	14,230,000	0.194%	27,606
High School District #207	144,160,000	31.764%	45,790,982
Community College #535	53,185,000	6.766%	3,598,497
<b>Overlapping General Obligation Bonded Debt</b>			<b>\$165,704,926</b>
<b>Total Direct and Overlapping Debt*</b>			<b>\$176,419,926</b>

\* Preliminary, subject to change.

<sup>1</sup> Includes IEPA State Revolving Loan Fund Bonds.

<sup>2</sup> Excludes principal amounts of General Obligation (Alternate Revenue Source) Bonds, which are expected to be paid from sources other than general taxation.

<sup>3</sup> Excludes outstanding debt certificates.

Sources: Offices of the Cook County Clerk; Revenue and Treasurer of the Metropolitan Water Reclamation District.

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**City of Park Ridge**  
***Estimated Debt Ratios and Per Capita Debt\****

Population (2023)	39,241
Estimated Actual Value of Property	\$5,995,501,002
Equalized Assessed Value of Property (2023)	2,045,142,443
True Value Per Capita	\$152,787
Equalized Assessed Value Per Capita	52,117
Direct Debt Per Capita	\$273
Direct and Overlapping Debt Per Capita	4,496
Direct Debt/True Value	0.18%
Direct and Overlapping Debt/True Value	2.94%
Direct Debt/Equalized Assessed Value	0.52%
Direct and Overlapping Debt/Equalized Assessed Value	8.63%

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*Source: The City.*

*\* Preliminary, subject to change.*

**Future Debt**

Except for the Bonds, the City does not intend to issue any additional debt in the next six months.

**CONTINUING DISCLOSURE**

In the Bond Ordinance, the City has covenanted and agreed, for the benefit of the beneficial owners of the Bonds, to provide certain financial information and operating data relating to the City within 210 days after the close of the City's fiscal year (the "Annual Report"); and, in a timely manner not in excess of ten business days after the event, to provide notices of the occurrence of certain enumerated events. The Annual Report will be filed by the City with the Municipal Securities Rulemaking Board (the "MSRB") for disclosures on its Electronic Municipal Market Access ("EMMA") system. The information to be contained in the Annual Report will consist of the annual audited financial statement of the City, and updated information with respect to the statements in this Official Statement contained under the captions "**INDEBTEDNESS**" (excluding Overlapping General Obligation Bonded Debt Statement and Ratios), "**PROPERTY ASSESSMENT AND TAX INFORMATION**" (excluding Sales Tax) and "**CITY FINANCES**" (excluding Budget and Interim Financial Information). Each annual audited financial statement will conform to generally accepted accounting principles applicable to governmental units and will be prepared in accordance with standards of the Governmental Accounting Standards Board. If the audited financial statement is not available, then an unaudited financial statement will be included in the Annual Report and the audited financial statement will be filed promptly after it becomes available. The notices of enumerated events and timely notice of any failure of the City to file its Annual Report within the 210 day period will be filed by the City with the MSRB for disclosures on EMMA. The City's undertaking with respect to enumerated events includes timely notice of the occurrence of any of the following events with respect to the Bonds.

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax-exempt status of the Series 2012A Bonds, or other events affecting the tax-exempt status of the Bonds;
7. Modifications to rights of Bondholders, if material;
8. Bond calls, if material and tender offers;
9. Defeasances;
10. Release, substitution or sale of property securing repayment of the Bonds, material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the City;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.
15. Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation\* of the City, any of which affect Bondholders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties

The event identified in clause (13) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan or reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

The City has agreed to the foregoing undertakings in order to assist participating underwriters of the Bonds and brokers, dealers and municipal securities dealers in complying with the Rule promulgated under the Exchange Act. The City will provide the foregoing information for so long as the Rule is applicable to the Bonds and the City remains an “obligated person” under the Rule with respect to the Bonds. No provision of the Bond Ordinance limits the remedies available to any beneficial owner of the Bonds with respect to the enforcement of the continuing disclosure covenants of the City described above.

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\* The term “financial obligation” means a: (i) debt obligation; (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). The term “financial obligation” does not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

Failure to comply with the continuing disclosure covenants will not constitute an event of default under the Bond Ordinance.

The City may amend the continuing disclosure undertakings contained in the Bond Ordinance upon a change in circumstances provided that (a) the undertakings, as amended, would have complied with the requirements of the Rule at the time of this offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances, and (b) in the opinion of nationally recognized bond counsel selected by the City, the amendment does not materially impair the interests of the beneficial owners of the Bonds.

The City previously entered into Continuing Disclosure undertakings in connection with the issuance by the City of its 2014A Bonds, and 2015B Bonds for the benefit of holders of those bonds to provide annual financial information and event notices pursuant to Rule. The City failed to meet its undertakings with respect to the timely filing the Annual Report for its fiscal years ending December 31, 2022, December 31, 2021 and April 30, 2021. In addition, the City failed to file notice regarding its fiscal year change in 2021. The failure to make a timely provision of such information was remedied by a filing made on May 14, 2025. Lastly, notice of its Moody's rating upgrade was filed after the time specified in its undertakings. As of the date of this Official Statement, all required information has been submitted to the MSRB for disclosure on EMMA. The City has procedures in place to ensure timely filings going forward.

#### **ABSENCE OF MATERIAL LITIGATION**

The City is not a party to, nor has it been threatened with, any litigation concerning the Bonds or the Bond Ordinance. At the time of delivery of the Bonds, the City will certify that there is no litigation or other proceedings pending or, to the knowledge of the City threatened, in any court (either state or federal), restraining or enjoining the issuance, sale or delivery of the Bonds, or in any way questioning or affecting (i) the proceedings under which the Bonds are to be issued, (ii) the validity of any provision of the Bonds or the Bond Ordinance, (iii) the levy or collection of the taxes levied and pledged to the payment of the principal of and interest on the Bonds, or (iv) the title to office of the present officials of the City. There are, from time to time, lawsuits that arise to which the City is a party. Although there can be no certainty in connection therewith, the City does not believe, however, that any judgments or settlements made or entered into in connection therewith, after reflecting for insurance coverage, in aggregate, would have a material adverse impact on the financial condition of the City.

#### **LEGAL MATTERS**

Legal matters incident to the authorization, issuance and sale of the Bonds are subject to the unqualified approving opinions of Katten Muchin Rosenman LLP, Chicago, Illinois, Bond Counsel, whose approving opinion will be delivered with the Bonds. Bond Counsel has reviewed the statements in this Official Statement appearing under the headings "DESCRIPTION OF THE BONDS" and "TAX MATTERS," and is of the opinion that the statements contained under such headings are accurate statements or summaries of the matters set forth therein and fairly present the information purported to be shown. Except for the foregoing, however, Bond Counsel has not independently verified the accuracy or completeness of statements and information contained in the Official Statement and does not assume any responsibility for the accuracy or completeness of such statements and information. Katten Muchin Rosenman LLP, Chicago, Illinois has been retained by the City to serve as Disclosure Counsel to the City with respect to the Bonds. Although as Disclosure Counsel to the City, Disclosure Counsel has assisted the City with certain disclosure matters, Disclosure Counsel has not undertaken to independently verify the accuracy, completeness or fairness of this Official Statement or other offering material related to the Bonds and does not guarantee the accuracy, completeness or fairness of such information. Disclosure Counsel's engagement as Disclosure Counsel was undertaken solely at the request and for the benefit of the City, to

assist it in discharging its responsibility with respect to this Official Statement, and not for the benefit of any other person (including the Purchasers and any person purchasing the Bonds from the Purchasers), and did not include any obligation to establish or confirm factual matters, forecasts, projections, estimates or any other financial or economic information in connection therewith. The fees of Bond Counsel and Disclosure Counsel for services rendered with respect to the sale of the Bonds are contingent upon the issuance and delivery of the Bonds. Certain legal matters will be passed upon for the City by its local counsel, Ancel Glink, P.C.

## **TAX MATTERS**

### **Summary of Bond Counsel Opinion**

On the date of issuance and delivery of the Bonds, Katten Muchin Rosenman LLP, Chicago, Illinois, Bond Counsel, will deliver an approving opinion with respect to the Bonds. The form of opinion expected to be delivered by Bond Counsel is attached as APPENDIX C. A summary of the opinion of Bond Counsel and a general discussion of certain other tax matters relating to the Bonds are set forth below.

Katten Muchin Rosenman LLP, Bond Counsel, is of the opinion that under existing law, interest on the Bonds is not includible in the gross income of the owners thereof for Federal income tax purposes. If there is continuing compliance with the applicable requirements of the Internal Revenue Code of 1986 (the "Code"), Bond Counsel is of the opinion that interest on the Bonds will continue to be excluded from the gross income of the owners thereof for Federal income tax purposes. Bond Counsel is further of the opinion that the Bonds are not "private activity bonds" within the meaning of Section 141(a) of the Code. Accordingly, interest on the Bonds is not an item of tax preference for purposes of computing alternative minimum taxable income for individuals. Interest on the Bonds is includible in computing adjusted financial statement income of those corporations subject to the corporate alternative minimum tax. Interest on the Bonds is not exempt from State income taxes.

The Code contains certain requirements that must be satisfied from and after the date of issuance of the Bonds. These requirements relate to the use and investment of the proceeds of the Bonds, the payment of certain amounts to the United States, the security and source of payment of the Bonds and the use of property financed with the proceeds of the Bonds. The City has covenanted in the Bond Ordinance to comply with these requirements.

### **Bonds Purchased at a Premium or a Discount**

The difference (if any) between the initial price at which a substantial amount of each maturity of the Bonds is sold to the public (the "Offering Price") and the principal amount payable at maturity of such Bonds is given special treatment for Federal income tax purposes. If the Offering Price is higher than the maturity value of a Bond, the difference between the two is known as "bond premium"; if the Offering Price is lower than the maturity value of a Bond, the difference between the two is known as "original issue discount."

Bond premium and original issue discount are amortized over the term of a Bond on the basis of the owner's yield from the date of purchase to the date of maturity, compounded at the end of each accrual period of one year or less with straight line interpolation between compounding dates, as provided more specifically in the Income Tax Regulations. The amount of bond premium accruing during each period is treated as a reduction in the amount of tax-exempt interest earned during such period and is subtracted from the owner's tax basis in the Bonds. The amount of original issue discount accruing during each period is treated as interest that is excludable from the gross income of the owner of such Bonds for Federal income tax purposes, to the same extent and with the same limitations as current interest, and is added to the owner's

tax basis in the Bonds. A Bond's adjusted tax basis is used to determine whether, and to what extent, the owner realizes taxable gain or loss upon disposition of the Bonds (whether by reason of sale, acceleration, redemption prior to maturity or payment at maturity of the Bonds).

Owners of Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Bonds. It is possible that under the applicable provisions governing the determination of state or local income taxes, accrued interest on the Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a year later.

### **Exclusion From Gross Income Requirements**

The Code sets forth certain requirements that must be satisfied on a continuing basis in order to preserve the exclusion from gross income for Federal income tax purposes of interest on the Bonds. Among these requirements are the following:

**Limitations on Private Use.** The Code includes limitations on the amount of Bonds proceeds that may be used in the trade or business of, or used to make or finance loans to, persons other than governmental units.

**Investment Restrictions.** Except during certain "temporary periods," proceeds of the Bonds and investment earnings thereon (other than amounts held in a reasonably required reserve or replacement fund, if any, or as part of "minor portion") may generally not be invested in investments having a yield that is "materially higher" (1/8 of one percent) than the yield on the Bonds.

**Rebate of Arbitrage Profit.** Unless the City qualifies for one of several exemptions, earnings from the investment of the "gross proceeds" of the Bonds in excess of the earnings that would have been realized if such investments had been made at a yield equal to the yield on the Bonds are required to be paid to the United States at periodic intervals. For this purpose, the term "gross proceeds" includes the original proceeds of the Bonds, amounts received as a result of investing such proceeds, and amounts to be used to pay debt service on the Bonds.

**Covenants to Comply.** The City has covenanted in the Bond Ordinance to comply with the requirements of the Code relating to the exclusion from gross income for Federal income tax purposes of interest on the Bonds.

### **Risks of Non-Compliance**

In the event that the City fails to comply with the requirements of the Code, interest on the Bonds may become includible in the gross income of the owners thereof for Federal income tax purposes retroactive to the date of issue. In such event, the Bond Ordinance requires neither acceleration of payment of principal of, or interest on, the Bonds nor payment of any additional interest or penalties to the owners of the Bonds.

### **Federal Income Tax Consequences**

Pursuant to Section 103 of the Code, interest on the Bonds is not includible in the gross income of the owners thereof for Federal income tax purposes. However, the Code contains a number of other provisions relating to the treatment of interest on the Bonds which may affect the taxation of certain types of owners, depending on their particular tax situations. Some of the potentially applicable Federal income tax provisions are described in general terms below. PROSPECTIVE PURCHASERS SHOULD

CONSULT THEIR TAX ADVISORS CONCERNING THE PARTICULAR FEDERAL INCOME TAX CONSEQUENCES OF THEIR OWNERSHIP OF THE BONDS.

A. *Cost of Carry.* Owners of the Bonds will generally be denied a deduction for otherwise deductible interest on any debt that is treated for Federal income tax purposes as having been incurred or continued to purchase or carry the Bonds. Financial institutions are denied a deduction for their otherwise allowable interest expense in an amount determined by reference to their adjusted basis in the Bonds.

B. *Individual Owner.* Receipt of interest on the Bonds may increase the amount of Social Security and Railroad Retirement benefits included in the gross income of the recipients thereof for Federal income tax purposes.

C. *Certain Blue Cross or Blue Shield Organizations.* Receipt of interest on the Bonds may reduce a special deduction otherwise available to certain Blue Cross or Blue Shield organizations.

D. *Property or Casualty Insurance Companies.* Receipt of interest on the Bonds may reduce otherwise deductible underwriting losses of a property or casualty insurance company.

E. *Corporate Owners.* The Inflation Reduction Act of 2022 imposes a corporate alternative minimum tax equal to 15% of the “adjusted financial statement income” of any corporation (other than an S corporation, a regulated investment company and a real estate investment trust) having an average “adjusted financial statement income” exceeding \$1,000,000,000 over such corporation’s three preceding taxable years. The corporate alternative minimum tax is effective for taxable years beginning after December 31, 2022. Interest on tax-exempt bonds, such as interest on the Bonds, is included in the calculation of a corporation’s “adjusted financial statement income”. In addition, interest on the Bonds is taken into account in computing the earnings and profits of a corporation and consequently may be subject to federal income taxes based thereon. Thus, for example, interest on the Bonds is taken into account in computing the branch profits tax imposed on certain foreign corporations, the passive investment income tax imposed on certain S corporations and the accumulated earnings tax.

F. *Foreign Personal Holding Company Income.* A United States shareholder of a foreign personal holding company may realize taxable income to the extent that interest on the Bonds held by such a company is properly allocable to the shareholder.

G. *Change of Law.* The opinions of Bond Counsel and the descriptions of the tax law contained in this Official Statement are based on statutes, judicial decisions, regulations, rulings and other official interpretations of law in existence on the date the Bonds were issued. There can be no assurance that such law or the interpretation thereof will not be changed or that new provisions of law will not be enacted or promulgated at any time while the Bonds are outstanding in a manner that would adversely affect the value or the tax treatment of ownership of the Bonds.

Current and future legislative proposals, if enacted into law, administrative actions or court decisions, at either the federal or state level, may cause interest on the Bonds to be subject, directly or indirectly, to federal income taxation or to be subjected to state income taxation, or otherwise have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Bonds for federal or state income tax purposes. The introduction or enactment of any such legislative proposals, administrative actions or court decisions may also affect, perhaps significantly, the value or marketability of the Bonds. Prospective purchasers of the Bonds should consult their own advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, and regarding the impact of future legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

## **RATING**

The Bonds have been rated “Aa1” by Moody’s. The City has supplied certain information and material concerning the Bonds and the City to Moody’s, including certain information and materials which may not have been included in this Official Statement, as part of its application for investment ratings on the Bonds. Ratings reflect only the views of the rating agencies assigning such ratings and an explanation of the significance of such ratings may be obtained from such rating agencies. Generally, such rating services base their ratings on such information and material, and also on such investigations, studies and assumptions that it may undertake independently.

There is no assurance that such ratings will continue for any given period of time or that it may not be lowered or withdrawn entirely by such rating services if, in their judgment, circumstances so warrant. Any such downward change in or withdrawal of such ratings may have an adverse effect on the secondary market price of the Bonds. Except as may be required by the Undertaking described in “CONTINUING DISCLOSURE”, neither the City nor the Underwriter undertakes responsibility to bring to the attention of the owners of the Bonds any proposed change in or withdrawal of the rating or to oppose any such revision or withdrawal. An explanation of the significance of the investment ratings may be obtained from Moody’s Investors Service, Inc., 7 World Trade Center at 250 Greenwich Street, New York, New York 10007, telephone 212-553-1658. The City will provide appropriate periodic credit information to the rating services to maintain ratings on the Bonds.

## **“BANK QUALIFIED” TAX-EXEMPT OBLIGATIONS**

The City has designated the Bonds as “qualified tax-exempt obligations” as defined in Section 265(b)(3) of the Code for purposes of the deduction afforded to certain financial institutions.

## **MUNICIPAL ADVISOR**

Robert W. Baird & Co., Naperville, Illinois (the “Municipal Advisor”), is employed as Municipal Advisor to the City to render certain professional services, including advising the City on a plan of financing in connection with the sale of the Bonds. The Municipal Advisor, in its capacity as municipal advisor to the City, has read and supervised the compilation of this Official Statement. Under the terms of its engagement, the Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification of, or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement, other than this section. The Municipal Advisor’s duties, responsibilities and fees in connection with this issuance arise solely from the services for which it is engaged to perform as municipal advisor on the Bonds. The Municipal Advisor’s compensation for such services is conditional on the successful closing of the Bonds.

## **UNDERWRITING**

The Bonds were offered for sale by the City at a public competitive sale on [\_\_\_\_]. The best bid submitted at the sale for the Bonds was by [\_\_\_\_] (the “Underwriter”). The City awarded the contract for sale of the Bonds to the Underwriter at a price of \$[\_\_\_\_] (reflecting a net reoffering premium of \$[\_\_\_\_] and an underwriting discount of \$[\_\_\_\_] plus accrued interest.) The Underwriter has represented to the City that the Bonds have been subsequently reoffered to the public at the yields set forth on the cover page of this Official Statement.

## **MISCELLANEOUS**

The covenants and agreements of the City with the holders of the Bonds are fully set forth in the Bond Ordinance and reference is made to the Bond Ordinance for a definitive statement of the rights and obligations of the Bondholders and the City.

Neither this Official Statement nor any statement that may have been made orally or in writing is to be construed as a contract with the holders of any of the Bonds.

Any statement contained in this Official Statement involving matters of opinion, whether or not expressly so stated, is intended as such and not as a representation of fact.

The execution and delivery of this Official Statement has been duly authorized by the City.

## **CERTIFICATION**

We have examined this Official Statement dated June \_\_, 2025 for the \$8,185,000\* General Obligation Bonds, Series 2025, believe it to be true and correct and will provide to the purchaser of the Bonds at the time of delivery a certificate confirming to the purchaser that to the best of our knowledge and belief information in the Official Statement was at the time of acceptance of the bid for the Bonds and, including any addenda thereto, was at the time of delivery of the Bonds true and correct in all material respects and does not include any untrue statement of a material fact, nor does it omit the statement of any material fact required to be stated therein, or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

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Chris Lipman, Finance Director  
CITY OF PARK RIDGE, Illinois

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\* Preliminary, subject to change.

**APPENDIX A**

**FISCAL YEAR 2023 AUDITED FINANCIAL STATEMENTS**

# CITY OF PARK RIDGE



# 2023

## Annual Comprehensive Financial Report

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For the Fiscal Year Ended December 31, 2023

**CITY OF PARK RIDGE, ILLINOIS**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED**  
**DECEMBER 31, 2023**

**Issued by the Finance Department**

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## **INTRODUCTORY SECTION**

This section includes miscellaneous data regarding the City including: Letter of Transmittal, Principal Officials, Organizational Chart, and Certificate of Achievement for Excellence in Financial Reporting.

# CITY OF PARK RIDGE, ILLINOIS

## Principal Officials

December 31, 2023

---

MAYOR  
Marty Maloney

CITY CLERK  
Sal Raspanti

ALDERMEN  
First Ward: John Moran  
Second Ward: Fred Sanchez  
Third Ward: Kelly Lawrence  
Fourth Ward: Harmony Harrington  
Fifth Ward: Joseph Steinfels  
Sixth Ward: Richard Biagi  
Seventh Ward: Mwende Lefler

CITY MANAGER  
Joe Gilmore

FINANCE DIRECTOR  
Chris Lipman

POLICE CHIEF  
Robert Kampwirth

COMMUNITY PRESERVATION & DEVELOPMENT DIRECTOR  
Drew Awsumb

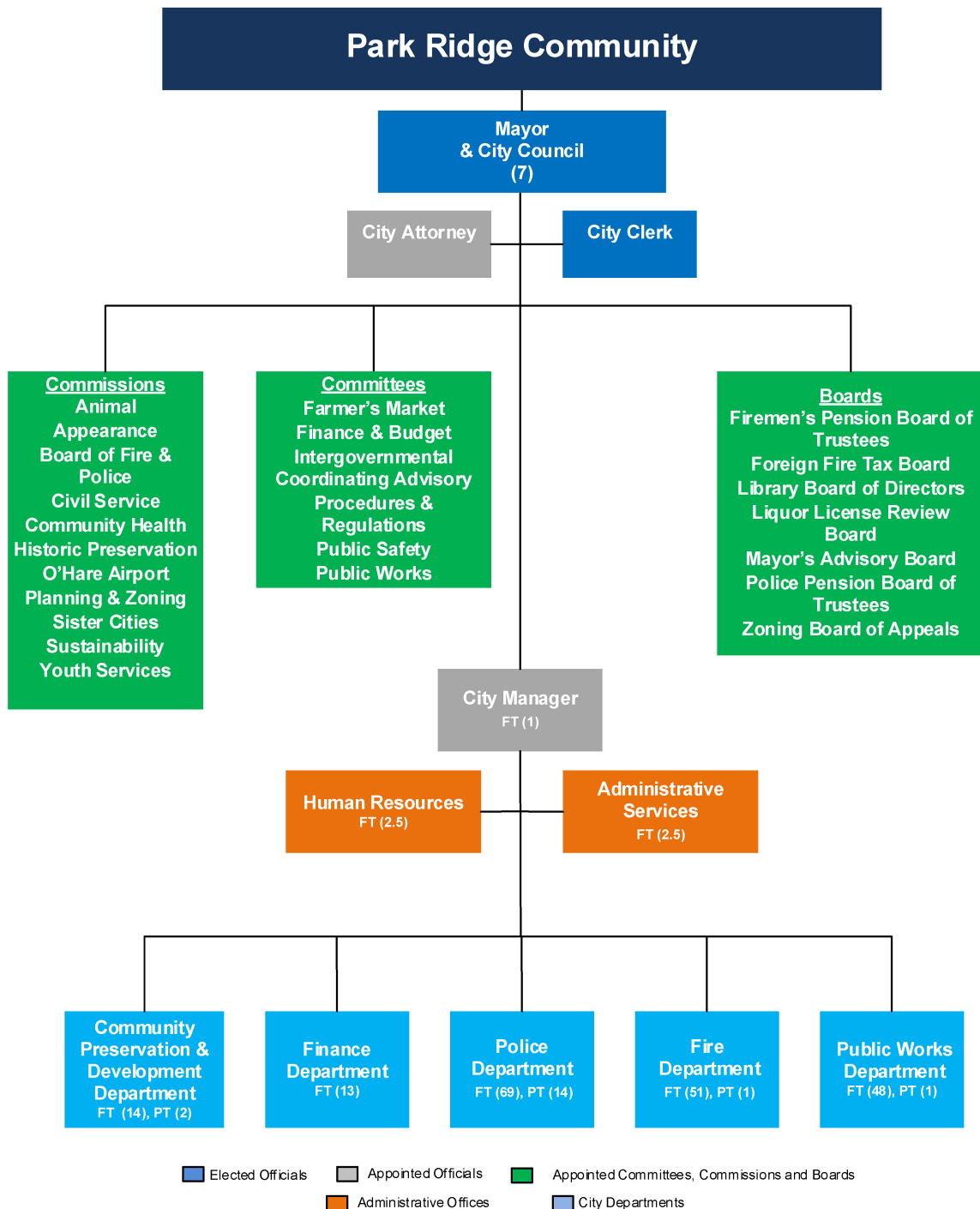
PUBLIC WORKS DIRECTOR  
Sarah Mitchell

FIRE CHIEF  
Jeff Sorensen

ADMINISTRATIVE SERVICES MANAGER  
Leisa Niemotka

LIBRARY DIRECTOR  
Joanna Bertucci

CITY ATTORNEY  
Julie Tappendorf, *Ancel, Glink*  
Adam Simon, *Ancel, Glink*





## CITY OF PARK RIDGE

505 BUTLER PLACE  
PARK RIDGE, IL 60068  
TEL: 847/ 318-5200  
FAX: 847/ 318-5300  
TDD: 847/ 318-5252  
[www.parkridge.us](http://www.parkridge.us)

June 21, 2024

To: Mayor of the City of Park Ridge  
Members of the City Council  
Citizens and Businesses of the City of Park Ridge, Illinois

The Annual Comprehensive Financial Report (ACFR) of the City of Park Ridge, Illinois for Fiscal Year 2023 is submitted herewith. This report provides a broad view of the City's financial activities for the 12-month 2022 fiscal year and its financial position at December 31, 2023. The submittal of this report complies with Illinois state law which requires that the City issue financial statements on an annual basis that are prepared in accordance with generally accepted accounting principles (GAAP) and are audited in accordance with generally accepted auditing standards (GAAS). Although addressed to the elected officials, citizens and businesses of the City, this report has a number of other users. Foremost among those users are bondholders of the City, financial institutions, credit rating agencies and other governmental entities.

Lauterbach and Amen, LLP, (Certified Public Accountants) has issued an unmodified (clean) opinion of the City of Park Ridge's financial statements for the year ended December 31, 2023. The independent auditor's report is located at the front of the financial section of this report.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City's management. We believe that the information, as presented, is accurate in all material respects; and is presented in a manner designed to present fairly the financial position of the City and the results of its operations; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

This report includes all funds of the City (primary government), as well as its component unit, the Park Ridge Public Library (discreetly presented component unit). Component units are autonomous entities for which the primary government is financially accountable.

Generally accepted accounting principles (GAAP) require 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 should be read in conjunction with the Management's Discussion and Analysis to obtain the most complete assessment of the City's current financial status and its prospects. The Management's Discussion and Analysis can be found immediately following the report of the independent auditors.

### **PROFILE OF THE CITY OF PARK RIDGE**

The City of Park Ridge is located in Cook County, Illinois and encompasses an area of 7.1 square miles. Originally settled in 1840, Park Ridge has grown into a medium sized city with a current population of 39,656, according to the 2020 U.S. Census. Known as a prime residential community, Park Ridge is served by some of the best school districts in the state, an excellent park and recreation system and dependable city services. The City is approximately 15 miles northwest of the City of Chicago's Central Business District and is situated in a key geographic location in close proximity to O'Hare International Airport, the Northwest and Tri-State Tollways, the Kennedy Expressway, CTA Rapid Transit and the Metra commuter rail line.

Park Ridge was incorporated as the Village of Park Ridge in 1873 and incorporated as the City of Park Ridge in 1910. The City operates under a Mayor-Council form of government. The Mayor and City Clerk are elected from the population at large. Alderpersons are elected from seven wards on the basis of ward representation. The Mayor and City Council establish policy, while the City Manager is responsible for the day-to-day operations of the city and its employees.

The City provides a full range of services, including police and fire protection, emergency medical services, and the construction and maintenance of streets and other infrastructure. The police department emphasizes traffic safety and community policing. The fire department strives to be a pro-active provider of emergency services. Park Ridge has a favorable Class 3 Insurance Service Office (ISO) rating. The rating is out of a 10-point scale. Other services provided by the City include property inspections, health department inspections of area businesses and coordination of special events within the City.

The City provides weekly curbside garbage and recycling pickup to its residents. The Public Works Department manages a strong infrastructure program for the maintenance of sewers, alleys, water mains, streets, sidewalks, and trees. The City operates a water distribution system that provides residences and businesses with water from Lake Michigan via the City of Chicago.

The Park Ridge Library is a component unit of the City whose financial information is “discretely presented” in accordance with generally accepted accounting principles. The Library has a 9-member Board of Trustees, appointed by the Mayor. The public library contains approximately 168,000 physical items and provides access to 1.6 million digital titles. During the fiscal year, the Library welcomed over 25,000 patrons to over 900 programs. At the end of the fiscal year, the Library reported circulation totals just over 824,000.

### **FACTORS AFFECTING FINANCIAL CONDITION**

**Economic Outlook.** Park Ridge has a long-established reputation as a stable residential community known for its well-maintained homes. Approximately 89% of the assessed valuation of the City is residential, and approximately 85% is owner occupied. The median owner-occupied home value of Park Ridge is \$518,500 compared to \$293,700 for Cook County, and \$239,100 for the State of Illinois.

Household income in Park Ridge is substantially higher than surrounding areas and exceeds national averages. Based on U.S. Census Bureau 5-Year estimates, median household income is \$137,964. Park Ridge has a Median Household Income 83.6% above the U.S. Median Household Income, with 4.3% living in poverty. 96.2% of the adult population has a high school diploma or higher and 63.9% have a bachelor’s degree or higher. The 2022 Per Capita Income for Park Ridge was \$69,765, compared to \$45,646 for Cook County, and \$41,261 for the State of Illinois.

The average annual unemployment rate for Park Ridge in 2022, as reported by the Illinois Department of Employment Security, was 3.3% compared to 4.4% in Cook County and 4.5% in the State of Illinois. The City’s top industry by employment is health care. Park Ridge’s largest employer is Advocate Lutheran General Hospital with approximately 3,800 employees.

Residential land use makes up 49% of the total area of Park Ridge. The remaining land use includes: commercial – 4%; public, institutional, park and open space – 24%; and transportation and utilities – 23%.

The City’s financial outlook remains strong. Despite macroeconomic challenges of the past several years, the City continues to see growth in economically sensitive revenues while managing costs in the current inflationary situation. As has been the case in the past, the City will continue to monitor economic conditions and adjust as necessary to create long-term stability in the City’s finances. Park Ridge is strongly positioned and will continue to have financial stability in the near and long-terms.

**Long-term Financial Planning.** In the summer of 2022, the City Council and Senior Staff embarked on a comprehensive strategic planning process which included several working sessions and surveys to determine priorities for the City over the next four years. The final strategic plan report identified six strategic priority areas: Financial Stability & Management, Workforce Development, Technology Enhancements, Use & Effectiveness, Quality Customer Service & Delivery of City Services, Capital & Infrastructure Investments & Improvements, and Community Outreach & Engagement. Under each priority area, several near and long-term goals were established giving staff a roadmap for planning over the next several years.

In the fall of each year the City updates the five year Capital Improvement Plan (“CIP”) to address major capital and infrastructure improvements. For a project to be included in the CIP, it must generally involve the creation or purchase of a tangible asset with life of five years or more and generally costing \$10,000 individually or in aggregate. Purchases funded with an internal service replacement fund (Motor Equipment Replacement Fund or Information Technology Replacement Fund) are also included in the CIP. Projects that are identified for the upcoming budget year are most closely scrutinized in the capital planning process because associated funding must be provided in the upcoming year’s budget.

## **MAJOR INITIATIVES**

In 2023 the City completed implementation of Tyler based payroll and time and attendance modules. This implementation brought payroll operations in-house. Benefits of the migration from ADP, the City's former payroll vendor, include cost reductions and streamlined journal entries related to payroll and benefits. Future benefits will include increased accuracy of personnel budgeting, recruiting and retention tools, and an open enrollment dashboard among others.

Design was completed and construction began at Fire Station 35. This project will include upgrades using best practices in station design to maximize safety of fire personnel as well as adapt to a changing emergency response environment. This will also establish a more modern and visually appealing structure on a significant gateway intersection in the community. The City also completed design of a new salt dome to replace the current dome which is being displaced by construction of a park facility on the current site and the design for major security upgrades to City Hall. Construction for both projects is expected to be completed in 2024.

As outlined in the Strategic Plan and the Capital Improvement Plan ("CIP"), the City conducts many capital projects on a routine and annual basis. These projects include street rehabilitation, sidewalk replacement, building maintenance and improvement projects, water main replacement, and sewer pipe re-lining.

The City maintains two internal service replacement funds: the Motor Equipment Replacement Fund and the Information Technology Replacement Fund. Additionally, the City established a Capital Improvements and Equipment Fund to account for the expenditure of revenues dedicated for the improvement of the City's non-enterprise fund buildings, equipment and infrastructure.

Staff forecasts the needs of the City's equipment, buildings, fleet and technology infrastructure on a long-term basis. The long-term needs are assessed and updated annually and an associated annual contribution to the funds is determined. This provides a predictable contribution amount for budget and forecasting purposes and ensures that appropriate funding is available to execute planned and necessary purchases from the replacement funds for vehicle replacement and technology needs. In 2023 the City conducted building assessments to determine future capital requirements and regular maintenance schedules for city buildings. This exercise will assist staff in planning long-term capital investments in city-owned buildings.

Other significant, one time or non-recurring projects approved in the capital improvement plan are assessed annually.

## **ACCOUNTING SYSTEM AND BUDGETARY CONTROL**

Management of the City of Park Ridge is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The City of Park Ridge operates under a "Budget Policy" adopted under home rule powers. This Budget Policy closely follows the Illinois "Budget Officer Act" which is a statutory option for both home rule and non-home rule municipalities. Elements of the Budget Policy include requiring a public hearing prior to passing the budget and approving the budget prior to the beginning of the fiscal year. Activities of the general fund, special revenue funds, debt service funds, enterprise funds and internal service funds are included in the budget. Budgets are not adopted for the pension trust funds.

The annual budget serves as the foundation for the City's financial planning and control. Through the adopted budget, spending authority is established at the expenditure object code level. The municipal code provides the City Manager to make limited budget transfers during the fiscal year. Budget transfers outside of the City Manager's authority, and budget amendments, require approval by the City Council.

A procurement policy, outlined in Park Ridge Municipal Code 2-9-9 and detailed in Council Policy Statement #18, was approved by the City Council in 2014. This policy was reviewed and updated in 2020. Through this policy Department Heads have authority to approve purchases up to \$2,500, the Administrative Services Manager and Finance Director up to \$10,000 and the City Manager up to \$20,000. Three quotes are required for purchases over \$2,500 and a sealed bid process is required for purchases over \$20,000. The City maintains an encumbrance accounting system and uses it in conjunction with the procurement policy as one technique of accomplishing budgetary control.

### **AWARDS AND ACKNOWLEDGMENTS**

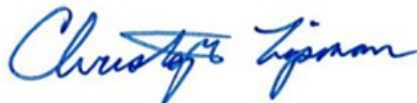
**Award for Excellence in Financial Reporting:** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Park Ridge for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2022. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report will meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate for fiscal year ended December 31, 2023.

**Acknowledgements:** The preparation of the ACFR on a timely basis was made possible by the dedicated services and partnerships of the entire staff of the Finance Department. Each member of the department has my sincere appreciation for the contributions made in the preparation of this report. I would particularly like to acknowledge Nate Giacalone, the City's Assistant Finance Director, who led the development of annual report.

Finally, appreciation is expressed to the Mayor, City Council and City Manager Joe Gilmore for their leadership and support in planning and conducting the fiscal affairs of the City in a responsible manner.

Respectfully submitted,



Christopher Lipman  
Finance Director



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Park Ridge  
Illinois**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2022

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**

This section includes:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Other Supplementary Information

Supplemental Schedules

## **INDEPENDENT AUDITOR'S REPORT**

This section includes the opinion of the City's independent auditing firm.



## **INDEPENDENT AUDITOR'S REPORT**

June 21, 2024

The Honorable City Mayor  
Members of the City Council and City Manager  
City of Park Ridge, Illinois

### **Report on the Audit of the Financial Statements**

#### *Opinion*

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 Park Ridge (the City), Illinois, 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, based on our audit and the report of the other auditors, 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 Park Ridge, Illinois, as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Firefighters' Pension Trust Fund as of December 31, 2023, and the respective changes in financial position for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Firefighters' Pension Trust Fund, is based solely on the report of the other auditors.

#### *Basis for Opinions*

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

### **Responsibilities of Management for the Financial Statements**

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules, and supplementary pension and other post-employment benefit (OPEB) schedules, as 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 of Park Ridge, Illinois' basic financial statements. The other supplementary information and supplemental schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates 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, other supplementary information and supplemental 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 and statistical sections 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.

*Lauterbach & Amen, LLP*

LAUTERBACH & AMEN, LLP

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Management's Discussion and Analysis**

**December 31, 2023**

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This Management's Discussion and Analysis (MD&A) provides the reader with a narrative overview and analysis of the overall financial position and results of operations for the year ended December 31, 2023 for the City of Park Ridge. Please read it in conjunction with the transmittal letter, which can be found in the introductory section of this report, and the City's financial statements, which can be found in the basic financial statements section of this report.

**FINANCIAL HIGHLIGHTS**

1. At the close of the fiscal year as of December 31, 2023, the total assets and deferred outflows of the City exceeded its liabilities and deferred inflows by \$131,512,949. This amount represents net position. During the year, government-wide revenues totaled \$68,534,348, while expenses totaled \$53,057,173, resulting in an increase of net position of \$15,477,175.
2. The City's net position at December 31, 2023 increased as a result of this year's operations. Net position of business-type activities increased by \$537,559, or 1.2 percent and net position of the governmental activities increased by \$14,939,616 or 20.7 percent. Net position of business-type activities was increased primarily by increased capitalization of assets. Several factors affected the overall increase in net position of governmental activities. General Fund revenues continue to exceed short-term expenditures. Much of this has been the result of macro-economic influences including inflationary affected revenue such as sales and income taxes which have trended significantly higher over the past several years. Additionally, construction of the City's Fire Station 35 began later than estimated leaving excess balance within the capital project funds. Capital project funds have also been positively affected by ongoing supply chain issues which have caused the delay in receipt of several large vehicle orders.
3. The City's net position as of December 31, 2023 totaled \$131,512,949 which includes \$123,291,300 net investment in capital assets and \$19,035,149 subject to external restrictions. The net investment in capital assets increased by \$7,472,651 as a result of the City's continued efforts to improve capital infrastructure, while paying down long-term debt.
4. Total governmental funds reported combined ending fund balance of \$52,801,875 of which \$34,189,017 is unassigned and available for spending at the City's discretion. The unassigned fund balance increased \$3,606,871 due largely to a surplus within the General Fund as described below.
5. The General Fund reported a surplus this year of \$4,233,751, resulting in ending fund balance of \$36,304,166, an increase of 13.2 percent. This surplus was driven primarily by stronger than anticipated revenues, primarily by those revenues that are impacted significantly by inflation such as sales and income taxes. The City continued to earn higher than anticipated investment returns due to a continuing high interest rate environment. The City also received a one-time payment of \$589,381 from the final dissolution of an excess liability pool for which the City had been a member several years prior. General Fund expenditures of \$37,982,537 were \$888,322 below the final budget. This was driven primarily by personnel turnover.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The MD&A serves as an introduction to the City's basic financial statements that are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. Government-wide financial statements provide information on the finances of the City as a whole and present a long-term view of the City's finances. Fund financial statements tell how the City's activities were financed in the short-term as well as what remains for future spending. They also report in greater detail than the government wide statements. Together, these statements allow for in-depth comparison of the City's financial activities, and for comparison with the financial state of other governments. The notes to the financial statements provide additional information essential to a full understanding of the basic financial statements. This annual report also contains supplementary information required by Governmental Accounting Standards Board (GASB).

Management's Discussion and Analysis

December 31, 2023

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**OVERVIEW OF THE FINANCIAL STATEMENTS - Continued**

**Government-Wide Financial Statements**

The *Government-Wide Financial Statements* provide readers with a broad overview of the City's finances, in a manner similar to private-sector business. The financial statements' focus is 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 (year-to-year or government-to-government) and enhance the City's accountability.

The *Statement of Net Position* reports information on all of the City's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the City's property tax base and the condition of the City's infrastructure, is needed to assess the overall health of the City.

