

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**CITY OF PARK RIDGE, ILLINOIS**



**FOR THE FISCAL YEAR  
MAY 1, 2014 TO APRIL 30, 2015**

**CITY OF PARK RIDGE, ILLINOIS**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED**  
**APRIL 30, 2015**

**Issued by the Finance Department**

**Joe Gilmore**  
**Finance Director**

**Andrea Lamberg**  
**Assistant Finance Director**

# CITY OF PARK RIDGE, ILLINOIS

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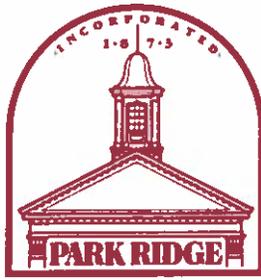
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## **INTRODUCTORY SECTION**



## CITY OF PARK RIDGE

505 BUTLER PLACE  
PARK RIDGE, IL 60068-4182  
TEL: 847/ 318-5200  
FAX: 847/ 318-5300  
TDD: 847/ 318-5252  
[www.parkridge.us](http://www.parkridge.us)

October 27, 2015

To: The Residents of the City of Park Ridge

Ladies and Gentlemen:

State law requires that every general-purpose local government publish within six months of the close of each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended April 30, 2015.

The Comprehensive Annual Financial Report (CAFR) of the City of Park Ridge, Illinois for the fiscal year ended April 30, 2015 is submitted herewith. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. The internal control structure is designed by management to provide that transactions are recorded and reported according to prescribed policies and procedures. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City's financial statements have been audited by **BKD, LLP**, a firm of independent certified public accountants. The independent auditor concluded that there was a reasonable basis for rendering an unmodified ("CLEAN") opinion of the City of Park Ridge's financial statements for the year ended April 30, 2015. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A and the letter of transmittal should be read in conjunction.

### THE REPORTING ENTITY AND ITS SERVICES

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 37,480, according to the 2010 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 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. Aldermen 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

enjoys a favorable Class 3 Insurance Service Office (ISO) rating 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 City is in talks with Morton Grove and Niles about the possibility of collaborating on a new water purchase agreement with the City of Evanston. This project has the potential to significantly reduce our water rates and discussion and analysis are ongoing.

The City fully funds the operation of a public library, which contains approximately 219,000 items and a circulation over 842,000.

### **ECONOMIC CONDITION AND OUTLOOK**

Household income in Park Ridge is substantially higher than surrounding areas and exceeds national averages. Based on the 2010-2012 U.S. Census Bureau American Community Survey 3-Year estimates, median household income is \$84,747 and median family income is \$104,469. Park Ridge has a Median Household Income at 163.7% above the U.S. Median Household Income, and a population that is 3.7% below poverty. 95.9% of the adult population has a high school diploma or higher and 55.8% have a bachelor's degree or higher. The 2012 Per Capita Income for Park Ridge is \$43,695, compared to \$29,072 for Cook County, and \$28,716 for the State of Illinois.

During the last five years, Park Ridge's annual unemployment rate averaged 2.5% below that of the State and trends below neighboring communities. The average annual unemployment rate for Park Ridge in 2013, as reported by the Illinois Department of Employment Security, was 5.6% compared to 9.7% in Cook County and 8.1% in the State of Illinois. Of Park Ridge's employed population, 51.3% are employed in management, professional or related occupations, 26.4% in sales and office occupations, 11.3% in service occupations, and 11.0% in all other categories. The City's top industry by employment is health care. Park Ridge's largest employer is Advocate Lutheran General Hospital with over 4,200 employees.

Residential land use makes up 50% of the total area of Park Ridge. The remaining land use includes: commercial – 4%; public, institutional, park and open space – 23%; and transportation and utilities – 23%.

Park Ridge has a long established reputation as a stable residential community known for its well-maintained homes. Over 85% of the assessed valuation of the City is residential, and 78% is owner occupied. The median home value of Park Ridge is \$401,700, compared to \$231,200 for Cook County, and \$176,700 for the State of Illinois.

### **MAJOR INITIATIVES**

**Strategic Planning Objectives:** The City Council, under the leadership of the City Manager, has been proactively updating the City's long range Strategic Plan. The current version of the Strategic Plan was formulated in 2008, modified in 2011, and reviewed and updated in 2013. A set of goals and objectives were presented to the City Council in early 2013 that became the foundation for prioritization of visions and topics that the City would focus on during the year and beyond. In 2014, the City Council revisited these goals and objectives and set some specific benchmarks to evaluate the strategic progress of the City. The topics centered on City Operations, long range Financial Planning, Economic Development, and Capital Investments. Later in the year, the City Council again reviewed and reprioritized their long range strategic planning initiatives, including Financial Stability, City Infrastructure (to include Storm Water and Water Supply delivery options), Parking solutions, and enhanced Citizen Engagement. Strategic initiatives were established, by department, to align with these initiatives.

The City will be continually reviewing the strategic plans over the year, and periodic updates will be presented to the Council, by Department and City wide.

**Long-term Financial Plans:** The City's long-term financial goals include a multitude of projects and plans.

Each year the City updates a long range capital plan. During a series of public meetings to discuss the annual budget, an annual list of capital projects are presented and discussed at length. Projects that were approved include: sidewalk replacement, water main replacement, street rehabilitation, reforestation, IT infrastructure, facilities improvement projects, vehicle replacements, and sewer pipe re-lining. The City recently revised the fund balance and balanced budget policies. These revised policies are designed to assist staff and elected officials in preparing budgets that have a positive or neutral impact on fund balance.

The City plans to spend over \$1,000,000 annually of motor fuel tax funds on street rehabilitation. The State of Illinois imposes motor fuel taxes and distributes the funds based on population. Fearing motor fuel taxes will not be sufficient to provide for both street rehabilitation and alley paving, beginning in 2010, the City deferred alley paving work until the economic conditions improve. The City maintains a healthy fund balance in the Motor Fuel Fund.

The City plans to spend approximately \$1,800,000 annually on water main replacement in the water fund. Funding for these capital projects comes from the sale of water. The determination of whether or not to install a radio read system for water meters continues to be analyzed by City staff and the City Council but has not been placed in the budget at this time. The City has spent nearly \$5,500,000 on the first phase of a sewer construction program to mitigate flooding. Some of these funds were used for feasibility studies for much larger projects scheduled for the second phase of the sewer construction program to mitigate flooding. The City Council is currently debating the second phase of sewer construction projects, which includes the mechanism to fund the projects. The sewer fund will continue to provide funding through user charges to complete sewer lining projects. The City spends approximately \$350,000 annually on sewer lining.

The City contributes funds to two internal service funds: the motor equipment replacement fund and the technology replacement fund. These funds pay for motor equipment and technology improvements when necessary. The current annually contribution level is significantly less than previous contributions.

**Departmental Objectives:** Obtaining the objectives listed above requires the combined efforts of all City departments. In addition to these projects, the various City departments have directed their efforts towards the following departmental objectives:

**City Administration:** The focus of City Administration is to provide our residents and business community accessibility to City staff. The Office of the City Manager, Mayor, City Clerk, City Attorney, and Human Resources report into the City Administration department. The City Manager, who reports directly to the City Council, plans long range goals and objectives and sets the key strategic direction for the City. The City Manager is the Chief Administrative Officer for the City, supervises City staff, and directs all Government activities. The City Manager ensures that the City Code and all key City policies are executed. The Administration Department processes Special Event and Solicitor permit applications, along with any annual or special liquor license applications. Voting services, including new registrations, early voting, and absentee voting is completed through the Clerk's office. Administration staff, in conjunction with the City Attorney and City Council completed a rewrite and update of our liquor code during the previous year.

**Community Preservation and Development Department:** The Community Preservation and Development Department supports and advises the Planning & Zoning Commission, the Zoning Board of Appeals, the Appearance Commission, the Historic Preservation Commission, the Procedures and Regulations Committee, and the Electrical Commission. The Department advises the Historic Preservation Commission on historic landmark designations, evaluates development proposals and code changes which go through the Planning & Zoning Commission, review the design of structures with the Appearance Commission and evaluate appeals which go through the Zoning Board of Appeals. The Department staff processes all property transfers, typically over 1,000 per year, within the City which has generated more than \$500,000 in revenue each of the last two years. Each year staff generates nearly 3,000 building permits which results in the Building Division completing more than 6,000 plan reviews and conducting approximately 10,000 residential and commercial inspections per year. Environmental Health staff address health and property maintenance issues, conduct health inspections, facilitate the business license process, and manage the monthly recycling program for expired medicines. In 2015 the Health Division started the Good Neighbor initiative. Staff creates monthly reports on Department activities, which can be found on the City's website under the Community Preservation and Development Department page.

**Finance Department:** The Finance Department provides fiscal oversight of the City by ensuring timely collection of revenues, processing of invoices and payroll, annual capital and operating budget preparation and implementation, audit support, and financial reporting and analysis. In FY15 the Department processed the billing and collection of nearly 13,000 utility bills. The Finance Director and staff, in conjunction with the City Manager, continued to execute a long range strategic plan for an underperforming TIF District. Over the life of the Uptown TIF, the strategic plan implementation has reduced the overall loss estimate by \$15,600,000. With the help of our bond consultants, the Department refinanced three bonds in FY15 (2004B, 2005A and 2006B) for a total net present value savings of \$2,663,000. The Finance Department completed a series of technology upgrades including transitioning to eTime timekeeping system. Leveraging process improvements and system resources, the budget process was streamlined to improve efficiency and data integrity. Continued implementation of the new procurement policy ensures that all goods and services are secured economically from reliable sources, with added emphasis when procuring the over fifty annual City purchases with a value of \$10,000.00 or more. Finance staff continues the reporting of financial information on the City's webpage to promote transparency.

**Fire Department:** Annually, the Fire Department responds to over 4,500 service calls. Fire Department staff conducted training with automatic aid companies from our neighboring communities. The Department provided various programs including; CPR and Automated External Defibrillator (AED) training, children's car seat inspection and installation, block parties, station tours and fire extinguisher training. The Department worked with procurement to replace the entire lot of Automated External Defibrillators for use by staff in all City Departments and for public access at City facilities. The Department completed a reorganization which resulted in the addition of a full-time Training Officer. The Department was able to purchase two (2) new Ambulances and a Command vehicle. The Department was also able to replace all sets of protective firefighting turnout gear that was partially funded with a grant.

**Police Department:** The Police Department continues to work towards providing excellent police service through positive community partnerships and collaborations with our citizens in order to reduce crime, create a safe environment, build trust and enhance the quality of life in our community. The Department revised the job classification plan and completed a transition to a new 911 Dispatch Center with West Suburban Consolidated Police Dispatch. The Department is in the beginning phase of implementing a mental health grant project which is designed to be a model for other communities. The City, through the support of the Police Department, continues to rank in the top 100 safest Cities in the Nation with population size greater than 25,000.

**Public Works Department:** Public Works has provided for safe public ways by keeping them clear of snow, ice and potholes and have maintained public buildings, infrastructure and grounds. The Engineering Division has completed the first phase of a multi-year flood reduction plan. They also resurfaced 5 miles of streets, lined 7,230 feet of sewer, replaced or repaired 1,200 sidewalk squares, and replaced 5,100 feet of watermain. The Forestry Division has continued with Emerald Ash Borer removals and replacements per plan, and treated trees for Dutch Elm disease. The Water Division delivered about 1.4B gallons of water to consumers through water purchases from the City of Chicago. Public Works has provided for residential disposal of 11,125 tons of refuse, 4,970 tons of recycling and 3,417 tons of yardwaste.

## **FINANCIAL INFORMATION, MANAGEMENT AND CONTROL**

Under Direction of the City Manager, 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 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.

**Budgeting Controls:** 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 and some of the special revenue and debt service funds (Foreign Fire Tax Fund, Asset Forfeiture Fund, Special Service Area funds, 2014A General Obligation Refunding Bond, 2015A General Obligation Refunding Bond, and 2015B General Obligation Refunding Bond funds). Budgets are adopted for the 2004B, 2005A, 2006A, 2006B, 2012A, and 2012B debt service funds. A budget was adopted for the Uptown TIF and Dempster TIF Funds.

**Fund Balance Policies:** Maintaining a health fund balance to insure the City’s financial strength remains one of the City’s long term financial goals. Council Policy Statement 40 approved by City Council in fiscal year 2012 sets the City’s general fund balance target as unassigned fund balance equal to three months of budgeted operating expenditures. A fund balance policy provides guidance to the City Council and senior staff regarding the appropriate balance between reserves, revenues and expenditures. Adherence to an appropriate policy helps the city maintain and improve its credit rating. Having adequate reserves will help the city maintain operations should unexpected emergencies arise, revenues not be realized, or expenditures exceed expectations.

**Purchasing Policies:** Purchases are closely scrutinized and elected officials often insist that items be formally bid. The City adheres to procurement policies that are outlined in Park Ridge Municipal Code 2-9-9 and a detailed Procurement Policy (Council Policy Statement #18) that was approved by the City Council in 2014.

Both policy and Municipal Code were changed following an eight (8) month effort to evaluate and improve the City procurement process. The objectives of the procurement policy are:

- Provide public confidence in City procurement processes;
- Maintain broad-based competition for City business;
- Install efficient and effective procurement procedures;
- Utilize appropriate methods of source selection;
- Highlight formalized and fully documented procurement guidelines;
- Ensure that procurement activity is more accessible and visible to the public.

All purchases follow the City’s requisition/purchase order process. City Council approval is required for purchases over \$10,000.00. A chart illustrating City staff approval authority is presented below:

Purchase Amount	Quotations	Dept. Head Approval	City Manager Approval	City Council Approval
\$0.00 to \$500.00	None required.	X		
\$500.01 to \$1,000.00	Two quotes are required; ( three quotes are recommended).	X		
\$1,000.01 to \$2,500.00	Three quotes are required.	X		
\$2,500.01 to \$5,000.00	Three written quotes are required.	X		
\$5,000.01 to \$10,000.00	Three written quotes are required.	X	X	
\$10,000.01 to \$20,000.00	Three written quotes are required; sealed bid process is recommended.	X	X	X
\$20,001.00 and up	Sealed bid process is required.	X	X	X

### OTHER INFORMATION

Use of the Report: The City recognizes that the CAFR is management’s report to its governing body, constituents, oversight bodies, resource providers, investors, and creditors. A copy of the CAFR will be sent to the elected officials, City management personnel, bond rating agencies, and other agencies such as financial institutions and government agencies. A copy is available at the Park Ridge City Hall. In addition, the entire document is available for review on the City’s website, <http://www.parkridge.us/finance/default.aspx>.

**Independent Audit:** State statutes require an annual audit by independent certified public accountants. The accounting firm of BKD, LLP performed the audit. The auditor's report on the basic financial statements, combining and individual fund schedules, and information listed as supplemental is included in the financial section of this report.

**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 comprehensive annual financial report for the fiscal year ended April 30, 2014. In order 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 April 30, 2015.

**Acknowledgements:** The preparation of the CAFR 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.

Respectfully submitted,



Joe Gilmore  
Finance Director

**CITY OF PARK RIDGE, ILLINOIS**

**Officers and Officials**

**Year Ended April 30, 2015**

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**ACTING MAYOR**

**Marty Maloney**

**CITY CLERK**

**Betty W. Henneman**

**ALDERMEN**

**First Ward: Joseph Sweeney**  
**Second Ward: Nicholas Milissis**  
**Third Ward: James Smith**  
**Fourth Ward: Roger Shubert**  
**Fifth Ward: Daniel J. Knight**  
**Sixth Ward: Marc Mazzuca**  
**Seventh Ward: Marty Maloney**

**CITY MANAGER**

**Shawn Hamilton**

**FINANCE DIRECTOR**

**Joe Gilmore**

**ASSISTANT FINANCE DIRECTOR**

**Andrea Lamberg**

**COMMUNITY DEVELOPMENT DIRECTOR**

**James Testin**

**POLICE CHIEF**

**Frank Kaminski**

**FIRE CHIEF**

**Jeff Sorensen**

**PUBLIC WORKS DIRECTOR**

**Wayne Zingsheim**

**LIBRARY DIRECTOR**

**Janet Van De Carr**

**HUMAN RESOURCE MANAGER**

**Mike Suppan**

**INFORMATION TECHNOLOGY DIRECTOR**

**Diane Nelson**

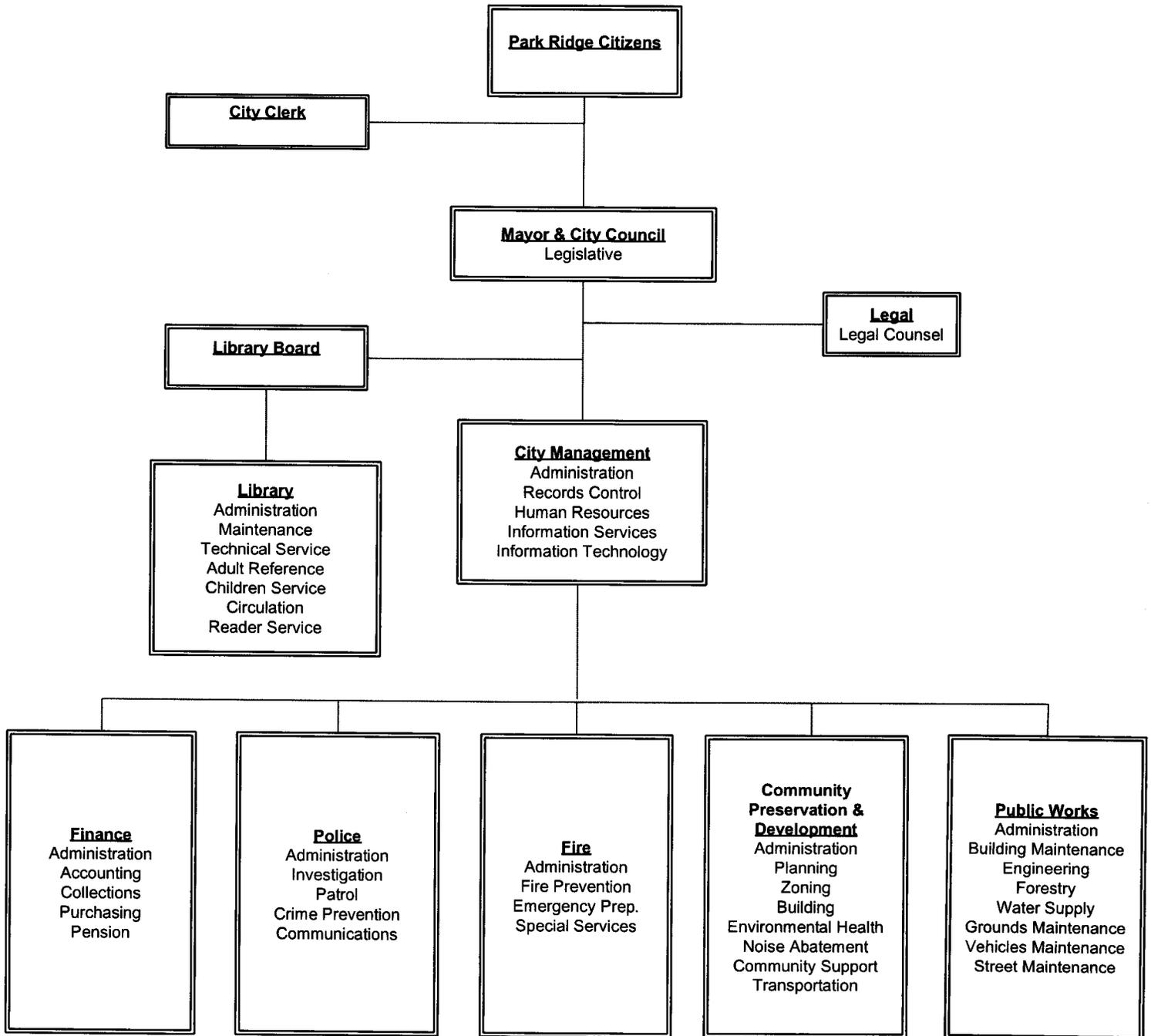
**CITY ATTORNEY**

**Everette Hill, *Klein Thorpe & Jenkins***

**Kathie Henn, *Klein Thorpe & Jenkins***



# City of Park Ridge Organizational Chart By Activities





Government Finance Officers Association

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

Presented to

**City of Park Ridge  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**April 30, 2014**

Executive Director/CEO

## **FINANCIAL SECTION**

**INDEPENDENT AUDITOR'S REPORT**

## Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the discretely presented component unit and the aggregate remaining fund information of the City of Park Ridge, Illinois, as of and for the year ended April 30, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, the discretely presented component unit and the aggregate remaining fund information of the City of Park Ridge, Illinois, as of April 30, 2015, 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.

## **Emphasis of Matters**

In disclosed in Note 1 to the financial statements, in 2015 the City adopted the Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans – an Amendment of GASB Statement No. 25*. Our opinions are not modified with respect to this matter.

The 2014 financial statements, before they were restated for the matter discussed in Note 15, were audited by other auditors and their report thereon, dated November 24, 2014, expressed an unmodified opinion. Our opinions are not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and analysis of funding progress and employer contributions for the City's defined benefit pension plans and other postemployment benefit plan on pages 73-85 be presented to supplement the basic financial statements. Such information, 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 response 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.

### *Other 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 introductory section, combining, individual fund and component unit financial statements and

The Honorable Mayor, City Council  
and City Manager  
City of Park Ridge, Illinois  
Page 3

schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

*BKD, LLP*

Oakbrook Terrace, Illinois  
October 27, 2015

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

## CITY OF PARK RIDGE, ILLINOIS

### MANAGEMENT'S DISCUSSION AND ANALYSIS

April 30, 2015

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The objective of the Management's Discussion and Analysis ("MD&A") is to provide a supplement to the financial statements, giving the reader an objective and easily readable overview of the financial statements.

This document should be read in conjunction with the Comprehensive Financial Statements, including Notes to Financial Statements and the Letter of Transmittal. Amounts presented herein are for the Primary Government only.

#### ***FINANCIAL HIGHLIGHTS***

- At the close of the fiscal year, the total assets and deferred outflows of the City exceeded its liabilities by \$93.9M. This figure represents net position. Net position for fiscal year 2015 reflects an increase of \$8.8M over fiscal year 2014. The net position is comprised of \$67.3M in net investment in capital assets, \$8.9M in restricted and \$17.7M in unrestricted. The unrestricted amount of \$17.7M is an increase of \$4.6M over last year. Unrestricted net position may be used to meet the City's ongoing obligations.
- At the end of the fiscal year, the unassigned fund balance of the General Fund was \$10.1M, or 35.8% of total General Fund expenditures during the year. The target fund balance for the General Fund is equal to three months of budgeted operating expenses, or \$7.7M for fiscal year 2016.
- The City's total general obligation bonded debt decreased by \$2.71M (6.5%) during the fiscal year. This was due to the City paying down scheduled principal repayments totaling \$2.6M as well as savings realized from the refunding of three bond issues.
- More detailed information regarding the fund level activities can be found in later sections of this management's discussion and analysis (MD&A).

#### ***USING THE FINANCIAL SECTION OF THE COMPREHENSIVE ANNUAL REPORT***

Financial statements are presented from two perspectives: the City as a whole (government-wide) and on the major individual funds. These perspectives allow the user to address relevant questions, have a broad basis for comparison (year-to-year and government-to-government) and enhance the City's accountability. The financial statements also include notes to the financial statements and supplementary information.

#### **Government-Wide Financial Statements**

The government-wide financial statements (see pages 16-18) are designed to emulate the corporate sector in that all government and business-type activities are consolidated into columns that add to a total for the Primary Government.

The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to bottom line results for the City and its governmental and business-type activities. This statement combines and consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

## CITY OF PARK RIDGE, ILLINOIS MANAGEMENT'S DISCUSSION AND ANALYSIS

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The Statement of Activities is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities.

The governmental activities reflect the City's core services, including police, fire, public works, community preservation & development and administration. Property taxes, shared state sales, local utility and shared state income taxes finance the majority of these services. The business-type activities reflect private sector type operations (water, sewer and parking), where the fee for service typically covers all or most of the cost of operation, including depreciation.

### **Fund Financial Statements**

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is on major funds, rather than fund types. The City uses fund accounting, like other state or local government entities. The City has three groups of funds: *governmental, proprietary and fiduciary*. Brief explanations of these funds are provided below.

The *Governmental Funds* are presented on a sources and uses of liquid resources basis. This is the manner in which the budget is typically developed. Governmental funds are used to account for the general governmental revenues and expenditures of the City. Most of the City's core services are recorded in the governmental funds. The General Fund is the main operating account of the City and the largest of the governmental funds. The Municipal Waste Management Fund is also classified as a major fund. Governmental funds use the flow of current financial resources measurement focus at the fund financial statement level. This is unique to the public sector. The current financial resources measurement focus uses the modified accrual basis of accounting. Therefore, following the Statement of Net Position for the Governmental Funds is a reconciliation of the Balance Sheet to the Statement of Net Position to calculate net position on the full accrual basis of accounting.

The *Proprietary Funds* consist of enterprise funds and internal service funds. These funds comprise the business-type category reported in the government-wide statements. These funds account for business or service type operations of the City that are similar to private sector operations in which costs are recovered as a user fee. The City's proprietary funds include Water, Sewer and Parking. The internal service funds are used to account for the purchase of technology equipment, vehicles and other heavy construction equipment. Proprietary funds use the economic resources measurement focus which employs the accrual basis of accounting. Therefore, no statement of reconciliation to the Balance Sheet is required for the proprietary funds.

The *Fiduciary Funds* (Police and Firefighters' Pensions) are excluded from the government-wide financial statements. While these Funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the Government-Wide Financial Statements.

The Library Fund is a discreetly presented Component Unit. Fiscal year 2012 was the first year that the Library was presented as a Component Unit. Prior to 2012, the Library was presented as a major governmental fund.

The Notes to the Financial Statements are additional notes and information added to the end of the CAFR to supplement the reader with more information. The notes include information on significant accounting policies, explanations on the reconciliations of statements, investments, receivables, capital assets, debt,

(See independent auditor's report)

**CITY OF PARK RIDGE, ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS**

interfund balances, contingent liabilities, pensions and other information related to the City’s financial status. The information contained within the notes not only supplement financial statement information, but they clarify line-items that are part of the financial statements.

The supplemental information section includes detailed information as a context for understanding what the information in the financial statements and notes says about the City’s overall financial health. It also includes information specific to the community and demographics of the City.

**Capital Assets**

A government’s largest group of assets usually consists of infrastructure assets – i.e. land, streets, storm sewers, water pipe and sidewalks. This statement requires that these assets be valued and reported within the governmental column of the Government-wide Statements. Additionally, the government must elect to either (1) depreciate these assets over their estimated useful life or (2) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. The City has chosen to depreciate assets over their useful lives. If a project is considered maintenance – a recurring cost that does not extend the asset’s original useful life or expand its capacity – the cost of the project will be expensed. For example, the “overlay” of a street will be considered maintenance whereas a “rebuild” of a street will be capitalized.

**FINANCIAL ANALYSIS OF THE CITY AS WHOLE**

**The following table reflects the condensed Statement of Net Position:**

Net position is defined as the amount by which assets and deferred outflows exceed liabilities and deferred inflows. Net position can be a useful indicator of a government’s financial condition. The following condensed Statement of Net Position compares the current and prior fiscal years. For more detailed information see the Statement of Net Position (page 16).

**Statement of Net Position  
As of April 30, 2015  
(In Thousands)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Primary Government</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>Assets</b>						
Current Assets	\$ 31,985	28,421	8,171	8,758	40,156	37,179
Non Current Assets	66,323	65,869	38,782	37,236	105,105	103,105
Deferred Outflows	403				403	
<b>Total Assets/Deferred Outflows</b>	<b>98,711</b>	<b>94,290</b>	<b>46,953</b>	<b>45,994</b>	<b>145,664</b>	<b>140,284</b>
<b>Liabilities</b>						
Current Liabilities	3,398	4,934	1,339	1,064	4,737	5,998
Non Current Liabilities	46,908	48,823	131	149	47,039	48,972
<b>Total Liabilities</b>	<b>50,306</b>	<b>53,757</b>	<b>1,470</b>	<b>1,213</b>	<b>51,776</b>	<b>54,970</b>
<b>Net Position</b>						
Net Investment in						
Capital Assets	28,609	27,589	38,665	37,236	67,274	64,825
Restricted	8,858	7,279		98	8,858	7,377
Unrestricted	10,938	5,665	6,817	7,447	17,755	13,112
<b>Total Net Position</b>	<b>\$ 48,405</b>	<b>40,533</b>	<b>45,482</b>	<b>44,781</b>	<b>93,887</b>	<b>85,314</b>

(See independent auditor’s report)

**CITY OF PARK RIDGE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Net investment in capital assets constitutes a significant portion of total net position. For governmental activities, capital assets include land, streets, sidewalks, buildings and vehicles. For business type activities, capital assets include water mains, reservoirs, buildings, storm sewers, parking lots and vehicles. The City operates as an on-going concern and, as such, does not plan to sell these assets to retire debt. Therefore, although the City's investment in capital assets is reported net of related debt, repayment resources must be provided from other sources.

**Changes in Net Position**

The following table compares revenue and expenses of the governmental and business-type activities for the current and prior fiscal years.

**Statement of Changes in Net Position  
For the Fiscal Years Ended April 30, 2015 and April 30, 2014  
(In Thousands)**

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Primary Government</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>REVENUES</b>						
Program Revenues						
Charges for Services	\$ 5,582	5,383	10,954	11,055	16,536	16,438
Grants & Contributions						
Operating	1,423	1,157		5	1,423	1,162
Capital		572	1,227	2,478	1,227	3,050
General Revenues						
Property Taxes	18,908	16,413			18,908	16,413
Other Taxes	7,387	3,831			7,387	3,831
Intergovernmental	10,166	10,038			10,166	10,038
Other	1,265	4,904	43	46	1,308	4,950
<b>Total Revenues</b>	<b>44,731</b>	<b>42,298</b>	<b>12,224</b>	<b>13,584</b>	<b>56,955</b>	<b>55,882</b>
<b>EXPENSES</b>						
General Government	8,553	8,821			8,553	8,821
Public Safety	16,291	16,441			16,291	16,441
Public Works	11,587	12,132			11,587	12,132
Development	1,652	1,714			1,652	1,714
Culture & Civic	289	493			289	493
Interest Expense	1,215	1,903			1,215	1,903
Water			7,334	6,796	7,334	6,796
Parking			305	338	305	338
Sewer			933	1,097	933	1,097
<b>Total Expenses</b>	<b>39,587</b>	<b>41,504</b>	<b>8,572</b>	<b>8,231</b>	<b>48,159</b>	<b>49,735</b>
<b>Change in Net Position before Transfers</b>	<b>5,144</b>	<b>794</b>	<b>3,652</b>	<b>5,353</b>	<b>8,796</b>	<b>6,147</b>
Transfers	2,620	2,871	(2,620)	(2,871)		
<b>Change in Net Position</b>	<b>7,764</b>	<b>3,665</b>	<b>1,032</b>	<b>2,482</b>	<b>8,796</b>	<b>6,147</b>
Net Position - Beginning	40,533	36,868	44,781	42,299	85,314	79,167
Restatement	108		(330)	-	(222)	
<b>Net Position - Ending</b>	<b>\$ 48,405</b>	<b>40,533</b>	<b>45,483</b>	<b>44,781</b>	<b>93,888</b>	<b>85,314</b>

(See independent auditor's report)

**CITY OF PARK RIDGE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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

**Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources.

As of April 30, 2015, the governmental funds reported a combined fund balance of \$14.3M, an increase of \$3.2M from the previous year's restated fund balance of \$11.1M. This increase is primarily attributable to the General Fund where revenues were \$1.4M greater in fiscal year 2015 than in fiscal year 2014. Additionally, in fiscal year 2014, there was a one-time transfer from the General Fund to the Uptown TIF Fund in the amount of \$1.2M to cover the accumulated shortfall in the TIF. No such transfer was necessary in fiscal year 2015. The Uptown TIF Fund saw an increase in fund balance due to an increase in property tax revenue. This was a result of a segmentation project of parcels within the TIF. Debt Service Fund balance increased due to three refundings that occurred during the fiscal year. Some planned and budgeted debt payments did not occur due to the refundings. The Sewer Improvement Fund balance decreased as planned due to bonds funds being spent down on planned projects.

