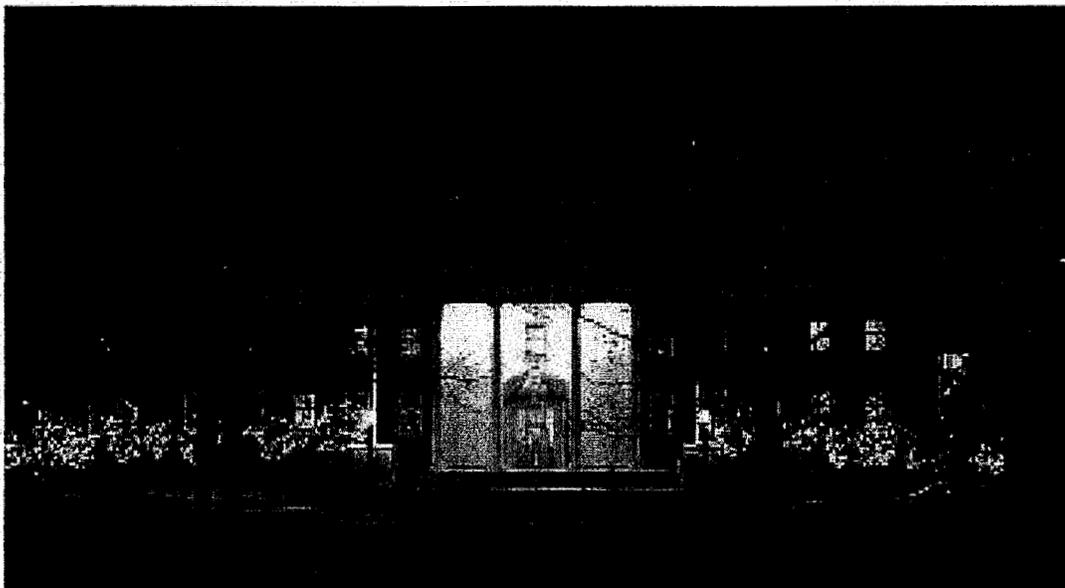


**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**CITY OF PARK RIDGE, ILLINOIS**



*City Hall*

**FOR THE FISCAL YEAR  
MAY 1, 2009 TO APRIL 30, 2010**

**City of Park Ridge, Illinois**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended April 30, 2010**

Issued by the Finance Department

Linda Lazzara  
Assistant Finance Director

Joyce Kain  
City Accountant

**City of Park Ridge, Illinois**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended April 30, 2010**

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## Introductory Section

# CITY OF PARK RIDGE, ILLINOIS

Officers and Officials

Year Ended April 30, 2010

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**MAYOR**

David Schmidt

**CITY CLERK**

Betty W. Henneman

**ALDERMEN**

First Ward: Joseph Sweeney  
Second Ward: Richard DiPietro  
Third Ward: Donald Bach  
Fourth Ward: James Allegretti  
Fifth Ward: Robert Ryan  
Sixth Ward: Thomas Carey  
Seventh Ward: Frank Wsol

**CITY MANAGER**

James Hock

**DEPUTY CITY MANAGER**

Juliana Maller

**FINANCE DIRECTOR**

**POLICE CHIEF**

Frank Kaminiski

**FIRE CHIEF**

**PUBLIC WORKS DIRECTOR**

Wayne Zingsheim

**LIBRARY DIRECTOR**

Janet Van De Carr

**ASSISTANT FINANCE DIRECTOR**

Linda Lazzara

**ACCOUNTANT**

Joyce Kain

**HUMAN RESOURCES ADMIN.**

Diane Reeves

**COMMUNITY DEVELOPMENT ADMIN.**

Cathy Doczekalski

**INFORMATION TECHNOLOGY DIRECTOR**

Diane Nelson

**CITY ATTORNEY**

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

# PARK RIDGE CITIZENS

City Clerk

**Mayor and City Council**  
Legislative (.30)

**Legal**  
Legal Counsel

**Library Board**

**Library**

Administration (6.00)  
Maintenance (2.87)  
Technical Service (7.125)  
Adult Reference (12.18)  
Children Service (10.45)  
Circulation (7.695)  
Reader Service (7.475)

**City Management**

Administration (3.70)  
Records Control (.80)  
Human Resources (1)  
Information Services (.2)  
Information Technology (3)  
Economic Development

**City of Park Ridge  
Organizational Chart  
By Activities  
FTE in parenthesis**

**Finance**

Administration (2.5)  
Accounting (4.5)  
Collections (1)  
Purchasing (1)  
Pensions

**Police**

E 911 Administration (8.7)  
Investigation (11.7)  
Communications (4.5)  
Patrol (50.48)  
Crime Prevention (1)

**Fire**

Administration (2.8)  
Fire Prevention (1.5)  
Emergency Response (45)  
Special Services  
Emergency Preparedness (.2)

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Administration (1.2)  
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Transportation (.1)

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## 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, 2010

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

Ladies and Gentlemen:

The Comprehensive Annual Financial Report (CAFR) of the City of Park Ridge, Illinois, for the fiscal year ended April 30, 2010 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 REPORTING ENTITY AND ITS SERVICES

The City of Park Ridge is located 15 miles northwest of downtown Chicago in Cook County, Illinois. Originally settled in 1840, Park Ridge has grown into a medium-sized city, with a current population of approximately 37,775, and encompasses an area of 7.1 square miles. 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 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 its citizens with a full range of high quality services at the lowest possible cost per capita. In January 2010, a survey of neighboring communities was conducted which measured the costs of providing comparable services in Park Ridge with other suburbs. Out of twelve communities, Park Ridge was the third lowest in per capita expenditures. The average cost per capita of the twelve communities was \$1,604.80. The cost of government per capita in Park Ridge was \$1,305.54.

The City provides emergency 911 telephone, police, fire, and emergency medical services. The police department emphasizes traffic safety and community policing. The fire department strives to be a proactive provider of emergency services. Park Ridge enjoys a favorable Class 3 Insurance Service Office (ISO) rating on a 10-point scale.

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 fully funds the operation of a public library, which contains approximately 218,000 items and a circulation over 900,000. The library is not a separate legal entity.

The City provides funding to several community and regional organizations including the Park Ridge Senior Center, Center of Concern, Meals-on-Wheels program, Maine Center for Mental Health, Park Ridge Teen Center, Park Ridge Historical Society, Park Ridge Fine Arts Society, Civic Orchestra, Cultural Arts Commission, Kalo Foundation, and the Brickton Art Center.

### **ECONOMIC CONDITION AND OUTLOOK**

Household income in Park Ridge is substantially higher than surrounding areas and exceeds national averages. Based on the 2000 Census, median household income is \$73,154. Average household size is 2.62 persons. 92% of the adult population has a high school diploma or higher. 46% have a bachelor's degree or higher.

Park Ridge's unemployment rate increased in 2009, but trends below neighboring communities. In calendar year 2009, the unemployment rate in Park Ridge was 7.3%, compared to an unemployment rate of 4.8% in calendar year 2008. This compares favorably with an Illinois unemployment rate of 10.8%, neighboring Niles rate of 8.9%, and Des Plaines rate of 11.0% in 2009 and Illinois rate of 7.4%, Niles rate of 5.3%, and Des Plaines rate of 6.7% in 2008. Of Park Ridge's employed population, 50% are employed in management, professional, or related occupations, 30% in sales and office occupations, 8% in service occupations, and 12% in all other categories. There are 1,752 businesses in Park Ridge with 18,563 employees. The City's top industry is outpatient health care. Park Ridge's largest employer is Lutheran General Hospital/Advocate Health Care with over 5,000 employees.

Residential land use makes up 48% of the total area of Park Ridge. The remaining land use includes: commercial – 5%; public, institutional, park, and open space – 24%; and transportation and utilities – 23%.

Park Ridge has a long-established reputation as a stable residential community known for its well-maintained homes. Over 80% of the assessed valuation of the City is residential. The number of foreclosures in Park Ridge increased, but Park Ridge had fewer foreclosures than neighboring towns. As of December 2, 2009, there were 33 homes in the initial first filing foreclosure status, 5 homes that were taken over by the lender, and 45 homes where there was new activity at some stage of foreclosure. The average for neighboring communities was 66 homes in the initial first filing foreclosure status, 13 homes that were taken over by the lender, and 87 homes where there was new activity at some stage of foreclosure.

New construction and remodeling activity decreased significantly in 2009 compared to 2008. In calendar year 2009, 12 permits for new single-family home construction were issued at an estimated value of \$5 million. In calendar year 2008, 32 permits for new single-family home construction were issued at an estimated value of \$17 million. In calendar year 2007, 48 permits for new single-family home construction were issued at an estimated value of \$24 million. These statistics provide vivid proof of the economic recession.

The City maintains an aggressive economic development program. Park Ridge has a mix of privately owned, family owned, not-for-profit, and publicly owned businesses. Many have been in Park Ridge for at least 20 years and have a need to expand or renovate, but are hesitant due to difficulties obtaining credit or concerns about the recession.

## MAJOR INITIATIVES

**Strategic Planning Objectives:** During the previous fiscal year, the City Council and staff worked on several strategic objectives:

### 1. *Economic Development:*

*Vision:* Attract new businesses, create an appropriate blend of businesses, market Park Ridge as a business friendly environment, and develop a business incentive program.

*Progress:* The City reached out to the Chamber of Commerce to partner in the marketing of retail establishments. To that end, the Chamber established a Retail Committee, which implemented a planning strategy that will: maximize public sector investments, promote cooperation, create competitive advantages, and be sustainable and profitable. Targeted audiences include residents, employers, employees, and tourists. Marketing strategies include building a brand image, increasing visibility, placing wayfinding signs, developing a marketing brochure, and inviting neighboring Rosemont Convention visitors to "experience" Park Ridge.

### 2. *Keep the streets and sidewalks in good repair:*

*Vision:* Replace sidewalks and limit "trip and fall" accidents. Keep the streets in good condition.

*Progress:* 1,051 mandatory sidewalk squares were replaced along with 151 under the 100% voluntary sidewalk (owner pays 100% of cost) replacement program. Five miles of City-owned streets were resurfaced. Additionally, the State of Illinois resurfaced Cumberland and Oakton and part of Touhy, Northwest Highway, and Canfield.

### 3. *City Life*

*Vision:* Promote the community's social services, thereby making Park Ridge known as a caring community.

*Progress:* The City approved Rainbow Hospice's "Two by Two" fundraising project displaying pairs of animals in the parkways of Uptown this summer. The Community Health Commission, in cooperation with the Human Needs Task Force, developed a brochure that provides information on all of the social service organizations in the City.

### 4. *The Way We Work*

*Vision:* Develop a more user-friendly government, implement a courtesy program, database, and training for City staff.

*Progress:* In fiscal year 2009/10, staff started a major revision of the City's web page. A major component of the system will be a *Customer Service* module which will permit residents to enter their request or concern and receive immediate verification of receipt and eventual follow up. City staff will have the ability to track the types of request and concerns and be proactive to alleviate or anticipate an issue. Secondly, the Police Chief formed a Citizen Advisory Task Force that examines police-related citizen complaints and concerns and review neighborhood issues.

## Long-term Financial Plans

The City's long-term financial goals include a multitude of projects and plans.

Each year, the City updates a six-year capital plan. From 2010/11 through 2015/16, we plan to spend \$1,121,000 on library infrastructure. Future projects include \$240,000 to refinish the interior woodwork, \$160,000 to recarpet the facility, \$100,000 to repair the flat roof, \$60,000 to replace the elevator pump and motor controls, \$250,000 to replace the HVAC circulating pumps, \$115,000 to replace the light fixtures, and \$100,000 to relocate electrical gear. Funding will come from property tax levies. Even with these repairs, the Library will still be a small facility which some feel is inadequate to meet public demand. The Library Board believes that every area of library service is affected by the lack of adequate space in the current facility.

From 2010/11 through 2015/16, we plan to spend \$6,656,300 on infrastructure in the General Operating Fund. Future projects include \$544,800 for sidewalk replacement, \$660,900 for reforestation, \$211,200 for Dutch Elm protection, and \$224,100 for Gypsy Moth protection. We also plan to spend \$735,000 on the design and construction for street rehabilitation on Avondale Avenue, from Lake to Canfield and Main Street and from Prospect to Touhy. The City will spend \$400,000 to construct sidewalks and make drainage improvements on Dee Road, Manor to Farrell. The City has always had a strong commitment to infrastructure. The City prefers to fund these projects with ongoing revenues, rather than debt. The \$735,000 of street rehabilitation and \$400,000 of drainage improvements will be funded from grant income.

From 2010/11 through 2015/16, we plan to spend \$5,533,000 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 2009/10, the City began funding alley paving from the General Operating Fund. Future expenditures for alley paving will be \$1,544,600 and \$1,124,600 for alley reconstruction. Projects will be timed to occur consecutively, not concurrently.

From 2010/11 through 2015/16, we plan to spend \$8,923,500 on infrastructure in the Water Fund. Future projects include \$5,120,000 for water main replacement and \$3,400,000 to install an automatic water meter read system. Funding will come from the sale of water. From 2010/11 through 2015/16, we plan to spend \$6,634,800 on infrastructure in the Uptown TIF fund. Plans include streetscape improvements and the development of Target Area 3. Funding will come from incremental property taxes. From 2010/11 through 2015/16, we plan to spend \$9,086,000 on infrastructure in the Sewer Fund. Projects include \$400,000 for a vactor truck and \$6,130,000 for the design and construction of relief sewers. Funding will come from sewer taxes.

The City will add \$4,229,500 to three internal service funds, the motor equipment replacement fund, the City's technology replacement fund, and the Library's technology replacement fund, over the next six years. These funds pay for motor equipment and technology improvements when required.

**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: Administration staff worked on Uptown redevelopment by helping to complete the streetscape construction on Summit Avenue. The department processed 38 liquor licenses, and hired a new Adjudication Court Hearing Officer, with the Court handling 950 cases during the year. Staff developed Special Events and Temporary Public Art policies. Two art sculptures were dedicated in Uptown. Staff hosted a Familiarization Tour targeted to the Rosemont Hospitality industry.

Community Preservation and Development Department: The Community Preservation and Development department completed the Higgins Road Corridor Plan, which is an amendment to the Comprehensive Plan. Staff completed several amendments to the Zoning Ordinance and implemented a digital archiving system. The department processed property transfers within 5 business days and over 2,800 building permits in a timely manner. Environmental Health staff conducted workshops regarding health and property maintenance issues, promoted the good sanitation honor roll for restaurants, and managed the monthly recycling program for expired medicines. They also changed the business license program by replacing stickers with paper licenses.

Finance Department: The finance department coordinated the general liability and property insurance program; realized savings were \$13,700 from last year and \$400 from budget. Staff recommended changes to the Municipal Code to improve water billing collections and streamline procedures. Duties were realigned with the loss of staff including the purchasing agent, cashier, part-time water personnel, and the resignation of the finance director.

Fire Department: Fire department personnel were successful in obtaining grants for the Fire Prevention Bureau laptops and a new four-gas meter for the ladder truck. Staff successfully planned for and responded to the community, before and during the school-based H1N1 clinic. A house was saved from significant damage due to a fire sprinkler system, a requirement by City ordinance since March 2001. Many training and equipment maintenance programs were moved "in-house" to save on costs and overtime. Staff implemented a new City mass notification system, Everbridge, to keep residents informed of community emergencies and disasters. Two firefighters obtained their paramedic licenses in the state of Illinois and the local Emergency Medical Services system.

Police Department: Using grant funds, the department added a rapid messenger display board and a portable radar display unit to supplement officers' efforts in traffic safety and community policing. Staffing in the traffic unit was affected throughout the year by vacancies in the patrol division; traffic officers were regularly reassigned to patrol to mitigate staffing shortages. The traffic division uses selective enforcement techniques on recurring problem areas. Despite the manpower shortage, traffic accidents decreased 15% in calendar year 2009 from calendar year 2008 (to 1,536 from 1,812).

Public Works Department: To provide citizens with high quality services, the Public Works department removed and replaced 58,100 square feet of sidewalk, planted 391 parkway trees, installed 2,800 linear feet of water main and reconstructed 5 miles of streets. Alley paving was deferred pending budget constraints and sewer reconstruction was deferred pending completion of the sewer study. There was good news on the salt/snow removal front. Costs decreased! The City paid an average of \$74.00 per ton of salt in fiscal year 2009/10 compared to \$120.39 per ton in 2008/09. There were 43 snow/salt events in 2008/09 compared to 85 in 2009/10.