The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, public works, development and culture and civic. The business-type activities of the City include water and sewer operations.

**Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund financial statements provide more detailed information about the City's most significant funds, rather than about the City as a whole. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds:** Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions.

Management's Discussion and Analysis

December 31, 2023

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**OVERVIEW OF THE FINANCIAL STATEMENTS - Continued**

**Fund Financial Statements - Continued**

**Governmental Funds - Continued:** Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The City maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Uptown Tax Increment Financing, and Municipal Waste, which are considered major funds. Data from the other ten governmental funds (Dempster TIF, Special Service Area, Motor Fuel Tax, Illinois Municipal Retirement, FICA, Foreign Fire Insurance, Asset Forfeiture, Capital Improvement and Equipment, 2015A General Obligation Refunding Bond, and 2021A General Obligation Refunding Bond) are combined into a single, aggregated presentation.

The City adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison statement for these funds is provided to demonstrate compliance with this budget.

**Proprietary Funds:** The City maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Fund and Sewer Fund, which are considered to be major funds of the City. Individual fund data for the internal service funds is provided elsewhere in this report.

**Fiduciary Funds:** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's funding of I.M.R.F. and Police and Firefighters' pension obligations to provide retirement benefits to its employees. In addition, schedules of budgetary comparison schedules for funds is also presented.

# CITY OF PARK RIDGE, ILLINOIS

## Management's Discussion and Analysis

December 31, 2023

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table represents the net position as of December 31, 2023. Net position serves over time as a useful indicator of a government's financial position. The following tables show that assets/deferred outflows exceeded liabilities/deferred inflows by \$131,512,949.

	Net Position					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	12/31/23	12/31/22	12/31/23	12/31/22	12/31/23	12/31/22
Current and Other Assets	\$ 78,245,217	69,316,992	3,387,594	4,814,143	81,632,811	74,131,135
Capital Assets	85,227,848	82,053,528	45,685,694	44,372,335	130,913,542	126,425,863
Total Assets	163,473,065	151,370,520	49,073,288	49,186,478	212,546,353	200,556,998
Deferred Outflows	11,496,725	23,485,803	858,570	1,106,041	12,355,295	24,591,844
Total Assets and Deferred Outflows	174,969,790	174,856,323	49,931,858	50,292,519	224,901,648	225,148,842
Long-Term Debt	58,677,377	70,198,147	3,242,476	4,426,862	61,919,853	74,625,009
Other Liabilities	8,217,827	9,495,773	1,934,147	1,731,489	10,151,974	11,227,262
Total Liabilities	66,895,204	79,693,920	5,176,623	6,158,351	72,071,827	85,852,271
Deferred Inflows	21,061,771	23,089,204	255,101	171,593	21,316,872	23,260,797
Total Liabilities and Inflows	87,956,975	102,783,124	5,431,724	6,329,944	93,388,699	109,113,068
Net Position						
Net Investment in						
Capital Assets	81,310,606	76,301,314	41,980,694	39,517,335	123,291,300	115,818,649
Restricted	18,722,056	12,752,229	313,093	—	19,035,149	12,752,229
Unrestricted (Deficit)	(13,019,847)	(16,980,344)	2,206,347	4,445,240	(10,813,500)	(12,535,104)
Total Net Position	87,012,815	72,073,199	44,500,134	43,962,575	131,512,949	116,035,774

A large portion of the City's net position, \$123,291,300 reflects its investment in capital assets (for example, land, construction in progress, works of art, land improvements, buildings, machinery and equipment, office furniture and equipment, vehicles, infrastructure, and subscription assets - software), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$19,035,149 of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining deficit \$10,813,500 represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

**CITY OF PARK RIDGE, ILLINOIS**

**Management's Discussion and Analysis**

**December 31, 2023**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued**

	Change in Net Position					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	12/31/23	12/31/22	12/31/23	12/31/22	12/31/23	12/31/22
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 5,513,459	7,374,257	12,782,581	12,365,952	18,296,040	19,740,209
Operating Grants/Contrib.	1,870,142	7,474,498	—	—	1,870,142	7,474,498
Capital Grants/Contrib.	300,000	128,597	—	325,248	300,000	453,845
General Revenues						
Property Taxes	20,129,290	19,364,469	—	—	20,129,290	19,364,469
Sales Taxes	10,285,758	9,726,241	—	—	10,285,758	9,726,241
Income Taxes	6,376,124	6,511,717	—	—	6,376,124	6,511,717
Other Taxes	7,946,414	8,828,569	—	—	7,946,414	8,828,569
Other General Revenues	3,149,561	549,385	181,019	55,257	3,330,580	604,642
Total Revenues	55,570,748	59,957,733	12,963,600	12,746,457	68,534,348	72,704,190
<b>Expenses</b>						
General Government	5,140,635	4,670,230	—	—	5,140,635	4,670,230
Public Safety	22,066,905	21,230,698	—	—	22,066,905	21,230,698
Public Works	12,300,527	11,846,358	—	—	12,300,527	11,846,358
Development	2,760,131	1,645,319	—	—	2,760,131	1,645,319
Interest on Long-Term Debt	46,427	107,217	—	—	46,427	107,217
Water	—	—	9,442,498	9,648,437	9,442,498	9,648,437
Sewer	—	—	1,300,050	1,538,192	1,300,050	1,538,192
Total Expenses	42,314,625	39,499,822	10,742,548	11,186,629	53,057,173	50,686,451
<b>Change in Net Position</b>						
Before Transfers	13,256,123	20,457,911	2,221,052	1,559,828	15,477,175	22,017,739
Transfers	1,683,493	2,104,765	(1,683,493)	(2,104,765)	—	—
<b>Change in Net Position</b>	14,939,616	22,562,676	537,559	(544,937)	15,477,175	22,017,739
<b>Net Position - Beginning</b>	72,073,199	49,510,523	43,962,575	44,507,512	116,035,774	94,018,035
<b>Net Position - Ending</b>	87,012,815	72,073,199	44,500,134	43,962,575	131,512,949	116,035,774

# CITY OF PARK RIDGE, ILLINOIS

## Management's Discussion and Analysis

December 31, 2023

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### GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Net position of the City's governmental activities increased by 20.7 percent (\$87,012,815 for December 31, 2023 compared to a \$72,073,199 for December 31, 2022). Net position of business-type activities increased by 1.2 percent (\$44,500,134 for December 31, 2023 compared to \$43,962,575 for December 31, 2022).

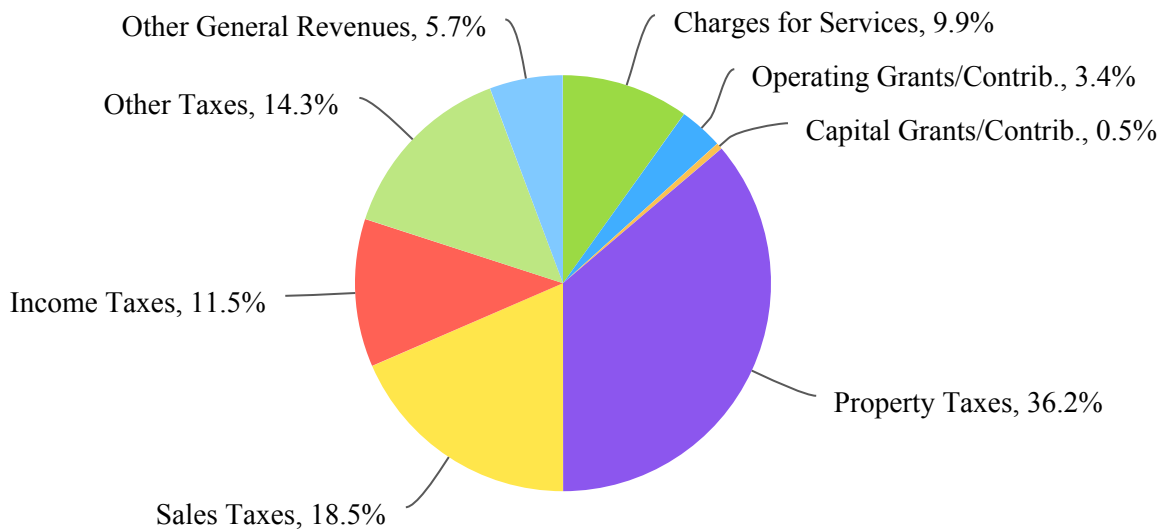
Revenues for governmental activities totaled \$55,570,748, while the cost of all governmental functions totaled \$42,314,625. This results in a surplus of \$13,256,123 prior to transfers in of \$1,683,493. For December 31, 2022, revenues of \$59,957,733 exceeded expenses of \$39,499,822, resulting in a surplus of \$20,457,911 prior to transfers in of \$2,104,765.

#### Governmental Activities

The surplus for December 31, 2023 was largely due to stronger than anticipated inflationary affected revenues, a one-time insurance pool payout, high savings interest rates, and deferred capital expenses.

The following chart graphically depicts the major revenue sources of the City. The City maintains diverse revenue sources in which no source exceeds 36.2 percent of total revenues to fund governmental activities. The City relies most heavily on property taxes and other taxes (utility tax, home rule sales tax and others).

**Revenue by Source - Governmental Activities**



Management's Discussion and Analysis  
December 31, 2023

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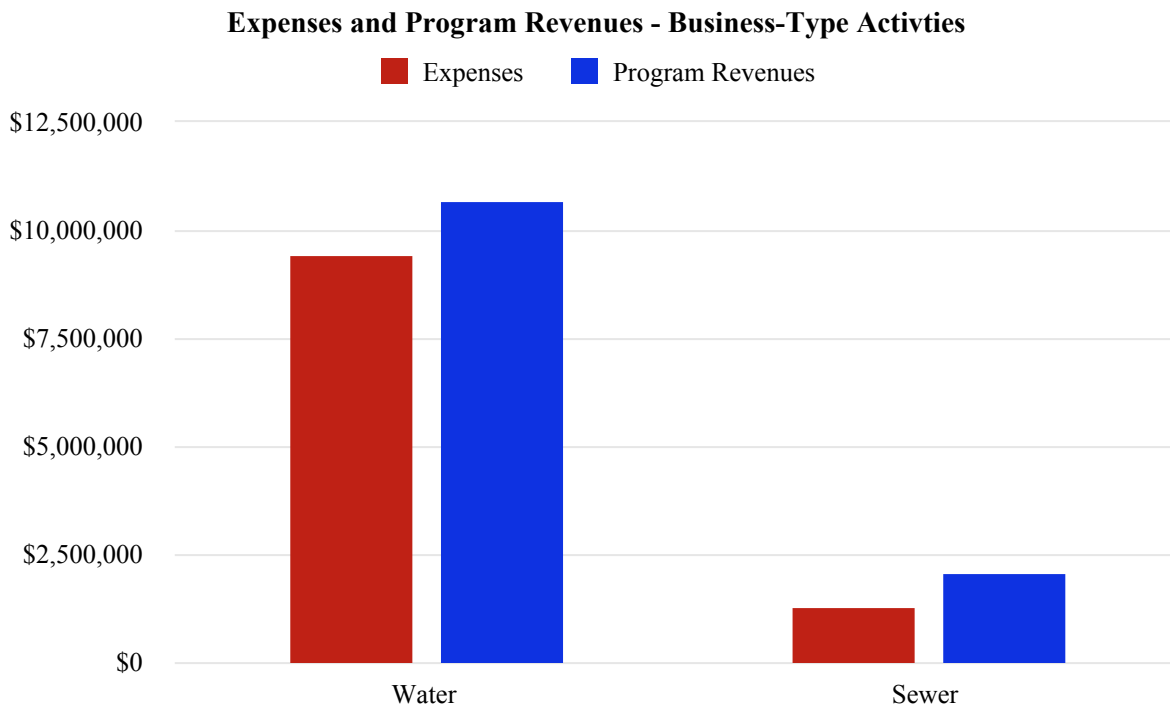
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GOVERNMENT-WIDE FINANCIAL ANALYSIS - Continued

Business-Type Activities

Business-Type activities posted total revenues of \$12,963,600, while the cost of all business-type activities totaled \$10,742,548. This results in a surplus of \$2,221,052 prior to transfers out of \$1,683,493. For December 31, 2022, revenues of \$12,746,457 exceed expenses of \$11,186,629, resulting in a surplus \$1,559,828 prior to transfers out of \$2,104,765. After transfers, Business-Type activities experienced a \$537,559 increase to net position. This is attributed primarily to increased water and sewer rates that went into effect during 2023 and capitalization of assets. This is attributed primarily to increased water and sewer rates that went into effect during 2023 and capitalization of assets.

This graph compares program revenues to expenses for the water and sewer operations.



## **CITY OF PARK RIDGE, ILLINOIS**

### **Management's Discussion and Analysis**

**December 31, 2023**

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#### **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

##### **Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The City's governmental funds reported combining ending fund balances of \$52,801,875, which is \$8,608,628, or 19.5 percent, greater than last year's total of \$44,193,247. Of the \$52,801,875 total, \$34,189,017, or approximately 64.7 percent, of the fund balance constitutes unassigned fund balance.

The General Fund is the chief operating fund of the City. As mentioned earlier, the General Fund reported an increase in fund balance for the year of \$4,233,751, or 13.2 percent. The increase in fund balance was primarily driven by higher than anticipated revenues. Particularly, macroeconomic factors including a strong economy and inflation rates which have remained relatively high compared to past two decades have led to revenues such as sales and income-based taxes to exceed projections. Additionally, the City experienced increased revenues from ambulance services, specifically through the Ground Emergency Medical Transportation Program (GEMT). The City also received a one-time payout from a dissolved insurance pool for which the City was a member several years prior. While the City's expenditures variance was positive, the impact on the fund balance was not as significant as that of revenues.

At December 31, 2023, unassigned fund balance in the General Fund was \$34,275,508, which represents 94.4 percent of the total fund balance of the General Fund. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 81.7 percent of total General Fund expenditures and transfers.

The Uptown TIF Fund had an increase in fund balance of \$787,676. This surplus is mainly due to a lack of current projects within fiscal year 2023. The City will experience increased intergovernmental reimbursements to taxing agencies in future years and anticipates future capital projects within the TIF.

The Municipal Waste Management Fund reported an increase in fund balance of \$54,351. The increase in fund balance was planned based on the prior year's deficit balance within the fund.

##### **Proprietary Funds**

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The City reports the Water Fund as a major proprietary fund. The Water Fund accounts for all financial activities associated with the municipal water service. Fees from consumption of water (utility billing) and tap on fees from building activities provide the primary source of revenue for the fund. Revenues are used to purchase water and to maintain the water delivery infrastructure.

## **CITY OF PARK RIDGE, ILLINOIS**

### **Management's Discussion and Analysis**

**December 31, 2023**

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#### **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS - Continued**

##### **Proprietary Funds - Continued**

The Water Fund has a deficit in the current fiscal year of \$61,459. This deficit was anticipated. The Water Fund has a current debt obligation that will be expiring in 2025. It was determined that rather than additionally increasing user fees to close a short-term deficit that will be largely remedied upon maturity of the debt obligation for the fund to absorb the minor deficit in 2023. Unrestricted net position in the Water Fund totaled \$716,331 at December 31, 2023.

The City also reports the Sewer Fund as a major proprietary fund and is used to account for all financial activities associated with the municipal sewer service in Cook County. Fees for the use of the system provides a source of revenue for the fund. Expenses and reserves are used to maintain the distribution system and provide for the repair and replacement of the sewer system infrastructure. The surplus in the Sewer Fund during the current fiscal year was \$599,018, and the previous fiscal year surplus was \$656,285. The surplus is largely attributed to capitalization of sewer improvement projects. User fees were also increased in 2023 in anticipation of future sewer projects. Unrestricted net position in the Sewer Fund totaled \$1,490,016 at December 31, 2023.

##### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The City Council made several budget amendments to the General Fund during the year. General Fund actual revenues for the year totaled \$43,208,828, compared to budgeted revenues of \$37,781,175. Revenues for all functions except for fines and forfeitures were higher than budgeted.

The General Fund actual expenditures for the year were \$883,322 lower than budgeted (\$37,982,537 actual compared to \$38,865,859 budgeted). Salary expenditures were \$759,968 below budget, while general contractual service expenditures were \$847,458 below budget. The variance in salary expenditures was largely due to turnover throughout the year. General contractual services expenditures continue to be influenced by labor and supply chain issues.

##### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

###### **Capital Assets**

The City's investment in capital assets for its governmental and business type activities as of December 31, 2023 was \$130,913,542 (net of accumulated depreciation/amortization). This investment in capital assets includes land, construction in progress, works of art, land improvements, buildings, machinery and equipment, office furniture and equipment, vehicles, infrastructure, and subscription assets - software.

# CITY OF PARK RIDGE, ILLINOIS

## Management's Discussion and Analysis December 31, 2023

### CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued

#### Capital Assets - Continued

	Capital Assets - Net of Depreciation/Amortization					
	Governmental		Business-Type		Totals	
	Activities		Activities			
	12/31/23	12/31/22	12/31/23	12/31/22	12/31/23	12/31/22
Land	\$ 36,603,675	36,603,675	150,458	150,458	36,754,133	36,754,133
Construction in Progress	2,691,869	4,331,408	2,546,434	208,591	5,238,303	4,539,999
Works of Art	89,800	89,800	—	—	89,800	89,800
Land Improvements	2,657,745	2,864,708	—	—	2,657,745	2,864,708
Buildings	10,462,446	10,800,685	—	—	10,462,446	10,800,685
Machinery and Equipment	1,345,574	1,078,608	174,616	189,444	1,520,190	1,268,052
Office Furniture and Equipment	44,274	51,502	—	—	44,274	51,502
Vehicles	3,907,607	3,555,695	—	—	3,907,607	3,555,695
Infrastructure	26,383,110	22,677,447	42,814,186	43,823,842	69,197,296	66,501,289
Subscription Assets - Software	1,041,748	—	—	—	1,041,748	—
Totals	85,227,848	82,053,528	45,685,694	44,372,335	130,913,542	126,425,863

This year's major additions included:

Construction in Progress	\$ 2,995,846
Machinery and Equipment	517,662
Vehicles	1,059,217
Infrastructure	2,467,824
Subscription Assets - Software	1,468,456
	<u>8,509,005</u>

Additional information on the City's capital assets can be found in Note 3 of this report.

## **CITY OF PARK RIDGE, ILLINOIS**

### **Management's Discussion and Analysis**

**December 31, 2023**

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#### **CAPITAL ASSETS AND DEBT ADMINISTRATION - Continued**

##### **Debt Administration**

At year-end, the City had four general obligation bonds outstanding in the total of \$6,575,000. The amount outstanding as compared to the previous year was \$10,530,000 a decrease of \$3,955,000. The City also issued five subscriptions payable in the current year in the total of \$1,468,456. The amount outstanding in total of \$1,041,030 which includes a decrease in the current year of \$427,426.

One general obligation bond, Series 2014A, outstanding in the total of \$1,645,000 is debt owed for the construction of a water reservoir and pumping station. The amount outstanding as compared to the previous year was \$2,395,000, a decrease of \$750,000.

Two general obligation bonds, Series 2015A and 2021A, outstanding in the total of \$2,870,000 are the debt owed for the Uptown TIF projects. The amount outstanding as compared to the previous year was \$5,675,000, a decrease of \$2,805,000.

One general obligation bond, Series 2021B, outstanding in the total of \$2,060,000 is debt owed for sewer infrastructure projects. The amount outstanding as compared to the previous year was \$2,460,000, a decrease of \$400,000.

As a home rule municipality, the City of Park Ridge has no legal debt limit. The City maintains an Aa2 rating by Moody's Investor Service. Moody's previously held a negative outlook on the City of Park Ridge which was removed during fiscal year 2017 to reflect the City's improved financial position.

See Note 3 for a detailed description of the City's long-term debt.

#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

When preparing the City's fiscal year 2024 budget, the City continued to analyze economic outlooks, particularly in relation to anticipated revenues. While still anticipating returns on investments at rates stronger than the prior ten year average, we do anticipate a moderation of interest rates leading to lower investment returns. Additionally, with inflation moderating, the 2024 budget anticipates slowing growth of inflation affected revenues such as sales and income taxes. Three of the City's four collective bargaining agreements continue through the end of 2024, providing a level of predictability in regard to wage levels. The City's collective bargaining agreement with the International Union of Operating Engineers (IUOE) expired April 30, 2023. A new contract had not been ratified at the time the 2024 budget was passed. IUOE represents approximately 30 employees. The 2024 budget included anticipated wage growth upon eventual ratification of a new contract and we do not anticipate a significant variance from our projections. The 2024 budget includes regular annual improvements to the City's infrastructure as well as additional investment in City owned buildings. The City's Fire Station 35, one of two stations, is in the process of a major renovation and addition project. A new salt dome will be constructed to replace the City's current dome located on park district property. Additionally, City Hall will undergo security upgrades in the fall of 2024. These projects will be paid for using a combination of cash and debt financing. The City maintains low debt levels and will continue to do so even with the issuance of any new debt. Supply chain issues, particularly regarding specialty vehicles, remain challenging, leading to difficulties in predicting the timing of vehicle acquisitions.

## **CITY OF PARK RIDGE, ILLINOIS**

### **Management's Discussion and Analysis**

**December 31, 2023**

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#### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES - Continued**

The adopted fiscal year 2024 General Fund revenue budget is \$48.9 million. This represents a 24.5% increase over adopted fiscal year 2023 revenues. Over half of this increase is due to anticipated one-time bond proceeds related to the renovation of Fire Station 35. The City projects modest increases in intergovernmental revenues and local sales taxes. Additionally, ambulance service revenues are budgeted nearly \$1 million higher than the 2023 adopted budget based on actual 2023 revenues related to the City's participation in the GEMT program. Aggregate property taxes, excluding the library, remain flat for the fourth year in a row. No other significant changes were made to local revenue sources for the 2024 fiscal year.

The adopted fiscal year 2024 General Fund expenditure budget is \$50.9 million. This represents an 20.7% increase over adopted fiscal year 2023 expenditures. A significant portion of the increase is due to contributions to the Capital Improvement and Equipment Fund due to major renovations of Fire Station 35, salt dome construction and City Hall safety renovations. A significant portion of these expenses will be offset with bond proceeds.

The City maintains a General Fund balance in excess of the City's minimum fund balance policy.

#### **REQUESTS FOR INFORMATION**

This financial report is designed to provide citizens, customers, investors and creditors and for all those with an interest in the government's finances, a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Christopher Lipman, Finance Director, City of Park Ridge, 505 Butler Place, Park Ridge, Illinois 60068.

## **BASIC FINANCIAL STATEMENTS**

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

Government-Wide Financial Statements

Fund Financial Statements

- Governmental Funds
- Proprietary Funds
- Fiduciary Funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

**CITY OF PARK RIDGE, ILLINOIS**

**Statement of Net Position**

**December 31, 2023**

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**See Following Page**

# CITY OF PARK RIDGE, ILLINOIS

## Statement of Net Position December 31, 2023

	Governmental Activities	Business-Type Activities	Totals	Component Unit Park Ridge Public Library
<b>ASSETS</b>				
Current Assets				
Cash and Cash Equivalents	\$ 54,243,006	1,340,625	55,583,631	4,712,454
Receivables - Net of Allowances	19,528,227	1,845,384	21,373,611	4,092,883
Internal Balances	212,358	(212,358)	—	—
Prepays	1,310,996	—	1,310,996	—
Inventories	171,911	100,850	272,761	—
Deposits	1,158,519	—	1,158,519	—
Total Current Assets	76,625,017	3,074,501	79,699,518	8,805,337
Noncurrent Assets				
Capital Assets				
Nondepreciable/Nonamortizable	39,385,344	2,696,892	42,082,236	1,517,848
Depreciable/Amortizable	82,247,397	75,323,798	157,571,195	5,331,004
Accumulated Depreciation/Amortization	(36,404,893)	(32,334,996)	(68,739,889)	(1,326,005)
Total Capital Assets	85,227,848	45,685,694	130,913,542	5,522,847
Other Assets				
Net Pension Asset - IMRF	1,481,899	313,093	1,794,992	502,462
Net Pension Asset - SLEP	138,301	—	138,301	—
Total Other Assets	1,620,200	313,093	1,933,293	502,462
Total Noncurrent Assets	86,848,048	45,998,787	132,846,835	6,025,309
Total Assets	163,473,065	49,073,288	212,546,353	14,830,646
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Items - IMRF	3,037,791	641,819	3,679,610	1,030,012
Deferred Items - SLEP	37,180	—	37,180	—
Deferred Items - Police Pension	3,813,692	—	3,813,692	—
Deferred Items - Firefighters' Pension	2,144,812	—	2,144,812	—
Deferred Items - RBP	2,463,250	216,751	2,680,001	327,164
Total Deferred Outflows of Resources	11,496,725	858,570	12,355,295	1,357,176
Total Assets and Deferred Outflows of Resources	174,969,790	49,931,858	224,901,648	16,187,822

The notes to the financial statements are an integral part of this statement.

				Component Unit
	Governmental Activities	Business-Type Activities	Totals	Park Ridge Public Library
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable	\$ 2,345,537	657,172	3,002,709	330,444
Retainage Payable	—	—	—	28,177
Accrued Payroll	441,266	46,275	487,541	47,661
Accrued Interest Payable	5,389	6,718	12,107	—
Deposits	53,459	16,300	69,759	—
Other Payables	1,214,152	—	1,214,152	—
Claims Payable	548,580	—	548,580	—
Current Portion of Long-Term Debt	3,609,444	1,207,682	4,817,126	34,841
Total Current Liabilities	8,217,827	1,934,147	10,151,974	441,123
Noncurrent Liabilities				
Compensated Absences Payable	1,526,831	154,071	1,680,902	164,248
Net Pension Liability - Police Pension	28,936,729	—	28,936,729	—
Net Pension Liability - Firefighters' Pension	21,236,182	—	21,236,182	—
Total OPEB Liability - RBP	6,345,964	558,405	6,904,369	842,857
General Obligation Bonds Payable - Net	—	2,530,000	2,530,000	—
Subscriptions Payable	631,671	—	631,671	—
Total Noncurrent Liabilities	58,677,377	3,242,476	61,919,853	1,007,105
Total Liabilities	66,895,204	5,176,623	72,071,827	1,448,228
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	14,184,538	—	14,184,538	4,018,662
Deferred Items - Lease	137,621	—	137,621	—
Deferred Items - IMRF	500,089	105,658	605,747	169,563
Deferred Items - Police Pension	1,601,930	—	1,601,930	—
Deferred Items - Firefighters' Pension	2,939,251	—	2,939,251	—
Deferred Items - RBP	1,698,342	149,443	1,847,785	225,570
Total Deferred Inflows of Resources	21,061,771	255,101	21,316,872	4,413,795
Total Liabilities and Deferred Inflows of Resources	87,956,975	5,431,724	93,388,699	5,862,023
<b>NET POSITION</b>				
Net Investment in Capital Assets	81,310,606	41,980,694	123,291,300	5,522,847
Restricted				
Farmer's Market	3,175	—	3,175	—
Capital Outlay	4,211,623	—	4,211,623	—
Parking Lot Improvements	320,215	—	320,215	—
Road Construction	3,362,852	—	3,362,852	—
Public Safety	287,537	—	287,537	—
Economic Development	7,766,387	—	7,766,387	—
Debt Service	21,299	—	21,299	—
Employee Benefits	1,128,564	—	1,128,564	—
Special Service Areas	204	—	204	—
Illinois Municipal Retirement	1,620,200	313,093	1,933,293	502,462
Unrestricted (Deficit)	(13,019,847)	2,206,347	(10,813,500)	4,300,490
Total Net Position	87,012,815	44,500,134	131,512,949	10,325,799

The notes to the financial statements are an integral part of this statement.

# CITY OF PARK RIDGE, ILLINOIS

## Statement of Activities

For the Fiscal Year Ended December 31, 2023

		Program Revenues		
		Charges for Services	Operating Grants/ Contributions	Capital Grants/ Contributions
	Expenses			
Governmental Activities				
General Government	\$ 5,140,635	1,483,356	24,898	—
Public Safety	22,066,905	2,491,580	133,632	—
Public Works	12,300,527	432,791	1,711,612	300,000
Development	2,760,131	1,105,732	—	—
Interest on Long-Term Debt	46,427	—	—	—
Total Governmental Activities	42,314,625	5,513,459	1,870,142	300,000
Business-Type Activities				
Water	9,442,498	10,679,615	—	—
Sewer	1,300,050	2,102,966	—	—
Total Business-Type Activities	10,742,548	12,782,581	—	—
Total Primary Government	53,057,173	18,296,040	1,870,142	300,000
Component Unit				
Park Ridge Public Library	4,187,250	5,953	108,493	—

General Revenues  
Taxes  
Property  
Utility  
Home Rule Sales Tax  
Telecommunications  
Property Transfer  
Food and Beverage  
Other Taxes  
Intergovernmental - Unrestricted  
State Sales Tax  
State Use Tax  
State Income Tax  
Replacement Tax  
Investment Income  
Miscellaneous  
Transfers - Internal Activity

Change in Net Position

Net Position - Beginning

Net Position - Ending

The notes to the financial statements are an integral part of this statement.

Net (Expenses)/Revenues			
Primary Government			Component
Governmental	Business-Type		Unit
Activities	Activities	Totals	Park Ridge Public Library
(3,632,381)	—	(3,632,381)	—
(19,441,693)	—	(19,441,693)	—
(9,856,124)	—	(9,856,124)	—
(1,654,399)	—	(1,654,399)	—
(46,427)	—	(46,427)	—
(34,631,024)	—	(34,631,024)	—
—	1,237,117	1,237,117	—
—	802,916	802,916	—
—	2,040,033	2,040,033	—
(34,631,024)	2,040,033	(32,590,991)	—
—	—	—	(4,072,804)
20,129,290	—	20,129,290	4,050,800
2,556,005	—	2,556,005	—
2,992,432	—	2,992,432	—
616,825	—	616,825	—
688,996	—	688,996	—
990,377	—	990,377	—
1,981,072	—	1,981,072	190,644
5,677,391	—	5,677,391	—
1,615,935	—	1,615,935	—
6,376,124	—	6,376,124	—
1,113,139	—	1,113,139	—
2,227,738	157,545	2,385,283	133,405
921,823	23,474	945,297	332,817
1,683,493	(1,683,493)	—	—
49,570,640	(1,502,474)	48,068,166	4,707,666
14,939,616	537,559	15,477,175	634,862
72,073,199	43,962,575	116,035,774	9,690,937
87,012,815	44,500,134	131,512,949	10,325,799

The notes to the financial statements are an integral part of this statement.

# CITY OF PARK RIDGE, ILLINOIS

## Balance Sheet - Governmental Funds December 31, 2023

	<u>General</u>
<b>ASSETS</b>	
Cash and Investments	\$ 32,852,038
Receivables - Net of Allowances	
Property Taxes	9,556,188
Other Taxes	1,327,750
Intergovernmental	2,743,302
Lease Receivable	139,213
Other Receivables	577,837
Prepays	1,310,996
Inventories	171,911
Due from Other Funds	<u>410,733</u>
Total Assets	<u><u>49,089,968</u></u>
<b>LIABILITIES</b>	
Accounts Payable	1,506,294
Accrued Payroll	441,266
Deposits	53,459
Due to Other Funds	—
Other Payables	<u>1,214,152</u>
Total Liabilities	<u><u>3,215,171</u></u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Taxes	9,433,010
Deferred Items - Lease	<u>137,621</u>
Total Deferred Inflows of Resources	<u><u>9,570,631</u></u>
Total Liabilities and Deferred Inflows of Resources	<u><u>12,785,802</u></u>
<b>FUND BALANCES</b>	
Nonspendable	1,482,907
Restricted	523,045
Committed	22,706
Unassigned	<u>34,275,508</u>
Total Fund Balances	<u><u>36,304,166</u></u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u><u>49,089,968</u></u></u>

The notes to the financial statements are an integral part of this statement.

Special Revenue			
Uptown Tax Increment Financing	Municipal Waste Management	Nonmajor	Totals
6,755,552	—	10,347,129	49,954,719
97,824	3,973,396	901,521	14,528,929
—	—	—	1,327,750
—	—	162,195	2,905,497
—	—	—	139,213
—	—	—	577,837
—	—	—	1,310,996
—	—	—	171,911
—	—	—	410,733
6,853,376	3,973,396	11,410,845	71,327,585
304,774	429	484,802	2,296,299
—	—	—	441,266
—	—	—	53,459
—	126,646	71,729	198,375
—	—	—	1,214,152
304,774	127,075	556,531	4,203,551
—	3,932,812	818,716	14,184,538
—	—	—	137,621
—	3,932,812	818,716	14,322,159
304,774	4,059,887	1,375,247	18,525,710
—	—	—	1,482,907
6,548,602	—	10,035,598	17,107,245
—	—	—	22,706
—	(86,491)	—	34,189,017
6,548,602	(86,491)	10,035,598	52,801,875
6,853,376	3,973,396	11,410,845	71,327,585

The notes to the financial statements are an integral part of this statement.

## CITY OF PARK RIDGE, ILLINOIS

### Reconciliation of the Total Governmental Fund Balance to the Statement of Net Position - Governmental Activities

December 31, 2023

<b>Total Governmental Fund Balances</b>	<b>\$ 52,801,875</b>
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 funds.	85,227,848
Less: Internal Service Capital Assets	(4,552,096)
A net pension asset is not considered to represent a financial resources and therefore is not reported in the funds.	
Net Pension Asset - IMRF	1,481,899
Net Pension Asset - SLEP	138,301
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.	
Deferred Items - IMRF	2,537,702
Deferred Items - SLEP	37,180
Deferred Items - Police Pension	2,211,762
Deferred Items - Firefighters' Pension	(794,439)
Deferred Items - RBP	764,908
Internal service funds are used by the City to charge the costs of vehicle and equipment management and employee compensated absences to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position	9,998,665
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Compensated Absences Payable	(1,850,704)
Net Pension Liability - Police Pension	(28,936,729)
Net Pension Liability - Firefighters' Pension	(21,236,182)
Total OPEB Liability - RBP	(6,345,964)
Claims Payable	(548,580)
General Obligation Bonds Payable	(2,870,000)
Unamortized Bond Premium	(6,212)
Subscriptions Payable	(1,041,030)
Accrued Interest Payable	(5,389)
<b>Net Position of Governmental Activities</b>	<b>87,012,815</b>

The notes to the financial statements are an integral part of this statement.

**CITY OF PARK RIDGE, ILLINOIS**

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds  
For the Fiscal Year Ended December 31, 2023**

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**See Following Page**

# CITY OF PARK RIDGE, ILLINOIS

## Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended December 31, 2023

	<u>General</u>
Revenues	
Taxes	\$ 20,089,196
Intergovernmental	15,241,119
Licenses and Permits	2,167,574
Charges for Services	2,864,059
Fines and Forfeitures	481,567
Investment Income	1,530,769
Miscellaneous	834,544
Total Revenues	<u>43,208,828</u>
Expenditures	
General Government	6,398,772
Public Safety	21,796,804
Public Works	6,018,188
Development	1,388,777
Capital Outlay	1,952,570
Debt Service	
Principal Retirement	427,426
Interest and Fiscal Charges	—
Total Expenditures	<u>37,982,537</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,226,291</u>
Other Financing Sources (Uses)	
Debt Issuance	1,468,456
Transfers In	1,519,004
Transfers Out	<u>(3,980,000)</u>
	<u>(992,540)</u>
Net Change in Fund Balances	4,233,751
Fund Balances - Beginning	<u>32,070,415</u>
Fund Balances - Ending	<u><u>36,304,166</u></u>

The notes to the financial statements are an integral part of this statement.

Special Revenue			
Uptown Tax Increment Financing	Municipal Waste Management	Nonmajor	Totals
5,028,402	3,361,148	1,476,251	29,954,997
—	—	1,711,612	16,952,731
—	—	—	2,167,574
—	—	—	2,864,059
—	—	259	481,826
293,360	2,777	272,757	2,099,663
—	—	87,279	921,823
5,321,762	3,363,925	3,548,158	55,442,673
—	—	798,356	7,197,128
—	—	161,377	21,958,181
—	3,309,574	2,134,039	11,461,801
1,347,410	—	23,944	2,760,131
—	—	1,301,531	3,254,101
—	—	2,805,000	3,232,426
—	—	122,226	122,226
1,347,410	3,309,574	7,346,473	49,985,994
3,974,352	54,351	(3,798,315)	5,456,679
—	—	—	1,468,456
—	—	7,403,098	8,922,102
(3,186,676)	—	(71,933)	(7,238,609)
(3,186,676)	—	7,331,165	3,151,949
787,676	54,351	3,532,850	8,608,628
5,760,926	(140,842)	6,502,748	44,193,247
6,548,602	(86,491)	10,035,598	52,801,875

The notes to the financial statements are an integral part of this statement.

## CITY OF PARK RIDGE, ILLINOIS

### Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities - Governmental Activities For the Fiscal Year Ended December 31, 2023

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ 8,608,628</b>
---------------------------------------------------------------	---------------------

Amounts reported for governmental activities in the Statement of Activities  
are different because:

Governmental funds report capital outlays as expenditures. However, in the  
Statement of Activities the cost of those assets is allocated over their estimated  
useful lives and reported as depreciation expense.

Capital Outlays	4,842,803
Depreciation Expense	(1,689,460)
Disposals - Cost	(28,300)
Disposals - Accumulated Depreciation	28,300

An addition to a net pension asset is not considered to be an increase in a  
financial asset in the governmental funds.

Change in Net Pension Asset - IMRF	3,065,073
Change in Net Pension Asset - SLEP	108,347

The net effect of deferred outflows (inflows) of resources related  
to the pensions not reported in the funds.

Change in Deferred Items - IMRF	(1,764,013)
Change in Deferred Items - SLEP	(4,079)
Change in Deferred Items - Police Pension	(4,683,594)
Change in Deferred Items - Firefighters' Pension	(3,734,482)
Change in Deferred Items - RBP	191,332

The issuance of long-term debt provides current financial resources to  
governmental funds, while the repayment of the principal on long-term  
debt consumes the current financial resources of the governmental funds.

Change in Compensated Absences Payable	(43,935)
Change in Net Pension Liability - Police Pension	4,131,276
Change in Net Pension Liability - Firefighters' Pension	3,947,544
Change in Total OPEB Liability - RBP	(379,526)
Change in Claims Payable	92,439
Issuance of Debt	(1,468,456)
Retirement of Debt	3,232,426
Amortization of Bond Premium	71,002

Internal service funds are used by the City to charge the costs of vehicle and equipment  
management and employee compensated absences to individual funds.

The net revenue of certain activities of internal service funds is  
reported with governmental activities.

411,494

Changes to accrued interest on long-term debt in the Statement of Activities  
does not require the use of current financial resources and, therefore, are not  
reported as expenditures in the governmental funds.

4,797

**Changes in Net Position of Governmental Activities**

14,939,616

The notes to the financial statements are an integral part of this statement.

**CITY OF PARK RIDGE, ILLINOIS**

**Statement of Net Position - Proprietary Funds**  
**December 31, 2023**

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**See Following Page**

# CITY OF PARK RIDGE, ILLINOIS

## Statement of Net Position - Proprietary Funds December 31, 2023

	Business-Type Activities - Enterprise			Governmental Activities
	Water	Sewer	Totals	Internal Service
<b>ASSETS</b>				
Current Assets				
Cash and Investments	\$ —	1,340,625	1,340,625	4,288,287
Receivables - Net of Allowances				
Accounts	1,616,090	229,294	1,845,384	49,001
Deposits	—	—	—	1,158,519
Inventories	100,850	—	100,850	—
Total Current Assets	1,716,940	1,569,919	3,286,859	5,495,807
Noncurrent Assets				
Capital Assets				
Nondepreciable	2,488,301	208,591	2,696,892	87,246
Depreciable	44,746,579	30,577,219	75,323,798	10,358,045
Accumulated Depreciation	(20,527,723)	(11,807,273)	(32,334,996)	(5,893,195)
Total Capital Assets	26,707,157	18,978,537	45,685,694	4,552,096
Other Assets				
Net Pension Asset - IMRF	189,009	124,084	313,093	—
Total Noncurrent Assets	26,896,166	19,102,621	45,998,787	4,552,096
Total Assets	28,613,106	20,672,540	49,285,646	10,047,903
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred Items - IMRF	387,455	254,364	641,819	—
Deferred Items - RBP	137,013	79,738	216,751	—
Total Deferred Outflows of Resources	524,468	334,102	858,570	—
Total Assets and Deferred Outflows of Resources	29,137,574	21,006,642	50,144,216	10,047,903

The notes to the financial statements are an integral part of this statement.