The following list provides the fund balances for the governmental funds as of April 30, 2015 and April 30, 2014. Negative amounts are in ( ):

<b>Fund Description</b>	<b>FY15 Fund Balance</b>	<b>FY14 Fund Balance</b>	<b>Increase (Decrease)</b>
Major Funds			
General Fund	\$ 10,418,363	6,824,905	3,593,458
Municipal Waste	(53,287)	267,084	(320,371)
Nonmajor Funds			
Motor Fuel Tax	1,328,339	1,100,717	227,622
IMRF	(351,886)	(230,756)	(121,130)
Uptown Tax Increment Financing District	615,593		615,593
911 Emergency Telephone	(810)	49,217	(50,027)
Asset Forfeiture	103,965	70,553	33,412
Dempster TIF	109,344	114,999	(5,655)
Foreign Fire	65,922	63,288	2,634
Special Service Area	142,015	259,881	(117,866)
2005A General Obligation Bond		208,710	(208,710)
2006A General Obligation Bond	243,034	315,618	(72,584)
2006B General Obligation Bond		33,511	(33,511)
2012B General Obligation Bond	377,708	403,712	(26,004)
2014A General Obligation Refunding Bond	5,349		5,349
2015A General Obligation Refunding Bond	161,099		161,099
2015B General Obligation Refunding Bond	827,997		827,997
Sewer Improvement Capital Project Fund	385,447	1,643,169	(1,257,722)
	<u>\$ 14,378,192</u>	<u>11,124,608</u>	<u>3,253,584</u>

(See independent auditor's report)

**CITY OF PARK RIDGE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**General Fund  
Revenue and Other Sources  
(In thousands)**

<b>Revenues and Other Sources</b>	<b>2014/15 Revised Budget</b>	<b>2014/15 Actual</b>	<b>2013/14 Actual</b>	<b>2014/15 Variance to Budget</b>
Property Taxes	\$ 7,570	7,408	7,756	-2.14%
Sales Taxes	5,212	5,381	5,273	3.24%
Income Taxes	3,666	3,671	3,013	0.14%
Utility Taxes	4,073	3,829	4,019	-5.99%
Licenses & Permits	2,918	3,119	2,879	6.89%
Other Revenue	6,888	8,024	7,111	16.49%
Transfers In	1,249	1,249	1,093	0.00%
<b>Total Revenues</b>	<b>\$ 31,576</b>	<b>32,681</b>	<b>31,144</b>	<b>3.50%</b>

*General Fund Revenue* – Revenue for the year came in over budget by 3.50%. The largest increase was in the other revenue category where revenue increased \$1.1M over fiscal year 2014. In the other revenue category, employee contributions for insurance were \$560K over budget. This occurred because a change in accounting practice was considered in fiscal year 2015. The change omitted the employee contribution towards insurance as revenue in lieu of recording insurance expense at the net amount (only the employer expense) as opposed to recording insurance expense at the gross amount which records both the employer and employee expense. It was decided after the budget was adopted to continue to record insurance at the gross expenses, as it has been recorded in previous years. State Income Taxes, which saw a \$657K increase from the previous year, were slightly over budget. This was a result of increased per capita income in the City. Property tax receipts and utility taxes had negative variances to budget. These variances were offset by positive variances to budget in sales taxes, licenses & permits, and other revenues. Increased business and economic activity resulted in building license and permit revenue being greater than budgeted. Business license and building permit revenues saw increases of \$142K and \$250K respectively during the fiscal year. Utility taxes were 6.0% under budget. This was due to a decline in municipal telecomm tax collections, which was \$86K less than in fiscal year 2014 and \$287K under budget. Municipal telecomm taxes have declined statewide due to changes in the telecommunications industry.

**General Fund  
Expenditures and Other Uses  
(In thousands)**

<b>Expenditures and Other Uses</b>	<b>2014/15 Revised Budget</b>	<b>2014/15 Actual</b>	<b>2013/14 Actual</b>	<b>2014/15 Variance to Budget</b>
General Government	\$ 8,251	7,333	7,833	-11.13%
Public Safety	14,934	14,531	15,077	-2.70%
Public Works	5,829	5,302	5,306	-9.04%
Development	990	978	947	-1.21%
Culture & Civic	8	4	4	-50.00%
Transfers Out	932	937	2,266	0.54%
<b>Total Expenditures</b>	<b>\$ 30,944</b>	<b>29,085</b>	<b>31,433</b>	<b>-6.01%</b>

(See independent auditor's report)

**CITY OF PARK RIDGE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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*General Fund Expenditures*– Expenditures for the year came in under budget by \$1.9M or 6.01%. City administration contingency related expenditures came in \$340K under budget. The contingency budget is for potential insurance and contract settlements and the budgeted funds are only used if settlements occur or contracts are settled. Workers compensation payments and settlements were less than anticipated. Payments to taxing districts for intergovernmental agreements (IGA's) related to the Uptown TIF were budgeted at \$616K; however, actual payments only totaled \$365K. The IGA's are being renegotiated and pending those new agreements, some payments were not in fiscal year 2015. The fiscal year 2015 and fiscal year 2016 payments are expected to be paid in fiscal year 2016 when those agreements are finalized. Salaries expense was less than budgeted in fiscal year 2015 due to vacancies that occurred during the year. Non-vital capital expenditures were deferred during fiscal year 2015 including building repairs (\$58K under budget), computer equipment (\$58K under budget), sidewalk repairs (\$40K under budget), and forestry related expenditures (\$221K under budget), among others. Computer equipment purchases were deferred due to a transition from a in house IT department to an outsourced IT department. Forestry purchases were deferred due to spring planting weather delays.

The target unassigned fund balance for the General Fund is equal to three months of budgeted expenditures. At April 30, 2015, unassigned fund balance exceeded target unassigned fund balance in the amount of \$2,570,102.

During the course of the year, the City Manager approved budget transfers within his authority. Budget transfers outside of his authority and budget amendments were approved by City Council. The text of the financial statements shows the final budget.

*Municipal Waste Management* – The Municipal Waste Fund was budgeted with a small deficit of \$123K due to a fiscal year 2014 fund balance surplus. Property tax revenue for fiscal year 2015 was budgeted at \$3.45M but unexpectedly came in under budget at \$3.13M. This combined budgeted deficit and revenue shortfall resulted in a fiscal year 2015 deficit of \$320K. As a result, the fund balance decreased from \$267K in fiscal year 2014 to (\$53K) in fiscal year 2015. This deficit will be addressed and resolved in fiscal years 2016 and 2017.

*Motor Fuel Tax* – Motor Fuel has a fund balance of \$1.3M in fiscal year 2015, up from \$1.1M in fiscal year 2014. Revenue from the state exceeded the budget by \$171K. This resulted in a surplus of \$227K for the year which led to the increase in the fund balance. This fund balance will be spent down on street projects planned in the summer and fall of 2015.

*IMRF* – The IMRF Fund had a year-end deficit of \$121K compared to a budgeted deficit of \$249K. Property Tax receipts were unexpectedly under budget by \$119K. This shortfall was offset by pension payments and social security tax expense, which were less than budgeted by \$242K. This is due to salary expense being lower than anticipated. The fund balance deficit will be addressed and resolved in fiscal years 2016 and 2017.

*Uptown TIF* - The Uptown TIF fund balance increased from \$0 in fiscal year 2014 to \$616K in fiscal year 2015. This increase resulted from increased property values within the TIF area combined with the segmentation of parcels within the TIF district. Expenditures were under budget by \$327K due to ongoing negotiations of Intergovernmental Agreements (IGA's) with other taxing bodies.

*Emergency Telephone* – Emergency telephone receipts are not sufficient to support the annual operating costs of the Fund. Annual transfers are required each year from the General Fund. In fiscal year 2015 the General Fund contributed \$932K to the Emergency telephone fund. The fund balance is (\$1K) as of April 30, 2015.

All other Governmental Funds – The remaining funds are not used to account for core City services.

(See independent auditor's report)

**CITY OF PARK RIDGE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**Business-Type Funds**

The City reports the Parking Fund, Water Fund, and Sewer Fund as business-type funds.

The Water Fund deficit was \$362K compared to a budgeted deficit of \$985K. While revenues were \$1.1M under budget, this was offset by expenditures being held under budget to a greater extent. Water main construction was under budget by \$561K for the fiscal year. Delays occurred related to spring weather resulting in some projects being deferred to fiscal year 2016. The City budgeted for a more aggressive increase in City of Chicago water rates than what actually occurred. This led to water purchases from the City of Chicago to be \$448K under budget. Water Fund personnel expenditures were less than budgeted due to labor vacancies (\$41K less than budget) and decreased spending on materials (\$59K less than budget). Water purchased from the City of Chicago exceeded water billed to customers by 380M gallons or 26% of total purchases, which exceeds the 10% benchmark. The City began an internal audit of the water loss in fiscal year 2016 and will analyze the results so the loss can be addressed. The target unrestricted net position for the Water Fund is equal to two months budgeted expenditures plus an additional \$570,000 for emergency expenditures. At April 30, 2015, unrestricted net position exceeded target unrestricted net position in the amount of \$1,628,705.

The Sewer Fund's net position increased by \$1.5M from fiscal year 2014 to fiscal year 2015. Of this, the net investment in capital assets increased by \$1.1M due to capital spending on sewer lining and construction projects. Unrestricted net position increased by \$94K. In addition to the \$563K expended annual sewer lining projects, \$1.2M was contributed from the 2012A Sewer Improvement capital project fund. The 2012A Sewer Improvement capital project fund was set up to account for the expenditure of the proceeds of the 2012A bond series. The 2012A bonds were issued in January 2012 to finance capital improvements to the City's sewer system as part of a larger capital improvement plan to reduce flooding. The target unrestricted net position for the sewer fund is equal to two months budgeted expenditures plus an additional \$300,000 for emergency expenditures. At April 30, 2015, unrestricted net position exceeded target unrestricted net position in the amount of \$2,628,492.

The Parking Fund had a year-end deficit of \$140K compared to a budgeted deficit of \$272K. Parking expenditures were \$366K less than budgeted due to shared costs for a streetscaping project being less than expected. The City completed a joint streetscaping project with IDOT in fiscal year 2015. Personnel expenses were under budget due to vacancies in parking enforcement. The target unrestricted net position for the parking fund is equal to two months budgeted expenditures plus an additional \$50,000 for emergency expenditures. At April 30, 2015, unrestricted net position was below target unrestricted net position in the amount of \$144,328.

**Capital Assets**

At the end of fiscal year 2015, the City had a combined total of capital assets of \$105.1M invested in a broad range of capital assets including land, buildings, machinery, furniture, vehicles, equipment and infrastructure (streets, sidewalks, alleys, water mains and sewers). This amount represents a net increase (including additions and deletions) of \$2.2M. Readers desiring more detailed information regarding capital assets are directed to Note Number 4 - Capital Assets.

(See independent auditor's report)

**CITY OF PARK RIDGE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

**Total Capital Assets at Fiscal Year End Net of Depreciation  
(in Thousands)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Assets</b>						
Buildings	\$ 10,633	10,955			10,633	10,955
Machinery & Equipment	302	347	140	167	442	514
Furniture & Equipment	289	326			289	326
Vehicles & Equipment	1,737	1,588	163	194	1,900	1,782
Infrastructure	15,377	14,562	35,683	30,831	51,060	45,393
Construction in Progress	1,002	1,002	1,513	4,760	2,515	5,762
<b>Total Capital Assets</b>	<b>\$ 66,321</b>	<b>65,870</b>	<b>38,782</b>	<b>37,235</b>	<b>105,103</b>	<b>103,105</b>

**Outstanding Debt**

The City of Park Ridge has six general obligation bond series outstanding totaling \$39.1M. During the fiscal year, the City issued \$22.2M in Series 2014A, Series 2015A and Series 2015B General Obligation (G.O.) Refunding Bonds in order to take advantage of interest savings. Outstanding debt consists of the following:

In June 2006, the City issued Series 2006A to finance the last phase of development for target area II of the Uptown TIF district. Series 2006A was a tax-exempt general obligation issue. As of April 30, 2015, the outstanding debt on 2006A totaled \$10,330,000. The bonds were rated Aa2 by Moody's Investors Service.

In January 2012, the City issued Series 2012 A & B. The 2012A bonds financed capital improvements to the City's sewer system as part of a larger capital improvement plan to reduce flooding. As of April 30, 2015, the outstanding debt on 2012A totaled \$5,120,000. The bonds were rated Aa2 by Moody's Investors Service. Moody's assigned a negative outlook when they rated the City's bonds in 2012.

The Series 2012B bonds funded the outstanding liability of the City's Early Retirement Incentive program, and paid the City's underfunded balance with the Illinois Municipal Retirement Fund. As of April 30, 2015, the outstanding debt of these bonds totaled \$1,420,000. The bonds were rated Aa2 by Moody's Investors Service. Moody's assigned a negative outlook when they rated the City's bonds in 2012.

In August 2014, the City issued Series 2014A Bonds. Proceeds from the 2014A bonds were used to refund outstanding series 2004B bonds. Present value savings from the refundings was \$878K. Proceeds from the series 2004B bonds were used for the construction of a new water reservoir and pump station. This debt is paid from water fund revenues. As of April 20, 2015, the outstanding debt of these bonds totaled \$7,590,000. The bonds were rated Aa2 by Moody's Investors Service. Moody's assigned a negative outlook when they rated the City's bonds in 2014.

In March 2015, the City issued Series 2015A and B Bonds. Proceeds from the 2015A series bonds were used to refund outstanding series 2005A bonds and 2006B bonds. Present value savings from the refundings was \$1,785M. The original 2005A bond proceeds were used to finance various costs related to the Uptown TIF Development. These bonds are paid from incremental tax revenue from the Uptown TIF district. As of April 30, 2015, the outstanding debt on these bonds totaled \$6,495,000. The bonds were rated Aa2 by Moody's Investors Service. Moody's assigned a negative outlook when they rated the City's bonds in 2014.

(See independent auditor's report)

**CITY OF PARK RIDGE, ILLINOIS  
MANAGEMENT’S DISCUSSION AND ANALYSIS**

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Proceeds from the 2015B series bonds were used to refund outstanding Series 2006B bonds. The original 2006B bond proceeds were used to fund the last phase of development for target area II of the Uptown TIF district. As of April 30, 2015, the outstanding debt on these bonds totaled \$8,145,000. The bonds were rated Aa2 by Moody’s Investors Service. Moody’s assigned a negative outlook when they rated the City’s bonds in 2014.

As a home rule community, the City of Park Ridge has no legal debt limit. See Note 5 for a detailed description of the City’s long-term debt.

**Economic Factors and a Look to the Future**

The target unrestricted/unassigned fund balance serves as a guide during the budgeting process. The impact of a budget surplus or deficit on each individual fund will be analyzed as to the impact on the target unrestricted/unassigned fund balance. Use of fund balance will require a super majority vote from the City Council if the unrestricted/unassigned fund balance is below the required threshold. The total target unrestricted/unassigned fund balance is based on the total of the operating budget so it will vary each year. The target fund unrestricted/unassigned fund balance as set by the policy for all funds in the governmental and business-type funds excluding the Asset Forfeiture, Foreign Fire Insurance and Special Service Area funds is \$10.4M. The target fund balance for the General Fund is equal to three months of budgeted expenditures, while the Enterprise Funds are each equal to two months budgeted expenditures plus an add on for emergency expenditures. The total unrestricted/unassigned fund balance as of fiscal year 2015 for these same funds is \$16.3M. The City exceeds the target unrestricted/unassigned fund balance in total by \$5.9M. The water and sewer business-type funds have a surplus over the unrestricted balance totaling \$4.01M. The parking fund business-type fund has a deficit of (\$42K). See below for the detail by fund.

<b>Fund Type</b>	<b>Fund Description</b>	<b>Target Unrestricted/ Unassigned Fund Balance FY16 Budget</b>	<b>4/30/15 Unassigned/ Unrestricted Fund Balance</b>	<b>Variance to Target</b>
General	General Fund	\$ 7,524,581	10,094,683	2,570,102
Enterprise	Parking Enterprise	101,874	(42,454)	(144,328)
Enterprise	Water Enterprise	1,984,706	3,613,411	1,628,705
Enterprise	Sewer Enterprise	500,884	3,129,376	2,628,492
		<u>\$ 10,112,045</u>	<u>16,795,016</u>	<u>6,682,971</u>

Personnel expenditures account for over 48% of the City’s expenditures. Personnel expenditures include straight time labor, overtime and employee benefits, including pension contributions. The City has a workforce consisting of both union and non-union staff. There are five separate labor agreements representing bargaining unit employees with varying expiration dates. Nearly half of all City employees are covered under a labor agreement. These labor agreements are with The Fraternal Order of Police (police patrol and sergeants), Teamsters Local 700 (police patrol), The International Association of Firefighters Local 269 (firefighter / paramedic and lieutenants), International Union of Operation Engineers Local 150 (public works) and the Illinois Council of Police (civilian Police and administrative).

For fiscal year 2015, the medical plan contract renewals for employee medical benefits increased by approximately 4% over the previous year. The City has two PPO plans and one HMO plan, along with dental and vision coverage. The percentage increases were reduced to this level through modifications to plan design

(See independent auditor’s report)

**CITY OF PARK RIDGE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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and increased deductibles. City management is limited in their ability to increase employee contributions during each renewal period for those employees covered by a labor agreement. The City expects to incur annual increases in employee medical plans but has limited ability to predict the significance of the increases.

The City is proud of its Tree City USA designation received from the Arbor Day Foundation, annually since 1984. The tree canopy in Park Ridge is one of the many features that makes Park Ridge a beautiful place to live. In fiscal year 2014, the City increased the tree removal budget to \$400,000 to begin removing ash trees that had succumbed to the Emerald ash borer. To date, 1,700 ash trees have been removed from the City's right-of-ways with close to 500 remaining. It is the Forestry Division's goal to remove the remaining ash trees that have succumbed to the Emerald ash borer by the end of FY17. Due to the devastation of the urban canopy caused by the Emerald ash borer and Dutch elm disease, the City increased the budget for the Forestry Division's tree planting program in fiscal year 2015 to \$125,000 to continue its effort to maintain canopy cover and increase canopy diversity by replacing trees that have been removed.

City facilities are experiencing the effects of continued aging with minimal capital investment in recent years due to budget limitations. Future capital improvements include Police Department renovations, City Hall work area improvements including parking lot and lighting, and Fire Station HVAC and parking lot renovations. It is staffs intention to include components of each of these projects in the FY17 Capital Budget as further deferral would have service and maintenance cost increase implications.

In FY15, the Fire and Police Departments successfully transitioned dispatch services from the NSECC Dispatch Center in Des Plaines. Fire Department dispatch is now provided by RED Center in Northbrook, IL, and Police Department dispatch is now handled by West Suburban Consolidated Dispatch in River Forest. There were many benefits to this transition, including faster dispatching of neighboring departments into Park Ridge when mutual aid is needed as well as increased staff to handle the increasing call volume. The cost of emergency dispatch services continues to outpace emergency telephone receipts which will continue to require subsidies in the form of fund transfers from the General Fund.

Toward the end of fiscal year 2012, the City commissioned a professional organization to conduct a comprehensive sewer and water rate study. The study was to provide the City with a sewer and water rate structure that would provide the appropriate level of user charges to cover the annual operating costs. The projections based on the current rate structure identified that the City's water fund would be depleted of funds by fiscal year 2015. The City responded to this by increasing fees, and as a result, that water fund retains a healthy fund balance. However, the City continues to face a number of issues and challenges in both the water and sewer fund, including, historical annual increases of 15% in the cost of water from the City of Chicago, continued costs in the sewer fund for extensive construction work to mitigate the risk of flooding, and the need for a water meter reading system to replace the current resident self-reading meter program. The City plans to commission a new sewer and water rate study in FY17.

The City adopted a new rate structure with the new rates implemented with the August 2012 billing cycle. Although the new rate structure provides adequate annual user charges, the study identified issues with the annual capital improvement plan for both sewer and water main replacement. According to the study, industry average renewal cycles for water main replacement and sewer rehabilitation is 75 years. Based on the City's projected annual spending, the City's renewal cycle for water main is 140 years (almost double) and 260 years for sewer (3.5X). The study identified that the historical level of infrastructure replacement was not sustainable in the long run. To address this issue the City increased sewer lining spend from \$300K in FY14 to \$350K in FY15 and budgeted \$400K in FY16. In addition, the water main replacement spend doubled from \$900K to \$1.8M in FY15, and is expected to remain at that level for the foreseeable future.

(See independent auditor's report)

**CITY OF PARK RIDGE, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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The City Council is concerned about economic development issues, specifically the ability to attract retailers to lease vacant space. This issue is not specific to Park Ridge, but it does have an impact on sales tax revenues which represent 15% of the City's total governmental activity revenue.

Incremental property tax receipts have not been sufficient to pay the annual debt service payments and all other obligations of the Uptown TIF. Incremental property tax receipts are taxes received based on the difference in the base EAV for the district and the actual EAV for the district multiplied by the effective tax rate. The City established the Uptown TIF Fund with the intent to pay all debt service and intergovernmental agreement obligations with incremental property tax revenues. Although the bonds that are paid from the Uptown TIF Fund are General Obligation bonds, the City has abated the property tax associated with these bond payments each year since the inception of the fund. In 2015, the City made the decision to discontinue abating the property taxes associated with the bonds, which took pressure off of the General Fund.

A major factor in the underperformance of the Uptown TIF Fund is the decline in assessed property values which has resulted in a decline in the incremental property tax revenue. City Staff began discussions with our taxing partners (District 207, District 64 and the Park District) about the possibility of renegotiating the existing Intergovernmental Agreements related to the Uptown TIF, given the reality that the project will never achieve original projections. All parties were receptive to exploring alternative IGA options in FY16.

As outlined in this report, the City has several financial and operational challenges in the short and long-term that span across multiple funds. The City Council and City staff will continue to regularly monitor financial performance of all City funds in order to be proactive in decisions and policies that will have a positive impact on City services and finances.

**CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide citizens, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning this report may be directed to Joe Gilmore, Finance Director, City of Park Ridge, 505 Butler Place, Park Ridge, Illinois 60068.

(See independent auditor's report)

## **BASIC FINANCIAL STATEMENTS**

**CITY OF PARK RIDGE, ILLINOIS**

Statement of Net Position

April 30, 2015

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Unit Public Library
<b>Assets</b>				
Cash and Cash Equivalents	\$ 17,940,080	5,778,185	23,718,265	2,778,203
Investments				145,223
Receivables				
Property Taxes, Net	9,595,039		9,595,039	2,832,198
Other Taxes	1,196,281		1,196,281	
Intergovernmental	2,511,912		2,511,912	
Customer Accounts		2,309,639	2,309,639	
Other Receivables	341,520		341,520	
Note Receivable	17,515		17,515	
Inventory	75,515	82,821	158,336	
Prepaid Items	306,706		306,706	59,158
Noncurrent Assets				
Capital Assets Not Being Depreciated	36,849,336	2,796,353	39,645,689	940,083
Capital Assets (Net of Accumulated Depreciation)	29,474,096	35,986,131	65,460,227	841,086
Total Assets	98,308,000	46,953,129	145,261,129	7,595,951
<b>Deferred Outflows of Resources</b>				
Unamortized Loss on Refunding	403,751		403,751	
<b>Liabilities</b>				
Accounts Payable	1,884,284	1,101,092	2,985,376	74,397
Accrued Interest Payable	385,445		385,445	
Other Accrued Liabilities	592,426	104,894	697,320	62,838
Contracts Payable		132,632	132,632	
Unearned Revenue - Other	394,640		394,640	
Due to Other Governments	52,274		52,274	
Other Liabilities	89,384		89,384	31,493
Noncurrent Liabilities				
Due Within One Year	4,491,643	36,307	4,527,950	67,862
Due in More Than One Year	42,416,780	95,387	42,512,167	171,452
Total Liabilities	50,306,876	1,470,312	51,777,188	408,042
<b>Net Position</b>				
Net Investment in Capital Assets	28,608,503	38,664,839	67,273,342	1,781,169
Restricted for				
Road Construction	1,328,339		1,328,339	
Public Safety	169,887		169,887	
Economic Development	1,110,384		1,110,384	
Debt Service	3,485,737		3,485,737	
Employee Benefits	637,058		637,058	
Municipal Waste Management	1,965,503		1,965,503	
Special Service Areas	160,766		160,766	
Unrestricted	10,938,698	6,817,978	17,756,676	5,406,740
Total Net Position	\$ 48,404,875	45,482,817	93,887,692	7,187,909

See Notes to Financial Statements

**CITY OF PARK RIDGE, ILLINOIS**

Statement of Activities

Year Ended April 30, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants	Capital Grants
<b>Primary Government</b>				
Governmental Activities				
General Government	\$ 8,552,790	3,752,651		
Public Safety	16,291,480	1,781,357	176,406	
Public Works	11,587,047	48,440	1,246,617	
Development	1,652,471			
Culture and Civic	288,781			
Interest Expense	1,215,170			
Total Governmental Activities	<u>39,587,739</u>	<u>5,582,448</u>	<u>1,423,023</u>	<u>-</u>
Business-Type Activities				
Water	7,333,827	8,715,489		
Parking	305,156	296,474		
Sewer	933,374	1,942,239		1,226,896
Total Business-Type Activities	<u>8,572,357</u>	<u>10,954,202</u>	<u>-</u>	<u>1,226,896</u>
Total Primary Government	<u>\$ 48,160,096</u>	<u>16,536,650</u>	<u>1,423,023</u>	<u>1,226,896</u>
<b>Component Unit</b>				
Public Library	<u>\$ 3,820,509</u>	<u>125,493</u>		

General Revenues and Transfers

Taxes

- Property
- Replacement
- Utility
- Telecommunications
- Property Transfer
- Emergency Telephone
- Other

Intergovernmental Taxes

- Income
- Sales
- Other

Unrestricted Investment Earnings

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position

May 1, as Originally Reported

Restatements

May 1, as Restated

April 30

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Public Library
(4,800,139)		(4,800,139)	
(14,333,717)		(14,333,717)	
(10,291,990)		(10,291,990)	
(1,652,471)		(1,652,471)	
(288,781)		(288,781)	
(1,215,170)		(1,215,170)	
(32,582,268)	-	(32,582,268)	-
	1,381,662	1,381,662	
	(8,682)	(8,682)	
	2,235,761	2,235,761	
-	3,608,741	3,608,741	-
(32,582,268)	3,608,741	(28,973,527)	-
			(3,695,016)
18,908,351		18,908,351	4,739,196
444,419		444,419	
2,415,595		2,415,595	
1,402,655		1,402,655	
676,625		676,625	
529,803		529,803	
1,918,155		1,918,155	71,568
			19,702
3,564,951		3,564,951	
6,149,374		6,149,374	
451,382		451,382	
7,017	3,528	10,545	1,965
1,258,004	39,484	1,297,488	109,961
2,619,842	(2,619,842)		
40,346,173	(2,576,830)	37,769,343	4,942,392
7,763,905	1,031,911	8,795,816	1,247,376
40,533,338	44,780,839	85,314,177	5,940,533
107,632	(329,933)	(222,301)	
40,640,970	44,450,906	85,091,876	5,940,533
48,404,875	45,482,817	93,887,692	7,187,909

**CITY OF PARK RIDGE, ILLINOIS**

Balance Sheet - Governmental Funds

April 30, 2015

	General Fund	Municipal Waste Management Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Cash and Cash Equivalents	\$ 9,412,404	106,409	4,530,247	14,049,060
Receivables				
Property Tax, Net	4,639,049	2,034,142	2,921,848	9,595,039
Other Taxes Receivable				
Local Sales Tax	469,874			469,874
Simplified Telecommunications Tax	366,825			366,825
Personal Property Replacement Tax	82,878			82,878
Utility Tax	146,755			146,755
Gasoline Tax	32,627			32,627
Other Taxes	15,700		81,622	97,322
Intergovernmental	2,413,807		98,105	2,511,912
Other Receivables	341,520			341,520
Loans and Notes	17,515			17,515
Inventory	75,515			75,515
Due from Other Funds	365,079			365,079
Prepaid Items	248,165	58,541		306,706
<b>Total Assets</b>	<b>\$ 18,627,713</b>	<b>2,199,092</b>	<b>7,631,822</b>	<b>28,458,627</b>

**CITY OF PARK RIDGE, ILLINOIS**

Balance Sheet - Governmental Funds

April 30, 2015

	General Fund	Municipal Waste Management Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Liabilities</b>				
Accounts Payable	\$ 1,316,734	232,061	228,039	1,776,834
Other Accrued Liabilities	590,898	1,528		592,426
Unearned Revenue	388,955		5,685	394,640
Contracts Payable			52,274	52,274
Due to Other Funds			365,079	365,079
Other Liabilities			89,384	89,384
<b>Total Liabilities</b>	<b>2,296,587</b>	<b>233,589</b>	<b>740,461</b>	<b>3,270,637</b>
<b>Deferred Inflows of Resources</b>				
Unavailable Property Taxes	4,599,853	2,018,790	2,878,245	9,496,888
Unavailable Intergovernmental Revenues	1,312,910			1,312,910
<b>Total Deferred Inflows of Resources</b>	<b>5,912,763</b>	<b>2,018,790</b>	<b>2,878,245</b>	<b>10,809,798</b>
<b>Fund Balances</b>				
<b>Nonspendable:</b>				
Inventory	75,515			75,515
Prepaid Items	248,165			248,165
<b>Restricted</b>				
Road Construction			1,328,339	1,328,339
Public Safety			169,887	169,887
Economic Development			1,110,384	1,110,384
Debt Service			1,615,187	1,615,187
Special Service Areas			142,015	142,015
Unassigned	10,094,683	(53,287)	(352,696)	9,688,700
<b>Total Fund Balances</b>	<b>10,418,363</b>	<b>(53,287)</b>	<b>4,013,116</b>	<b>14,378,192</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 18,627,713</b>	<b>2,199,092</b>	<b>7,631,822</b>	<b>28,458,627</b>

See Notes to Financial Statements

**CITY OF PARK RIDGE, ILLINOIS**

Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position

April 30, 2015

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Total Fund Balances - Governmental Funds \$ 14,378,192

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities (excluding those from internal service funds) are not financial resources and, therefore, are not reported in the funds.

Capital Assets, at Cost	85,354,974
Accumulated Depreciation	<u>(20,915,871)</u>

Net Capital Assets 64,439,103

Some liabilities reported in the Statement of Net Position do not require the use of current financial resources and, therefore, are not reported as a liability in governmental funds. These liabilities consist of:

General Obligation Bonds Payable	(39,100,000)
Bond Premiums	(1,139,324)
Net Pension and OPEB Obligations	(4,412,515)
Compensated Absences	(1,410,666)
Claims Liability	(845,918)
Interest Payable	<u>(385,445)</u>

Total Long-Term Liabilities (47,293,868)

Losses on refunding are not recognized in the governmental funds, but are capitalized and amortized over the life of the refunded bond in the Statement of Net Position.

403,751

Some of the property taxes and intergovernmental revenue will be collected after year end but are not available soon enough to pay for the current period's expenditures and, therefore, are deferred in the funds.

10,809,798

Internal service funds are used to manage the costs of certain activities, to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position.