Park Ridge Public Library: The Library Board of Trustees and senior staff have developed a Strategic Plan, which contains six directions. One of these directions is to secure the library's financial future. The Library conducted its first fundraising event in February 2010, which was very popular. Staff also continued to sell bricks for the Reading Garden; the bricks are a fundraiser for interior improvements. Staff added new programs to meet residents' needs, such as job hunting workshops, computer skills workshops, and early childhood literacy programs.

## City Highlights

**Staff Layoffs:** To cope with declining revenues, elected officials and senior management were forced to reduce staff. 4.3 full-time equivalents were eliminated between 2008/09 and 2009/10. Twenty-five additional full-time equivalents were eliminated on May 1, 2010. Reductions affected all departments. Reductions included the Human Resource Director, Community Preservation and Development Director and Assistant Director, Urban Forester, Fire Inspector, Purchasing Agent, 1.50 Fiscal Technicians, 5 Public Works Maintenance Workers, 1 Pump Station Operator, Engineering Technician, Zoning Enforcement Officer, Public Information Coordinator, Economic Development Director, 3 Firefighter/Paramedics, 2 Community Service Officers, 4 Police Officers, Deputy Police Chief, Administrative Assistant, 1.50 Library Assistants, and .50 Library Page.

**New Department Heads:** As of April 30, 2010, there was significant turnover among the senior management ranks. The positions of Finance Director and Fire Chief were vacant due to resignations. The position of Community Preservation and Development Director was vacant due to a layoff and was replaced by a Community Development Administrator.

**Uptown Redevelopment:** The Uptown Redevelopment project, consisting of 189 residences and 70,402 square feet of retail, is complete. The streetscape on Summit was completed in 2009/10. As of April 30, 2010, the Uptown TIF Fund owed the General Operating Fund \$4,584,076. This inter-fund loan should be fully paid by 2019, but, in the meantime, it strains cash operations. Retailers include Amphora's Furniture, Trader Joe's, Chico's, Joseph A. Banks, Kriser's Pet Store, Lens Crafters Optique, Aveda Salon & Spa, Houlihan's, Eggsperience, Jason's Deli, and Noodles & Company.

In fiscal year 2009/10, the City paid High School District 207 \$245,893 and the Park Ridge Park District \$34,423 from the Uptown TIF Fund. Funding came from incremental property taxes. The City paid Elementary School District 64 \$279,733 from the General Operating Fund. Funding came from sales taxes.

**Northwest Highway Development:** On July 6, 2009, by a vote of 4 to 3, the City Council approved an ordinance for a Map Amendment to the Zoning Ordinance changing property where the Napleton Cadillac dealership was formerly located to R-3 instead of B1. This property is on the north side of Northwest Highway between Meacham and Elm. An R3 Multiple Family Residential District is a moderate density environment of single-family homes, two family dwellings, and multiple-family dwellings including townhomes and apartments. A B1 Retail and Office District is a business environment that has a variety of commercial uses.

**Executive Plaza Development:** Special Service Area No. 97 was established on September 2, 2008. This Special Service Area will be used to build storm water detention. The water storage vault will be underground below a park-like setting. Construction has started in Executive Plaza. Located in the Uptown area, Executive Plaza, will include a mix of commercial, residential, and open space.

**Economic Incentive Agreement:** In fiscal year 2010, the City paid \$245,077 of incremental property taxes and a \$400,000 sales tax rebate, pursuant to a sales tax sharing agreement, to an automobile dealership. The sales tax payment was for the 2009 calendar year.

**Governmental Accounting Standards Board (GASB) Statement 45:** The City provides the continuation of health care benefits to employees who retire. 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 by paying the monthly premium rate charged for the City's health plans. The plan operates on a pay-as-you-go financing basis. No assets are accumulated or dedicated to funding the retiree health plan benefits. For fiscal year 2010, the City contributed \$300,356 to the plan. The annual required contribution or other postemployment benefit (OPEB) cost was \$507,994. The net OPEB obligation at the end of the year was \$1,006,396.

The following chart compares fiscal years 2006/07 through 2009/10:

Fiscal Year Ended	Annual OPEB Cost	% of Annual OPEB Cost Contributed	Amount City Contributed	Net OPEB Obligation
4/30/08	\$485,194	53%	\$259,436	\$565,286
4/30/09	\$509,373	54%	\$275,721	\$798,938
4/30/10	\$507,994	59%	\$300,536	\$1,006,396

**Pension Funding Increases:** The property tax levy attributable to the Police and Fire Pension Funds increased considerably in the past several years. In December 2009, the City levied \$2,940,200, compared to \$2,511,000 in December 2008 for the Police and Fire Pension Funds. This was a 17% increase. The previous year, the levy for the Police and Fire Pension Funds increased 50%. The State Legislature determines pension benefits; thus, benefit enhancements become unfunded mandates for municipalities.

**Property Tax Receipts:** The property tax levy to support the May 1 – April 30, 2010 fiscal year is levied in December 2009. In the past, property taxes were received in the spring and fall of the following calendar year. In Cook County, where Park Ridge is located, property taxes are received later and later. Staff expects to receive the "fall" property taxes in January 2011. This will put a burden on cash flow.

#### FINANCIAL INFORMATION, MANAGEMENT AND CONTROL

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. The City Manager is authorized to revise the budget within any fund during the fiscal year as long as funds are available. No appropriation ordinance is required.

Activities of the General Fund, special revenue funds, debt service funds and enterprise funds are included in the budget. Budgets were not adopted for the pension trust funds, capital projects funds, internal service funds, and some of the special revenue funds (the Dempster TIF Fund, the Asset Forfeiture Fund, the Foreign Fire Tax Fund and the Special Service Area Funds). Budgets were adopted for the 1998, 2004A and B, 2005A, 2006A and 2006B Debt Service Funds. A budget was adopted for the Uptown TIF Fund. The budget is on a program basis, with two-year projections for operating expenditures and six-year projections for capital expenditures.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

**General Fund Balance:** As of April 30, 2010, the City's General Operating Fund balance decreased to \$7,667,529, compared to \$11,378,347 as of April 30, 2009. The unreserved general operating fund balance was \$2,609,181, compared to \$6,558,168 last fiscal year.

The City's target General Fund balance at year-end is a range between four and six months of operating revenues of general, special revenue, and debt service (where payment stems from the levying of property taxes) funds. Fund balance is defined as the excess of assets over liabilities. At year-end, the City's target is to have cash reserves equal to a range of two to four months of operating expenses. 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 will help 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. The City did not meet its goal as of April 30, 2010. Fund balance of all the governmental funds equaled 15% of the governmental fund revenues. Cash and investments were 11% of operating expenses of the governmental funds; the minimum of the policy is two months worth of operations, or 16%.

The City's fund balance policy and corresponding optimal cash balance had a significant operating impact in 2009/10. The City missed its target fund balance in 2009/10 and 2008/09. This precipitated the staff layoffs on April 30/May 1, 2010. Negative cash balances and inter-fund borrowing to meet daily operating expenses concerned elected officials and senior staff so much that expenses have been cut to unprecedented levels, not to mention the havoc it wreaks on cash flow.

**Purchasing Policies:** Purchases are closely scrutinized, and elected officials often insist that items be formally bid. The City adheres to a number of purchasing policies that are outlined in a detailed Purchasing Manual. City Council approval is required for purchases over \$20,000. Principal purchasing policies include:

Purchases up to \$400: No quotations required, confirming orders allowed with the prior approval of the Department Head. Purchase Order is required.

Purchases between \$400 and \$1,000: At least 2 telephone or internet quotations required, confirming orders allowed with the prior approval of the Department Head. Purchase Order is required.

Purchases between \$1,000 and \$3,000: At least 3 telephone or internet quotations required, confirming orders allowed only with the prior approval of the Purchasing Agent. Purchase Order is required.

Purchases between \$3,000 and \$5,000: At least 3 written quotations required, confirming orders allowed only with the prior approval of the Purchasing Agent. Purchase Order is required.

Purchases between \$5,000 and \$20,000: At least 3 written quotations required. Confirming orders allowed only with the prior approval of the Purchasing Agent. Purchase Order is required. The Purchasing Agent can require that formal bidding procedures be followed for purchases over \$5,000.

Purchases over \$20,000: Formal bidding process is required. Award of contract must be approved by the City Council.

**Economic Incentive Agreement Policy.** The purpose of the City's economic incentive policy is to establish instances under which incentives may be offered for business expansion or development. The benefits to the City for offering economic development incentives may include increasing sales tax receipts, improving the property tax base, helping the City to remain economically viable and competitive with surrounding communities, attracting additional retail business into the City, providing additional goods and services to Park Ridge residents, and protecting or increasing the revenue base of the City. The City requires any economic development investment to provide a demonstrable quantitative and qualitative return and to be realized during a reasonable period of time after such investment.

**Debt Administration:** Moody's Investors Services rates the City's bonds Aa2.

In August 2004, the City issued \$16,770,000 general obligation bonds to finance the construction of a new central water reservoir and pump station. Series 2004A, issued in the amount of \$4,910,000, is paid from incremental tax revenues from the Uptown TIF district. Series 2004B, issued in the amount of \$11,860,000, is paid from water revenues. In April 2005, the City issued \$7,005,000 general obligation bonds to finance various costs related to the Uptown redevelopment. This issue is paid from incremental property tax revenues from the Uptown TIF district. In June 2006, the City issued series 2006A and 2006B. These bonds paid for a parking structure in target area 2, the purchase of a parking lot in an area adjacent to the TIF, and other public improvements. The debt service payments are paid from incremental property taxes from the Uptown TIF district. The par value of tax-exempt series 2006A is \$10,530,000 and the par value of taxable series 2006B is \$10,055,000.

As of April 30, 2010 outstanding debt of the City totaled \$41,065,000. Total debt equaled 2.05% of equalized assessed valuation. Per capita debt was \$1,087.10 compared to \$1,164.00 last year.

Park Ridge is a home rule unit under the Illinois Constitution and, as such, has no debt limit, nor is it required to seek referendum approval for the issuance of general obligation debt. The Municipal Code prohibits the debt term from exceeding 40 years. On February 16, 2004, the City Council eliminated a requirement that a referendum be held if total bonded debt exceeds 2.5% of equalized assessed valuation of the City's taxable real property as last equalized. The City's current equalized assessed valuation is \$1,994,642,145.

#### 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. Therefore, a copy of this report will be sent to the elected officials, City management personnel, bond rating agencies, and other agencies, such as financial institutions and government agencies. Copies are located at the Park Ridge Public Library and at the Park Ridge City Hall. A copy is available on the City's website, [www.parkridge.us/government/departments-finance.asp](http://www.parkridge.us/government/departments-finance.asp).

**Independent Audit:** State statutes require an annual audit by independent certified public accountants. The accounting firm of Miller, Cooper & Co., Ltd. performed the audit. The auditors' 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, 2009. 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 that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

**Acknowledgments:** The preparation of the CAFR on a timely basis was made possible by the dedicated services of the entire staff of the Finance Department, especially the Assistant Finance Director and Accountant. Each member of the department has my sincere appreciation for the contributions made in the preparation of this report.

Respectfully submitted,

A handwritten signature in cursive script that reads "James D. Hock". The signature is written in black ink and is positioned above the printed name.

James D. Hock  
City Manager

# 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, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized handwritten signature in black ink, appearing to read "JHR".

President

A handwritten signature in black ink that reads "Jeffrey R. Emmer".

Executive Director

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**Financial Section**

# MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

## INDEPENDENT AUDITORS' 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, and the aggregate remaining fund information of the City of Park Ridge, Illinois, as of and for the year ended April 30, 2010, which collectively comprise the City's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the City's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, and the aggregate remaining fund information of the City of Park Ridge, Illinois, as of April 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis on pages 3 through 11 and retirement fund historical data, budgetary comparison information, and notes to the required supplementary information on pages 74 through 83 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

(Continued)

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

(Continued)

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Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and other schedules listed in the table of contents as supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The accompanying introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

MILLER, COOPER & CO., LTD.



Certified Public Accountants

Deerfield, Illinois  
October 27, 2010

# MANAGEMENT'S DISCUSSION AND ANALYSIS

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The City of Park Ridge's discussion and analysis is designed to explain significant financial issues, provide an overview of the City's financial activity, identify changes in the City's financial position, identify material deviations from budget, and identify individual issues and concerns.

This document should be read in conjunction with the transmittal letter and financial statements.

## FINANCIAL HIGHLIGHTS

### ***Net Assets***

The City's net assets decreased by \$5,215,057, or 6%, during the fiscal year ended April 30, 2010. Net assets of governmental activities decreased by \$4,686,087, or 9%, and net assets of the business-type activities decreased by \$528,970, or 2%.

### ***Revenues***

For the fiscal year ended April 30, 2010, revenues for all activities totaled \$46,073,619. This is \$62,494 less than the previous year. Revenues decreased \$2,938,862, or 7%, in the governmental activities and increased \$2,876,368, or 62%, in the business-type activities. The increase in the business-type activities was due to the transfer of sewer related functions from the General Fund to an enterprise fund and a 5% water rate increase.

### ***Cost of City Programs***

The cost of all City programs totaled \$51,288,676. This is a decrease of \$1,422,469, or 3%, from the prior year total of \$52,711,145. Expenses decreased \$2,362,634, or 5%, in the governmental activities and increased \$6,446,132, or 5%, in the business-type activities.

### ***General Fund***

The General Fund reported revenues of \$24,513,437 and expenditures of \$27,854,055, resulting in an operating deficit of \$3,340,618. Including net other financing uses of \$370,200, there was a \$3,710,818 negative net change in fund balance in the General Operating Fund. This follows a \$2,368,724 negative net change in fund balance in the previous fiscal year. This operating trend is a grave cause of concern to all concerned, including elected officials, senior management, staff, and citizenry. The General Operating Fund balance as of April 30, 2010 was \$7,667,529.

## USING THIS ANNUAL REPORT

Financial statements are presented from two perspectives: government-wide and major funds. These perspectives allow the user to address relevant questions, have a broad basis for comparison, and enhance the City's accountability.

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

The government-wide financial statements 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 assets (the "unrestricted net assets") 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.

## 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 basic services, including police, fire, public works, community development and preservation, 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 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 governmental major fund is presented on a sources and uses of liquid resources basis. This is the manner in which the budget or financial plan is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the fund financial statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith.

The fund financial statements also allow the government to address its fiduciary funds (Police and Firefighters' Pensions). 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.

While the total column on the business-type fund financial statements is the same as the business-type column at the government-wide financial statement, the governmental major funds total column requires a reconciliation because of the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement. The flow of current financial resources will reflect bond proceeds and inter-fund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the governmental activities column (in the government-wide statements).

### **Infrastructure Assets**

A government's largest group of assets usually consists of infrastructure assets – i.e. land, streets, storm sewers, etc. Historically, these assets have not been reported nor depreciated in governmental financial statements. 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.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## GOVERNMENT-WIDE STATEMENT

### Statement of Net Assets

Net assets are defined as the amount by which assets exceed liabilities. Net assets can be a useful indicator of a government's financial condition. As of April 30, 2010, assets exceeded liabilities by \$78,264,912. This is a decrease of \$5,155,097 (or 6%) from the prior year. The following condensed statement of net assets compares the current and prior fiscal years.

### Statement of Net Assets As of April 30, 2010 and 2009 (In Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
<b>ASSETS</b>						
Current Assets	\$ 23.8	\$ 29.1	\$ 5.3	\$ 6.1	\$ 29.1	\$ 35.2
Non Current Assets	76.8	77.4	23.9	23.7	100.7	101.1
Total Assets	\$ 100.6	\$ 106.5	\$ 29.2	\$ 29.8	\$ 129.7	\$ 136.3
<b>LIABILITIES</b>						
Current Liabilities	\$ 5.1	\$ 5.1	\$ .6	\$ .6	\$ 5.7	\$ 5.7
Non Current Liabilities	45.7	46.9	.2	.2	45.9	47.1
Total Liabilities	\$ 50.8	\$ 52.0	\$ .8	\$ .8	\$ 51.5	\$ 52.8
<b>NET ASSETS</b>						
Invested in Capital						
Assets, net of Debt	\$ 35.5	\$ 33.0	\$ 23.9	\$ 23.7	\$ 59.4	\$ 56.8
Restricted	1.3	4.5	-	-	1.3	4.5
Unrestricted	13.0	16.9	4.5	5.3	17.5	22.2
Total Net Assets	\$ 49.8	\$ 54.5	\$ 28.4	\$ 29.0	\$ 78.2	\$ 83.5

The investment in capital assets, net of any related outstanding debt, constitutes a significant portion of total net assets. For governmental activities, capital assets include land, streets, sidewalks, storm sewers, buildings, and vehicles. For enterprise funds, capital assets include water mains, reservoirs, buildings, parking lots, and vehicles. The City operates as an ongoing 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.

### Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the statement of net assets summary presentation.

- 1) Net Results of Activities – which will impact (increase/decrease) current assets and unrestricted net assets.
- 2) Borrowing of Capital – which will increase current assets and long-term debt.
- 3) Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt, which will not change the invested in capital assets, net of debt.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

- 4) Spending of Non-borrowed Current Assets on New Capital – which will (a) reduce current assets and increase capital assets and (b) will reduce unrestricted net assets and increase the amount invested in capital assets, net of debt.
- 5) Principal Payment on Debt – which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net assets and increase the amount invested in capital assets, net of debt.
- 6) Reduction of Capital Assets through Depreciation – which will reduce capital assets and the amount invested in capital assets, net of debt.

### Current Year Impacts

Total net assets decreased \$5,215,057, or 6%, from the prior year. Governmental net assets decreased \$4,686,087, or 9%, and the business-type net assets decreased \$528,970, or 2%.

### Changes in Net Assets

The following table compares revenue and expenses for the current and prior fiscal years.

### Changes in Net Assets For the Fiscal Years Ended April 30, 2010 and 2009 (In Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
<b>REVENUES</b>						
Program Revenues						
Charges for Services	\$ 4.3	\$ 4.8	\$ 7.7	\$ 6.4	\$ 12.0	\$ 11.2
Grants and Contributions						
Operating	1.5	1.5	-	-	1.5	1.5
Capital	-	-	-	-	-	-
General Revenues						
Property Taxes	18.0	17.4	-	-	18.0	17.4
Other Taxes	14.6	15.6	-	-	14.6	15.6
Other	.08	.3	(.2)	.2	(.12)	.5
<b>Total Revenues</b>	<b>\$ 38.5</b>	<b>\$ 39.6</b>	<b>\$ 7.5</b>	<b>\$ 6.5</b>	<b>\$ 45.98</b>	<b>\$ 46.1</b>
<b>EXPENSES</b>						
General Government	\$ 4.2	\$ 4.1	\$ -	\$ -	\$ 4.2	\$ 4.1
Public Safety	18.1	16.6	-	-	18.1	16.6
Public Works	12.5	15.5	6.4	5.5	18.9	21.0
Development	2.7	3.8	-	-	2.7	3.8
Culture and Civic	5.3	5.0	-	-	5.3	5.0
Interest Expense	2.0	2.1	-	-	2.0	2.1
<b>Total Expenses</b>	<b>\$ 44.8</b>	<b>\$ 47.1</b>	<b>\$ 6.4</b>	<b>\$ 5.5</b>	<b>\$ 51.2</b>	<b>\$ 52.6</b>

(Continued)

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Excess/Deficiency Before Transfers	\$ (6.3)	\$ (7.5)	\$ 1.1	\$ 1.1	\$ (5.2)	\$ (6.4)
Capital Contributions Transfers	\$ 1.6	\$ 1.9	\$ (1.6)	\$ (1.9)	\$ -	\$ -
Change in Net Assets	\$ (4.7)	\$ (5.6)	\$ (.5)	\$ (.8)	\$ (5.2)	\$ (6.4)
Net Assets - Beginning	\$ 54.4	\$ 60.1	\$ 29.0	\$ 29.8	\$ 83.4	\$ 89.9
Net Assets - Ending	\$ 49.8	\$ 54.5	\$ 28.4	\$ 29.0	\$ 78.2	\$ 83.5

### Normal Impacts

There are eight basic impacts on revenues and expenses, as reflected below:

#### **Revenues:**

- 1) Economic Condition – which can reflect a declining, stable, or growing economic environment and has a substantial impact on state income, sales, and utility tax revenue, as well as public spending habits for building permits, elective user fees, and volumes of consumption.
- 2) Increase/Decrease in City Council Approved Rates – while certain tax rates are set by state statute, the City Council has significant authority to impose and periodically increase/decrease rates (water, wastewater, impact fee, building fees, home rule sales tax, etc.)
- 3) Changing Patterns in Intergovernmental and Grant Revenue (both recurring and non-recurring) – certain recurring revenues (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparisons.
- 4) Market Impacts on Investment Income – the City's investment portfolio is managed using a similar average maturity to most governments. Market conditions may cause investment income to fluctuate.

#### **Expenses:**

- 5) Introduction of New Programs – within the functional expense categories (General Government, Public Safety, Public Works, etc.) individual programs may be added or deleted to meet changing community needs.
- 6) Increase in Authorized Personnel – changes in service demand may cause the City Council to increase/decrease staffing. Staffing costs (salary and related benefits) represent approximately 50% of the City's operating costs.
- 7) Salary Increases – the ability to attract and retain human and intellectual resources requires the City to strive to approach a competitive salary range position in the marketplace.
- 8) Inflation – while overall inflation appears to be reasonably modest, the City is a major consumer of certain commodities such as supplies, fuels, and parts. Some functions, such as street resurfacing, may experience unusual commodity-specific increases.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

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## Current Year Impacts

### **Revenues:**

For the fiscal year ended April 30, 2010, revenues for all activities totaled \$46,073,619. This is less than a 1% decrease from the prior year total of \$46,136,112. Revenues decreased \$2,938,862, or 7%, in the governmental funds and increased by \$2,876,368, or 62%, in the business-type funds. The decline in the governmental-type funds provides vivid evidence of the economic recession. The increase in the business-type activities was due to the transfer of sewer-related functions from the General Fund to an enterprise fund and a water rate increase.

Property tax revenue totaled \$18,028,634, an increase of \$642,269, or 4%, over the prior year. Park Ridge property valuation has risen steadily, as evidenced by the following valuations: \$1,994,509,131 (2008), \$1,852,758,740 (2007), \$1,528,372,764 (2006), \$1,502,128,908 (2005), and \$1,406,982,666 (2004). (2007 and 2004 were reassessment years.)

State income tax receipts totaled \$3,008,242, a decrease of \$318,434 or 10% from last year. Personal property replacement tax decreased \$83,140 or 18% for a total of \$367,465. These two revenue streams reflect the economic recession. The state of Illinois typically delays income tax payments to municipalities by three to five months.

Sales tax and home-rule sales tax combined totaled \$4,485,270, an increase of \$97,118, or 2%, from last year's total of \$4,582,388.

Fees for licenses and permits decreased to \$2,495,432, a decrease of \$217,268, or 8%. The decrease was due to a delay of several planned redevelopment projects and a slowdown of residential housing permits.

Utility tax receipts of \$2,429,532 and telecommunications tax receipts of \$1,890,732 combined did not result in an increase, rather total utility and telecommunications taxes decreased \$407,857, or 9%, from last fiscal year.

Revenues from state and federal grants increased. The City received \$560,532 of operating grants in 2009/10, compared to \$516,773 the previous year.

Revenue from water sales totaled \$6,342,875. This was a \$273,205, or 4.5%, increase from last fiscal year. The total revenue increase corresponded to the 5% water rate increase, effective May 1, 2009. Water usage decreased regionally due to the weather, conservation efforts, and consumer cost-saving efforts.

Income from investments decreased to \$41,353 from the previous year's total of \$291,657; this is a decrease of \$250,304, or 86%. The low interest rates incurred in 2008/09 continued in 2009/10.

### **Expenses:**

For the fiscal year ended April 30, 2010, expenses for all activities totaled \$51,228,716. This is a decrease of \$1,482,429, or 3%, from the prior year total of \$52,711,145. Expenses decreased \$2,422,594, or 5%, in the governmental activities and increased \$940,165, or 17%, in the business-type activities. Expenses were severely restricted in the governmental funds, "sewer" became an enterprise fund instead of part of the general operating fund, thereby increasing business-type expenses.

Expenses in the governmental activities were primarily incurred in public safety (\$18,055,715) and public works (\$12,465,191). Police and fire pension costs increased significantly, and the City Council renewed its commitment to maintaining and strengthening the City's public works infrastructure.

Interest expense decreased \$98,796.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

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## 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. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available at the end of the fiscal year.

As of April 30, 2010, the governmental funds reported a combined fund balance of \$5,880,589, a decrease of 51% from the previous year's fund balance of \$11,996,367. The following funds had a deficit fund balance as of April 30, 2010: Municipal Waste Management (\$473,182), Motor Fuel Tax (\$257,044), Emergency Telephone (\$210,699), Alley Special Service Areas (\$266,885), Uptown TIF (\$4,550,309), Series 2004A Debt Service Fund (\$435,047), and Series 2005A Debt Service Fund (\$3,568). These negative fund balances created cash flow difficulties throughout the year.

There was an excess of expenditures over revenues in the Uptown Tax Increment Fund of \$207,036. There were \$1,491,346 transfers out to pay debt service for bond issues related to the Uptown TIF. As of April 30, 2010, the Uptown TIF owes the General Operating Fund \$4,584,076. Major fiscal year 2009/10 Uptown TIF expenses included \$567,356 for Uptown streetscape and \$245,893 to School District 207.

Revenues exceeded expenses by \$395,143 in the Library Fund. Revenues were 5% over budget, primarily due to the timing differences of property taxes, and expenses were 4% under budget.

### Business-type Funds

The City's business-type funds provide the same type of information found in the governmental funds. The City reports the Parking Fund, Water Fund, and Sewer Fund as business-type funds.

As of April 30, 2010, the business-type funds reported combined net assets of \$28,441,553, a decrease of \$528,970, or 2%, from the prior year. Water sales increased by \$273,205 and parking revenues decreased by \$166,039 from the prior year. Water rates were increased 5%, effective May 1, 2009. Sewer operations was added as an enterprise fund in FY 2009/10. Sewer operating revenues were \$898,595.

Operating revenues exceeded operating expenses in the Water Fund in fiscal year 2009/10 by \$1,125,697. There was \$39,352 of non-operating revenues. There was also \$1,844,504 of operating transfers out of the Water Fund; \$878,404 of these transfers were to Debt Service Fund 2004B to pay for the central water reservoir. When we add the transfers, the change in net assets for the fiscal year was a negative \$679,455. Water sales were under budget; the summer of 2009 was relatively mild, which resulted in less lawn watering. Total expenses were also under budget.

Operating revenues exceeded operating expenses in the Parking Fund in fiscal year 2009/10 by \$58,260. There was \$9,390 of non-operating revenues and a \$230,151 loss on the disposal of capital assets. Additionally, there was a \$35,300 transfer for pension payments. This resulted in a negative \$197,801 change in net assets.

Operating revenues exceeded operating expenses in the Sewer Fund in fiscal year 2009/10 by \$164,791. There was a \$294,852 transfer from the General Operating Fund to get the Fund started. This resulted in a positive \$459,643 change in net assets.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## General Fund Budgetary Highlights

For the year ended April 30, 2010, operating revenues were \$3,159,063 under budget. Reflecting national economic trends, major revenue categories, including property transfer, sales taxes, income taxes, and building permits were under budget. The continuation of the economic recession and the housing downturn contributed to this significant decrease. Operating expenditures were \$669,645 under budget. As management realized the depth of the recession effects, previously reduced expenditures were further curtailed. Total fund balance of the General Fund at year-end was \$7,667,529; this was a decrease of \$3,710,818, or 33%.

Expenses exceeded revenues by \$3,710,818 in the General Operating Fund in fiscal year 2009/10. This deficit was the result of a revenue shortfall; revenues were \$3,159,063 under budget. Income taxes, sales taxes, building permits, property transfers, interest income, and utility tax receipts were under budget. All of these revenues reflect the economic recession and low interest rate environment.

Total expenses were \$669,645 under budget. Insurance claims were \$162,302 over budget due to the settlement of general liability claims.

The City did not amend the total annual operating budget during the year. During the course of the year, the City Manager approved budget transfers. These transfers did not change the total fund budget, but, rather, transferred monies from one program or account to another. The text of the financial statements shows the original and final budget.

## Capital Assets

At the end of fiscal year 2010, the City had a combined total capital assets of \$100,300,198 invested in a broad range of capital assets including land, buildings, machinery, furniture, vehicles, equipment, and infrastructure (streets, sidewalks, alleys, water mains, sewers, etc.). This amount represents a net decrease (including additions and deletions) of \$372,720. Readers desiring more detailed information regarding capital assets are directed to Note Number 5 - Capital Assets.

### Total Capital Assets at Fiscal Year-End Net of Depreciation (in Millions)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Land and Improvements	\$ 37.7	\$ 37.9	\$ 1.3	\$ 1.5	\$ 39.0	\$ 39.4
Buildings	11.8	12.0	-	-	11.8	12.0
Machinery and Equipment	0.2	0.2	0.2	0.3	0.4	0.5
Furniture and Equipment	0.8	0.8	-	-	0.8	0.8
Vehicles and Equipment	2.3	2.2	-	-	2.3	2.2
Infrastructure	23.5	23.9	22.4	21.9	45.9	45.8
Construction in progress	.1	-	-	-	.1	-
<b>Total Capital Assets</b>	<b>\$ 76.4</b>	<b>\$ 77.0</b>	<b>\$ 23.9</b>	<b>\$ 23.7</b>	<b>\$ 100.3</b>	<b>\$ 100.7</b>

## Outstanding Debt

The City of Park Ridge has five general obligation bond series outstanding. Outstanding debt consists of the following:

## MANAGEMENT'S DISCUSSION AND ANALYSIS

In August 2004, the City issued \$16,770,000 in general obligation bonds to finance the construction of a new central reservoir and pump station. Series 2004A, in the amount of \$4,910,000, is paid from incremental tax revenues from the Uptown TIF district. Series 2004B, in the amount of \$11,860,000, is paid from water revenues. As of April 30, 2010, the outstanding debt on these bonds totaled \$13,475,000. Moody's Investors Service rated these bonds Aa2.

In April 2005, the City issued \$7,005,000 of general obligation bonds to finance various costs related to the Uptown redevelopment. These bonds are paid from incremental tax revenues from the Uptown TIF district. As of April 30, 2010, the outstanding debt on these bonds totaled \$7,005,000. These bonds were rated Aa2 by Moody's Investors Service.

In June 2006, the City issued series 2006A and B to finance the last phase of development for Target Area II. Both series were general obligation issues, but series A was tax-exempt and series B was taxable. As of April 30, 2009, the outstanding debt of these bonds totaled \$20,585,000. The bonds were rated Aa2 by Moody's Investors Service.

As a home rule community, the City of Park Ridge has no legal debt limit. Note No. 9 gives a detailed description of the City's long-term debt.

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

The Uptown Redevelopment project, consisting of 189 residences and 70,402 square feet of retail, is complete. The residences sold quickly, and most stores are occupied. Retailers include Amphora's Furniture, Trader Joe's, Chico's, Joseph A. Banks, Kriser's Pet Store, Lens Crafters Optique, Aveda Salon & Spa, Houlihan's, Eggsperience, Jason's Deli, and Noodles & Company. City Commons, a reading garden, and streetscape improvements along Summit Avenue are complete.

Construction and sales activity have begun in Executive Plaza. Also located in the Uptown area, Executive Plaza will include a mix of commercial, residential, and open space. The City may establish a Special Service Area at Executive Plaza to build storm water detention.

The City recently hired an engineering consultant to determine the main causes of flooding and provide potential solutions. He determined that the cause was excessive rainfall and not insufficient maintenance. He prioritized six areas that would benefit 500 to 600 residents. Staff developed a plan beginning in fiscal year 2010/11 through 2014/15 ranging from \$1,025,000 to \$2,385,000 per year. Funding will come from a customer sewer charge.

Park Ridge is a highly desirable community and has enjoyed considerable amounts of new construction and remodeling in the past. The recession has brought previously unknown occurrences to Park Ridge such as delinquencies and foreclosures. Compared to neighboring communities, Park Ridge is more fortunate than others. The following is a chart of building permit trends. Park Ridge home prices decreased 10% compared to an average of 12% in neighboring communities. Park Ridge had 5 homes taken over by a lender, the average was 13.

	<u>New Single Family Home Construction</u>		<u>Existing Single Family Home Remodeling</u>	
	Permits	(\$Mil)	Permits	(\$Mil)
2006	93	\$46.1	338	\$15.3
2007	48	\$24.4	348	\$13.0
2008	32	\$16.8	323	\$14.2
2009	12	\$5.3	233	\$7.9

### **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 James D. Hock, City Manager, City of Park Ridge, 505 Butler Place, Park Ridge, IL 60068.