	Business-Type Activities - Enterprise			Governmental Activities
	Water	Sewer	Totals	Internal Service
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable	\$ 641,038	16,134	657,172	49,238
Accrued Payroll	25,638	20,637	46,275	—
Accrued Interest Payable	4,478	2,240	6,718	—
Deposits	16,300	—	16,300	—
Due to Other Funds	212,358	—	212,358	—
Current Portion of Long-Term Debt	789,956	417,726	1,207,682	—
Total Current Liabilities	1,689,768	456,737	2,146,505	49,238
Noncurrent Liabilities				
Compensated Absences Payable	94,079	59,992	154,071	—
Total OPEB Liability - RBP	352,980	205,425	558,405	—
General Obligation Bonds Payable	875,000	1,655,000	2,530,000	—
Total Noncurrent Liabilities	1,322,059	1,920,417	3,242,476	—
Total Liabilities	3,011,827	2,377,154	5,388,981	49,238
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Items - IMRF	63,784	41,874	105,658	—
Deferred Items - RBP	94,466	54,977	149,443	—
Total Deferred Inflows of Resources	158,250	96,851	255,101	—
Total Liabilities and Deferred Inflows of Resources	3,170,077	2,474,005	5,644,082	49,238
<b>NET POSITION</b>				
Net Investment in Capital Assets	25,062,157	16,918,537	41,980,694	4,552,096
Restricted - Illinois Municipal Retirement	189,009	124,084	313,093	—
Unrestricted	716,331	1,490,016	2,206,347	5,446,569
Total Net Position	25,967,497	18,532,637	44,500,134	9,998,665
Total Liabilities, Deferred Inflows of Resources, and Net Position	29,137,574	21,006,642	50,144,216	10,047,903

The notes to the financial statements are an integral part of this statement.

# CITY OF PARK RIDGE, ILLINOIS

## Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds For the Fiscal Year Ended December 31, 2023

	Business-Type Activities - Enterprise			Governmental Activities
	Water	Sewer	Totals	Internal Service
Operating Revenues				
Charges for Services	\$ 10,679,615	2,102,966	12,782,581	—
Interfund Services	—	—	—	5,606,438
Total Operating Revenues	10,679,615	2,102,966	12,782,581	5,606,438
Operating Expenses				
Operations	8,252,835	831,393	9,084,228	4,659,327
Depreciation	1,115,313	439,398	1,554,711	752,228
Total Operating Expenses	9,368,148	1,270,791	10,638,939	5,411,555
Operating Income	1,311,467	832,175	2,143,642	194,883
Nonoperating Revenues (Expenses)				
Investment Income	43,945	113,600	157,545	128,075
Other Income	23,474	—	23,474	—
Interest Expense	(74,350)	(29,259)	(103,609)	—
Disposal of Capital Assets	—	—	—	88,536
	(6,931)	84,341	77,410	216,611
Income before Transfers	1,304,536	916,516	2,221,052	411,494
Transfers Out	(1,365,995)	(317,498)	(1,683,493)	—
Change in Net Position	(61,459)	599,018	537,559	411,494
Net Position - Beginning	26,028,956	17,933,619	43,962,575	9,587,171
Net Position - Ending	25,967,497	18,532,637	44,500,134	9,998,665

The notes to the financial statements are an integral part of this statement.

**CITY OF PARK RIDGE, ILLINOIS**

**Statement of Cash Flows - Proprietary Funds  
For the Fiscal Year Ended December 31, 2023**

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**See Following Page**

# CITY OF PARK RIDGE, ILLINOIS

## Statement of Cash Flows - Proprietary Funds For the Fiscal Year Ended December 31, 2023

	Water
Cash Flows from Operating Activities	
Receipts from Customers and Users	\$ 10,471,293
Interfund Services Provided	—
Payments to Suppliers	(6,751,876)
Payments to Employees	(952,637)
	<u>2,766,780</u>
Cash Flows from Capital and Related Financing Activities	
Purchase of Capital Assets	(2,337,843)
Disposal of Capital Assets	—
Principal Retirement	(750,000)
Interest Expense	(74,350)
	<u>(3,162,193)</u>
Cash Flows from Noncapital Financing Activities	
Transfers Out	<u>(1,365,995)</u>
Cash Flows from Investing Activities	
Investment Income	<u>43,945</u>
Net Change in Cash and Cash Equivalents	(1,717,463)
Cash and Cash Equivalents - Beginning	<u>1,717,463</u>
Cash and Cash Equivalents - Ending	<u>—</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities	
Operating Income (Loss)	1,311,467
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities:	
Depreciation Expense	1,115,313
Other Income (Expense)	23,474
(Increase) Decrease in Current Assets	(231,796)
Increase (Decrease) in Current Liabilities	548,322
Net Cash Provided by Operating Activities	<u>2,766,780</u>

The notes to the financial statements are an integral part of this statement.

Business-Type Activities - Enterprise		Governmental Activities
Sewer	Totals	Internal Service
2,215,119	12,686,412	—
—	—	5,482,439
(329,969)	(7,081,845)	(4,666,854)
(585,608)	(1,538,245)	—
1,299,542	4,066,322	815,585
(530,227)	(2,868,070)	(798,132)
—	—	113,463
(400,000)	(1,150,000)	—
(29,259)	(103,609)	—
(959,486)	(4,121,679)	(684,669)
(317,498)	(1,683,493)	—
113,600	157,545	128,075
136,158	(1,581,305)	258,991
1,204,467	2,921,930	4,029,296
1,340,625	1,340,625	4,288,287
832,175	2,143,642	194,883
439,398	1,554,711	752,228
—	23,474	—
112,153	(119,643)	(123,999)
(84,184)	464,138	(7,527)
1,299,542	4,066,322	815,585

The notes to the financial statements are an integral part of this statement.

**CITY OF PARK RIDGE, ILLINOIS**

**Statement of Fiduciary Net Position  
December 31, 2023**

	<u>Pension Trusts</u>
<b>ASSETS</b>	
Cash and Cash Equivalents	\$ 2,108,279
Investments	
Illinois Police Officers' Pension Investment Fund	65,878,622
Illinois Firefighters' Pension Investment Fund	59,231,171
Due from Municipality	54,620
Due from Members	7,817
Prepays	<u>660</u>
Total Assets	127,281,169
<b>LIABILITIES</b>	
Accounts Payable	<u>9,450</u>
<b>NET POSITION</b>	
Net Position Restricted for Pensions	<u><u>127,271,719</u></u>

The notes to the financial statements are an integral part of this statement.

**CITY OF PARK RIDGE, ILLINOIS**

**Statement of Changes in Fiduciary Net Position  
For the Fiscal Year Ended December 31, 2023**

	Pension Trusts
Additions	
Contributions	
Employer	\$ 4,811,563
Plan Members	1,063,736
Total Contributions	5,875,299
Investment Earnings	
Interest Earned	1,516,094
Net Change in Fair Value	15,851,377
	17,367,471
Less Investment Expenses	(143,970)
Net Investment Income	17,223,501
Total Additions	23,098,800
Deductions	
Administration	116,679
Benefits and Refunds	8,696,238
Total Deductions	8,812,917
Change in Fiduciary Net Position	14,285,883
Net Position Restricted for Pensions	
Beginning	112,985,836
Ending	127,271,719

The notes to the financial statements are an integral part of this statement.

# CITY OF PARK RIDGE, ILLINOIS

## Index for the Notes to Financial Statements December 31, 2023

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# CITY OF PARK RIDGE, ILLINOIS

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# **CITY OF PARK RIDGE, ILLINOIS**

## **Notes to the Financial Statements**

**December 31, 2023**

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### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Park Ridge was recognized as a City in 1873 and was incorporated as a City in 1910. The City of Park Ridge (City) is operated under the Mayor/City Council form of government with the Mayor, seven Aldermen and Clerk elected by the people. The City Council is the City's legislative body, enacting the laws and establishing the policies which govern the main activities of the City. The Mayor presides at all Council meetings. By ordinance, the Mayor and City Council appoint a City Manager to act as administrative head of the City. The City is a home-rule municipality under the 1970 Illinois Constitution.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the City's accounting policies established in GAAP and used by the City are described below.

#### **REPORTING ENTITY**

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is both legally and substantively separate from the government. Management has determined that there are two fiduciary component units that are required to be included in the financial statements of the City as pension trust funds and there is one discretely component unit to include in the reporting entity.

#### **Blended Component Units**

##### **Police Pension Employees Retirement System**

The City's sworn police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the City's Mayor, 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 contribution levels. Although it is legally separate from the City, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the City's police employees. The PPERS is reported as a pension trust fund.

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**REPORTING ENTITY - Continued**

**Blended Component Units - Continued**

**Firefighters' Pension Employees Retirement System**

The City's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of those employees and is governed by a five-member pension board, with two members appointed by the City Mayor, two elected from active participants of the Fund, and one elected from the retired members of the Fund. 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. Although it is legally separate from the City, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the City's sworn firefighters. The FPERS is reported as a fiduciary fund, and specifically a pension trust fund, due to the fiduciary responsibility exercised over the FPERS.

**Discretely Presented Component Unit**

Discretely presented component units are separate legal entities that meet the component unit criteria but do not meet the criteria for blending.

**Park Ridge Public Library**

The government-wide financial statements include the Park Ridge Public Library (Library) as a component unit. The Park Ridge Public Library has a separately appointed board which annually determines its budget and resulting tax levy. The City lends its home-rule authority to the Library to allow the Library to increase its tax levy beyond the amount limited by law. Upon approval of the City, the levy is submitted to the County. The Library carries no debt. The Public Library may not issue bonded debt without the City's approval and the debt would be issued by the City and thus a financial burden relationship exists. The Library, while servicing the general population of the City, does not provide services entirely to the City. As a component unit, the Library's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2023. The Library does not issue separate financial statements.

**BASIS OF PRESENTATION**

**Government-Wide Statements**

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's public safety, highways and streets, libraries, and general administrative services are classified as governmental activities. The City's water and sewer services are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The City's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The City utilizes restricted resources to finance qualifying activities.

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**BASIS OF PRESENTATION - Continued**

**Government-Wide Statements - Continued**

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (general government, public safety, public works, etc.). The functions are supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use, or directly benefit from foods, 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.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, intergovernmental revenues, fines, permits and charges, etc.).

The City does not allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

**Fund Financial Statements**

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City may electively add funds, as major funds, which either had debt outstanding or specific community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is a primary operating fund of the City or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Notes to the Financial Statements

December 31, 2023

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**BASIS OF PRESENTATION - Continued**

**Fund Financial Statements - Continued**

The various funds are reported by generic classification within the financial statements. The following fund types are used by the City:

**Governmental Funds**

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the City:

*General Fund* is the general operating fund of the City. It accounts for all revenues and expenditures of the City which are not accounted for in other funds. The General Fund is a major fund.

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City maintains nine special revenue funds. The Municipal Waste Management Fund, a major fund, accounts for the operations and maintenance of the waste collection, transportation and disposal system, including all obligations to the Solid Waste Agency under the terms of the 1992 Project Use Agreement. Financing is provided by property taxes, other amounts deposited in the fund, and rates and charges to be imposed on persons disposing of system waste through the Municipal Waste System. The Uptown TIF Fund, also a major fund, accounts for the operation and maintenance of the uptown redevelopment project. Financing is provided by property taxes.

*Debt Service Funds* are used to account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt. The City maintains two nonmajor debt service funds.

*Capital Projects Funds* are used to account for financial resources used for the acquisition or construction of major capital assets (other than those financed by business-type/proprietary funds). The City maintains one nonmajor capital projects fund.

**Proprietary Funds**

The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the City:

*Enterprise Funds* account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The City maintains two major funds. The Water Fund accounts for the provision of water services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and billing and collection. The Sewer Fund accounts for the provision of sewer and drainage services to the residents of the City. All activities necessary to provide such services are accounted for in this Fund.

Notes to the Financial Statements

December 31, 2023

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**BASIS OF PRESENTATION - Continued**

**Fund Financial Statements - Continued**

**Proprietary Funds - Continued**

*Internal Service Funds* are used to account for the financing of goods or services provided by an activity to other departments, funds or component units of the City on a cost-reimbursement basis. The City maintains three internal services funds. The Technology Replacement Fund is used to account for the maintenance and upgrade of the computer equipment and copier networks used in the operation of City Services. Revenue is annual subsidies from the funds utilizing the technology. Expenses include technology purchases of computers, copiers, servers and network software. The Motor Equipment Replacement Fund is used to account for the replacement of the City's motor vehicles. Revenue is annual subsidies from the funds utilizing the vehicles. Expenses are the replacement vehicle costs. The Employee Benefits Fund is used to account for the premium charges for the health insurance and other related benefits for the City employees and retirees.

The City's internal service funds are presented in the proprietary funds' financial statements. Because the principal users of the internal services are the City's governmental activities, the financial statements of the internal service funds are consolidated into the governmental column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (general government, public safety, public works, etc.).

**Fiduciary Funds**

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support City programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

*Pension Trust Funds* are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the City's police force. The Firefighters' Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the City's Fire Department.

The City's pension trust funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (pension participants) and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements.

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued**

**Measurement Focus**

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of the “economic resources” measurement focus is the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows, liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported.

**Basis of Accounting**

In the government-wide Statement of Net Position and Statement of Activities, governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. The City recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, utility taxes, hotel/motel taxes, fines, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary funds and pension trust funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**MEASUREMENT FOCUS AND BASIS OF ACCOUNTING - Continued**

**Basis of Accounting - Continued**

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 City's enterprise funds and of the City's internal service funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. 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 nonoperating revenues and expenses.

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY**

**Cash and Investments**

Cash and cash equivalents on the Statement of Net Position are considered to be cash on hand, demand deposits, cash with fiscal agent. For the purpose of the proprietary funds "Statement of Cash Flows," cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**Receivables**

In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report charges for services as their major receivables.

**Prepays/Inventories**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements. Prepays/inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids/inventories are recorded as expenditures when consumed rather than when purchased.

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

---

### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

#### ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued

##### Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

##### Capital Assets

Capital assets purchased or acquired with an original cost of more than \$1 for land, \$100,000 for infrastructure assets, \$50,000 for building improvements, and \$10,000 for all other capital assets, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized/amortized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at acquisition value on the date donated.

Depreciation/amortization on all assets is computed and recorded using the straight-line method of depreciation/amortization over the following estimated useful lives:

Land Improvements	50 Years
Buildings	50 Years
Machinery and Equipment	10 Years
Office Furniture and Equipment	10 Years
Vehicles	5 - 20 Years
Infrastructure - Streets, Alleys, and Sidewalks	50 Years
Infrastructure - Reservoir and Water System	100 Years
Subscription Assets - Software	3 - 5 Years

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued**

**Deferred Outflows/Inflows of Resources**

Deferred outflow/inflow of resources represents a consumption/acquisition of net assets that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

**Compensated Absences**

The liability for compensated absences reported in the government-wide financial statements consists of unpaid accumulated vacation, sick and compensatory leave balances for City employees.

Vacation leave is recorded in the governmental funds when due (upon employee retirement or termination). Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability to those funds as the benefits accrue to employees. No liability is recorded for nonvesting, accumulating rights to receive sick pay benefits. However, an expense is reported and a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as “terminal leave” at retirement.

**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 are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

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.

**Net Position**

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets - Consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - Consists of net position with constraints placed on the 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.

**Notes to the Financial Statements**

**December 31, 2023**

---

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY - Continued**

**Net Position - Continued**

Unrestricted - All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

**Use of Estimates**

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**BUDGETARY INFORMATION**

All governmental and proprietary funds have legally adopted annual budgets prepared in accordance with generally accepted accounting principles (GAAP) except for depreciation expense. Budgetary comparisons are reflected in the financial statements for all governmental and enterprise funds. The City follows these procedures in establishing the budgetary data reflected in the financial statements.

- a. The City Manager, who also serves as the Budget Officer, submits a proposed budget to the City Council for review and approval. The proposed budget is made available for public inspection at least 10 days prior to City Council approval.
- b. Public hearings are conducted to obtain taxpayer comments on the proposed fiscal year budget.
- c. The budget is legally approved by the City Council prior to January 1, although Mayoral veto(s), if any, and City Council veto override(s), if any, may occur after that date.
- d. After the budget is approved by the City Council detailed processes of amending the budget and of transferring funds from one account to another within the same fund are set by the Municipal Code. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

Notes to the Financial Statements  
December 31, 2023

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - Continued

DEFICIT FUND BALANCE

The following fund had deficit fund balance as of the date of this report:

Fund	Deficit
Municipal Waste	\$ 86,491

The deficit within the fund was decreased from the 2022 deficit fund balance through increased property tax levy dedicated to the Municipal Waste Fund. We anticipate that by the end of 2024 the deficit balance is eliminated.

NOTE 3 - DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund type's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the City's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Permitted Deposits and Investments - Illinois Statutes authorizes the City to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, Illinois Funds and the Illinois Metropolitan Investment Fund.

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. The Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

City

*Deposits.* At year-end, the carrying amount of the City's deposits for governmental and business-type activities totaled \$15,797,777 and the bank balances totaled \$6,865,897. The City also had \$39,785,854 invested in the Illinois Funds, which is measured at net asset value per share as determined by the pool.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy limits investment maturities by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, and by investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools. The City's investments in the Illinois Funds have an average maturity of less than one year.

## CITY OF PARK RIDGE, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

##### DEPOSITS AND INVESTMENTS - Continued

###### City - Continued

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual bond 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. At year-end, the City's investment in the Illinois Funds was rated AAmmf by Fitch.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy requires the amount of collateral provided will not be less than 110 percent of the fair market value of the net amount of public funds secured. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this 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 investments or collateral securities that are in the possession of an outside party. The City's investments in the Illinois Funds are not subject to custodial credit risk.

*Concentration Risk.* This is the risk of loss attributed to the magnitude of the City's investment in a single issuer. It is the policy of the City to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in over-concentration in a security, maturity, issuer or class of securities. Per the City's investment policy, the City will diversify its investments by security type and institution. No more than 50% of the City's total investment portfolio will be invested with a single financial institution. At year-end, the City has no investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

###### Police Pension Fund

The Illinois Police Officers Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual comprehensive financial report. For additional information on IPOPIF's investments, please refer to their annual comprehensive financial report, which can be obtained from IFPIF at 456 Fulton Street, Suite 402 Peoria, Illinois 61602 or at [www.ipopif.org](http://www.ipopif.org).

*Deposits.* The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$1,730,334 and the bank balances totaled \$1,775,350.

Notes to the Financial Statements

December 31, 2023

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**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**DEPOSITS AND INVESTMENTS - Continued**

**Police Pension Fund - Continued**

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund's deposits are covered by FDIC insurance and flow-through FDIC insurance; however, the investment policy is silent regarding custodial credit risk for deposits. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For investments, the Fund's investment policy limits its exposure by requiring all security transactions that are exposed to custodial credit risk to be processed on a delivery verse payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agency separate from where the investment was purchased. The mutual funds and common stocks are not subject to custodial credit risk.

*Investments.* At year-end the Fund has \$65,878,622 invested in IPOPIF. The pooled investments consist of the investments as noted in the target allocation table available at [www.ipopif.org](http://www.ipopif.org). Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at year-end. The fund may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF.

*Investment Policy.* IPOPIF's current investment policy was adopted by the Board of Trustees on December 17, 2021. IPOPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IPOPIF 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 3 of the Illinois Pension Code.

*Rate of Return.* At year-end, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.84%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**Firefighters' Pension 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. Investments of the Fund 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 comprehensive financial report, which can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at [www.ifpif.org](http://www.ifpif.org).

Notes to the Financial Statements

December 31, 2023

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**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**DEPOSITS AND INVESTMENTS - Continued**

**Firefighters' Pension Fund - Continued**

*Deposits.* The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$377,945 and the bank balances totaled \$377,945.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy limits its exposure by requiring 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 agency separate from where the investment was purchased. The mutual funds and common stocks are not subject to custodial credit risk.

*Investments.* At year-end the Fund has \$59,231,171 invested in IFPIF. The pooled investments consist of the investments as noted in the target allocation table available at [www.ifpif.org](http://www.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 year-end. 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 Illinois Compiled Statutes (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.

*Rate of Return.* At year-end, 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.

**Park Ridge Public Library**

*Deposits.* At year-end, the carrying amount of the Library's deposits for governmental totaled \$4,712,454 and the bank balances totaled \$4,711,994.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Library's investment policy limits investment maturities by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, and by investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Library's investment policy authorized investments include and will primarily consist of: interest-bearing money market accounts, certificates of deposit, treasury bills and other securities guaranteed by the U.S. Government, and any other investments allowed under state law that satisfy the investment objectives of Library.

## CITY OF PARK RIDGE, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

##### DEPOSITS AND INVESTMENTS - Continued

###### Park Ridge Public Library - Continued

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The Library's investment policy requires the amount of collateral provided will not be less than 110 percent of the fair market value of the net amount of public funds secured. At year-end, the entire amount of the bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

For an investment, this 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 investments or collateral securities that are in the possession of an outside party.

*Concentration Risk.* This is the risk of loss attributed to the magnitude of the Library's investment in a single issuer. It is the policy of the Library to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in over-concentration in a security, maturity, issuer or class of securities. Per the City's investment policy, the Library will diversify its investments to the best of its ability based on the type of funds invested and the cash flow needs for those funds. Diversification can be by type of investment, number of institutions, and/or length of maturity. At year-end, the Library has no investments over 5 percent of the total cash and investment portfolio (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

##### PROPERTY TAXES

Property taxes for 2022 attach as an enforceable lien on January 1, on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Resolution). Tax bills are prepared by the County and are payable in two installments, on or about March 1 and July 1 during the following year. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1.7% of the tax levy to reflect actual collection experience.

##### NOTES RECEIVABLE

The recognition of receivables associated with nonexchange transactions in governmental and proprietary funds is as follows:

- Derived tax receivables (such as sales, income and motor fuel taxes) are recognized when the underlying exchange has occurred.
- Imposed nonexchange receivables (such as property taxes and fines) are recognized when an enforceable legal claim has arisen.
- Government mandates or voluntary nonexchange transaction receivables (such as mandates or grants) are recognized when all eligibility requirements have been met.

The City has determined that an allowance is necessary for uncollectible property tax receivables. At December 31, 2023, the allowance was \$314,806, which includes the allowance recognized for the library levy.

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### NOTES RECEIVABLE - Continued

The City also reports customer accounts receivable for services in its enterprise funds, at net realizable amounts. The City provides an allowance for uncollectible accounts based on a review of outstanding receivables, historical collection information and economic conditions. An allowance of \$236,319 has been applied to the General Fund's receivables.

#### INTERFUND BALANCES

Interfund balances result from the time lag between when transactions are recorded in the accounting system and payments between funds are made. Interfund balances as of the date of this report are as follows:

Receivable Fund	Payable Fund	Amount
General	Municipal Waste	\$ 126,646
General	Nonmajor Governmental	71,729
General	Water	212,358
		<u>410,733</u>

#### INTERFUND TRANSFERS

Interfund transfers for the year consisted of the following:

Transfer In	Transfer Out	Amount
General	Water	\$ 1,267,994 (1)
General	Sewer	251,010 (1)
Nonmajor Governmental	Water	98,001 (2)
Nonmajor Governmental	Sewer	66,488 (2)
Nonmajor Governmental	Uptown Tax Increment Financing	3,186,676 (3)
Nonmajor Governmental	General	3,980,000 (4)
Nonmajor Governmental	Nonmajor Governmental	71,933 (5)
		<u>8,922,102</u>

Transfers from the Water and Sewer funds were made (1) to the General Fund to reimburse the General Fund for costs associated with direct and indirect costs associated with water and sewer activities that are not budgeted directly within the Water and Sewer Funds. Transfers from the Water and Sewer funds were made (2) to the Illinois Municipal Retirement Fund (IMRF) and FICA Funds for remission of payments to IMRF and the federal government for employer contributions for employees within each fund. Transfers from the Uptown Tax Increment Financing Fund were made (3) to debt service funds as contribution for debt payments related to Uptown TIF projects and to the Capital Improvement and Equipment (CI&E) Fund, a nonmajor governmental fund, to move revenues in order to fund capital improvement and equipment projects. Transfers were made (4) from the General Fund to the Capital Improvement and Equipment (CI&E) Fund, a nonmajor governmental fund, to move revenues from the General Fund to the CI&E Fund in order to fund capital improvement and equipment projects related to General Fund uses. Transfers were made (5) from the Special Service Area Fund, a nonmajor governmental fund, to the Capital Improvement and Equipment (CI&E) Fund in order to fund capital improvement and equipment projects.

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**CAPITAL ASSETS**

**Governmental Activities**

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<b>Nondepreciable Capital Assets</b>				
Land	\$ 36,603,675	—	—	36,603,675
Construction in Progress	4,331,408	658,003	2,297,542	2,691,869
Works of Art	89,800	—	—	89,800
	<u>41,024,883</u>	<u>658,003</u>	<u>2,297,542</u>	<u>39,385,344</u>
<b>Depreciable/Amortizable Capital Assets</b>				
Land Improvements	5,735,042	—	—	5,735,042
Buildings	19,275,742	—	—	19,275,742
Machinery and Equipment	3,377,044	517,662	39,200	3,855,506
Office Furniture and Equipment	230,822	—	—	230,822
Vehicles	8,663,666	1,059,217	469,119	9,253,764
Infrastructure	38,192,926	4,235,139	—	42,428,065
Subscription Assets - Software	—	1,468,456	—	1,468,456
	<u>75,475,242</u>	<u>7,280,474</u>	<u>508,319</u>	<u>82,247,397</u>
<b>Less Accumulated Depreciation/Amortization</b>				
Land Improvements	2,870,334	206,963	—	3,077,297
Buildings	8,475,057	338,239	—	8,813,296
Machinery and Equipment	2,298,436	250,696	39,200	2,509,932
Office Furniture and Equipment	179,320	7,228	—	186,548
Vehicles	5,107,971	682,378	444,192	5,346,157
Infrastructure	15,515,479	529,476	—	16,044,955
Subscription Assets - Software	—	426,708	—	426,708
	<u>34,446,597</u>	<u>2,441,688</u>	<u>483,392</u>	<u>36,404,893</u>
<b>Total Net Depreciable/Amortizable Capital Assets</b>	<u>41,028,645</u>	<u>4,838,786</u>	<u>24,927</u>	<u>45,842,504</u>
<b>Total Net Capital Assets</b>	<u>82,053,528</u>	<u>5,496,789</u>	<u>2,322,469</u>	<u>85,227,848</u>

Depreciation/amortization expense was charged to governmental activities as follows:

General Government	\$ 22,132
Public Safety	299,035
Public Works	1,368,293
Internal Service	<u>752,228</u>
	<u>2,441,688</u>

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements December 31, 2023

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### CAPITAL ASSETS - Continued

##### Business-Type Activities

Business-type capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 150,458	—	—	150,458
Construction in Progress	208,591	2,337,843	—	2,546,434
	<u>359,049</u>	<u>2,337,843</u>	<u>—</u>	<u>2,696,892</u>
Depreciable Capital Assets				
Machinery and Equipment	715,033	—	—	715,033
Vehicles	302,728	—	—	302,728
Infrastructure	73,775,810	530,227	—	74,306,037
	<u>74,793,571</u>	<u>530,227</u>	<u>—</u>	<u>75,323,798</u>
Less Accumulated Depreciation				
Machinery and Equipment	525,589	14,828	—	540,417
Vehicles	302,728	—	—	302,728
Infrastructure	29,951,968	1,539,883	—	31,491,851
	<u>30,780,285</u>	<u>1,554,711</u>	<u>—</u>	<u>32,334,996</u>
Total Net Depreciable Capital Assets	<u>44,013,286</u>	<u>(1,024,484)</u>	<u>—</u>	<u>42,988,802</u>
Total Net Capital Assets	<u>44,372,335</u>	<u>1,313,359</u>	<u>—</u>	<u>45,685,694</u>

Depreciation expense was charged to business-type activities as follows:

Water	\$ 1,115,313
Sewer	<u>439,398</u>
	<u>1,554,711</u>

**CITY OF PARK RIDGE, ILLINOIS****Notes to the Financial Statements  
December 31, 2023****NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued****CAPITAL ASSETS - Continued****Component Unit - Library**

Library capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 170,083	—	—	170,083
Construction in Progress	135,213	442,552	—	577,765
Works of Art	770,000	—	—	770,000
	1,075,296	442,552	—	1,517,848
Depreciable Capital Assets				
Buildings	3,749,615	—	—	3,749,615
Machinery and Equipment	597,763	—	—	597,763
Office Furniture and Equipment	969,765	—	—	969,765
Vehicles	13,861	—	—	13,861
	5,331,004	—	—	5,331,004
Less Accumulated Depreciation				
Buildings	314,270	73,952	—	388,222
Machinery and Equipment	277,395	42,086	—	319,481
Office Furniture and Equipment	494,844	109,597	—	604,441
Vehicles	13,861	—	—	13,861
	1,100,370	225,635	—	1,326,005
Total Net Depreciable Capital Assets	4,230,634	(225,635)	—	4,004,999
Total Net Capital Assets	5,305,930	216,917	—	5,522,847

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### LEASES RECEIVABLE

The City has entered into a right-to-use lease agreement as lessor for a cell tower. An initial lease receivable was recorded in the amount of \$181,001. The City is required to receive various monthly principal and interest payments. The City used the incremental borrowing rate as the interest rate for the right-to-use asset agreement if an interest rate was not provided in the lease agreement. The City leases cell tower space under a long-term, noncancellable lease agreement. The current lease is set to expire in 2027. The future minimum lease assets and the net present value of these minimum lease receipts as of year-end, are as follows:

Fiscal Year Ending	Principal	Interest
2024	\$ 42,277	1,391
2025	42,770	898
2026	43,269	399
2027	10,897	21
	<u>139,213</u>	<u>2,709</u>

During the fiscal year, the City has recognized \$42,345 of lease revenue.

#### LONG-TERM DEBT

##### General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$7,590,000 General Obligation Refunding Bonds of 2014A - Due in annual installments of \$595,000 to \$875,000 plus interest at 3.00% to 3.50% through December 1, 2025.	Water	\$ 2,395,000	—	750,000	1,645,000

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### LONG-TERM DEBT - Continued

##### General Obligation Bonds - Continued

Issue	Fund Debt Retired by	Beginning Balances	Issuances	Retirements	Ending Balances
\$6,495,000 General Obligation Refunding Bonds of 2015A - Due in annual installments of \$220,000 to \$1,705,000 plus interest at 3.00% through December 1, 2024.	2015A General Obligation Refunding Bond	\$ 3,065,000	—	1,360,000	1,705,000
\$4,375,000 General Obligation Refunding Bonds of 2021A - Due in annual installments of \$1,165,000 to \$1,765,000 plus interest at 1.16% through December 1, 2024.	2021A General Obligation Refunding Bond	2,610,000	—	1,445,000	1,165,000
\$2,865,000 General Obligation Refunding Bonds of 2021B - Due in annual installments of \$400,000 to \$420,000 plus interest at 0.35% to 1.60% through December 1, 2028.	Sewer	2,460,000	—	400,000	2,060,000
		10,530,000	—	3,955,000	6,575,000

##### Subscriptions Payable

The City has the following subscriptions payable at year end:

Subscriptions Payable	Term Length	Start Date	Payments	Interest Rate
Granicus	3 Years	January 9, 2023	\$25,923 to \$28,580 annually	1.60%
Revize	5 Years	July 1, 2023	\$4,900 to \$5,250 annually	1.60%
AXON Enterprise	5 Years	November 1, 2023	\$178,066 to \$196,863 annually	1.60%
Tyler Technologies	3 Years	October 1, 2022	\$199,052 annually	1.60%
AXON Enterprise	5 Years	August 1, 2022	\$19,485 annually	1.60%

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**  
**December 31, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Subscriptions Payable - Continued**

The future principal and interest subscription arrangement payments as of the year-end were as follows:

Fiscal Year	Governmental Activities	
	Principal	Interest
2024	\$ 409,359	16,657
2025	225,219	10,107
2026	207,522	6,503
2027	198,930	3,183
	<u>1,041,030</u>	<u>36,450</u>

**Long-Term Liabilities Activity**

Changes in long-term liabilities during the fiscal eight months were as follows:

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 1,806,769	1,951,307	1,907,372	1,850,704	323,873
Net Pension Liability/(Asset) - IMRF	1,583,174	—	3,065,073	(1,481,899)	—
Net Pension Liability - Police Pension	33,068,005	—	4,131,276	28,936,729	—
Net Pension Liability - Firefighters' Pension	25,183,726	—	3,947,544	21,236,182	—
Total OPEB Liability - RBP	5,966,438	379,526	—	6,345,964	—
Claims Payable	641,019	744,185	836,624	548,580	548,580
General Obligation Bonds	5,675,000	—	2,805,000	2,870,000	2,870,000
Plus: Unamortized Premium	77,214	—	71,002	6,212	6,212
Subscriptions Payable	—	1,468,456	427,426	1,041,030	409,359
	<u>74,001,345</u>	<u>4,543,474</u>	<u>17,191,317</u>	<u>61,353,502</u>	<u>4,158,024</u>

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements  
December 31, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**LONG-TERM DEBT - Continued**

**Long-Term Liabilities Activity - Continued**

Type of Debt	Beginning Balances	Additions	Deductions	Ending Balances	Amounts Due within One Year
Business-Type Activities					
Compensated Absences	\$ 171,654	390,747	375,648	186,753	32,682
Net Pension Liability/(Asset) - IMRF	335,239	—	648,332	(313,093)	—
Total OPEB Liability - RBP	245,008	313,397	—	558,405	—
General Obligation Bonds	4,855,000	—	1,150,000	3,705,000	1,175,000
	<u>5,606,901</u>	<u>704,144</u>	<u>2,173,980</u>	<u>4,137,065</u>	<u>1,207,682</u>
Component Unit - Library					
Compensated Absences	180,169	172,464	153,544	199,089	34,841
Net Pension Liability/(Asset) - IMRF	524,489	—	1,026,951	(502,462)	—
Total OPEB Liability - RBP	786,273	56,584	—	842,857	—
	<u>1,490,931</u>	<u>229,048</u>	<u>1,180,495</u>	<u>539,484</u>	<u>34,841</u>

For the governmental activities, payments on the compensated absences, the net pension liabilities/(asset), the total OPEB liability, the claims payable, and the subscriptions payable are made by the General Fund. Payments on general obligation bonds are being liquidated by the Debt Service Funds.

Additionally, for the business-type activities, the compensated absences, the net pension liability/(asset), and the total OPEB liability are being liquidated by the Water and the Sewer Funds. Payments on general obligation bonds are being liquidated by the Water and Sewer Funds.

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

#### LONG-TERM DEBT - Continued

##### Debt Service Requirements to Maturity

The annual debt service requirements to maturity, including principal and interest, are as follows:

Fiscal Year	Governmental Activities		Business-Type Activities	
	General Obligation		General Obligation	
	Bonds		Bonds	
	Principal	Interest	Principal	Interest
2024	\$ 2,870,000	64,664	1,175,000	80,601
2025	—	—	1,285,000	53,613
2026	—	—	410,000	18,272
2027	—	—	415,000	12,736
2028	—	—	420,000	6,720
Totals	2,870,000	64,664	3,705,000	171,942

##### Legal Debt Margin

Article VII, Section 6(k) of the 1970 Illinois Constitution governs the computation of legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to the 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. The City is a home rule municipality.

## CITY OF PARK RIDGE, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

##### NET POSITION CLASSIFICATIONS

Net investment in capital assets was comprised of the following as of December 31, 2023:

Governmental Activities	
Capital Assets - Net of Accumulated Depreciation	\$ 85,227,848
Less Capital Related Debt:	
General Obligation Bonds	(2,870,000)
Unamortized Premium	(6,212)
Subscriptions Payable	<u>(1,041,030)</u>
Net Investment in Capital Assets	<u>81,310,606</u>
Business-Type Activities	
Capital Assets - Net of Accumulated Depreciation	45,685,694
Less Capital Related Debt:	
General Obligation Bonds	<u>(3,705,000)</u>
Net Investment in Capital Assets	<u>41,980,694</u>

##### FUND BALANCE CLASSIFICATIONS

In the governmental funds financial statements, the City considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The City first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

*Nonspendable Fund Balance.* Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

*Restricted Fund Balance.* Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance.* Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Trustees; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

*Assigned Fund Balance.* Consists of amounts that are constrained by the City Council intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by the City Council itself or by a body or official to which the City Council has delegated the authority to assign amounts to be used for specific purposes. The City's highest level of decision-making authority is the City Council, who is authorized to assign amounts to a specific purpose.

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued**

**FUND BALANCE CLASSIFICATIONS - Continued**

*Unassigned Fund Balance.* Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

*Minimum Fund Balance Policy.* The City's fund balance policy for the General Fund requires unassigned fund balance to be maintained at a minimum of 25% current year expenditures.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	Special Revenue				
	Uptown				
	Tax				
	General	Increment Financing	Municipal Waste	Nonmajor	Totals
Fund Balances					
Nonspendable					
Prepays	\$ 1,310,996	—	—	—	1,310,996
Inventories	171,911	—	—	—	171,911
	1,482,907	—	—	—	1,482,907
Restricted					
Farmer's Market	3,175	—	—	—	3,175
Capital Outlay	199,655	—	—	4,011,968	4,211,623
Parking	320,215	—	—	—	320,215
Road Construction	—	—	—	3,362,852	3,362,852
Public Safety	—	—	—	287,537	287,537
Economic Development	—	6,548,602	—	1,217,785	7,766,387
Debt Service	—	—	—	26,688	26,688
Employee Benefits	—	—	—	1,128,564	1,128,564
Special Service Areas	—	—	—	204	204
	523,045	6,548,602	—	10,035,598	17,107,245
Committed					
Tree Bank	7,569	—	—	—	7,569
Farmers Market	15,137	—	—	—	15,137
	22,706	—	—	—	22,706
Unassigned	34,275,508	—	(86,491)	—	34,189,017
Total Fund Balances	36,304,166	6,548,602	(86,491)	10,035,598	52,801,875

## CITY OF PARK RIDGE, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### NOTE 3 - DETAIL NOTES ON ALL FUNDS - Continued

##### CONSTRUCTION COMMITMENTS

The City has entered into contracts for the construction or renovation of various facilities as follows:

Project	Project Authorization	Expended to Date	Remaining Commitment
Sibley Flood Project	\$ 286,604	208,591	78,013
NW Hwy ITEP Streetscape	1,140,720	504,709	636,011
	1,427,324	713,300	714,024

#### NOTE 4 - OTHER INFORMATION

##### RISK MANAGEMENT

###### Self Insurance

The City is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions; natural disasters and injuries to the City's employees. These risks, along with medical claims for employees and retirees, are provided for through a limited self-insurance program and participation in the Intergovernmental Personnel Benefit Cooperative (IPBC). The City reports its risk management activities in three categories in the General Fund and Discretely Presented Component Unit: general liability and automobile premiums and claims and workers' compensation premiums and claims. The City accounts for health and dental activity in the Employee Benefits Fund (internal service fund).

The City self-insures for general liability and automobile claims up to a \$250,000 self-insured retention with an insurance company covering the excess of this amount up to a maximum of \$2,000,000 per occurrence. The premiums for this coverage and the claims paid are recorded in the General Fund and Discretely Presented Component Unit. As of December 31, 2023, the City has accrued \$28,232 for unpaid claims and claims incurred but not reported based upon prior experience, in the governmental activities.

The City self-insures for workers' compensation claims up to \$550,000 per occurrence with an insurance company covering claims in excess of this amount up to the statutory limit. The contributions are made by each fund that accounts for full- or part-time employees. Contributions are allocated based upon the number of employees. These contributions and the premium costs, as well as the claims paid, which are processed by an administrator at an annual fee based on claims paid, are recorded in the General Fund and Discretely Presented Component Unit. As of December 31, 2023, the City has accrued \$520,348 (net of reserves in excess of retention limits) relating to the City's estimate of losses resulting from workers' compensation claims, in the governmental activities.