5,667,899

Net Position of Governmental Activities

\$ 48,404,875

**CITY OF PARK RIDGE, ILLINOIS**

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

Year Ended April 30, 2015

	General Fund	Municipal Waste Management Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
Property Taxes	\$ 7,408,655	3,131,114	6,424,270	16,964,039
Other Taxes	9,158,542		613,859	9,772,401
Licenses and Permits	3,756,561			3,756,561
Intergovernmental	8,024,072		1,246,617	9,270,689
Charges for Services	1,506,394			1,506,394
Fines and Forfeitures	687,622			687,622
Investment Income	2,161		4,856	7,017
Miscellaneous	887,778	1,179	38,862	927,819
<b>Total Revenues</b>	<b>31,431,785</b>	<b>3,132,293</b>	<b>8,328,464</b>	<b>42,892,542</b>
<b>Expenditures</b>				
<b>Current</b>				
General Government	7,333,737		263,979	7,597,716
Public Safety	14,531,509		1,781,857	16,313,366
Public Works	5,302,749	3,452,664	3,061,287	11,816,700
Development	977,808		674,663	1,652,471
Culture and Civic	4,000		480,090	484,090
<b>Debt Service</b>				
Principal			2,605,000	2,605,000
Interest and Fiscal Agent Fees			1,812,614	1,812,614
Cost of Issuance			256,216	256,216
<b>Total Expenditures</b>	<b>28,149,803</b>	<b>3,452,664</b>	<b>10,935,706</b>	<b>42,538,173</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>3,281,982</b>	<b>(320,371)</b>	<b>(2,607,242)</b>	<b>354,369</b>
<b>Other Financing Sources (Uses)</b>				
Bond Proceeds			22,230,000	22,230,000
Payment to Escrow Agent			(22,752,427)	(22,752,427)
Bond Premium			801,800	801,800
Transfers In	1,248,815		5,212,106	6,460,921
Transfers Out	(937,339)		(2,903,740)	(3,841,079)
<b>Total Other Financing Sources (Uses)</b>	<b>311,476</b>	<b>-</b>	<b>2,587,739</b>	<b>2,899,215</b>
<b>Net Change in Fund Balances</b>	<b>3,593,458</b>	<b>(320,371)</b>	<b>(19,503)</b>	<b>3,253,584</b>
<b>Fund Balance</b>				
May 1, as Originally Reported	6,824,905	267,084	3,924,987	11,016,976
Restatement			107,632	107,632
May 1, as Restated	6,824,905	267,084	4,032,619	11,124,608
April 30	\$ 10,418,363	(53,287)	4,013,116	14,378,192

See Notes to Financial Statements

**CITY OF PARK RIDGE, ILLINOIS**

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

Year Ended April 30, 2015

Net Change in Fund Balances - Total Governmental Funds		\$ 3,253,584
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures while governmental activities capitalize them and report depreciation expense to allocate those costs over the life of the assets.		
Capital Outlay (excluding internal service funds)	1,520,932	
Depreciation (excluding internal service funds)	<u>(1,175,379)</u>	
Capital Outlay in Excess of Depreciation		345,553
The net effect of disposals of capital assets is not recognized in the governmental fund statements.		(24,869)
Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		2,605,000
The issuance of long-term debt provides current financial resources to governmental funds, however has no effect on net position.		(22,230,000)
The payment to the refunded bond escrow agent is reported as an other financing use in the governmental funds.		22,752,427
The premium on bonds issued is reported as an other financing source in governmental funds, but is amortized over the life of the bond in the Statement of Activities.		(801,800)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		1,839,260
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not recorded in the governmental funds.		
Decrease in Compensated Absences	114,973	
Amortization of Bond Premiums	184,924	
Increase in Net Pension Obligation	(206,261)	
Decrease in Claims Payable	286,645	
Increase in Other Post-Employment Benefits Obligation	(387,694)	
Decrease in Accrued Interest on Debt	<u>412,520</u>	
Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the Internal Service Funds is reported with governmental activities.		405,107
		<u>(380,357)</u>
Change in Net Position - Governmental Activities		<u>\$ 7,763,905</u>

See Notes to Financial Statements

**CITY OF PARK RIDGE, ILLINOIS**

Statement of Net Position - Proprietary Funds

April 30, 2015

	Business-Type Activities - Enterprise Funds			Total	Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Nonmajor Parking Fund		
<b>Assets</b>					
Current Assets					
Cash and Cash Equivalents	\$ 2,526,637	3,178,252	73,296	5,778,185	3,891,020
Accounts Receivables, Net of Allowances	2,008,936	300,703		2,309,639	
Inventory	82,821			82,821	
Total Current Assets	<u>4,618,394</u>	<u>3,478,955</u>	<u>73,296</u>	<u>8,170,645</u>	<u>3,891,020</u>
Noncurrent Assets					
Capital Assets					
Cost	34,205,827	23,889,073	1,772,535	59,867,435	6,655,913
Less Accumulated Depreciation	(12,413,092)	(8,368,768)	(303,091)	(21,084,951)	(4,771,584)
Total Noncurrent Assets	<u>21,792,735</u>	<u>15,520,305</u>	<u>1,469,444</u>	<u>38,782,484</u>	<u>1,884,329</u>
Total Assets	<u>26,411,129</u>	<u>18,999,260</u>	<u>1,542,740</u>	<u>46,953,129</u>	<u>5,775,349</u>
<b>Liabilities</b>					
Current Liabilities					
Accounts Payable	675,918	318,075	107,099	1,101,092	107,450
Other Accrued Liabilities	89,696	9,139	6,059	104,894	
Contracts Payable	117,645	14,987		132,632	
Claims and Judgments Payable	6,860	4,826	1,223	12,909	
Compensated Absences Payable	23,398			23,398	
Total Current Liabilities	<u>913,517</u>	<u>347,027</u>	<u>114,381</u>	<u>1,374,925</u>	<u>107,450</u>
Noncurrent Liabilities					
Compensated Absences Payable	91,466	2,552	1,369	95,387	
Total Liabilities	<u>1,004,983</u>	<u>349,579</u>	<u>115,750</u>	<u>1,470,312</u>	<u>107,450</u>
<b>Net Position</b>					
Net Investment in Capital Assets	21,675,090	15,520,305	1,469,444	38,664,839	1,884,329
Unrestricted	3,731,056	3,129,376	(42,454)	6,817,978	3,783,570
Total Net Position	<u>\$ 25,406,146</u>	<u>18,649,681</u>	<u>1,426,990</u>	<u>45,482,817</u>	<u>5,667,899</u>

See Notes to Financial Statements

**CITY OF PARK RIDGE, ILLINOIS**

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

Year Ended April 30, 2015

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Nonmajor	Total	
			Parking Fund		
Operating Revenues					
Charges for Services	\$ 8,715,489	1,695,966	296,474	10,707,929	214,580
Developer Fees		246,273		246,273	
Total Operating Revenues	8,715,489	1,942,239	296,474	10,954,202	214,580
Operating Expenses					
Administration	527,358			527,358	
Water Supply and Treatment	5,396,073			5,396,073	
Fire Hydrant Service	49,066			49,066	
Watermain Services	426,294			426,294	
Water Meter Services	153,771			153,771	
Parking Services and Maintenance			305,156	305,156	
Sewer and Drainage		583,264		583,264	
Materials					218,296
Depreciation	781,265	350,110		1,131,375	369,137
Total Operating Expenses	7,333,827	933,374	305,156	8,572,357	587,433
Operating Income (Loss)	1,381,662	1,008,865	(8,682)	2,381,845	(372,853)
Nonoperating Revenues					
Grant Revenue					
Investment Income	2,419		1,109	3,528	1,815
Miscellaneous Revenues	35,474	2,441	1,569	39,484	
Loss on Disposal of Capital Assets					(9,319)
Total Nonoperating Revenues	37,893	2,441	2,678	43,012	(7,504)
Income (Loss) before Transfers and Contributions	1,419,555	1,011,306	(6,004)	2,424,857	(380,357)
Capital Contributions		1,226,896		1,226,896	
Transfers Out	(1,781,894)	(703,545)	(134,403)	(2,619,842)	
Net Transfers and Contributions	(1,781,894)	523,351	(134,403)	(1,392,946)	-
Change in Net Position	(362,339)	1,534,657	(140,407)	1,031,911	(380,357)
Net Position					
May 1, as Originally Reported	25,768,485	17,444,957	1,567,397	44,780,839	6,048,256
Restatement		(329,933)		(329,933)	
May 1, as Restated	25,768,485	17,115,024	1,567,397	44,450,906	6,048,256
April 30	\$ 25,406,146	18,649,681	1,426,990	45,482,817	5,667,899

See Notes to Financial Statements

**CITY OF PARK RIDGE, ILLINOIS**

Statement of Cash Flows - Proprietary Funds

Year Ended April 30, 2015

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water Fund	Sewer Fund	Nonmajor	Total	
			Parking Fund		
Cash Flows from Operating Activities					
Receipts from Customers and Users	\$ 8,949,627	1,989,984	298,043	11,237,654	
Receipts from Interfund Service Provided					214,580
Payments to Suppliers	(5,593,537)	28,140	(566,352)	(6,131,749)	(186,580)
Payments to Employees	(706,190)	(322,304)	(127,261)	(1,155,755)	
	<u>2,649,900</u>	<u>1,695,820</u>	<u>(395,570)</u>	<u>3,950,150</u>	<u>28,000</u>
Cash Flows from Noncapital Financing Activities					
Transfers Out	(1,781,894)	(703,545)	(134,403)	(2,619,842)	
Cash Flows from Capital and Related Financing Activities					
Purchase of Capital Assets	(1,217,453)			(1,217,453)	(511,575)
Purchase of Capital Assets		(563,521)		(563,521)	-
	<u>(1,217,453)</u>	<u>(563,521)</u>	<u>-</u>	<u>(1,780,974)</u>	<u>(511,575)</u>
Cash Flows from Investing Activities					
Interest Income Received	2,419		1,109	3,528	1,815
Net Increase (Decrease) in Cash and and Cash Equivalents	(347,028)	428,754	(528,864)	(447,138)	(481,760)
Cash and Cash Equivalents					
May 1	<u>2,873,665</u>	<u>2,749,498</u>	<u>602,160</u>	<u>6,225,323</u>	<u>4,372,780</u>
April 30	<u>\$ 2,526,637</u>	<u>3,178,252</u>	<u>73,296</u>	<u>5,778,185</u>	<u>3,891,020</u>
Cash Flows from Operating Activities					
Operating Income (Loss)	\$ 1,381,662	1,008,865	(8,682)	2,381,845	(372,853)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities					
Depreciation	781,265	350,110		1,131,375	369,137
Miscellaneous Revenues	35,474	2,441	1,569	39,484	
Changes in Assets and Liabilities					
Accounts Receivable	81,019	45,304		126,323	
Inventory	14,227			14,227	
Accounts Payable	239,937	272,347	(385,505)	126,779	31,716
Other Accrued Liabilities	130,106	16,481	502	147,089	
Compensated Absences Payable	(14,014)	(894)	(3,207)	(18,115)	
Claims and Judgments Payable	224	1,166	(247)	1,143	
Net Cash Provided by (Used in) Operating Activities	<u>\$ 2,649,900</u>	<u>1,695,820</u>	<u>(395,570)</u>	<u>3,950,150</u>	<u>28,000</u>

Non-cash Capital Financing Activity

The Sewer Fund received capital assets from governmental activities for \$1,226,896.

See Notes to Financial Statements

**CITY OF PARK RIDGE, ILLINOIS**

Statement of Fiduciary Net Position - Fiduciary Funds

April 30, 2015

	Pension Trust Funds	Agency Funds Escrow Deposit
<b>Assets</b>		
Cash and Cash Equivalents	\$ 3,255,099	423,242
Investments		
U.S. Treasury Securities	15,029,521	
U.S. Agency Securities	14,024,180	
Municipal Bonds	15,218	
Corporate Bonds	4,404,727	
Common Stocks	25,125,612	
Mutual Funds	22,440,237	
Receivables		
Accrued Interest	533,163	
Prepaid Expenses	13,210	
	<hr/>	
Total Assets	84,840,967	423,242
	<hr/>	
<b>Liabilities</b>		
Accounts Payable and Accrued Expenses	15,365	3,964
Deposits		419,278
	<hr/>	
Total Liabilities	15,365	423,242
	<hr/>	
<b>Net Position</b>		
Held in Trust for Pension Benefits	\$ 84,825,602	-
	<hr/> <hr/>	

See Notes to Financial Statements

**CITY OF PARK RIDGE, ILLINOIS**

Statement of Changes in Fiduciary Net Position - Pension Trust Funds

Year Ended April 30, 2015

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Additions	
Contributions	
Employer	\$ 3,324,530
Employee	973,403
	<u>4,297,933</u>
Investment Income	
Net Increase in Fair Value of Investments	3,917,830
Interest	1,442,093
Dividends	731,134
Less Investment Expense	(300,127)
	<u>5,790,930</u>
Total Additions	<u>10,088,863</u>
Deductions	
Administrative Expenses	98,028
Pension Benefits and Refunds	<u>6,101,957</u>
Total Deductions	<u>6,199,985</u>
Change in Net Position	3,888,878
Net Position Held in Trust for Pension Benefits	
May 1	<u>80,936,724</u>
April 30	<u>\$ 84,825,602</u>

See Notes to Financial Statements

# CITY OF PARK RIDGE, ILLINOIS

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April 30, 2015

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## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 1. Summary of Significant Accounting Policies

Park Ridge was recognized as a Village in 1873 and was incorporated as a City in 1910. The City of Park Ridge (the 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 accounting policies of the City of Park Ridge, Illinois, conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies.

#### A. Financial Reporting Entity

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board, the financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

1. Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government, or
2. Fiscal dependency on the primary government.

#### *Discretely Presented Component Unit*

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 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 April 30, 2015. The Library does not issue separate financial statements.

#### *Joint Venture and Risk Pool*

The City participates in one joint venture and one risk pool, which are reported as a nonequity governmental joint venture and a nonequity governmental risk pool, respectively, and described in Note 10. The joint venture is the Solid Waste Agency of Northern Cook County (SWANCC). The risk pool is the High-Level Excess Liability Pool (HELP).

#### B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used are

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 1. Summary of Significant Accounting Policies (Cont.)

#### B. Government-wide and Fund Financial Statements (Cont.)

not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for services.

The Statement of Net Position presents the City's non-fiduciary assets and liabilities, with the difference reported in three categories:

*Net investment in capital assets* consists of capital assets, net of accumulated depreciation, and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.

*Restricted net position* results when constraints placed on net position use are either externally imposed by creditors, grantors, enabling legislation, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

*Unrestricted net position* consists of net position that does not meet the criteria of the two preceding categories.

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

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

#### C. Fund Accounting

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

Funds are classified into the following categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

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

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 1. Summary of Significant Accounting Policies (Cont.)

#### C. Fund Accounting (Cont.)

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

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, a trust fund is used. The City maintains both police and firefighters' pension trust funds. Agency funds generally are used to account for assets that the City holds on behalf of others; as their agent.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and pension fund statements. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers property taxes as available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, compensated absences, and claims and judgments are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

Other taxes, grants, interest revenue and charges for services revenues associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. For this purpose, the City considers these revenues as available if they are collected within 60 days of the end of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

The **General Fund** is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The services which are administered by the City and accounted for in the General Fund include general government, public safety, and public works.

The **Municipal Waste Management Fund** is a special revenue fund that 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.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 1. Summary of Significant Accounting Policies (Cont.)

#### D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont.)

The City reports the following major proprietary 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 facilities are accounted for in this Fund.

Additionally, the City reports the following fund types:

*Internal service funds* account for computer and motor equipment replacement costs provided to other departments of the City on a cost-reimbursement basis.

*Pension trust funds* account for the activities of the accumulation of resources to pay pension costs. Resources are contributed by members at rates fixed by state statutes and by the City through an annual property tax levy.

*Agency funds* account for the collection and payment of amounts deposited by citizens and developers for specific projects and improvements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund services provided and used are not eliminated in the process of consolidation.

Amounts reported as program revenues include charges to customers for goods, services or privileges provided. Internally dedicated resources are reported as general revenue, rather than as program revenue. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from 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 enterprise funds and of the City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports deferred inflows of resources on its governmental funds balance sheet. Deferred inflows of resources arise when resources are received by the City that represent an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. In subsequent periods, when the City has a legal claim to the resources, the liability for deferred inflows of resources is removed from the Statement of Net Position and revenue is recognized.

The City reports deferred outflows of resources on its Statement of Net Position. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has one item that qualifies for reporting in this category; it is the unamortized loss on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 1. Summary of Significant Accounting Policies (Cont.)

#### E. Accounting Pronouncement

Effective for the April 30, 2015 Fiscal Year, the City has adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 67 *Financial Reporting for Pension Plans*, an amendment of GASB Statement No. 25. Statement No. 67 requires new disclosures and changes to Required Supplemental Information for Pension Plans administered through trust agreements.

#### F. Stewardship - Deficit Fund Equity

The following funds had a deficit fund balance as of April 30, 2015:

Fund	Deficit Fund Balance
Municipal Waste Management Fund	\$ 53,287
Nonmajor Governmental Funds	
Illinois Municipal Retirement Fund	351,886
Emergency Telephone Fund	810

The City plans to alleviate the fund deficits. The Emergency Telephone and IMRF Funds will be addressed in the fiscal year 2016 budget. The Municipal Waste Fund will receive transfers from the General Fund sufficient to fund operations until the deficit is alleviated.

#### G. Cash and Investments

For purposes of the Statement of Cash Flows, the City's proprietary funds consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Investments consist of certificates of deposit, treasury obligations and insurance contracts with maturities greater than three months. Investments with maturities of greater than one year are reported at fair value. Fair value is based on quoted market prices.

#### H. Receivables

The recognition of receivables associated with nonexchange transactions 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 April 30, 2015, the allowance was \$369,525, which includes the allowance recognized for the library levy.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 1. Summary of Significant Accounting Policies (Cont.)

#### I. Inventory and Prepaid Items

Inventory is valued at cost (first-in, first-out). Inventories are accounted for under the consumption method, whereby acquisitions are recorded in inventory accounts initially and charged as expenditures when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

#### J. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g. roads, bridges, and similar items) and construction in progress, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined as having a useful life greater than one year with an initial, individual cost of more than \$100,000 for infrastructure assets, \$50,000 for building improvements, and \$10,000 for all other capital assets. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Additions or improvements that significantly extend the useful life of an asset or that significantly increase the capacity of an asset are capitalized. Expenditures for asset acquisitions and improvements are stated as capital outlay expenditures in the governmental funds.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized cost of the assets constructed.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Land Improvements	15 - 20 years
Buildings	50 - 75 years
Machinery and Equipment	5 - 20 years
Office Furniture and Equipment	3 - 20 years
Vehicles	2 - 20 years
Infrastructure - Streets, Alleys and Sidewalks	80 - 100 years
Infrastructure - Reservoir and Water System	40 years

Gains or losses from sales or retirements of capital assets are included in operations on the Statement of Activities.

#### K. Unearned Revenue

The City reports unavailable/unearned revenue on its financial statements. Unavailable/unearned revenues arise when a potential revenue does not meet both the "measurable" and "available" or earned criteria for recognition in the current period. Unavailable/unearned revenues also arise when resources are received by the government before it has a legal claim to them as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both the revenue recognition criteria are met or when the government has a legal claim to the resources, the liability or deferred inflow is removed from the financial statements and revenue is recognized.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 1. Summary of Significant Accounting Policies (Cont.)

#### L. 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). The General Fund is typically used to liquidate these liabilities. 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 expenditure/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.

#### M. 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 or business-type activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period incurred.

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.

Debt service funds are specifically established to account for and service the long-term obligations of the governmental funds' debt. Enterprise funds individually account for and service the applicable debt that benefits those funds. Long-term debt is recognized as a liability in a governmental fund when due or when resources have been accumulated for payment early in the following year.

#### N. Fund Equity

There are five classifications of governmental fund balance:

- (1) Nonspendable - amounts that are not in spendable form (such as inventory) or are required to be maintained intact.
- (2) Restricted - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government) through constitutional provisions or by enabling legislation.
- (3) Committed - amounts constrained to specific purpose by a government itself, using its highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of ordinance prior to the end of the year, commit fund balance. Once adopted, the limitation remains in place until a similar action is taken (adoption of another ordinance) to remove or revise the limitation.
- (4) Assigned - amounts a government intends to use for a specific purpose. Intent can be expressed by the City Manager.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 1. Summary of Significant Accounting Policies (Cont.)

#### N. Fund Equity (Cont.)

- (5) Unassigned - amounts that are available for any purpose. These amounts are only reported in the General Fund, except for deficit balances in other funds.

Fund balance is displayed in the order of the relative strength of the spending constraints placed on the purposes for which resources can be used.

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted fund balance (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance and then unassigned fund balance.

#### O. Capital Contributions

Capital contributions reported in the governmental and proprietary funds represent capital assets donated from the governmental funds to the proprietary funds or from outside parties, principally developers.

#### P. Interfund Transactions

The City has the following types of transactions between funds:

*Loans* are amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings, and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are reported as internal balances in the government-wide Statement of Net Position.

*Services provided and used* are sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as due to/from other funds in the fund financial statements.

*Reimbursements* are repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

*Transfers* are flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers in/out are reported as a separate category after nonoperating revenues and expenses.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 1. Summary of Significant Accounting Policies (Cont.)

#### Q. Use of Estimates

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

#### R. Implementation of New Accounting Standard

In 2015, the Police and Firefighters' Pension Plans adopted the provisions of GASB Statement No. 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25*, which has as its objective improving the usefulness of pension information included in the general purpose external financial reports of state and local governmental pension plans for making decisions and assessing accountability. Adoption of GASB No. 67 had no effect on net position restricted for pension or on net increase (decrease) in net position. It did, however, change the requirements for information disclosed in the footnotes to the financial statements and information required to be presented as required supplementary information.

### 2. Deposits and Investments

The City maintains a cash and investment pool that is available for use by most funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and cash equivalents" and "investments." In addition, investments are separately held by several of the City's funds. The deposits and investments of the pension trust fund are held separately from those of other funds and more information on pension investments are included in the disclosures in Note 13.

The City's investment policy and state statutes allow the City to invest in the following:

- Securities issued or guaranteed by the United States.
- Interest-bearing accounts of banks and savings and loan associations insured up to \$250,000 by the Federal Deposit Insurance Corporation.
- Short-term obligations (less than 180 days) of U.S. corporations with assets over \$500 million and rated in the highest classification by at least two rating agencies.
- Insured accounts of an Illinois credit union chartered under United States or Illinois law.
- Money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same types of obligations.
- The Illinois Funds.
- Repurchase agreements which meet instrument transaction requirements of Illinois law.
- Illinois Metropolitan Investment Fund.

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

2. Deposits and Investments (Cont.)

As of April 30, 2015, the City's cash and investments consisted of the following:

	Government- Wide	Agency	Total
Cash and Cash Equivalents	\$ 15,553,104	423,242	15,976,346
Illinois Funds	8,165,161		8,165,161
	<u>\$ 23,718,265</u>	<u>423,242</u>	<u>24,141,507</u>

For disclosure purposes, this amount is segregated into three components: 1) cash on hand; 2) deposits with financial institutions, which include amounts held in demand accounts, savings accounts, and certificates of deposit; and 3) other investments.

Cash on Hand	\$ 1,741
Deposits with Financial Institutions - City	23,716,524
Deposits with Financial Institutions - Agency Funds	<u>423,242</u>
	<u>\$ 24,141,507</u>

As of April 30, 2015, the carrying amount of the Library's deposits was \$2,770,075. As of April 30, 2015, none of the Library's total bank balances were exposed to custodial credit risk. The Library also had \$1,128 in petty cash on hand at April 30, 2015.

As of April 30, 2015, the Component Unit (Library) has the following investments and maturities.

Investment Type	Fair Value	Investment Maturities		
		Less Than One Year	1 to 5 Years	More Than 5 Years
Certificates of Deposit	\$ 145,223	145,223		

A. Interest Rate Risk

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.

B. Credit Risk

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.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 2. Deposits and Investments (Cont.)

#### C. 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. As of April 30, 2015, the City, including the Component Unit, had total deposits with financial institutions balance was \$18,206,979. None of those deposits were exposed to custodial credit risk, as those deposits were insured, or fully collateralized by investments held by an independent third party in the City's name.

The Illinois Funds is sponsored by the State Treasurer in accordance with state law. The fair value of the positions in the Illinois Funds is the same as the value of The Illinois Funds shares. The Illinois Funds is not registered with the SEC. The Illinois Funds Money Market has earned Standard & Poor's highest rating (AAAm). The rating is based on Standard & Poor's analysis of the pool's credit quality, market price exposure and management. The rating signifies excellent safety of invested principal and a superior capacity to maintain a stable \$1 per share net asset value at all times. This is accomplished through conservative investment practices and strict internal controls.

#### D. Concentration of Credit Risk

It is the policy of the City to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in overconcentration 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.

### 3. Receivables - Taxes

Property taxes for 2014 attach as an enforceable lien on January 1, 2014. Taxes are levied in December 2014, in the subsequent fiscal year, by passage of a Tax Levy Resolution. Tax bills are payable in two installments, on or about March 1 and July 1, 2015. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at approximately 1.70% of the tax levy, to reflect actual collection experience.

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

4. Capital Assets

A. Governmental Activities

A summary of changes in capital assets for governmental activities of the City is as follows:

	Balances May 1	Additions	Deletions	Balances April 30
<b>Capital Assets Not Being Depreciated</b>				
Land	\$ 35,757,106			35,757,106
Construction in Progress	1,002,430			1,002,430
Office Furniture	89,800			89,800
	<u>36,849,336</u>	-	-	<u>36,849,336</u>
<b>Capital Assets Being Depreciated</b>				
Land Improvements	2,472,347			2,472,347
Buildings	16,048,666			16,048,666
Machinery and Equipment	1,521,222			1,521,222
Office Furniture and Equipment	459,567			459,567
Vehicles	6,137,522	527,124	52,664	6,611,982
Infrastructure	26,920,839	1,126,928		28,047,767
	<u>53,560,163</u>	<u>1,654,052</u>	<u>52,664</u>	<u>55,161,551</u>
<b>Less Accumulated Depreciation For</b>				
Land Improvements	1,138,981	108,887		1,247,868
Buildings	5,093,988	321,226		5,415,214
Machinery and Equipment	1,173,747	45,343		1,219,090
Office Furniture and Equipment	223,719	36,161		259,880
Vehicles	4,550,298	352,280	27,795	4,874,783
Infrastructure	12,359,138	311,482		12,670,620
	<u>24,539,871</u>	<u>1,175,379</u>	<u>27,795</u>	<u>25,687,455</u>
<b>Total Capital Assets Being Depreciated, Net</b>	<u>29,020,292</u>	<u>478,673</u>	<u>24,869</u>	<u>29,474,096</u>
<b>Governmental Activities Capital Assets, Net</b>	<u>\$ 65,869,628</u>	<u>478,673</u>	<u>24,869</u>	<u>66,323,432</u>

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

4. Capital Assets (Cont.)

B. Business-type Activities

A summary of changes in capital assets for business-type activities of the City is as follows:

	Balances May 1	Additions	Deletions	Balances April 30
<b>Capital Assets Not Being Depreciated</b>				
Land	\$ 1,283,383			1,283,383
Construction in Progress	4,760,153	1,176,452	4,423,635	1,512,970
	<u>6,043,536</u>	<u>1,176,452</u>	<u>4,423,635</u>	<u>2,796,353</u>
<b>Capital Assets Being Depreciated</b>				
Land Improvements	303,091			303,091
Machinery and Equipment	720,912			720,912
Vehicles	308,054			308,054
Infrastructure	49,813,905	5,925,120		55,739,025
	<u>51,145,962</u>	<u>5,925,120</u>	<u>-</u>	<u>57,071,082</u>
<b>Less Accumulated Depreciation For</b>				
Land Improvements	303,091			303,091
Machinery and Equipment	553,835	27,216		581,051
Vehicles	113,929	30,805		144,734
Infrastructure	18,982,721	1,073,354		20,056,075
	<u>19,953,576</u>	<u>1,131,375</u>	<u>-</u>	<u>21,084,951</u>
<b>Total Capital Assets Being Depreciated, Net</b>	<u>31,192,386</u>	<u>4,793,745</u>	<u>-</u>	<u>35,986,131</u>
<b>Business-type Activities Capital Assets, Net</b>	<u>\$ 37,235,922</u>	<u>5,970,197</u>	<u>4,423,635</u>	<u>38,782,484</u>

C. Depreciation Expense

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

<b>Governmental Activities</b>		
General Government		\$ 15,451
Public Safety		208,041
Public Works		951,887
		<u>\$ 1,175,379</u>
<b>Business-type Activities</b>		
Water		\$ 781,265
Sewer		350,110
		<u>\$ 1,131,375</u>

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

4. Capital Assets (Cont.)

D. Construction Commitments

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

Project	Project Authorization	Expended to Date	Commitment	Retainage
Sewers - Flood Reduction	\$ 4,212,110	3,980,253	231,857	52,274
Streetscaping	1,405,928	1,013,090	392,838	
Water Construction	1,988,489	1,931,525	56,964	117,645
Sewer Lining Program	250,144	232,468	17,676	
	<u>\$ 7,856,671</u>	<u>7,157,336</u>	<u>699,335</u>	<u>169,919</u>

The construction commitments listed above do not require further financing.

E. Component Unit - Library

A summary of changes in capital assets for the Library is as follows:

	Balances May 1	Additions	Deletions	Balances April 30
Capital Assets Not Being Depreciated				
Land	\$ 170,083			170,083
Construction in Progress				
Office Furniture	770,000			770,000
	<u>940,083</u>	-	-	<u>940,083</u>
Capital Assets Being Depreciated				
Buildings	1,803,306	195,310		1,998,616
Machinery and Equipment	214,497			214,497
Office Furniture and Equipment	92,988			92,988
Vehicles	17,154			17,154
	<u>2,127,945</u>	<u>195,310</u>	-	<u>2,323,255</u>
Less Accumulated Depreciation For				
Buildings	1,268,229	14,914		1,283,143
Machinery and Equipment	78,540	14,920		93,460
Office Furniture and Equipment	92,988			92,988
Vehicles	10,863	1,715		12,578
	<u>1,450,620</u>	<u>31,549</u>	-	<u>1,482,169</u>
Total Capital Assets Being Depreciated, Net	<u>677,325</u>	<u>163,761</u>	-	<u>841,086</u>
Library Capital Assets, Net	<u>\$ 1,617,408</u>	<u>163,761</u>	-	<u>1,781,169</u>

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

5. Long-Term Obligations

A. Change in Long-Term Liabilities

The following is a summary of long-term obligation activities of the City associated with governmental activities and business-type activities for the year ended April 30, 2015:

	Balances May 1	Additions	Reductions	Balances April 30	Due Within One Year
<b>Governmental Activities</b>					
General Obligation Bonds	\$ 41,810,000	22,230,000	24,940,000	39,100,000	3,435,000
Bond Issuance Premium	536,124	801,800	198,600	1,139,324	
Compensated Absences	1,525,639	1,753,600	1,868,573	1,410,666	210,725
Claims and Judgments	1,132,563	4,272,708	4,559,353	845,918	845,918
Net Pension Obligation - Fire	702,262	118,876		821,138	
Net Pension Obligation - Police	67,755	78,852		146,607	
Other Post-employment Benefits	2,649,610	387,694		3,037,304	
Net Pension Obligation - Illinois Municipal Retirement Fire	398,933	8,533		407,466	
	<u>\$ 48,822,886</u>	<u>29,652,063</u>	<u>31,566,526</u>	<u>46,908,423</u>	<u>4,491,643</u>
<b>Business-type Activities</b>					
Compensated Absences Payable	\$ 136,900	338,040	356,155	118,785	23,398
Claims and Judgments	11,766	213,605	212,462	12,909	12,909
	<u>\$ 148,666</u>	<u>551,645</u>	<u>568,617</u>	<u>131,694</u>	<u>36,307</u>
<b>Component Unit - Library</b>					
Compensated Absences Payable	\$ 242,251	157,664	192,094	207,821	36,369
Claims and Judgments	31,623	507,839	507,969	31,493	31,493
	<u>\$ 273,874</u>	<u>665,503</u>	<u>700,063</u>	<u>239,314</u>	<u>67,862</u>

Compensated absences, net pension obligations and other post-employment benefits are paid from the General Fund and charged to General Government, Public Safety, Public Works and from the Water, Sewer and Parking Funds.