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**Basic Financial Statements**

## City of Park Ridge, Illinois

### Statement of Net Assets

April 30, 2010

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 9,381,220	\$ 3,384,579	\$ 12,765,799
Investments	1,473,575	-	1,473,575
Receivables			
Property taxes, net	7,579,571	-	7,579,571
Other taxes	3,693,173	-	3,693,173
Intergovernmental	81,940	-	81,940
Customer accounts	-	1,519,351	1,519,351
Interest	320	148	468
Other receivables	417,415	-	417,415
Note receivable	327,500	-	327,500
Internal balances	150,381	(150,381)	-
Advances	(435,047)	435,047	-
Inventory	135,623	84,176	219,799
Prepaid items	150,868	-	150,868
Deposits in escrow	835,129	-	835,129
Noncurrent assets			
Pension benefit asset	167,815	-	167,815
Unamortized bond issuance costs	275,024	-	275,024
Capital assets not being depreciated	35,999,989	1,283,383	37,283,372
Capital assets (net of accumulated depreciation)	40,372,639	22,644,187	63,016,826
 Total assets	 100,607,135	 29,200,490	 129,807,625

(Continued)

The accompanying notes are an integral part of this statement.

## City of Park Ridge, Illinois

### Statement of Net Assets (Continued)

April 30, 2010

	Governmental Activities	Business-type Activities	Total
<b>LIABILITIES</b>			
Cash deficit	\$ 87,139	\$ -	\$ 87,139
Accounts payable	2,623,165	389,563	3,012,728
Accrued interest payable	820,568	-	820,568
Other accrued liabilities	491,465	208,022	699,487
Contracts payable	49,241	-	49,241
Unearned revenue-other	848,662	-	848,662
Due to other governments	10,487	-	10,487
Deposits	1,433	-	1,433
Other liabilities	143,030	-	143,030
Noncurrent liabilities			
Due within one year	2,733,255	46,524	2,779,779
Due in more than one year	42,975,331	114,828	43,090,159
	<u>50,783,776</u>	<u>758,937</u>	<u>51,542,713</u>
<b>NET ASSETS</b>			
Investment in capital assets, net of related debt	35,467,201	23,927,570	59,394,771
Restricted for:			
Grant purposes	275,000	-	275,000
Debt service	47,693	-	47,693
Capital projects	727,702	-	727,702
Enabling legislation	242,452	-	242,452
Unrestricted	13,063,311	4,513,983	17,577,294
	<u>49,823,359</u>	<u>28,441,553</u>	<u>78,264,912</u>

(Concluded)

The accompanying notes are an integral part of this statement.

**City of Park Ridge, Illinois**

Statement of Activities

For the Year Ended April 30, 2010

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants</u>
<b>Governmental activities:</b>			
General government	\$ 4,107,880	\$ 3,061,263	\$ 506,923
Public safety	18,055,715	1,009,633	-
Public works	12,465,191	171,047	953,330
Development	2,745,862	10,436	-
Culture and civic	5,378,577	70,223	53,609
Interest expense	2,029,359	-	-
Total governmental activities	<u>44,782,584</u>	<u>4,322,602</u>	<u>1,513,862</u>
<b>Business-type activities:</b>			
Water	5,328,535	6,342,875	-
Parking	383,793	442,053	-
Sewer	733,804	898,595	-
Total business-type activities	<u>6,446,132</u>	<u>7,683,523</u>	<u>-</u>
<b>Total</b>	<u>\$ 51,228,716</u>	<u>\$ 12,006,125</u>	<u>\$ 1,513,862</u>

General revenues

Taxes

Property

Replacement

Sales and use

Income

Utility

Telecommunications

Property transfer

Emergency telephone

Parking garage

Other

Unrestricted investment earnings

Miscellaneous

Transfers

Total general revenues and transfers

Change in net assets

Net assets - May 1

Net assets - April 30

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and  
Changes in Net Assets

Governmental Activities	Business-type Activities	Total
\$ (539,694)	\$ -	\$ (539,694)
(17,046,082)	-	(17,046,082)
(11,340,814)	-	(11,340,814)
(2,735,426)	-	(2,735,426)
(5,254,745)	-	(5,254,745)
(2,029,359)	-	(2,029,359)
<u>(38,946,120)</u>	<u>-</u>	<u>(38,946,120)</u>
-	1,014,340	1,014,340
-	58,260	58,260
-	164,791	164,791
<u>-</u>	<u>1,237,391</u>	<u>1,072,600</u>
<u>(38,946,120)</u>	<u>1,237,391</u>	<u>(37,873,520)</u>
18,028,634	-	18,028,634
367,466	-	367,466
3,149,028	-	3,149,028
3,008,242	-	3,008,242
2,393,258	-	2,393,258
1,890,388	-	1,890,388
439,218	-	439,218
514,296	-	514,296
394,136	-	394,136
2,469,256	(230,151)	2,239,105
26,478	14,875	41,353
54,641	33,867	88,508
1,584,952	(1,584,952)	-
<u>34,319,993</u>	<u>(1,766,361)</u>	<u>32,553,632</u>
(4,626,127)	(528,970)	(5,155,097)
<u>54,449,486</u>	<u>28,970,523</u>	<u>83,420,009</u>
<u>\$ 49,823,359</u>	<u>\$ 28,441,553</u>	<u>\$ 78,264,912</u>

# City of Park Ridge, Illinois

## Governmental Funds

### Balance Sheet

April 30, 2010

	<u>General Fund</u>	<u>Uptown TIF Fund</u>	<u>Municipal Waste Management Fund</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ -	\$ 34,432	\$ 251
Investments	-	-	-
Receivables			
Property taxes, net	3,193,024	-	1,669,613
Other tax receivables			
State and local sales tax	1,285,206	-	-
Simplified telecommunications tax	469,093	-	-
Illinois income tax	1,510,790	-	-
Personal property replacement tax	47,787	-	-
Utility tax	217,610	-	-
Gasoline tax	25,584	-	-
Other taxes	41,472	-	-
Intergovernmental	-	-	-
Interest	-	-	-
Other receivables	405,012	-	-
Loans and notes	327,500	-	-
Inventory	135,623	-	-
Due from other funds	1,816,592	-	-
Advances to other funds	4,584,076	-	-
Prepaid items	63,649	-	-
Deposits in escrow	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	\$ <u>14,123,018</u>	\$ <u>34,432</u>	\$ <u>1,669,864</u>

The accompanying notes are an integral part of this statement.

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Public Library Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,767,135	\$ 2,169,974	\$ 4,971,792
135,575	-	135,575
1,787,369	929,565	7,579,571
-	-	1,285,206
-	-	469,093
-	-	1,510,790
9,146	-	56,933
-	-	217,610
-	-	25,584
-	86,485	127,957
-	81,940	81,940
28	-	28
-	12,403	417,415
-	-	327,500
-	-	135,623
-	161	1,816,753
-	-	4,584,076
1,136	86,083	150,868
-	835,129	835,129
<u>\$ 4,700,389</u>	<u>\$ 4,201,740</u>	<u>\$ 24,729,443</u>

(Continued)

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**City of Park Ridge, Illinois**

Governmental Funds  
Balance Sheet (Continued)  
April 30, 2010

	<u>General Fund</u>	<u>Uptown TIF Fund</u>	<u>Municipal Waste Management Fund</u>
<b>LIABILITIES</b>			
Cash deficit	\$ 87,139	\$ -	\$ -
Accounts payable	1,711,746	665	201,307
Other accrued liabilities	431,894	-	880
Refundable deposits	1,433	-	-
Unearned property tax revenue	3,286,453	-	1,697,923
Unearned revenue - other	936,824	-	-
Contracts payable	-	-	-
Due to other funds	-	-	242,936
Advances from other funds	-	4,584,076	-
Due to other governments	-	-	-
Other liabilities	-	-	-
<b>Total liabilities</b>	<u>6,455,489</u>	<u>4,584,741</u>	<u>2,143,046</u>
<b>FUND BALANCES (DEFICITS)</b>			
Reserved for inventory	135,623	-	-
Reserved for prepaid items	63,649	-	-
Reserved for grant restrictions	275,000	-	-
Reserved for debt service	-	-	-
Reserved for employees' retirement	-	-	-
Reserved for TIF expenditures	-	-	-
Reserved for capital projects	-	-	-
Reserved for advances to other funds	4,584,076	-	-
Unreserved - general fund	2,609,181	-	-
Unreserved - special revenue fund	-	(4,550,309)	(473,182)
Unreserved - debt service fund	-	-	-
<b>Total fund balances (deficits)</b>	<u>7,667,529</u>	<u>(4,550,309)</u>	<u>(473,182)</u>
<b>Total liabilities and fund balances (deficits)</b>	<u>\$ 14,123,018</u>	<u>\$ 34,432</u>	<u>\$ 1,669,864</u>

The accompanying notes are an integral part of this statement.

<u>Public Library Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ -	\$ -	\$ 87,139
155,654	529,108	2,598,480
55,123	3,568	491,465
-	-	1,433
1,838,933	944,909	7,768,218
33,800	43,242	1,013,866
-	49,241	49,241
-	1,423,436	1,666,372
-	435,047	5,019,123
-	10,487	10,487
-	143,030	143,030
<u>2,083,510</u>	<u>3,582,068</u>	<u>18,848,854</u>
-	-	135,623
1,136	86,083	150,868
-	-	275,000
-	47,693	47,693
-	77,783	77,783
-	118,295	118,295
-	1,230,915	1,230,915
-	-	4,584,076
-	-	2,609,181
2,615,743	(656,042)	(3,063,790)
-	(285,055)	(285,055)
<u>2,616,879</u>	<u>619,672</u>	<u>5,880,589</u>
<u>\$ 4,700,389</u>	<u>\$ 4,201,740</u>	<u>\$ 24,729,443</u>

(Concluded)

**City of Park Ridge, Illinois**  
Reconciliation of the Balance Sheet  
of Governmental Funds to the Statement of Net Assets  
For the Year Ended April 30, 2010

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

Total fund balances - governmental funds.	\$ 5,880,589
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	74,362,291
Revenues in the statement of activities that do not provide current financial resources are unearned in the funds.	7,933,422
Internal service funds are used by management to charge various costs to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets.	7,733,372
The net pension asset resulting from contributions in excess of the annual required contribution are not financial resources and therefore are not reported in the funds.	167,815
The net pension liability resulting from contributions under the annual required contribution do not require the use of current economic resources and, therefore, are not reported as liabilities in the governmental funds.	(575,225)
Bond issuance costs are expensed in the governmental fund but recorded as deferred charges in the statement of net assets.	275,024
Some liabilities reported in the statement of net assets do not require the use of current financial resources and, therefore, are not reported as liabilities in the governmental funds.	<u>(45,953,929)</u>
Net assets of governmental activities	<u>\$ 49,823,359</u>

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The accompanying notes are an integral part of this statement.

# City of Park Ridge, Illinois

## Governmental Funds

### Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)

For the Year Ended April 30, 2010

	General Fund	Uptown TIF Fund	Municipal Waste Management Fund
<b>Revenues</b>			
Property taxes	\$ 5,624,058	\$ 2,197,474	\$ 3,221,714
Other taxes	13,994,762	-	-
Licenses and permits	2,495,432	-	-
Intergovernmental	475,050	-	31,873
Charges for services	1,492,263	-	-
Fines and forfeitures	415,434	-	-
Interest	7,551	99	-
Miscellaneous	8,887	-	-
Total revenues	24,513,437	2,197,573	3,253,587
<b>Expenditures</b>			
<b>Current</b>			
General government	4,023,902	-	-
Public safety	15,871,818	-	-
Public works	6,050,582	-	3,314,559
Development	1,321,204	913,263	-
Culture and civic	586,549	-	-
<b>Debt service</b>			
Principal	-	-	-
Interest and fiscal agent fees	-	-	-
Total expenditures	27,854,055	913,263	3,314,559
Excess (deficiency) of revenues over expenditures	(3,340,618)	1,284,310	(60,972)
<b>Other financing sources (uses)</b>			
Transfers in	800,000	-	-
Transfers out	(1,170,200)	(1,491,346)	-
Total other financing sources (uses)	(370,200)	(1,491,346)	-
Net change in fund balances (deficits)	(3,710,818)	(207,036)	(60,972)
Fund balances (deficits), May 1	11,378,347	(4,343,273)	(412,210)
Fund balances (deficits), April 30	\$ 7,667,529	\$ (4,550,309)	\$ (473,182)

The accompanying notes are an integral part of this statement.

Public Library Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 4,251,709	\$ 2,881,962	\$ 18,176,917
57,486	573,042	14,625,290
-	-	2,495,432
53,609	953,330	1,513,862
70,223	-	1,562,486
-	73,365	488,799
6,812	12,016	26,478
45,754	-	54,641
<u>4,485,593</u>	<u>4,493,715</u>	<u>38,943,905</u>
-	301,776	4,325,678
-	1,662,351	17,534,169
-	2,461,750	11,826,891
-	511,395	2,745,862
4,190,450	457,823	5,234,822
-	2,905,000	2,905,000
-	2,072,213	2,072,213
<u>4,190,450</u>	<u>10,372,308</u>	<u>46,644,635</u>
<u>295,143</u>	<u>(5,878,593)</u>	<u>(7,700,730)</u>
100,000	3,348,350	4,248,350
-	(1,852)	(2,663,398)
<u>100,000</u>	<u>3,346,498</u>	<u>1,584,952</u>
395,143	(2,532,095)	(6,115,778)
<u>2,221,736</u>	<u>3,151,767</u>	<u>11,996,367</u>
<u>\$ 2,616,879</u>	<u>\$ 619,672</u>	<u>\$ 5,880,589</u>

## City of Park Ridge, Illinois

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)  
of Governmental Funds to the Statement of Activities  
For the Year Ended April 30, 2010

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

Net change in fund balances - total governmental funds. \$ (6,115,778)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense and loss on disposal in the current period. (702,489)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (372,398)

Internal service funds are used by management to charge various costs to individual funds. 46,707

The issuance of long-term debt (e.g. bonds, compensated balances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt and increases in compensated absences consume current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. 3,038,048

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. (520,217)

Change in net assets of governmental activities. \$ (4,626,127)

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The accompanying notes are an integral part of this statement.

## City of Park Ridge, Illinois

Proprietary Funds  
Statement of Net Assets  
April 30, 2010

	Business-type Activities - Enterprise Funds			Governmental Activities- Internal Service Funds
	Water	Nonmajor	Total	
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 2,152,629	\$ 1,231,950	\$ 3,384,579	\$ 4,409,428
Investments	-	-	-	1,338,000
Receivables				
Accounts, net	1,334,132	185,219	1,519,351	-
Accrued interest	124	24	148	292
Inventory	84,176	-	84,176	-
Due from other funds	82,555	-	82,555	-
Total current assets	3,653,616	1,417,193	5,070,809	5,747,720
Capital assets				
Cost	30,996,625	1,988,126	32,984,751	5,811,385
Accumulated depreciation	(8,753,630)	(303,551)	(9,057,181)	(3,801,048)
Total capital assets	22,242,995	1,684,575	23,927,570	2,010,337
Advances to other funds	435,047	-	435,047	-
Total assets	26,331,658	3,101,768	29,433,426	7,758,057
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	375,528	14,035	389,563	24,685
Other accrued liabilities	44,717	163,305	208,022	-
Claims and judgments payable	9,580	3,944	13,524	-
Compensated absences payable	33,000	-	33,000	-
Due to other funds	-	232,936	232,936	-
Total current liabilities	462,825	414,220	877,045	24,685
Long-term liabilities				
Compensated absences payable	103,334	11,494	114,828	-
Total noncurrent liabilities	103,334	11,494	114,828	-
Total liabilities	566,159	425,714	991,873	24,685
<b>NET ASSETS</b>				
Invested in capital assets	22,242,995	1,684,575	23,927,570	2,010,337
Unrestricted	3,522,504	991,479	4,513,983	5,723,035
Total net assets	\$ 25,765,499	\$ 2,676,054	\$ 28,441,553	\$ 7,733,372

The accompanying notes are an integral part of this statement.