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### RISK MANAGEMENT - Continued

##### Self Insurance - Continued

In 2015, the City joined the Intergovernmental Personnel Benefit Cooperative (IPBC), a self-insured governmental insurance pool consisting of 68 municipalities located primarily in the Chicago area. The IPBC provides the City with consulting, legal and auditing services for its health (i.e., PPO and HMO) and life insurance programs. IPBC acts as an administrative agency to receive, process and pays such claims as may come within the benefits program of each member. IPBC maintains specific reinsurance coverage for claims in excess of \$50,000 per individual employee participant. The City pays premiums to IPBC based upon current employee participation and its prior experience factor with the pool. Current year overages or underages for participation in the pool are adjusted into subsequent years' experience factors for premiums.

Changes in the balances of claims payable are as follows:

	General Liability and Automobile		Workers Compensation	
	12/31/2023	12/31/2022	12/31/2023	12/31/2022
Claims Payable - Beginning	\$ 30,450	71,677	610,569	1,063,750
Incurred Claims	69,503	1,166	674,682	53,929
Claims Paid	(71,721)	(42,393)	(764,903)	(507,110)
Claims Payable - Ending	28,232	30,450	520,348	610,569

There has been no reduction in the City's insurance coverage for any of its programs since the prior fiscal year. Settlements have not exceeded insurance coverage for the current year or the prior three fiscal years.

##### Intergovernmental Personnel Benefit Cooperative

The City along with other area municipalities, is a member of the Intergovernmental Personal Benefit Cooperative (IPBC). IPBC is a cooperative public entity risk pool established by certain units of local government in Illinois to administer some or all of the personnel benefit programs available to the officers, employees, and retirees of certain other nonmember governmental, quasi-governmental and nonprofit public service units. These benefit programs include, but are not limited to, medical expense claim payments, dental and life insurance. The cooperative receives, processes and pays such claims that may come within the benefit programs of each participating unit. All units participating in IPBC pool their risks and funds and do share in the cost of losses or surpluses.

## **CITY OF PARK RIDGE, ILLINOIS**

### **Notes to the Financial Statements**

**December 31, 2023**

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#### **NOTE 4 - OTHER INFORMATION - Continued**

##### **RISK MANAGEMENT - Continued**

##### **Intergovernmental Personnel Benefit Cooperative - Continued**

IPBC is governed by a Board of Directors, which consists of one appointed representative from each member entity as defined in its bylaws. Each director has an equal vote. The officers of IPBC are chosen by the Board of Directors from among their membership. The Board of Directors determines the general policies of IPBC; makes all appropriations; approves contracts and renewal terms; adopts bylaws, rules and regulations; and exercises such powers and performs such duties as may be prescribed in its bylaws. During the fiscal year ended June 30, 2014, IPBC hired an Executive Director to administer and supervise the operations of IPBC. The City does not exercise any control over the activities of the IPBC beyond its representation on the Board of Directors.

As of December 31, 2023, the City has IPBC deposits totaling \$1,158,519.

#### **CONTINGENT LIABILITIES**

##### **Litigation**

From time to time, the City is party to various pending claims and legal proceedings with respect to employment, civil rights, property taxes and other matters. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the City attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

##### **Grants**

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 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.

##### **Solid Waste Agency Northern Cook County (SWANCC)**

The City's contract with SWANCC provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members. The City is not aware of any such situations as of fiscal year end or through the date of this report.

#### **JOINT VENTURES**

##### **Solid Waste Agency of Northern Cook County (SWANCC)**

The City is a member of the Solid Waste Agency of Northern Cook County (SWANCC) which consists of twenty-three municipalities. SWANCC is a municipal corporation and public body politic established pursuant to the Constitution Act of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended.

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**JOINT VENTURES - Continued**

**Solid Waste Agency of Northern Cook County (SWANCC) - Continued**

SWANCC is empowered to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members. SWANCC is governed by a Board of Directors which consists of one appointed representative from each member municipality. Each Director has an equal vote. The officers of SWANCC are appointed by the Board of Directors.

The Board of Directors determines the general policy of SWANCC, makes all appropriations, approves contracts, adopts resolutions providing for the issuance of bonds or notes by SWANCC, adopts bylaws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the SWANCC agreement or the by-laws. Separate audited financial statements are available at 77 W. Hintz Road, Suite 200 Wheeling, IL 60090.

SWANCC's bonds are revenue obligations. They are limited obligations of SWANCC, with a claim for payment solely from and secured by a pledge of the revenues of the system, and amounts in various funds and accounts established by SWANCC resolutions. SWANCC has no power to levy taxes.

Revenues of the system consist of: (a) all receipts derived from Solid Waste Disposal Contracts or any other contracts for the disposal of waste; (b) all income derived from the investment of monies; and (c) all income, fees, service charges, and all grants, rents, and receipts derived by SWANCC from the ownership and operation of the system.

SWANCC covenants to establish fees and charges sufficient to provide revenues to meet all its requirements.

SWANCC has entered into Solid Waste Disposal Contracts with the member municipalities. The Contracts are irrevocable, and may not be terminated or amended, except as provided in the Contract. Each member is obligated, on a "take or pay" basis, to purchase or in any event to pay for a minimum annual cost of the system.

The obligation of the City to make all payments as required by this Contract is unconditional and irrevocable, without regard to performance or nonperformance by SWANCC of its obligations under this Contract.

The payments required to be made by the City under this Contract are required to be made solely from revenues to be derived by the City from the operation of the refuse collection system. The City is not prohibited by the Contract from using any other funds to make the payments required by the Contract. The Contract shall not constitute an indebtedness of the City within the meaning of any statutory or constitutional limitation.

In accordance with the joint venture agreement, the City remitted \$726,888 to SWANCC for the year ended December 31, 2023, which is recorded in the City's General Fund.

## CITY OF PARK RIDGE, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### NOTE 4 - OTHER INFORMATION - Continued

##### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit 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. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org). The Police and Firefighters' Pension Plans also issue separate reports that may be obtained by writing the City at 505 Butler Place, Park Ridge, IL 60068. The benefits, benefit levels, employee contributions and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amounts recognized for the pension plans are:

	Pension Expense/ (Revenue)	Net Pension Liability/ (Asset)	Deferred Outflows	Deferred Inflows
IMRF - Regular	\$ (1,465,065)	(1,794,992)	3,679,610	605,747
IMRF - SLEP	(89,890)	(138,301)	37,180	—
Police Pension	3,118,367	28,936,729	3,813,692	1,601,930
Firefighters' Pension	2,032,452	21,236,182	2,144,812	2,939,251
	<u>3,595,864</u>	<u>48,239,618</u>	<u>9,675,294</u>	<u>5,146,928</u>

##### Illinois Municipal Retirement Fund (IMRF)

###### Plan Descriptions

*Plan Administration.* All employees (other than those covered by the Police and Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

*Benefits Provided.* IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

##### Illinois Municipal Retirement Fund (IMRF) - Continued

##### Plan Descriptions - Continued

*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 employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

*Sheriff's Law Enforcement Personnel.* SLEP members having accumulated at least 30 years of SLEP service and terminating IMRF on or after July 1, 1998, may elect to retire at or after age 50 with no early retirement discount penalty. SLEP members meeting these two qualifications are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.50% of their final rate of earnings, for each year of credited service up to 20 years, 2.00% of their final earnings rate for the next 10 years of credited service and 1.00% for each year thereafter. For those SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies. SLEP also provides death and disability benefits. These benefit provisions and all other requirements are established by State statutes.

*Plan Membership.* As of December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

	Regular	SLEP
Inactive Plan Members Currently Receiving Benefits	260	—
Inactive Plan Members Entitled to but not yet Receiving Benefits	162	—
Active Plan Members	137	1
Total	559	1

A detailed breakdown of IMRF membership for inactive members for the City and the Library is unavailable. The above numbers include all members.

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

##### Illinois Municipal Retirement Fund (IMRF) - Continued

##### Plan Descriptions - Continued

*Contributions.* As set by statute, the City's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended December 31, 2023, the City's and Library's contribution was 1.42% of covered payroll.

For the SLEP Plan, members are required to contribute 7.50% of their annual covered salary. For the year end December 31, 2023, the City's contribution was 12.05% of covered payroll.

*Net Pension (Asset).* The City's net pension (asset), for both the regular and SLEP plans, was measured as of December 31, 2023. The total pension liability used to calculate the net pension (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liabilities were determined by an actuarial valuation performed, as of December 31, 2023, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

##### Illinois Municipal Retirement Fund (IMRF) - Continued

##### Plan Descriptions - Continued

*Actuarial Assumptions - Continued.* For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	4.75%
Domestic Equities	34.50%	5.00%
International Equities	18.00%	6.35%
Real Estate	10.50%	6.30%
Blended	11.50%	6.05% - 8.65%
Cash and Cash Equivalents	1.00%	3.80%

##### Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. 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 City contributions will be made at rates equal to the difference between the 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 project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

##### Illinois Municipal Retirement Fund (IMRF) - 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 as well as what the City's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	Regular Plan		
	Current		
	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
City	\$ 4,777,952	(1,794,992)	(7,032,508)
Library	1,337,464	(502,462)	(1,968,568)
Net Pension Liability/(Asset)	6,115,416	(2,297,454)	(9,001,076)
	SLEP		
	Current		
	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension (Asset)	\$ (101,113)	(138,301)	(170,878)

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Changes in the Net Pension (Asset) - Regular Plan**

	City	Library	Totals
Total Pension Liability			
Service Cost	\$ 684,049	191,482	875,531
Interest	4,441,829	1,255,896	5,697,725
Differences Between Expected and Actual Experience	(863,542)	(241,726)	(1,105,268)
Change of Assumptions	(95,513)	(26,737)	(122,250)
Benefit Payments, Including Refunds of Member Contributions	(4,175,702)	(1,168,879)	(5,344,581)
Net Change in Total Pension Liability	(8,879)	10,036	1,157
Total Pension Liability - Beginning	61,246,880	19,576,949	80,823,829
Total Pension Liability - Ending	61,238,001	19,586,985	80,824,986
Plan Fiduciary Net Position			
Contributions - Employer	109,594	30,678	140,272
Contributions - Members	354,169	99,141	453,310
Net Investment Income	6,974,068	1,952,209	8,926,277
Benefit Payments, Including Refunds of Member Contributions	(4,175,702)	(1,168,879)	(5,344,581)
Other (Net Transfer)	442,397	123,838	566,235
Net Change in Plan Fiduciary Net Position	3,704,526	1,036,987	4,741,513
Plan Net Position - Beginning	59,328,467	19,052,460	78,380,927
Plan Net Position - Ending	63,032,993	20,089,447	83,122,440
Employer's Net Pension (Asset)	(1,794,992)	(502,462)	(2,297,454)

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - Regular Plan**

For the year ended December 31, 2023, the City recognized pension revenue of \$1,465,065, and the Library recognized pension revenue of \$431,610, for a total revenue of \$1,896,675. At December 31, 2023, the City and the Library reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - Regular Plan - Continued**

	City		Library		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 318,302	(545,420)	89,101	(152,676)	(290,693)
Change in Assumptions	—	(60,327)	—	(16,887)	(77,214)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,361,308	—	940,911	—	4,302,219
Total Deferred Amounts Related to IMRF	3,679,610	(605,747)	1,030,012	(169,563)	3,934,312

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/(Inflows) of Resources		
	City	Library	Totals
2024	\$ 183,293	51,308	234,601
2025	890,915	249,388	1,140,303
2026	2,530,213	708,268	3,238,481
2027	(530,558)	(148,515)	(679,073)
2028	—	—	—
Thereafter	—	—	—
Totals	3,073,863	860,449	3,934,312

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Changes in the Net Pension (Asset) - SLEP Plan**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) (A) - (B)
Balances at December 31, 2022	\$ 586,313	616,267	(29,954)
Changes for the Year:			
Service Cost	16,899	—	16,899
Interest on the Total Pension Liability	42,305	—	42,305
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	(172,291)	—	(172,291)
Changes of Assumptions	(884)	—	(884)
Contributions - Employer	—	14,378	(14,378)
Contributions - Employees	—	8,949	(8,949)
Net Investment Income	—	44,890	(44,890)
Benefit Payments, Including Refunds of Employee Contributions	(22,500)	(22,500)	—
Other (Net Transfer)	—	(73,841)	73,841
Net Changes	(136,471)	(28,124)	(108,347)
Balances at December 31, 2023	449,842	588,143	(138,301)

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - SLEP Plan**

For the year ended December 31, 2023, the City recognized pension revenue of \$89,890. At December 31, 2023, the City reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - SLEP Plan - Continued**

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ —	—	—
Change in Assumptions	—	—	—
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	37,180	—	37,180
Total Deferred Amounts Related to SLEP	37,180	—	37,180

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2024	\$ 7,066
2025	11,531
2026	19,156
2027	(573)
2028	—
Thereafter	—
Total	37,180

## Notes to the Financial Statements

December 31, 2023

## NOTE 4 - OTHER INFORMATION - Continued

## EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

## Police Pension Plan

## Plan Descriptions

*Plan Administration.* The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum 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 Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the City President, one member is elected by pension beneficiaries and two members are elected by active police employees.

*Plan Membership.* At December 31, 2023, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	63
Inactive Plan Members Entitled to but not yet Receiving Benefits	5
Active Plan Members	<u>54</u>
Total	<u><u>122</u></u>

*Benefits Provided.* The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of  $\frac{1}{2}$  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 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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 percent of the original pension and 3 percent compounded annually thereafter.

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of  $\frac{1}{2}$  of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e.,  $\frac{1}{2}$  percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> 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 percent or  $\frac{1}{2}$  of the change in the Consumer Price Index for the proceeding calendar year.

Notes to the Financial Statements

December 31, 2023

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NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Plan Descriptions - Continued

*Contributions.* Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2023, the City's contribution was 45.23% of covered payroll.

*Concentrations.* At year end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	6.75%
Salary Increases	3.50% - 9.05%
Cost of Living Adjustments	2.00%
Inflation	2.00%

Active Mortality follow the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%, the same as the prior valuation. 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 City contributions will be made at rates equal to the difference between the 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 project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Police Pension Plan - Continued**

**Discount Rate Sensitivity**

The following is a sensitive 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 as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability \$	42,347,570	28,936,729	17,958,896

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 92,969,183	59,901,178	33,068,005
Changes for the Year:			
Service Cost	1,301,221	—	1,301,221
Interest on the Total Pension Liability	6,168,052	—	6,168,052
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	833,209	—	833,209
Changes of Assumptions	—	—	—
Contributions - Employer	—	2,566,049	(2,566,049)
Contributions - Employees	—	565,763	(565,763)
Net Investment Income	—	9,358,960	(9,358,960)
Benefit Payments, Including Refunds of Employee Contributions	(4,698,014)	(4,698,014)	—
Other (Net Transfer)	—	(57,014)	57,014
Net Changes	3,604,468	7,735,744	(4,131,276)
Balances at December 31, 2023	96,573,651	67,636,922	28,936,729

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

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**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Police Pension Plan - Continued**

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2023, the City recognized pension expense of \$3,118,367. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 2,166,014	(1,601,930)	564,084
Change in Assumptions	683,529	—	683,529
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	964,149	—	964,149
Total Deferred Amounts Related to Police Pension	<u>3,813,692</u>	<u>(1,601,930)</u>	<u>2,211,762</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2024	\$ (153,566)
2025	1,007,547
2026	2,086,002
2027	(813,485)
2028	85,264
Thereafter	<u>—</u>
Total	<u><u>2,211,762</u></u>

## Notes to the Financial Statements

December 31, 2023

## NOTE 4 - OTHER INFORMATION - Continued

## EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

## Firefighters' Pension Plan

## Plan Descriptions

*Plan Administration.* The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum 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 Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the City President, one member is elected by pension beneficiaries and two members are elected by active fire employees.

*Plan Membership.* At December 31, 2023, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	51
Inactive Plan Members Entitled to but not yet Receiving Benefits	3
Active Plan Members	<u>50</u>
Total	<u><u>104</u></u>

*Benefits Provided.* The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of  $\frac{1}{2}$  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 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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 firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for the pension purposes is capped at \$106,800, plus the lesser of  $\frac{1}{2}$  of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e.,  $\frac{1}{2}$  percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1<sup>st</sup> 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 percent or  $\frac{1}{2}$  of the change in the Consumer Price Index for the proceeding calendar year.

Notes to the Financial Statements

December 31, 2023

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Firefighters' Pension Plan - Continued**

**Plan Descriptions - 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 contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2023, the City's contribution was 42.44% of covered payroll.

*Concentrations.* At year end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

**Actuarial Assumptions**

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	6.75%
Salary Increases	3.25% - 6.25%
Cost of Living Adjustments	2.00%
Inflation	2.00%

Active mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

**Discount Rate**

The discount rate used to measure the total pension liability was 6.75%, the same as the prior valuation. 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 City contributions will be made at rates equal to the difference between the 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 project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Firefighters' Pension Plan - Continued**

**Discount Rate Sensitivity**

The following is a sensitive 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 as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

		1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$	31,893,161	21,236,182	12,433,461

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 78,268,384	53,084,658	25,183,726
Changes for the Year:			
Service Cost	1,352,168	—	1,352,168
Interest on the Total Pension Liability	5,153,096	—	5,153,096
Changes of Benefit Terms	95,555	—	95,555
Difference Between Expected and Actual Experience of the Total Pension Liability	—	—	—
Changes of Assumptions	—	—	—
Contributions - Employer	—	2,245,514	(2,245,514)
Contributions - Employees	—	497,973	(497,973)
Net Investment Income	—	7,864,541	(7,864,541)
Benefit Payments, Including Refunds of Employee Contributions	(3,998,224)	(3,998,224)	—
Other (Net Transfer)	—	(59,665)	59,665
Net Changes	2,602,595	6,550,139	(3,947,544)
Balances at December 31, 2023	80,870,979	59,634,797	21,236,182

**CITY OF PARK RIDGE, ILLINOIS****Notes to the Financial Statements****December 31, 2023****NOTE 4 - OTHER INFORMATION - Continued****EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued****Firefighters' Pension Plan - Continued****Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2023, the City recognized pension expense of \$2,032,452. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 111,260	(2,172,673)	(2,061,413)
Change in Assumptions	431,915	(766,578)	(334,663)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,601,637	—	1,601,637
Total Deferred Amounts Related to Firefighters' Pension	2,144,812	(2,939,251)	(794,439)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2024	\$ (1,002,862)
2025	(85,997)
2026	1,198,333
2027	(917,933)
2028	14,020
Thereafter	—
Total	(794,439)

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### OTHER POST-EMPLOYMENT BENEFITS

##### General Information about the OPEB Plan

*Plan Description.* The City's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the City. RBP is a single-employer defined benefit OPEB plan administered by the City. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the City Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits Provided.* Retired eligible employees and their dependents may continue coverage under City's group health until they reach age 65 by paying 100% of the blended group premium cost. The City pays the entire actuarial cost of the health coverage for retired elected officials and their spouses.

Dental coverage is offered to retirees through COBRA at a rate of 102% of the active premium for a maximum of 18 months. The retiree pays the full 102% adjusted premium with no additional cost to the City.

*Plan Membership.* As of December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	39
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>225</u>
Total	<u><u>264</u></u>

##### Total OPEB Liability

The City's total OPEB liability was measured as of December 31, 2023, and was determined by an actuarial valuation as of that date.

*Actuarial assumptions and other inputs.* The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

### NOTE 4 - OTHER INFORMATION - Continued

#### OTHER POST-EMPLOYMENT BENEFITS - Continued

##### Total OPEB Liability - Continued

*Actuarial assumptions and other inputs - Continued.*

Inflation	2.25%
Salary Increases	2.75%
Discount Rate	3.26%
Healthcare Cost Trend Rates	5.30% to an ultimate rate of 5.00% for 2027 and later years.
Retirees' Share of Benefit-Related Costs	100% of projected health insurance premiums for retirees.

The discount rate assumption is based on the Bond Buyer 20-Bond G.O. Index.

Active, retiree, and spousal IMRF mortality follows the Sex Distinct Raw Rates as developed in the PubG-2010(B) study, with blue collar adjustment. These rates are then improved generationally using MP-2020 Improvement Rates. Active, retiree, and spousal police and fire mortality follow the PubS-2010(A) study improved to 2017 using MP-2019 Improvement Rates.

##### Change in the Total OPEB Liability

	City	Library	Totals
Balance at December 31, 2022	\$ 6,211,446	786,273	6,997,719
Changes for the Year:			
Service Cost	224,014	27,347	251,361
Interest on the Total OPEB Liability	252,813	2,857	255,670
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience	—	—	—
Changes of Assumptions or Other Inputs	438,692	53,554	492,246
Benefit Payments	(222,596)	(27,174)	(249,770)
Other Changes	—	—	—
Net Changes	692,923	56,584	749,507
Balance at December 31, 2023	6,904,369	842,857	7,747,226

**CITY OF PARK RIDGE, ILLINOIS****Notes to the Financial Statements****December 31, 2023****NOTE 4 - OTHER INFORMATION - Continued****OTHER POST-EMPLOYMENT BENEFITS - Continued****Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The discount rate used to measure the total pension liability was 3.26%, while the prior valuation used 3.72%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

		1% Decrease (2.26%)	Current Discount Rate (3.26%)	1% Increase (4.26%)
City	\$	8,054,039	6,904,369	6,008,989
Library		983,205	842,857	733,553
Total OPEB Liability		9,037,244	7,747,226	6,742,542

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

		1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
City	\$	5,879,129	6,904,369	8,240,792
Library		717,700	842,857	1,006,003
Total OPEB Liability		6,596,829	7,747,226	9,246,795

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**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 \$680,433, and the Library recognized pension expense of \$57,751, for a total expense of \$738,184. At December 31, 2023, the City and the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	City		Library		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 1,426,671	—	174,162	—	1,600,833
Change in Assumptions	1,253,330	(1,847,785)	153,002	(225,570)	(667,023)
Net Difference Between Projected and Actual Earnings	—	—	—	—	—
Total Deferred Amounts Related to OPEB	<u>2,680,001</u>	<u>(1,847,785)</u>	<u>327,164</u>	<u>(225,570)</u>	<u>933,810</u>

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

Fiscal Year	Net Deferred Outflows/(Inflows) of Resources		
	City	Library	Totals
2024	\$ 206,005	25,148	231,153
2025	206,005	25,148	231,153
2026	206,005	25,148	231,153
2027	195,073	23,814	218,887
2028	45,751	5,585	51,336
Thereafter	(26,623)	(3,249)	(29,872)
Totals	<u>832,216</u>	<u>101,594</u>	<u>933,810</u>

## **REQUIRED SUPPLEMENTARY INFORMATION**

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule Employer Contributions
  - Illinois Municipal Retirement Fund
  - Regular Plan
  - Sheriff's Law Enforcement Personnel Fund
  - Police Pension Fund
  - Firefighters' Pension Fund
- Schedule of Changes in the Employer's Net Pension Liability/(Asset)
  - Illinois Municipal Retirement Fund
  - Regular Plan
  - Sheriff's Law Enforcement Personnel Fund
  - Police Pension Fund
  - Firefighters' Pension Fund
- Schedule of Investment Returns
  - Police Pension Fund
  - Firefighters' Pension Fund
- Schedule of Changes in the Employer's Total OPEB Liability
  - Retiree Benefit Plan
- Budgetary Comparison Schedules
  - General Fund
  - Uptown TIF - Special Revenue Fund
  - Municipal Waste Management - Special Revenue Fund

### Notes to the Required Supplementary Information

Budgetary information - budgets are adopted on a basis consistent with generally accepted accounting principles.

**CITY OF PARK RIDGE, ILLINOIS**

**Illinois Municipal Retirement Fund - Regular Plan**

**Schedule of Employer Contributions**

**December 31, 2023**

Fiscal Year		Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
4/30/16	Totals	\$ 1,025,093	\$ 1,025,093	\$ —	\$ 8,948,266	11.46%
4/30/17	Totals	933,365	933,365	—	8,144,951	11.46%
4/30/18	Totals	826,820	826,820	—	7,887,893	10.48%
4/30/19	Totals	715,736	715,736	—	9,063,273	7.90%
4/30/20	Totals	604,552	604,552	—	8,965,322	6.74%
4/30/21	Totals	787,216	787,216	—	9,139,099	8.61%
12/31/21	Totals	527,981	527,981	—	6,331,532	8.34%
12/31/22	Totals	526,132	526,132	—	9,496,965	5.54%
12/31/23	City	109,594	109,594	—	7,692,168	1.42%
	Library	30,678	30,678	—	2,153,223	1.42%
	Totals	140,272	140,272	—	9,845,391	1.42%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled 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.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

**CITY OF PARK RIDGE, ILLINOIS**

**Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel Fund**

**Schedule of Employer Contributions**

**December 31, 2023**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
4/30/16	\$ 22,033	\$ 22,033	\$ —	\$ 148,790	14.81%
4/30/17	22,371	22,371	—	144,538	15.48%
4/30/18	22,422	22,422	—	148,743	15.07%
4/30/19	21,641	21,641	—	153,627	14.09%
4/30/20	21,272	21,272	—	157,005	13.55%
4/30/21	22,841	22,841	—	160,131	14.26%
12/31/21	16,450	16,450	—	113,294	14.52%
12/31/22	22,257	22,257	—	169,510	13.13%
12/31/23	14,378	14,378	—	119,321	12.05%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	20 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.25%
Salary Increases	2.75% to 13.75%, Including Inflation
Investment Rate of Return	7.25%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.
Mortality	For non-disabled 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.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

# CITY OF PARK RIDGE, ILLINOIS

## Police Pension Fund

### Schedule of Employer Contributions

December 31, 2023

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
4/30/15	\$ 1,790,707	\$ 1,713,170	\$ (77,537)	\$ 4,535,578	37.77%
4/30/16	1,916,989	2,027,060	110,071	4,544,959	44.60%
4/30/17	1,909,863	2,061,179	151,316	4,676,945	44.07%
4/30/18	2,130,010	2,252,706	122,696	4,617,336	48.79%
4/30/19	2,139,112	2,424,365	285,253	4,851,114	49.98%
4/30/20	2,447,618	2,550,405	102,787	5,027,189	50.73%
4/30/21	2,567,818	2,510,735	(57,083)	5,177,291	48.50%
12/31/21	2,110,933	1,902,712	(208,221) *	3,516,966	54.10%
12/31/22	2,852,292	2,897,279	44,987	5,450,883	53.15%
12/31/23	2,453,643	2,566,049	112,406	5,673,827	45.23%

#### Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	18 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.00%
Salary Increases	3.50% - 9.05%
Investment Rate of Return	6.75%
Retirement Age	50-65
Mortality	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described

\* Deficit attributable to the change in fiscal year-end and timing of Cook County property tax distributions.

**CITY OF PARK RIDGE, ILLINOIS**

**Firefighters' Pension Fund  
Schedule of Employer Contributions  
December 31, 2023**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
4/30/15	\$ 1,627,465	\$ 1,611,360	\$ (16,105)	\$ 4,141,254	38.91%
4/30/16	1,751,549	1,846,200	94,651	4,288,195	43.05%
4/30/17	1,745,429	1,862,585	117,156	4,375,911	42.56%
4/30/18	1,884,592	1,971,987	87,395	4,585,599	43.00%
4/30/19	1,981,269	2,269,498	288,229	4,969,911	45.66%
4/30/20	2,234,999	2,301,721	66,722	4,982,589	46.20%
4/30/21	2,353,651	2,315,972	(37,679)	5,255,685	44.07%
12/31/21	1,842,425	1,604,368	(238,057) *	3,560,199	45.06%
12/31/22	2,610,212	2,667,617	57,405	5,124,513	52.06%
12/31/23	2,137,485	2,245,514	108,029	5,291,059	42.44%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	18 Years
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.00%
Salary Increases	3.25% - 6.25%
Investment Rate of Return	6.75%
Retirement Age	50-65
Mortality	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described

\* Deficit attributable to the change in fiscal year-end and timing of Cook County property tax distributions.

**CITY OF PARK RIDGE, ILLINOIS**

**Illinois Municipal Retirement Fund**

**Schedule of Changes in the Employer's Net Pension Liability/(Asset)**

**December 31, 2023**

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**See Following Page**

**CITY OF PARK RIDGE, ILLINOIS**

**Illinois Municipal Retirement Fund - Regular Plan**

**Schedule of Changes in the Employer's Net Pension Liability/(Asset)**

**December 31, 2023**

	12/31/15	12/31/16	12/31/17
	Total	Total	Total
Total Pension Liability			
Service Cost	\$ 950,342	888,908	874,765
Interest	4,987,306	5,059,718	5,150,637
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	(1,251,138)	(808,478)	611,000
Change of Assumptions	76,603	(76,748)	(2,284,660)
Benefit Payments, Including Refunds of Member Contributions	(3,521,331)	(3,832,338)	(4,035,959)
Net Change in Total Pension Liability	1,241,782	1,231,062	315,783
Total Pension Liability - Beginning	67,782,907	69,024,689	70,255,751
Total Pension Liability - Ending	69,024,689	70,255,751	70,571,534
Plan Fiduciary Net Position			
Contributions - Employer	\$ 981,129	979,755	839,559
Contributions - Members	390,152	390,183	391,633
Net Investment Income	325,053	4,448,246	12,007,987
Benefit Payments, Including Refunds of Member Contributions	(3,521,331)	(3,832,338)	(4,035,959)
Other (Net Transfer)	496,986	(4,240)	(1,220,233)
Net Change in Plan Fiduciary Net Position	(1,328,011)	1,981,606	7,982,987
Plan Net Position - Beginning	66,085,602	64,757,591	66,739,197
Plan Net Position - Ending	64,757,591	66,739,197	74,722,184
Employer's Net Pension Liability/(Asset)	\$ 4,267,098	3,516,554	(4,150,650)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	93.82%	94.99%	105.88%
Covered Payroll	\$ 8,539,981	8,601,888	8,693,953
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	49.97%	40.88%	(47.74%)

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2015 through 2018, and 2020. Changes in assumptions related to the demographics were made in 2017.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/18	12/31/19	12/31/20	12/31/21	12/31/22		12/31/23	
Total	Total	Total	Total	Totals	City	Library	Totals
823,886	906,014	853,837	842,578	848,720	684,049	191,482	875,531
5,157,393	5,281,205	5,473,006	5,585,409	5,514,873	4,441,829	1,255,896	5,697,725
—	—	—	—	—	—	—	—
721,011	1,185,764	772,538	(2,138,386)	1,554,535	(863,542)	(241,726)	(1,105,268)
1,869,416	—	(629,123)	—	—	(95,513)	(26,737)	(122,250)
(4,436,486)	(4,631,110)	(4,771,625)	(5,056,852)	(5,474,308)	(4,175,702)	(1,168,879)	(5,344,581)
4,135,220	2,741,873	1,698,633	(767,251)	2,443,820	(8,879)	10,036	1,157
70,571,534	74,706,754	77,448,627	79,147,260	78,380,009	61,246,880	19,576,949	80,823,829
74,706,754	77,448,627	79,147,260	78,380,009	80,823,829	61,238,001	19,586,985	80,824,986
813,508	519,042	810,931	775,002	526,132	109,594	30,678	140,272
405,258	409,168	413,273	463,920	427,735	354,169	99,141	453,310
(4,428,286)	13,121,509	11,473,281	14,914,087	(12,834,557)	6,974,068	1,952,209	8,926,277
(4,436,486)	(4,631,110)	(4,771,625)	(5,056,852)	(5,474,308)	(4,175,702)	(1,168,879)	(5,344,581)
1,147,296	606,852	243,817	(2,434,779)	655,935	442,397	123,838	566,235
(6,498,710)	10,025,461	8,169,677	8,661,378	(16,699,063)	3,704,526	1,036,987	4,741,513
74,722,184	68,223,474	78,248,935	86,418,612	95,079,990	59,328,467	19,052,460	78,380,927
68,223,474	78,248,935	86,418,612	95,079,990	78,380,927	63,032,993	20,089,447	83,122,440
6,483,280	(800,308)	(7,271,352)	(16,699,981)	2,442,902	(1,794,992)	(502,462)	(2,297,454)
91.32%	101.03%	109.19%	121.31%	96.98%	102.93%	102.57%	102.84%
8,951,249	9,042,547	9,183,316	9,171,621	9,496,965	7,692,168	2,153,223	9,845,391
72.43%	(8.85%)	(79.18%)	(182.08%)	25.72%	(23.34%)	(23.34%)	(23.34%)

**CITY OF PARK RIDGE, ILLINOIS**

**Illinois Municipal Retirement Fund - Sheriff's Law Enforcement Personnel Fund**

**Schedule of Changes in the Employer's Net Pension Liability/(Asset)**

**December 31, 2023**

	12/31/15	12/31/16	12/31/17
Total Pension Liability			
Service Cost	\$ 26,213	27,790	25,718
Interest	20,876	23,141	26,086
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	(12,413)	(15,697)	(10,197)
Change of Assumptions	10,671	(14,626)	(9,731)
Benefit Payments, Including Refunds of Member Contributions	—	—	—
Net Change in Total Pension Liability	45,347	20,608	31,876
Total Pension Liability - Beginning	269,001	314,348	334,956
Total Pension Liability - Ending	314,348	334,956	366,832
Plan Fiduciary Net Position			
Contributions - Employer	\$ 22,134	22,310	22,561
Contributions - Members	10,682	10,893	11,147
Net Investment Income	1,024	14,955	38,792
Benefit Payments, Including Refunds of Member Contributions	—	—	—
Other (Net Transfer)	(12,292)	(1,308)	(2,454)
Net Change in Plan Fiduciary Net Position	21,548	46,850	70,046
Plan Net Position - Beginning	188,406	209,954	256,804
Plan Net Position - Ending	209,954	256,804	326,850
Employer's Net Pension Liability/(Asset)	\$ 104,394	78,152	39,982
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	66.79%	76.67%	89.10%
Covered Payroll	\$ 142,432	145,246	148,629
Employer's Net Pension Liability/(Asset) as a Percentage of Covered Payroll	73.29%	53.81%	26.90%

*Changes of Assumptions.* Changes in assumptions related to the discount rate were made in 2015 through 2018, and 2020. Changes in assumptions related to the demographics were made in 2017.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/18	12/31/19	12/30/20	12/31/21	12/31/22	12/31/23
25,012	26,416	27,110	27,396	16,205	16,899
28,450	31,375	34,934	40,464	43,466	42,305
—	—	—	—	—	—
(9,471)	(9,057)	8,580	(20,867)	(64,781)	(172,291)
8,733	—	5,516	—	—	(884)
—	—	—	—	—	(22,500)
52,724	48,734	76,140	46,993	(5,110)	(136,471)
366,832	419,556	468,290	544,430	591,423	586,313
419,556	468,290	544,430	591,423	586,313	449,842
22,149	20,614	23,377	23,609	22,257	14,378
11,425	11,686	12,391	12,195	12,713	8,949
(7,537)	55,828	55,339	77,509	(51,358)	44,890
—	—	—	—	—	(22,500)
(767)	(2,449)	(794)	(5,067)	(3,703)	(73,841)
25,270	85,679	90,313	108,246	(20,091)	(28,124)
326,850	352,120	437,799	528,112	636,358	616,267
352,120	437,799	528,112	636,358	616,267	588,143
67,436	30,491	16,318	(44,935)	(29,954)	(138,301)
83.93%	93.49%	97.00%	107.60%	105.11%	130.74%
152,330	155,808	165,207	162,597	169,510	119,321
44.27%	19.57%	9.88%	(27.64%)	(17.67%)	(115.91%)

# CITY OF PARK RIDGE, ILLINOIS

## Police Pension Fund

### Schedule of Changes in the Employer's Net Pension Liability

December 31, 2023

	4/30/15	4/30/16	4/30/17
Total Pension Liability			
Service Cost	\$ 952,083	928,877	1,051,620
Interest	4,197,164	4,333,227	4,651,661
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	—	(551,023)	898,500
Change of Assumptions	—	3,226,345	(466,190)
Benefit Payments, Including Refunds of Member Contributions	(3,180,124)	(3,086,845)	(3,352,940)
Net Change in Total Pension Liability	1,969,123	4,850,581	2,782,651
Total Pension Liability - Beginning	63,770,262	65,739,385	70,589,966
Total Pension Liability - Ending	65,739,385	70,589,966	73,372,617
Plan Fiduciary Net Position			
Contributions - Employer	\$ 1,713,170	2,027,060	2,061,179
Contributions - Members	569,210	482,744	476,433
Net Investment Income	2,989,641	231,696	3,683,079
Benefit Payments, Including Refunds of Member Contributions	(3,180,124)	(3,086,845)	(3,352,940)
Administrative Expenses	(35,722)	(35,987)	(38,885)
Net Change in Plan Fiduciary Net Position	2,056,175	(381,332)	2,828,866
Plan Net Position - Beginning	41,310,224	43,366,399	42,985,067
Plan Net Position - Ending	43,366,399	42,985,067	45,813,933
Employer's Net Pension Liability	\$ 22,372,986	27,604,899	27,558,684
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.97%	60.89%	62.44%
Covered Payroll	\$ 4,535,578	4,544,959	4,676,945
Employer's Net Pension Liability as a Percentage of Covered Payroll	493.28%	607.37%	589.25%

\*For the eight months ended December 31, 2021. The Fund changed their fiscal year end, this is a stub year from May 1, 2021 - December 31, 2021.

4/30/18	4/30/19	4/30/20	4/30/21	12/31/21*	12/31/22	12/31/23
1,122,606	1,130,260	1,192,536	1,301,824	829,745	1,232,950	1,301,221
4,834,544	5,010,523	5,195,135	5,751,322	3,853,829	5,941,395	6,168,052
—	—	133,337	—	—	(31,532)	—
159,540	166,648	1,459,937	949,708	(3,242,837)	1,344,458	833,209
—	4,739	3,023,246	—	—	—	—
(3,499,475)	(3,519,738)	(3,634,623)	(3,857,284)	(2,781,507)	(4,474,720)	(4,698,014)
2,617,215	2,792,432	7,369,568	4,145,570	(1,340,770)	4,012,551	3,604,468
73,372,617	75,989,832	78,782,264	86,151,832	90,297,402	88,956,632	92,969,183
75,989,832	78,782,264	86,151,832	90,297,402	88,956,632	92,969,183	96,573,651
2,252,706	2,424,365	2,550,405	2,510,735	1,902,712	2,897,279	2,566,049
518,500	484,176	497,009	512,482	349,444	540,181	565,763
3,492,173	4,014,687	1,056,066	17,366,740	4,339,559	(11,575,084)	9,358,960
(3,499,475)	(3,519,738)	(3,634,623)	(3,857,284)	(2,781,507)	(4,474,720)	(4,698,014)
(40,100)	(42,992)	(43,976)	(54,353)	(42,013)	(56,109)	(57,014)
2,723,804	3,360,498	424,881	16,478,320	3,768,195	(12,668,453)	7,735,744
45,813,933	48,537,737	51,898,235	52,323,116	68,801,436	72,569,631	59,901,178
48,537,737	51,898,235	52,323,116	68,801,436	72,569,631	59,901,178	67,636,922
27,452,095	26,884,029	33,828,716	21,495,966	16,387,001	33,068,005	28,936,729
63.87%	65.88%	60.73%	76.19%	81.58%	64.43%	70.04%
4,617,336	4,851,114	5,027,189	5,177,291	5,275,449	5,450,883	5,673,827
594.54%	554.18%	672.92%	415.20%	310.63%	606.65%	510.00%

**CITY OF PARK RIDGE, ILLINOIS**

**Firefighter's Pension Fund**

**Schedule of Changes in the Employer's Net Pension Liability**

**December 31, 2023**

	4/30/15	4/30/16	4/30/17
Total Pension Liability			
Service Cost	\$ 997,064	949,134	1,021,028
Interest	3,878,251	4,008,181	4,303,005
Changes in Benefit Terms	—	—	—
Differences Between Expected and Actual Experience	—	25,902	808,267
Change of Assumptions	—	2,445,100	(361,068)
Benefit Payments, Including Refunds of Member Contributions	(2,921,833)	(2,979,011)	(3,142,120)
Net Change in Total Pension Liability	1,953,482	4,449,306	2,629,112
Total Pension Liability - Beginning	58,916,488	60,869,970	65,319,276
Total Pension Liability - Ending	60,869,970	65,319,276	67,948,388
Plan Fiduciary Net Position			
Contributions - Employer	\$ 1,611,360	1,846,200	1,862,585
Contributions - Members	404,193	439,597	463,137
Net Investment Income	2,801,289	63,253	4,007,923
Benefit Payments, Including Refunds of Member Contributions	(2,921,833)	(2,979,011)	(3,142,120)
Administrative Expenses	(62,305)	(63,941)	(65,218)
Net Change in Plan Fiduciary Net Position	1,832,704	(693,902)	3,126,307
Plan Net Position - Beginning	39,626,500	41,459,204	40,765,302
Plan Net Position - Ending	41,459,204	40,765,302	43,891,609
Employer's Net Pension Liability	\$ 19,410,766	24,553,974	24,056,779
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.11%	62.41%	64.60%
Covered Payroll	\$ 4,141,254	4,288,195	4,375,911
Employer's Net Pension Liability as a Percentage of Covered Payroll	468.72%	572.59%	549.75%

\*For the eight months ended December 31, 2021. The Fund changed their fiscal year end, this is a stub year from May 1, 2021 - December 31, 2021.