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

5. Long-Term Obligations (Cont.)

B. General Obligation Bonds

At April 30, 2015, the City had the following general obligation bonds and notes outstanding:

\$10,530,000, 2006A General Obligation Bonds, due in annual installments of \$100,000 to \$3,520,000 beginning in 2013 through 2021, plus interest at 4.25% to 5.00%.	\$ 10,330,000
\$5,415,000 2012A General Obligation Bonds, due in annual installments of \$295,000 to \$435,000 beginning in 2015 through 2029, plus interest at 2.00% to 3.00%.	5,120,000
\$2,130,000, 2012B General Obligation Bonds, due in annual installments of \$240,000 to \$315,000 beginning in 2013 through 2020, plus interest at .60% to 2.65%.	1,420,000
\$7,590,000, 2014A General Obligation Refunding Bonds, due in annual installments of \$595,000 to \$875,000 beginning in 2016 through 2027, plus interest at 3.00% to 3.50%.	7,590,000
\$6,495,000 2015A General Obligation Refunding Bonds, due in annual installments of \$220,000 to \$1,705,000 beginning in 2016 through 2025, plus interest at 3.00%.	6,495,000
\$2,130,000, 2015B General Obligation Refunding Bonds, due in annual installments of \$1,960,000 to \$2,350,000 beginning in 2016 through 2019, plus interest at 1.00% to 1.75%.	<u>8,145,000</u>
	<u>\$ 39,100,000</u>

Future maturities of General Obligation Bonds are as follows:

Year Ending April 30,	Governmental Activities General Obligation Bonds	
	Principal	Interest
2016	\$ 3,435,000	1,138,570
2017	3,170,000	1,171,424
2018	3,660,000	1,116,754
2019	3,850,000	1,042,724
2020	4,570,000	945,724
2021-2025	17,860,000	2,002,880
2026-2029	<u>2,555,000</u>	<u>158,126</u>
	<u>\$ 39,100,000</u>	<u>7,576,202</u>

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
 April 30, 2015

5. Long-Term Obligations (Cont.)

C. Current Refunding - General Obligation Bonds

On August 19, 2014, the City issued \$7,590,000 in General Obligation Refunding Bonds with interest rates ranging from 3.00% to 3.50%. The proceeds were used to current refund \$7,705,000 of outstanding Series 2004B Bonds which had interest rates of 3.00% to 4.75%. The net proceeds of \$7,796,221 (including a \$342,812 premium and after payment of \$136,591 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide fund for future debt service payments on the refunded bonds. The 2004B bonds were called on September 8, 2014, and as a result have no balance at April 30, 2015. The City refunded the above-referenced bonds to reduce its total debt service payments over 11 years by \$991,645 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$878,435.

On March 17, 2015, the City issued \$6,495,000 in General Obligation Refunding Bonds with an interest rate of 3.00%. The proceeds were used to current refund \$6,705,000 of outstanding Series 2005A Bonds which had interest rates of 4.00% to 5.00%. The net proceeds of \$6,859,556 (including a \$438,640 premium and after payment of \$74,084 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide fund for future debt service payments on the refunded bonds. The 2005A bonds are scheduled to be called June 1, 2015. As a result, the above-referenced bonds are considered defeased and the liability for those bonds has been removed from the Statement of Net Position. The City refunded the above-referenced bonds to reduce its total debt service payments over 11 years by \$1,210,748 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$1,098,382.

On March 17, 2015, the City issued \$8,145,000 in General Obligation Refunding Bonds with interest rates ranging from 1.00% to 1.75%. The proceeds were used to current refund \$7,925,000 of outstanding Series 2006B Bonds which had interest rates of 5.70% to 5.85%. The net proceeds of \$8,096,650 (including a \$68,698 premium and after payment of \$20,348 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide fund for future debt service payments on the refunded bonds. The 2006B bonds were called on April 6, 2015, and as a result have no balance at April 30, 2015. The City refunded the above-referenced bonds to reduce its total debt service payments over four years by \$704,494 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$687,110.

6. Interfund Balances

Due from/to Other Funds

Receivable Fund	Payable Fund	Amount
General	Illinois Municipal Retirement	<u>\$ 365,079</u>

The General Fund interfund receivable balance represents a temporary loans to cover a short-term cash deficit that existed at year end.

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

7. Transfers

Transfers among funds reported within the same activities column are eliminated from that column in the government-wide statement of activities. The principal purpose of the City's interfund transfers is transfers to the General Fund for administration payments and payments in lieu of taxes for the utilities. The following transfers were made:

Receiving Fund	Transferring Fund	Amount
General	Water	\$ 842,914
General	Parking	96,433
General	Sewer	187,490
General	Special Service Areas	121,978
		1,248,815
Nonmajor Governmental Funds		
Illinois Municipal Retirement	Water	157,948
Illinois Municipal Retirement	Parking	37,970
Illinois Municipal Retirement	Sewer	64,605
Emergency Telephone	General	932,367
Special Service Area #1	General	4,972
2004B General Obligation Bond	Water	715,277
2006B General Obligation Bond	Uptown TIF	1,819,835
2012A General Obligation Bond	Sewer	451,450
2014A General Obligation Bond	Water	65,755
2015A Refunding General Obligation Bond	2005A General Obligation Bond	158,023
2015B Refunding General Obligation Bond	2006B General Obligation Bond	803,904
		5,212,106
Total Transfers		\$ 6,460,921

The Emergency Telephone Fund receives subsidization from the General Fund to fund operations. The incremental property taxes in the Uptown TIF Fund are used to make debt service payments and to pay the contractual obligations to the School Districts and Park District. The transfers between the Water Fund and Debt Service Funds are also used towards debt service payments. The Enterprise Funds (Water, Sewer and Parking) transfer funds to cover the Enterprise Funds' employer portion of Social Security and IMRF pension costs.

The Enterprise Funds annually transfer funds to the General Fund for shared services received from the General Fund.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 8. Risk Management

#### A. 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. The City reports its risk management activities in three categories in the General Fund: general liability and automobile premiums and claims, workers' compensation premiums and claims, and medical and dental premiums and claims.

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. As of April 30, 2015, the City has accrued \$150,019 for claims incurred but not reported based upon prior experience.

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. At April 30, 2015, the City has accrued \$501,157 (net of reserves in excess of retention limits) relating to the City's estimate of losses resulting from workers' compensation claims.

The City self-insures for health insurance claims up to \$85,000 per employee per year with an insurance company covering claims in excess of this amount up to a maximum of \$2,000,000 per lifetime. Contributions are allocated based upon the number of employees and the type of coverage (single or family). 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. For all programs, settlement amounts have not exceeded insurance coverage for the current or three prior years. At April 30, 2015, the City has accrued \$239,144 for claims incurred but not reported. This amount is calculated by the administrator based upon the City's prior experience. All claims-related accruals are reported in the government-wide statement of net position as claims and judgments payable.

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

8. Risk Management (Cont.)

A. Self-Insurance (Cont.)

The following schedule details the changes in the balances of claims and adjustments during the last two fiscal years:

	General Liability and Automobile	Workers' Compensation	Medical	Total
Unpaid Claims, April 30, 2013	\$ 288,474	978,194	237,770	1,504,438
Incurred Claims (Including IBNR)	971,832	417,573	4,140,599	5,530,004
Claims Payments	(1,038,179)	(685,966)	(4,134,345)	(5,858,490)
Unpaid Claims, April 30, 2014	222,127	709,801	244,024	1,175,952
Incurred Claims (Including IBNR)	563,803	419,536	4,010,814	4,994,153
Claims Payments	(635,911)	(628,180)	(4,015,694)	(5,279,785)
Unpaid Claims, April 30, 2015	<u>\$ 150,019</u>	<u>501,157</u>	<u>239,144</u>	<u>890,320</u>
	April 30, 2013	April 30, 2014	April 30, 2015	
Total Liability Presented As				
Governmental Activities	1,466,681	1,132,563	845,918	
Business Type Activities	8,940	11,766	12,909	
Discretely Presented Component Unit	28,817	31,623	31,493	
	<u>1,504,438</u>	<u>1,175,952</u>	<u>890,320</u>	

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.

B. High-Level Excess Liability (HELP)

The City participates in HELP, a pool established by fifteen municipalities in Illinois to provide excess liability coverage (\$10,000,000 of coverage after a \$2,000,000 self-insurance retention). The City's payments to HELP are displayed on the financial statements as expenditures/expenses in the appropriate funds. As of April 30, 2015, there were no outstanding claims requiring additional accrual by the City.

9. Contingent Liabilities and Commitments

A. Litigation

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's management, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 9. Contingent Liabilities and Commitments (Cont.)

#### B. 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.

#### C. 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.

#### D. High-Level Excess Liability Pool (HELP)

The City has committed to purchase excess liability insurance from HELP. The City is required to pay its share of claims and the "fixed costs" of HELP. Payments (membership assessments) to HELP are based on the City's current allocation percentage of 6.21%. The allocation percentage is assessed based upon a formula which specifies the following four criteria for allocation of premium costs: miles of streets, number of motor vehicles, full-time equivalent employees and operating revenues.

The City's agreement with the High-Level Excess Liability Pool provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

#### E. City of Chicago

The City of Park Ridge has committed to purchase water from the City of Chicago. The table below provides the amounts that the City of Park Ridge expects to pay for the next three years. These amounts have been calculated from the City's water rate study.

Fiscal Year	Amount
2015	\$ 5,280,000
2016	5,860,000
2017	6,030,000

#### F. Dempster TIF Commitment

The City has entered into an economic development agreement with Dempster Development Limited Partnership (DDLPP) to provide incremental revenues associated with the Dempster TIF District to DDLPP. Any shortfall in incremental revenues will be covered by sales tax generated within the TIF District. The remaining maximum liability for this commitment as of April 30, 2015, was \$1,226,881. Total payments related to this agreement in the current fiscal year are \$169,092.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 10. Joint Ventures

#### A. Solid Waste Agency of Northern Cook County (SWANCC)

The City is a member of SWANCC, which consists of 23 municipalities. SWANCC is a municipal corporation and public body politic established pursuant to the Constitution of the State of Illinois and the Intergovernmental Cooperation Act of the State of Illinois, as amended, (the Act). SWANCC is empowered under the Act to plan, construct, finance, operate, and maintain a solid waste disposal system to serve its members. SWANCC is reported as a nonequity governmental joint venture.

SWANCC is governed by a Board of Directors, which consists of one appointed Mayor or President from each member municipality. Each Director has an equal vote. The Executive Committee of SWANCC is elected 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 by-laws, rules and regulations, and exercises such powers and performs such duties as may be prescribed in the agreement or the by-laws.

A summary of revenues, expenses, and net income for SWANCC for the year ended April 30, 2015, follows:

Total Revenues	\$ 14,301,968
Total Expenses	<u>14,287,074</u>
Change in Net Position	14,894
Net Position, Beginning	<u>9,569,323</u>
Net Position, Ending	<u><u>\$ 9,584,217</u></u>

In accordance with the joint venture agreement, the City made payments totaling \$678,989 to SWANCC related to fixed costs for the year ended April 30, 2015. These payments were recorded in the City's Municipal Waste Management Fund. At April 30, 2015, the City's share of SWANCC's assets, liabilities and equity was 4.76%. Complete financial statements for SWANCC can be obtained from SWANCC's administrative office at 2700 Patriot Blvd., Suite 110, Glenview, Illinois 60026.

#### B. High-Level Excess Line Pool (HELP)

The City is a member of HELP, which consists of 13 municipalities in Illinois. HELP is an intergovernmental risk pool that acts as a joint self-insurance pool for the purpose of seeking the prevention or lessening of liability claims for injuries to persons or property or claims for errors and omissions made against the members and other parties included within the scope of coverage of HELP.

Entities join HELP for a minimum of 10 years. The agreement was extended, effective May 1, 2008, through April 30, 2018; 12 municipalities reenlisted. Entities applying for membership in HELP may do so on approval of a two-thirds vote of HELP's Board of Directors. Underwriting and rate-setting policies have been established after consultation with actuaries. Members are subject to a supplemental assessment in the event of deficiencies. There were no deficiencies as of April 30, 2015.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 10. Joint Ventures (Cont.)

#### B. High-Level Excess Line Pool (HELP) (Cont.)

A summary of revenues, expenses, and net income for HELP for the year ended April 30, 2015, follows:

Total Revenues	\$ 4,856,064
Total Expenses	<u>4,034,576</u>
Change in Net Position	821,488
Net Position, Beginning	<u>4,324,068</u>
Net Position Ending	<u><u>\$ 5,145,556</u></u>

The City's agreement with the High-Level Excess Liability Pool provides that each member is liable for its proportionate share of any costs arising from defaults in payment obligations by other members.

Complete financial statements for HELP can be obtained from HELP's Treasurer at 50 S. Emerson Street, Mt. Prospect, Illinois 60056.

#### C. West Suburban Consolidated Dispatch Center

The City participates in the West Suburban Consolidated Dispatch Center (WSCDC), a governmental joint venture with the Villages of Oak Park, River Forest and Elmwood Park. The joint venture was formed in 1999 under the Intergovernmental Cooperation Act (ILCS 5, Act 220) for the joint and mutual operation of centralized communication system. WSCDC commenced operations on May 1, 2002. All activities of WSCDC are costs shared by the members. Each member's share for each fiscal year of operations will be based on the total number of calls dispatched by the member in the preceding fiscal year divided by total calls dispatched by all members during the preceding fiscal year. Each member's cost-sharing allocation is approved by the Board of Directors of WSCDC annually. Either member may withdraw from the joint venture upon one year's notice.

During fiscal 2015, the City's allocated cost share totaled \$543,134 for operational expenses.

Financial statements may be obtained by contacting WSCDC at 400 Park Avenue, River Forest, Illinois 60305.

### 11. Other Postemployment Benefits

The City provides post-retirement health insurance benefits to its full-time employees under local ordinance. Individuals become eligible for these benefits upon retirement and a minimum of six to eight years' service to the City, depending on retirement age. Premium equivalents are developed using blended claim experience for both the active and retired populations, trend data and administrative costs. Retirees are responsible for paying 100% of the premium equivalents.

The City's Retiree Health Employee Benefits plan is a single-employer defined benefit healthcare plan administered by the City of Park Ridge. This plan provides the continuation of health care benefits to employees who retire from the City. Fire, police and municipal employees who terminate after reaching retirement eligibility in their respective pension plans are eligible to elect to continue their health care coverage

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

11. Other Postemployment Benefits (Cont.)

by paying the monthly premium rate charged for the City’s health plans. The plan operates on a pay-as-you-go funding basis. No assets are accumulated or dedicated to funding the retiree health plan benefits.

The contribution requirements of plan members and the City are established and may be amended by the City Council. The required contributions are based on projected financing requirements. For fiscal year 2015, the City contributed \$118,126 to the plan.

*Membership*

At April 30, 2015, membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but Not Yet Receiving Them	43
Current Employees	<u>199</u>
Total	<u>242</u>
Participating Employers	<u>1</u>

The City’s annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer. The contribution represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and to amortize any unfunded actuarial liabilities or funding excess over a period not to exceed thirty years. The following table shows the components of the State’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the State’s net OPEB obligation to the City’s Retiree Health Employee Benefits plan.

	April 30, 2015
Other Postemployment Benefits (OPEB) Obligation	
Annual Required Obligation	\$ 488,156
Interest on Net OPEB Obligation	105,984
Adjustment to Annual Required Obligation	<u>(88,320)</u>
Annual OPEB Cost	505,820
Contributions Made	<u>(118,126)</u>
Increase in Net OPEB Obligation	387,694
Net OPEB Obligation	
Beginning of Year	<u>2,649,610</u>
End of Year	<u>\$ 3,037,304</u>

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

11. Other Postemployment Benefits (Cont.)

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
4/30/2015	\$ 505,820	24.20%	3,037,304
4/30/2014	687,219	29.70%	2,649,610
4/30/2013	693,266	27.00%	2,166,586

*Funded Status and Funding Progress.*

The funded status of the plan as of April 30, 2015, was as follows:

Actuarial Accrued Liability (AAL)	\$ 6,297,122
Actuarial Value of Plan Net Assets	
Unfunded Actuarial Accrued Liability (UAAL)	6,297,122
Funded Ratio (Actuarial Value of Plan Assets/AAL)	
Covered Payroll (Active Plan Members)	9,944,605
UAAL as a Percentage of Covered Payroll	63.32%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The actuarial valuation uses the entry age actuarial cost method. The actuarial assumptions include a 4% expected long-term investment return on assets expected to be used to pay benefits based on the funded level of the plan at the valuation date, and an annual healthcare cost trend rate of 8.5% for 2015, reduced by decrements to an ultimate rate of 5.50% for 2028 and after. Both rates included a 2.5% inflation assumption. The plan has not accumulated assets and does not hold assets in a segregated trust. However, the funds expected to be used to pay benefits are assumed to be invested for the duration which will yield an annual return of 5%. The unfunded accrued actuarial liability is being amortized as a level dollar amount on an open basis over 30 years.

The Schedule of Funding Progress, presented as Required Supplementary Information following the Notes to the Financial Statements, presents multiyear trend information about actuarial accrued liability for benefits.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 12. Employee Retirement Systems

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Police Pension Plan, which is a single-employer pension plan; and the Firefighters' Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Police and Firefighters' Pension Plans do not issue separate reports on the pension plans. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

#### A. Plan Descriptions

##### Illinois Municipal Retirement Fund

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

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute. Participating members are required to contribute 4.5% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer annual required contribution rate for calendar 2014 was 12.98%.

For the SLEP Plan, members are required to contribute 7.50% of their annual covered salary. The employer rate for calendar year 2014 was 16.72%.

##### Police Pension Fund

###### *Plan Description and Provisions*

Police sworn personnel are covered by the Police Pension Plan, which is a defined benefit, single-employer pension plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Chapter 40 Illinois Compiled Statutes 5, and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. The plan does not issue a stand-alone financial report.

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

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12. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Fund (Cont.)

At April 30, 2015, the Police Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but Not Yet Receiving Them	53
Current Employees	
Vested	45
Nonvested	<u>8</u>
Total	<u>106</u>

The following is a summary of the Police Pension Plan as provided by the Illinois State Statutes:

The Police Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 2.5% of final salary for each year of service up to 30 years, to a maximum of 75% of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% simple interest annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) 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 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of one-half of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.00% or one-half of the change in the Consumer Price Index for the preceding calendar year.

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, as actuarially determined by an enrolled actuary. By the year 2040, the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is 90% funded.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 12. Employee Retirement Systems (Cont.)

#### A. Plan Descriptions (Cont.)

##### Police Pension Fund (Cont.)

###### *Investment Policy*

The deposits and investments of the pension funds are held separately from those of other City funds. In addition to the aforementioned investments in Note 2, pension funds are also permitted to invest in the following instruments:

- General accounts of Illinois-licensed life insurance companies.
- Separate accounts of Illinois-licensed insurance companies invested in stocks, bonds and real estate, limited to 10% of the fund's investments.
- Bonds issued by any county, city, township, incorporated town, municipal corporation or school district in Illinois.
- Tax anticipation warrants issued by any city, township, incorporated town or fire protection district in Illinois.
- Equity accounts up to a limit of 45% of the aggregate fair value of the fund's assets.
- Direct obligations of the State of Israel.

In addition, pension funds with net position of \$2.5 million or more may invest up to 35% of plan net position in a separate account of life insurance companies and mutual funds. If pension funds have net position of at least \$5 million and have an appointed investment advisor, the pension funds may, through that investment advisor, invest up to 35% of the plan's net position in common and preferred stocks which meet specific restrictions.

The Police Pension Fund's investment policy in accordance with ILCS establishes the following ranges and target allocation across asset classes:

<u>Asset Class</u>	<u>Actual</u>	<u>Target</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	1.4%	0.0%	3.0%
Fixed Income	40.8%	40.0%	4.6%
Equities			
U.S. Large Cap	36.6%	39.0%	9.8%
U.S. Mid Cap	8.7%	9.0%	11.6%
U.S. Small Cap	6.0%	6.0%	11.6%
International Stocks	6.4%	6.0%	9.9%

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

12. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Fund (Cont.)

*Investment Policy (Cont.)*

The long-term expected rate of return of the Police Pension Fund's investments was determined using an asset allocation study conducted by the Police Pension Fund's investment manager consultant in December 2014 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2015, are listed in the table above.

*Investment Rate of Return*

For the year ended April, 30, 2015, the annual money-weighted rate of return on the police pension plan investments, net of pension plan investment expense, was 7.33%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Deposits with Financial Institutions*

None of the Police Pension Fund's deposits of \$1,294,815 with financial institutions were exposed to custodial credit risk, as those deposits were insured, or fully collateralized by investments held by an independent third party in the City's name.

*Interest Rate Risk*

As of April 30, 2015, the Police Pension Fund has the following investments and maturities:

	Fair Value	Investment Maturities (In Years)			
		Less Than One Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
U.S. Treasury Securities	\$ 3,351,366		3,351,366		
U.S. Agency Securities	14,024,180		5,407,770	7,324,350	1,292,060
	<u>\$ 17,375,546</u>	-	8,759,136	7,324,350	1,292,060
Not subject to Interest Rate Risk					
	Fair Value				
Common Stocks	\$ 13,102,300				
Mutual Funds	<u>11,273,776</u>				
	<u>\$ 24,376,076</u>				

The Police Pension Funds' investment policy does not limit investment maturities as a means of managing their exposure to fair value losses arising from increasing interest rates. The objective is the preservation of capital while providing for the long-term growth of principal without undue exposure to risk.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 12. Employee Retirement Systems (Cont.)

#### A. Plan Descriptions (Cont.)

##### Police Pension Fund (Cont.)

###### *Credit Risk*

The Police Pension Fund limits its exposure to credit risk by primarily investing in securities issued by the United States government and/or its agencies that are implicitly guaranteed by the United States government. The investments in securities of the U.S. government and agency obligations were rated AAA by Moody's Investors Service.

###### *Custodial Credit Risk*

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

###### *Net Pension Liability*

The components of the net pension liability of the Police Pension Fund as of April 30, 2015 calculated in accordance with GASB Statement No. 67 were as follows:

Total Pension Liability	\$ 65,739,385
Plan Fiduciary Net Position	43,366,398
City's Net Pension Liability	65,739,385
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.97%

See the Schedule of Changes in Employer's Net Pension Liability and related ratios in the Required Supplementary Information for additional information related to the funded status of the Police Pension Fund.

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

12. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Police Pension Fund (Cont.)

*Actuarial Assumptions*

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2015, using the following actuarial methods and assumptions.

Actuarial Valuation Date	April 30, 2015
Actuarial Cost Method	Entry-age normal
Assumptions	
Inflation	3.00%
Salary Increases	4.00%-15.00%
Discount Rate	6.75%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Market

Mortality rates are based on rates developed in the Lauterbach & Amen, LLP 2012 Mortality Table for Illinois Police Officers.

*Discount Rate*

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Police Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

*Discount Rate Sensitivity*

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below represents the pension liability of the Village calculated using the discount rate of 6.75% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 31,344,049	22,372,987	14,954,206

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

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12. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Firefighters' Pension Fund

*Plan Description and Provisions*

Fire sworn personnel are covered by the Firefighters' Pension Plan, which is a defined benefit, single-employer pension plan. Although this is a single-employer pension plan, the defined benefits as well as the employee and employer contribution levels are mandated by Chapter 40 Illinois Compiled Statutes 5 and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. The plan does not issue a standalone financial statement.

At April 30, 2015, the Firefighters' Pension Plan membership consisted of:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Entitled to Benefits but Not Yet Receiving Them	49
Current Employees	
Vested	48
Nonvested	<u>2</u>
Total	<u>99</u>

The following is a summary of the Firefighters' Pension Plan as provided by the Illinois State Statutes:

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service. The monthly pension shall be increased by one-twelfth of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years to a maximum of 75% of such monthly salary. Employees with at least 10 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced retirement benefit. The monthly pension of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement, and paid upon reaching at least the age 55, by 3% of the original pension and 3% annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) 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 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of one-half of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., 1/2% 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 3.00% or one-half of the change in the Consumer Price Index for the proceeding calendar year.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 12. Employee Retirement Systems (Cont.)

#### A. Plan Descriptions (Cont.)

##### Firefighters' Pension Fund (Cont.)

###### *Plan Description and Provisions (Cont.)*

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, as actuarially determined by an enrolled actuary. By the year 2040, the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is 90% funded.

###### *Investment Policy*

The deposits and investments of the pension funds are held separately from those of other City funds. In addition to the aforementioned investments in Note 2, pension funds are also permitted to invest in the following instruments:

- General accounts of Illinois-licensed life insurance companies.
- Separate accounts of Illinois-licensed insurance companies invested in stocks, bonds and real estate, limited to 10% of the fund's investments.
- Bonds issued by any county, city, township, incorporated town, municipal corporation or school district in Illinois.
- Tax anticipation warrants issued by any city, township, incorporated town or fire protection district in Illinois.
- Equity accounts up to a limit of 45% of the aggregate fair value of the fund's assets.
- Direct obligations of the State of Israel.

In addition, pension funds with net position of \$2.5 million or more may invest up to 35% of plan net position in a separate account of life insurance companies and mutual funds. If pension funds have net position of at least \$5 million and have an appointed investment advisor, the pension funds may, through that investment advisor, invest up to 35% of the plan's net position in common and preferred stocks which meet specific restrictions.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 12. Employee Retirement Systems (Cont.)

#### A. Plan Descriptions (Cont.)

##### Firefighters' Pension Fund (Cont.)

##### *Investment Policy (Cont.)*

The Firefighters' Pension Fund's investment policy in accordance with ILCS establishes the following ranges and target allocation across asset classes:

<u>Asset Class</u>	<u>Actual</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash and Cash Equivalents	0.9%	3.0%
Fixed Income:	41.9%	4.6%
Equities:		
U.S. Large Cap	39.8%	9.2%
U.S. Mid Cap	6.3%	11.6%
U.S. Small Cap	5.0%	12.0%
International Stocks	6.2%	11.5%

Firefighters' Pension has not formally adopted a target allocation range. The long-term expected rate of return of the Firefighters' Pension Fund's investments was determined using an asset allocation study conducted by the Firefighters' Pension Fund's investment manager consultant in December 2014 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return excluding inflation for each major asset class included in the Fund's target asset allocation as of April 30, 2015, are listed in the table above.

##### *Investment Rate of Return*

For the year ended April, 30, 2015, the annual money-weighted rate of return on the firefighters' pension plan investments, net of pension plan investment expense, was 7.17%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

##### *Deposits with Financial Institutions*

None of the Firefighters' Pension Fund's deposits of \$1,960,284 with financial institutions were exposed to custodial credit risk, as those deposits were insured, or fully collateralized by investments held by an independent third party in the City's name.

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

12. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Firefighters' Pension Fund (Cont.)

*Interest Rate Risk*

As of April 30, 2015, the Firefighters' Pension Fund has the following investments and maturities:

	Fair Value	Investment Maturities (In Years)			
		Less Than One Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
U.S. Treasury Securities	\$ 11,678,155		2,883,120	4,027,894	4,767,141
Municipal Bonds	15,218			15,218	
Corporate Bonds	4,404,727		2,413,820	1,990,907	
	<u>\$ 16,098,100</u>	-	5,296,940	6,034,019	4,767,141
Not subject to Interest Rate Risk					
	<u>Fair Value</u>				
Common Stocks	\$ 12,023,312				
Mutual Funds	<u>11,166,461</u>				
	<u>\$ 23,189,773</u>				

The Firefighters' Pension Funds' investment policy does not limit investment maturities as a means of managing their exposure to fair value losses arising from increasing interest rates. The objective is the preservation of capital while providing for the long-term growth of principal without undue exposure to risk.

*Credit Risk*

The Firefighters' Pension Fund limits its exposure to credit risk by primarily investing in securities issued by the United States government and/or its agencies that are implicitly guaranteed by the United States government. The investments in securities of the U.S. government were rated AAA by Moody's Investors Service. The investments in municipal bonds were rated AAA by Moody's Investors Service.

*Custodial Credit Risk*

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Firefighters' Pension Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Firefighters' Pension Fund's agency separate from where the investment was purchased. The mutual funds and common stocks are not subject to custodial credit risk.

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

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12. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Firefighters' Pension Fund (Cont.)

*Net Pension Liability*

The components of the net pension liability of the Firefighters' Pension Fund as of April 30, 2015, calculated in accordance with GASB Statement No. 67 were as follows:

Total Pension Liability	\$ 60,869,970
Plan Fiduciary Net Position	41,459,204
City's Net Pension Liability	19,410,766
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.11%

See the Schedule of Changes in Employer's Net Pension Liability and related ratios in the Required Supplementary Information for additional information related to the funded status of the Firefighters' Pension Fund.

*Actuarial Assumptions*

The total pension liability above was determined by an actuarial valuation performed as of April 30, 2015, using the following actuarial methods and assumptions.

Actuarial Valuation Date	April 30, 2015
Actuarial Cost Method	Entry-age normal
Assumptions	
Inflation	3.00%
Salary Increases	4.25%-12.25%
Discount Rate	6.75%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Market

Mortality rates are based on rates developed in the Lauterbach & Amen, LLP 2012 Mortality Table for Illinois Firefighters.

*Discount Rate*

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Firefighters' Pension Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

12. Employee Retirement Systems (Cont.)

A. Plan Descriptions (Cont.)

Firefighters' Pension Fund (Cont.)

*Discount Rate Sensitivity*

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below represents the pension liability of the Village calculated using the discount rate of 6.75% as well as what the Village's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 27,455,180	19,410,766	12,732,671

B. Significant Investments

It is the policy of the Police Pension and Firefighters' Pension Funds to diversify their investment portfolio. Investments shall be diversified to eliminate the risk of loss resulting in overconcentration in a security, maturity, issuer, or class of securities. According to the Pension Funds' investment policy, the Pension Funds will diversify their investments by security type and institution.

At April 30, 2015, the Police Pension and Firefighters' Pension Funds' investments (other than U.S. government and U.S. government-guaranteed obligations) include Vanguard Total Stock Market Index Mutual Fund, which represents 5% or more of each plan's net position.

C. Annual Pension Costs

Employer contributions have been determined as follows:

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Actuarial Valuation Date	12/31/2012	4/30/2013	4/30/2013
Actuarial Cost Method	Entry-age Normal	Entry-age Normal	Entry-age Normal
Asset Valuation Method	5 year Smoothed Market	5 year Smoothed Market	5 year Smoothed Market
Amortization Method	Level Percentage of Payroll	Level Percentage of Payroll	Level Percentage of Payroll

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

12. Employee Retirement Systems (Cont.)

C. Annual Pension Costs (Cont.)

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Significant Actuarial Assumptions			
(a) Investment Rate of Return Present and Future Assets	7.50%	6.50%	6.50%
(b) Projected Salary Increase Attributable to Inflation	4.00%	4.50%	5.00%
(c) Additional Projected Salary Increases Attributable to Seniority/Merit	0.4% to 10.0%	3.00%	3.00%
(d) Postretirement Benefit Increases	3.00%	3.00%	3.00%
(e) Remaining Amortization Period	29 years	28 years	28 years

Employer annual pension costs (APC), actual contributions and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Required Contribution (ARC)	\$ 1,139,625	1,790,707	1,716,726
Interest on Net Pension Obligation	29,920	4,404	45,647
Adjustments to the ARC	(21,387)	(3,089)	(32,137)
Annual Pension Cost (APC)	1,148,158	1,792,022	1,730,236
Contributions Made	1,139,625	1,713,170	1,611,360
Change in the Net Pension Obligation	8,533	78,852	118,876
Net Pension Obligation at May 1, 2014	398,933	67,755	702,262
Net Pension Obligation at April 30, 2015	\$ 407,466	146,607	821,138

For the SLEP Plan, the annual pension cost was \$23,376 for the calendar year 2014. The required contribution for 2014 was determined as part of the December 31, 2012 actuarial valuation using the entry age normal actuarial cost method.