**City of Park Ridge, Illinois**  
Proprietary Funds  
Statement of Revenues, Expenses, and Changes in Net Assets  
For the Year Ended April 30, 2010

	<u>Business-type Activities - Enterprise Funds</u>			Governmental
	<u>Water</u>	<u>Nonmajor</u>	<u>Total</u>	Activities- Internal Service Funds
Operating revenues				
Charges for services	\$ 6,342,875	\$ 1,340,648	\$ 7,683,523	\$ 698,380
Total operating revenues	<u>6,342,875</u>	<u>1,340,648</u>	<u>7,683,523</u>	<u>698,380</u>
Operating expenses				
Administration	294,128	-	294,128	-
Water supply and treatment	3,292,431	-	3,292,431	-
Fire hydrant services	92,955	-	92,955	-
Water main services	656,098	-	656,098	-
Water meter services	127,439	-	127,439	-
Parking services and maintenance	-	383,793	383,793	-
Sewer and drainage	-	733,344	733,344	-
General contractual services	-	-	-	2,082
Materials	-	-	-	274,762
Depreciation	754,127	460	754,587	406,164
Total operating expenses	<u>5,217,178</u>	<u>1,117,597</u>	<u>6,334,775</u>	<u>683,008</u>
Operating income	<u>1,125,697</u>	<u>223,051</u>	<u>1,348,748</u>	<u>15,372</u>
Nonoperating revenues (expenses)				
Interest income	11,186	3,689	14,875	31,335
Miscellaneous income	28,166	5,701	33,867	-
Loss on disposal of capital assets	-	(230,151)	(230,151)	-
Total nonoperating revenues (expenses)	<u>39,352</u>	<u>(220,761)</u>	<u>(181,409)</u>	<u>31,335</u>
Income before transfers	1,165,049	2,290	1,167,339	46,707
Transfers in	-	294,852	294,852	-
Transfers out	<u>(1,844,504)</u>	<u>(35,300)</u>	<u>(1,879,804)</u>	<u>-</u>
Change in net assets	(679,455)	261,842	(417,613)	46,707
Net assets - May 1	<u>26,444,954</u>	<u>2,414,212</u>	-	<u>7,686,665</u>
Net assets - April 30	<u>\$ 25,765,499</u>	<u>\$ 2,676,054</u>		<u>\$ 7,733,372</u>
Change in net assets			(417,613)	
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds			<u>(111,357)</u>	
Change in net assets			<u>\$ (528,970)</u>	

The accompanying notes are an integral part of this statement.

**City of Park Ridge, Illinois**  
Proprietary Funds  
Statement of Cash Flows  
For the Year Ended April 30, 2010

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Water</u>	<u>Nonmajor</u>	<u>Total</u>	<u>Activities- Internal Service Funds</u>
Cash flows from operating activities				
Receipts from customers and users	\$ 6,135,628	\$ 1,188,940	\$ 7,324,568	\$ -
Receipts from interfund services provided	-	-	-	698,380
Payments to suppliers	(4,244,601)	(577,148)	(4,821,749)	(263,206)
Payments to employees	(290,978)	(494,969)	(785,947)	-
Net cash provided by operating activities	<u>1,600,049</u>	<u>116,823</u>	<u>1,716,872</u>	<u>435,174</u>
Cash flows from noncapital financing activities				
Due (from) to other funds	(82,555)	232,936	150,381	-
Transfers in (out)	(1,844,504)	259,552	(1,584,952)	-
Net cash provided by (used in) noncapital financing activities	<u>(1,927,059)</u>	<u>492,488</u>	<u>(1,434,571)</u>	<u>-</u>
Cash flows from capital and related financing activities				
Purchases of capital assets	(710,075)	(552,110)	(1,262,185)	(458,488)
Net cash used in capital and related financing activities	<u>(710,075)</u>	<u>(552,110)</u>	<u>(1,262,185)</u>	<u>(458,488)</u>
Cash flows from investing activities				
Purchases of investments	(1,514,000)	(50,000)	(1,564,000)	(5,513,000)
Proceeds from sale of investments	2,423,000	50,000	2,473,000	7,157,000
Interest income received	12,536	5,046	17,582	34,738
Net cash provided by investing activities	<u>921,536</u>	<u>5,046</u>	<u>926,582</u>	<u>1,678,738</u>

(Continued)

The accompanying notes are an integral part of this statement.

**City of Park Ridge, Illinois**  
Proprietary Funds  
Statement of Cash Flows (Continued)  
For the Year Ended April 30, 2010

	<u>Business-type Activities - Enterprise Funds</u>			<u>Governmental Activities- Internal Service Funds</u>
	<u>Water</u>	<u>Nonmajor</u>	<u>Total</u>	
Net increase (decrease) in cash and cash equivalents	(115,549)	62,247	(53,302)	1,655,424
Cash and cash equivalents May 1	<u>2,268,178</u>	<u>1,169,703</u>	<u>3,437,881</u>	<u>2,754,004</u>
April 30	<u>\$ 2,152,629</u>	<u>\$ 1,231,950</u>	<u>\$ 3,384,579</u>	<u>\$ 4,409,428</u>
Cash flows from operating activities				
Operating income	\$ 1,125,697	\$ 223,051	\$ 1,348,748	\$ 15,372
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation	754,127	460	754,587	406,164
Miscellaneous revenues	28,166	5,701	33,867	-
Changes in assets and liabilities				
Accounts receivable	(235,413)	(157,409)	(392,822)	-
Inventory	(6,086)	-	(6,086)	-
Accounts payable	(69,320)	2,773	(66,547)	13,638
Contracts payable	(8,488)	(8,495)	(16,983)	-
Other accrued liabilities	8,216	45,726	53,942	-
Compensated absences payable	7,559	3,184	10,743	-
Claims and judgments payable	(4,409)	1,832	(2,577)	-
Net cash provided by operating activities	<u>\$ 1,600,049</u>	<u>\$ 116,823</u>	<u>\$ 1,716,872</u>	<u>\$ 435,174</u>

(Concluded)

The accompanying notes are an integral part of this statement.

**City of Park Ridge, Illinois**  
 Fiduciary Funds  
 Statement of Fiduciary Net Plan Assets  
April 30, 2010

	<u>Pension Trust Funds</u>	<u>Agency Fund Escrow Deposit</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 4,169,898	\$ 462,668
Investments		
Certificates of deposit	1,124,060	-
U.S. Treasury securities	20,054,694	-
U.S. agency securities	16,105,587	-
Equities	20,335,401	-
Receivables		
Accrued interest	650,791	2,215
Prepaid pension expense	21,199	-
	<u>62,461,630</u>	<u>464,883</u>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	2,688	1,384
Deposits	-	463,499
	<u>2,688</u>	<u>464,883</u>
<b>NET PLAN ASSETS</b>		
Plan net assets held in trust for pension benefits	<u>\$ 62,458,942</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

**City of Park Ridge, Illinois**  
 Fiduciary Funds  
 Statement of Changes in Fiduciary Net Plan Assets  
For the Year Ended April 30, 2010

	<u>Pension Trust Funds</u>
<b>ADDITIONS</b>	
Contributions	
Employer	\$ 3,081,410
Employee	<u>871,279</u>
Total contributions	<u>3,952,689</u>
Investment income	
Net increase in fair value of investments	4,657,628
Interest	1,920,465
Dividends	<u>301,856</u>
Total investment income	6,879,949
Less investment expense	<u>(145,778)</u>
Net investment income	<u>6,734,171</u>
Total additions	<u>10,686,860</u>
<b>DEDUCTIONS</b>	
Administration	65,174
Pension benefits and refunds	<u>4,676,675</u>
Total deductions	<u>4,741,849</u>
Change in net assets	5,945,011
<b>PLAN NET ASSETS</b>	
May 1	<u>56,513,931</u>
April 30	<u>\$ 62,458,942</u>

The accompanying notes are an integral part of this statement.

**City of Park Ridge, Illinois**  
Index for the Notes to the Financial Statements

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# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Park Ridge, Illinois (the City), incorporated in 1910, 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 is the part-time policy head of the City government and 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. Reporting Entity

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which 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.

Based upon the above criteria, no component units have been included within the reporting entity.

### 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 12. The joint venture is: Solid Waste Agency of Northern Cook County (SWANCC). The risk pool is the High-Level Excess Liability Pool (HELP).

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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

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

The government-wide financial statements (i.e., the statement of net assets 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 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 assets presents the City's non-fiduciary assets and liabilities, with the difference reported in three categories:

*Invested in capital assets, net of related debt* 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 assets* result when constraints placed on net asset 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 assets* consist of net assets that do 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.

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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

### 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.

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.

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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

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

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. For the fiscal year ended April 30, 2010, the City recognized approximately \$1,200,000 of income tax receipts subsequent to the 60-day revenue recognition period as revenue to properly reflect twelve months of income tax collections, due to a delay at the state level in remitting funds to local municipalities.

Budgets are legally adopted on a basis consistent with GAAP except that property taxes are budgeted as revenue in the year they are levied. For purposes of preparing the schedules of revenues, expenditures, and changes in fund balance - budget and actual (budgetary basis), property tax revenues have been recorded on the budgetary basis for the General, Uptown Tax Increment Financing (TIF), Municipal Waste Management, and Public Library Funds. The statement of revenues, expenditures, and changes in fund balances (deficits) has been adjusted to report property taxes in accordance with GAAP.

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 Uptown TIF Fund is a special revenue fund that accounts for the operations and maintenance of the uptown redevelopment project. Financing is provided by property taxes.

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, 2010

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

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

The Public Library Fund is a special revenue fund that accounts for the operations and maintenance of the public library. Financing is provided by property taxes and other City and library revenues. The City Council appoints the Library Board and approves its annual budget.

The City reports the following major proprietary fund:

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.

Additionally, the City reports the following fund types:

*Internal service funds* account for computer, motor equipment, and library technology 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.

The City's proprietary funds apply all applicable GASB pronouncements as well as relevant Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements, in which case GASB prevails.

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.

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the 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 unearned revenue on its financial statements. Unearned revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenue also arises when resources are received by the City 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 revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for unearned revenue is removed from the financial statements and revenue is recognized.

### E. Stewardship - Deficit Fund Equity

The following funds had a deficit fund balance as of April 30, 2010:

<u>Fund</u>	<u>Deficit Fund Balance</u>
Municipal Waste Management	\$ 473,182
Motor Fuel Tax	257,044
Emergency Telephone	210,699
Special Service Areas	266,885
2004A General Obligation Bond	435,047
2005A General Obligation Bond	3,568
Uptown Tax Increment Financing	4,550,309

The City plans to alleviate the fund deficits. The Uptown Tax Increment Financing Fund is still in development, as revenues will be transferred after completion. The Municipal Waste Management Fund, Emergency Telephone Fund, 2004A General Obligation Bond Fund, 2005A General Obligation Bond Fund, and Motor Fuel Tax Fund are in the process of alleviating, as the transfers have increased in the current year. The Special Service Area Funds are working on transferring revenues.

## City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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

#### F. 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.

#### G. 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, 2010, the allowance was \$296,706.

#### H. 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.

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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

### I. 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:

<u>Description</u>	<u>Years</u>
Land improvements	15 - 20
Buildings	50 - 75
Machinery and equipment	5 - 20
Office furniture and equipment	3 - 20
Vehicles	2 - 20
Infrastructure - streets, alleys, and sidewalks	80 - 100
Infrastructure - reservoir and water system	40

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

### J. Unearned Revenue

The City defers revenue recognition in connection with resources that have been received but not yet earned.

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

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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

### K. Compensated Absences

The liability for compensated absences reported in the government-wide financial statements consists of unpaid accumulated vacation 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.

### L. 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 assets. Bond premiums and discounts, as well as issuance costs, 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 reported as deferred charges and amortized over the term of the related debt.

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.

### M. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative plans of the Council for future use of financial resources.

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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

### N. 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.

### O. 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 assets.

*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.

### P. Use of Estimates

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

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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## NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

### A. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Assets

The governmental funds balance sheet includes a reconciliation between total fund balances – governmental funds and net assets of governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “Some liabilities reported in the statement of net assets do not require the use of current financial resources and, therefore, are not reported in the governmental funds.” The details of this difference are as follows:

General obligation bonds and notes payable	\$ (41,412,640)
Compensated absences payable	(1,647,866)
Claims and judgments payable	(1,066,459)
Other postemployment benefits payable	(1,006,396)
Accrued interest payable	<u>(820,568)</u>
Net adjustment to reduce fund balance-total governmental funds to arrive at net assets of governmental activities.	\$ <u>(45,953,929)</u>

### B. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances – total governmental funds and change in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.” The details of this difference are as follows:

Capital outlay	\$ 260,089
Loss on disposal of capital assets	(4,000)
Depreciation expense	<u>(958,578)</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net assets of governmental activities.	\$ <u>(702,489)</u>

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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## NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (Continued)

### B. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities (Continued)

Another element of that reconciliation states that "The issuance of long-term debt (e.g. bonds, compensated absences) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt and increases in compensated absences consume current financial resources of governmental funds." The details of this difference are as follows:

Principal payments	\$ 2,905,000
Amortization of bond premium and issuance costs	11,167
Activity in compensated absences and claims and judgments	<u>121,881</u>
Net adjustment to decrease net change in fund balances – total governmental funds to arrive at change in net assets of governmental activities.	<u>\$ 3,038,048</u>

Another element of that reconciliation states that "Some expenses reported in the statement of activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in the governmental funds. The details of this difference are as follows:

Decrease in unamortized bond issuance costs	\$ 42,852
Increase in pension assets	108,257
Increase in pension liability	(575,225)
Increase in other postemployment benefits obligation	(207,458)
Consolidation of internal service funds	<u>111,357</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net assets of governmental activities.	<u>\$ (520,217)</u>

## NOTE 3 - 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 City's investment policy and state statutes allow the City to invest in the following:

## City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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### NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

- 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.

The deposits and investments of the pension funds are held separately from those of other City funds. In addition to the aforementioned investments, 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, City, incorporated town, municipal corporation, or school district in Illinois.
- Tax anticipation warrants issued by any city, township, City, 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 assets of \$2.5 million or more may invest up to 35% of plan net assets in a separate account of life insurance companies and mutual funds. If pension funds have net assets 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 assets in common and preferred stocks which meet specific restrictions.

## City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

### NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

As of April 30, 2010, the City's cash and investments consisted of the following:

	Government - wide and Agency	Fiduciary	Total
Cash and cash equivalents	\$ 13,228,467	\$ 4,169,898	\$ 17,398,365
Investments	1,473,575	57,619,742	59,093,317
	\$ 14,702,042	\$ 61,789,640	\$ 76,491,682

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.

The other investments consist of investments in the Governmental Cash Investment Fund, Federal National Mortgage Association, Federal Home Loan Banks, Federal Farm Credit Banks, U.S. Government treasuries, mutual funds, and common stocks as follows:

	Total
Cash on hand	\$ 6,128
Deposits with financial institutions - City	14,695,914
Deposits with financial institutions - Police and Firefighters' Pension Funds	5,293,958
Other investments - Police and Firefighters' Pension Funds	56,495,682
	\$ 76,491,682

**City of Park Ridge, Illinois**

Notes to the Financial Statements

April 30, 2010

**NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)**

As of April 30, 2010, the Police and Firefighters' Pension Funds have the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (In Years)			
		Less than 1	1 to 5	6 to 10	Greater than 10
U.S. Government					
Treasuries	\$ 20,054,694	\$ -	\$ -	\$ 12,074,431	\$ 7,980,263
U.S. Agency Securities	16,105,587	1,054,720	2,073,967	5,399,700	7,577,200
	<u>\$ 36,160,281</u>	<u>\$ 1,054,720</u>	<u>\$ 2,073,967</u>	<u>\$ 17,474,131</u>	<u>\$ 15,557,463</u>
	<u>Fair Value</u>	<u>Equities</u>			
Common Stocks	\$ 18,090,885	\$ 18,090,885			
Mutual Funds	2,244,516	2,244,516			
	<u>\$ 20,335,401</u>	<u>\$ 20,335,401</u>			

**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.

The Police and Firefighters' Pension Funds' investment policies do 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.

**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. As of April 30, 2010, The Illinois Funds were rated AAA by Standard & Poor's.

The Police and Firefighters' Pension Funds limit their exposure to credit risk by 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 Standard & Poor's and Aaa by Moody's Investors Service.

## City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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### NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

#### 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. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. As of April 30, 2010, all of the City's deposits with financial institutions balance of \$13,402,042 were insured or collateralized and were not exposed to custodial credit risk.

None of the Police and Firefighters' Pension Fund's deposits with financial institutions were exposed to custodial credit risk, as those deposits were insured, fully collateralized, and held by an independent third party.

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.

#### 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.

It is the policy of the Police 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.

### NOTE 4 - RECEIVABLES - TAXES

Property taxes for 2009 attach as an enforceable lien on January 1, 2009. Taxes are levied in December 2009, 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 November 1, 2010. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 1.75% of the tax levy, to reflect actual collection experience.