4/30/18	4/30/19	4/30/20	4/30/21	12/31/21*	12/31/22	12/31/23
1,089,948	1,175,712	1,272,933	1,402,004	869,524	1,327,145	1,352,168
4,480,178	4,636,879	4,790,446	5,062,522	3,307,200	4,992,716	5,153,096
—	—	240,676	—	—	(70,958)	—
(89,206)	(350,782)	135,528	(944,853)	(2,841,774)	(490,499)	95,555
—	7,162	1,825,255	(2,084,136)	—	—	—
(3,150,752)	(3,168,129)	(3,219,625)	(3,451,575)	(2,518,917)	(3,914,626)	(3,998,224)
2,330,168	2,300,842	5,045,213	(16,038)	(1,183,967)	1,843,778	2,602,595
67,948,388	70,278,556	72,579,398	77,624,611	77,608,573	76,424,606	78,268,384
70,278,556	72,579,398	77,624,611	77,608,573	76,424,606	78,268,384	80,870,979
1,971,987	2,269,498	2,301,721	2,315,972	1,604,368	2,667,617	2,245,514
442,772	621,874	474,509	488,489	332,144	487,172	497,973
3,578,995	2,713,661	(476,801)	13,057,704	3,587,060	(9,520,428)	7,864,541
(3,150,752)	(3,168,129)	(3,219,625)	(3,451,575)	(2,518,917)	(3,914,626)	(3,998,224)
(39,903)	(43,748)	(39,941)	(67,367)	(42,830)	(67,852)	(59,665)
2,803,099	2,393,156	(960,137)	12,343,223	2,961,825	(10,348,117)	6,550,139
43,891,609	46,694,708	49,087,864	48,127,727	60,470,950	63,432,775	53,084,658
46,694,708	49,087,864	48,127,727	60,470,950	63,432,775	53,084,658	59,634,797
23,583,848	23,491,534	29,496,884	17,137,623	12,991,831	25,183,726	21,236,182
66.44%	67.63%	62.00%	77.92%	83.00%	67.82%	73.74%
4,585,599	4,969,911	4,982,589	5,255,685	5,340,298	5,124,513	5,291,059
514.30%	472.68%	592.00%	326.08%	243.28%	491.44%	401.36%

**CITY OF PARK RIDGE, ILLINOIS**

**Police Pension Fund**

**Schedule of Investment Returns**

**December 31, 2023**

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Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
4/30/2015	7.33%
4/30/2016	0.55%
4/30/2017	8.62%
4/30/2018	7.68%
4/30/2019	8.37%
4/30/2020	2.11%
4/30/2021	6.90%
12/31/2021	7.00%
12/31/2022	16.06%
12/31/2023	15.84%

**CITY OF PARK RIDGE, ILLINOIS**

**Firefighters' Pension Fund  
Schedule of Investment Returns  
December 31, 2023**

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Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
4/30/15	7.17%
4/30/16	0.36%
4/30/17	10.10%
4/30/18	8.43%
4/30/19	6.02%
4/30/20	(0.81%)
4/30/21	27.71%
12/31/21	6.09%
12/31/22	(15.40%)
12/31/23	15.50%

# CITY OF PARK RIDGE, ILLINOIS

## Retiree Benefit Plan

### Schedule of Changes in the Employer's Total OPEB Liability

December 31, 2023

	4/30/19
	Totals
Total OPEB Liability	
Service Cost	\$ 137,396
Interest	221,752
Changes in Benefit Terms	—
Differences Between Expected and Actual Experience	—
Change of Assumptions or Other Inputs	142,284
Benefit Payments	(225,675)
Other Changes	—
Net Change in Total OPEB Liability	275,757
Total OPEB Liability - Beginning	5,698,524
Total OPEB Liability - Ending	5,974,281
Employee-Covered Payroll	19,039,437
Total OPEB Liability as a Percentage of Employee-Covered Payroll	31.38%

#### Notes:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

*Changes of Assumptions.* Changes of assumptions and other inputs reflect the effects of changes in the discount rate from 2019 through 2023.

4/30/20	4/30/21	12/31/21	12/31/22	12/31/23		
Totals	Totals	Totals	Totals	City	Library	Totals
148,560	182,673	322,204	340,967	224,014	27,347	251,361
221,445	200,895	126,359	177,833	252,813	2,857	255,670
—	—	—	(1,199,163)	—	—	—
415	1,075,512	—	1,068,216	—	—	—
1,901,378	(713,171)	(18,461)	(1,911,736)	438,692	53,554	492,246
(263,224)	(270,750)	(144,399)	(222,115)	(222,596)	(27,174)	(249,770)
—	—	—	—	—	—	—
2,008,574	475,159	285,703	(1,745,998)	692,923	56,584	749,507
5,974,281	7,982,855	8,458,014	8,743,717	6,211,446	786,273	6,997,719
7,982,855	8,458,014	8,743,717	6,997,719	6,904,369	842,857	7,747,226
19,563,022	18,488,747	14,203,535	20,440,587	19,470,177	2,376,841	21,847,018
40.81%	45.75%	61.56%	34.23%	35.46%	35.46%	35.46%

**CITY OF PARK RIDGE, ILLINOIS**

**General Fund**

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 19,631,246	19,631,246	20,089,196	457,950
Intergovernmental	13,769,234	13,769,234	15,241,119	1,471,885
Licenses and Permits	2,036,175	2,036,175	2,167,574	131,399
Charges for Services	1,563,220	1,563,220	2,864,059	1,300,839
Fines and Forfeitures	508,500	508,500	481,567	(26,933)
Investment Income	135,000	135,000	1,530,769	1,395,769
Miscellaneous	137,800	137,800	834,544	696,744
Total Revenues	37,781,175	37,781,175	43,208,828	5,427,653
Expenditures				
General Government	6,731,164	7,053,879	6,398,772	(655,107)
Public Safety	22,269,090	22,383,269	21,796,804	(586,465)
Public Works	6,775,656	6,975,962	6,018,188	(957,774)
Development	1,540,959	1,541,209	1,388,777	(152,432)
Capital Outlay	911,540	911,540	1,952,570	1,041,030
Debt Service				
Principal Retirement	—	—	427,426	427,426
Total Expenditures	38,228,409	38,865,859	37,982,537	(883,322)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(447,234)	(1,084,684)	5,226,291	6,310,975
Other Financing Sources (Uses)				
Debt Issuance	—	—	1,468,456	1,468,456
Transfers In	1,519,004	1,519,004	1,519,004	—
Transfers Out	(3,980,000)	(3,980,000)	(3,980,000)	—
	(2,460,996)	(2,460,996)	(992,540)	1,468,456
Net Change in Fund Balance	(2,908,230)	(3,545,680)	4,233,751	7,779,431
Fund Balance - Beginning			32,070,415	
Fund Balance - Ending			36,304,166	

**CITY OF PARK RIDGE, ILLINOIS****Uptown Tax Increment Financing - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Property Taxes	\$ 4,550,000	4,550,000	5,028,402	478,402
Investment Income	42,000	42,000	293,360	251,360
Total Revenues	4,592,000	4,592,000	5,321,762	729,762
Expenditures				
Development	1,028,500	1,347,413	1,347,410	(3)
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,563,500	3,244,587	3,974,352	729,765
Other Financing (Uses)				
Transfers Out	(3,162,226)	(3,186,676)	(3,186,676)	—
Net Change in Fund Balance	401,274	57,911	787,676	729,765
Fund Balance - Beginning			5,760,926	
Fund Balance - Ending			6,548,602	

**CITY OF PARK RIDGE, ILLINOIS**

**Municipal Waste Management - Special Revenue Fund**

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

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Property Taxes	\$ 3,414,911	3,414,911	3,361,148	(53,763)
Investment Income	—	—	2,777	2,777
Total Revenues	3,414,911	3,414,911	3,363,925	(50,986)
Expenditures				
Public Works				
Contractual Services	3,382,364	3,382,364	3,309,574	(72,790)
Net Change in Fund Balance	32,547	32,547	54,351	21,804
Fund Balance - Beginning			(140,842)	
Fund Balance - Ending			(86,491)	

## **OTHER SUPPLEMENTARY INFORMATION**

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules - Major Governmental Funds
- Combining Statements - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Nonmajor Governmental Funds
- Budgetary Comparison Schedules - Enterprise Funds
- Combining Statements - Internal Service Funds
- Budgetary Comparison Schedules - Internal Service Funds
- Combining Statements - Pension Trust Funds
- Component Unit - Statement of Net Position and Combining Balance Sheet
- Component Unit - Statement of Activities and Combining Statement of Revenues, Expenditures and Changes in Fund Balance
- Component Unit - Budgetary Comparison Schedules

## **INDIVIDUAL FUND DESCRIPTIONS**

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### **GENERAL FUND**

The General Fund is used to account for all financial resources except those required to be accounted for in another fund.

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### **SPECIAL REVENUE FUNDS**

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted to expenditure for specified purposes.

#### **Uptown Tax Increment Financing Fund**

The Uptown Tax Increment Financing Fund is used to account for incremental property tax revenue to be applied to the Uptown District area established for rehabilitation of the property.

#### **Municipal Waste Management Fund**

The Municipal Waste Management Fund accounts for the operations and maintenance of the waste collection, transportation and disposal system, including all obligations to the Solid Waste Agency under the terms of the 1992 Project Use Agreement.

#### **Dempster Tax Increment Financing Fund**

The Dempster Tax Increment Financing Fund is used to account for incremental property tax revenue to be applied to the Dempster District area established to better the economic condition of the specified area.

#### **Special Service Area**

The Special Service Area Fund is used to account for revenue from property taxes to be applied to specific areas for the “Green” alley-paving program.

#### **Motor Fuel Tax Fund**

The Motor Fuel Tax Fund is used to account for expenditures related to approved motor fuel tax projects and revenue from the state gasoline tax as collected and distributed by the State of Illinois.

#### **Illinois Municipal Retirement Fund**

The Illinois Municipal Retirement Fund is used to account for the City's participation in the Illinois Municipal Retirement Fund. Financing is provided by a specific annual property tax levy.

## **INDIVIDUAL FUND DESCRIPTIONS - Continued**

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### **SPECIAL REVENUE FUNDS – Continued**

#### **FICA Fund**

The FICA Fund is used to account for the City's portion of Social Security and Medicare paid on behalf of its employees. Financing is provided by a specific annual property tax levy.

#### **Foreign Fire Insurance Fund**

The Foreign Fire Insurance Fund is used to account for foreign fire insurance tax monies expended for Fire Department supplies and equipment approved by the Foreign Fire Insurance Committee.

#### **Asset Forfeiture Fund**

The Asset Forfeiture Fund is used for seized drug money. The City receives a percentage of money back any time there is a drug arrest and money is recovered. This money is to be used for drug awareness.

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### **DEBT SERVICE FUND**

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

#### **2015A General Obligation Refunding Bond Fund**

The 2015A General Obligation Refunding Bond Fund is used to accumulate monies for the City's 2015A General Obligation Bonds for payment of the principal and interest issued for the refunding of 2005A bonds for Uptown TIF projects. The Uptown TIF funds transfers incremental property tax revenue to finance the annual payment requirements.

#### **2021A General Obligation Refunding Bond Fund**

The 2021A General Obligation Refunding Bond Fund is used to accumulate monies for the City's 2021A General Obligation Bonds for payment of the principal and interest issued for the refunding of 2016 bonds for Uptown TIF projects. The Uptown TIF funds transfers incremental property tax revenue to finance the annual payment requirements.

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### **CAPITAL PROJECTS FUND**

#### **Capital Improvement and Equipment**

The Capital Improvements & Equipment Fund was established in Fiscal Year 2021 to account for the expenditure of revenues dedicated for the improvement of the City's non enterprise fund building, equipment, and infrastructure.

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## **INDIVIDUAL FUND DESCRIPTIONS - Continued**

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### **ENTERPRISE FUNDS**

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose.

#### **Water Fund**

The Water Fund is used to account for the revenues and expenses associated with the transmission, treatment, storage and sale of water to the residential, commercial and industrial customers within the City.

#### **Sewer Fund**

The Sewer Fund is used to account for the revenues and expenses associated with the maintenance of the City's sanitary sewer mains and connections.

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### **INTERNAL SERVICE FUNDS**

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies other governmental unit, or to other governmental units, on a cost-reimbursement basis.

#### **Technology Replacement Fund**

The Technology Replacement Fund is used to account for the maintenance and upgrade of the City's computer and printer network used in the operation of the City. Revenue is annual subsidies from the General Fund, Water Fund, and Sewer Fund.

#### **Motor Equipment Replacement Fund**

The Motor Equipment Replacement Fund is used to account for the replacement of the City's motor equipment fleet. Revenue is subsidies from the General Fund, and the Enterprise Funds.

#### **Employee Benefits Fund**

The Employee Benefits Fund is used to account for premium and claim payments for the self-insured group health insurance plan for City employees. Stop-loss insurance is also purchased.

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## **INDIVIDUAL FUND DESCRIPTIONS - Continued**

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### **PENSION TRUST FUNDS**

#### **Police Pension Fund**

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement pensions for the City's sworn police personnel. Most rules and regulations of the fund are established by the Pension Division of the Illinois Department of Insurance. Resources are contributed by sworn police personnel at rates fixed by state statutes and by the City through an annual property tax levy.

#### **Firefighter's Pension Fund**

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for retirement pensions for the City's sworn firefighter/paramedic personnel. Most rules and regulations of the fund are established by the Pension Division of the Illinois Department of Insurance. Resources are contributed by sworn firefighter/paramedic personnel at rates fixed by state statutes and by the City through an annual property tax levy.

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**CITY OF PARK RIDGE, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual**

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Taxes</b>				
Property Taxes	\$ 10,420,146	10,420,146	10,434,671	14,525
Telecommunication Tax	642,000	642,000	616,825	(25,175)
Liquor	546,000	546,000	539,062	(6,938)
Property Transfer	842,200	842,200	688,996	(153,204)
Food and Beverage	830,000	830,000	990,377	160,377
Home Rule Sales Tax	2,657,400	2,657,400	2,992,432	335,032
Cannabis Retailer Occ Tax	—	—	13,620	13,620
Gasoline	410,000	410,000	468,674	58,674
Utility	2,485,000	2,485,000	2,556,005	71,005
Natural Gas	135,000	135,000	119,201	(15,799)
Parking Garage	663,500	663,500	669,333	5,833
<b>Total Taxes</b>	<b>19,631,246</b>	<b>19,631,246</b>	<b>20,089,196</b>	<b>457,950</b>
<b>Intergovernmental</b>				
State Sales Tax	5,286,300	5,286,300	5,677,391	391,091
Use Tax	1,544,434	1,544,434	1,615,935	71,501
State Income Tax	6,000,000	6,000,000	6,376,124	376,124
Replacement Tax	850,500	850,500	1,113,139	262,639
Grants	88,000	88,000	458,530	370,530
<b>Total Intergovernmental</b>	<b>13,769,234</b>	<b>13,769,234</b>	<b>15,241,119</b>	<b>1,471,885</b>
<b>Licenses and Permits</b>				
Cable Franchise Fee	672,000	672,000	612,003	(59,997)
PEG Fee	19,600	19,600	23,182	3,582
Telecommunication Franchise Fee	525	525	525	—
Vehicle Licenses	—	—	7,260	7,260
Animal Licenses	24,350	24,350	19,645	(4,705)
Business Licenses	217,000	217,000	219,643	2,643
Liquor Licenses	138,000	138,000	137,625	(375)
Massage Licenses	1,050	1,050	975	(75)
Outdoor Café Licenses	29,000	29,000	43,124	14,124
Oversized Vehicle Permits	9,000	9,000	6,070	(2,930)
Small Cell Permits	650	650	1,950	1,300
Building Permits	925,000	925,000	1,095,572	170,572
<b>Total Licenses and Permits</b>	<b>2,036,175</b>	<b>2,036,175</b>	<b>2,167,574</b>	<b>131,399</b>

**CITY OF PARK RIDGE, ILLINOIS**

**General Fund**

**Schedule of Revenues - Budget and Actual - Continued**

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Charges for Services				
Service to Other Agencies	\$ 250,000	250,000	278,366	28,366
Ambulance Service Charges	806,520	806,520	1,941,975	1,135,455
Alarm Registrations	20,000	20,000	8,185	(11,815)
Elevator Inspections	21,000	21,000	21,080	80
Rent	87,000	87,000	91,505	4,505
City Clerk	5,000	5,000	32,226	27,226
Police	10,500	10,500	22,586	12,086
Fire	5,000	5,000	37,008	32,008
Zoning	11,000	11,000	10,160	(840)
Street	240,000	240,000	246,124	6,124
Parking	97,000	97,000	165,587	68,587
Collection Agency	10,200	10,200	9,257	(943)
Total Charges for Services	1,563,220	1,563,220	2,864,059	1,300,839
Fines and Forfeitures				
Court Fines	94,000	94,000	90,843	(3,157)
Red Light Fines	175,000	175,000	168,656	(6,344)
Administrative Tow Fee	11,000	11,000	13,500	2,500
Police Alarm Fines	3,500	3,500	7,706	4,206
Municipal Code Adjudication	225,000	225,000	200,862	(24,138)
Total Fines and Forfeitures	508,500	508,500	481,567	(26,933)
Investment Income	135,000	135,000	1,530,769	1,395,769
Miscellaneous				
Trees	50,000	50,000	81,755	31,755
Contributions	24,500	24,500	40,214	15,714
Public Works	9,000	9,000	13,603	4,603
Other	54,300	54,300	698,972	644,672
Total Miscellaneous	137,800	137,800	834,544	696,744
Total Revenues	37,781,175	37,781,175	43,208,828	5,427,653

**CITY OF PARK RIDGE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual**

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
General Government				
Legislative				
Salaries and Wages	\$ 29,400	29,400	29,400	—
Contractual Services	24,750	22,950	20,385	(2,565)
Supplies and Materials	500	4,100	3,896	(204)
	54,650	56,450	53,681	(2,769)
City Administration				
Salaries and Wages	436,276	421,276	419,284	(1,992)
Benefits	62,245	62,245	53,804	(8,441)
Contractual Services	40,358	56,635	46,818	(9,817)
Supplies and Materials	5,000	3,200	3,079	(121)
Other	200,000	130,000	—	(130,000)
	743,879	673,356	522,985	(150,371)
Legal Counsel				
Contractual Services	310,414	310,414	284,768	(25,646)
Human Resources				
Salaries and Wages	232,285	236,539	236,322	(217)
Benefits	860,867	910,308	904,037	(6,271)
Contractual Services	29,090	22,268	18,304	(3,964)
Supplies and Materials	17,200	17,200	12,773	(4,427)
	1,139,442	1,186,315	1,171,436	(14,879)
Information Technology				
Contractual Services	1,113,756	1,183,756	1,021,507	(162,249)
Supplies and Materials	7,000	7,000	1,700	(5,300)
	1,120,756	1,190,756	1,023,207	(167,549)
Economic Development				
Contractual Services	706,000	799,973	798,572	(1,401)

**CITY OF PARK RIDGE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
General Government - Continued				
Finance Administration				
Salaries and Wages	\$ 857,552	847,302	784,999	(62,303)
Benefits	215,315	215,315	173,987	(41,328)
Contractual Services	1,121,076	1,310,764	1,133,808	(176,956)
Supplies and Materials	9,000	10,154	9,728	(426)
	2,202,943	2,383,535	2,102,522	(281,013)
Community Support				
Salaries and Wages	—	—	16,777	16,777
Contractual Services	453,080	453,080	424,824	(28,256)
	453,080	453,080	441,601	(11,479)
Total General Government	6,731,164	7,053,879	6,398,772	(655,107)
Public Safety				
Police Administration				
Salaries and Wages	1,384,857	1,180,641	1,153,076	(27,565)
Benefits	271,452	271,452	228,319	(43,133)
Contractual Services	2,634,443	2,715,753	2,734,323	18,570
Supplies and Materials	20,000	16,391	16,391	—
	4,310,752	4,184,237	4,132,109	(52,128)
Support Services				
Salaries and Wages	1,579,372	1,700,387	1,700,386	(1)
Benefits	229,019	255,298	253,732	(1,566)
Contractual Services	12,150	13,222	12,335	(887)
Supplies and Materials	5,000	5,000	4,044	(956)
	1,825,541	1,973,907	1,970,497	(3,410)
Communications				
Supplies and Materials	372,825	371,753	333,944	(37,809)

**CITY OF PARK RIDGE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Public Safety - Continued				
Patrol				
Salaries and Wages	\$ 4,845,676	4,821,285	4,648,190	(173,095)
Benefits	725,094	695,440	639,944	(55,496)
Contractual Services	152,500	161,375	161,065	(310)
Supplies and Materials	74,000	74,000	72,979	(1,021)
	5,797,270	5,752,100	5,522,178	(229,922)
Community Strategies				
Salaries and Wages	68,927	68,095	62,338	(5,757)
Benefits	445	25,668	25,643	(25)
Contractual Services	12,500	12,486	12,051	(435)
Supplies and Materials	7,000	7,014	7,014	—
	88,872	113,263	107,046	(6,217)
Fire Administration				
Salaries and Wages	463,570	466,623	463,753	(2,870)
Benefits	158,413	155,360	145,012	(10,348)
Contractual Services	2,679,935	2,808,058	2,744,983	(63,075)
	3,301,918	3,430,041	3,353,748	(76,293)
Fire Prevention				
Salaries and Wages	160,569	175,815	175,814	(1)
Benefits	26,460	26,407	25,717	(690)
Contractual Services	1,500	1,553	1,553	—
Supplies and Materials	10,000	10,000	920	(9,080)
	198,529	213,775	204,004	(9,771)
Emergency Response				
Salaries and Wages	5,390,617	5,232,674	5,112,539	(120,135)
Benefits	824,766	830,232	785,464	(44,768)
Contractual Services	96,000	196,097	192,824	(3,273)
Supplies and Materials	62,000	85,190	82,451	(2,739)
	6,373,383	6,344,193	6,173,278	(170,915)
Total Public Safety	22,269,090	22,383,269	21,796,804	(586,465)

**CITY OF PARK RIDGE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Public Works				
Administration				
Salaries and Wages	\$ 369,802	369,802	315,024	(54,778)
Benefits	76,178	76,178	58,237	(17,941)
Contractual Services	11,000	11,000	3,339	(7,661)
Supplies and Materials	4,000	4,000	1,580	(2,420)
	460,980	460,980	378,180	(82,800)
Engineering				
Salaries and Wages	380,798	318,650	236,862	(81,788)
Benefits	51,883	51,883	48,501	(3,382)
Contractual Services	135,000	362,148	301,464	(60,684)
Supplies and Materials	2,000	997	27	(970)
	569,681	733,678	586,854	(146,824)
Traffic Control				
Contractual Services	135,000	190,445	186,650	(3,795)
Supplies and Materials	30,000	30,000	27,944	(2,056)
	165,000	220,445	214,594	(5,851)
Street Lighting				
Contractual Services	58,000	59,003	58,610	(393)
Supplies and Materials	200,000	189,795	182,126	(7,669)
	258,000	248,798	240,736	(8,062)
Snow and Storm Control				
Salaries and Wages	200,000	200,000	120,923	(79,077)
Contractual Services	3,500	3,500	2,775	(725)
Supplies and Materials	210,000	210,000	118,995	(91,005)
	413,500	413,500	242,693	(170,807)
Street and Maintenance				
Salaries and Wages	1,120,601	1,120,601	1,089,022	(31,579)
Benefits	229,620	229,620	196,694	(32,926)
Contractual Services	58,600	58,600	55,816	(2,784)
Supplies and Materials	112,000	112,000	99,057	(12,943)
	1,520,821	1,520,821	1,440,589	(80,232)

**CITY OF PARK RIDGE, ILLINOIS**

**General Fund**

**Schedule of Expenditures - Budget and Actual - Continued**

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Public Works - Continued				
Sidewalk Maintenance				
Supplies and Materials	\$ 3,000	3,000	1,622	(1,378)
Parking				
Contractual Services	146,950	147,016	107,764	(39,252)
Supplies and Materials	10,000	10,000	2,146	(7,854)
	156,950	157,016	109,910	(47,106)
City Buildings Maintenance				
Salaries and Wages	174,227	174,227	168,709	(5,518)
Benefits	52,950	52,950	51,321	(1,629)
Contractual Services	300,000	300,000	259,487	(40,513)
Supplies and Materials	42,000	40,000	27,441	(12,559)
	569,177	567,177	506,958	(60,219)
Forestry				
Salaries and Wages	152,395	152,395	136,477	(15,918)
Benefits	17,922	17,922	16,268	(1,654)
Contractual Services	683,000	670,200	543,108	(127,092)
Supplies and Materials	142,000	142,000	132,061	(9,939)
	995,317	982,517	827,914	(154,603)
Grounds Maintenance				
Salaries and Wages	239,612	239,612	201,231	(38,381)
Benefits	55,638	55,638	52,271	(3,367)
Contractual Services	111,000	121,000	90,290	(30,710)
Supplies and Materials	40,000	30,000	21,197	(8,803)
	446,250	446,250	364,989	(81,261)
Vehicles Maintenance				
Salaries and Wages	492,237	492,237	482,885	(9,352)
Benefits	114,743	119,543	99,814	(19,729)
Contractual Services	130,000	128,577	108,116	(20,461)
Supplies and Materials	480,000	481,423	412,334	(69,089)
	1,216,980	1,221,780	1,103,149	(118,631)
Total Public Works	6,775,656	6,975,962	6,018,188	(957,774)

**CITY OF PARK RIDGE, ILLINOIS****General Fund****Schedule of Expenditures - Budget and Actual - Continued****For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Development				
Administration				
Salaries and Wages	\$ 1,159,580	1,159,580	1,093,162	(66,418)
Benefits	198,879	198,879	167,950	(30,929)
Contractual Services	172,500	172,750	117,832	(54,918)
Supplies and Materials	10,000	10,000	9,833	(167)
Total Development	1,540,959	1,541,209	1,388,777	(152,432)
Capital Outlay	911,540	911,540	1,952,570	1,041,030
Debt Service				
Principal Retirement	—	—	427,426	427,426
Total Expenditures	38,228,409	38,865,859	37,982,537	(883,322)

**CITY OF PARK RIDGE, ILLINOIS**

**Nonmajor Governmental Funds  
Combining Balance Sheet  
December 31, 2023**

	Special Revenue	Debt Service	Capital Projects Capital Improvement and Equipment	Totals
<b>ASSETS</b>				
Cash and Investments	\$ 5,883,349	26,688	4,437,092	10,347,129
Receivables - Net of Allowances				
Property Taxes	901,521	—	—	901,521
Intergovernmental	162,195	—	—	162,195
Total Assets	6,947,065	26,688	4,437,092	11,410,845
<b>LIABILITIES</b>				
Accounts Payable	59,678	—	425,124	484,802
Due to Other Funds	71,729	—	—	71,729
Total Liabilities	131,407	—	425,124	556,531
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property Taxes	818,716	—	—	818,716
Total Liabilities and Deferred Inflows of Resources	950,123	—	425,124	1,375,247
<b>FUND BALANCES</b>				
Restricted	5,996,942	26,688	4,011,968	10,035,598
Total Liabilities, Deferred Inflows of Resources and Fund Balances	6,947,065	26,688	4,437,092	11,410,845

**CITY OF PARK RIDGE, ILLINOIS**

**Nonmajor Governmental Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

**For the Fiscal Year Ended December 31, 2023**

	Special Revenue	Debt Service	Capital Projects Capital Improvement and Equipment	Totals
Revenues				
Taxes	\$ 1,476,251	—	—	1,476,251
Intergovernmental	1,711,612	—	—	1,711,612
Fines and Forfeitures	259	—	—	259
Investment Income	181,931	—	90,826	272,757
Miscellaneous	87,279	—	—	87,279
Total Revenues	3,457,332	—	90,826	3,548,158
Expenditures				
General Government	798,356	—	—	798,356
Public Safety	161,377	—	—	161,377
Public Works	2,134,039	—	—	2,134,039
Development	23,944	—	—	23,944
Capital Outlay	—	—	1,301,531	1,301,531
Debt Service				
Principal Retirement	—	2,805,000	—	2,805,000
Interest and Fiscal Charges	—	122,226	—	122,226
Total Expenditures	3,117,716	2,927,226	1,301,531	7,346,473
Excess (Deficiency) of Revenues Over (Under) Expenditures	339,616	(2,927,226)	(1,210,705)	(3,798,315)
Other Financing Sources (Uses)				
Transfers In	164,489	2,927,226	4,311,383	7,403,098
Transfers Out	(71,933)	—	—	(71,933)
	92,556	2,927,226	4,311,383	7,331,165
Net Change in Fund Balances	432,172	—	3,100,678	3,532,850
Fund Balances - Beginning	5,564,770	26,688	911,290	6,502,748
Fund Balances - Ending	5,996,942	26,688	4,011,968	10,035,598

**CITY OF PARK RIDGE, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Balance Sheet**

**December 31, 2023**

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**See Following Page**

**CITY OF PARK RIDGE, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Balance Sheet**

**December 31, 2023**

	Dempster Tax Increment Financing	Special Service Area
<b>ASSETS</b>		
Cash and Investments	\$ 1,217,785	—
Receivables - Net of Allowances		
Property Taxes	—	71,933
Intergovernmental	—	—
Total Assets	1,217,785	71,933
<b>LIABILITIES</b>		
Accounts Payable	—	—
Due to Other Funds	—	71,729
Total Liabilities	—	71,729
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes	—	—
Total Liabilities and Deferred Inflows of Resources	—	71,729
<b>FUND BALANCES</b>		
Restricted	1,217,785	204
Total Liabilities, Deferred Inflows of Resources and Fund Balances	1,217,785	71,933

Motor Fuel Tax	Illinois Municipal Retirement	FICA	Foreign Fire Insurance	Asset Forfeiture	Totals
3,267,754	433,477	676,796	130,620	156,917	5,883,349
—	130,952	698,636	—	—	901,521
154,776	7,419	—	—	—	162,195
3,422,530	571,848	1,375,432	130,620	156,917	6,947,065
59,678	—	—	—	—	59,678
—	—	—	—	—	71,729
59,678	—	—	—	—	131,407
—	128,036	690,680	—	—	818,716
59,678	128,036	690,680	—	—	950,123
3,362,852	443,812	684,752	130,620	156,917	5,996,942
3,422,530	571,848	1,375,432	130,620	156,917	6,947,065

**CITY OF PARK RIDGE, ILLINOIS**

**Nonmajor Governmental - Special Revenue Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

**For the Fiscal Year Ended December 31, 2023**

	Dempster Tax Increment Financing	Special Service Area
Revenues		
Taxes	\$ 332,546	72,137
Intergovernmental	—	—
Fines and Forfeitures	—	—
Investment Income	35,634	—
Miscellaneous	—	—
Total Revenues	368,180	72,137
Expenditures		
General Government	—	—
Public Safety	—	—
Public Works	—	—
Development	11,093	—
Total Expenditures	11,093	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	357,087	72,137
Other Financing Sources (Uses)		
Transfers In	—	—
Transfers Out	—	(71,933)
	—	(71,933)
Net Change in Fund Balances	357,087	204
Fund Balances - Beginning	860,698	—
Fund Balances - Ending	1,217,785	204

Motor Fuel Tax	Illinois Municipal Retirement	FICA	Foreign Fire Insurance	Asset Forfeiture	Totals
—	311,959	658,889	100,720	—	1,476,251
1,711,612	—	—	—	—	1,711,612
—	—	—	—	259	259
109,967	9,022	20,664	1,395	5,249	181,931
87,279	—	—	—	—	87,279
1,908,858	320,981	679,553	102,115	5,508	3,457,332
—	44,649	753,707	—	—	798,356
—	18,595	—	111,016	31,766	161,377
2,084,998	49,041	—	—	—	2,134,039
—	12,851	—	—	—	23,944
2,084,998	125,136	753,707	111,016	31,766	3,117,716
(176,140)	195,845	(74,154)	(8,901)	(26,258)	339,616
—	59,731	104,758	—	—	164,489
					(71,933)
—	59,731	104,758	—	—	92,556
(176,140)	255,576	30,604	(8,901)	(26,258)	432,172
3,538,992	188,236	654,148	139,521	183,175	5,564,770
3,362,852	443,812	684,752	130,620	156,917	5,996,942

**CITY OF PARK RIDGE, ILLINOIS****Dempster Tax Increment Financing - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Property Taxes	\$ 367,000	367,000	332,546	(34,454)
Investment Income	12	12	35,634	35,622
Total Revenues	367,012	367,012	368,180	1,168
Expenditures				
Development	1,000	12,000	11,093	(907)
Net Change in Fund Balance	366,012	355,012	357,087	2,075
Fund Balance - Beginning			860,698	
Fund Balance - Ending			1,217,785	

**CITY OF PARK RIDGE, ILLINOIS**

**Special Service Area - Special Revenue Fund**

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

**For the Eight Months Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Property Taxes	\$ —	—	72,137	72,137
Miscellaneous	162,327	162,327	—	(162,327)
Total Revenues	162,327	162,327	72,137	(90,190)
Expenditures				
Capital Outlay	—	—	—	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	162,327	162,327	72,137	(90,190)
Other Financing (Uses)				
Transfers Out	(162,327)	(162,327)	(71,933)	90,394
Net Change in Fund Balance	—	—	204	204
Fund Balance - Beginning			—	
Fund Balance - Ending			204	

**CITY OF PARK RIDGE, ILLINOIS****Motor Fuel Tax - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Intergovernmental				
Motor Fuel Tax Allotments	\$ 1,548,567	1,548,567	1,711,612	163,045
Investment Income	19,000	19,000	109,967	90,967
Miscellaneous	—	—	87,279	87,279
Total Revenues	1,567,567	1,567,567	1,908,858	341,291
Expenditures				
Public Works				
Contractual Services	1,900,000	2,154,822	2,084,998	(69,824)
Net Change in Fund Balance	<u>(332,433)</u>	<u>(587,255)</u>	(176,140)	<u>411,115</u>
Fund Balance - Beginning			<u>3,538,992</u>	
Fund Balance - Ending			<u>3,362,852</u>	

**CITY OF PARK RIDGE, ILLINOIS**

**Illinois Municipal Retirement Fund - Special Revenue Fund**

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

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Property Taxes	\$ 245,360	245,360	241,497	(3,863)
Replacement Taxes	52,500	52,500	70,462	17,962
Investment Income	—	—	9,022	9,022
Total Revenues	297,860	297,860	320,981	23,121
Expenditures				
General Government	177,067	177,067	44,649	(132,418)
Public Safety	73,745	73,745	18,595	(55,150)
Public Works	194,486	194,486	49,041	(145,445)
Development	50,966	50,966	12,851	(38,115)
Total Expenditures	496,264	496,264	125,136	(371,128)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(198,404)	(198,404)	195,845	394,249
Other Financing Sources				
Transfers In	153,731	153,731	59,731	(94,000)
Net Change in Fund Balance	(44,673)	(44,673)	255,576	300,249
Fund Balance - Beginning			188,236	
Fund Balance - Ending			443,812	

**CITY OF PARK RIDGE, ILLINOIS****FICA - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Charges for Services	\$ 669,428	669,428	658,889	(10,539)
Investment Income	—	—	20,664	20,664
Total Revenues	669,428	669,428	679,553	10,125
Expenditures				
General Government	1,028,984	1,028,984	753,707	(275,277)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(359,556)	(359,556)	(74,154)	285,402
Other Financing Sources				
Transfers In	294,758	294,758	104,758	(190,000)
Net Change in Fund Balance	(64,798)	(64,798)	30,604	95,402
Fund Balance - Beginning			654,148	
Fund Balance - Ending			684,752	

**CITY OF PARK RIDGE, ILLINOIS****Foreign Fire Insurance Tax - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Other Taxes	\$ 72,000	72,000	100,720	28,720
Investment Income	195	195	1,395	1,200
Total Revenues	72,195	72,195	102,115	29,920
Expenditures				
Public Safety	85,000	111,017	111,016	(1)
Net Change in Fund Balance	(12,805)	(38,822)	(8,901)	29,921
Fund Balance - Beginning			139,521	
Fund Balance - Ending			130,620	

**CITY OF PARK RIDGE, ILLINOIS****Asset Forfeiture - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Fines and Forfeitures	\$ —	—	259	259
Investment Income	—	—	5,249	5,249
Total Revenues	—	—	5,508	5,508
Expenditures				
Public Safety	128,000	154,413	31,766	(122,647)
Net Change in Fund Balance	<u>(128,000)</u>	<u>(154,413)</u>	(26,258)	<u>128,155</u>
Fund Balance - Beginning			<u>183,175</u>	
Fund Balance - Ending			<u>156,917</u>	

**CITY OF PARK RIDGE, ILLINOIS**

**Nonmajor Governmental - Debt Service Funds**

**Combining Balance Sheet**

**December 31, 2023**

	2015A General Obligation Refunding Bond	2021A General Obligation Refunding Bond	Totals
<b>ASSETS</b>			
Cash and Investments	\$ —	26,688	26,688
<b>FUND BALANCES</b>			
Restricted	—	26,688	26,688

**CITY OF PARK RIDGE, ILLINOIS**

**Nonmajor Governmental - Debt Service Funds**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

**For the Fiscal Year Ended December 31, 2023**

	2015A General Obligation Refunding Bond	2021A General Obligation Refunding Bond	Totals
Revenues			
Taxes	\$ —	—	—
Expenditures			
Debt Service			
Principal Retirement	1,360,000	1,445,000	2,805,000
Interest and Fiscal Charges	91,950	30,276	122,226
Total Expenditures	1,451,950	1,475,276	2,927,226
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,451,950)	(1,475,276)	(2,927,226)
Other Financing Sources			
Transfers In	1,451,950	1,475,276	2,927,226
Net Change in Fund Balances	—	—	—
Fund Balances - Beginning	—	26,688	26,688
Fund Balances - Ending	—	26,688	26,688

**CITY OF PARK RIDGE, ILLINOIS**

**2015A General Obligation Refunding Bond - Debt Service Fund**

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

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Property Taxes	\$ —	—	—	—
Expenditures				
Debt Service				
Principal Retirement	1,360,000	1,360,000	1,360,000	—
Interest and Fiscal Charges	91,950	91,950	91,950	—
Total Expenditures	1,451,950	1,451,950	1,451,950	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,451,950)	(1,451,950)	(1,451,950)	—
Other Financing Sources				
Transfers In	1,451,950	1,451,950	1,451,950	—
Net Change in Fund Balance	—	—	—	—
Fund Balance - Beginning			—	
Fund Balance - Ending			—	

**CITY OF PARK RIDGE, ILLINOIS**

**2021A General Obligation Refunding Bond - Debt Service Fund**

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

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Property Taxes	\$ —	—	—	—
Expenditures				
Debt Service				
Principal Retirement	1,445,000	1,445,000	1,445,000	—
Interest and Fiscal Charges	30,276	30,276	30,276	—
Total Expenditures	1,475,276	1,475,276	1,475,276	—
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,475,276)	(1,475,276)	(1,475,276)	—
Other Financing Sources				
Transfers In	1,475,276	1,475,276	1,475,276	—
Net Change in Fund Balance	—	—	—	—
Fund Balance - Beginning			26,688	
Fund Balance - Ending			26,688	