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

12. Employee Retirement Systems (Cont.)

C. Annual Pension Costs (Cont.)

The NPO at April 30, 2015, has been calculated as follows:

	Fiscal Year	Illinois Municipal Retirement	Police Pension	Firefighters' Pension
Annual Pension Cost	2015	\$ 1,148,158	1,792,022	1,730,236
	2014	1,178,682	1,617,442	1,590,419
	2013	1,145,308	1,637,884	1,638,622
Percent Contributed	2015	100.0%	95.6%	93.9%
	2014	100.0%	100.4%	101.1%
	2013	98.9%	96.9%	94.8%
Net Pension Obligation	2015	\$ 407,466	146,607	821,138
	2014	398,933	67,755	702,262
	2013	390,579	74,377	705,406

D. Funded Status

*Illinois Municipal Retirement*

As of December 31, 2014, the most recent actuarial valuation date, the Regular Plan was 83.49% funded. The actuarial accrued liability for benefits was \$31,689,162 and the actuarial value of assets was \$26,457,702, resulting in underfunded actuarial accrued liability (UAAL) of \$5,231,460. The covered payroll (annual payroll of active employees covered by the plan) was \$8,779,855 and the ratio of the UAAL to the covered payroll was 59.58%. In conjunction with the December 2013 actuarial valuation, the market value of investments was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 30 year basis.

As of December 31, 2014, the most recent actuarial valuation date, the SLEP Plan was 80.82% funded. Actuarial accrued liability was \$213,972 and actuarial value of assets was \$172,929, resulting in an underfunded actuarial liability of \$41,043. The covered payroll (annual payroll of active employees covered by the plan) was \$139,810 and the ratio of the UAAL to covered payroll was 29.4%.

*Police Pension*

As of April 30, 2014, the most recent data available, the Police Pension Plan was 63.53% funded. The actuarial accrued liability was \$63,839,298 and the actuarial value of assets was \$40,560,094, resulting in an underfunded actuarial accrued liability of \$23,279,204. The covered payroll for 2014 was \$4,525,036 and the ratio of the UAAL to covered payroll was thus 514.45%.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 12. Employee Retirement Systems (Cont.)

#### D. Funded Status (Cont.)

##### *Firefighters' Pension*

As of April 30, 2014, the most recent actuarial valuation date, the Firefighters' Pension Plan was 67.14% funded. The actuarial accrued liability was \$58,523,644 and the actuarial value of assets was \$39,290,206, resulting in an underfunded actuarial accrued liability of \$19,233,438. The covered payroll for 2014 was \$4,179,374 and the ratio of the UAAL to covered payroll was thus 460.20%.

The Schedule of Funding Progress for the Regular, SLEP, Police, and Firefighters' plans, presented as Required Supplementary Information following the Notes to the Financial Statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

#### E. Summary of Significant Accounting Policies and Plan Asset Matters

##### Police Pension and Firefighters' Pension

##### i. Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues when due, pursuant to formal commitments as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Administrative costs are financed through the fund.

##### ii. Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value. Investment income is recognized as earned.

Gains and losses on sales and exchanges of fixed-income securities are recognized on the transaction date. Equity securities are reported at cost subject to adjustment for market declines judged to be other than temporary (lower of cost or market).

##### iii. Related Party Transactions

There are no securities of the employer or any other related parties included in plan assets, including any loans.

#### F. Significant Actuarial Assumption

##### Police Pension and Firefighters' Pension

The actuarial cost method for the above plans is entry age normal and the amortization method is a level percentage of payroll, closed period. The asset valuation method is fair market value.

**CITY OF PARK RIDGE, ILLINOIS**Notes to the Financial Statements  
April 30, 2015

## 12. Employee Retirement Systems (Cont.)

## G. Trend Information

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Six-year trend information may be found in the required supplemental information section of the government's annual financial report.

## 13. Pension Trust Funds - Financial Data

## A. Schedule of Fiduciary Net Plan Position as of April 30, 2015

	Police Pension	Firefighters' Pension	Total
<b>Assets</b>			
Cash and Cash Equivalents	\$ 1,294,815	1,960,284	3,255,099
Investments			
U.S. Treasury Securities	3,351,366	11,678,155	15,029,521
U.S. Agency Securities	14,024,180		14,024,180
Municipal Bonds		15,218	15,218
Corporate Bonds		4,404,727	4,404,727
Common Stocks	13,102,300	12,023,312	25,125,612
Mutual Funds	11,273,776	11,166,461	22,440,237
Receivables			
Accrued Interest	324,837	208,326	533,163
Prepaid Expenses		13,210	13,210
<b>Total Assets</b>	<b>43,371,274</b>	<b>41,469,693</b>	<b>84,840,967</b>
<b>Liabilities</b>			
Accounts Payable	4,876	10,489	15,365
<b>Net Position</b>			
Held in Trust for Pension Benefits	\$ 43,366,398	41,459,204	84,825,602

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

13. Pension Trust Funds - Financial Data (Cont.)

B. Schedule of Changes in Fiduciary Net Plan Position as of April 30, 2015

	Police Pension	Firefighters' Pension	Total
<b>Additions</b>			
Contributions			
Employer	\$ 1,713,170	1,611,360	3,324,530
Plan Members	569,210	404,193	973,403
	<u>2,282,380</u>	<u>2,015,553</u>	<u>4,297,933</u>
Investment Income			
Net Increase in Fair Value of Investments	2,291,380	1,626,450	3,917,830
Interest	621,844	820,249	1,442,093
Dividends	226,875	504,259	731,134
	<u>3,140,099</u>	<u>2,950,958</u>	<u>6,091,057</u>
Less Investment Expense	(150,458)	(149,669)	(300,127)
	<u>2,989,641</u>	<u>2,801,289</u>	<u>5,790,930</u>
<b>Total Additions</b>	<u>5,272,021</u>	<u>4,816,842</u>	<u>10,088,863</u>
<b>Deductions</b>			
Administration	35,724	62,304	98,028
Pension Benefits and Refunds	3,180,124	2,921,833	6,101,957
	<u>3,215,848</u>	<u>2,984,137</u>	<u>6,199,985</u>
<b>Total Deductions</b>	<u>3,215,848</u>	<u>2,984,137</u>	<u>6,199,985</u>
<b>Change in Net Position</b>	<u>2,056,173</u>	<u>1,832,705</u>	<u>3,888,878</u>
<b>Net Position</b>			
Beginning	<u>41,310,225</u>	<u>39,626,499</u>	<u>80,936,724</u>
Ending	<u>\$ 43,366,398</u>	<u>41,459,204</u>	<u>84,825,602</u>

14. Restatements

The City has restated fund balance and net position in the Nonmajor Governmental Funds, Governmental Activities, Sewer Fund and Business-type Activities as of May 1, 2014, as follows:

*Nonmajor Governmental Funds*

Fund balance, May 1, 2014, as previously reported	\$ 3,924,987
Restatement	
To remove retainage payable balance in 2012A Sewer Improvement Fund	<u>107,632</u>
Fund balance, May 1, 2014, as restated	<u>\$ 4,032,619</u>

**CITY OF PARK RIDGE, ILLINOIS**

Notes to the Financial Statements  
April 30, 2015

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14. Restatements (Cont.)

*Governmental Activities*

Net position, May 1, 2014, as previously reported	\$ 40,533,338
Restatement	
To remove retainage payable balance	<u>107,632</u>
Net position, May 1, 2014, as restated	<u>\$ 40,640,970</u>

*Sewer Fund*

Net position, May 1, 2014, as previously reported	\$ 17,444,957
Restatement	
To remove feasibility studies from previously capitalized assets	<u>(329,933)</u>
Net position, May 1, 2014, as restated	<u>\$ 17,115,024</u>

*Business-Type Activities*

Net position, May 1, 2014, as previously reported	\$ 44,780,839
Restatement	
To remove feasibility studies from previously capitalized assets	<u>(329,933)</u>
Net position, May 1, 2014, as restated	<u>\$ 44,450,906</u>

15. Future Pronouncements

The Governmental Accounting Standards Board (GASB) has issued the following pronouncements, which are expected to have a material impact on the City's financial statements in future periods:

Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. This Statement revises existing standards of financial reporting for most pension plans. This Statement and Statement 67 establish a definition of a pension plan that reflects the primary activities associated with the pension arrangement - determining pensions, accumulating and managing assets dedicated for pensions, and paying benefits to plan members as they come due. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria. The City will be required to implement this Statement for the year ending April 30, 2016.

## CITY OF PARK RIDGE, ILLINOIS

Notes to the Financial Statements  
April 30, 2015

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### 15. Future Pronouncements (Cont.)

Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. This Statement is an amendment of GASB Statement 68, was issued to eliminate the source of a potential significant understatement of restated beginning net position and expense in the first year of implementation of Statement 68 in the accrual-basis financial statements of employers and non-employer contributing entities. The City is required to implement this Statement for the fiscal year ending April 30, 2016.

Statement No. 72, *Fair Value Measurement and Application*. This Statement was issued to enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement also will enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position. The City is required to implement this Statement for the fiscal year ending April 30, 2017.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement revises existing standards of financial reporting for postemployment benefits other than pensions. This Statement replaces the requirements of Statement Nos. 45 and 57. The City will be required to implement this Statement for the year ending April 30, 2019.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF PARK RIDGE, ILLINOIS**

Required Supplementary Information

Schedules of Funding Progress

April 30, 2015

*Illinois Municipal Retirement Fund*

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2014	\$ 26,457,702	31,689,162	5,231,460	83.49%	8,779,855	59.58%
12/31/2013	24,669,340	29,541,512	4,872,172	83.51%	8,586,411	56.74%
12/31/2012	21,739,405	28,696,609	6,957,204	75.76%	8,544,371	81.42%
12/31/2011	19,234,319	29,406,275	10,171,956	65.41%	8,663,385	117.41%
12/31/2010	17,398,526	27,011,736	9,613,210	64.41%	8,741,504	109.97%
12/31/2009	16,267,761	27,386,470	11,118,709	59.40%	9,811,601	113.32%

*Sheriff's Law Enforcement Personnel Fund*

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2014	\$ 172,929	213,972	41,043	80.82%	139,810	29.36%
12/31/2013	135,070	174,192	39,122	77.54%	138,210	28.31%
12/31/2012	101,089	124,052	22,963	81.49%	137,376	16.72%
12/31/2011	70,121	83,362	13,241	84.12%	136,702	9.69%
12/31/2010	41,829	44,671	2,842	93.64%	146,876	1.93%
12/31/2009	14,074	8,831	(5,243)	159.37%	72,173	0.00%

**CITY OF PARK RIDGE, ILLINOIS**

Required Supplementary Information

Schedules of Funding Progress

April 30, 2015

*Police Pension Fund*

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
4/30/2014	\$ 40,560,094	63,839,298	23,279,204	63.53%	4,525,036	514.45%
4/30/2013	39,204,712	61,170,783	21,966,071	64.09%	4,383,296	501.13%
4/30/2012	36,825,068	57,437,409	20,612,341	64.11%	4,288,717	480.62%
4/30/2011	34,594,933	55,731,869	21,136,936	62.07%	4,412,233	479.05%
4/30/2010	31,481,923	52,309,039	20,827,116	60.18%	4,616,197	451.17%
4/30/2009	31,481,923	52,309,039	20,827,116	60.18%	4,616,197	451.17%

*Firefighters' Pension Fund*

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
4/30/2014	\$ 39,290,206	58,523,644	19,233,438	67.14%	4,179,374	460.20%
4/30/2013	37,973,328	55,191,391	17,218,063	68.80%	4,100,012	419.95%
4/30/2012	35,891,911	52,379,863	16,487,952	68.52%	3,891,008	423.75%
4/30/2011	33,545,688	50,771,789	17,226,101	66.07%	3,948,131	436.31%
4/30/2010	30,977,019	49,305,229	18,328,210	62.83%	4,100,487	446.98%
4/30/2009	28,123,389	45,889,972	17,766,583	61.28%	4,062,308	437.35%

The most recent available for the Firefighter's Pension Fund is as of 4/30/2014.

**CITY OF PARK RIDGE, ILLINOIS**

Required Supplementary Information

Schedules of Funding Progress

April 30, 2015

*Other Postemployment Benefit Plan*

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
4/30/2015	\$	6,297,122	6,297,122	0.00%	9,944,605	63.32%
4/30/2014		6,344,824	6,344,824	0.00%	16,852,314	37.65%
4/30/2013		5,888,883	5,888,883	0.00%	16,282,429	36.17%
4/30/2012		5,592,608	5,592,608	0.00%	16,021,844	34.91%
4/30/2011		5,326,139	5,326,139	0.00%	15,555,188	34.24%
4/30/2010		5,377,206	5,377,206	0.00%	16,567,452	32.46%

**CITY OF PARK RIDGE, ILLINOIS**

Required Supplementary Information

Schedules of Employer Contributions

April 30, 2015

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*Illinois Municipal Retirement Fund*

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2015	\$ 1,139,625	1,139,625	100.00%
2014	1,170,328	1,170,328	100.00%
2013	1,138,725	1,145,544	99.40%
2012	1,263,988	1,398,270	90.40%
2011	1,178,529	1,403,011	84.00%
2010	1,046,898	1,046,898	100.00%

*Sheriff's Law Enforcement Personnel*

<u>Fiscal Year</u>	<u>Employer Contributions</u>	<u>Annual Required Contribution (ARC)</u>	<u>Percentage Contributed</u>
2015	\$ 23,376	23,376	100.00%
2014	22,459	22,459	100.00%
2013	20,345	20,345	100.00%
2012	18,892	18,892	100.00%
2011	n/a	n/a	n/a
2010	n/a	n/a	n/a

**CITY OF PARK RIDGE, ILLINOIS**

Required Supplementary Information

Schedules of Employer Contributions

April 30, 2015

*Police Pension Fund*

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered - Employee Payroll	Contributions as a Percentage of Covered - Employee Payroll
2015	\$ 1,790,707	1,713,170	(77,537)	4,535,578	37.77%

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2015	\$ 1,713,170	1,790,707	95.67%
2014	1,624,064	1,617,442	100.41%
2013	1,587,617	1,637,884	96.93%
2012	2,024,155	2,003,502	101.03%
2011	1,625,965	1,838,778	88.43%
2010	1,705,705	1,542,229	110.60%

The information above was formatted to comply with the requirements of GASB Statement No. 67.

*Notes to the Required Supplementary Information:*

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	4.61
Asset Valuation Method	Market Value
Inflation	3.00%
Salary Increases	4.00% - 15.00%
Investment Rate of Return	6.75%
Retirement Age	See the Notes to the Financial Statements
Mortality	Mortality rates were based on the RP-2000 Combined Healthy Mortality Table.

GASB Statement No. 67 requires the presentation of 10 fiscal years of data, however, the fiscal years completed prior to the enactment of this pronouncement are not required to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

**CITY OF PARK RIDGE, ILLINOIS**

Required Supplementary Information

Schedules of Employer Contributions

April 30, 2015

*Firefighters' Pension Fund*

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)		Contributions as a Percentage of Covered - Employee Payroll
2015	\$ 1,627,465	1,611,360	(16,105)	4,141,254	38.91%
	Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed	
	2015	\$ 1,611,360	1,716,726	93.86%	
	2014	1,593,563	1,590,419	100.20%	
	2013	1,553,909	1,638,622	94.83%	
	2012	1,970,636	1,892,361	104.14%	
	2011	1,595,353	1,766,045	90.33%	
	2010	1,818,559	1,892,361	96.10%	

The information above was formatted to comply with GASB Statement No. 67.

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	5.17
Asset Valuation Method	Market Value
Inflation	3.00%
Salary Increases	4.25% - 12.25%
Investment Rate of Return	6.75%
Retirement Age	See the Notes to the Financial Statements
Mortality	Mortality rates were based on the RP-2000 Combined Healthy Mortality Table.

GASB Statement No. 67 requires the presentation of 10 fiscal years of data, however, the fiscal years completed prior to the enactment of this pronouncement are not required to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

**CITY OF PARK RIDGE, ILLINOIS**

Required Supplementary Information

Schedules of Employer Contributions

April 30, 2015

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*Other Postemployment Benefit Plan*

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2015	\$ 118,126	488,156	24.20%
2014	211,796	713,117	29.70%
2013	192,542	713,117	27.00%
2012	213,182	530,303	40.20%
2011	195,535	532,793	36.70%
2010	300,536	507,994	59.16%

**CITY OF PARK RIDGE, ILLINOIS**

Required Supplementary Information

Schedules of Changes in Employer's Net Pension Liability

April 30, 2015

*Police Pension Fund*

	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 952,083
Interest	4,197,164
Changes in Benefit Terms	
Differences Between Expected and Actual Experience	
Change of Assumptions	
Benefit Payments, Including Refunds of Member Contributions	<u>(3,180,124)</u>
Net Change in Total Pension Liability	1,969,123
Total Pension Liability - Beginning	<u>63,770,262</u>
Total Pension Liability - Ending	<u><u>\$ 65,739,385</u></u>
Plan Fiduciary Net Position	
Contributions - City	\$ 1,713,170
Contributions - Members	569,210
Contributions - Other	
Net Investment Income	2,989,641
Benefit Payments, Including Refunds of Member Contributions	(3,180,124)
Administrative Expense	<u>(35,724)</u>
Net Change in Plan Fiduciary Net Position	2,056,173
Plan Net Position - Beginning	<u>41,310,225</u>
Plan Net Position - Ending	<u><u>\$ 43,366,398</u></u>
City's Net Pension Liability	<u><u>\$ 22,372,987</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.97%
Covered - Employee Payroll	4,535,578
City's Net Pension Liability as a Percentage of Covered - Employee Payroll	493.28%

GASB Statement No. 67 requires the presentation of 10 fiscal years of data, however, the fiscal years completed prior to the enactment of this pronouncement are not required to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

**CITY OF PARK RIDGE, ILLINOIS**

Required Supplementary Information

Schedules of Changes in Employer's Net Pension Liability

April 30, 2015

*Firefighters' Pension Fund*

	<u>2015</u>
Total Pension Liability	
Service Cost	\$ 997,064
Interest	3,878,251
Changes in Benefit Terms	
Differences Between Expected and Actual Experience	
Change of Assumptions	
Benefit Payments, Including Refunds of Member Contributions	<u>(2,921,833)</u>
Net Change in Total Pension Liability	1,953,482
Total Pension Liability - Beginning	<u>58,916,488</u>
Total Pension Liability - Ending	<u>\$ 60,869,970</u>
Plan Fiduciary Net Position	
Contributions - City	\$ 1,611,360
Contributions - Members	404,193
Contributions - Other	
Net Investment Income	2,801,289
Benefit Payments, Including Refunds of Member Contributions	(2,921,833)
Administrative Expense	<u>(62,304)</u>
Net Change in Plan Fiduciary Net Position	1,832,705
Plan Net Position - Beginning	<u>39,626,499</u>
Plan Net Position - Ending	<u>\$ 41,459,204</u>
City's Net Pension Liability	<u>\$ 19,410,766</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.11%
Covered - Employee Payroll	4,141,254
City's Net Pension Liability as a Percentage of Covered - Employee Payroll	468.72%

GASB Statement No. 67 requires the presentation of 10 fiscal years of data, however, the fiscal years completed prior to the enactment of this pronouncement are not required to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

**CITY OF PARK RIDGE, ILLINOIS**

Required Supplementary Information

Schedules of Investment Returns

April 30, 2015

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*Police Pension Fund*

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	7.33%

*Firefighters' Pension Fund*

Fiscal Year	Annual Money- Weighted Rate of Return, Net of Investment Expense
2015	7.17%

GASB Statement No. 67 requires the presentation of 10 fiscal years of data, however, the fiscal years completed prior to the enactment of this pronouncement are not required to be presented in this schedule. The pronouncement was enacted in fiscal year 2015.

**CITY OF PARK RIDGE, ILLINOIS**

Required Supplemental Information

General Fund

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

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
<b>Revenues</b>				
Property Taxes	\$ 7,569,617	7,569,617	7,408,655	(160,962)
Other Taxes	17,099,781	16,604,681	9,158,542	(7,446,139)
Licenses and Permits	2,913,685	3,426,685	3,756,561	329,876
Intergovernmental	320,850	357,320	8,024,072	7,666,752
Charges for Services	1,444,900	1,446,700	1,506,394	59,694
Fines and Forfeitures	602,000	642,000	687,622	45,622
Investment Income	2,000	2,000	2,161	161
Miscellaneous	46,225	277,926	887,778	609,852
<b>Total Revenues</b>	<b>29,999,058</b>	<b>30,326,929</b>	<b>31,431,785</b>	<b>1,104,856</b>
<b>Expenditures</b>				
<b>Current</b>				
General Government	5,200,909	8,251,076	7,333,737	(917,339)
Public Safety	17,072,789	14,934,469	14,531,509	(402,960)
Public Works	6,090,754	5,829,675	5,302,749	(526,926)
Development	1,239,200	989,901	977,808	(12,093)
Culture and Civic	8,000	8,000	4,000	(4,000)
<b>Total Expenditures</b>	<b>29,611,652</b>	<b>30,013,121</b>	<b>28,149,803</b>	<b>(1,863,318)</b>
<b>Excess of Revenues over Expenditures</b>	<b>387,406</b>	<b>313,808</b>	<b>3,281,982</b>	<b>2,968,174</b>
<b>Other Financing Sources (Uses)</b>				
<b>Transfers in</b>				
Water Fund	842,914	842,914	842,914	
Sewer Fund	187,490	187,490	187,490	
Parking Fund	96,433	96,433	96,433	
Special Service Area Fund		121,978	121,978	
<b>Transfers Out</b>				
Special Service Area Fund			(4,972)	(4,972)
Emergency Telephone Fund	(932,367)	(932,367)	(932,367)	
<b>Total Other Financing Sources (Uses)</b>	<b>194,470</b>	<b>316,448</b>	<b>311,476</b>	<b>(4,972)</b>
<b>Net Change in Fund Balance</b>	<b>\$ 581,876</b>	<b>630,256</b>	<b>3,593,458</b>	<b>(2,963,202)</b>
<b>Fund Balance</b>				
May 1			6,824,905	
April 30			10,418,363	

See Notes to Required Supplementary Information.

**CITY OF PARK RIDGE, ILLINOIS**

Required Supplemental Information

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues			
Property Taxes	\$ 3,450,395	3,131,114	(319,281)
Miscellaneous		1,179	1,179
Total Revenues	<u>3,450,395</u>	<u>3,132,293</u>	<u>(318,102)</u>
Expenditures			
Current			
Public Works	<u>3,555,021</u>	<u>3,452,664</u>	<u>(102,357)</u>
Net Change in Fund Balance	<u>\$ (123,326)</u>	<u>(320,371)</u>	<u>197,045</u>
Fund Balance			
May 1		<u>267,084</u>	
April 30		<u>(53,287)</u>	

See Note to Required Supplementary Information

## CITY OF PARK RIDGE, ILLINOIS

Notes to Required Supplementary Information  
April 30, 2015

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### 1. Budgetary Basis of Accounting

The governmental, proprietary, and trust funds (excluding the pension 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 May 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.

### 2. Actual Expenditures in Excess of Budget in Individual Funds

The Dempster TIF Fund had an excess of actual expenditures over budget in the amount of \$14,116 for the year ended April 30, 2015.

The following funds did not adopt a budget for fiscal year 2015:

#### Non-Major Special Revenue Funds

- Asset Forfeiture Fund
- Foreign Fire Insurance Tax Fund
- Special Service Area Fund

#### Non-Major Debt Service Funds

- 2014A General Obligation Refunding Bond Fund
- 2015A General Obligation Refunding Bond Fund
- 2015B General Obligation Refunding Bond Fund

**COMBINING, INDIVIDUAL FUND AND COMPONENT UNIT  
FINANCIAL STATEMENTS AND SCHEDULES**

## **GOVERNMENTAL FUND TYPES**

**GENERAL FUND**

**CITY OF PARK RIDGE, ILLINOIS**

General Fund

Schedule of Revenues - Budget and Actual

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Taxes			
Property Taxes			
General	\$ 4,104,282	4,104,282	3,898,671
Fire	1,598,040	1,598,040	1,590,680
Police	1,667,295	1,667,295	1,691,289
Road and Bridge	200,000	200,000	228,015
Other Local Taxes			
Municipal Telecommunications	1,700,000	1,700,000	1,413,083
Package Liquor	460,000	460,000	407,851
Property Transfer	509,450	509,450	676,625
Exempt Property Transfer	13,500	13,500	12,125
Food and Beverage	550,000	550,000	657,157
Home Rule Sales	1,600,000	1,600,000	1,654,875
Utility	2,366,197	2,372,898	2,415,595
Natural Gas	125,000	131,399	146,017
Parking Garage	600,000	600,000	600,000
Use	667,144	667,144	757,265
Intergovernmental Taxes			
State Sales Tax	3,612,313	3,612,313	3,725,695
Gasoline Tax	400,000	400,000	451,382
State Income Tax	3,665,544	3,665,544	3,670,589
Personal Property Replacement Tax			
General	279,873	279,873	366,351
Police	21,880	21,880	25,799
Fire	20,680	20,680	25,799
	<u>24,161,198</u>	<u>24,174,298</u>	<u>24,414,863</u>
Licenses and Permits			
Vehicle Licenses	1,180,000	1,180,000	1,220,350
Oversize Vehicle Permits	2,500	2,500	6,516
Animal Licenses	32,000	32,000	30,825
Business Licenses	230,000	230,000	244,660
Liquor Licenses	96,000	96,000	92,375
Massage Licenses	1,000	1,000	175
Outdoor Café Licenses	2,500	2,500	2,935
Building Permits	1,369,160	1,373,960	1,520,781
Cable TV Franchise Fees	508,200	508,200	637,419
Telecommunications Franchise Fees	525	525	525
	<u>3,421,885</u>	<u>3,426,685</u>	<u>3,756,561</u>

**CITY OF PARK RIDGE, ILLINOIS**

General Fund

Schedule of Revenues - Budget and Actual

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
<b>Intergovernmental Grants</b>			
Federal Grants	251,850	251,850	125,589
State Grants	69,000	105,470	50,817
	<u>320,850</u>	<u>357,320</u>	<u>176,406</u>
<b>Charges for Services</b>			
Services to Other Agencies	257,200	257,200	245,563
Rent	78,000	78,000	79,193
Ambulance Service Charge	825,000	825,000	875,492
Ambulance Registration	25,000	25,000	34,034
Elevator Inspections	20,000	21,800	21,120
<b>Miscellaneous Charges</b>			
City Clerk	4,500	4,500	3,225
Police	12,000	12,000	14,889
Fire	1,200	1,200	4,459
Zoning	5,000	5,000	9,515
Street	200,000	200,000	196,174
Collection Agency	13,000	13,000	20,397
Other	4,000	4,000	2,333
	<u>1,444,900</u>	<u>1,446,700</u>	<u>1,506,394</u>
<b>Fines and Forfeitures</b>			
Court Fines	200,000	200,000	166,470
Police Alarm Fines	4,000	4,000	4,758
Police Penalty	256,000	256,000	245,584
<b>Other Fines - Adjudication</b>			
Zoning Violations	1,000	1,000	
Health Violations	1,000	1,000	
Municipal Code Violations	15,000	15,000	27,320
Red Light Fines	125,000	165,000	172,950
Administrative Tow Fines			70,540
	<u>602,000</u>	<u>642,000</u>	<u>687,622</u>
<b>Interest</b>			
Investment Income	2,000	2,000	2,161

**CITY OF PARK RIDGE, ILLINOIS**

General Fund

Schedule of Revenues - Budget and Actual

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Miscellaneous			
Contributions			1,183
Employee Contributions		231,701	791,200
Damage to City Property	10,000	10,000	20,362
Special Events	30,000	30,000	45,382
Recovery of Bad Debts			18,048
Other Miscellaneous	6,225	6,225	11,603
	<u>46,225</u>	<u>277,926</u>	<u>887,778</u>
Total Revenue	<u>\$ 29,999,058</u>	<u>30,326,929</u>	<u>31,431,785</u>

**CITY OF PARK RIDGE, ILLINOIS**

General Fund

Schedule of Expenditures - Budget and Actual

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
<b>General Government</b>			
Legislative			
Regular Salaries	\$ 29,400	29,371	29,371
Training	1,000	1,400	1,170
Membership Dues	21,500	21,500	21,234
General Contractual Services	1,000	600	95
Materials	2,000	2,000	1,844
Total Legislative	54,900	54,871	53,714
<b>City Administration</b>			
Regular Salaries	269,164	261,561	261,561
Overtime	8,000	8,825	8,825
Training	2,000	2,231	2,231
Postal Charges	25,000	15,800	15,476
Membership Dues	3,000	3,000	1,690
Legal Notices	2,500	2,500	1,689
General Contractual Services	12,000	11,468	11,190
Contingency	500,000	340,000	
Materials	5,000	5,000	4,885
Total Administration	826,664	650,385	307,547
<b>Legal Counsel</b>			
Special Counsel	200,000	173,482	168,119
Special Counsel - Prosecution	40,000	39,800	36,798
Special Counsel - Other	60,000	183,300	183,300
Total Counsel	300,000	396,582	388,217
<b>Financial Administration</b>			
Regular Salaries	693,864	621,121	621,120
Extra Help	13,000	15,433	15,433
Overtime	4,000	7,247	7,247
Insurance	384,000	384,000	339,683
Insurance Claims	250,000	239,000	200,042
Audit Fees	60,000	53,786	53,786
Citation Fees	15,000	18,797	18,797
Red Light Fees	65,000	80,000	78,356
Training	5,000	4,769	1,072
Postal Charges	23,500	33,200	29,117
Membership Dues	2,000	2,000	1,515
Bank Service Charges	70,000	77,000	70,959
Bank Trustee Fees	7,250	11,250	11,000
General Contractual Services	252,954	274,011	266,774

**CITY OF PARK RIDGE, ILLINOIS**

General Fund

Schedule of Expenditures - Budget and Actual

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
General Government (Cont.)			
Financial Administration (Cont.)			
Materials	10,000	12,500	10,081
License Supplies	9,000	5,760	5,760
Total Financial Administration	1,864,568	1,839,874	1,730,742
Information Technology			
Regular Salaries	262,612	247,726	247,726
Telecommunications	112,470	112,470	93,766
Training	3,900	3,900	3,000
Membership Dues	120	120	100
General Contractual Services	135,286	70,726	64,748
Software Support and Licensing		64,560	25,127
Materials	17,000	14,500	9,180
Total Information Technology	531,388	514,002	443,647
Human Resources			
Regular Salaries	92,200	92,200	92,200
Employee Benefits			
Health Insurance	140,036	3,235,712	3,235,712
Life Insurance	205	27,879	27,879
Dental	252	192,843	192,843
Unemployment	263	46,101	27,590
Workers Compensation	372,561	532,561	418,787
Medical Exams	23,000	23,250	22,053
Recruiting and Testing	5,000	14,579	14,558
Training	3,000	1,000	1,000
Membership Dues	1,000	1,000	875
General Contractual Services	12,000	9,753	9,397
Materials	3,000	2,366	2,326
Total Human Resources	652,517	4,179,244	4,045,220
Economic Development			
General Contractual Services	730,000	616,118	364,650
Total General Government	4,960,037	8,251,076	7,333,737