## City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

### NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended April 30, 2010 was as follows:

#### A. Governmental Activities

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated				
Land	\$ 35,931,189	\$ -	\$ 4,000	\$ 35,927,189
Construction in progress	34,239	38,561	-	72,800
Total capital assets, not being depreciated	<u>35,965,428</u>	<u>38,561</u>	<u>4,000</u>	<u>35,999,989</u>
Capital assets, being depreciated				
Land improvements	2,472,347	-	-	2,472,347
Buildings	16,784,842	66,249	-	16,851,091
Machinery and equipment	1,279,254	34,752	-	1,314,006
Office furniture and equipment	1,100,620	40,000	-	1,140,620
Vehicles	5,840,796	458,485	264,573	6,034,708
Infrastructure	41,866,156	80,527	-	41,946,683
Total capital assets being depreciated	<u>69,344,015</u>	<u>680,013</u>	<u>264,573</u>	<u>69,759,455</u>
Less accumulated depreciation for:				
Land improvements	538,159	128,433	-	666,592
Buildings	4,781,561	311,001	-	5,092,562
Machinery and equipment	1,081,986	45,339	-	1,127,325
Office furniture and equipment	279,294	810	-	280,104
Vehicles	3,600,866	434,264	264,573	3,770,557
Infrastructure	18,004,782	444,895	-	18,449,677
Total accumulated depreciation	<u>28,286,647</u>	<u>1,364,742</u>	<u>264,573</u>	<u>29,386,816</u>
Total capital assets being depreciated, net	<u>41,057,368</u>	<u>(684,729)</u>	<u>-</u>	<u>40,372,639</u>
Governmental activities capital assets, net	<u>\$ 77,022,796</u>	<u>\$ (646,168)</u>	<u>\$ 4,000</u>	<u>\$ 76,372,628</u>

## City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

### NOTE 5 - CAPITAL ASSETS (Continued)

#### B. Business-type Activities

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated				
Land	\$ 1,513,534	\$ -	\$ 230,151	\$ 1,283,383
Total capital assets, not being depreciated	1,513,534	-	230,151	1,283,383
Capital assets, being depreciated:				
Land improvements	303,091	-	-	303,091
Machinery and equipment	756,272	-	-	756,272
Vehicles	5,326	-	-	5,326
Infrastructure	29,498,397	1,262,185	123,904	30,636,678
Total capital assets, being depreciated	30,563,086	1,262,185	123,904	31,701,367
Less accumulated depreciation for:				
Land improvements	303,091	-	-	303,091
Machinery and equipment	475,592	32,217	-	507,809
Vehicles	266	533	-	799
Infrastructure	7,647,548	721,837	123,904	8,245,481
Total accumulated depreciation	8,426,497	754,587	123,904	9,057,180
Total capital assets being depreciated, net	22,136,589	507,598	-	22,644,187
Business-type activities capital assets, net	\$ 23,650,123	\$ 507,598	\$ 230,151	\$ 23,927,570

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

NOTE 5 - CAPITAL ASSETS (Continued)

C. Depreciation Expense

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

Governmental activities		
General government	\$	15,967
Culture and civic		5,172
Public safety		319,529
Public works		1,019,039
Development		<u>5,035</u>
Total depreciation expense – governmental activities	\$	<u><u>1,364,742</u></u>
Business – type activities		
Water	\$	<u><u>754,587</u></u>

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	Retainage	Commitment
Arrow Road Construction	\$ <u>924,357</u>	\$ <u>492,413</u>	\$ <u>49,241</u>	\$ <u>382,703</u>

None of the construction commitments listed above require further financing.

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

## NOTE 6 - LONG-TERM DEBT

### A. Changes in Long-Term Liabilities

Long-term liability activity for the year ended April 30, 2010 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>Governmental activities</b>					
General obligation					
bonds payable	\$ 43,970,000	\$ -	\$ 2,905,000	\$ 41,065,000	\$ 1,380,000
Compensated absences payable	1,751,071	2,478,102	2,581,307	1,647,866	255,500
Claims and judgments	1,085,135	3,431,812	3,450,488	1,066,459	1,066,459
Bond issuance premium	378,936	-	31,296	347,640	31,296
Fire pension liability	-	575,225	-	575,225	-
Other postemployment benefits	798,938	507,994	300,536	1,006,396	-
	<u>\$ 47,984,080</u>	<u>\$ 6,993,133</u>	<u>\$ 9,268,627</u>	<u>\$ 45,708,586</u>	<u>\$ 2,733,255</u>
<b>Business-type activities</b>					
Compensated absences payable	\$ 137,085	\$ 147,885	\$ 137,142	\$ 147,828	\$ 33,000
Claims and judgments	16,101	13,524	16,101	13,524	13,524
	<u>\$ 153,186</u>	<u>\$ 161,409</u>	<u>\$ 153,243</u>	<u>\$ 161,352</u>	<u>\$ 46,524</u>

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

## NOTE 6 - LONG-TERM DEBT (Continued)

### B. General Obligation Bonds

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending <u>April 30,</u>	<u>Governmental Activities</u> <u>General Obligation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2011	\$ 1,380,000	\$ 1,969,363
2012	1,580,000	1,924,513
2013	1,745,000	1,869,213
2014	1,625,000	1,805,581
2015	2,070,000	1,726,986
2016-2020	15,375,000	6,669,530
2021-2026	<u>17,290,000</u>	<u>2,286,609</u>
Total	\$ <u>41,065,000</u>	\$ <u>18,251,795</u>

At April 30, 2010, the City had the following general obligation bonds and notes outstanding:

\$4,910,000, 2004A General Obligation Bonds due in annual installments of \$95,000 to \$1,155,000 beginning in 2009 through 2014 plus interest at 3.00% to 4.00%.	\$ 3,285,000
\$11,860,000, 2004B General Obligation Bonds due in annual installments of \$400,000 to \$945,000 beginning in 2007 through 2026 plus interest at 3.00% to 4.75%.	10,190,000
\$7,005,000, 2005A General Obligation Bonds due in annual installments of \$100,000 to \$1,825,000 beginning in 2013 through 2025 plus interest at 4.00% to 5.00%.	7,005,000
\$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%.	10,530,000
\$10,055,000, 2006B General Obligation Bonds due in annual installments of \$785,000 to \$2,045,000 beginning in 2013 through 2018 plus interest at 5.70% to 5.85%.	<u>10,055,000</u>
	\$ <u>41,065,000</u>

**City of Park Ridge, Illinois**

Notes to the Financial Statements

April 30, 2010

**NOTE 7 - INTERFUND BALANCES**

**A. Due from/to Other Funds**

<u>Fund</u>	<u>Due from</u>	<u>Due to</u>
General Fund		
Motor Fuel Tax	\$ 630,000	\$ -
Illinois Municipal Retirement	-	161
Municipal Waste	242,936	-
Emergency Telephone	340,025	-
2006A Uptown TIF Construction	85,360	-
Special Service Areas	368,051	-
Sewer	150,381	-
	<u>1,816,753</u>	<u>161</u>
Municipal Waste		
General	-	242,936
Water Fund		
Sewer	82,555	-
Motor Fuel Tax		
General	-	630,000
Illinois Municipal Retirement		
General	161	-
Emergency Telephone		
General	-	340,025
2006A Uptown TIF Construction		
General	-	85,360
Special Service Areas		
General	-	368,051
Sewer		
General	-	150,381
Water	-	82,555
	<u>-</u>	<u>232,936</u>

(Continued)

**City of Park Ridge, Illinois**

Notes to the Financial Statements

April 30, 2010

NOTE 7 - INTERFUND BALANCES (Continued)

A. Due from/to Other Funds (Continued)

	<u>Due from</u>	<u>Due to</u>
Total all funds	1,899,469	1,899,469
Less: amounts eliminated during GASB 34 adjustments	<u>(1,749,088)</u>	<u>(1,749,088)</u>
Total internal balances	<u>\$ 150,381</u>	<u>\$ 150,381</u>

B. Advances from/to Other Funds

	<u>Advances to</u>	<u>Advances from</u>
General - Uptown TIF	\$ 4,584,076	\$ -
Uptown TIF - General	-	4,584,076
Water - 2004A General Obligation Bond	435,047	-
2004A General Obligation Bond - Water	<u>-</u>	<u>435,047</u>
Total all funds	5,019,123	5,019,123
Less: amounts eliminated during GASB 34 adjustments	<u>(4,584,076)</u>	<u>(4,584,076)</u>
Total advances from/to other funds	<u>\$ 435,047</u>	<u>\$ 435,047</u>

NOTE 8 - 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:

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund		
Public Library fund	\$ -	\$ 100,000
Emergency Telephone fund	-	777,200
Water fund	800,000	-
Sewer fund	<u>-</u>	<u>293,000</u>
	<u>800,000</u>	<u>1,170,200</u>

(Continued)

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

NOTE 8 - TRANSFERS (Continued)

	Transfers In	Transfers Out
Uptown TIF fund		
2004A General Obligation Bond fund	-	1,041,581
2005A General Obligation Bond fund	-	160,556
2006B General Obligation Bond fund	-	289,209
	-	1,491,346
Public Library fund		
General fund	100,000	-
Illinois Municipal Retirement fund		
Water fund	166,100	-
Parking fund	35,300	-
	201,400	-
Emergency Telephone fund		
General fund	777,200	-
2004A General Obligation Bond fund		
Uptown TIF fund	1,041,581	-
2004B General Obligation Bond fund		
Water fund	878,404	-
2005A General Obligation Bond fund		
Uptown TIF fund	160,556	-
2006B General Obligation Bond fund		
Uptown TIF fund	289,209	-
Sewer Construction fund		
Sewer fund	-	1,852
Total governmental activity transfers	4,248,350	2,663,398
Water fund		
General fund	-	800,000
Illinois Municipal Retirement fund	-	166,100
2004B General Obligation Bond fund	-	878,404
	-	1,844,504

(Continued)

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

NOTE 8 - TRANSFERS (Continued)

	Transfers In	Transfers Out
Parking fund		
Illinois Municipal Retirement fund	-	35,300
Sewer fund		
General fund	293,000	-
Sewer Construction fund	1,852	-
	294,852	-
Total business-type activity transfers	294,852	1,879,804
Total all funds	4,543,202	4,543,202
Less: amounts eliminated during GASB 34 adjustments	(2,958,250)	(2,958,250)
Total transfers	\$ 1,584,952	\$ 1,584,952

NOTE 9 - RESTRICTIONS FOR ENABLING LEGISLATION

The government-wide statement of net assets reports net assets restricted by enabling legislation which consists of the following:

Illinois Municipal Retirement	\$ 77,783
Asset forfeiture	123,638
Foreign fire insurance tax	41,031
Total net assets restricted by enabling legislation	\$ 242,452

NOTE 10 - 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, 2010, the City has accrued \$302,107 for claims incurred but not reported based upon prior experience.

## City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

### NOTE 10 - RISK MANAGEMENT (Continued)

#### A. Self-Insurance (Continued)

The City self-insures for workers' compensation claims up to \$400,000 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, 2010, the City has accrued \$592,676 (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 \$75,000 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. At April 30, 2010, the City has accrued \$185,200 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 assets as claims and judgments payable.

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

	<u>General Liability and Automobile</u>	<u>Workers' Compensation</u>	<u>Medical</u>	<u>Total</u>
Unpaid claims, May 1, 2008	\$ 201,436	\$ 752,038	\$ 261,600	\$ 1,215,074
Incurred claims (including IBNR)	712,904	341,628	2,339,723	3,394,255
Claims payments	<u>418,358</u>	<u>755,212</u>	<u>2,334,523</u>	<u>3,508,093</u>
Unpaid claims, April 30, 2009	495,982	338,454	266,800	1,101,236
Incurred claims (including IBNR)	688,505	353,403	2,547,523	3,589,431
Claims payments (refunds)	<u>882,380</u>	<u>99,181</u>	<u>2,629,123</u>	<u>3,610,684</u>
Unpaid claims, April 30, 2010	<u>\$ 302,107</u>	<u>\$ 592,676</u>	<u>\$ 185,200</u>	<u>\$ 1,079,983</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.

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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## NOTE 10 - RISK MANAGEMENT (Continued)

### B. High-Level Excess Liability Pool (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, 2010, there were no outstanding claims requiring additional accrual by the City.

## NOTE 11 - 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.

### 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 of 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 expects to pay the following minimum amounts:

<u>Year Ending</u> <u>April 30,</u>	<u>Amount</u>
2011	\$ 87,000
2012	84,000
2013	81,000
2014	91,000
2015	93,300
2016	65,100
	<u>\$ 501,400</u>

## City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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### NOTE 11 - CONTINGENT LIABILITIES AND COMMITMENTS (Continued)

#### 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 6.34%. 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 City of Park Ridge expects to pay approximately \$2,250,000 per year through December 31, 2019. This amount has been calculated using current water rates and estimated usage based on previous consumption patterns.

### NOTE 12 - 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.

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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## NOTE 12 - JOINT VENTURES (Continued)

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

A summary of revenues, expenses, and net income for SWANCC for the year ended April 30, 2009 (the most recent available) follows:

Total revenues	\$ 17,014,630
Total expenses	<u>15,985,756</u>
Net Income	1,028,874
Net assets, beginning	<u>7,416,211</u>
Net assets, ending	<u>\$ 8,445,085</u>

In accordance with the joint venture agreement, the City made payments totaling \$741,428 to the Agency related to fixed costs for the year ended April 30, 2010. These payments were recorded in the City's Municipal Waste Management Fund. At April 30, 2010, the City's share of SWANCC's assets, liabilities, and equity was 5.55%. 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 Liability Pool (HELP)

The City is a member of HELP, which consists of 15 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 ten years. The agreement was extended effective May 1, 2008 through April 30, 2018; twelve 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, 2010.

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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## NOTE 12 - JOINT VENTURES (Continued)

### B. High-Level Excess Liability Pool (HELP) (Continued)

A summary of revenues, expenses, and net income for HELP for the year ended April 30, 2009 (the most recent available) follows:

Total revenues	\$ 893,099
Total expenses	<u>773,048</u>
Net income	120,051
Net assets, beginning	<u>11,483,284</u>
Net assets, ending	<u>\$ 11,603,335</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.

## NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS

The City provides postretirement health insurance benefits to its full-time employees under local ordinance. Individuals become eligible for these benefits upon retirement and a minimum of 6 to 8 years service to the City, depending on retirement age. Retirees pay the entire premium amount, with copayment by the City. These premiums cover the annual fee charged by the health insurance administrator, as well as the payment of claims as estimated by the insurance company at the beginning of the fiscal year. 67 retirees received these benefits in the year ended April 30, 2010. Although the City makes no direct payments for its retirees' health insurance premiums or claims, the annual premium amount for all employees is affected by the claim experience of both employees and retirees.

The City of Park Ridge City Council passed a motion offering sworn police officers, fire fighters, and fire fighter/paramedics who declare their intent to retire by January 1, 2008, and retire before March 1, 2008, two years worth of the employer's portion of health insurance premiums. This motion became effective March 1, 2007. The cost of this program is included in the valuation for the fiscal year ended April 30, 2010.

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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## NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

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 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 2010, the City contributed \$300,536 to the plan.

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.

	<u>April 30, 2010</u>
Other postemployment benefit (OPEB) obligation	
Annual required contribution	\$ 517,544
Interest on net OPEB obligation	39,947
Adjustment to annual required contribution	<u>(49,497)</u>
Annual OPEB cost	507,994
Contributions made	<u>(300,536)</u>
Increase in net OPEB obligation	207,458
Net OPEB obligation - beginning of year	<u>798,938</u>
Net OPEB obligation - end of year	<u>\$ 1,006,396</u>

## City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

### NOTE 13 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
4/30/2008	\$ 485,194	53.00%	\$ 565,286
4/30/2009	509,373	54.10%	798,938
4/30/2010	507,994	59.20%	1,006,396

Funded status and Funding Progress. The funded status of the plan as of April 30, 2010, was as follows:

Actuarial accrued liability (AAL)	\$ 5,377,206
Actuarial value of plan net assets	-
Unfunded actuarial accrued liability (UAAL)	5,377,206
Funded ratio (actuarial value of plan assets/AAL)	0.0%
Covered payroll (active plan members)	16,567,452
UAAL as a percentage of covered payroll	32.5%

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 5% 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 10% initially, reduced by decrements to an ultimate rate of 5% after six years. Both rates included a 3% 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 thirty years.

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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## NOTE 14 - EMPLOYEE RETIREMENT SYSTEMS

### A. Illinois Municipal Retirement Fund

#### 1. Plan Descriptions

The City's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The City's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

#### 2. Funding Policy

As set by statute, the City's regular plan members are required to contribute 4.5 percent of their annual covered salary. The statute requires the City to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2009 was 10.67 percent of annual covered payroll. The City also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by state statute.

#### 3. Annual Pension Cost

For December 31, 2009, the City's annual pension cost of \$1,046,898 for the regular plan was equal to the City's required and actual contributions. The required contribution was determined as part of the December 31, 2007 actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2007 included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10 percent per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3 percent annually. The actuarial value of the City's regular plan assets 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 percent corridor between the actuarial and market value of assets. The City's regular plan's unfunded actuarial accrued liability is being amortized as a level percentage on a closed basis. The remaining amortization period at December 31, 2007 was 23 years.