**CITY OF PARK RIDGE, ILLINOIS****Capital Improvement and Equipment - Capital Projects Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Investment Income	\$ —	—	90,826	90,826
Expenditures				
Capital Outlay	4,580,000	5,208,155	1,301,531	(3,906,624)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,580,000)	(5,208,155)	(1,210,705)	3,997,450
Other Financing Sources				
Transfers In	4,377,327	4,401,777	4,311,383	(90,394)
Net Change in Fund Balance	<u>(202,673)</u>	<u>(806,378)</u>	3,100,678	<u>3,907,056</u>
Fund Balance - Beginning			<u>911,290</u>	
Fund Balance - Ending			<u>4,011,968</u>	

**CITY OF PARK RIDGE, ILLINOIS**

**Water - Enterprise Fund**

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

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Operating Revenues				
Charges for Services	\$ 11,559,500	11,559,500	10,679,615	(879,885)
Operating Expenses				
Administration	233,598	233,598	294,853	61,255
Water Supply and Treatment	6,338,000	6,374,408	6,361,015	(13,393)
Water Main Services	3,270,865	3,700,805	3,659,621	(41,184)
Water Meter Services	305,270	286,613	275,189	(11,424)
Less: Capitalized Assets	—	—	(2,337,843)	(2,337,843)
Depreciation	—	—	1,115,313	1,115,313
Total Operating Expenses	10,147,733	10,595,424	9,368,148	(1,227,276)
Operating Income	1,411,767	964,076	1,311,467	347,391
Nonoperating Revenues (Expenses)				
Investment Income	1,450	1,450	43,945	42,495
Other Income	12,000	12,000	23,474	11,474
Interest Expense	(76,225)	(76,225)	(74,350)	1,875
	(62,775)	(62,775)	(6,931)	55,844
Income before Transfers	1,348,992	901,301	1,304,536	403,235
Transfers Out	(1,365,995)	(1,365,995)	(1,365,995)	—
Change in Net Position	(17,003)	(464,694)	(61,459)	403,235
Net Position - Beginning			26,028,956	
Net Position - Ending			25,967,497	

**CITY OF PARK RIDGE, ILLINOIS**

**Water - Enterprise Fund**

**Schedule of Expenses - Budget and Actual**

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Operating Expenses				
Administration				
Salaries and Wages	\$ 95,445	95,445	94,821	(624)
Benefits	35,403	35,403	98,927	63,524
Contractual Services	102,750	102,750	101,105	(1,645)
	233,598	233,598	294,853	61,255
Water Supply and Treatment				
Contractual Services	6,318,000	6,356,949	6,351,831	(5,118)
Supplies and Materials	20,000	17,459	9,184	(8,275)
	6,338,000	6,374,408	6,361,015	(13,393)
Water Main Services				
Salaries and Wages	909,689	899,228	857,816	(41,412)
Benefits	121,176	139,119	135,847	(3,272)
Supplies and Materials	2,240,000	2,662,458	2,665,958	3,500
	3,270,865	3,700,805	3,659,621	(41,184)
Water Meter Services				
Contractual Services	94,500	94,500	85,394	(9,106)
Supplies and Materials	210,770	192,113	189,795	(2,318)
	305,270	286,613	275,189	(11,424)
Less: Capitalized Assets	—	—	(2,337,843)	(2,337,843)
Depreciation	—	—	1,115,313	1,115,313
Total Operating Expenses	10,147,733	10,595,424	9,368,148	(1,227,276)

**CITY OF PARK RIDGE, ILLINOIS**

**Sewer - Enterprise Fund**

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

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Operating Revenues				
Charges for Services	\$ 2,184,000	2,184,000	2,102,966	(81,034)
Operating Expenses				
Operations				
Salaries and Wages	587,030	578,243	585,608	7,365
Benefits	89,932	98,719	21,664	(77,055)
Contractual Services	260,000	288,000	61,582	(226,418)
Supplies and Materials	1,041,590	1,063,590	692,766	(370,824)
Less: Capitalized Assets	—	—	(530,227)	(530,227)
Depreciation	—	—	439,398	439,398
Total Operating Expenses	1,978,552	2,028,552	1,270,791	(757,761)
Operating Income	205,448	155,448	832,175	676,727
Nonoperating Revenues (Expenses)				
Investment Income	12,000	12,000	113,600	101,600
Interest Expense	(29,476)	(29,476)	(29,259)	217
	(17,476)	(17,476)	84,341	101,817
Income before Transfers	187,972	137,972	916,516	778,544
Transfers Out	(317,498)	(317,498)	(317,498)	—
Change in Net Position	(129,526)	(179,526)	599,018	778,544
Net Position - Beginning			17,933,619	
Net Position - Ending			18,532,637	

**CITY OF PARK RIDGE, ILLINOIS**

**Internal Service Funds**

**Combining Statement of Net Position**

**December 31, 2023**

	Technology Replacement	Motor Equipment Replacement	Employee Benefits	Totals
<b>ASSETS</b>				
Current Assets				
Cash and Investments	\$ 517,005	2,980,736	790,546	4,288,287
Receivables - Net of Allowances				
Accounts	—	49,001	—	49,001
Deposits	—	—	1,158,519	1,158,519
Total Current Assets	517,005	3,029,737	1,949,065	5,495,807
Noncurrent Assets				
Capital Assets				
Nondepreciable	—	87,246	—	87,246
Depreciable	420,052	9,937,993	—	10,358,045
Accumulated Depreciation	(405,807)	(5,487,388)	—	(5,893,195)
Total Noncurrent Assets	14,245	4,537,851	—	4,552,096
Total Assets	531,250	7,567,588	1,949,065	10,047,903
<b>LIABILITIES</b>				
Current Liabilities				
Accounts Payable	41,888	7,350	—	49,238
<b>NET POSITION</b>				
Investment in Capital Assets	14,245	4,537,851	—	4,552,096
Unrestricted	475,117	3,022,387	1,949,065	5,446,569
Total Net Position	489,362	7,560,238	1,949,065	9,998,665

# CITY OF PARK RIDGE, ILLINOIS

## Internal Service Funds

### Combining Statement of Revenues, Expenses and Changes in Net Position

For the Fiscal Year Ended December 31, 2023

	Technology Replacement	Motor Equipment Replacement	Employee Benefits	Totals
Operating Revenues				
Charges for Services	\$ 65,000	1,058,900	4,482,538	5,606,438
Operating Expenses				
Operations	281,680	—	4,377,647	4,659,327
Depreciation	8,583	743,645	—	752,228
Total Operating Expenses	290,263	743,645	4,377,647	5,411,555
Operating Income (Loss)	(225,263)	315,255	104,891	194,883
Nonoperating Revenues				
Investment Income	19,791	82,272	26,012	128,075
Disposal of Capital Assets	—	88,536	—	88,536
	19,791	170,808	26,012	216,611
Change in Net Position	(205,472)	486,063	130,903	411,494
Net Position - Beginning	694,834	7,074,175	1,818,162	9,587,171
Net Position - Ending	489,362	7,560,238	1,949,065	9,998,665

# CITY OF PARK RIDGE, ILLINOIS

## Internal Service Funds

### Combining Statements of Cash Flows

For the Fiscal Year Ended December 31, 2023

	Technology Replacement	Motor Equipment Replacement	Employee Benefits	Totals
Cash Flows from Operating Activities				
Interfund Services Provided	\$ 69,286	1,009,899	4,403,254	5,482,439
Payments to Suppliers	(248,525)	(12,500)	(4,405,829)	(4,666,854)
	(179,239)	997,399	(2,575)	815,585
Cash Flows from Capital and Related Financing Activities				
Purchase of Capital Assets	—	(798,132)	—	(798,132)
Disposal of Capital Assets	—	113,463	—	113,463
	—	(684,669)	—	(684,669)
Cash Flows from Investing Activities				
Investment Income	19,791	82,272	26,012	128,075
Net Change in Cash and Cash Equivalents	(159,448)	395,002	23,437	258,991
Cash and Cash Equivalents - Beginning	676,453	2,585,734	767,109	4,029,296
Cash and Cash Equivalents - Ending	517,005	2,980,736	790,546	4,288,287
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating (Loss)	(225,263)	315,255	104,891	194,883
Adjustments to Reconcile Operating Income to Net Cash Provided by (Used in) Operating Activities				
Depreciation	8,583	743,645	—	752,228
(Increase) Decrease in Current Assets	4,286	(49,001)	(79,284)	(123,999)
Increase (Decrease) in Current Liabilities	33,155	(12,500)	(28,182)	(7,527)
Net Cash Provided by Operating Activities	(179,239)	997,399	(2,575)	815,585

**CITY OF PARK RIDGE, ILLINOIS****Technology Replacement - Internal Service Fund****Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Operating Revenues				
Charges for Services	\$ 65,000	65,000	65,000	—
Operating Expenses				
Operations				
Contractual Services	—	108,872	65,368	(43,504)
Supplies and Materials	345,495	395,793	216,312	(179,481)
Depreciation	—	—	8,583	8,583
Total Operating Expenses	345,495	504,665	290,263	(214,402)
Operating (Loss)	(280,495)	(439,665)	(225,263)	214,402
Nonoperating Revenues				
Investment Income	—	—	19,791	19,791
Change in Net Position	<u>(280,495)</u>	<u>(439,665)</u>	(205,472)	<u>234,193</u>
Net Position - Beginning			<u>694,834</u>	
Net Position - Ending			<u>489,362</u>	

**CITY OF PARK RIDGE, ILLINOIS**

**Motor Equipment Replacement - Internal Service Fund**

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

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Operating Revenues				
Charges for Services	\$ 1,058,900	1,058,900	1,058,900	—
Operating Expenses				
Operations				
Other	1,182,500	1,374,411	—	(1,374,411)
Depreciation	—	—	743,645	743,645
Total Operating Expenses	1,182,500	1,374,411	743,645	(630,766)
Operating Income (Loss)	(123,600)	(315,511)	315,255	630,766
Nonoperating Revenues				
Investment Income	4,200	4,200	82,272	78,072
Disposal of Capital Assets	—	—	88,536	88,536
	4,200	4,200	170,808	166,608
Change in Net Position	<u>(119,400)</u>	<u>(311,311)</u>	486,063	<u>797,374</u>
Net Position - Beginning			<u>7,074,175</u>	
Net Position - Ending			<u>7,560,238</u>	

**CITY OF PARK RIDGE, ILLINOIS****Employee Benefits - Internal Service Fund****Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual****For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Operating Revenues				
Contributions				
Employer	\$ 3,710,670	3,710,670	3,498,430	(212,240)
Employee	1,095,870	1,095,870	984,108	(111,762)
Total Operating Revenues	4,806,540	4,806,540	4,482,538	(324,002)
Operating Expenses				
Operations				
Benefits	4,811,040	4,811,040	4,377,647	(433,393)
Operating Income (Loss)	(4,500)	(4,500)	104,891	109,391
Nonoperating Revenues				
Investment Income	—	—	26,012	26,012
Change in Net Position	<u>(4,500)</u>	<u>(4,500)</u>	130,903	<u>135,403</u>
Net Position - Beginning			<u>1,818,162</u>	
Net Position - Ending			<u>1,949,065</u>	

**CITY OF PARK RIDGE, ILLINOIS****Pension Trust Funds****Combining Statement of Fiduciary Net Position****December 31, 2023**

	Police Pension	Firefighters' Pension	Totals
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 1,730,334	377,945	2,108,279
Investments			
Illinois Police Officers' Pension Investment Fund	65,878,622	—	65,878,622
Illinois Firefighters' Pension Investment Fund	—	59,231,171	59,231,171
Due from Municipality	29,206	25,414	54,620
Due from Members	—	7,817	7,817
Prepays	—	660	660
Total Assets	67,638,162	59,643,007	127,281,169
<b>LIABILITIES</b>			
Accounts Payable	1,240	8,210	9,450
<b>NET POSITION</b>			
Net Position Restricted for Pensions	67,636,922	59,634,797	127,271,719

# CITY OF PARK RIDGE, ILLINOIS

## Pension Trust Funds

### Combining Statement of Changes in Fiduciary Net Position

For the Fiscal Year Ended December 31, 2023

	Police Pension	Firefighters' Pension	Totals
Additions			
Contributions - Employer	\$ 2,566,049	2,245,514	4,811,563
Contributions - Plan Members	565,763	497,973	1,063,736
Total Contributions	3,131,812	2,743,487	5,875,299
Investment Income			
Interest Earned	537,918	978,176	1,516,094
Net Change in Fair Value	8,904,850	6,946,527	15,851,377
	9,442,768	7,924,703	17,367,471
Less Investment Expenses	(83,808)	(60,162)	(143,970)
Net Investment Income	9,358,960	7,864,541	17,223,501
Total Additions	12,490,772	10,608,028	23,098,800
Deductions			
Administration	57,014	59,665	116,679
Benefits and Refunds	4,698,014	3,998,224	8,696,238
Total Deductions	4,755,028	4,057,889	8,812,917
Change in Fiduciary Net Position	7,735,744	6,550,139	14,285,883
Net Position Restricted for Pensions			
Beginning	59,901,178	53,084,658	112,985,836
Ending	67,636,922	59,634,797	127,271,719

**CITY OF PARK RIDGE, ILLINOIS**

**Component Unit - Park Ridge Public Library**

**Statement of Net Position and Combining Balance Sheet - Governmental Funds**

**December 31, 2023**

	Library	Adjustments	Statement of Net Position
<b>ASSETS</b>			
Cash and Investments	\$ 4,712,454	—	4,712,454
Receivables - Net of Allowances			
Property Taxes	4,067,303	—	4,067,303
Replacement Taxes	20,058	—	20,058
Prepays	5,522	—	5,522
Capital Assets			
Nondepreciable	—	1,517,848	1,517,848
Depreciable	—	5,331,004	5,331,004
Accumulated Depreciation	—	(1,326,005)	(1,326,005)
Other Assets			
Net Pension Asset - IMRF	—	502,462	502,462
Total Assets	8,805,337	6,025,309	14,830,646
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Items - IMRF	—	1,030,012	1,030,012
Deferred Items - RBP	—	327,164	327,164
Total Deferred Outflows of Resources	—	1,357,176	1,357,176
Total Assets and Deferred Outflow of Resources	8,805,337	7,382,485	16,187,822
<b>LIABILITIES</b>			
Accounts Payable	330,444	—	330,444
Retainage Payable	28,177	—	28,177
Accrued Payroll	47,661	—	47,661
Compensated Absences Payable	—	199,089	199,089
Total OPEB Liability - RBP	—	842,857	842,857
Total Liabilities	406,282	1,041,946	1,448,228
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	4,018,662	—	4,018,662
Deferred Items - IMRF	—	169,563	169,563
Deferred Items - RBP	—	225,570	225,570
Total Deferred Inflows of Resources	4,018,662	395,133	4,413,795
Total Liabilities and Deferred Inflows of Resources	4,424,944	1,437,079	5,862,023
<b>FUND BALANCES/NET POSITION</b>			
Investment in Capital Assets	—	5,522,847	5,522,847
Nonspendable	5,522	(5,522)	—
Restricted - Illinois Municipal Retirement	—	502,462	502,462
Unassigned	4,374,871	(4,374,871)	—
Unrestricted	—	4,300,490	4,300,490
Total Fund Balances/Net Position	4,380,393	5,945,406	10,325,799
Total Liabilities, Deferred Inflows of Resources and Fund Balances/Net Position	8,805,337	7,382,485	16,187,822

**CITY OF PARK RIDGE, ILLINOIS**

**Component Unit - Park Ridge Public Library**

**Statement of Activities and Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds**

**For the Fiscal Year Ended December 31, 2023**

	Library	Adjustments	Statement of Activities
Revenues			
Taxes			
Property Taxes	\$ 4,050,800	—	4,050,800
Other Taxes	190,644	—	190,644
Intergovernmental	108,493	—	108,493
Charges for Services	5,953	—	5,953
Interest Income	133,405	—	133,405
Miscellaneous	332,817	—	332,817
Total Revenues	4,822,112	—	4,822,112
Expenditures			
Culture and Civic	4,293,947	(106,697)	4,187,250
Capital Outlay	523,011	(523,011)	—
Total Expenditures	4,816,958	(629,708)	4,187,250
Net Change in Fund Balances/Net Position	5,154	629,708	634,862
Fund Balances/Net Position - Beginning	4,375,239	5,315,698	9,690,937
Fund Balances/Net Position - Ending	4,380,393	5,945,406	10,325,799

**CITY OF PARK RIDGE, ILLINOIS**

**Component Unit - Park Ridge Public Library - Library Fund**

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

**For the Fiscal Year Ended December 31, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes				
Property Taxes	\$ 4,088,161	4,088,161	4,050,800	(37,361)
Replacement Taxes	214,500	214,500	190,644	(23,856)
Intergovernmental	108,500	108,500	108,493	(7)
Charges for Services	10,000	10,000	5,953	(4,047)
Interest Income	1,000	1,000	133,405	132,405
Miscellaneous	126,000	126,000	332,817	206,817
Total Revenues	4,548,161	4,548,161	4,822,112	273,951
Expenditures				
Culture and Civic				
Salaries and Wages	2,453,799	2,430,799	2,328,719	(102,080)
Benefits	655,266	678,266	582,949	(95,317)
Contractual Services	795,900	800,400	667,047	(133,353)
Supplies and Materials	759,000	786,825	715,232	(71,593)
Capital Outlay	340,000	729,008	523,011	(205,997)
Total Expenditures	5,003,965	5,425,298	4,816,958	(608,340)
Net Change in Fund Balance	(455,804)	(877,137)	5,154	882,291
Fund Balance - Beginning			4,375,239	
Fund Balance - Ending			4,380,393	

## **SUPPLEMENTAL SCHEDULES**

**CITY OF PARK RIDGE, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Refunding Bonds of 2014A**

**December 31, 2023**

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Date of Issue	August 5, 2014
Date of Maturity	December 1, 2025
Authorized Issue	\$7,590,000
Denomination of Bonds	\$5,000
Interest Rates	3.00% - 3.50%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Corporate Trust Services

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2024	\$ 770,000	53,725	823,725	2024	26,862	2024	26,863
2025	875,000	30,625	905,625	2025	15,312	2025	15,313
	<u>1,645,000</u>	<u>84,350</u>	<u>1,729,350</u>		<u>42,174</u>		<u>42,176</u>

**CITY OF PARK RIDGE, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Refunding Bonds of 2015A**

**December 31, 2023**

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Date of Issue	March 2, 2015
Date of Maturity	December 1, 2024
Authorized Issue	\$6,495,000
Denomination of Bonds	\$5,000
Interest Rate	3.00%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Wells Fargo Corporate Trust Services

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2024	<u>\$ 1,705,000</u>	<u>51,150</u>	<u>1,756,150</u>	2024	<u>25,575</u>	2024	<u>25,575</u>

**CITY OF PARK RIDGE, ILLINOIS**

**Long-Term Debt Requirements**

**General Obligation Refunding Bonds of 2021A**

**December 31, 2023**

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Date of Issue	December 1, 2021
Date of Maturity	December 1, 2024
Authorized Issue	\$4,375,000
Denomination of Bonds	\$100,000
Interest Rates	1.16%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Amalgamated Bank

**CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS**

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2024	<u>\$ 1,165,000</u>	<u>13,514</u>	<u>1,178,514</u>	2024	<u>6,757</u>	2024	<u>6,757</u>

# CITY OF PARK RIDGE, ILLINOIS

## Long-Term Debt Requirements General Obligation Bonds of 2021B December 31, 2023

Date of Issue	December 22, 2022
Date of Maturity	December 1, 2028
Authorized Issue	\$2,865,000
Denomination of Bonds	\$100,000
Interest Rates	0.35% - 1.60%
Interest Dates	June 1 and December 1
Principal Maturity Date	December 1
Payable at	Park Ridge Community Bank

### CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Requirements			Interest Due On			
	Principal	Interest	Totals	Jun. 1	Amount	Dec. 1	Amount
2024	\$ 405,000	26,876	431,876	2024	13,438	2024	13,438
2025	410,000	22,988	432,988	2025	11,494	2025	11,494
2026	410,000	18,272	428,272	2026	9,136	2026	9,136
2027	415,000	12,736	427,736	2027	6,368	2027	6,368
2028	420,000	6,720	426,720	2028	3,360	2028	3,360
	<u>2,060,000</u>	<u>87,592</u>	<u>2,147,592</u>		<u>43,796</u>		<u>43,796</u>

## **STATISTICAL SECTION (Unaudited)**

This part of the 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 says about the City's overall financial health.

### **Financial Trends**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

### **Revenue Capacity**

These schedules contain information to help the reader assess the City's most significant local revenue sources.

### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the government's ability to issue additional debt in the future.

### **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.

### **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.

**CITY OF PARK RIDGE, ILLINOIS**

**Net Position by Component - Last Ten Fiscal Years**  
**December 31, 2023 (Unaudited)**

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**See Following Page**

# CITY OF PARK RIDGE, ILLINOIS

## Net Position by Component - Last Ten Fiscal Years\* December 31, 2023 (Unaudited)

	4/30/2015	4/30/2016	4/30/2017
Governmental Activities			
Net Investment in Capital Assets	\$ 28,660,777	30,976,721	34,184,219
Restricted			
Road Construction	1,328,339	1,340,222	1,388,573
Public Safety	169,077	228,302	492,049
Economic Development	494,791	2,708,043	4,706,357
Debt Service	3,485,737	3,423,434	2,721,121
Employee Benefits	637,058	961,604	1,335,870
Municipal Waste Management	2,018,790	2,142,412	2,291,322
Special Service Areas	160,766	181,824	181,826
Farmer's Market	—	—	—
Illinois Municipal Retirement	—	—	—
Capital Outlay	—	—	125,060
Parking Lot Improvements	—	—	—
Unrestricted (Deficit)	11,449,540	(27,046,081)	(25,574,403)
Total Governmental Activities Net Position	48,404,875	14,916,481	21,851,994
Business-Type Activities			
Net Investment in Capital Assets	38,782,484	38,090,857	37,865,734
Restricted			
Parking Lot Improvements	—	—	339,927
Debt Service	—	369,666	—
Illinois Municipal Retirement	—	—	—
Unrestricted	6,700,333	7,387,998	8,995,220
Total Business-Type Activities Net Position	45,482,817	45,848,521	47,200,881
Primary Government			
Net Investment in Capital Assets	67,443,261	69,067,578	72,049,953
Restricted			
Road Construction	1,328,339	1,340,222	1,388,573
Public Safety	169,077	228,302	492,049
Economic Development	494,791	2,708,043	4,706,357
Debt Service	3,485,737	3,423,434	2,721,121
Employee Benefits	637,058	961,604	1,335,870
Municipal Waste Management	2,018,790	2,142,412	2,291,322
Social Service Areas	160,766	181,824	181,826
Farmer's Market	—	—	—
Illinois Municipal Retirement	—	—	—
Capital Outlay	—	—	125,060
Parking Lot Improvements	—	—	339,927
Unrestricted (Deficit)	18,149,873	(19,658,083)	(16,579,183)
Total Primary Government Net Position	93,887,692	60,395,336	69,052,875

Data Source: Audited Financial Statements

\* Accrual Basis of Accounting

4/30/2018	4/30/2019	4/30/2020	4/30/2021	12/31/2021	12/31/2022	12/31/2023
38,508,711	45,167,023	60,863,384	65,071,308	68,813,726	76,301,314	81,310,606
1,392,235	1,007,596	1,350,886	2,971,904	2,948,161	3,538,992	3,362,852
189,313	210,817	177,323	180,934	219,190	322,696	287,537
5,870,915	5,366,559	6,019,771	7,163,149	4,769,837	6,621,624	7,766,387
554,001	15,936	—	—	—	16,502	21,299
1,456,440	1,785,809	839,023	930,456	630,182	842,384	1,128,564
2,240,449	2,116,775	628,028	619,390	—	—	—
181,826	181,970	—	—	—	—	204
—	2,227	32	32	782	2,243	3,175
—	—	—	—	—	29,954	1,620,200
125,060	105,611	123,033	144,882	310,500	1,083,117	4,211,623
—	—	—	—	—	294,717	320,215
(26,026,241)	(25,426,142)	(35,800,353)	(33,357,198)	(28,181,855)	(16,980,344)	(13,019,847)
24,492,709	30,534,181	34,201,127	43,724,857	49,510,523	72,073,199	87,012,815
36,959,789	37,304,480	31,792,384	35,971,030	41,916,117	39,517,335	41,980,694
362,599	328,128	338,639	304,646	293,647	—	—
—	—	—	—	—	—	—
—	—	—	—	—	—	313,093
10,333,376	9,558,048	7,809,141	4,846,841	2,297,748	4,445,240	2,206,347
47,655,764	47,190,656	39,940,164	41,122,517	44,507,512	43,962,575	44,500,134
75,468,500	82,471,503	92,655,768	101,042,338	110,729,843	115,818,649	123,291,300
1,392,235	1,007,596	1,350,886	2,971,904	2,948,161	3,538,992	3,362,852
189,313	210,817	177,323	180,934	219,190	322,696	287,537
5,870,915	5,366,559	6,019,771	7,163,149	4,769,837	6,621,624	7,766,387
554,001	15,936	—	—	—	16,502	21,299
1,456,440	1,785,809	839,023	930,456	630,182	842,384	1,128,564
2,240,449	2,116,775	628,028	619,390	—	—	—
181,826	181,970	—	—	—	—	204
—	2,227	32	32	782	2,243	3,175
—	—	—	—	—	29,954	1,933,293
125,060	105,611	123,033	144,882	310,500	1,083,117	4,211,623
362,599	328,128	338,639	304,646	293,647	294,717	320,215
(15,692,865)	(15,868,094)	(27,991,212)	(28,510,357)	(25,884,107)	(12,535,104)	(10,813,500)
72,148,473	77,724,837	74,141,291	84,847,374	94,018,035	116,035,774	131,512,949

# CITY OF PARK RIDGE, ILLINOIS

## Changes in Net Position - Last Ten Fiscal Years\* December 31, 2023 (Unaudited)

	4/30/2015	4/30/2016	4/30/2017	4/30/2018	4/30/2019	4/30/2020	4/30/2021	12/31/2021	12/31/2022	12/31/2023
Expenses										
Governmental Activities										
General Government	\$ 8,552,790	8,437,112	6,334,349	9,792,283	6,665,877	9,182,764	8,998,593	5,051,422	4,670,230	5,140,635
Public Safety	16,291,480	19,352,987	19,897,207	19,736,859	18,129,261	22,927,444	17,243,825	10,648,077	21,230,698	22,066,905
Public Works	11,587,047	9,523,826	10,343,074	9,861,076	11,528,233	9,296,537	9,637,787	7,339,944	11,846,358	12,300,527
Development	1,652,471	1,789,000	1,629,028	1,321,964	2,905,924	1,813,348	1,979,922	1,298,526	1,645,319	2,760,131
Culture and Civic	288,781	464,436	443,744	230,813	240,911	138,683	—	—	—	—
Interest on Long-Term Debt	1,215,170	1,249,574	914,890	666,976	592,454	231,814	197,806	87,942	107,217	46,427
Total Governmental Activities Expenses	39,587,739	40,816,935	39,562,292	41,609,971	40,062,660	43,590,590	38,057,933	24,425,911	39,499,822	42,314,625
Business-Type Activities										
Water	7,333,827	7,746,069	7,069,448	8,138,728	8,204,336	7,877,896	8,114,327	6,617,789	9,648,437	9,442,498
Parking	305,156	270,049	312,531	285,651	369,860	308,490	268,439	90,315	—	—
Sewer	928,570	1,065,910	1,219,104	1,127,221	1,110,698	800,537	1,172,530	949,629	1,538,192	1,300,050
Total Business-Type Activities Expenses	8,567,553	9,082,028	8,601,083	9,551,600	9,684,894	8,986,923	9,555,296	7,657,733	11,186,629	10,742,548
Total Primary Government Expenses	48,155,292	49,898,963	48,163,375	51,161,571	49,747,554	52,577,513	47,613,229	32,083,644	50,686,451	53,057,173
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	3,752,651	3,494,625	3,711,183	3,624,315	2,895,265	2,719,907	2,486,524	2,201,082	2,610,119	1,483,356
Public Safety	1,781,357	1,856,958	1,695,182	1,530,303	1,485,648	1,284,277	1,070,244	1,018,947	1,810,738	2,491,580
Public Works	48,440	40,637	78,800	54,915	68,178	271,770	246,444	1,184,423	1,985,622	432,791
Development	—	—	—	—	—	972,704	1,123,467	898,481	967,778	1,105,732
Operating Grants/Contributions	1,423,023	1,088,399	1,025,286	1,583,463	1,061,186	1,455,245	2,962,880	1,484,321	7,474,498	1,870,142
Capital Grants/Contributions	—	—	—	—	1,346,738	—	95,468	503,159	128,597	300,000
Total Governmental Activities Program Revenues	7,005,471	6,480,619	6,510,451	6,792,996	6,857,015	6,703,903	7,985,027	7,290,413	14,977,352	7,683,601
Business-Type Activities										
Charges for Services										
Water	8,715,489	9,624,725	10,292,012	10,587,335	10,241,394	10,040,198	10,278,875	7,858,742	10,445,290	10,679,615
Parking	296,474	319,904	412,631	373,914	396,305	350,219	85,624	181,737	—	—
Sewer	1,942,239	1,914,646	1,962,897	1,948,882	2,001,647	1,887,681	1,945,621	1,495,251	1,920,662	2,102,966
Operating Grants/Contributions	(4,804)	—	—	—	—	—	—	—	—	—
Capital Grants/Contributions	1,226,896	—	—	—	—	—	—	615,743	325,248	—
Total Business-Type Activities Program Revenues	12,176,294	11,859,275	12,667,540	12,910,131	12,639,346	12,278,098	12,310,120	10,151,473	12,691,200	12,782,581
Total Primary Government Program Revenues	19,181,765	18,339,894	19,177,991	19,703,127	19,496,361	18,982,001	20,295,147	17,441,886	27,668,552	20,466,182

	4/30/2015	4/30/2016	4/30/2017	4/30/2018	4/30/2019	4/30/2020	4/30/2021	12/31/2021	12/31/2022	12/31/2023
Net (Expense) Revenue										
Governmental Activities	\$ (32,582,268)	(34,336,316)	(33,051,841)	(34,816,975)	(33,205,645)	(36,886,687)	(30,072,906)	(17,135,498)	(24,522,470)	(34,631,024)
Business-Type Activities	3,608,741	2,777,247	4,066,457	3,358,531	2,954,432	3,291,175	2,754,824	2,493,740	1,504,571	2,040,033
	(28,973,527)	(31,559,069)	(28,985,384)	(31,458,444)	(30,251,193)	(33,595,512)	(27,318,082)	(14,641,758)	(23,017,899)	(32,590,991)
Total Primary Government Net (Expense) Revenue										
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property	18,908,351	19,822,347	18,513,446	15,178,291	15,625,474	16,502,358	18,808,365	8,954,024	19,364,469	20,129,290
Replacement	444,419	351,268	454,818	435,192	416,925	424,546	535,764	491,333	1,471,420	1,113,139
Utility	2,415,595	2,177,482	2,350,314	2,354,592	2,420,399	2,280,086	2,377,305	1,666,034	2,892,707	2,556,005
Telecommunications	1,402,655	797,613	1,244,221	1,110,362	1,017,592	896,112	762,704	457,396	645,855	616,825
Property Transfer	676,625	916,523	783,966	726,620	772,605	818,051	888,105	813,034	906,360	688,996
Parking Garage	600,000	600,000	600,000	600,000	600,000	600,000	600,000	428,000	652,667	669,333
Other Taxes	1,847,958	1,911,141	2,072,863	1,806,790	2,991,831	3,818,674	3,591,875	3,149,726	5,134,508	5,294,548
Intergovernmental										
Income	3,564,951	4,399,922	3,533,908	3,410,456	3,877,504	3,687,469	4,549,410	3,308,262	6,511,717	6,376,124
Sales	6,149,374	6,275,786	6,326,783	6,640,263	6,930,814	5,462,252	5,758,819	4,230,492	6,851,293	7,293,326
Other Intergovernmental	451,382	465,447	460,348	505,894	516,026	—	—	—	—	—
Investment Income	7,017	21,334	117,666	198,550	454,194	346,528	32,827	4,787	402,110	2,227,738
Miscellaneous	1,258,004	2,175,010	763,180	1,552,621	1,425,159	280,508	100,176	120,544	147,275	921,823
Transfers	2,619,842	2,262,147	2,765,841	2,938,059	2,774,162	1,476,765	1,591,286	(876,685)	2,104,765	1,683,493
Total Governmental Activities	40,346,173	42,176,020	39,987,354	37,457,690	39,822,685	36,593,349	39,596,636	22,746,947	47,085,146	49,570,640
Business-Type Activities										
Investment Income	3,528	4,442	5,251	2,210	8,449	41,864	5,108	474	43,147	157,545
Miscellaneous	39,484	44,166	46,493	32,201	29,976	22,745	13,707	14,096	12,110	23,474
Transfers	(2,619,842)	(2,262,147)	(2,765,841)	(2,938,059)	(2,774,162)	(1,476,765)	(1,591,286)	876,685	(2,104,765)	(1,683,493)
Total Business-Type Activities	(2,576,830)	(2,213,539)	(2,714,097)	(2,903,648)	(2,735,737)	(1,412,156)	(1,572,471)	891,255	(2,049,508)	(1,502,474)
Total Primary Government General Revenues	37,769,343	39,962,481	37,273,257	34,554,042	37,086,948	35,181,193	38,024,165	23,638,202	45,035,638	48,068,166
Changes in Net Position										
Governmental Activities	7,763,905	7,839,704	6,935,513	2,640,715	6,617,040	(293,338)	9,523,730	5,611,449	22,562,676	14,939,616
Business-Type Activities	1,031,911	563,708	1,352,360	454,883	218,715	1,879,019	1,182,353	3,384,995	(544,937)	537,559
Total Primary Government Changes in Net Position	8,795,816	8,403,412	8,287,873	3,095,598	6,835,755	1,585,681	10,706,083	8,996,444	22,017,739	15,477,175

Data Source: Audited Financial Statements.

\* Accrual Basis of Accounting

**CITY OF PARK RIDGE, ILLINOIS**

**Fund Balances of Governmental Funds - Last Ten Fiscal Years\***  
**December 31, 2023 (Unaudited)**

	4/30/2015	4/30/2016	4/30/2017
General Fund			
Nonspendable	\$ 323,680	249,333	288,814
Restricted for			
Capital Outlay	—	—	125,060
Parking	—	—	—
Farmer's Market	—	—	—
Committed	—	—	192,348
Assigned	—	—	—
Unassigned	10,094,683	16,361,475	18,542,464
Total General Fund	10,418,363	16,610,808	19,148,686
All Other Governmental Funds			
Nonspendable	58,541	44,732	159,175
Restricted for			
Road Construction	1,328,339	1,340,222	1,388,573
Public Safety	169,077	228,302	340,190
Economic Development	494,791	2,708,043	4,706,357
Debt Service	1,615,187	1,994,293	1,825,719
Capital Projects	—	—	—
Municipal Waste	—	420,671	1,113,933
Employee Benefits	142,015	235,872	785,302
Special Service Areas	—	—	—
Unassigned	151,879	—	(261,432)
Total All Other Governmental Funds	3,959,829	6,972,135	10,057,817
Total Governmental Funds	14,378,192	23,582,943	29,206,503

Data Source: Audited Financial Statements

\*Modified Accrual Basis of Accounting

4/30/2018	4/30/2019	4/30/2020	4/30/2021	12/31/2021	12/31/2022	12/31/2023
490,689	576,079	286,839	290,678	566,034	698,304	1,482,907
125,060	105,611	123,033	144,882	155,003	171,827	199,655
—	—	—	—	—	294,717	320,215
—	2,227	32	32	782	2,243	3,175
192,348	147,773	301,247	330,730	237,732	122,014	22,706
—	14,338	14,378	16,366	13,557	2,073	—
20,984,798	20,049,177	18,357,690	19,845,392	21,415,687	30,779,237	34,275,508
21,792,895	20,895,205	19,083,219	20,628,080	22,388,795	32,070,415	36,304,166
46,018	97,803	—	53,463	—	56,249	—
1,392,235	1,007,596	1,350,886	2,971,904	2,948,161	3,538,992	3,362,852
189,313	210,817	177,323	180,934	219,190	322,696	287,537
5,870,915	5,366,559	6,019,771	7,163,149	4,769,837	6,621,624	7,766,387
492,591	165,399	28,183	—	—	26,688	26,688
—	—	—	—	155,497	911,290	4,011,968
1,509,496	719,385	628,028	619,390	—	—	—
1,277,580	1,000,963	839,023	930,456	630,182	842,384	1,128,564
—	181,970	—	—	—	—	204
(18,236)	(73,169)	(9,434)	—	(115,500)	(197,091)	(86,491)
10,759,912	8,677,323	9,033,780	11,919,296	8,607,367	12,122,832	16,497,709
32,552,807	29,572,528	28,116,999	32,547,376	30,996,162	44,193,247	52,801,875

# CITY OF PARK RIDGE, ILLINOIS

## Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years\* December 31, 2023 (Unaudited)

	4/30/2015	4/30/2016	4/30/2017
Revenues			
Property Taxes	\$ 16,964,039	21,331,637	20,251,873
Other Taxes	9,772,401	9,783,946	9,883,240
Licenses and Permits	3,756,561	3,547,151	3,652,478
Intergovernmental	9,270,689	9,822,827	8,218,674
Charges for Services	1,506,394	1,586,758	1,712,622
Fines and Forfeitures	687,622	713,292	640,975
Investment Income	7,017	21,334	117,666
Miscellaneous	927,819	76,430	217,135
Total Revenues	42,892,542	46,883,375	44,694,663
Expenditures			
General Government	7,853,932	7,423,471	7,214,532
Public Safety	16,313,366	17,394,546	17,352,352
Public Works	11,816,700	9,993,588	10,640,549
Development	1,652,471	1,818,648	1,614,874
Culture and Civic	484,090	464,436	443,744
Capital Outlay	—	—	—
Debt Service			
Principal Retirement	2,605,000	3,435,000	3,170,000
Interest and Fiscal Charges	1,812,614	1,140,167	1,218,823
Total Expenditures	42,538,173	41,669,856	41,654,874
Excess (Deficiency) of Revenues Over (Under) Expenditures	354,369	5,213,519	3,039,789
Other Financing Sources (Uses)			
Transfers In	6,460,921	3,784,752	3,788,812
Transfers Out	(3,841,079)	(1,522,605)	(1,022,971)
Bonds Issued	22,230,000	—	9,990,000
Bonds Premium	801,800	—	—
Payment to Bond Escrow Agent	(22,752,427)	—	(10,172,539)
Disposal of Capital Assets	—	1,729,085	769
	2,899,215	3,991,232	2,584,071
Net Change in Fund Balances	3,253,584	9,204,751	5,623,860
Debt Service as a Percentage of Noncapital Expenditures	11.10%	11.72%	10.84%

Data Source: Audited Financial Statements

\*Modified Accrual Basis of Accounting

4/30/2018	4/30/2019	4/30/2020	4/30/2021	12/31/2021	12/31/2022	12/31/2023
17,462,311	14,592,408	16,597,054	18,925,177	9,075,133	19,560,914	20,300,472
9,475,708	10,437,992	8,318,227	8,103,177	6,393,081	10,035,652	9,654,525
3,889,995	3,567,381	3,273,011	3,284,937	2,869,259	3,177,098	2,167,574
9,933,686	9,389,056	11,029,512	13,902,341	10,017,567	22,437,525	16,952,731
1,487,394	1,590,366	1,650,177	1,346,787	2,015,990	3,528,400	2,864,059
550,920	500,183	325,470	294,955	417,684	668,759	481,826
198,550	454,744	326,203	30,197	4,664	384,662	2,099,663
370,854	914,316	276,608	100,176	120,544	147,275	921,823
43,369,418	41,446,446	41,796,262	45,987,747	30,913,922	59,940,285	55,442,673
9,327,983	9,951,295	9,591,070	9,208,568	6,477,674	6,121,973	7,197,128
17,470,676	19,171,010	18,765,233	18,904,313	13,045,052	21,958,565	21,958,181
10,200,446	10,729,544	9,407,158	9,144,696	7,055,404	11,027,838	11,461,801
1,396,706	2,934,591	1,813,348	1,979,922	1,298,526	1,645,319	2,760,131
230,813	240,911	138,683	—	—	—	—
—	—	2,341,416	967,507	949,503	2,280,429	3,254,101
3,560,000	3,465,000	2,580,000	2,630,000	2,685,000	2,745,000	3,232,426
786,326	718,046	365,470	313,650	258,059	172,100	122,226
42,972,950	47,210,397	45,002,378	43,148,656	31,769,218	45,951,224	49,985,994
396,468	(5,763,951)	(3,206,116)	2,839,091	(855,296)	13,989,061	5,456,679
5,066,276	5,703,625	4,415,534	5,106,909	3,770,934	5,509,021	8,922,102
(2,128,217)	(2,929,463)	(2,938,769)	(3,515,623)	(4,647,619)	(6,300,997)	(7,238,609)
—	—	—	—	4,375,000	—	1,468,456
—	—	—	—	—	—	—
—	—	—	—	(4,375,000)	—	—
11,777	9,510	1,122	—	6,550	—	—
2,949,836	2,783,672	1,477,887	1,591,286	(870,135)	(791,976)	3,151,949
3,346,304	(2,980,279)	(1,728,229)	4,430,377	(1,725,431)	13,197,085	8,608,628
10.64%	9.18%	7.28%	7.38%	9.85%	6.73%	7.43%

**CITY OF PARK RIDGE, ILLINOIS****Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Tax Levy Years  
December 31, 2023 (Unaudited)**

Tax Levy Year	Residential Property	Commercial Property	Industrial Property	Total Real Property
2013	\$ 1,143,104,588	\$ 139,575,135	\$ 27,893,157	\$ 1,310,572,880
2014	1,150,054,131	173,848,283	662,237	1,324,564,651
2015	1,117,312,297	169,577,486	655,193	1,287,544,976
2016	1,355,700,713	178,345,314	603,078	1,534,649,105
2017	1,378,561,142	193,033,154	728,913	1,572,323,209
2018	1,344,063,776	186,639,730	397,545	1,531,101,051
2019	1,573,921,604	225,083,430	440,555	1,799,445,589
2020	1,560,179,175	230,048,830	460,947	1,790,688,952
2021	1,436,055,328	215,678,496	429,386	1,652,163,210
2022	1,771,078,787	225,060,339	393,504	1,996,532,630

Data Source: Office of the Cook County Clerk

Note: Property in the City is reassessed triennially. Property is assessed at 33% of actual value.