**CITY OF PARK RIDGE, ILLINOIS**

General Fund

Schedule of Expenditures - Budget and Actual

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
<b>Public Safety</b>			
<b>Police</b>			
<b>Police Administration</b>			
Regular Salaries	1,005,285	852,215	759,872
Overtime	15,000	15,369	15,369
Uniforms - Payroll	975	975	225
Telecommunications	6,700	6,700	2,332
Training	9,500	9,500	5,020
Membership Dues	9,685	9,445	9,440
General Contractual Services	29,050	32,050	28,730
Pension Payments	1,689,175	1,689,175	1,713,170
Materials	21,250	21,250	16,258
Total Police Administration	2,786,620	2,636,679	2,550,416
<b>Investigation</b>			
Regular Salaries	882,550	821,537	821,537
Overtime	52,700	71,996	71,996
Uniforms - Payroll	6,925	6,925	6,700
Telecommunications	600	600	
Training	3,500	3,500	3,332
Membership Dues	5,575	5,575	5,455
General Contractual Services	15,100	15,100	8,329
Materials	2,500	2,500	1,559
Total Investigation	969,450	927,733	918,908
<b>Communications</b>			
Regular Salaries	79,970	229,380	229,380
Data Processing Services	14,200	14,200	7,563
General Contractual Services	43,876	40,876	17,771
Electricity	900	900	637
Total Communications	138,946	285,356	255,351
<b>Patrol</b>			
Regular Salaries	3,304,919	3,498,307	3,498,307
Crossing Guards	141,500	141,500	115,542
Overtime	215,800	250,190	250,190
<b>Employee Benefits</b>			
Uniforms	22,000	29,000	28,961
Uniforms - Payroll	24,275	24,275	24,170
Building Maintenance	9,900	9,795	8,353
Squad - Emergency Equipment Repair	15,050	8,050	5,955
Training	20,525	20,525	15,271

**CITY OF PARK RIDGE, ILLINOIS**

General Fund

Schedule of Expenditures - Budget and Actual

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Public Safety (Cont.)			
Police (Cont.)			
Patrol (Cont.)			
Membership Dues	200	200	138
Stray Animal Impoundment	3,000	3,000	1,342
General Contractual Services	32,900	24,900	10,882
Materials	51,700	59,700	52,242
Total Patrol	<u>3,841,769</u>	<u>4,069,442</u>	<u>4,011,353</u>
Crime Prevention			
Regular Salaries	83,664	83,584	83,584
Overtime	1,500		
Employee Benefits			
Uniform	750	750	750
Training	700	700	20
Membership Dues	100	100	100
Mileage Compensation	3,000	3,000	2,760
General Contractual Services	1,300	1,300	
Materials	5,300	5,300	4,968
Total Crime Prevention	<u>96,314</u>	<u>94,734</u>	<u>92,182</u>
Total Police	<u>7,833,099</u>	<u>8,013,944</u>	<u>7,828,210</u>
Fire and Ambulance Services			
Fire Administration			
Regular Salaries	332,341	263,582	263,582
Overtime	1,000	1,557	1,557
Employee Benefits			
Uniforms	22,000	18,132	9,333
PSEBA	36,863	36,863	32,746
PEHP Contributions	20,000	20,000	
Building Maintenance	20,000	18,027	16,644
Training	1,500	1,500	1,490
Membership Dues	15,300	15,300	15,233
General Contractual Services	39,965	42,129	36,656
Pension Payments	1,600,100	1,600,100	1,611,360
Materials	30,950	33,950	28,521
Natural Gas	7,500	12,345	8,496
Computer Equipment	58,000	58,000	
Building Repairs	110,000	99,539	41,457
Total Fire Administration	<u>2,295,519</u>	<u>2,221,024</u>	<u>2,067,075</u>

**CITY OF PARK RIDGE, ILLINOIS**

General Fund

Schedule of Expenditures - Budget and Actual

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Public Safety (Cont.)			
Fire and Ambulance Services (Cont.)			
Fire Prevention			
Regular Salaries	114,946	111,524	111,524
Overtime	5,000	22,617	22,617
Training	500	780	780
General Contractual Services	2,000	2,720	1,195
Materials	3,800	7,800	7,779
Total Fire Prevention	<u>126,246</u>	<u>145,441</u>	<u>143,895</u>
Emergency Response			
Regular Salaries	4,102,649	3,973,534	3,937,687
Overtime	224,000	276,934	276,934
Employee Benefits			
Uniforms	5,000	5,000	2,200
Uniforms - PPC	110,000	120,461	118,258
Squad Emergency Equipment Repair	3,000	3,000	1,934
Training	33,665	36,665	33,581
General Contractual Services	28,740	26,576	20,431
Materials	86,890	98,778	91,953
Equipment Maintenance	13,000	13,112	9,351
Total Emergency Response	<u>4,606,944</u>	<u>4,554,060</u>	<u>4,492,329</u>
Total Fire and Ambulance Services	<u>7,028,709</u>	<u>6,920,525</u>	<u>6,703,299</u>
Total Public Safety	<u>14,861,808</u>	<u>14,934,469</u>	<u>14,531,509</u>
Public Works			
Public Works Administration			
Regular Salaries	290,116	292,238	292,238
Training	500	500	180
Membership Dues	1,000	1,000	966
General Contractual Services	3,000	3,000	331
Materials	4,000	4,000	3,281
Total Public Works Administration	<u>298,616</u>	<u>300,738</u>	<u>296,996</u>
Engineering			
Regular Salaries	283,157	276,977	276,977
Overtime	1,000	953	953
Engineering	2,000	2,000	
Training	1,400	1,400	152
General Contractual Services	104,000	104,000	101,015
Materials	3,000	3,000	729
Total Engineering	<u>394,557</u>	<u>388,330</u>	<u>379,826</u>

**CITY OF PARK RIDGE, ILLINOIS**

General Fund

Schedule of Expenditures - Budget and Actual

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
<b>Public Works (Cont.)</b>			
<b>Traffic Control</b>			
Regular Salaries	53,395	61,860	61,860
Overtime	1,000	6,844	6,844
Extra Help		265	265
<b>Employee Benefits</b>			
Uniforms	200	200	199
Electrical Equipment Maintenance	130,000	130,000	120,667
Materials	30,000	30,000	26,429
<b>Total Traffic Control</b>	<b>214,595</b>	<b>229,169</b>	<b>216,264</b>
<b>Street Lighting</b>			
Electricity Equipment Maintenance	65,000	65,000	63,224
Electricity	220,000	220,000	189,942
<b>Total Street Lighting</b>	<b>285,000</b>	<b>285,000</b>	<b>253,166</b>
<b>Snow and Storm Control</b>			
Regular Salaries	184,112	168,260	159,206
Overtime	100,000	21,373	21,373
<b>Employee Benefits</b>			
Uniforms	500	500	500
General Contractual Services	3,700	3,700	2,863
Snow Removal Supplies	275,000	457,760	404,436
<b>Total Snow and Storm Control</b>	<b>563,312</b>	<b>651,593</b>	<b>588,378</b>
<b>Street Maintenance</b>			
Regular Salaries	463,602	560,017	560,017
Overtime	26,000	71,798	71,798
<b>Employee Benefits</b>			
Uniforms	3,100	3,100	3,100
Striping	35,000	35,000	34,545
General Contractual Services	1,000	1,000	695
Materials	109,000	109,000	100,591
<b>Total Street Maintenance</b>	<b>637,702</b>	<b>779,915</b>	<b>770,746</b>
<b>Sidewalk Maintenance</b>			
Regular Salaries	47,779	42,577	42,577
Overtime	1,000	5,769	5,769
<b>Employee Benefits</b>			
Uniforms	200	200	160
Materials	3,000	3,000	2,634
Sidewalk Repairs	160,000	160,000	119,790
<b>Total Sidewalk Maintenance</b>	<b>211,979</b>	<b>211,546</b>	<b>170,930</b>

**CITY OF PARK RIDGE, ILLINOIS**

General Fund

Schedule of Expenditures - Budget and Actual

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Public Works (Cont.)			
Alley Maintenance			
Regular Salaries	25,159	22,394	22,394
Overtime	1,000	2,992	2,992
Total Alley Maintenance	<u>26,159</u>	<u>25,386</u>	<u>25,386</u>
City Buildings Maintenance			
Regular Salaries	171,762	173,977	173,977
Overtime	10,000	19,284	19,284
Employee Benefits			
Uniforms	400	3,900	3,706
Building Maintenance			
General	85,000	81,500	54,178
City Hall	87,000	88,250	72,243
Train Depot	10,000	10,000	3,862
Dee Road Train Station	5,000	5,000	1,205
Old PWSC	10,000	5,000	
General Contractual Services	2,000	2,000	1,128
Materials	6,000	11,000	8,447
Materials - City Hall	14,000	12,750	8,484
Materials - Uptown Station and Depot	2,000	2,000	
Materials - Dee Road Train Station	2,000	2,000	
Natural Gas and Electricity	45,000	72,631	45,093
Total City Buildings Maintenance	<u>450,162</u>	<u>489,292</u>	<u>391,607</u>
Forestry			
Regular Salaries	92,965	94,295	94,295
Overtime		1,102	1,102
Tree Trimming and Removal	680,000	692,700	567,577
Tree Spraying	40,000	40,232	40,232
Training	2,100	2,100	2,090
Membership Dues	1,200	1,200	750
General Contractual Services	27,000	39,000	38,844
Materials	3,000	2,768	1,972
Reforestation	225,000	200,300	105,874
Total Forestry	<u>1,071,265</u>	<u>1,073,697</u>	<u>852,736</u>
Grounds Maintenance			
Regular Salaries	256,646	245,235	245,235
Extra Help	9,000	9,000	4,590
Overtime	4,000	26,407	26,407

**CITY OF PARK RIDGE, ILLINOIS**

General Fund

Schedule of Expenditures - Budget and Actual

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Public Works (Cont.)			
Grounds Maintenance (Cont.)			
Employee Benefits			
Uniforms	1,000	1,000	1,000
Gas for Gas Lights	12,000	15,291	14,380
Gas Light Maintenance	14,000	14,000	4,018
General Contractual Services	50,000	49,200	40,231
Materials	32,000	32,000	28,886
Total Grounds Maintenance	<u>378,646</u>	<u>392,133</u>	<u>364,747</u>
Vehicle Maintenance			
Regular Salaries	445,073	451,894	451,894
Overtime	20,000	45,039	45,039
Employee Benefits			
Uniforms	4,000	5,500	5,422
Insurance Claims	20,000	20,000	18,012
Building Maintenance	1,500	4,000	3,093
Training	200	200	
Membership Dues	100	100	30
General Contractual Services	70,000	74,800	73,441
Materials	141,000	140,665	136,772
Automobile Petroleum Products	280,000	240,678	238,737
Tires	20,000	20,000	19,527
Total Vehicle Maintenance	<u>1,001,873</u>	<u>1,002,876</u>	<u>991,967</u>
Total Public Works	<u>5,533,866</u>	<u>5,829,675</u>	<u>5,302,749</u>
Development			
Development Administration			
Regular Salaries	869,840	804,707	804,707
Extra Help	2,000	2,000	
Overtime	10,000	11,244	11,244
Microfilming	3,000	3,000	1,470
Training	7,000	7,000	4,812
Postal Charges	6,000	5,500	5,500
Membership Dues	3,000	2,900	2,349
Pest Control	8,000	8,000	7,160
General Contractual Services	127,100	133,700	129,594
Materials	11,850	11,850	10,972
Total Development Administration	<u>1,047,790</u>	<u>989,901</u>	<u>977,808</u>
Total Development	<u>1,047,790</u>	<u>989,901</u>	<u>977,808</u>

**CITY OF PARK RIDGE, ILLINOIS**

General Fund

Schedule of Expenditures - Budget and Actual

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual
Culture and Civic			
Community Support			
Youth Services	8,000	8,000	4,000
Total Expenditures	\$ 26,411,501	30,013,121	28,149,803

**NONMAJOR GOVERNMENTAL FUNDS –  
COMBINING STATEMENTS**

**CITY OF PARK RIDGE, ILLINOIS**

Nonmajor Governmental Funds

Combining Balance Sheet

April 30, 2015

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Funds
<b>Assets</b>				
Cash and Cash Equivalents	\$ 2,481,679	1,601,899	446,669	4,530,247
Receivables				
Property Taxes, Net	1,036,990	1,884,858		2,921,848
Intergovernmental	98,105			98,105
Other Taxes	81,622			81,622
<b>Total Assets</b>	<b>\$ 3,698,396</b>	<b>3,486,757</b>	<b>446,669</b>	<b>7,631,822</b>
<b>Liabilities</b>				
Accounts Payable	\$ 218,071	1,020	8,948	228,039
Contracts Payable			52,274	52,274
Due to Other Funds	365,079			365,079
Unearned Revenue	5,685			5,685
Other Liabilities	89,384			89,384
<b>Total Liabilities</b>	<b>678,219</b>	<b>1,020</b>	<b>61,222</b>	<b>740,461</b>
<b>Deferred Inflows of Resources</b>				
Deferred Property Taxes	1,007,695	1,870,550		2,878,245
<b>Fund Balances</b>				
<b>Fund Balances</b>				
<b>Restricted</b>				
Road Construction	1,328,339			1,328,339
Public Safety	169,887			169,887
Economic Development	724,937		385,447	1,110,384
Debt Service		1,615,187		1,615,187
Special Service Areas	142,015			142,015
Unassigned	(352,696)			(352,696)
<b>Total Fund Balances</b>	<b>2,012,482</b>	<b>1,615,187</b>	<b>385,447</b>	<b>4,013,116</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 3,698,396</b>	<b>3,486,757</b>	<b>446,669</b>	<b>7,631,822</b>

**CITY OF PARK RIDGE, ILLINOIS**

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances

Year Ended April 30, 2015

	Special Revenue	Debt Service	Capital Projects	Total Nonmajor Funds
<b>Revenues</b>				
Property Taxes	\$ 4,428,495	1,995,775		6,424,270
Other Taxes	613,859			613,859
Intergovernmental	1,246,617			1,246,617
Investment Income	347	1	4,508	4,856
Miscellaneous	38,862			38,862
<b>Total Revenues</b>	<b>6,328,180</b>	<b>1,995,776</b>	<b>4,508</b>	<b>8,328,464</b>
<b>Expenditures</b>				
<b>Current</b>				
General Government	263,979			263,979
Public Safety	1,781,857			1,781,857
Public Works	1,799,057		1,262,230	3,061,287
Development	674,663			674,663
Culture and Civic	480,090			480,090
<b>Debt Service</b>				
Principal		2,605,000		2,605,000
Interest and Fiscal Agent Fees		1,812,614		1,812,614
Issuance Cost		256,216		256,216
<b>Total Expenditures</b>	<b>4,999,646</b>	<b>4,673,830</b>	<b>1,262,230</b>	<b>10,935,706</b>
Excess (Deficiency) of Revenues over Expenditures	1,328,534	(2,678,054)	(1,257,722)	(2,607,242)
<b>Other Financing Sources (Uses)</b>				
Bond Proceeds		22,230,000		22,230,000
Payment to Escrow Agent		(22,752,427)		(22,752,427)
Bond Premium		801,800		801,800
Transfers In	1,197,862	4,014,244		5,212,106
Transfers Out	(1,941,813)	(961,927)		(2,903,740)
<b>Total Other Financing Sources (Uses)</b>	<b>(743,951)</b>	<b>3,331,690</b>	<b>-</b>	<b>2,587,739</b>
Net Change in Fund Balances	584,583	653,636	(1,257,722)	(19,503)
<b>Fund Balance</b>				
May 1, as Originally Reported	1,427,899	961,551	1,535,537	3,924,987
Restatements			107,632	107,632
May 1, as Restated	1,427,899	961,551	1,643,169	4,032,619
April 30	\$ 2,012,482	1,615,187	385,447	4,013,116

**NONMAJOR SPECIAL REVENUE FUNDS**

**CITY OF PARK RIDGE, ILLINOIS**

Nonmajor Special Revenue Funds

Combining Balance Sheet

April 30, 2015

	Motor Fuel Tax Fund	Illinois Municipal Retirement Fund	Uptown Tax Increment Financing (TIF) Fund	Emergency Telephone Fund
<b>Assets</b>				
Cash and Cash Equivalents	\$ 1,241,168	380	603,412	126,089
Receivables				
Property Taxes, Net		996,508	21,731	
Intergovernmental	92,856	5,249		
Other Taxes				
Emergency Telephone Surcharges				81,622
<b>Total Assets</b>	<b>\$ 1,334,024</b>	<b>1,002,137</b>	<b>625,143</b>	<b>207,711</b>
<b>Liabilities</b>				
Accounts Payable	\$		9,550	208,521
Due to Other Funds		365,079		
Unearned Revenue	5,685			
Other Liabilities				
<b>Total Liabilities</b>	<b>5,685</b>	<b>365,079</b>	<b>9,550</b>	<b>208,521</b>
<b>Deferred Inflows of Resources</b>				
Deferred Property Taxes		988,944		
<b>Fund Balances</b>				
Restricted				
Road Construction	1,328,339			
Public Safety				
Economic Development			615,593	
Special Service Areas				
Unassigned		(351,886)		(810)
<b>Total Fund Balances</b>	<b>1,328,339</b>	<b>(351,886)</b>	<b>615,593</b>	<b>(810)</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 1,334,024</b>	<b>1,002,137</b>	<b>625,143</b>	<b>207,711</b>

Asset Forfeiture Fund	Dempster Tax Increment Financing Fund	Foreign Fire Insurance Tax Fund	Special Service Area Fund	Total Nonmajor Special Refund Funds
103,965	196,149	65,922	144,594	2,481,679
			18,751	1,036,990
				98,105
				81,622
103,965	196,149	65,922	163,345	3,698,396
				218,071
				365,079
				5,685
	86,805		2,579	89,384
-	86,805	-	2,579	678,219
			18,751	1,007,695
103,965		65,922		1,328,339
	109,344			169,887
				724,937
			142,015	142,015
				(352,696)
103,965	109,344	65,922	142,015	2,012,482
103,965	196,149	65,922	163,345	3,698,396

**CITY OF PARK RIDGE, ILLINOIS**

Nonmajor Special Revenue Funds

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances

Year Ended April 30, 2015

	Motor Fuel Tax Fund	Illinois Municipal Retirement Fund	Uptown Tax Increment Financing (TIF) Fund	Emergency Telephone Fund
<b>Revenues</b>				
Property Taxes	\$	1,497,728	2,727,725	
Other Taxes				
Emergency Telephone Surcharge				529,803
Personal Property Replacement		26,470		
Foreign Fire Insurance				
Intergovernmental	1,246,617			
Investment Income	79		44	
Miscellaneous				
Total Revenues	<u>1,246,696</u>	<u>1,524,198</u>	<u>2,727,769</u>	<u>529,803</u>
<b>Expenditures</b>				
Current				
General Government		263,979		
Public Safety		213,979		1,512,197
Public Works	1,019,074	779,983		
Development		167,820	292,341	
Culture and Civic		480,090		
Total Expenditures	<u>1,019,074</u>	<u>1,905,851</u>	<u>292,341</u>	<u>1,512,197</u>
Excess (Deficiency) of Revenues over Expenditures	<u>227,622</u>	<u>(381,653)</u>	<u>2,435,428</u>	<u>(982,394)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In		260,523		932,367
Transfers Out			(1,819,835)	
Total Other Financing Sources (Uses)	<u>-</u>	<u>260,523</u>	<u>(1,819,835)</u>	<u>932,367</u>
Net Change in Fund Balances	227,622	(121,130)	615,593	(50,027)
<b>Fund Balance</b>				
May 1	<u>1,100,717</u>	<u>(230,756)</u>		<u>49,217</u>
April 30	<u>\$ 1,328,339</u>	<u>(351,886)</u>	<u>615,593</u>	<u>(810)</u>

Asset Forfeiture Fund	Dempster Tax Increment Financing Fund	Foreign Fire Insurance Tax Fund	Special Service Area Fund	Total Nonmajor Special Revenue Funds
	163,435		39,607	4,428,495
				529,803
				26,470
		57,586		57,586
				1,246,617
13	2	209		347
33,919			4,943	38,862
33,932	163,437	57,795	44,550	6,328,180
				263,979
520		55,161		1,781,857
				1,799,057
	169,092		45,410	674,663
				480,090
520	169,092	55,161	45,410	4,999,646
33,412	(5,655)	2,634	(860)	1,328,534
			4,972	1,197,862
			(121,978)	(1,941,813)
-	-	-	(117,006)	(743,951)
33,412	(5,655)	2,634	(117,866)	584,583
70,553	114,999	63,288	259,881	1,427,899
103,965	109,344	65,922	142,015	2,012,482

**CITY OF PARK RIDGE, ILLINOIS**

Motor Fuel Tax Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues			
Intergovernmental			
Allotment from State of Illinois	\$ 1,074,809	1,246,617	171,808
Investment Income	70	79	9
Total Revenues	<u>1,074,879</u>	<u>1,246,696</u>	<u>171,817</u>
Expenditures			
Public Works			
Street Repairs	<u>1,035,928</u>	<u>1,019,074</u>	<u>(16,854)</u>
Net Change in Fund Balance	<u>\$ 38,951</u>	<u>227,622</u>	<u>188,671</u>
Fund Balance			
May 1		<u>1,100,717</u>	
April 30		<u><u>1,328,339</u></u>	

**CITY OF PARK RIDGE, ILLINOIS**

Illinois Municipal Retirement Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
<b>Revenues</b>			
Property Taxes	\$ 1,617,549	1,497,728	(119,821)
Other Taxes			
Personal Property Replacement	20,000	26,470	6,470
<b>Total Revenues</b>	<b>1,637,549</b>	<b>1,524,198</b>	<b>(113,351)</b>
<b>Expenditures</b>			
Pension Payments			
General Government	297,479	263,979	(33,500)
Public Safety	241,134	213,979	(27,155)
Public Works	878,965	779,983	(98,982)
Development	189,117	167,820	(21,297)
Culture and Civic	541,015	480,090	(60,925)
<b>Total Expenditures</b>	<b>2,147,710</b>	<b>1,905,851</b>	<b>(241,859)</b>
Excess (Deficiency) of Revenues over Expenditures	(510,161)	(381,653)	128,508
<b>Other Financing Sources</b>			
Transfers In			
Water Fund	157,948	157,948	
Sewer Fund	64,605	64,605	
Parking Fund	37,970	37,970	
<b>Total Other Financing Sources</b>	<b>260,523</b>	<b>260,523</b>	<b>-</b>
Net Change in Fund Balance	<u>\$ (249,638)</u>	(121,130)	<u>128,508</u>
<b>Fund Balance</b>			
May 1		<u>(230,756)</u>	
April 30		<u>(351,886)</u>	

**CITY OF PARK RIDGE, ILLINOIS**

Uptown Tax Increment Financing (TIF) Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues			
Property Taxes	\$ 1,785,000	2,727,725	942,725
Investment Income		44	44
Total Revenues	1,785,000	2,727,769	942,769
Expenditures			
Current			
Development	618,969	292,341	(326,628)
Excess of Revenues over Expenditures	1,166,031	2,435,428	1,269,397
Other Financing Uses			
Transfers Out			
Debt Service 2006B Fund	(1,819,835)	(1,819,835)	
Net Change in Fund Balance	<u>\$ (653,804)</u>	615,593	<u>1,269,397</u>
Fund Balance			
May 1		<u>                    </u>	
April 30		<u>615,593</u>	

**CITY OF PARK RIDGE, ILLINOIS**

Emergency Telephone Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues			
Other Taxes			
Emergency Telephone Surcharge	\$ 460,571	529,803	69,232
Expenditures			
Public Safety			
Communications	1,534,006	1,512,197	(21,809)
Excess (Deficiency) of Revenues over Expenditures	(1,073,435)	(982,394)	91,041
Other Financing Sources			
Transfers In			
General Fund	972,367	932,367	(40,000)
Net Change in Fund Balance	<u>\$ (101,068)</u>	(50,027)	<u>51,041</u>
Fund Balance			
May 1		<u>49,217</u>	
April 30		<u>(810)</u>	

**CITY OF PARK RIDGE, ILLINOIS**

Dempster Tax Increment Financing (TIF) Fund

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

Year Ended April 30, 2015

	Original Budget	Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues				
Property Taxes	\$ 154,976	154,976	163,435	8,459
Investment Income			2	2
Total Revenues	154,976	154,976	163,437	8,461
Expenditures				
Current				
Development	133,958	154,976	169,092	14,116
Net Change in Fund Balance	\$ 21,018	-	(5,655)	(5,655)
Fund Balance				
May 1			114,999	
April 30			109,344	

**NONMAJOR DEBT SERVICE FUNDS**

**CITY OF PARK RIDGE, ILLINOIS**

Nonmajor Debt Service Funds

Combining Balance Sheet

April 30, 2015

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	2004B General Obligation Bond Fund	2005A General Obligation Bond Fund	2006A General Obligation Bond Fund	2006B General Obligation Bond Fund
<b>Assets</b>				
Cash and Cash Equivalents	\$		240,348	
Receivables				
Property Taxes, Net			353,855	
Total Assets	\$	-	594,203	-
<b>Liabilities</b>				
Accounts Payable	\$			
Deferred Inflows of Resources				
Deferred Property Taxes			351,169	
<b>Fund Balances</b>				
Restricted for Debt Service			243,034	
Total Fund Balances		-	243,034	-
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$	-	594,203	-

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2012A General Obligation Bond Fund	2012B General Obligation Bond Fund	2014A General Obligation Refunding Bond Fund	2015A General Obligation Refunding Bond Fund	2015B General Obligation Refunding Bond Fund	Total Nonmajor Debt Service Funds
	376,467	5,349	159,822	819,913	1,601,899
	163,429		235,393	1,132,181	1,884,858
-	539,896	5,349	395,215	1,952,094	3,486,757
			510	510	1,020
	162,188		233,606	1,123,587	1,870,550
	377,708	5,349	161,099	827,997	1,615,187
-	377,708	5,349	161,099	827,997	1,615,187
-	539,896	5,349	395,215	1,952,094	3,486,757

**CITY OF PARK RIDGE, ILLINOIS**

Nonmajor Debt Service Funds

Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances

Year Ended April 30, 2015

	2004B General Obligation Bond Fund	2005A General Obligation Bond Fund	2006A General Obligation Bond Fund	2006B General Obligation Bond Fund
Revenues				
Property Taxes	\$	362,425	546,666	830,627
Investment Income				1
Total Revenues	-	362,425	546,666	830,628
Expenditures				
Debt Service				
Principal	525,000	100,000	100,000	1,345,000
Interest and Fiscal Agent Fees	190,277	313,112	519,250	535,070
Issuance Costs				
Total Expenditures	715,277	413,112	619,250	1,880,070
Excess (Deficiency) of Revenues over Expenditures	(715,277)	(50,687)	(72,584)	(1,049,442)
Other Financing Sources (Uses)				
Transfers In	715,277			1,819,835
Transfers Out		(158,023)		(803,904)
Bond Proceeds				
Payment to Escrow Agent				
Premium on Bond				
Total Other Financing Sources (Uses)	715,277	(158,023)	-	1,015,931
Net Change in Fund Balances	-	(208,710)	(72,584)	(33,511)
Fund Balance				
May 1		208,710	315,618	33,511
April 30	\$ -	-	243,034	-

2012A General Obligation Bond Fund	2012B General Obligation Bond Fund	2014A General Obligation Refunding Bond Fund	2015A General Obligation Refunding Bond Fund	2015B General Obligation Refunding Bond Fund	Total Nonmajor Debt Service Funds
	245,676		1,787	8,594	1,995,775
	-				1
-	245,676	-	1,787	8,594	1,995,776
295,000	240,000				2,605,000
156,450	31,680	65,755	510	510	1,812,614
		131,242	72,285	52,689	256,216
451,450	271,680	196,997	72,795	53,199	4,673,830
(451,450)	(26,004)	(196,997)	(71,008)	(44,605)	(2,678,054)
451,450		65,755	158,023	803,904	4,014,244 (961,927)
		7,590,000	6,495,000	8,145,000	22,230,000
		(7,796,221)	(6,859,556)	(8,096,650)	(22,752,427)
		342,812	438,640	20,348	801,800
451,450	-	202,346	232,107	872,602	3,331,690
-	(26,004)	5,349	161,099	827,997	653,636
	403,712				961,551
-	377,708	5,349	161,099	827,997	1,615,187

**CITY OF PARK RIDGE, ILLINOIS**

2004B General Obligation Bond Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues	\$		
Expenditures			
Debt Service			
Principal	525,000	525,000	
Interest and Fiscal Agent Fees	359,554	190,277	(169,277)
Total Expenditures	884,554	715,277	(169,277)
Excess (Deficiency) of Revenues over Expenditures	(884,554)	(715,277)	169,277
Other Financing Sources			
Transfers In			
Water Fund	884,554	715,277	(169,277)
Net Change in Fund Balance	\$ -	-	-
Fund Balance			
May 1		_____	
April 30		_____	

**CITY OF PARK RIDGE, ILLINOIS**

2005A General Obligation Bond Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues			
Property Taxes	\$	362,425	362,425
Expenditures			
Debt Service			
Principal	100,000	100,000	
Interest and Fiscal Agent Fees	313,112	313,112	
Total Expenditures	413,112	413,112	-
Excess (Deficiency) of Revenues over Expenditures	(413,112)	(50,687)	362,425
Other Financing Uses			
Transfers Out			
2015A Refunding General Obligation Bond		(158,023)	(158,023)
Net Change in Fund Balance	<u>\$ (413,112)</u>	(208,710)	<u>204,402</u>
Fund Balance			
May 1		<u>208,710</u>	
April 30		<u>-</u>	

**CITY OF PARK RIDGE, ILLINOIS**

2006A General Obligation Bond Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues			
Property Taxes	\$	546,666	546,666
Expenditures			
Debt Service			
Principal	100,000	100,000	
Interest and Fiscal Agent Fees	519,250	519,250	
Total Expenditures	619,250	619,250	-
Net Change in Fund Balance	\$ (619,250)	(72,584)	546,666
Fund Balance			
May 1		315,618	
April 30		243,034	

**CITY OF PARK RIDGE, ILLINOIS**

2006B General Obligation Bond Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
<b>Revenues</b>			
Property Taxes	\$	830,627	830,627
Investment Income		1	1
Total Revenues	-	830,628	830,628
<b>Expenditures</b>			
Debt Service			
Principal	1,345,000	1,345,000	
Interest and Fiscal Agent Fees	535,070	535,070	
Total Expenditures	1,880,070	1,880,070	-
Excess (Deficiency) of Revenues over Expenditures	(1,880,070)	(1,049,442)	830,628
<b>Other Financing Sources (Uses)</b>			
Transfers In			
Uptown TIF Fund	1,819,835	1,819,835	
Transfers Out			
2015B Refunding General Obligation Bond		(803,904)	(803,904)
Total Other Financing Sources (Uses)	1,819,835	1,015,931	(803,904)
Net Change in Fund Balance	\$ (60,235)	(33,511)	26,724
<b>Fund Balance</b>			
May 1		33,511	
April 30		-	

**CITY OF PARK RIDGE, ILLINOIS**

2012A General Obligation Bond Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues	\$		
Expenditures			
Debt Service			
Principal	295,000	295,000	
Interest and Fiscal Agent Fees	156,450	156,450	
Total Expenditures	451,450	451,450	-
Excess (Deficiency) of Revenues over Expenditures	(451,450)	(451,450)	-
Other Financing Sources			
Transfers In			
Sewer Fund	451,450	451,450	
Net Change in Fund Balance	\$ -	-	-
Fund Balance			
May 1		_____	
April 30		_____	

**CITY OF PARK RIDGE, ILLINOIS**

2012B General Obligation Bond Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues			
Property Taxes	\$ 268,680	245,676	(23,004)
Expenditures			
Debt Service			
Principal	240,000	240,000	
Interest and Fiscal Agent Fees	31,680	31,680	
Total Expenditures	271,680	271,680	-
Net Change in Fund Balance	\$ (3,000)	(26,004)	(23,004)
Fund Balance			
May 1		403,712	
April 30		377,708	

**NONMAJOR CAPITAL PROJECTS FUNDS**

**CITY OF PARK RIDGE, ILLINOIS**

Combining Nonmajor Capital Projects Funds

Balance Sheet

April 30, 2015

	2012A Sewer Improvement Fund	Total Nonmajor Capital Projects Funds
Assets		
Cash and Cash Equivalents	\$ 446,669	446,669
Liabilities		
Accounts Payable	8,948	8,948
Contracts Payable	52,274	52,274
Total Liabilities	61,222	61,222
Fund Balances	385,447	385,447
Total Liabilities and Fund Balances	\$ 446,669	446,669