**City of Park Ridge, Illinois**

Notes to the Financial Statements

April 30, 2010

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NOTE 14 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

A. Illinois Municipal Retirement Fund (Continued)

4. Funding Status and Funding Progress

As of December 31, 2009, the most recent actuarial valuation date, the regular plan was 59.40 percent funded. The actuarial accrued liability for benefits was \$27,386,470 and the actuarial value of assets was \$16,267,761, resulting in underfunded actuarial accrued liability (UAAL) of \$11,118,709. The covered payroll (annual payroll of active employees covered by the plan) was \$9,811,601 and the ratio of the UAAL to the covered payroll was 113 percent. In conjunction with the December 2009 actuarial valuation, the market value of investments was determined using techniques that spread the effect 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. In 2010, the unfunded actuarial accrued liability is being amortized on a level percentage of projected payroll on an open 30 year basis.

The schedule of funding progress, presented as RSI 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.

B. Police and Firefighters' Pension

1. Plan Descriptions and Provisions

Police Pension

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.

At April 30, 2009 (most recent information available), 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
Terminated plan members entitled to but not yet receiving benefits	2
Current employees	
Vested (for normal retirement)	34
Nonvested	25
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Total membership	114

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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## NOTE 14 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

### B. Police and Firefighters' Pension (Continued)

#### 1. Plan Descriptions and Provisions (Continued)

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. Employees 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 eight 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.

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 2033, the City's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded.

#### Firefighters' Pension

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 stand-alone financial statement.

At April 30, 2009 (most recent information available), the Firefighters' Pension Plan membership consisted of:

Retirees and benefits and terminated employees entitled to benefits but not yet receiving them	46
Current employees	
Vested (for normal retirement)	29
Nonvested	22
	<hr/>
Total membership	97
	<hr/> <hr/>

## City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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### NOTE 14 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

#### B. Police and Firefighters' Pension (Continued)

##### 1. Plan Descriptions and Provisions (Continued)

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. Employees 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.

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 2033, the City's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded.

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

##### 1. 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.

##### 2. 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.

**City of Park Ridge, Illinois**

Notes to the Financial Statements

April 30, 2010

NOTE 14 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

C. Summary of Significant Accounting Policies and Plan Asset Matters (Continued)

2. Method Used to Value Investments (Continued)

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).

3. Significant Investments

There are no investments (other than U.S. government and U.S. government-guaranteed obligations) in any one organization that represent 5 percent or more of net assets available for benefits.

4. Related-Party Transactions

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

D. Significant Actuarial Assumptions

	<u>Illinois Municipal Retirement</u>	<u>Police Pension</u>	<u>Fire- fighters' Pension</u>
Actuarial valuation date	December 31, 2009	May 1, 2009	May 1, 2009
Significant actuarial assumptions			
a) Investment rate of return	7.50%	7.00%	7.00%
b) Projected salary increase attributable to inflation	4.00%	3.00%	3.00%
c) Additional projected salary increases attributable to seniority/merit	0.4% to 10.00%	2.50%	2.50%
d) Postretirement benefit increases	3.00%	3.00%	3.00%

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, 2010

NOTE 14 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

E. Contributions Required and Contributions Made

Police Pension and Firefighters' Pension

The Systems' funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, increase gradually over time so that sufficient assets will be available to pay benefits when due. The rate for the City's employee group as a whole has tended to remain level as a percentage of annual covered payroll. The contribution rate for normal cost is determined using the entry age normal actuarial funding method. The Police Pension and Firefighters' Pension unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis. The remaining amortization period at April 30, 2009 was 24 years.

	<u>Police Pension</u>	<u>Firefighters' Pension</u>
Annual required contribution (ARC)	\$ 1,542,337	\$ 1,422,755
Interest on net pension obligation	(368)	33,084
Adjustment to annual required contribution	<u>260</u>	<u>23,382</u>
Annual pension cost (APC)	1,542,229	1,479,221
Contributions made	<u>1,704,784</u>	<u>1,376,626</u>
(Increase) decrease in net pension asset	(162,555)	102,595
Net pension (asset) obligation at May 1, 2009	<u>(5,260)</u>	<u>472,630</u>
Net pension (asset) obligation at April 30, 2010 (estimated)	\$ <u>(167,815)</u>	\$ <u>575,225</u>

F. Trend Information

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

## City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

### NOTE 14 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

#### F. Trend Information (Continued)

	For Fiscal Year	Illinois Municipal Retirement	Police Pension	Fire- fighters' Pension
Annual pension cost (APC)	2007	\$ 935,266	\$ 766,707	\$ 161,017
	2008	896,927	802,835	714,891
	2009	1,046,898	1,384,411	1,120,170
Percent contributed	2007	100.0%	105.5%	85.3%
	2008	100.0%	125.3%	35.4%
	2009	100.0%	72.7%	86.7%
Net pension (asset) obligation	2007	\$ -	\$ (180,133)	\$ (138,812)
	2008	-	(382,850)	323,292
	2009	-	(5,260)	472,630

### NOTE 15 - PENSION TRUST FUNDS - FINANCIAL DATA

#### A. Schedule of Fiduciary Net Plan Assets as of April 30, 2010

	Firefighters' Pension	Police Pension	Total Pension Trust Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 2,351,252	\$ 1,818,646	\$ 4,169,898
Investments			
Certificates of deposit	1,124,060	-	1,124,060
U.S. Treasury securities	16,208,225	3,846,469	20,054,694
U.S. agency securities	979,907	15,125,680	16,105,587
Equities	9,990,710	10,344,691	20,335,401
Receivables			
Accrued interest	311,120	339,671	650,791
Prepaid pension expense	13,548	7,651	21,199
<b>Total assets</b>	<b>30,978,822</b>	<b>31,482,808</b>	<b>62,461,630</b>

(Continued)

## City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

### NOTE 15 - PENSION TRUST FUNDS - FINANCIAL DATA (Continued)

#### A. Schedule of Fiduciary Net Plan Assets as of April 30, 2010 (Continued)

	Firefighters' Pension	Police Pension	Total Pension Trust Funds
<b>LIABILITIES</b>			
Accounts payable	\$ 1,803	\$ 885	\$ 2,688
<b>NET PLAN ASSETS</b>			
Plan net assets held in trust for pension benefits	\$ 30,977,019	\$ 31,481,923	\$ 62,458,942

#### B. Schedule of Changes in Fiduciary Net Plan Assets for the Year Ended April 30, 2010

	Firefighters' Pension	Police Pension	Total Pension Trust Funds
<b>Additions</b>			
<b>Contributions</b>			
Employer	\$ 1,376,626	\$ 1,704,784	\$ 3,081,410
Employee	387,531	483,748	871,279
Total contributions	1,764,157	2,188,532	3,952,689
<b>Investment income (loss)</b>			
Net decrease in fair value of investments	2,328,108	2,329,520	4,657,628
Interest	965,708	954,757	1,920,465
Dividends	148,586	153,270	301,856
Total investment loss	3,442,402	3,437,547	6,879,949
Less investment expense	(73,605)	(72,173)	(145,778)
Net investment loss	3,368,797	3,365,374	6,734,171
Total reductions	5,132,954	5,553,906	10,686,860

(Continued)

# City of Park Ridge, Illinois

Notes to the Financial Statements

April 30, 2010

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## NOTE 15 - PENSION TRUST FUNDS - FINANCIAL DATA (Continued)

### B. Schedule of Changes in Fiduciary Net Plan Assets for the Year Ended April 30, 2010 (Continued)

	<u>Firefighters'</u> <u>Pension</u>	<u>Police</u> <u>Pension</u>	<u>Total</u> <u>Pension</u> <u>Trust Funds</u>
Deductions			
Administration	\$ 37,608	\$ 27,566	\$ 65,174
Pension benefits and refunds	<u>2,241,715</u>	<u>2,434,960</u>	<u>4,676,675</u>
Total deductions	<u>2,279,323</u>	<u>2,462,526</u>	<u>4,741,849</u>
Change in net assets	2,853,631	3,091,380	5,945,011
Plan net assets			
Beginning of year	<u>28,123,388</u>	<u>28,390,543</u>	<u>56,513,931</u>
End of year	<u>\$ 30,977,019</u>	<u>\$ 31,481,923</u>	<u>\$ 62,458,942</u>

## NOTE 16 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 27, 2010, the date that these financial statements were available to be issued. Management has determined that no events or transactions have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

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**Required Supplementary Information (Unaudited)**

**City of Park Ridge, Illinois**  
 Illinois Municipal Retirement Fund  
 Required Supplementary Information  
 Schedule of Funding Progress  
April 30, 2010

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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)
12/31/2007	\$ 24,501,947	\$ 27,336,843	\$ 2,834,896	89.63%	\$ 9,390,223	30.19%
12/31/2008	14,423,581	25,224,097	10,800,516	57.18%	9,451,282	114.28%
12/31/2009	16,267,761	27,386,470	11,118,709	59.40%	9,811,601	113.32%

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**City of Park Ridge, Illinois**  
 Police Pension Fund  
 Required Supplementary Information  
 Schedule of Funding Progress  
April 30, 2010

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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)
4/30/2007	\$ 30,735,228	\$ 45,471,026	\$ 14,735,798	67.59%	\$ 4,311,677	341.76%
4/30/2008	31,204,839	48,564,454	17,359,615	64.25%	4,134,756	419.85%
4/30/2009	28,390,544	49,973,027	21,582,483	56.80%	4,468,173	483.00%

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**City of Park Ridge, Illinois**  
 Firefighters' Pension Fund  
 Required Supplementary Information  
 Schedule of Funding Progress  
April 30, 2010

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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)
4/30/2007	\$ 30,436,296	\$ 39,963,653	\$ 9,527,357	76.16%	\$ 3,789,789	251.40%
4/30/2008	30,761,348	43,369,187	12,607,839	70.93%	3,845,212	327.88%
4/30/2009	28,123,389	45,889,972	17,766,583	61.28%	4,062,308	437.35%

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**City of Park Ridge, Illinois**  
 Other Postemployment Benefit Plan  
 Required Supplementary Information  
 Schedule of Funding Progress  
April 30, 2010

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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)
4/30/2007	\$ -	\$ 4,679,947	\$ 4,679,947	0.00%	\$ 15,942,920	29.35%
4/30/2008	-	5,226,077	5,226,077	0.00%	16,084,905	32.49%
4/30/2009	-	5,377,206	5,377,206	0.00%	16,567,452	32.46%

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**City of Park Ridge, Illinois**  
**General Fund**  
**Schedule of Revenues, Expenditures, and**  
**Changes in Fund Balance - Budget and Actual (Budgetary Basis)**  
**For the Year Ended April 30, 2010**

	<u>Budget</u>		2010 Actual	Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Property taxes	\$ 6,290,300	\$ 6,290,300	\$ 5,624,058	\$ (666,242)
Other taxes	16,025,200	16,025,200	13,994,762	(2,030,438)
Licenses and permits	2,915,300	2,915,300	2,495,432	(419,868)
Intergovernmental	440,200	440,200	475,050	34,850
Charges for services	1,387,500	1,387,500	1,492,263	104,763
Fines and forfeitures	509,000	509,000	415,434	(93,566)
Interest	100,000	100,000	7,551	(92,449)
Miscellaneous	5,000	5,000	8,887	3,887
<b>Total revenues</b>	<u>27,672,500</u>	<u>27,672,500</u>	<u>24,513,437</u>	<u>(3,159,063)</u>
<b>Expenditures</b>				
General government	3,652,700	3,652,700	4,023,902	(371,202)
Public safety	15,787,300	15,787,300	15,871,818	(84,518)
Public works	7,498,000	7,498,000	6,050,582	1,447,418
Development	1,341,800	1,341,800	1,321,204	20,596
Culture and civic	243,900	243,900	586,549	(342,649)
<b>Total expenditures</b>	<u>28,523,700</u>	<u>28,523,700</u>	<u>27,854,055</u>	<u>669,645</u>
<b>Deficiency of revenues over expenditures</b>	<u>(851,200)</u>	<u>(851,200)</u>	<u>(3,340,618)</u>	<u>(2,489,418)</u>
<b>Other financing sources (uses)</b>				
Transfers in from Water Fund	800,000	800,000	800,000	-
Transfers out to other funds	(1,170,200)	(1,170,200)	(1,170,200)	-
<b>Total other financing sources (uses)</b>	<u>(370,200)</u>	<u>(370,200)</u>	<u>(370,200)</u>	<u>-</u>
<b>Net change in fund balance</b>	<u>\$ (1,221,400)</u>	<u>\$ (1,221,400)</u>	(3,710,818)	<u>\$ (2,489,418)</u>
Fund balance - May 1			<u>11,378,347</u>	
Fund balance - April 30			<u>\$ 7,667,529</u>	

**City of Park Ridge, Illinois**  
 Uptown Tax Increment Financing (TIF) Fund - Major Special Revenue Fund  
 Schedule of Revenues, Expenditures, and  
 Changes in Fund Deficit - Budget and Actual (Budgetary Basis)  
 For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
Revenues				
Property taxes	\$ 2,073,200	\$ 2,073,200	\$ 2,197,474	\$ 124,274
Interest	-	-	99	99
Total revenues	<u>2,073,200</u>	<u>2,073,200</u>	<u>2,197,573</u>	<u>124,373</u>
Expenditures				
Current				
Development	975,957	975,957	913,263	62,694
Total expenditures	<u>975,957</u>	<u>975,957</u>	<u>913,263</u>	<u>62,694</u>
Excess of revenues over expenditures	<u>1,097,243</u>	<u>1,097,243</u>	<u>1,284,310</u>	<u>435,162</u>
Other financing uses				
Transfers out for debt service	<u>(2,464,000)</u>	<u>(2,464,000)</u>	<u>(1,491,346)</u>	<u>972,654</u>
Net change in fund balance	<u>\$ (1,366,757)</u>	<u>\$ (1,366,757)</u>	(207,036)	<u>\$ 1,407,816</u>
Fund deficit, May 1			<u>(4,343,273)</u>	
Fund deficit, April 30			<u>\$ (4,550,309)</u>	

**City of Park Ridge, Illinois**  
Municipal Waste Management Fund - Major Special Revenue Fund  
Schedule of Revenues, Expenditures, and  
Changes in Fund Deficit - Budget and Actual (Budgetary Basis)  
For the Year Ended April 30, 2010

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	<u>Original and Final Budget</u>	<u>2010 Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>			
Property taxes	\$ 3,439,200	\$ 3,221,714	\$ (217,486)
Intergovernmental revenues	<u>-</u>	<u>31,873</u>	<u>31,873</u>
Total revenues	<u>3,439,200</u>	<u>3,253,587</u>	<u>(185,613)</u>
<b>Expenditures</b>			
Public works	<u>3,439,200</u>	<u>3,314,559</u>	<u>124,641</u>
Net change in fund balance	<u>\$ -</u>	(60,972)	<u>\$ (60,972)</u>
Fund deficit, May 1		<u>(412,210)</u>	
Fund deficit, April 30		<u>\$ (473,182)</u>	

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**City of Park Ridge, Illinois**  
Public Library Fund - Major Special Revenue Fund  
Schedule of Revenues, Expenditures,  
and Changes in Fund Balance - Budget and Actual (Budgetary Basis)  
For the Year Ended April 30, 2010

	Original and Final Budget	2010 Actual	Variance Positive (Negative)
<b>Revenues</b>			
Property taxes	\$ 4,006,000	\$ 4,251,709	\$ 245,709
Other taxes			
Personal property replacement	81,100	57,486	(23,614)
Intergovernmental	46,000	53,609	7,609
Charges for services	72,000	70,223	(1,777)
Interest	24,200	6,812	(17,388)
Miscellaneous	40,000	45,754	5,754
<b>Total revenues</b>	<u>4,269,300</u>	<u>4,485,593</u>	<u>216,293</u>
<b>Expenditures</b>			
Culture and civic	<u>4,369,300</u>	<u>4,190,450</u>	<u>178,850</u>
Excess (deficiency) of revenues over expenditures	<u>(100,000)</u>	<u>295,143</u>	<u>37,443</u>
<b>Other financing sources</b>			
Transfers in	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>395,143</u>	<u>\$ 37,443</u>
Fund balance, May 1		<u>2,221,736</u>	
Fund balance, April 30		<u>\$ 2,616,879</u>	

**City of Park Ridge, Illinois**  
Notes to the Required Supplementary Information  
April 30, 2010

NOTE 1 - BUDGETS

The governmental, proprietary, and trust funds (excluding the pension funds) have legally adopted annual budgets prepared in accordance with generally accepted accounting principles (GAAP). 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.