Railway Property	Total Taxable Assessed Value	Total Direct Tax Rate	Taxable Value	Percentage of Actual Value
\$ 1,039,750	\$ 1,311,612,630	1.0640	\$ 3,934,837,890	33.33%
1,083,917	1,325,648,568	1.2720	3,976,945,704	33.33%
1,300,198	1,288,845,174	1.3200	3,866,535,522	33.33%
1,322,833	1,535,971,938	1.0028	4,607,915,814	33.33%
1,349,491	1,573,672,700	0.8058	4,721,018,100	33.33%
1,449,579	1,532,550,630	0.8377	4,597,651,890	33.33%
1,581,945	1,801,027,534	0.7530	5,403,082,602	33.33%
1,649,009	1,792,337,961	0.8060	5,377,013,883	33.33%
1,649,009	1,653,812,219	0.8725	4,961,436,657	33.33%
1,967,704	1,998,500,334	0.7222	5,995,501,002	33.33%

**CITY OF PARK RIDGE, ILLINOIS****Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years  
December 31, 2023 (Unaudited)**

	4/30/2015	4/30/2016	4/30/2017
Direct Rates			
General Corporate	0.3110	0.3520	0.3520
Debt Service (Bond and Interest)	0.1040	0.2470	0.2390
Garbage	0.2700	0.2670	0.2800
Police Pension	0.1290	0.1440	0.1550
Fire Pension	0.1240	0.1320	0.1420
Illinois Municipal Retirement	0.0600	0.0640	0.0750
Social Security	0.0660	0.0660	0.0770
Total Direct Rate as Rounded by Cook County	1.0640	1.2720	1.3200
Overlapping Rates			
Park Ridge Public Library	0.2900	0.3650	0.3790
High School District 207	2.7220	2.7390	2.9010
Elementary School District 64	4.5720	4.6100	4.7880
Cook County	0.5600	0.5680	0.5520
Consolidated Elections	0.0310	—	0.0340
Cook County Forest Preserve	0.069	0.069	0.069
Water Reclamation District	0.417	0.430	0.426
Mosquito Abatement District	0.013	0.013	0.011
Maine Township*	0.120	0.119	0.124
Road and Bridge/Maine	0.061	0.062	0.065
General Assistance/Maine	0.029	0.029	0.031
Community College District 535	0.256	0.258	0.271
Recreation and Park District	0.5540	0.5590	0.5840
Total Overlapping Rates	9.6940	9.8210	10.2350
Total Tax Bill	10.7580	11.0930	11.5550

Data Source: Office of the County Clerk

## Notes:

\*Most of Park Ridge is located in Maine Township, but a portion of the City is in Leyden and Norwood Townships.

Excluded are the rates of the Special Service Areas in the City.

4/30/2018	4/30/2019	4/30/2020	4/30/2021	12/31/2021	12/31/2022	12/31/2023
0.2649	0.2198	0.2058	0.2240	0.2090	0.2618	0.2757
0.1556	0.0165	0.0171	—	—	—	—
0.1891	0.1846	0.1895	0.1670	0.1740	0.1942	0.1709
0.1411	0.1499	0.1625	0.1450	0.1800	0.1725	0.1228
0.1248	0.1378	0.1484	0.1330	0.1570	0.1578	0.1070
0.0594	0.0415	0.0590	0.0400	0.0410	0.0323	0.0123
0.0679	0.0557	0.0554	0.0440	0.0450	0.0539	0.0335
1.0028	0.8058	0.8377	0.7530	0.8060	0.8725	0.7222
0.3090	0.3600	0.2390	0.2230	0.2240	0.2480	0.2050
2.5070	2.5290	2.6520	2.5530	2.6390	2.9010	2.4590
4.0400	4.0140	4.2360	3.7200	3.7410	4.2950	3.7510
0.5330	0.4960	0.4890	0.4540	0.4530	0.4460	0.4310
—	0.0310	—	0.0300	—	0.0190	—
0.063	0.062	0.060	0.059	0.058	0.058	0.081
0.406	0.402	0.396	0.389	0.378	0.382	0.374
0.010	0.010	0.011	0.010	0.017	0.011	0.009
0.108	0.105	0.092	0.033	0.022	0.075	0.064
0.056	0.057	0.060	0.053	0.054	0.058	0.047
0.027	0.021	—	—	—	0.015	0.013
0.231	0.232	0.246	0.221	0.227	0.252	0.221
0.4950	0.4930	0.5120	0.4400	0.4490	0.4960	0.5170
8.7850	8.8120	8.9930	8.1850	8.2620	9.2560	8.1720
9.7878	9.6178	9.8307	8.9380	9.0680	10.1285	8.8942

**CITY OF PARK RIDGE, ILLINOIS**

**Principal Property Tax Payers - Current Fiscal Year and Nine Fiscal Years Ago  
December 31, 2023 (Unaudited)**

Taxpayer	Type of Business	2023				2014			
		Taxable Assessed		Percentage of Total City		Taxable Assessed		Percentage of Total City	
		Value	Rank	Value	Rank	Value	Rank	Value	Rank
Park Ridge Bldg LLC	Office building	\$ 10,915,117	1	0.55%	1	\$ 8,057,737	2	0.50%	
Park Ridge Bldg LLC	Special commercial structure	9,519,322	2	0.48%	2				
Imperial Realty Co	Two or three story building containing part or all retail and/or commercial space	9,188,304	3	0.46%	3	5,320,119	8	0.33%	
HSRE Park Ridge LLC	Special rental structure	8,023,446	4	0.40%	4				
Gale T. Landers	Special commercial structure	7,916,149	5	0.40%	5				
Uptown Station LLC	One story store	7,793,005	6	0.39%	6				
Crystal Landings	Commercial building	7,619,352	7	0.38%	7	6,788,305	4	0.43%	
Tau Operating Partners	Supermarket	6,812,475	8	0.34%	8	4,827,222	10	0.30%	
Dempster Development	Commercial buildings	6,320,917	9	0.32%	9				
Rushmore Village Green	Shopping Center	6,090,965	10	0.30%	10				
Advocate Health	Healthcare					9,227,143	1	0.58%	
Mid America Asset Mgmt	Retail/Commercial Properties					7,659,674	3	0.48%	
Tri Land Properties	Shopping Center					6,523,969	5	0.41%	
Cpts 1032	Supermarket					5,691,307	6	0.36%	
1300 Higgins Co Gnp	Commercial Property					5,515,558	7	0.35%	
Renaissance Northwest Hwy.	Commercial Property					4,986,161	9	0.31%	
Data Source: Cook County Clerk's Office		80,199,052		4.02%		64,597,195		4.05%	

Data Source: Cook County Clerk's Office

Note: Includes only those parcels with 2022 equalized assessed valuations of approximately \$100,000 and over as recorded in the County Assessor's Office, the most recent information available at the time of this report.

**CITY OF PARK RIDGE, ILLINOIS**

**Property Tax Levies and Collections - Last Ten Fiscal Years  
December 31, 2023 (Unaudited)**

Fiscal Year	Tax Levy Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
4/30/2015	2013	\$ 17,753,360	\$ 9,089,761	51.20%	8,431,532	\$ 17,521,293	98.69%
4/30/2016	2014	21,697,290	8,999,666	41.48%	12,492,356	21,492,022	99.05%
4/30/2017	2015	21,930,994	11,196,967	51.06%	10,654,362	21,851,329	99.64%
4/30/2018	2016	20,144,529	11,327,772	56.23%	8,721,822	20,049,594	99.53%
4/30/2019	2017	18,333,307	10,652,839	58.11%	7,540,336	18,193,175	99.24%
4/30/2020	2018	16,498,859	9,610,589	58.25%	6,140,688	15,751,277	95.47%
4/30/2021	2019	17,719,851	8,859,980	50.00%	8,781,580	17,641,560	99.56%
12/31/2021	2020	18,454,244	18,263,055	98.96%	—	18,263,055	98.96%
12/31/2022	2021	18,525,941	18,255,463	98.54%	—	18,255,463	98.54%
12/31/2023	2022	18,518,006	18,377,113	99.24%	—	18,377,113	99.24%

Data Source: Cook County Treasurer

## CITY OF PARK RIDGE, ILLINOIS

### Direct and Overlapping Sales Tax Rates - Last Ten Fiscal Years December 31, 2023 (Unaudited)

Fiscal Year	RTA Rate	City Direct Rate	City County Rate	State Rate	Total
4/30/2015	1.00%	1.00%	0.75%	6.25%	9.00%
4/30/2016	1.00%	1.00%	1.75%	6.25%	10.00%
4/30/2017	1.00%	1.00%	1.75%	6.25%	10.00%
4/30/2018	1.00%	1.00%	1.75%	6.25%	10.00%
4/30/2019	1.00%	1.00%	1.75%	6.25%	10.00%
4/30/2020	1.00%	1.00%	1.75%	6.25%	10.00%
4/30/2021	1.00%	1.00%	1.75%	6.25%	10.00%
12/31/2021	1.00%	1.00%	1.75%	6.25%	10.00%
12/31/2022	1.00%	1.00%	1.75%	6.25%	10.00%
12/31/2023	1.00%	1.00%	1.75%	6.25%	10.00%

Data Source: Illinois Tax Rate Finder

# CITY OF PARK RIDGE, ILLINOIS

## Ratios of Outstanding Debt by Type - Last Ten Fiscal Years December 31, 2023 (Unaudited)

Fiscal Year	Governmental Activities		Business-Type Activities		Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Subscriptions Payable	General Obligation Bonds				
4/30/2015	\$ 40,239,324	\$ —	\$ —		\$ 40,239,324	2.44%	\$ 1,072.73
4/30/2016	36,629,795	—	—		36,629,795	2.13%	970.15
4/30/2017	33,034,443	—	—		33,034,443	1.86%	881.01
4/30/2018	29,347,333	—	—		29,347,333	1.61%	782.72
4/30/2019	16,751,443	—	9,015,000		25,766,443	1.34%	691.90
4/30/2020	14,042,556	—	8,025,000		22,067,556	1.11%	597.23
4/30/2021	11,319,876	—	7,000,000		18,319,876	0.81%	461.97
12/31/2021	8,557,941	—	5,985,000		14,542,941	0.64%	374.72
12/31/2022	5,752,214	—	4,855,000		10,607,214	0.43%	273.31
12/31/2023	2,876,212	1,041,030	3,705,000		7,622,242	0.29%	199.13

Data Source: City Records

(1) Refer to the Schedule of Demographic and Economic Statistics for personal income and population data.

# CITY OF PARK RIDGE, ILLINOIS

## Ratio of General Bonded Debt Outstanding - Last Ten Fiscal Years December 31, 2023 (Unaudited)

Fiscal Year	General Obligation Bonds	Less: Amounts Available for Debt Service	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
4/30/2015	\$ 40,239,324	\$ 1,615,187	\$ 38,624,137	0.98%	\$ 1,029.67
4/30/2016	36,629,795	1,994,293	34,635,502	0.87%	917.33
4/30/2017	33,034,443	1,564,287	31,470,156	0.81%	839.29
4/30/2018	29,347,333	492,591	28,854,742	0.63%	769.58
4/30/2019	25,766,443	92,230	25,674,213	0.54%	689.43
4/30/2020	22,067,556	—	22,067,556	0.48%	597.23
4/30/2021	18,319,876	—	18,319,876	0.34%	461.97
12/31/2021	14,542,941	—	14,542,941	0.27%	374.72
12/31/2022	10,607,214	16,502	10,590,712	0.21%	272.89
12/31/2023	6,581,212	21,299	6,559,913	0.11%	171.38

Data Source: City Records

Notes:

(1) See the schedule of Assessed Estimated Actual Value of Taxable Property for property value data.

(2) Refer to the Schedule of Demographic and Economic Statistics for population data.

**CITY OF PARK RIDGE, ILLINOIS**

**Schedule of Direct and Overlapping Governmental Activities Debt  
December 31, 2023 (Unaudited)**

Governmental Unit	Gross Debt	Percentage of Debt Applicable to City*	City's Share of Debt
City of Park Ridge	\$ 3,917,242	100.000%	\$ 3,917,242
Overlapping Debt			
Cook County	2,093,131,750	1.084%	22,689,548
Cook County Forest Preserve	87,340,000	1.084%	946,766
Metropolitan Water Reclamation District	2,517,556,218 (1)	1.102%	27,743,470
Des Plaines Park District	4,224,000 (2)	1.584%	66,908
Golf Maine Park District	590,000	8.202%	48,392
Niles Park District	1,212,000 (2)(3)	0.018%	218
Park Ridge Park District	45,630,000	96.538%	44,050,289
School District #63	45,730,000	3.459%	1,581,801
School District #64	18,220,000	91.914%	16,746,731
School District #79	13,560,000	0.171%	23,188
High School District #207	151,240,000	32.173%	48,658,445
Community College #535	54,930,000	6.805%	3,737,987
Total Overlapping Debt	5,033,363,968		166,293,743
Total Direct and Overlapping Debt	5,037,281,210		170,210,985

Data Source: Offices of the Cook County Clerk and Revenue Departments and Treasurer of the Metropolitan Water Reclamation District.

Notes:

(1) Includes IEPA State Revolving Loan Fund Banks

(2) Excludes principal amounts of outstanding General Obligation (Alternate Revenue Source) Bonds which are expected to be paid from sources other than general taxation.

(3) Excludes outstanding debt certificates.

\*Determined by ratio of assessed valuation of property subject to taxation in the City to valuation of property subject to taxation in overlapping unit.

## **CITY OF PARK RIDGE, ILLINOIS**

### **Legal Debt Margin**

**December 31, 2023 (Unaudited)**

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The City is a home rule municipality.

Article VII, Section 6(k) of the 1970 Illinois constitution governs computation of legal debt margin.

The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by some 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 General Assembly has set no limits for home rule municipalities.

## CITY OF PARK RIDGE, ILLINOIS

### Demographic and Economic Statistics - Last Ten Fiscal Years December 31, 2023 (Unaudited)

Fiscal Year	Population	Total Personal Income	Per Capita Personal Income	Unemployment Rate
4/30/2015	37,511	\$ 1,650,596,533	\$ 44,003	5.50%
4/30/2016	37,757	1,723,040,695	45,635	4.40%
4/30/2017	37,496	1,771,573,512	47,247	4.90%
4/30/2018	37,494	1,824,270,570	48,655	3.90%
4/30/2019	37,240	1,929,329,920	51,808	3.00%
4/30/2020	36,950	1,986,912,350	53,773	2.90%
4/30/2021	39,656	2,260,471,312	57,002	8.10%
12/31/2021	38,810	2,288,936,180	58,978	4.30%
12/31/2022	38,810	2,447,203,360	63,056	3.60%
12/31/2023	38,278	2,670,464,670	69,765	3.30%

Data Source: U.S Census Bureau Quick Facts and Illinois Department of Employment Security.

# CITY OF PARK RIDGE, ILLINOIS

## Principal Employers - Current Fiscal Year and Nine Fiscal Years Ago December 31, 2023 (Unaudited)

Employer	Product/Service	2023			2014		
		Employees	Rank	Percentage of Total City Population	Employees	Rank	Percentage of Total City Population
Advocate Lutheran General Hospital	Hospital	4,500	1	11.76%	4,500	1	11.89%
Maine Township District 207	Public High Schools	920	2	2.40%	875	2	2.31%
Park Ridge Park District	Public Recreation Facilities & Programs	765	3	2.00%	479	4	1.27%
Park Ridge-Niles School District 64	Public School - Elementary	743	4	1.94%	763	3	2.02%
Koch Foods HQ	Poultry Producer	450	5	1.18%			
AMITA (Presence Resurrection) Health	Nursing and Rehabilitation Home	300	6	0.78%	300	6	0.79%
FM Global	Commercial Property Insurance	300	6	0.78%			
City of Park Ridge (Full-Time Equivalent)	City Government	296	7	0.77%	351	5	9.30%
Mariano's	Grocery	250	8	0.65%	250	7	0.66%
Peterson Technology Partners	Technical services	250	8	0.65%			
Advocate Medical Group - Nessel Center	Physicians	220	9	0.57%	200	8	0.53%
Avantara (St. Mathew's Center for Health)	Nursing and Rehabilitation Home	200	10	0.52%	200	8	0.53%
		9,194		24.00%	7,918		29.30%

\* Includes part-time and /or seasonal employees

Data Sources: Dun & Bradstreet, Official Employer Websites, Reference USA, Phone canvass.

Notes:

City of Park Ridge 2023 Estimated Population - 38,278

# CITY OF PARK RIDGE, ILLINOIS

## Full-time Equivalent Employees by Function - Last Ten Fiscal Years December 31, 2023 (Unaudited)

Function	4/30/2015	4/30/2016	4/30/2017	4/30/2018	4/30/2019	4/30/2020	4/30/2021	12/31/2021	12/31/2022	12/31/2023
General Government										
City Administration										
Part Time	0.50	0.50	0.50	—	—	—	—	—	—	—
Full Time	3.00	3.00	3.00	4.00	5.00	3.00	3.00	3.00	3.00	3.00
	3.50	3.50	3.50	4.00	5.00	3.00	3.00	3.00	3.00	3.00
Human Resources										
Part Time	0.50	0.50	0.50	0.50	0.50	—	—	—	—	—
Full Time	1.00	1.00	1.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00
	1.50	1.50	1.50	2.50	2.50	3.00	3.00	3.00	3.00	3.00
Information Technology										
Part Time	—	—	—	—	—	—	—	—	—	—
Full Time	3.00	2.00	—	—	—	—	—	—	—	—
	3.00	2.00	—	—	—	—	—	—	—	—
Community Preservation and Development										
Part Time	0.50	0.75	0.75	1.50	1.50	0.75	0.75	0.75	0.75	0.75
Full Time	12.00	13.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
	12.50	13.75	14.75	15.50	15.50	14.75	14.75	14.75	14.75	14.75
Finance										
Part Time	—	0.75	0.50	0.50	0.50	—	—	—	—	—
Full Time	12.00	12.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	12.00
	12.00	12.75	13.50	13.50	13.50	13.00	13.00	13.00	13.00	12.00
Total General Government	32.50	33.50	33.25	35.50	36.50	33.75	33.75	33.75	33.75	32.75
Public Safety										
Police										
Part Time	48.00	46.00	16.75	15.75	16.25	16.00	16.25	13.00	12.00	12.00
Full Time	65.00	65.00	65.00	69.00	69.00	69.00	69.00	70.00	70.00	70.00
	113.00	111.00	81.75	84.75	85.25	85.00	85.25	83.00	82.00	82.00
Fire										
Part Time	2.00	2.00	1.00	0.50	0.50	0.50	1.16	2.00	2.00	2.00
Full Time	49.00	49.00	49.00	52.00	52.00	52.00	51.00	51.00	51.00	51.00
	51.00	51.00	50.00	52.50	52.50	52.50	52.16	53.00	53.00	53.00
Total Public Safety	164.00	162.00	131.75	137.25	137.75	137.50	137.41	136.00	135.00	135.00
Public Works										
Part Time	1.00	1.00	—	—	0.50	0.50	0.50	0.50	0.50	0.50
Full Time	45.00	47.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00
Total Public Works	46.00	48.00	48.00	48.00	48.50	48.50	48.50	48.50	48.50	48.50
Library										
Part Time	57.00	56.00	53.00	53.00	48.00	52.00	52.00	52.00	43.00	43.00
Full Time	33.00	31.00	30.00	30.00	27.00	25.00	25.00	25.00	28.00	28.00
Total Library	90.00	87.00	83.00	83.00	75.00	77.00	77.00	77.00	71.00	71.00
Total Full-Time Equivalent Employees	332.50	330.50	296.00	303.75	297.75	296.75	296.66	295.25	288.25	287.25

Data Source: Human Resources headcount.

Notes:

For 2015-2017 headcounts used for Public Safety, Public Works, and Library

Beginning in 2017, Crossing Guards within the Police Department are reported as F.T.E., 2014-2016 crossing guards were reported at P.T. Headcount

Beginning in August 2022, crossing guard functions were outsourced

## CITY OF PARK RIDGE, ILLINOIS

### Operating Indicators by Function - Last Ten Fiscal Years December 31, 2023 (Unaudited)

Function/Program	4/30/2015	4/30/2016	4/30/2017
Public Safety			
Police			
Physical Arrests	506	456	376
Parking Violations	5,239	6,687	8,677
Traffic Citations	4,230	4,146	2,031
Fire			
Emergency Responses	4,718	4,684	4,950
Paramedic Responses	2,766	2,800	3,145
Fires Extinguished	33	38	39
Public Works			
Street Resurfacing (Miles)	4	4	4
Pothole Repairs (1)	178	275	228
Water			
Water Main Breaks	74	51	57

Data Source: Various City Departments

Notes:

(1) Per Ton of Cold Patch

4/30/2018	4/30/2019	4/30/2020	4/30/2021	12/31/2021	12/31/2022	12/31/2023
321	331	320	179	167	405	523
5,256	4,938	3,628	2,734	4,362	4,424	4,210
5,065	5,171	4,726	2,347	1,069	4,355	4,822
4,817	5,183	5,367	4,696	5,225	6,077	5,752
3,332	3,293	3,268	2,920	3,172	3,734	4,008
42	40	45	53	40	45	39
4	5	4	3	3	3	5
218	259	228	173	98	280	185
89	86	66	106	44	56	47

## CITY OF PARK RIDGE, ILLINOIS

### Capital Asset Statistics by Function - Last Ten Fiscal Years December 31, 2023 (Unaudited)

Function/Program	4/30/2015	4/30/2016	4/30/2017
Public Safety			
Police			
Stations	1	1	1
Area Patrols	5	5	5
Patrol Units	7	7	7
Fire			
Stations	2	2	2
Fire Engines	3	3	3
Public Works			
Miles of Streets	128	128	128
Streetlights*	1,591	1,582	1,696
Traffic Signals	51	51	51
Water			
Water Mains (Miles)	138	138	139
Fire Hydrants	1,577	1,577	1,577
Storage Capacity (Gallons)	15,200,000	15,200,000	15,000,000
Wastewater			
Miles of Sewers	135	135	135

Data Source: Various City Departments

Notes:

\*Beginning 2017, City owned parking lot lighting is also included

4/30/2018	4/30/2019	4/30/2020	4/30/2021	12/31/2021	12/31/2022	12/31/2023
1	1	1	1	1	1	1
5	5	5	5	5	5	5
7	7	7	7	7	7	7
2	2	2	2	2	2	2
3	3	3	3	3	3	3
128	128	128	129	129	129	129
1,696	1,702	1,702	1,895	1,895	1,895	1,895
51	51	52	52	52	52	52
139	156	156	163	163	163	163
1,577	1,577	1,577	1,568	1,568	1,568	1,568
15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
135	149	149	149	149	149	149

## **APPENDIX B**

### **BOOK-ENTRY SYSTEM**

The Depository Trust Company, New York, New York (“DTC”), will act as securities depository for the Bonds (the “Securities”). The Securities will be issued as fully registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Security certificate will be issued for each issue of the Securities, each in the aggregate principal amount of such issue, and will be deposited with DTC.

1. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has an S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

2. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC’s records. The ownership interest of each actual purchaser of each Security (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

3. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

4. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the bond registrar and request that copies of notices be provided directly to them.

5. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

6. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the Record Date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

7. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

8. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to any Tender/Remarketing Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to any Tender/Remarketing Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to any Tender/Remarketing Agent's DTC account.

9. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

10. The City may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

## APPENDIX C

### PROPOSED FORM OF OPINION OF BOND COUNSEL

\_\_\_\_\_, 2025

The City Council of the  
City of Park Ridge, Illinois

Dear Members:

We have examined a record of proceedings relating to the issuance of \$\_\_\_\_\_ principal amount of General Obligation Bonds, Series 2025 (the “Bonds”) of the City of Park Ridge, a municipal corporation and a home rule unit of the State of Illinois. The Bonds are authorized and issued pursuant to the provisions of Section 6 of Article VII of the Illinois Constitution of 1970, and by virtue of an ordinance adopted by the City Council of the City on May 19, 2025 and entitled: “Bond Ordinance Authorizing the Issuance of General Obligation Bonds, Series 2025, of the City of Park Ridge, Illinois” (the “Bond Ordinance”).

The Bonds are issuable in the form of fully registered bonds in the denominations of \$5,000 or any integral multiple thereof. The Bonds mature on December 1 in each of the following years in the respective principal amount set opposite each such year in the following table, and the Bonds maturing in each such year bear interest from their date payable on December 1, 2025 and semiannually thereafter on June 1 and December 1 of each year at the respective rate of interest per annum set forth opposite such year:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
-------------	-------------------------	----------------------

The Bonds maturing on or after December 1, 202\_\_ are subject to redemption prior to maturity at the option of the City, in such principal amounts and from such maturities as the City shall determine and by lot within a single maturity, on December 1, 20\_\_, and on any date thereafter, at a redemption price equal to the principal amount thereof to be redeemed.

In our opinion, the Bonds are valid and legally binding general obligations of the City of Park Ridge and the City is obligated to levy ad valorem taxes upon all the taxable property within the City for the payment of the Bonds and the interest thereon without limitation as to rate or amount. However,

the enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors' rights and remedies heretofore or hereafter enacted.

We are of the opinion that under existing law, interest on the Bonds is not includable in the gross income of the owners thereof for Federal income tax purposes. If there is continuing compliance with the requirements of the Internal Revenue Code of 1986 (the "Code"), we are of the opinion that interest on the Bonds will continue to be excluded from the gross income of the owners thereof for Federal income tax purposes. In addition, interest on the Bonds does not constitute an item of tax preference in computing alternative minimum taxable income for purposes of the individual alternative minimum tax. You are advised, however, that interest on the Bonds is included in computing the adjusted financial statement income of those corporations subject to the corporate alternative minimum tax.

The Code contains certain requirements that must be satisfied from and after the date hereof in order to preserve the exclusion from gross income for Federal income tax purposes of interest on the Bonds. These requirements relate to the use and investment of the proceeds of the Bonds, the payment of certain amounts to the United States, the security and source of payment of the Bonds and the use of the property financed with the proceeds of the Bonds. The City has covenanted in the Bond Ordinance to comply with these requirements.

Pursuant to the Bond Ordinance, the City has designated the Bonds as "qualified tax-exempt obligations" as defined in Section 265(b)(3)(B) of the Code.

Interest on the Bonds is not exempt from Illinois income taxes.

Very truly yours,

**APPENDIX D**

**EXCERPTS OF FISCAL YEAR 2023 AUDITED FINANCIAL STATEMENTS  
RELATING TO THE CITY'S PENSION PLANS**

## CITY OF PARK RIDGE, ILLINOIS

### Notes to the Financial Statements

December 31, 2023

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#### NOTE 4 - OTHER INFORMATION - Continued

##### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit 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. IMRF does issue a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org). The Police and Firefighters' Pension Plans also issue separate reports that may be obtained by writing the City at 505 Butler Place, Park Ridge, IL 60068. The benefits, benefit levels, employee contributions and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amounts recognized for the pension plans are:

	Pension Expense/ (Revenue)	Net Pension Liability/ (Asset)	Deferred Outflows	Deferred Inflows
IMRF - Regular	\$ (1,465,065)	(1,794,992)	3,679,610	605,747
IMRF - SLEP	(89,890)	(138,301)	37,180	—
Police Pension	3,118,367	28,936,729	3,813,692	1,601,930
Firefighters' Pension	2,032,452	21,236,182	2,144,812	2,939,251
	<u>3,595,864</u>	<u>48,239,618</u>	<u>9,675,294</u>	<u>5,146,928</u>

##### Illinois Municipal Retirement Fund (IMRF)

###### Plan Descriptions

*Plan Administration.* All employees (other than those covered by the Police and Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

*Benefits Provided.* IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

IMRF provides two tiers of pension benefits. Employees hired *before* January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

##### Illinois Municipal Retirement Fund (IMRF) - Continued

##### Plan Descriptions - Continued

*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 employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

*Sheriff's Law Enforcement Personnel.* SLEP members having accumulated at least 30 years of SLEP service and terminating IMRF on or after July 1, 1998, may elect to retire at or after age 50 with no early retirement discount penalty. SLEP members meeting these two qualifications are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 2.50% of their final rate of earnings, for each year of credited service up to 20 years, 2.00% of their final earnings rate for the next 10 years of credited service and 1.00% for each year thereafter. For those SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies. SLEP also provides death and disability benefits. These benefit provisions and all other requirements are established by State statutes.

*Plan Membership.* As of December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

	Regular	SLEP
Inactive Plan Members Currently Receiving Benefits	260	—
Inactive Plan Members Entitled to but not yet Receiving Benefits	162	—
Active Plan Members	137	1
Total	559	1

A detailed breakdown of IMRF membership for inactive members for the City and the Library is unavailable. The above numbers include all members.

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

##### Illinois Municipal Retirement Fund (IMRF) - Continued

##### Plan Descriptions - Continued

*Contributions.* As set by statute, the City's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended December 31, 2023, the City's and Library's contribution was 1.42% of covered payroll.

For the SLEP Plan, members are required to contribute 7.50% of their annual covered salary. For the year end December 31, 2023, the City's contribution was 12.05% of covered payroll.

*Net Pension (Asset).* The City's net pension (asset), for both the regular and SLEP plans, was measured as of December 31, 2023. The total pension liability used to calculate the net pension (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liabilities were determined by an actuarial valuation performed, as of December 31, 2023, using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	7.25%
Salary Increases	2.85% to 13.75%
Cost of Living Adjustments	2.75%
Inflation	2.25%

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

##### Illinois Municipal Retirement Fund (IMRF) - Continued

##### Plan Descriptions - Continued

*Actuarial Assumptions - Continued.* For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108.0%) and Female (adjusted 106.4%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	24.50%	4.75%
Domestic Equities	34.50%	5.00%
International Equities	18.00%	6.35%
Real Estate	10.50%	6.30%
Blended	11.50%	6.05% - 8.65%
Cash and Cash Equivalents	1.00%	3.80%

##### Discount Rate

The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. 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 City contributions will be made at rates equal to the difference between the 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 project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

##### Illinois Municipal Retirement Fund (IMRF) - 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 as well as what the City's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	Regular Plan		
	Current		
	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
City	\$ 4,777,952	(1,794,992)	(7,032,508)
Library	1,337,464	(502,462)	(1,968,568)
Net Pension Liability/(Asset)	6,115,416	(2,297,454)	(9,001,076)
	SLEP		
	Current		
	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Net Pension (Asset)	\$ (101,113)	(138,301)	(170,878)

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Changes in the Net Pension (Asset) - Regular Plan**

	City	Library	Totals
Total Pension Liability			
Service Cost	\$ 684,049	191,482	875,531
Interest	4,441,829	1,255,896	5,697,725
Differences Between Expected and Actual Experience	(863,542)	(241,726)	(1,105,268)
Change of Assumptions	(95,513)	(26,737)	(122,250)
Benefit Payments, Including Refunds of Member Contributions	(4,175,702)	(1,168,879)	(5,344,581)
Net Change in Total Pension Liability	(8,879)	10,036	1,157
Total Pension Liability - Beginning	61,246,880	19,576,949	80,823,829
Total Pension Liability - Ending	61,238,001	19,586,985	80,824,986
Plan Fiduciary Net Position			
Contributions - Employer	109,594	30,678	140,272
Contributions - Members	354,169	99,141	453,310
Net Investment Income	6,974,068	1,952,209	8,926,277
Benefit Payments, Including Refunds of Member Contributions	(4,175,702)	(1,168,879)	(5,344,581)
Other (Net Transfer)	442,397	123,838	566,235
Net Change in Plan Fiduciary Net Position	3,704,526	1,036,987	4,741,513
Plan Net Position - Beginning	59,328,467	19,052,460	78,380,927
Plan Net Position - Ending	63,032,993	20,089,447	83,122,440
Employer's Net Pension (Asset)	(1,794,992)	(502,462)	(2,297,454)

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - Regular Plan**

For the year ended December 31, 2023, the City recognized pension revenue of \$1,465,065, and the Library recognized pension revenue of \$431,610, for a total revenue of \$1,896,675. At December 31, 2023, the City and the Library reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - Regular Plan - Continued**

	City		Library		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 318,302	(545,420)	89,101	(152,676)	(290,693)
Change in Assumptions	—	(60,327)	—	(16,887)	(77,214)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	3,361,308	—	940,911	—	4,302,219
Total Deferred Amounts Related to IMRF	3,679,610	(605,747)	1,030,012	(169,563)	3,934,312

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/(Inflows) of Resources		
	City	Library	Totals
2024	\$ 183,293	51,308	234,601
2025	890,915	249,388	1,140,303
2026	2,530,213	708,268	3,238,481
2027	(530,558)	(148,515)	(679,073)
2028	—	—	—
Thereafter	—	—	—
Totals	3,073,863	860,449	3,934,312

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Changes in the Net Pension (Asset) - SLEP Plan**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) (A) - (B)
Balances at December 31, 2022	\$ 586,313	616,267	(29,954)
Changes for the Year:			
Service Cost	16,899	—	16,899
Interest on the Total Pension Liability	42,305	—	42,305
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	(172,291)	—	(172,291)
Changes of Assumptions	(884)	—	(884)
Contributions - Employer	—	14,378	(14,378)
Contributions - Employees	—	8,949	(8,949)
Net Investment Income	—	44,890	(44,890)
Benefit Payments, Including Refunds of Employee Contributions	(22,500)	(22,500)	—
Other (Net Transfer)	—	(73,841)	73,841
Net Changes	(136,471)	(28,124)	(108,347)
Balances at December 31, 2023	449,842	588,143	(138,301)

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - SLEP Plan**

For the year ended December 31, 2023, the City recognized pension revenue of \$89,890. At December 31, 2023, the City reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Illinois Municipal Retirement Fund (IMRF) - Continued**

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions - SLEP Plan - Continued**

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ —	—	—
Change in Assumptions	—	—	—
Net Difference Between Projected and Actual			
Earnings on Pension Plan Investments	37,180	—	37,180
Total Deferred Amounts Related to SLEP	37,180	—	37,180

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2024	\$ 7,066
2025	11,531
2026	19,156
2027	(573)
2028	—
Thereafter	—
Total	37,180

## Notes to the Financial Statements

December 31, 2023

## NOTE 4 - OTHER INFORMATION - Continued

## EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

## Police Pension Plan

## Plan Descriptions

*Plan Administration.* The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum 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 Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the City President, one member is elected by pension beneficiaries and two members are elected by active police employees.

*Plan Membership.* At December 31, 2023, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	63
Inactive Plan Members Entitled to but not yet Receiving Benefits	5
Active Plan Members	<u>54</u>
Total	<u><u>122</u></u>

*Benefits Provided.* The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of  $\frac{1}{2}$  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 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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 percent of the original pension and 3 percent compounded annually thereafter.

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of  $\frac{1}{2}$  of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e.,  $\frac{1}{2}$  percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> 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 percent or  $\frac{1}{2}$  of the change in the Consumer Price Index for the proceeding calendar year.

Notes to the Financial Statements

December 31, 2023

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NOTE 4 - OTHER INFORMATION - Continued

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued

Police Pension Plan - Continued

Plan Descriptions - Continued

*Contributions.* Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2023, the City's contribution was 45.23% of covered payroll.

*Concentrations.* At year end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

Actuarial Assumptions

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	6.75%
Salary Increases	3.50% - 9.05%
Cost of Living Adjustments	2.00%
Inflation	2.00%

Active Mortality follow the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

Discount Rate

The discount rate used to measure the total pension liability was 6.75%, the same as the prior valuation. 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 City contributions will be made at rates equal to the difference between the 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 project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Police Pension Plan - Continued**

**Discount Rate Sensitivity**

The following is a sensitive 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 as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability \$	42,347,570	28,936,729	17,958,896

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 92,969,183	59,901,178	33,068,005
Changes for the Year:			
Service Cost	1,301,221	—	1,301,221
Interest on the Total Pension Liability	6,168,052	—	6,168,052
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience of the Total Pension Liability	833,209	—	833,209
Changes of Assumptions	—	—	—
Contributions - Employer	—	2,566,049	(2,566,049)
Contributions - Employees	—	565,763	(565,763)
Net Investment Income	—	9,358,960	(9,358,960)
Benefit Payments, Including Refunds of Employee Contributions	(4,698,014)	(4,698,014)	—
Other (Net Transfer)	—	(57,014)	57,014
Net Changes	3,604,468	7,735,744	(4,131,276)
Balances at December 31, 2023	96,573,651	67,636,922	28,936,729

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Police Pension Plan - Continued**

**Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2023, the City recognized pension expense of \$3,118,367. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 2,166,014	(1,601,930)	564,084
Change in Assumptions	683,529	—	683,529
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	964,149	—	964,149
Total Deferred Amounts Related to Police Pension	<u>3,813,692</u>	<u>(1,601,930)</u>	<u>2,211,762</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2024	\$ (153,566)
2025	1,007,547
2026	2,086,002
2027	(813,485)
2028	85,264
Thereafter	<u>—</u>
Total	<u><u>2,211,762</u></u>

**Notes to the Financial Statements**  
**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Firefighters' Pension Plan**

**Plan Descriptions**

*Plan Administration.* The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum 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 Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the City President, one member is elected by pension beneficiaries and two members are elected by active fire employees.

*Plan Membership.* At December 31, 2023, the measurement date, membership consisted of the following:

Inactive Plan Members Currently Receiving Benefits	51
Inactive Plan Members Entitled to but not yet Receiving Benefits	3
Active Plan Members	<u>50</u>
Total	<u><u>104</u></u>

*Benefits Provided.* The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of  $\frac{1}{2}$  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 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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 firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for the pension purposes is capped at \$106,800, plus the lesser of  $\frac{1}{2}$  of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e.,  $\frac{1}{2}$  percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1<sup>st</sup> 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 percent or  $\frac{1}{2}$  of the change in the Consumer Price Index for the proceeding calendar year.

## Notes to the Financial Statements

December 31, 2023

**NOTE 4 - OTHER INFORMATION - Continued****EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued****Firefighters' Pension Plan - Continued****Plan Descriptions - 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 contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended December 31, 2023, the City's contribution was 42.44% of covered payroll.

*Concentrations.* At year end, the Pension Plan does not have any investments over 5 percent of net plan position available for retirement benefits (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments).