**CITY OF PARK RIDGE, ILLINOIS**

2012A Sewer Improvement Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues			
Investment Income	\$	4,508	4,508
Expenditures			
Capital Outlay	2,131,612	1,262,230	(869,382)
Net Change in Fund Balance	<u>\$ (2,131,612)</u>	(1,257,722)	<u>873,890</u>
Fund Balance			
May 1, as Originally Reported		1,535,537	
Restatements		<u>107,632</u>	
May 1, as Restated		<u>1,643,169</u>	
April 30		<u><u>385,447</u></u>	

## **ENTERPRISE FUNDS**

**CITY OF PARK RIDGE, ILLINOIS**

Water Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
<b>Operating Revenues</b>			
Charges for Services			
Water Sales	\$ 9,823,934	8,689,129	(1,134,805)
Water Meters	10,000	26,360	16,360
<b>Total Operating Revenues</b>	<b>9,833,934</b>	<b>8,715,489</b>	<b>(1,118,445)</b>
<b>Operating Expenses</b>			
<b>Administration</b>			
Regular Salaries	164,786	164,293	(493)
Overtime	2,932	2,932	
Employee Benefits			
Health Insurance	180,477	180,705	228
Life Insurance	1,386	1,386	
Dental	10,416	10,416	
Data Processing Services	22,660	21,355	(1,305)
Postal Charges	37,500	33,539	(3,961)
General Contractual Services	15,000	33	(14,967)
Motor Equipment		82,900	82,900
Computer Equipment		28,880	28,880
Materials	1,000	919	(81)
<b>Total Administration</b>	<b>436,157</b>	<b>527,358</b>	<b>91,201</b>
<b>Water Supply and Treatment</b>			
Regular Salaries	105,227	190,080	84,853
Overtime	22,076	22,077	1
Employee Benefits			
Uniforms	1,000	1,000	
Purchase of Water	5,500,000	5,052,231	(447,769)
Testing	16,000	7,439	(8,561)
Building Maintenance	1,000	862	(138)
Membership Dues	300		(300)
Training	1,000	96	(904)
General Contractual Services	20,000	19,573	(427)
Materials	28,000	11,733	(16,267)
Natural Gas	5,000	2,382	(2,618)
Electricity	120,000	88,600	(31,400)
<b>Total Water Supply and Treatment</b>	<b>5,819,603</b>	<b>5,396,073</b>	<b>(423,530)</b>

**CITY OF PARK RIDGE, ILLINOIS**

Water Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Operating Expenses (Cont.)			
Fire Hydrant Services			
Regular Salaries	45,279	42,577	(2,702)
Overtime	5,769	5,769	
Employee Benefits			
Uniforms	1,000	720	(280)
Total Fire Hydrant Services	<u>52,048</u>	<u>49,066</u>	<u>(2,982)</u>
Water Main Services			
Regular Salaries	269,288	151,568	(117,720)
Overtime	39,957	32,637	(7,320)
Employee Benefits			
Uniforms	4,000	3,999	(1)
Water Sprays	12,000	10,320	(1,680)
General Contractual Services	31,467	30,577	(890)
Materials	240,000	197,193	(42,807)
Watermain Construction	1,778,533	1,217,452	(561,081)
	<u>2,375,245</u>	<u>1,643,746</u>	<u>(731,499)</u>
Less Fixed Assets Capitalized		(1,217,452)	(1,217,452)
Total Water Main Services	<u>2,375,245</u>	<u>426,294</u>	<u>(1,948,951)</u>
Water Meter Services			
Regular Salaries	75,365	70,866	(4,499)
Overtime	9,601	9,601	
Employee Benefits			
Uniforms	1,000	1,000	
General Contractual Services	20,000	2,640	(17,360)
Meters	70,000	69,664	(336)
Total Water Meter Services	<u>175,966</u>	<u>153,771</u>	<u>(22,195)</u>
Depreciation		<u>781,265</u>	<u>781,265</u>
Total Operating Expenses	<u>8,859,019</u>	<u>7,333,827</u>	<u>(1,525,192)</u>
Operating Income (Loss)	<u>974,915</u>	<u>1,381,662</u>	<u>406,747</u>

**CITY OF PARK RIDGE, ILLINOIS**

Water Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Nonoperating Revenues			
Investment Income	2,000	2,419	419
Miscellaneous	34,674	35,474	800
Total Nonoperating Revenues	<u>36,674</u>	<u>37,893</u>	<u>1,219</u>
Income (Loss) before Transfers Out	1,011,589	1,419,555	407,966
Transfers Out	<u>(1,997,197)</u>	<u>(1,781,894)</u>	<u>215,303</u>
Change in Net Position	<u>\$ (985,608)</u>	<u>(362,339)</u>	<u>623,269</u>
Net Position			
May 1		<u>25,768,485</u>	
April 30		<u>25,406,146</u>	

**CITY OF PARK RIDGE, ILLINOIS**

Sewer Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Operating Revenues			
Charges for Services	\$ 1,947,247	1,695,966	(251,281)
Developers Fees	20,000	246,273	226,273
Total Operating Revenues	<u>1,967,247</u>	<u>1,942,239</u>	<u>(25,008)</u>
Operating Expenses			
Sewer Line and Drainage			
Regular Salaries	289,160	288,266	(894)
Overtime	34,310	34,310	
Employee Benefits			
Health Insurance	53,797	20,414	(33,383)
Life Insurance	723	566	(157)
Dental	3,224	1,207	(2,017)
Uniforms	1,000	985	(15)
General Contractual Services	276,353	114,736	(161,617)
Sewer Clean and Televis	20,000	575	(19,425)
Materials	90,000	68,730	(21,270)
Electricity	20,000	19,875	(125)
Motor Equipment		23,600	23,600
Computer Equipment		10,000	10,000
Sewer Construction	607,500	563,522	(43,978)
Depreciation		350,110	350,110
Total Sewer Line and Drainage	<u>1,396,067</u>	<u>1,496,896</u>	<u>100,829</u>
Less Fixed Assets Capitalized		(563,522)	(563,522)
Total Operating Expenses	<u>1,396,067</u>	<u>933,374</u>	<u>(462,693)</u>
Operating Income	<u>571,180</u>	<u>1,008,865</u>	<u>437,685</u>
Nonoperating Revenues			
Miscellaneous		2,441	2,441
Income before Transfers and Contributions	<u>571,180</u>	<u>1,011,306</u>	<u>440,126</u>
Capital Contributions		1,226,896	1,226,896
Transfers Out	(737,145)	(703,545)	33,600
Net Transfers and Contributions	<u>(737,145)</u>	<u>523,351</u>	<u>1,260,496</u>
Change in Net Position	<u>\$ (165,965)</u>	<u>1,534,657</u>	<u>1,700,622</u>
Net Position			
May 1, as Originally Reported		17,444,957	
Restatement		<u>(329,933)</u>	
May 1, as Restated		<u>17,115,024</u>	
April 30		<u>18,649,681</u>	

**CITY OF PARK RIDGE, ILLINOIS**

Parking Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Operating Revenues			
Charges for Services	\$ 247,200	296,474	49,274
Operating Expenses			
Parking Service and Maintenance			
Regular Salaries	176,366	116,122	(60,244)
Overtime	7,685	7,685	
Employee Benefits			
Health Insurance	19,009	13,631	(5,378)
Life Insurance	430	335	
Dental	1,098	781	
Uniforms	1,000	820	(180)
Real Property Rental	51,300	41,475	(9,825)
General Contractual Services	62,000	50,428	(11,572)
Citation Fees	10,000	7,265	(2,735)
Materials	12,000	6,327	(5,673)
Electricity	3,000	2,706	(294)
Motor Equipment		23,300	23,300
Computer Equipment		18,000	18,000
Parking Lot Construction	327,910	16,281	(311,629)
Total Operating Expenses	671,798	305,156	(366,230)
Less Fixed Assets Capitalized	(327,910)		327,910
Total Operating Expenses	343,888	305,156	(38,320)
Operating Income (Loss)	(96,688)	(8,682)	87,594
Nonoperating Revenues			
Investment Income	500	1,109	609
Miscellaneous		1,569	1,569
Total Nonoperating Revenues	500	2,678	2,178
Loss before Transfers	(96,188)	(6,004)	89,772
Transfers Out	(175,703)	(134,403)	41,300
Change in Net Position	\$ (271,891)	(140,407)	131,072
Net Position			
May 1		1,567,397	
April 30		1,426,990	

**INTERNAL SERVICE FUNDS**

**CITY OF PARK RIDGE, ILLINOIS**

Internal Service Funds

Combining Statement of Net Position

April 30, 2015

	Technology Replacement Fund	Motor Equipment Replacement Fund	Total
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	\$ 696,544	3,194,476	3,891,020
<b>Noncurrent Assets</b>			
<b>Capital Assets</b>			
Cost	301,024	6,354,889	6,655,913
Accumulated Depreciation	(119,691)	(4,651,893)	(4,771,584)
<b>Total Noncurrent Assets</b>	<u>181,333</u>	<u>1,702,996</u>	<u>1,884,329</u>
<b>Total Assets</b>	<u>877,877</u>	<u>4,897,472</u>	<u>5,775,349</u>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable	930	106,520	107,450
<b>Net Position</b>			
Net Investment in Capital Assets	181,333	1,702,996	1,884,329
Unrestricted	695,614	3,087,956	3,783,570
<b>Total Net Position</b>	<u>\$ 876,947</u>	<u>4,790,952</u>	<u>5,667,899</u>

**CITY OF PARK RIDGE, ILLINOIS**

Internal Service Funds

Combining Statement of Revenues, Expenses,  
and Changes in Net Position

Year Ended April 30, 2015

	Technology Replacement Fund	Motor Equipment Replacement Fund	Total
Operating Revenues			
Charges for Services	\$ 64,080	150,500	214,580
Operating Expenses			
Materials	217,896	400	218,296
Depreciation	36,161	332,976	369,137
Total Operating Expenses	254,057	333,376	587,433
Operating Loss	(189,977)	(182,876)	(372,853)
Nonoperating Revenues			
Investment Income	202	1,613	1,815
Loss on Disposal of Capital Assets		(9,319)	(9,319)
Total Nonoperating Revenues	202	(7,706)	(7,504)
Change in Net Position	(189,775)	(190,582)	(380,357)
Net Position			
May 1	1,066,722	4,981,534	6,048,256
April 30	\$ 876,947	4,790,952	5,667,899

**CITY OF PARK RIDGE, ILLINOIS**

Internal Service Funds

Combining Statement of Cash Flows

Year Ended April 30, 2015

	Technology Service Fund	Motor Equipment Replacement Fund	Total
<b>Cash Flows from Operating Activities</b>			
Receipts from Service Providers	\$ 64,080	150,500	214,580
Payments to Suppliers for Charges for Services	(292,360)	105,780	(186,580)
	<u>(228,280)</u>	<u>256,280</u>	<u>28,000</u>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Purchases of Capital Assets		(511,575)	(511,575)
<b>Cash Flows from Investing Activities</b>			
Interest Income	202	1,613	1,815
	<u>(228,078)</u>	<u>(253,682)</u>	<u>(481,760)</u>
<b>Cash and Cash Equivalents</b>			
May 1	924,622	3,448,158	4,372,780
April 30	<u>\$ 696,544</u>	<u>3,194,476</u>	<u>3,891,020</u>
<b>Cash Flows from Operating Activities</b>			
Operating Loss	\$ (189,977)	(182,876)	(372,853)
Adjustment to Reconcile Operating Loss to Net Cash Provided by (Used in) Operating Activities			
Depreciation	36,161	332,976	369,137
Change in Liabilities Accounts Payable	(74,464)	106,180	31,716
	<u>(228,280)</u>	<u>256,280</u>	<u>28,000</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (228,280)</u>	<u>256,280</u>	<u>28,000</u>

## **FIDUCIARY FUND TYPES**

**CITY OF PARK RIDGE, ILLINOIS**

Technology Replacement Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Operating Revenues			
Charges for Services	\$ 64,080	64,080	
Operating Expenses			
Materials	586,181	217,896	(368,285)
Depreciation		36,161	36,161
Total Operating Expenses	586,181	254,057	(332,124)
Operating Income (Loss)	(522,101)	(189,977)	332,124
Nonoperating Revenues			
Investment Income	200	202	2
Change in Net Position	<u>\$ (521,901)</u>	(189,775)	<u>332,126</u>
Net Position			
May 1		<u>1,066,722</u>	
April 30		<u>876,947</u>	

**CITY OF PARK RIDGE, ILLINOIS**

Motor Equipment Replacement Fund

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Operating Revenues			
Charges for Services	\$ 150,500	150,500	
Operating Expenses			
Materials	1,129,273	400	(1,128,873)
Depreciation		332,976	332,976
Total Operating Expenses	1,129,273	333,376	(795,897)
Operating Income (Loss)	(978,773)	(182,876)	795,897
Nonoperating Revenues			
Investment Income	1,380	1,613	233
Gain on Disposal of Capital Assets	1,380	(9,319)	(10,699)
Total Nonoperating Revenues	2,760	(7,706)	(10,466)
Change in Net Position	\$ (976,013)	(190,582)	785,431
Net Position			
May 1		4,981,534	
April 30		4,790,952	

**AGENCY FUND**

**CITY OF PARK RIDGE, ILLINOIS**

Escrow Deposit Agency Fund

Statement of Changes in Assets and Liabilities

April 30, 2015

	Balance at May 1, 2014	Additions	Deletions	Balance at April 30, 2015
<b>Assets</b>				
Current Assets				
Cash and Cash Equivalents	\$ 423,277	496,607	496,642	423,242
Other Receivables	140	225	365	
Total Assets	\$ 423,417	496,832	497,007	423,242
<b>Liabilities</b>				
Current Liabilities				
Accounts Payable	\$ 2,512	152,157	150,705	3,964
Deposits	420,905	317,587	319,214	419,278
Total Liabilities	\$ 423,417	469,744	469,919	423,242

## **COMPONENT UNIT**

**CITY OF PARK RIDGE, ILLINOIS**

Component Unit - Park Ridge Public Library

Statement of Net Position and Governmental Funds Balance Sheet

April 30, 2015

	Balance Sheet			Statement of
	Library	Library	Adjustments	Net Position
	Fund	Technology		Total
		Fund		Component
				Unit
<b>Assets</b>				
Cash and Cash Equivalents	\$ 2,500,612	277,591		2,778,203
Investments	145,223			145,223
Receivables				
Taxes	2,832,198			2,832,198
Prepaid Items	59,158			59,158
Capital Assets Not Being Depreciated			940,083	940,083
Capital Assets, Net of Accumulated Depreciation			841,086	841,086
<b>Total Assets</b>	<b>\$ 5,537,191</b>	<b>277,591</b>	<b>1,781,169</b>	<b>7,595,951</b>
<b>Liabilities</b>				
Accounts Payable	\$ 73,829	568		74,397
Other Accrued Liabilities	94,331		207,821	302,152
Other Liabilities			31,493	31,493
<b>Total Liabilities</b>	<b>168,160</b>	<b>568</b>	<b>239,314</b>	<b>408,042</b>
<b>Deferred Inflows of Resources</b>				
Unavailable Property Taxes	2,798,307		(2,798,307)	
<b>Fund Balances/Net Position</b>				
<b>Fund Balance</b>				
Nonspendable - Prepaid Items	59,158		(59,158)	
Assigned for Library Technology		277,023	(277,023)	
Unassigned	2,511,566		(2,511,566)	
<b>Total Fund Balances/Net Position</b>	<b>2,570,724</b>	<b>277,023</b>	<b>(2,847,747)</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 5,537,191</b>	<b>277,591</b>		
<b>Net Position</b>				
Net Investment in Capital Assets			1,781,169	1,781,169
Unrestricted			5,406,740	5,406,740
<b>Total Net Position</b>			<b>7,187,909</b>	<b>7,187,909</b>

**CITY OF PARK RIDGE, ILLINOIS**

Component Unit - Park Ridge Public Library

Statement of Activities and Governmental Fund Revenues,  
Expenditures, and Changes in Fund Balance

Year Ended April 30, 2015

	Schedule of Revenues, Expenditures and Changes in Fund Balances			Statement of Activities
	Library		Adjustments	Total
	Library Fund	Technology Fund		Component Unit
<b>Revenues</b>				
Property Taxes	\$ 3,694,889		1,044,307	4,739,196
Other Taxes	71,568			71,568
Intergovernmental	19,702			19,702
Charges for Services	85,493	120,000	(80,000)	125,493
Investment Income	1,763	202		1,965
Miscellaneous	109,961			109,961
<b>Total Revenues</b>	<b>3,983,376</b>	<b>120,202</b>	<b>964,307</b>	<b>5,067,885</b>
<b>Expenditures/Expenses</b>				
Current				
Culture and Civic	4,036,213	62,617	(309,870)	3,788,960
Depreciation			31,549	31,549
<b>Total Expenditures/Expenses</b>	<b>4,036,213</b>	<b>62,617</b>	<b>(278,321)</b>	<b>3,820,509</b>
<b>Net Change in Fund Balance/Net Position</b>	<b>(52,837)</b>	<b>57,585</b>	<b>1,242,628</b>	<b>1,247,376</b>
<b>Fund Balances/Net Position</b>				
May 1	2,623,561	219,438	3,097,534	5,940,533
April 30	\$ 2,570,724	277,023	4,340,162	7,187,909

**CITY OF PARK RIDGE, ILLINOIS**

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

Year Ended April 30, 2015

	Original and Final Budget	Actual	Variance With Final Budget Over (Under)
Revenues			
Property Taxes	\$ 3,707,907	3,694,889	(13,018)
Other Taxes			
Personal Property Replacement	55,000	71,568	16,568
Intergovernmental		19,702	19,702
Charges for Services	100,000	85,493	(14,507)
Investment Income	1,500	1,763	263
Miscellaneous	64,000	109,961	45,961
Total Revenues	<u>3,928,407</u>	<u>3,983,376</u>	<u>54,969</u>
Expenditures			
Current			
Culture and Civic	<u>4,249,915</u>	<u>4,036,213</u>	<u>(213,702)</u>
Net Change in Fund Balance	<u>\$ (368,508)</u>	<u>(52,837)</u>	<u>(315,671)</u>
Fund Balance			
May 1		<u>2,623,561</u>	
April 30		<u>2,570,724</u>	

**STATISTICAL SECTION  
(UNAUDITED)**

**CITY OF PARK RIDGE, ILLINOIS**

Net Position by Component

Last Ten Fiscal Years

Fiscal Year	2006	2007	2008	2009
<b>Governmental Activities</b>				
Net Investment in Capital Assets	\$ 41,899,798	26,094,190	40,592,487	33,052,796
Restricted				
Road Construction				
Public Safety				
Economic Development				
Grant Purposes	475,000	468,032	275,000	275,000
Debt Service	1,107,825	2,320,938	2,229,942	2,015,318
Employee Benefits				
Capital Projects		1,181,871	2,602,423	1,956,800
Municipal Waste Management				
Social Service Areas				
Enabling Legislation		4,153,074	316,456	228,722
Unrestricted	19,246,028	27,752,517	14,127,990	16,920,850
<b>Total Governmental Activities</b>	<b>\$ 62,728,651</b>	<b>61,970,622</b>	<b>60,144,298</b>	<b>54,449,486</b>
<b>Business-type Activities</b>				
Net Investment in Capital Assets	\$ 24,395,178	23,908,103	23,676,745	23,650,123
Restricted				
Parking Lot Improvements				
Unrestricted	6,830,533	6,516,995	6,173,999	5,320,400
<b>Total Business-type Activities</b>	<b>\$ 31,225,711</b>	<b>30,425,098</b>	<b>29,850,744</b>	<b>28,970,523</b>
<b>Primary Government</b>				
Net Investment in Capital Assets	\$ 66,294,976	50,002,293	64,269,232	56,702,919
Restricted				
Road Construction				
Public Safety				
Economic Development				
Grant Purpose	475,000	468,032	275,000	275,000
Debt Service	1,107,825	2,320,938	2,229,942	2,015,318
Employee Benefits				
Capital Projects			2,602,423	1,956,800
Municipal Waste Management				
Social Service Areas				
Parking Lot Improvements				
Enabling Legislation			316,456	228,722
Unrestricted	26,076,561	34,269,512	20,301,989	22,241,250
<b>Total Primary Government</b>	<b>\$ 93,954,362</b>	<b>87,060,775</b>	<b>89,995,042</b>	<b>83,420,009</b>

Note:

FY12 does not include the Library. FY12 is the first year that the Library is reported as a component unit.

Data Source

Audited Financial Statements

2010	2011	2012	2013	2014	2015
35,467,201	36,096,982	18,123,295	20,306,211	27,588,932	28,608,503
			1,050,993	1,100,717	1,328,339
			125,973	181,113	169,877
			528,638	1,758,168	1,110,384
275,000	275,000				
47,693	3,842	133,159	402,774	1,611,051	3,485,737
				560,881	637,058
727,702	419,372	414,384	3,704,925		
				1,897,889	1,965,503
				277,229	160,766
242,452	630,046	760,752			
13,063,311	13,699,017	16,161,975	10,748,590	5,664,990	10,938,698
49,823,359	51,124,259	35,593,565	36,868,104	40,640,970	48,404,865
23,927,570	23,794,107	33,198,707	35,019,617	37,235,922	38,664,839
			182,471	97,953	
4,513,983	5,539,465	6,301,746	7,096,779	7,117,031	6,817,978
28,441,553	29,333,572	39,500,453	42,298,867	44,450,906	45,482,817
59,394,771	59,891,089	51,322,002	55,325,828	64,824,854	67,273,342
				1,100,717	1,328,339
				181,113	169,877
				1,650,536	1,110,384
275,000	275,000				
47,693	3,842	133,159	402,774	1,611,051	3,485,737
				560,881	637,058
727,702	419,372	414,384	3,704,925		
				1,897,889	1,965,503
				277,229	160,766
			182,471	97,953	
242,452	630,046	760,752			
17,577,294	19,238,482	22,463,721	19,550,973	12,782,021	17,756,676
78,264,912	80,457,831	75,094,018	79,166,971	84,984,244	93,887,682

**CITY OF PARK RIDGE, ILLINOIS**

Changes in Net Position

Last Ten Fiscal Years

Fiscal Year	2006	2007	2008
<b>Expenses</b>			
Governmental Activities			
General Government	\$ 3,674,774	4,123,883	4,078,601
Public Safety	14,229,159	15,242,327	15,546,186
Public Works	26,079,742	14,604,233	12,820,471
Development	5,921,175	5,046,338	3,590,080
Culture and Civic	4,732,967	4,903,540	4,988,281
Interest	1,482,476	2,208,474	2,265,103
Total Governmental Activities Expenses	56,120,293	46,128,795	43,288,722
Business-type Activities			
Water	4,465,570	5,335,171	5,425,499
Parking	358,310	308,844	430,030
Sewer			
Total Business-type Activities Expenses	4,823,880	5,644,015	5,855,529
Total Primary Government Expenses	\$ 60,944,173	51,772,810	49,144,251
<b>Program Revenues</b>			
Governmental Activities			
Charges for Services			
General Government	\$ 2,390,909	1,025,765	3,630,949
Public Safety	861,995	4,465,613	775,097
Public Works	103,159	337,823	251,660
Development	1,744,129	266,698	16,314
Culture and Civic	87,805	64,928	70,785
Operating Grants	1,318,021	1,242,106	1,341,646
Capital Grants			
Total Governmental Activities Program Revenues	6,506,018	7,402,933	6,086,451
Business-type Activities			
Charges for Services			
Water	6,893,619	5,873,392	6,161,215
Parking	485,927	458,991	350,063
Sewer			
Operating Grants	14,101,451		
Capital Grants			
Total Business-type Activities Program Revenues	21,480,997	6,332,383	6,511,278
Total Primary Government Program Revenues	\$ 27,987,015	13,735,316	12,597,729
<b>Net (Expense) Revenue</b>			
Governmental Activities	\$ (49,614,275)	(38,725,862)	(37,202,271)
Business-type Activities	16,657,117	688,368	655,749
Total Primary Government Net Expense	\$ (32,957,158)	(38,037,494)	(36,546,522)

Data Source

Audited Financial Statements  
Includes all available information.

2009	2010	2011	2012	2013	2014	2015
4,088,879	4,107,880	5,096,228	7,723,691	7,795,312	8,821,749	8,552,790
16,682,893	18,055,715	18,173,197	18,701,581	16,250,222	16,440,669	16,291,480
15,489,133	12,465,191	11,497,272	11,010,908	12,238,216	12,132,154	11,587,047
3,834,333	2,745,862	1,935,701	2,390,904	1,861,573	1,714,019	1,652,471
4,981,785	5,378,577	4,794,139	600,670	541,147	493,029	288,781
2,128,155	2,029,359	1,950,696	1,939,886	1,968,630	1,902,633	1,215,170
47,205,178	44,782,584	43,447,233	42,367,640	40,655,100	41,504,253	39,587,739
5,049,979	5,328,535	5,448,184	5,356,414	6,257,130	6,795,818	7,333,827
455,988	383,793	365,928	358,681	324,477	338,168	305,156
	733,804	882,017	872,359	665,530	1,096,579	933,374
5,505,967	6,446,132	6,696,129	6,587,454	7,247,137	8,230,565	8,572,357
52,711,145	51,228,716	50,143,362	48,955,094	47,902,238	49,734,819	48,160,096
3,369,510	3,061,263	3,180,770	2,297,491	3,197,319	3,508,210	3,752,651
805,618	1,009,633	959,074	1,667,647	1,675,033	1,837,073	1,781,357
499,371	171,047	174,442	56,585	66,335	38,205	48,440
18,790	10,436	13,048				
71,195	70,223	91,328				
1,502,522	1,513,862	2,098,882	1,486,437	1,156,603	1,157,649	1,423,023
					572,373	
6,267,006	5,836,464	6,517,544	5,508,160	6,095,290	7,113,510	7,005,471
6,069,670	6,342,875	7,154,555	6,836,662	8,295,660	8,885,071	8,715,489
276,014	442,053	443,577	353,144	306,313	271,954	296,474
	898,595	1,892,850	1,518,174	1,961,187	1,898,462	1,942,239
			920,696	1,863,522	4,804	
					2,477,714	1,226,896
6,345,684	7,683,523	9,490,982	9,628,676	12,426,682	13,538,005	12,181,098
12,612,690	13,519,987	16,008,526	15,136,836	18,521,972	20,651,515	19,186,569
(40,938,172)	(38,946,120)	(36,929,689)	(36,859,480)	(34,559,810)	(34,390,743)	(32,582,268)
839,717	1,237,391	2,794,853	3,041,222	5,179,545	5,307,440	3,608,741
(40,098,455)	(37,708,729)	(34,134,836)	(33,818,258)	(29,380,265)	(29,083,303)	(28,973,527)

**CITY OF PARK RIDGE, ILLINOIS**

Changes in Net Position

Last Ten Fiscal Years

Fiscal Year	2006	2007	2008
<b>General Revenues and Other Changes in Net Position</b>			
Governmental Activities			
Taxes			
Property	\$ 14,390,929	14,467,133	16,106,676
Replacement			520,531
Utility	2,753,070	2,520,176	2,742,021
Telecommunications	1,965,563	1,701,899	1,871,134
Property Transfer			489,328
Emergency Telephone			457,778
Parking Garage			422,769
Other Taxes	3,103,933	6,905,472	2,372,780
Intergovernmental			
Income	2,921,955	3,258,110	3,559,023
Sales	4,367,460	5,684,122	3,754,466
Other Intergovernmental			
Unrestricted Investment Earnings	698,719	1,644,085	913,047
Miscellaneous			309,539
Transfers	1,341,085	1,786,836	1,856,855
Total Governmental Activities	31,542,714	37,967,833	35,375,947
Business-type Activities			
Other			
Investment Earnings	170,015	251,824	230,067
Miscellaneous	17,227	46,031	7,350
Transfers	(1,341,085)	(1,786,836)	(1,856,855)
Total Business-type Activities	(1,153,843)	(1,488,981)	(1,619,438)
Total Primary Government	\$ 30,388,871	36,478,852	33,756,509
Change in Net Position			
Governmental Activities	\$ (7,183,148)	765,562	(5,562,225)
Business-type Activities	(465,475)	(833,232)	(779,721)
Total Primary Government Change in Net Position	\$ (7,648,623)	(67,670)	(6,341,946)

Data Source

Audited Financial Statements  
Includes all available information.

2009	2010	2011	2012	2013	2014	2015
17,386,365	18,028,634	19,913,292	15,267,374	15,731,260	16,413,089	18,908,351
450,605	367,466	461,998	374,012	414,554	426,532	444,419
2,824,370	3,008,242	2,582,300	2,225,422	2,300,363	2,519,014	2,415,595
1,903,751	1,890,388	1,729,231	1,880,103	1,704,788	1,579,711	1,402,655
464,351	439,218	372,743	443,754	464,687	721,403	676,625
582,513	514,296	460,138	454,887	574,815	441,821	529,803
388,820	394,136	601,553	603,847	600,000	600,000	600,000
2,475,457	2,469,256	2,833,298	3,700,039	3,050,731	1,107,407	1,318,155
3,326,676	2,393,258	2,828,519	3,175,532	3,546,262	3,790,281	3,564,951
3,179,232	3,149,028	3,751,560	4,059,099	4,075,784	5,783,921	6,149,374
					463,878	451,382
210,500	26,478	19,178	7,587	19,015	7,284	7,017
181,967	54,641	125,466	1,269,947	1,130,296	1,330,141	1,258,004
1,868,754	1,584,952	1,945,254	1,948,766	2,569,415	2,871,495	2,619,842
35,243,361	34,319,993	37,624,530	35,410,369	36,181,970	38,055,977	40,346,173
	(230,151)				(847,845)	
81,157	14,875	7,433	9,466	7,829	3,640	3,528
67,659	33,867	34,987	102,253	39,801	42,387	39,484
(1,868,754)	(1,584,952)	(1,945,254)	(1,948,766)	(2,569,415)	(2,871,495)	(2,619,842)
(1,719,938)	(1,766,361)	(1,902,834)	(1,837,047)	(2,521,785)	(3,673,313)	(2,576,830)
33,523,423	32,553,632	35,721,696	33,573,322	33,660,185	34,382,664	37,769,343
(5,694,811)	(4,626,127)	694,841	(1,449,111)	1,622,160	3,665,234	7,763,905
(1,719,938)	(528,970)	892,019	1,204,175	2,657,760	1,634,127	1,031,911
(7,414,749)	(5,155,097)	1,586,860	(244,936)	4,279,920	5,299,361	8,795,816

**CITY OF PARK RIDGE, ILLINOIS**

Fund Balances of Governmental Funds

Last Ten Fiscal Years

Fiscal Year	2006	2007	2008	2009
General Fund				
Reserved	\$ 669,739	587,594	333,537	4,820,179
Unreserved	8,417,705	14,876,244	13,413,534	6,558,168
Nonspendable				
Unassigned				
Total General Fund	9,087,444	15,463,838	13,747,071	11,378,347
All Other Governmental Funds				
Reserved	1,331,136	2,391,880	2,453,531	4,324,157
Unreserved, Reported in				
Special Revenue Funds	(183,723)	(397,061)	(1,412,712)	(3,272,068)
Debt Service Funds	(1,203,190)		(438,615)	(435,047)
Capital Projects Funds	3,627,416	10,271,300	6,172,061	
Nonspendable				
Restricted for				
Road Construction				
Public Safety				
Economic Development				
Debt Service				
Capital Projects				
Municipal Waste				
Special Service Areas				
Unassigned				
Total All Other Governmental Funds	3,571,639	12,266,119	6,774,265	617,042
Total Governmental Funds	\$ 12,659,083	27,729,957	20,521,336	11,995,389

Notes:

\*Nonspendable, Unassigned, and Restricted classifications effective beginning in 2012.

\*\*Since the Library was listed as a separate line item in previous years, it was removed from this report as it is not a component unit.