**Actuarial Assumptions**

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

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Actuarial Assumptions	
Interest Rate	6.75%
Salary Increases	3.25% - 6.25%
Cost of Living Adjustments	2.00%
Inflation	2.00%

Active mortality follows the Sex Distinct Raw Rates as developed in the PubS-2010(A) Study. Mortality improvement uses MP-2019 Improvement Rates applied on a fully generational basis.

**Discount Rate**

The discount rate used to measure the total pension liability was 6.75%, the same as the prior valuation. 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 City contributions will be made at rates equal to the difference between the 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 project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued**

**Firefighters' Pension Plan - Continued**

**Discount Rate Sensitivity**

The following is a sensitive 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 as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

		1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$	31,893,161	21,236,182	12,433,461

**Changes in the Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2022	\$ 78,268,384	53,084,658	25,183,726
Changes for the Year:			
Service Cost	1,352,168	—	1,352,168
Interest on the Total Pension Liability	5,153,096	—	5,153,096
Changes of Benefit Terms	95,555	—	95,555
Difference Between Expected and Actual Experience of the Total Pension Liability	—	—	—
Changes of Assumptions	—	—	—
Contributions - Employer	—	2,245,514	(2,245,514)
Contributions - Employees	—	497,973	(497,973)
Net Investment Income	—	7,864,541	(7,864,541)
Benefit Payments, Including Refunds of Employee Contributions	(3,998,224)	(3,998,224)	—
Other (Net Transfer)	—	(59,665)	59,665
Net Changes	2,602,595	6,550,139	(3,947,544)
Balances at December 31, 2023	80,870,979	59,634,797	21,236,182

**CITY OF PARK RIDGE, ILLINOIS****Notes to the Financial Statements****December 31, 2023****NOTE 4 - OTHER INFORMATION - Continued****EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLANS - Continued****Firefighters' Pension Plan - Continued****Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions**

For the year ended December 31, 2023, the City recognized pension expense of \$2,032,452. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 111,260	(2,172,673)	(2,061,413)
Change in Assumptions	431,915	(766,578)	(334,663)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,601,637	—	1,601,637
Total Deferred Amounts Related to Firefighters' Pension	2,144,812	(2,939,251)	(794,439)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred Outflows/ (Inflows) of Resources
2024	\$ (1,002,862)
2025	(85,997)
2026	1,198,333
2027	(917,933)
2028	14,020
Thereafter	—
Total	(794,439)

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

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### NOTE 4 - OTHER INFORMATION - Continued

#### OTHER POST-EMPLOYMENT BENEFITS

##### General Information about the OPEB Plan

*Plan Description.* The City's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the City. RBP is a single-employer defined benefit OPEB plan administered by the City. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the City Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

*Benefits Provided.* Retired eligible employees and their dependents may continue coverage under City's group health until they reach age 65 by paying 100% of the blended group premium cost. The City pays the entire actuarial cost of the health coverage for retired elected officials and their spouses.

Dental coverage is offered to retirees through COBRA at a rate of 102% of the active premium for a maximum of 18 months. The retiree pays the full 102% adjusted premium with no additional cost to the City.

*Plan Membership.* As of December 31, 2023, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	39
Inactive Plan Members Entitled to but not yet Receiving Benefits	—
Active Plan Members	<u>225</u>
Total	<u><u>264</u></u>

##### Total OPEB Liability

The City's total OPEB liability was measured as of December 31, 2023, and was determined by an actuarial valuation as of that date.

*Actuarial assumptions and other inputs.* The total OPEB liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

# CITY OF PARK RIDGE, ILLINOIS

## Notes to the Financial Statements

December 31, 2023

### NOTE 4 - OTHER INFORMATION - Continued

#### OTHER POST-EMPLOYMENT BENEFITS - Continued

##### Total OPEB Liability - Continued

*Actuarial assumptions and other inputs - Continued.*

Inflation	2.25%
Salary Increases	2.75%
Discount Rate	3.26%
Healthcare Cost Trend Rates	5.30% to an ultimate rate of 5.00% for 2027 and later years.
Retirees' Share of Benefit-Related Costs	100% of projected health insurance premiums for retirees.

The discount rate assumption is based on the Bond Buyer 20-Bond G.O. Index.

Active, retiree, and spousal IMRF mortality follows the Sex Distinct Raw Rates as developed in the PubG-2010(B) study, with blue collar adjustment. These rates are then improved generationally using MP-2020 Improvement Rates. Active, retiree, and spousal police and fire mortality follow the PubS-2010(A) study improved to 2017 using MP-2019 Improvement Rates.

##### Change in the Total OPEB Liability

	City	Library	Totals
Balance at December 31, 2022	\$ 6,211,446	786,273	6,997,719
Changes for the Year:			
Service Cost	224,014	27,347	251,361
Interest on the Total OPEB Liability	252,813	2,857	255,670
Changes of Benefit Terms	—	—	—
Difference Between Expected and Actual Experience	—	—	—
Changes of Assumptions or Other Inputs	438,692	53,554	492,246
Benefit Payments	(222,596)	(27,174)	(249,770)
Other Changes	—	—	—
Net Changes	692,923	56,584	749,507
Balance at December 31, 2023	6,904,369	842,857	7,747,226

**CITY OF PARK RIDGE, ILLINOIS****Notes to the Financial Statements****December 31, 2023****NOTE 4 - OTHER INFORMATION - Continued****OTHER POST-EMPLOYMENT BENEFITS - Continued****Sensitivity of the Total OPEB Liability to Changes in the Discount Rate**

The discount rate used to measure the total pension liability was 3.26%, while the prior valuation used 3.72%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

		1% Decrease (2.26%)	Current Discount Rate (3.26%)	1% Increase (4.26%)
City	\$	8,054,039	6,904,369	6,008,989
Library		983,205	842,857	733,553
Total OPEB Liability		9,037,244	7,747,226	6,742,542

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates**

The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

		1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
City	\$	5,879,129	6,904,369	8,240,792
Library		717,700	842,857	1,006,003
Total OPEB Liability		6,596,829	7,747,226	9,246,795

**CITY OF PARK RIDGE, ILLINOIS**

**Notes to the Financial Statements**

**December 31, 2023**

**NOTE 4 - OTHER INFORMATION - Continued**

**OTHER POST-EMPLOYMENT BENEFITS - Continued**

**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 \$680,433, and the Library recognized pension expense of \$57,751, for a total expense of \$738,184. At December 31, 2023, the City and the Library reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	City		Library		
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Difference Between Expected and Actual Experience	\$ 1,426,671	—	174,162	—	1,600,833
Change in Assumptions	1,253,330	(1,847,785)	153,002	(225,570)	(667,023)
Net Difference Between Projected and Actual Earnings	—	—	—	—	—
Total Deferred Amounts Related to OPEB	<u>2,680,001</u>	<u>(1,847,785)</u>	<u>327,164</u>	<u>(225,570)</u>	<u>933,810</u>

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

Fiscal Year	Net Deferred Outflows/(Inflows) of Resources		
	City	Library	Totals
2024	\$ 206,005	25,148	231,153
2025	206,005	25,148	231,153
2026	206,005	25,148	231,153
2027	195,073	23,814	218,887
2028	45,751	5,585	51,336
Thereafter	(26,623)	(3,249)	(29,872)
Totals	<u>832,216</u>	<u>101,594</u>	<u>933,810</u>

**APPENDIX E**  
**OFFICIAL NOTICE OF SALE AND BID FORM**

**OFFICIAL NOTICE OF SALE**

**\$8,185,000\***

**CITY OF PARK RIDGE, ILLINOIS  
GENERAL OBLIGATION BONDS,  
SERIES 2025**

**SALE DATE AND TIME: JUNE 5, 2025; UNTIL 10:00 A.M. CENTRAL DAYLIGHT TIME**

NOTICE IS HEREBY GIVEN that the City of Park Ridge, Illinois (the “City”), will receive all-or-none bids either (i) electronically via **Parity®** or (ii) sent via email, in the manner more fully described below, *until 10:00 A.M. Central Daylight Time on June 5, 2025* (the “Sale Date”), for the purchase of the City’s General Obligation Bonds, Series 2025 (the “Bonds”).

**DESCRIPTION OF THE BONDS**

The Bonds are being issued pursuant to the powers of the City as a home rule unit of government under Section 6 of Article VII of the Constitution of the State of Illinois, the Illinois Municipal Code and the Local Government Debt Reform Act of the State of Illinois, and all laws amendatory thereof and supplementary thereto, and a bond ordinance adopted by the City Council on the 19th day of May, 2025, as supplemented by a the bond order authorized therein and executed in connection with the sale of the Bonds (together, the “*Bond Ordinance*”).

Proceeds of the Bonds will be used to (a) finance various capital improvements throughout the City, and (b) pay costs associated with the issuance of the Bonds.

In the opinion of Katten Muchin Rosenman LLP, Chicago, Illinois, Bond Counsel (“*Bond Counsel*”), the Bonds are valid and legally binding upon the City and are payable from any funds of the City legally available for such purpose, and all taxable property in the City is subject to the levy of taxes to pay the same without limitation as to rate or amount. However, the enforceability of rights or remedies with respect to the Bonds may be limited by bankruptcy, insolvency or other laws affecting creditors’ rights and remedies heretofore or hereafter enacted. See “SECURITY FOR THE BONDS” in the Preliminary Official Statement, dated May 27, 2025, relating to the Bonds (the “*Preliminary Official Statement*”).

The proposed form of opinion of Bond Counsel regarding the Bonds is set forth in APPENDIX C to the Preliminary Official Statement.

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\* Preliminary, subject to change.

The Bonds will be dated the date of issuance thereof and will mature on December 1 of the years and in the amounts as follows:

YEAR	AMOUNT*
2025	\$495,000
2026	295,000
2027	310,000
2028	320,000
2029	340,000
2030	355,000
2031	380,000
2032	395,000
2033	415,000
2034	435,000
2035	455,000
2036	480,000
2037	505,000
2038	530,000
2039	555,000
2040	350,000
2041	365,000
2042	385,000
2043	400,000
2044	420,000

The Bonds will be in fully registered form, without coupons, and will be in denominations of \$5,000 or any integral multiple thereof under a book-entry only system operated by The Depository Trust Company, New York, New York (“DTC”). Principal of and interest on the Bonds will be payable by Amalgamated Bank of Chicago, Chicago, Illinois (the “Registrar”). DTC will act as securities depository for the Bonds. Individual purchases of the Bonds will be made in book-entry form only, in the principal amount of \$5,000 and any integral multiple thereof. Purchasers will not receive certificates representing their interest in the Bonds purchased unless the book-entry system is discontinued. See “BOOK-ENTRY ONLY SYSTEM” in the Preliminary Official Statement.

Interest on the Bonds will be payable each June 1 and December 1, commencing December 1, 2025.

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\* Note: The City reserves the right to increase or decrease the principal amount of each maturity of the Bonds on the Sale Date. The City has designated the Bonds as “qualified tax-exempt obligations” as defined in Section 265(b)(3) of the Code for purposes of the deduction afforded to certain financial institutions, therefore the issue price for the Bonds will not exceed \$10,000,000. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$5,000 bond.

The Bonds maturing on or after December 1, 2035, are subject to redemption prior to maturity at the option of the City in whole or in part in integral multiples of \$5,000 in any order of their maturity as determined by the City on any date on or after December 1, 2034, at a price of par plus accrued interest to the redemption date. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the City and within any maturity by lot. See “Description of the BONDS—Optional Redemption” in the Preliminary Official Statement.

#### BIDDING INSTRUCTIONS

Bids for the Bonds shall be submitted either (i) electronically via PARITY pursuant to this Official Notice of Sale or (ii) sent via email pursuant to this Official Notice of Sale until the time set for the sale of the Bonds as specified above, but no bid will be received after the respective time set as specified above for receiving bids for the Bonds. **Any prospective bidder that intends to submit a bid must submit its bid either through PARITY or via email as specified in this Official Notice of Sale. No in-person or faxed bids will be accepted.** Subscription to i-Deal’s PARITY Competitive Bidding System is required in order to submit an electronic bid. The City will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of PARITY shall be deemed to incorporate the provisions of this Official Notice of Sale and the Official Bid Form for the Bonds. Any such electronic bid shall be deemed to constitute an irrevocable offer to purchase the Bonds on the terms provided herein and shall be binding upon the Winning Bidder (as hereinafter defined). Bids submitted for the purchase of the Bonds will be accepted or rejected by the City on the Sale Date. The City shall not be responsible for any malfunction or mistake made by, or as a result of the use of, the facilities of PARITY, the use of such facilities being the sole risk of the prospective bidder.

Each proposal must be submitted on the Official Bid Form without alteration or change until 10:00 A.M. Central Daylight Time via Parity® in accordance with this Official Notice of Sale. If any provisions of this Official Notice of Sale shall conflict with any instructions or directions set forth in PARITY, the terms of this Official Notice of Sale shall control. For further information about PARITY, potential bidders may contact Robert W. Baird & Co. Incorporated, the municipal advisor to the City (the “*Municipal Advisor*”) or Ipreo at 1359 Broadway, 2nd Floor, New York, New York 10018, and by telephone at (212) 849-5023. All costs and expenses incurred by potential bidders in connection with their registration and submission of bids via PARITY (including any legal expenses) are the sole responsibility of the bidders, and the City is not responsible, directly or indirectly, for any of such costs or expenses.

Email bids must be submitted on the Official Bid Form attached hereto and should be emailed to Adam Holstine at [aholstine@rwbaird.com](mailto:aholstine@rwbaird.com). The subject line of any email bids must read “Bid for City of Park Ridge General Obligation Bonds, Series 2025.” Confirmation of receipt of e-mail bids may be made by contacting the City’s Municipal Advisor, at the numbers listed herein.

## DETERMINATION OF WINNING BID

The Bonds will be awarded to the single and best bidder (the “*Winning Bidder*”) whose bid will be determined upon the basis of the lowest True Interest Cost (“*TIC*”) at the rates designated in said bid from the dated date to the respective maturity dates after deducting the bid premium or adding the bid discount, if any. The TIC will be calculated as the rate which, when used in computing the present value of all payments of principal of and interest to be paid on the Bonds (commencing December 1, 2025, and semiannually on each June 1 and December 1 thereafter), produces an amount on the date of the Bonds (expected to be June 24, 2025) equal to the purchase price set forth in the bid. The City or its Municipal Advisor will verify the TIC based on such bid. If there is any discrepancy between the TIC specified and the bid price and interest rates specified, the specified bid price and interest rates shall govern and the TIC specified in the bid shall be adjusted accordingly. In the event of more than one proposal specifying the lowest TIC, the City will determine which bid, if any, will be accepted and their determination is final.

The City reserves the right to reject any or all bids. The City may also, at its sole discretion, waive any irregularity or informality in any bid.

## BIDDING PARAMETERS

Each bid shall provide a schedule of interest rates on the Official Bid Form for the Bonds, as specified below. The bids shall state the rate or rates at which the Bonds shall bear interest in multiples of 1/8 or 1/20 of 1% or both. Bonds maturing in any one year must carry the same interest rate. For the Bonds, zero interest rates or rates higher than 6.00% are not permitted. Contingent bids are not permitted. The bid may provide for term bonds with sinking fund payments, with the maturities indicated on the Official Bid Form constituting sinking fund and respective final term maturity payments, at a redemption price of 100% of the principal amount thereof.

Each bid, to be considered, must contain a bid for all of the Bonds. No bid for less than 96% of the principal amount of the Bonds will be considered. If the Bonds will be reoffered, the bids must also state the prices (exclusive of accrued interest) at which the bidder reasonably expects that the Bonds of each maturity initially shall be offered to the public (the “*Expected Initial Offering Price*”). Any Official Bid Form which is not fully completed and signed may be rejected at the option of the City.

**The City reserves the right to adjust maturities and the aggregate principal amount of the Bonds.** If the City elects to do so, it will notify the Winning Bidder of its intention within 60 minutes of the verbal award of the Bonds. The Winning Bidder’s spread, in dollars per Bond, will be maintained and principal amounts will be adjusted.

Attorneys’ fees, Rating Agency fees, Municipal Advisor fees, the cost of preparing and printing the Bonds, the fees of the Registrar and lessor, the cost of distributing the Official Notice of Sale, the Preliminary Official Statement and the Official Statement and miscellaneous expenses of the City incurred in connection with the offering and delivery of the Bonds shall all be the obligation of the City. The costs of issuance of the Bonds may be distributed by the Winning

Bidder on behalf of the City from proceeds of the Bonds, and by submitting this bid, the Winning Bidder agrees to send (an) additional wire(s) at closing to distribute such costs if so requested by the City.

#### GOOD FAITH DEPOSIT

Although a good faith deposit is not required to submit a bid, the Winning Bidder is required to submit a certified or cashier's check on a solvent bank or trust company or a wire transfer (instructions for such a wire transfer will be provided by the City at the time of the award) for two percent of par payable to the City Treasurer as evidence of good faith of the Winning Bidder (the "*Deposit*") not later than 12:30 P.M. Central Daylight Time on the next business day following the award. The Deposit of the Winning Bidder will be retained by the City pending delivery of the Bonds. The City may hold the proceeds of the Deposit or invest the same (at the City's risk) in obligations that mature at or before the delivery of the Bonds, until applied as follows: (a) at the delivery of the Bonds and upon compliance with the Winning Bidder's obligation to take up and pay for the Bonds, the full amount of the Deposit held by the City, without adjustment for interest, shall be applied toward the purchase price of the Bonds at that time, and the full amount of any interest earnings thereon shall be retained by the City and (b) if the Winning Bidder fails to take up and pay for the Bonds when tendered, the full amount of the Deposit plus any interest earnings thereon will be forfeited to the City as liquidated damages.

#### ESTABLISHMENT OF ISSUE PRICE

(a) The Winning Bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at the closing of the Bonds an "issue price" or similar certificate setting forth the Expected Initial Offering Prices to the Public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as *Exhibit A*, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Winning Bidder, the City and Bond Counsel. All actions to be taken by the City under this Official Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the City by the City's Municipal Advisor identified herein and any notice or report to be provided to the City may be provided to the City's Municipal Advisor. Within one hour of the award, the Winning Bidder will confirm to the City the Expected Initial Offering Prices of the Bonds which the Winning Bidder used in formulating its bid.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "*Competitive Sale Requirements*") because:

- (1) the City shall disseminate this Official Notice of Sale to potential Underwriters in a manner that is reasonably designed to reach potential Underwriters;
- (2) all bidders shall have an equal opportunity to bid;

(3) the City will receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and

(4) the City anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest TIC), as set forth in this Official Notice of Sale.

Any bid submitted pursuant to this Official Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in the bid.

(c) In the event that the Competitive Sale Requirements are not satisfied, the City shall so advise the Winning Bidder. In such event, any bid proposal will not be subject to cancellation or withdrawal, and the City agrees to use the rules selected by the Winning Bidder on its bid form to determine the issue price for the Bonds. On the bid form, each bidder must select one of the following rules to establish the issue price of the Bonds: (i) the “10% Test” which will establish the issue price of a maturity of the Bonds as the first price at which 10% of a maturity of the Bonds is sold to the Public or (ii) the “Hold-the-Offering-Price Rule” which will establish the issue price of a maturity of the Bonds as the initial offering price to the Public as of the Sale Date of that maturity, in each case applied on a maturity-by-maturity basis. If the Winning Bidder selects the Hold-the-Offering-Price Rule, the Winning Bidder shall promptly advise the City, at or before the time of award of the Bonds, which maturities of the Bonds have not satisfied the 10% Test and will be subject to the Hold-the-Offering-Price Rule. *Bidders should prepare their bids on the assumption that some or all of the maturities of the Bonds will be subject to the Hold-the-Offering-Price Rule or the 10% Test as selected on the bid form, in order to establish the issue price of the Bonds.*

(d) *If the Competitive Sale Requirements are not satisfied and the Winning Bidder selects the Hold-the-Offering Price Rule*, then the Winning Bidder shall (i) confirm that the Underwriters have offered or will offer the Bonds to the Public on or before the date of award at the offering price or prices (the “*Initial Offering Price*”), or at the corresponding yield or yields, set forth in the bid submitted by the Winning Bidder, and (ii) agree, on behalf of the Underwriters participating in the purchase of the Bonds, that the Underwriters will neither offer nor sell unsold Bonds of any maturity to which the Hold-the-Offering-Price Rule shall apply to any person at a price that is higher than the Initial Offering Price to the Public during the period starting on the Sale Date (as hereinafter defined) and ending on the earlier of the following:

(1) the close of the fifth business day after the Sale Date; or

(2) the date on which the Underwriters have sold at least 10% of that maturity of the Bonds to the Public at a price that is no higher than the Initial Offering Price to the Public.

The Winning Bidder will advise the City promptly after the close of the fifth (5th) business day after the Sale Date whether it complied with the Hold-the-Offering-Price Rule. Within one

hour of the award, the Winning Bidder will inform the City of the Initial Offering Price for each maturity of the Bonds.

(e) *If the Competitive Sale Requirements are not satisfied and the Winning Bidder selects the 10% Test*, until the 10% Test has been satisfied as to each maturity of the Bonds, the Winning Bidder agrees to promptly report to the City the prices at which the unsold Bonds of that maturity have been sold to the Public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% Test has been satisfied as to the Bonds of that maturity, provided that, the Winning Bidder's reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the City or Bond Counsel. In addition, if the 10% Test has not been satisfied with respect to any maturity of the Bonds prior to closing, then the Winning Bidder shall provide the City with a representation as to the price or prices as of the date of closing at which the Winning Bidder reasonably expects to sell the remaining Bonds of such maturity.

(f) The City acknowledges that, in making the representations set forth above, the Winning Bidder will rely on (i) the agreement of each Underwriter to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in an agreement among Underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the Public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an Underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the Public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each Underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds, and that no Underwriter shall be liable for the failure of any other Underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the Hold-the-Offering-Price Rule, if applicable to the Bonds.

(g) By submitting a bid, each bidder confirms that: (i) any agreement among Underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (A)(i) to report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold to the Public or it is notified by the Winning Bidder

that the 10% Test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the Winning Bidder and (ii) comply with the Hold-the-Offering-Price Rule, if applicable, if and for so long as directed by the Winning Bidder and as set forth in the related pricing wires, which shall be until the 10% Test has been satisfied as to the Bonds of that maturity or until the close of business on the fifth (5th) business day following the award; (B) to promptly notify the Winning Bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a Related Party to an Underwriter participating in the initial sale of the Bonds to the Public (each such term being used as defined below); and (C) to acknowledge that, unless otherwise advised by the Underwriter, dealer or broker-dealer, the Winning Bidder shall assume that each order submitted by the Underwriter, dealer or broker-dealer is a sale to the Public, and (ii) any agreement among Underwriters or selling group agreement relating to the initial sale of the Bonds to the Public, together with the related pricing wires, contains or will contain language obligating each Underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the Public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the Public the unsold Bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Winning Bidder or such Underwriter that the 10% Test has been satisfied as to the Bonds of that maturity, provided that the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the Winning Bidder or such Underwriter, and (B) comply with the Hold-the-Offering-Price Rule, if applicable, if and for so long as directed by the Winning Bidder or the Underwriter and as set forth in the related pricing wires, which shall be at least until the 10% Test has been satisfied as to the Bonds of that maturity or until the close of business on the fifth (5th) business day following the date of the award.

(h) Sales of any Bonds to any person that is a Related Party to an Underwriter participating in the initial sale of the Bonds to the Public shall not constitute sales to the Public for purposes of this Official Notice of Sale. Further, for purposes of the language under this caption of this Official Notice of Sale, titled “ESTABLISHMENT OF ISSUE PRICE”:

(i) “Public” means any person other than an Underwriter or a Related Party,

(ii) a purchaser of any of the Bonds is a “Related Party” to an Underwriter if the Underwriter and the purchaser/Winning Bidder are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other),

(iii) “Sale Date” means the date the Bonds are awarded by the City to the Winning Bidder, such date with respect to the Bonds being June 5, 2025, and

(iv) “Underwriter” means (A) any person that agrees pursuant to a written contract with the City (or with the lead Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

#### TAX EXEMPTION AND CLOSING TRANSCRIPT

At the time of delivery of the Bonds, Bond Counsel will furnish to the Winning Bidder its approving legal opinion that, subject to compliance by the City with certain covenants, under present law, in the opinion of Bond Counsel, interest on the Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals, as more fully discussed under the heading “TAX MATTERS” in the Preliminary Official Statement. Interest on the Bonds is not exempt from present State of Illinois income taxes. The proposed form of opinion of Bond Counsel is set forth in APPENDIX C to the Preliminary Official Statement.

Bond Counsel will also furnish to the Winning Bidder a complete, certified transcript of all proceedings in connection with the issuance of the Bonds, which shall include a non-litigation certificate of the City affirming that there is no litigation pending or threatened as to the validity of or security for the Bonds.

#### BOND RATING

Moody’s Investors Service, New York, New York, has assigned the Bonds a rating of “Aa1.” See “RATING” in the Preliminary Official Statement.

#### BOOK-ENTRY ONLY

The Bonds will be issued as fully-registered Bonds without coupons and, when issued, will be registered in the name of Cede & Co., as nominee for DTC. DTC will act as securities depository for the Bonds. A single Bond certificate for each maturity of the Bonds will be issued to DTC and immobilized in its custody. Individual purchases may be made in book-entry-only form only through DTC participants, in the principal amount of \$5,000 and integral multiples thereof. Individual purchasers will not receive certificates evidencing their ownership of the Bonds purchased. The Winning Bidder shall be required to deposit the Bond certificates with DTC as a condition to delivery of the Bonds. The City will make payments of principal and interest on the Bonds to DTC or its nominee as registered owner of the Bonds in same-day funds. Transfer of those payments to participants of DTC will be the responsibility of DTC; transfer of the payments to beneficial owners by DTC participants will be the responsibility of such participants and other nominees of beneficial owners all as required by DTC rules and procedures. No assurance can be given by the City that DTC, its participants and other nominees of beneficial owners will make prompt transfer of the payments as required by DTC rules and procedures. The

City assumes no liability for failures of DTC, its participants or other nominees to promptly transfer payments to beneficial owners of the Bonds.

In the event that the securities depository relationship with DTC for the Bonds is terminated and the City does not appoint a successor depository, the City will prepare, authenticate and deliver, at its expense, fully-registered Bonds in the denomination of \$5,000 or an integral multiple thereof in the aggregate principal amount of the Bonds of the same maturities then outstanding to the beneficial owners of the Bonds.

#### CUSIP NUMBERS

It is intended that CUSIP numbers will be printed on the Bonds, but neither the failure to print or type such number on any Bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the Winning Bidder to accept delivery of and make payment for the Bonds. The Municipal Advisor shall request assignment of CUSIP numbers, and all expenses related to the assignment or printing of CUSIP numbers, including CUSIP Service Bureau charges for the assignment of said numbers, shall be the responsibility of and shall be paid by the Winning Bidder.

#### CONTINUING DISCLOSURE

In the Bond Ordinance, the City has covenanted and agreed, for the benefit of the beneficial owners of the Bonds to provide certain continuing disclosure (the “Undertaking”) as required under Section (b)(5) of Rule 15c2-12 (the “Rule”) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934. The Undertaking shall be as described in the Preliminary Official Statement, with such changes as may be agreed to in writing by the Winning Bidder. The City has not failed to comply in all material respects with each and every undertaking previously entered into by it pursuant to the Rule, except as otherwise disclosed in the Preliminary Official Statement.

#### OFFICIAL STATEMENT

The City certifies that the Preliminary Official Statement was final as of the date thereof for purposes of the Rule, except for the omission of the offering prices or yields, the interest rates, any other terms or provisions required by the City specified in the bid, ratings, other terms of the Bonds depending on such matters, and the identity of the Winning Bidder. Upon the sale of the Bonds, the City will publish an Official Statement in substantially the same form as the Preliminary Official Statement, subject to minor additions, deletions and revisions as required to complete the Preliminary Official Statement. By submission of its bid, the Winning Bidder will be deemed to have certified that it has obtained and reviewed the Preliminary Official Statement. Promptly after the Sale Date, but in no event later than seven business days after the Sale Date, the City will provide the Winning Bidder with an electronic copy of the final Official Statement. The Winning Bidder agrees to supply to the City all information necessary to complete the Official Statement within 48 hours after the award.

## MISCELLANEOUS ITEMS

The City reserves the right to reject any or all bids and to determine the best bid in its sole discretion, and to waive any informality in any bid. Additionally, the City reserves the right to modify or amend this Official Notice of Sale; however, any such modification or amendment shall, to the extent practicable, not be made less than twenty-four (24) hours prior to the date and time for receipt of bids on the Bonds and any such modification or amendment will be announced on the Amendments Page of the Parity® webpage.

The Bonds will be delivered to the Winning Bidder against full payment in immediately available funds as soon as they can be prepared and executed, which is expected to be June 24, 2025. Should delivery, however, be delayed beyond forty-five (45) days from the Sale Date for any reason beyond the control of the City except failure of performance by the Winning Bidder, the City may cancel the award or the Winning Bidder may withdraw the Deposit and thereafter the Winning Bidder's interest in and liability for the Bonds will cease.

## ADDITIONAL INFORMATION

The Preliminary Official Statement and the Official Bid Form, together with other pertinent information and the Bond Ordinance, may be obtained from Robert W. Baird & Co. Incorporated, Municipal Advisor to the City: Adam Holstine, at (630) 848-6427, or [aholstine@rwbaird.com](mailto:aholstine@rwbaird.com).

BY ORDER OF THE CITY COUNCIL OF THE CITY OF PARK RIDGE, ILLINOIS, dated this 27<sup>th</sup> day of May, 2025.

/s/ Christopher Lipman

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Finance Director

City of Park Ridge, Illinois

## EXHIBIT A

### FORM OF CERTIFICATE OF PURCHASER

(To be provided by the City for execution and delivery by the Winning Bidder prior to closing)

The undersigned, on behalf of \_\_\_\_\_ (the “*Purchaser*”), hereby certifies as set forth below with respect to the sale and issuance of the \$ \_\_\_\_\_ General Obligation Bonds, Series 2025 (the “*Bonds*”), of the City of Park Ridge, Illinois (the “*City*”).

#### I. GENERAL

On the Sale Date, the Purchaser purchased the Bonds from the City by submitting electronically an “Official Bid Form” responsive to an “Official Notice of Sale” and having its bid accepted by the City. The Purchaser has not modified the terms of the purchase since the Sale Date.

#### II. PRICE

##### **Competitive Sale – 3 Bids Received**

Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Bonds to the Public by the Purchaser are the prices listed in *Exhibit A* (the “*Expected Offering Prices*”). The Expected Offering Prices are the prices for the Maturities of the Bonds used by the Purchaser in formulating its bid to purchase the Bonds. Attached as *Exhibit B* is a true and correct copy of the bid provided by the Purchaser to purchase the Bonds.

(b) The Purchaser was not given the opportunity to see other bids prior to submitting its bid but was able to see the ranking of its bid relative to other bids (i.e., “Leader”, “Cover”, “3rd” etc.).

(c) The bid submitted by the Purchaser constituted a firm offer to purchase the Bonds.

##### **3 Bids Not Received – At Least 10% of Each Maturity Sold by Closing**

As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A* (the “*First Sale Price*”).

### **3 Bids Not Received – At Least 10% of Certain Maturities Not Sold by Closing; Expected First Sale Price**

1. As of the Sale Date, for each of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Exhibit A (the “First Sale Price”).

2. Expected First Sale Price.

With respect to each of the \_\_\_\_\_ Maturities of the Bonds:

(a) As of the date of this certificate, the Purchaser has not sold at least 10% of the Bonds of this Maturity at any price.

(b) As of the date of this certificate, the Purchaser reasonably expects that the first sale to the Public of an amount of Bonds of this Maturity equal to 10% or more of this Maturity will be at or below the Expected Sale Price listed on the attached *Exhibit A* (the “Expected First Sale Price”).

### **3 Bids Not Received – At Least 10% of Certain Maturities Not Sold by Closing; Hold-the-Offering-Price Rule**

1. As of the date of this certificate, for each of the General Rule Maturities, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in *Exhibit A* (the “First Sale Price”).

2. (a) The Purchaser offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in *Exhibit A* (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as *Exhibit B*.

(b) As set forth in the Official Notice of Sale and the Official Bid Form, the Purchaser has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “Hold-the-Offering-Price Rule”), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement would contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the Hold-the-Offering-Price Rule.

(c) No Underwriter (as defined below) has offered or sold any Bonds of any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity during the Holding Period.

### III. DEFINED TERMS

[1. “*General Rule Maturities*” means those Maturities of the Bonds not listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”]

[2. “*Hold-the-Offering-Price Maturities*” means those Maturities of the Bonds listed in *Exhibit A* hereto as the “Hold-the-Offering-Price Maturities.”]

[3. “*Holding Period*” means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (said fifth business day being June 12, 2025), or (ii) the date on which the Purchaser has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

4. “*Maturity*” means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

5. “*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a Related Party to an Underwriter.

6. A person is a “*Related Party*” to an Underwriter if the Underwriter and the person are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

7. “*Sale Date*” means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is June 5, 2025.

8. “*Underwriter*” means (i) any person that agrees pursuant to a written contract with the City (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the Public).

### IV. USE OF REPRESENTATIONS

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents the Purchaser’s interpretation of any laws, including specifically

Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the City with respect to certain of the representations set forth in its documents and with respect to compliance with the federal income tax rules affecting the Bonds, and by Katten Muchin Rosenman LLP, Chicago, Illinois, Bond Counsel, in connection with rendering its opinion concerning interest on the Bonds, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the City from time to time relating to the Bonds.

IN WITNESS WHEREOF, I hereunto affix my signature, this \_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_,  
\_\_\_\_\_, \_\_\_\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_

## EXHIBIT A

The Bonds are dated June 24, 2025, and are due on December 1 of the years and in the amounts, bear interest at the rates and were sold and offered to the Public as described in the attached Certificate of Purchaser at the prices, in percentages and dollars, as follows:

HOLD-THE- OFFERING-PRICE MATURITY IF MARKED (*)	YEAR	PRINCIPAL AMOUNT (\$)	INTEREST RATE (%)	[[EXPECTED OFFERING] [INITIAL OFFERING] [EXPECTED FIRST SALE] PRICE (% OF PAR)]				TOTAL ISSUE PRICE (\$)
				[[EXPECTED OFFERING] [INITIAL OFFERING] [EXPECTED FIRST SALE] PRICE (% OF PAR)]		[[EXPECTED OFFERING] [INITIAL OFFERING] [EXPECTED FIRST SALE] PRICE (% OF PAR)]		
				[[EXPECTED OFFERING] [INITIAL OFFERING] [EXPECTED FIRST SALE] PRICE (% OF PAR)]		[[EXPECTED OFFERING] [INITIAL OFFERING] [EXPECTED FIRST SALE] PRICE (% OF PAR)]		
				[[EXPECTED OFFERING] [INITIAL OFFERING] [EXPECTED FIRST SALE] PRICE (% OF PAR)]		[[EXPECTED OFFERING] [INITIAL OFFERING] [EXPECTED FIRST SALE] PRICE (% OF PAR)]		

Total

**EXHIBIT B**

**[ PURCHASER'S BID]/ [PRICING WIRE]**

## OFFICIAL BID FORM

City Council  
City of Park Ridge, Illinois

Sale Date and Time: June 5, 2025  
10:00 A.M. Central Daylight Time

Ladies and Gentlemen:

For the principal amount of \$8,185,000\* General Obligation Bonds, Series 2025 (the “Bonds”), of the City of Park Ridge, Illinois (the “City”), legally issued and as described in the Official Notice of Sale, we will pay the City \$\_\_\_\_\_ (no less than \$\_\_\_\_\_), based on the total principal of \$8,185,000\*, provided the Bonds bear the following interest rates (not in excess of 6.00%). In making this offer, we accept the terms and conditions set forth in the Official Notice of Sale, dated May 27, 2025.

HOLD-THE- OFFERING- PRICE MATURITY IF MARKED (*)	YEAR (DECEMBER 1)	PRINCIPAL AMOUNT*	RATE	EXPECTED INITIAL OFFERING PRICE/YIELD
	2025	\$ 495,000		
	2026	295,000		
	2027	310,000		
	2028	320,000		
	2029	340,000		
	2030	355,000		
	2031	380,000		
	2032	395,000		
	2033	415,000		
	2034	435,000		
	2035	455,000		
	2036	480,000		
	2037	505,000		
	2038	530,000		
	2039	555,000		
	2040	350,000		
	2041	365,000		
	2042	385,000		
	2043	400,000		
	2044	420,000		

The Bonds maturing on or after December 1, 2035, are subject to redemption prior to maturity at the option of the City in whole or in part in integral multiples of \$5,000 in any order of their maturity as determined by the City on any date on or after December 1, 2034, at a price of par plus accrued interest to the redemption date. If less than all the Bonds are called, they shall be redeemed in such principal amounts and from such maturities as determined by the City and within any maturity by lot.

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\* Note: The City reserves the right to increase or decrease the principal amount of each maturity of the Bonds on the Sale Date. The City has designated the Bonds as “qualified tax-exempt obligations” as defined in Section 265(b)(3) of the Code for purposes of the deduction afforded to certain financial institutions, therefore the issue price for the Bonds will not exceed \$10,000,000. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$5,000 bond.

We hereby specify that the following Bonds be designated and aggregated into term bonds maturing on December 1 of the following years and in the following amounts (leave blank if no term bonds are specified):

MATURITIES DESIGNATED AND AGGREGATED	YEAR OF TERM BOND MATURITY	PRINCIPAL AMOUNT
20__ through 20__	_____	\$ _____
20__ through 20__	_____	_____
(add additional term bonds as appropriate)		

This bid is a firm offer for the purchase of the Bonds identified in the Official Notice of Sale, on the terms set forth in this bid form and the Official Notice of Sale, and is not subject to any conditions, except as permitted by the Official Notice of Sale. By submitting this bid, we confirm that we have an established industry reputation for underwriting new issuances of municipal bonds. If the Competitive Sale Requirements are not met, we select the following rule to establish the issue price of the maturities of the Bonds for which 10% is not sold to the Public on the date hereof, applied on a maturity-by-maturity basis:

\_\_\_\_\_ 10% Test: the first price at which 10% of a maturity of the Bonds is sold to the Public for the following maturities: \_\_\_\_\_

\_\_\_\_\_ Hold-the-Offering-Price Rule: the Initial Offering Price of that maturity for the following maturities: \_\_\_\_\_

The Bonds are to be accompanied by the unqualified approving legal opinion of Katten Muchin Rosenman LLP, Chicago, Illinois, Bond Counsel, and a certificate evidencing that no litigation is pending against the City which will affect the validity or security of the Bonds. Attorneys' fees, Rating Agency fees, Municipal Advisor fees, the cost of preparing and printing the Bonds, the fees of the Registrar and lessor, the cost of distributing the Official Notice of Sale, the Preliminary Official Statement and the Official Statement and miscellaneous expenses of the City incurred in connection with the offering and delivery of the Bonds shall all be the obligation of the City. The costs of issuance of the Bonds may be distributed by the Winning Bidder on behalf of the City from proceeds of the Bonds and by submitting this bid, we agree to send (an) additional wire(s) at closing to distribute such costs if so requested by the City.

As evidence of our good faith we will wire a deposit (the "Deposit") in the amount of two percent of the final adjusted principal amount of the Bonds, in accordance with your Official Notice of Bond Sale, which is made a part hereof by reference.

**NOT PART OF THE BID:**

Explanatory Note: According to our computation, this bid involves the following:

Par Amount	\$ _____ *
Reoffering Premium	_____
Original Issue Discount	( _____ )
Underwriter's Discount	( _____ )
Price for Bonds	\$ _____
TIC: _____ %	
True Interest Cost (from _____, 2025)	

Respectfully submitted,

Account Manager  
(A list of account members is attached.)

By \_\_\_\_\_  
Signature: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

\*\*\*\*\*

The foregoing offer is hereby accepted this 5<sup>th</sup> day of June, 2025, by and on behalf of the City of Park Ridge, Illinois, and in recognition thereof is signed by the official of the City empowered and authorized to make such acceptance and receipt is hereby acknowledged of the Deposit, which is being held in accordance with the terms of the Official Notice of Sale, General Obligation Bonds, Series 2025.

City of Park Ridge, Illinois

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Mayor

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City Clerk