Data Source

2010	2011	2012	2013	2014	2015
5,058,348	5,485,803				
2,609,181	2,823,093				
		5,429,798	278,835	246,253	323,680
		4,708,038	6,835,033	6,578,652	10,094,683
7,667,529	8,308,896	10,137,836	7,113,868	6,824,905	10,418,363
1,560,769	1,256,309				
(5,720,564)	(5,017,996)				
(285,055)	(3,568)				
		29,495	4,279	62,130	
		647,393	1,050,993	1,100,717	1,328,339
		113,359	125,973	181,113	169,887
		530,492	528,638	1,650,536	1,110,384
		133,159	402,774	961,551	1,615,187
		5,492,742	3,704,925		
			83,872	206,899	
			138,837	259,881	142,015
		(5,667,673)	(457,272)	(230,756)	(405,983)
(4,444,850)	(3,765,255)	1,278,967	5,583,019	4,192,071	3,959,829
3,222,679	4,543,641	11,416,803	12,696,887	11,016,976	14,378,192

**CITY OF PARK RIDGE, ILLINOIS**

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

Fiscal Year	2006	2007	2008	2009
<b>Revenues</b>				
Property Taxes	\$ 14,380,929	14,705,990	15,274,233	17,139,702
Other Taxes	14,914,688	15,379,951	16,189,830	15,595,775
Licenses and Permits	3,330,442	4,164,109	2,925,371	2,712,700
Intergovernmental	1,318,021	1,242,106	1,337,116	1,502,522
Charges for Services	1,198,687	1,679,859	1,658,369	1,939,857
Fines and Forfeitures	384,931	434,039	332,367	337,499
Investment Income	521,789	1,405,997	917,577	210,500
Miscellaneous	47,845	125,956	309,539	181,967
<b>Total Revenues</b>	<b>36,097,332</b>	<b>39,138,007</b>	<b>38,944,402</b>	<b>39,620,522</b>
<b>Expenditures</b>				
<b>Current</b>				
General Government	4,012,594	3,809,780	4,157,170	4,031,893
Public Safety	14,064,897	14,506,356	15,451,231	16,337,357
Public Works	11,321,880	14,255,186	15,625,153	15,994,737
Development	5,921,175	5,037,294	3,590,080	3,591,522
Culture and Civic	4,705,411	4,874,296	5,026,920	4,963,167
Miscellaneous				
Capital Outlay	5,531,194	4,002,843		242,811
<b>Debt Service</b>				
<b>Cost of Issuance</b>				
Principal	5,620,000	4,760,000	1,855,000	2,685,000
Interest	1,270,113	1,849,434	2,294,312	2,168,113
<b>Total Expenditures</b>	<b>52,447,264</b>	<b>53,095,189</b>	<b>47,999,866</b>	<b>50,014,600</b>
<b>Excess (Deficiency) of Revenues over Expenditures</b>	<b>(16,349,932)</b>	<b>(13,957,182)</b>	<b>(9,055,464)</b>	<b>(10,394,078)</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	5,264,172	9,172,390	3,491,870	4,800,660
Transfers Out	(3,923,087)	(7,385,553)	(1,635,015)	(2,931,906)
Bonds Issued	3,000,000	20,585,000		
Bond Premium				
Payment to Bond Escrow Agent				
Sale of Capital Assets	3,390,276	6,129,089		
<b>Total Other Financing Sources (Uses)</b>	<b>7,731,361</b>	<b>28,500,926</b>	<b>1,856,855</b>	<b>1,868,754</b>
<b>Net Change in Fund Balance</b>	<b>\$ (8,618,571)</b>	<b>14,543,744</b>	<b>(7,198,609)</b>	<b>(8,525,324)</b>

Note:

FY12 and forward does not include the Library. FY12 is the first year that the Library was reported as a component unit.

Data Source

Audited Financial Statements

2010	2011	2012	2013	2014	2015
18,176,917	18,733,669	15,793,475	15,476,842	15,498,819	16,964,039
14,625,290	15,621,340	8,628,834	8,709,681	8,816,045	9,772,401
2,495,432	2,715,714	2,803,147	3,127,080	3,421,693	3,756,561
1,513,862	2,098,882	8,934,123	9,483,609	8,464,262	9,270,689
488,799	1,500,293	1,700,035	594,887	1,451,154	1,506,394
1,562,486	367,859	561,700	1,525,213	707,126	687,622
26,478	19,178	9,966	19,020	7,306	7,017
54,641	125,466	747,851	783,555	1,077,255	927,819
38,943,905	41,182,401	39,179,131	39,719,887	39,443,660	42,892,542
4,325,678	4,134,388	7,454,082	7,310,957	8,018,592	7,597,716
17,534,169	17,371,716	18,489,915	15,803,702	16,649,220	16,313,366
11,826,891	10,815,873	10,292,021	11,478,117	12,671,264	11,816,700
2,745,862	1,913,925	2,390,904	1,861,573	1,714,019	1,652,471
5,234,822	4,629,385	600,670	541,147	553,730	484,090
		112,854			256,216
2,905,000	1,380,000	1,580,000	1,985,000	1,855,000	2,605,000
2,072,213	1,969,364	1,920,945	2,028,721	1,995,552	1,812,614
46,644,635	42,214,651	42,841,391	41,009,218	43,457,377	42,538,173
(7,700,730)	(1,032,250)	(3,662,260)	(1,289,331)	(4,013,717)	354,369
4,248,350	5,593,660	6,193,586	12,842,672	7,624,968	6,460,921
(2,663,398)	(3,648,406)	(4,244,820)	(10,273,257)	(5,183,530)	(3,841,079)
		7,545,000			22,230,000
		370,043			801,800
					(22,752,427)
1,584,952	1,945,254	9,863,809	2,569,415	2,441,438	2,899,215
(6,115,778)	913,004	6,201,549	1,280,084	(1,572,279)	3,253,584

(Cont.)

**CITY OF PARK RIDGE, ILLINOIS**

Changes in Fund Balances of Governmental Funds (Cont.)

Last Ten Fiscal Years

Fiscal Year	2006	2007	2008	2009
Debt Service as a Percent of Noncapital Expenditures				
Total Expenditures	\$ 52,447,264	53,095,189	47,999,866	50,014,600
Less Capital Outlays			(3,547,798)	(1,333,964)
Net Noncapital Expenditures	\$ 52,447,264	53,095,189	44,452,068	48,680,636
Debt Service				
Cost of Issuance				
Principal	\$ 5,620,000	4,760,000	1,855,000	2,685,000
Interest	1,270,113	1,849,435	2,294,312	2,168,113
	\$ 6,890,113	6,609,435	4,149,312	4,853,113
Debt Service as a Percentage of Noncapital Expenditures	13.14%	12.45%	9.33%	9.97%

*Note:*

FY12 does not include the Library. FY12 is the first year that the Library was reported as a component unit.

Data Source

Audited Financial Statements

2010	2011	2012	2013	2014	2015
46,644,635	42,214,651	42,841,391 (114,879)	41,009,218 (463,165)	43,565,009 (2,725,154)	42,538,173 (1,520,932)
46,644,635	42,214,651	42,726,512	40,546,053	40,839,855	41,017,241
2,905,000	1,380,000	1,580,000	-	1,855,000	256,216
2,072,213	1,969,364	1,920,945	1,985,000	1,995,552	2,605,000
4,977,213	3,349,364	3,500,945	2,028,721	3,850,552	1,812,614
10.67%	7.93%	8.19%	9.90%	9.43%	11.39%

**CITY OF PARK RIDGE, ILLINOIS**

Assessed and Estimated Actual Value of Taxable Property

Last Ten Levy Years

Tax Levy Year	Real Property			Total Real Property	Railroad Property
	Residential Property	Commercial Property	Industrial Property		
2005	\$ 1,257,761,409	209,920,948	34,053,941	1,501,736,298	392,610
2006	1,290,203,181	202,819,578	34,958,662	1,527,981,421	391,343
2007	1,593,304,916	220,160,736	38,864,051	1,852,329,703	429,037
2008	1,726,243,617	219,005,029	48,925,033	1,994,173,679	468,466
2009	1,768,034,279	202,761,166	36,941,100	2,007,736,545	562,934
2010	1,663,076,970	189,980,646	37,737,434	1,890,795,050	702,247
2011	1,526,679,499	166,208,693	32,490,854	1,725,379,046	745,813
2012	1,410,187,308	157,346,077	27,493,790	1,595,027,175	842,868
2013	1,143,104,588	139,575,135	27,893,157	1,310,572,880	1,039,750
2014*	1,150,054,131	173,848,283	662,237	1,324,564,651	1,083,917

*Note:*

\*2014 is the most recent information available from the Office of Cook County Clerk as of the preparation of this statement.

Property in the City is reassessed triannually. Property is assessed at 33% of actual value.

Data Source

Office of the Cook County Clerk

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Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Ratio of Estimated Actual Taxable Value
1,502,128,908	0.595	4,506,386,724	33.333%
1,528,372,764	0.641	4,585,118,292	33.333%
1,852,758,740	0.563	5,558,276,220	33.333%
1,994,642,145	0.547	5,983,926,435	33.333%
2,008,299,479	0.577	6,024,898,437	33.333%
1,891,497,297	0.657	5,674,491,891	33.333%
1,726,124,859	0.753	5,178,374,577	33.333%
1,595,870,043	0.851	4,787,610,129	33.333%
1,311,612,630	1.064	3,934,837,890	33.333%
1,325,648,568	1.273	3,976,985,474	33.333%

**CITY OF PARK RIDGE, ILLINOIS**

Property Tax Rates - All Direct and Overlapping Governments

Last Ten Fiscal Years

	2005 - 2006	2006 - 2007	2007 - 2008	2008 - 2009	2009 - 2010
<b>Direct Rates</b>					
General Corporate	0.141	0.155	0.117	0.088	0.162
Debt Service (Bond and Interest)	0.108	0.108	0.091	0.083	0.000
Garbage	0.189	0.202	0.176	0.163	0.174
Police Pension	0.053	0.059	0.053	0.071	0.078
Fire Pension	0.008	0.013	0.039	0.057	0.071
Illinois Municipal Retirement	0.047	0.053	0.045	0.042	0.051
Social Security	0.050	0.051	0.043	0.042	0.041
<b>Total Direct Rate as Rounded by Cook County</b>					
	<b>0.596</b>	<b>0.641</b>	<b>0.564</b>	<b>0.546</b>	<b>0.577</b>
<b>OVERLAPPING</b>					
Park Ridge Public Library	0.292	0.274	0.230	0.214	0.203
High School District 207	1.757	1.826	1.602	1.577	1.617
Elementary School District 64	2.582	3.016	2.850	2.685	2.686
Cook County	0.274	0.397	0.446	0.415	0.394
Consolidated Elections	0.014	0.000	0.012	0.000	0.021
Cook County Health Facilities	0.112	0.103	0.000	0.000	0.000
Cook County Forest Preserve	0.060	0.057	0.053	0.051	0.049
Suburban T.B. Sanitarium	0.005	0.005	0.000	0.000	0.000
Water Reclamation District	0.315	0.284	0.263	0.252	0.261
Mosquito Abatement District	0.009	0.009	0.008	0.008	0.008
Maine Township*	0.070	0.073	0.065	0.064	0.067
Road and Bridge/Maine	0.036	0.038	0.034	0.033	0.034
General Assistance/Maine	0.015	0.016	0.015	0.015	0.016
Community College District 535	0.158	0.166	0.141	0.140	0.140
Recreation and Park District	0.331	0.337	0.286	0.278	0.279
<b>Total Overlapping Rates</b>					
	<b>6.030</b>	<b>6.601</b>	<b>6.005</b>	<b>5.732</b>	<b>5.775</b>
<b>Total Tax Bill</b>					
	<b>6.626</b>	<b>7.242</b>	<b>6.569</b>	<b>6.278</b>	<b>6.352</b>

*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.

Data Source

Office of the Cook County Clerk

2010 - 2011	2011 - 2012	2012- 2013	2013- 2014	2014- 2015
0.176	0.254	0.283	0.311	0.352
0.000	0.016	0.017	0.104	0.247
0.195	0.208	0.222	0.270	0.267
0.098	0.097	0.103	0.129	0.144
0.094	0.095	0.101	0.124	0.132
0.046	0.044	0.074	0.060	0.064
0.047	0.040	0.052	0.066	0.066
0.656	0.752	0.851	1.064	1.273
0.213	0.233	0.239	0.290	0.365
1.782	1.995	2.215	2.722	2.739
2.951	3.285	3.659	4.572	4.610
0.423	0.462	0.531	0.560	0.568
0.000	0.025	0.000	0.031	0.000
0.000	0.000	0.000	0.000	0.000
0.051	0.058	0.063	0.069	0.069
0.000	0.000	0.000	0.000	0.000
0.274	0.320	0.370	0.417	0.430
0.009	0.010	0.011	0.013	0.013
0.075	0.085	0.096	0.120	0.119
0.038	0.043	0.049	0.061	0.062
0.018	0.021	0.023	0.029	0.029
0.160	0.196	0.219	0.256	0.258
0.307	0.344	0.391	0.554	0.559
6.301	7.077	7.866	9.694	9.821
6.957	7.829	8.717	10.758	11.094

**CITY OF PARK RIDGE, ILLINOIS**

Ten Principal Taxpayers

Current Year and Nine Years Ago

Taxpayer	Type of Business	2014 Assessed Valuation	Percent of City's Total EAV
Park Ridge Bldg LLC	Office Building	\$ 9,453,972	0.71%
Sunrise Associated Living	Assisted Living Complex	6,398,932	0.48%
Mariano's	Supermarket	5,570,957	0.42%
Tri Land Properties	Shopping Center	5,187,465	0.39%
New Albertsons LLC	Shopping Center	4,974,656	0.38%
1300 Higgins Co GNP	Office Building	4,828,413	0.36%
Crystal Landings	Commercial building over three stories and one story store	4,592,802	0.35%
Chicagoland Whole Market	Supermarket	4,182,364	0.32%
Park Ridge Country Club	Private Country Club	3,777,177	0.28%
Uptown Station LLC	Special commercial improvements and one story store	<u>3,494,026</u>	<u>0.26%</u>
		<u>\$ 52,460,765</u>	<u>3.96%</u>

Data Source

Cook County Clerk and Maine Township Assessor's Office

Taxpayer	Type of Business	2005 Assessed Valuation	Percent of City's Total EAV
Protection Mutual Insurance	Mutual Insurance Company	\$ 14,873,531	0.99%
Duke Realty Corp	Office Building	10,619,775	0.71%
CPTS 1032	Office Center	8,250,816	0.55%
Tri Land Properties	Shopping Center	6,114,047	0.41%
Sunrise Associated Living	Assisted Living Complex	5,895,455	0.39%
Albertson's	Shopping Center	5,086,520	0.34%
John Heinz	Office Center	5,086,520	0.34%
Park Ridge Country Club	Private Country Club	4,443,246	0.30%
Dempster Development	Car Dealership	4,199,382	0.28%
Chase (First Chicago)	Bank	<u>4,082,892</u>	<u>0.27%</u>
		<u>\$ 68,652,184</u>	<u>4.57%</u>

**CITY OF PARK RIDGE, ILLINOIS**

Property Tax Levies and Collections

Last Ten Fiscal Years

Collection History

Levy Year	Levy	Budgeted Loss (1.7%)	Net Levy	Collected	Percent of Levied Collected	Real Loss
2005	\$ 13,311,800	(228,900)	13,082,900	13,221,282	99.32%	0.68%
2006	13,977,900	(240,500)	13,737,400	13,707,392	98.06%	1.94%
2007	14,683,000	(252,000)	14,431,000	14,457,355	98.46%	1.54%
2008	15,162,800	(260,300)	14,902,500	14,773,780	97.43%	2.57%
2009	15,652,500	(268,500)	15,384,000	15,382,023	98.27%	1.73%
2010	16,435,200	(282,000)	16,153,200	16,126,855	98.12%	1.88%
2011	17,005,542	(301,506)	16,704,036	16,869,921	99.20%	0.80%
2012	17,370,371	(295,296)	17,075,075	17,274,830	99.45%	0.55%
2013	17,753,360	(301,807)	17,451,553	17,543,653	98.82%	1.18%
2014	21,697,290	(368,854)	21,328,436	8,999,666	41.48%	

Fiscal Year	Levy Period	Billed	Collected	Percent of Billed - Collected
2006	2004 2nd Installment	\$ 6,640,900	6,954,594	105%
2006	2005 1st Installment	6,339,000	5,980,998	94%
2007	2005 2nd Installment	6,972,800	7,240,284	104%
2007	2006 1st Installment	6,655,900	6,295,678	95%
2008	2006 2nd Installment	7,322,000	7,411,714	101%
2008	2007 1st Installment	6,988,950	6,540,883	94%
2009	2007 2nd Installment	7,694,050	7,916,472	103%
2009	2008 1st Installment	7,341,500	6,726,447	92%
2010	2008 2nd Installment	7,821,300	8,047,333	103%
2010	2009 1st Installment	8,608,875	7,646,334	89%
2011	2009 2nd Installment	7,043,625	7,735,688	110%
2011	2010 1st Installment	9,039,360	7,797,203	86%
2012	2010 2nd Installment	7,395,840	8,329,652	113%
2012	2011 1st Installment	9,353,048	8,538,806	91%
2013	2011 2nd Installment	7,652,494	8,449,991	110%
2013	2012 1st Installment	9,553,704	8,997,990	94%
2014	2012 2nd Installment	7,816,667	8,244,056	105%
2014	2013 1st Installment	9,764,348	9,089,761	93%
2015	2013 2nd Installment	7,989,012	8,422,309	105%
2015	2014 1st Installment	11,933,510	8,999,666	75%

Notes:

Since the 2007 levy, on average the City collects 92% of the first property tax installment and 107% of the 2nd property tax installment which makes up for some of the shortfall from the 1st installment.

The City budgets the property tax levy in May for the following December levy, the actual receipts span two fiscal years resulting in a variance of actual to budget each year.

Beginning with the 2010 fiscal year (2009 1st Installment), the amount of the 1st installment bill is equal to 55% of the previous year tax levy.

Collected values include collections for prior years and interest.

Both Billed and Collected values exclude Road & Bridge Tax and property taxes for TIFs and SSAs.

FY12 is the first year that the Library was reported as a component unit.

Data Source

Cook County Treasurer

**CITY OF PARK RIDGE, ILLINOIS**

Direct and Overlapping Sales Tax Rates

Last Ten Levy Years

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Fiscal Year	RTA Rate	City Direct Rate	Cook County Rate	State Rate	Total
2006	0.75%	1.00%	0.75%	6.25%	8.75%
2007	0.75%	1.00%	0.75%	6.25%	8.75%
2008	1.00%	1.00%	1.75%	6.25%	10.00%
2009	1.00%	1.00%	1.75%	6.25%	10.00%
2010	1.00%	1.00%	1.25%	6.25%	9.50%
2011	1.00%	1.00%	1.25%	6.25%	9.50%
2012	1.00%	1.00%	1.00%	6.25%	9.25%
2013	1.00%	1.00%	0.75%	6.25%	9.00%
2014	1.00%	1.00%	0.75%	6.25%	9.00%
2015	1.00%	1.00%	0.75%	6.25%	9.00%

Data Source

Illinois Tax Rate Finder

**CITY OF PARK RIDGE, ILLINOIS**

Schedule of Legal Debt Margin

April 30, 2015

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The City is a home rule municipality.

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

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property ...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: ...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or where 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.

Data Source

Illinois Compiled Statutes

**CITY OF PARK RIDGE, ILLINOIS**

Ratio of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Total Primary Government	Percent of Personal Income
	General Obligation Bonds	Installment Notes Payable		
2006	\$ 29,685,000	3,000,000	32,685,000	2.03%
2007	48,510,000		48,510,000	3.01%
2008	46,655,000		46,655,000	3.37%
2009	43,970,000		43,970,000	2.73%
2010	41,065,000		41,065,000	2.44%
2011	39,685,000		39,685,000	2.35%
2012	45,650,000		45,650,000	2.71%
2013	44,260,526		44,260,526	2.29%
2014	42,346,124		42,346,124	2.26%
2015	40,239,324		40,239,324	2.42%

*Notes:*

Refer to the Schedule of Demographic and Economic Statistics for personal income and population data.

Details of the City's outstanding debt may be found in the Notes to the Financial Statements.

Debt increased in fiscal years 2005, 2006 and 2007 due to the uptown TIF. The City issued general obligation bonds during these fiscal years to spur development in the uptown tax increment financing area. The City intends to repay these bonds with property tax increment and property tax collections.

Data Source

Audited Financial Statements  
Information from U.S. Census Bureau

**CITY OF PARK RIDGE, ILLINOIS**

Ratio of General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amounts Available in Debt Service Funds	Net Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2006	\$ 32,685,000	(95,365)	32,589,635	0.71%	862.73
2007	48,510,000	(2,320,938)	46,189,062	0.83%	1,222.74
2008	46,655,000	(1,791,327)	44,863,673	0.75%	1,187.66
2009	43,970,000	(1,580,271)	42,389,729	0.70%	1,122.16
2010	41,065,000	(373,881)	40,691,119	0.72%	1,085.68
2011	39,685,000	(3,568)	39,681,432	0.77%	1,058.74
2012	45,650,000	(133,159)	45,516,841	0.95%	1,210.59
2013	44,260,526	(402,774)	43,857,752	1.11%	1,162.69
2014	42,346,124	(961,551)	41,384,573	1.04%	1,093.70
2015	40,239,324	(1,615,187)	38,624,137	0.97%	1,020.75

Notes:

\*See the Schedule of Assessed Value and estimated Actual Value of Taxable Property for property value data.

Details of the City's outstanding debt may be found in the Notes to the Financial Statements.

Debt increased in fiscal years 2005, 2006 and 2007 due to the uptown TIF. The City issued general obligation bonds during these fiscal years to spur development in the uptown tax increment financing area. The City intends to repay these bonds with property tax increment and property tax collections.

Data Source

Audited Financial Statements  
Office of the Cook County Clerk

**CITY OF PARK RIDGE, ILLINOIS**

Schedule of Direct and Overlapping Bonded Debt  
 April 30, 2015

	Gross Debt	Percentage Applicable to City of Park Ridge (1)		City of Park Ridge Share of Debt
<b>Direct Debt</b>				
City of Park Ridge	\$ 39,100,000	100.000%		39,100,000
<b>Overlapping Debt</b>				
Cook County	3,466,976,750	1.036%	35,917,879	
Cook County Forest Preserve	118,610,000 (2)	1.036%	1,228,800	
Metropolitan Water Reclamation District	2,619,000,317 (1)	1.056%	27,656,643	
Des Plaines Park District	5,412,240	1.831%	99,098	
Golf Maine Park District	805,000	10.908%	87,809	
Niles Park District	995,000 (2)	0.015%	149	
Park Ridge Recreation and Park District	20,565,000	96.420%	19,828,773	
School District #63	7,325,000	3.286%	240,700	
School District #64	13,975,000	91.489%	12,785,588	
High School District #207	8,570,000	32.561%	2,790,478	
Community College #535	35,370,000 (3)	6.906%	2,442,652	103,078,569
Direct and Overlapping General Obligation Bonded Debt				<u>142,178,569</u>

- (1) Includes IEPA State Revolving Loan Fund Bonds.
- (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.

Data Source

Offices of the Cook County Clerk and Revenue Departments  
 and Treasurer of the Metropolitan Water Reclamation Districts.

**CITY OF PARK RIDGE, ILLINOIS**

Demographic and Economic Statistics

Last Ten Fiscal Years

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Fiscal Year	Population	Total Personal Income	Median Personal Income	Per Capita Personal Income	Unemployment Rate
2006	37,775	\$ 1,611,519,275	85,302	42,661	4.50%
2007	37,775	1,611,519,275	85,302	42,661	4.50%
2008	37,775	1,384,529,300	73,154	36,652	6.20%
2009	37,775	1,612,954,725	85,398	42,699	7.30%
2010	37,480	1,685,513,080	88,148	44,971	8.20%
2011	37,480	1,681,652,640	85,897	44,868	7.00%
2012	37,599	1,686,991,932	85,897	44,868	7.00%
2013	37,721	1,648,219,000	82,700	43,695	6.80%
2014	37,839	1,627,190,517	86,621	43,003	6.90%
2015	37,839	1,665,029,517	87,119	44,003	5.50%

Data Source

Information from the U.S. Census Bureau from the 1990 and 2000 census.

**CITY OF PARK RIDGE, ILLINOIS**

City Employers

Current Fiscal Year and Nine Years Ago

Employer	Product/Service	2015	
		Number of Employees	Percent of Total City Population
Advocate Lutheran General Hospital	Healthcare Institution	4,134	10.93%
School District 64	Public School District - Elementary Education	800 *	1.88%
Maine Township District 207	Public School District - Secondary Education	711 *	2.11%
Park Ridge Park District	Public Recreational Facilities and Programs	701 */**	1.85%
City of Park Ridge	City Government	332 *	0.88%
Mariano's Fresh Market	Grocers-retail	293	0.57%
Resurrection Health Care	Nursing and Rehabilitation Home	215	0.77%
Avantara Park Ridge	Nursing and convalescent home	170	0.40%
Bredemann Auto Dealerships	Motor vehicle sales and service	151	0.45%
Parkside	Physicians and surgeons	144	0.38%
		*	<u>20.22%</u>
			<u>12.25%</u>

\*Includes Part-time Employees

\*\*Seasonal Employees

2015 Population - 37,839 (estimated)

2006 Population - 37,775

Data Sources

Phone canvass

Employer	Product/Service	2006	
		Number of Employees	Percent of Total City Population
Advocate Lutheran General Hospital	Healthcare Institution	4,250	23.13%
Maine Township District 207	Public School District - Secondary Education	1,210	6.58%
Advocate Medical Group	Healthcare	800	4.35%
School District 64	Public School District - Elementary Education	625	3.40%
City of Park Ridge	City Government	362	1.97%
George S. May International Co.	Management Consulting	325	1.77%
BECO, Inc.	Temporary Employment Firm	300	1.63%
Resurrection Health Care	Nursing and Rehabilitation Home	300	1.63%
Dominick's	Grocer	230	1.25%
FM Global	Commercial Property Insurance	200	1.09%
			<u>46.80%</u>

**CITY OF PARK RIDGE, ILLINOIS**

Full-Time Equivalent Employees

Last Ten Fiscal Years

Function/Program	05/06 2006	06/07 2007	07/08 2008	08/09 2009	09/10 2010
General Government					
City Administration	4.30	4.80	4.80	4.80	5.00
Legal Counsel					
Records Control	1.50	1.00	1.00	1.00	0.80
Community Support	0.10	0.10	0.10	0.10	0.10
Information Services	1.20	1.20	1.20	1.20	1.20
Transportation	0.10	0.10	0.10	0.10	0.10
Human Resources	2.00	2.00	2.00	2.00	1.00
Information Technology	2.00	3.00	3.00	3.00	3.00
Community Development	15.00	15.00	15.00	15.00	14.00
Finance	12.05	12.05	12.05	12.05	11.75
Total General Government	<u>38.25</u>	<u>39.25</u>	<u>39.25</u>	<u>39.25</u>	<u>36.95</u>
Public Safety					
Police					
Part Time*					
Full Time*	83.94	82.94	82.94	83.38	83.38
Total Police	<u>83.94</u>	<u>82.94</u>	<u>82.94</u>	<u>83.38</u>	<u>83.38</u>
Fire					
Part Time					1.00
Full Time	53.00	53.00	53.00	53.00	52.00
Total Fire	<u>53.00</u>	<u>53.00</u>	<u>53.00</u>	<u>53.00</u>	<u>53.00</u>
Total Public Safety	<u>136.94</u>	<u>135.94</u>	<u>135.94</u>	<u>136.38</u>	<u>136.38</u>
Public Works					
Part Time*					
Full Time*	57.84	56.84	56.84	56.84	55.34
	<u>57.84</u>	<u>56.84</u>	<u>56.84</u>	<u>56.84</u>	<u>55.34</u>
Library					
Part Time**					
Full Time**					
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Headcount	<u>233.03</u>	<u>232.03</u>	<u>232.03</u>	<u>232.47</u>	<u>228.67</u>

Note:

\*Headcount for 2010/11, 2012/13, 2013/14, 2014/15 lists a count for both full-time and part-time headcount in previous years were converted to a FTE count.

\*\*In previous years, library employees were not included. Library employees are now included in years 2012/2013, 2014/15

Data Source

Human Resources headcount.

<i>10/11</i> 2011	<i>11/12</i> 2012	<i>12/13</i> 2013	<i>13/14</i> 2014	<i>14/15</i> 2015
4.00	4.00	4.00	4.00	3.50
1.00	1.00	1.00	1.50	1.50
3.00	3.00	3.00	3.00	3.00
12.00	12.00	12.50	12.50	12.50
10.00	10.00	10.25	10.25	12.00
30.00	30.00	30.75	31.25	33.25
41.00	40.00	48.00	46.00	48.00
65.00	65.00	65.00	65.00	65.00
106.00	105.00	113.00	111.00	113.00
1.00	1.00	1.00	2.00	2.00
46.00	50.00	48.00	50.00	49.00
47.00	51.00	49.00	52.00	51.00
153.00	156.00	162.00	163.00	163.00
1.00	6.00	0.00	1.00	1.00
46.00	45.00	45.00	45.00	45.00
47.00	51.00	45.00	46.00	46.00
		34.00	33.00	33.00
		64.00	57.00	57.00
-	-	98.00	90.00	90.00
230.00	237.00	335.75	330.25	332.25

**CITY OF PARK RIDGE, ILLINOIS**

Capital Asset Statistics

Last Ten Fiscal Years

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Function/Program	2006	2007	2008	2009
Public Safety				
Police				
Stations	1	1	1	1
Area Patrols	5	5	5	5
Patrol Units	7	7	7	7
Fire				
Stations	2	2	2	2
Fire Engines	3	3	3	3
Public Works				
Miles of Streets	128.2	128.2	128.2	128.2
Streetlights	1,310	1,427	1,568	1,664
Traffic Signals	44	44	51	51
Water				
Water Mains (Miles)	131	136	136	136
Fire Hydrants	1,450	1,540	1,585	1,585
Storage Capacity (Gallons)	13,000,000	14,000,000	15,200,000	15,200,000
Wastewater				
Miles of Sewers	132	133	133	133

Data Sources

Various City Departments  
GIS

2010	2011	2012	2013	2014	2015
1	1	1	1	1	1
5	5	5	5	5	5
7	7	7	7	7	7
2	2	2	2	2	2
3	3	3	3	3	3
128.2	128.2	128.2	128.2	128.2	128.2
1,664	1,664	1,664	1,614	1,594	1,591
51	51	51	51	51	51
136	136	136	138.2	138.2	138.2
1,585	1,585	1,585	1,579	1,576	1,577
15,200,000	15,200,000	15,200,000	15,200,000	15,200,000	15,200,000
133	133	133	133	133	134.54

**CITY OF PARK RIDGE, ILLINOIS**

Operating Indicators

Last Ten Fiscal Years

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Function/Program	2006	2007	2008	2009
Public Safety				
Police				
Physical Arrests	1,582	1,413	1,102	762
Parking Violations	10,690	10,796	8,581	10,691
Traffic Violations	12,903	12,314	10,642	5,996
Fire				
Emergency Responses	4,109	4,199	4,515	4,372
Paramedic Responses	1,915	2,584	2,537	2,548
Fires Extinguished	82	44	51	155
Public Works				
Street Resurfacing (Miles)	8.3	9.3	5.5	5.0
Pothole Repairs*	330	300	325	276
Water				
Water Main Breaks	54	48	47	62

\*Per ton of cold patch

Data Sources

Various City Departments  
GIS

2010	2011	2012	2013	2014	2015
788	750	639	588	510	506
8,870	7,444	7,661	6,589	5,935	5,239
8,457	7,046	3,347	5,454	5,142	4,230
4,028	4,044	4,279	4,264	4,277	4,718
2,446	2,463	2,436	2,619	2,555	2,766
50	43	47	46	36	33
4.4	5.0	4.9	5.0	5.0	3.5
297	241	147	169	304	178
46	66	48	145	119	74