1. 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.
2. Public hearings are conducted to obtain taxpayer comments on the proposed fiscal year budget.
3. The budget is legally approved prior to May 1. Budgets lapse at year-end.
4. The Budget Officer may revise the budget by deleting, adding to, changing, or creating accounts. He/she may approve the transfer of funds from one account to another provided they are within the same fund.

NOTE 2 - ACTUAL EXPENDITURES IN EXCESS OF BUDGET IN INDIVIDUAL FUNDS

The following major budgeted funds had an excess of actual expenditures over budget for the year ended April 30, 2010:

Fund	Excess
Emergency Telephone Fund	\$ 9,284
Motor Fuel Tax Fund	112,098
2004A General Obligation Bond Fund	1,981
2005A General Obligation Bond Fund	12
2006B General Obligation Bond Fund	16

The following funds did not have a budget in fiscal year 2009

Nonmajor Special Revenue Funds

Asset Forfeiture Fund  
Dempster Tax Increment Financing Fund  
Foreign Fire Insurance Tax Fund  
Special Service Area Fund

**City of Park Ridge, Illinois**  
Notes to the Required Supplementary Information  
April 30, 2010

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NOTE 3 - DEFINED BENEFIT PENSION PLAN - DIGEST OF CHANGES

Assumptions for the Illinois Municipal Retirement Fund:

The actuarial assumptions used to determine the actuarial accrued liability for 2009 were based on the 2005 - 2007 Experience Study.

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**Supplementary Information**

GENERAL FUND

To account for resources traditionally associated with governments, which are not required to be accounted for in another fund.

**City of Park Ridge, Illinois**  
 General Fund  
 Schedule of Revenues - Budget and Actual  
 For the Year Ended April 30, 2010

	Original and Final Budget	2010 Actual	Variance Positive (Negative)
<b>Taxes</b>			
Property taxes			
General	\$ 3,150,400	\$ 2,435,844	\$ (714,556)
Fire	1,428,400	1,331,794	(96,606)
Police	1,561,500	1,650,976	89,476
Road and bridge	150,000	205,444	55,444
Other local taxes			
Municipal telecommunications	1,825,000	1,890,388	65,388
Package liquor	280,000	312,252	32,252
Property transfer	490,000	439,218	(50,782)
Exempt property transfer	12,000	9,675	(2,325)
Food and beverage	460,000	374,382	(85,618)
Home rule sales	1,550,000	1,336,242	(213,758)
Utility	2,925,000	2,261,845	(663,155)
Natural gas usage	143,100	131,413	(11,687)
Hotel	-	22	22
Parking garage	405,000	394,136	(10,864)
Intergovernmental taxes			
State sales tax	3,500,000	3,149,028	(350,972)
Gasoline	360,000	355,279	(4,721)
State income tax	3,626,000	3,008,242	(617,758)
Personal property replacement tax			
General	406,500	290,080	(116,420)
Police	21,900	21,880	(20)
Fire	20,700	20,680	(20)
Total taxes	<u>22,315,500</u>	<u>19,618,820</u>	<u>(2,696,680)</u>
<b>Licenses and permits</b>			
Vehicle licenses	1,200,000	1,095,065	(104,935)
Oversize vehicle permits	6,300	1,455	(4,845)
Animal licenses	35,000	33,830	(1,170)
Business licenses	170,000	140,355	(29,645)
Liquor licenses	74,000	82,033	8,033
Massage licenses	-	1,173	1,173
Outdoor café licenses	-	2,130	2,130

(Continued)

**City of Park Ridge, Illinois**  
 General Fund  
 Schedule of Revenues - Budget and Actual (Continued)  
 For the Year Ended April 30, 2010

	Original and Final Budget	2010 Actual	Variance Positive (Negative)
<b>Licenses and permits (continued)</b>			
Building permits	\$ 1,000,000	\$ 731,070	\$ (268,930)
Façade fee	-	600	600
Cable TV franchise fees	430,000	405,635	(24,365)
Telecommunications franchise fees	-	2,086	2,086
Total licenses and permits	2,915,300	2,495,432	(419,868)
<b>Intergovernmental grants</b>			
Federal grants	38,000	119,540	81,540
State grants	402,200	353,860	(48,340)
State grant - tobacco inspection	-	1,650	1,650
Total intergovernmental grants	440,200	475,050	34,850
<b>Charges for services</b>			
Services to other agencies	360,600	355,285	(5,315)
Rent	199,000	238,676	39,676
Ambulance service charge	640,000	647,977	7,977
Ambulance registration	15,000	26,858	11,858
Elevator inspections	17,200	19,640	2,440
<b>Miscellaneous charges</b>			
City Clerk	6,000	15,392	9,392
Police	12,500	10,681	(1,819)
Fire	2,000	9,513	7,513
Zoning	20,000	10,436	(9,564)
Street	115,200	151,407	36,207
Collection agency	-	6,398	6,398
Total charges for services	1,387,500	1,492,263	104,763
<b>Fines and forfeitures</b>			
Court fines	450,000	184,181	(265,819)
Police alarm fines	9,000	6,480	(2,520)

(Continued)

**City of Park Ridge, Illinois**  
 General Fund  
 Schedule of Revenues - Budget and Actual (Continued)  
 For the Year Ended April 30, 2010

	Original and Final Budget	2010 Actual	Variance Positive (Negative)
Fines and forfeitures (continued)			
Parking meter fines	\$ 50,000	\$ 93,612	\$ 43,612
Other fines - adjudication			
Zoning violations	-	5,060	5,060
Health violations	-	5,320	5,320
Public works violations	-	7,200	7,200
Municipal code violations	-	19,761	19,761
Red light fines	-	18,820	18,820
Administrative tow fines	-	75,000	75,000
Total fines and forfeitures	<u>509,000</u>	<u>415,434</u>	<u>(93,566)</u>
Interest on investments	<u>100,000</u>	<u>7,551</u>	<u>(92,449)</u>
Miscellaneous			
Trees	-	1,830	1,830
Damage to City property	5,000	1,009	(3,991)
Other miscellaneous	-	6,048	6,048
Total miscellaneous	<u>5,000</u>	<u>8,887</u>	<u>3,887</u>
Total revenues	<u>\$ 27,672,500</u>	<u>\$ 24,513,437</u>	<u>\$ (3,159,063)</u>

(Concluded)

**City of Park Ridge, Illinois**  
 General Fund  
 Schedule of Expenditures - Budget and Actual  
 For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
General government				
Legislative				
Regular salaries	\$ 34,700	\$ 34,700	\$ 33,023	\$ 1,677
Overtime	700	700	728	(28)
Employee benefits - insurance	3,200	3,200	3,139	61
Training	3,500	3,500	1,968	1,532
Membership dues	22,000	22,000	21,447	553
General contractual services	3,600	3,600	(1,914)	5,514
Materials	3,120	3,120	1,798	1,322
Total legislative	70,820	70,820	60,189	10,631
City administration				
Regular salaries	382,800	382,800	414,987	(32,187)
Overtime	1,800	1,800	1,698	102
Employee benefits - insurance	39,600	39,600	35,942	3,658
Workers' compensation	1,200	1,200	1,100	100
Telecommunications	10,600	10,600	10,674	(74)
Training	8,100	8,100	5,827	2,273
General contractual services	10,000	10,000	7,471	2,529
Materials	6,100	6,100	2,948	3,152
Motor equipment	1,600	1,600	1,600	-
Total City administration	461,800	461,800	482,247	(20,447)
Legal counsel				
Special counsel	240,140	240,140	338,991	(98,851)
Special counsel - prosecution	25,000	25,000	23,897	1,103
Special counsel - other	54,860	54,860	74,982	(20,122)
General contractual services	10,500	10,500	13,707	(3,207)
Total legal counsel	330,500	330,500	451,577	(121,077)
Financial administration				
Regular salaries	226,000	226,000	228,981	(2,981)
Overtime	700	700	1,914	(1,214)

(Continued)

**City of Park Ridge, Illinois**  
**General Fund**  
**Schedule of Expenditures - Budget and Actual (Continued)**  
**For the Year Ended April 30, 2010**

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
<b>General government (continued)</b>				
<b>Financial administration (continued)</b>				
Employee benefits - insurance	\$ 26,800	\$ 26,800	\$ 26,232	\$ 568
Workers' compensation	1,200	1,200	1,081	119
Telecommunications	6,500	6,500	6,580	(80)
Insurance	273,900	273,900	244,515	29,385
Insurance claims	200,000	200,000	362,302	(162,302)
Audit fees	38,400	38,400	35,138	3,262
Training	3,900	3,900	1,505	2,395
Bank service charges	31,000	31,000	51,853	(20,853)
Bank trustee fees	3,700	3,700	2,800	900
General contractual services	134,200	134,200	118,959	15,241
Materials	12,200	12,200	10,218	1,982
Motor equipment	300	300	300	-
Total financial administration	958,800	958,800	1,092,378	(133,578)
<b>Accounting</b>				
Regular salaries	294,700	294,700	265,094	29,606
Extra help	1,000	1,000	-	1,000
Overtime	700	700	494	206
Employee benefits - insurance	53,500	53,500	52,465	1,035
Microfilming	2,200	2,200	-	2,200
Training	2,100	2,100	775	1,325
Materials	3,500	3,500	1,569	1,931
Total accounting	357,700	357,700	320,397	37,303
<b>Collections</b>				
Regular salaries	77,800	77,800	82,636	(4,836)
Extra help	3,000	3,000	191	2,809
Overtime	400	400	-	400
Employee benefits - insurance	21,400	21,400	20,851	549
Citation fees	16,000	16,000	9,302	6,698
Postal charges	19,000	19,000	11,476	7,524
Materials	600	600	310	290
License supplies	23,000	23,000	8,501	14,499
Total collections	161,200	161,200	133,267	27,933

(Continued)

## City of Park Ridge, Illinois

### General Fund

#### Schedule of Expenditures - Budget and Actual (Continued)

For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
<b>General government (continued)</b>				
Purchasing				
Regular salaries	\$ 86,600	\$ 86,600	\$ 65,239	\$ 21,361
Overtime	100	100	8	92
Employee benefits - insurance	16,100	16,100	15,695	405
Training	2,100	2,100	1,583	517
General contractual services	900	900	661	239
Materials	600	600	464	136
Total purchasing	106,400	106,400	83,650	22,750
Information technology				
Regular salaries	258,400	258,400	249,378	9,022
Extra help	2,000	2,000	138	1,862
Employee benefits - insurance	32,100	32,100	31,389	711
Telecommunications	25,400	25,400	24,540	860
Training	4,200	4,200	3,510	690
General contractual services	116,000	116,000	103,497	12,503
Materials	17,100	17,100	17,302	(202)
Motor equipment	300	300	300	-
Computer equipment	139,400	139,400	136,333	3,067
Total information technology	594,900	594,900	566,387	28,513
Records control				
Regular salaries	46,000	46,000	45,919	81
Extra help	500	500	-	500
Overtime	5,000	5,000	3,994	1,006
Employee benefits - insurance	8,600	8,600	8,296	304
Telecommunications	15,630	15,630	15,639	(9)
Telecommunication maintenance	11,370	11,370	6,264	5,106
Training	2,118	2,118	2,119	(1)
Postal charges	8,000	8,000	7,604	396
Legal notices and ads	4,000	4,000	1,530	2,470

(Continued)

## City of Park Ridge, Illinois

### General Fund

#### Schedule of Expenditures - Budget and Actual (Continued)

For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
General government (continued)				
Records control (continued)				
General contractual services	\$ 2,682	\$ 2,682	\$ 1,832	\$ 850
Materials	5,480	5,480	5,550	(70)
Computer equipment	4,000	4,000	4,000	-
Total records control	113,380	113,380	102,747	10,633
Human resources				
Regular salaries	93,400	93,400	90,195	3,205
Extra help	8,000	8,000	-	8,000
Employee benefits - insurance	10,700	10,700	10,538	162
Employee insurance - early retirement	49,406	49,406	46,392	3,014
Telecommunications	614	614	666	(52)
Medical exams	25,000	25,000	12,772	12,228
Recruiting and testing	26,500	26,500	14,415	12,085
Training	2,100	2,100	262	1,838
City-wide training	3,280	3,280	-	3,280
General contractual services	10,700	10,700	9,527	1,173
Materials	7,300	7,300	4,084	3,216
Total human resources	237,000	237,000	188,851	48,149
Information services				
Regular salaries	65,500	65,500	63,275	2,225
Overtime	1,200	1,200	998	202
Employee benefits - insurance	12,800	12,800	12,556	244
Telecommunications	800	800	40	760
Training	1,300	1,300	200	1,100
Postal charges	14,000	14,000	13,985	15
Membership dues	500	500	475	25
General contractual services	27,118	27,118	19,742	7,376
Materials	1,482	1,482	1,473	9
Total information services	124,700	124,700	112,744	11,956
Economic development				
Regular salaries	108,500	108,500	128,556	(20,056)
Employee benefits - insurance	10,700	10,700	10,246	454

(Continued)

**City of Park Ridge, Illinois**  
**General Fund**  
**Schedule of Expenditures - Budget and Actual (Continued)**  
**For the Year Ended April 30, 2010**

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
General government (continued)				
Economic development (continued)				
Telecommunications	\$ 900	\$ 900	\$ 818	\$ 82
Training	2,800	2,800	1,414	1,386
Conference marketing promotion	3,300	3,300	2,116	1,184
Postal charges	200	200	-	200
Membership dues	3,200	3,200	1,388	1,812
General contractual services	-	-	282,733	(282,733)
Marketing promotions	5,000	5,000	1,896	3,104
Materials	900	900	301	599
Total economic development	135,500	135,500	429,468	(293,968)
Total general government	3,652,700	3,652,700	4,023,902	(371,202)
Public safety				
Police				
Police administration				
Regular salaries	517,600	517,600	557,926	(40,326)
Overtime	4,000	4,000	-	4,000
Employee benefits				
Insurance	71,700	71,700	72,732	(1,032)
Uniforms	3,552	3,552	3,552	-
Uniforms - payroll	-	-	225	(225)
Workers' compensation	106,071	106,071	65,031	41,040
Telecommunications	26,000	26,000	25,227	773
Tuition reimbursement	-	-	-	-
Training	3,221	3,221	3,221	-
General contractual services	21,000	21,000	19,716	1,284
Pension payments	73,600	73,600	79,572	(5,972)
Materials	9,818	9,818	9,822	(4)
Motor equipment	2,800	2,800	2,800	-
Red light fees	-	-	10,250	(10,250)
Total police administration	839,362	839,362	850,074	(10,712)

(Continued)

## City of Park Ridge, Illinois

### General Fund

#### Schedule of Expenditures - Budget and Actual (Continued)

For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
Public safety (continued)				
Police (continued)				
Investigation				
Regular salaries	\$ 974,100	\$ 974,100	\$ 912,978	\$ 61,122
Overtime	94,822	94,822	90,214	4,608
Employee benefits				
Insurance	124,100	124,100	121,520	2,580
Uniforms	8,000	8,000	-	8,000
Uniforms - payroll	-	-	7,714	(7,714)
Training	1,800	1,800	1,400	400
General contractual services	10,000	10,000	13,875	(3,875)
Pension payments	291,300	291,300	314,936	(23,636)
Materials	2,500	2,500	1,959	541
Motor equipment	8,800	8,800	8,800	-
Total investigation	1,515,422	1,515,422	1,473,396	42,026
Communications				
Regular salaries	283,200	283,200	254,494	28,706
Overtime	3,000	3,000	1,629	1,371
Employee benefits				
Insurance	48,200	48,200	47,084	1,116
Uniforms	400	400	-	400
Data processing services	13,800	13,800	11,526	2,274
General contractual services	18,900	18,900	13,756	5,144
Materials	2,000	2,000	-	2,000
Electricity	934	934	934	-
Computer equipment	4,500	4,500	4,500	-
Total communications	374,934	374,934	333,923	41,011

(Continued)

## City of Park Ridge, Illinois

### General Fund

#### Schedule of Expenditures - Budget and Actual (Continued)

For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
Public safety (continued)				
Police (continued)				
Patrol				
Regular salaries	\$ 3,588,300	\$ 3,588,300	\$ 3,686,208	\$ (97,908)
Crossing guards	171,000	171,000	169,502	1,498
Overtime	244,946	244,946	240,345	4,601
Employee benefits				
Insurance	514,700	514,700	504,018	10,682
Uniforms	52,000	52,000	17,315	34,685
Uniforms - payroll	-	-	24,643	(24,643)
Building maintenance	8,000	8,000	853	7,147
Squad - emergency equipment repair	8,000	8,000	8,067	(67)
Training	9,184	9,184	5,420	3,764
Stray animal impoundment	3,000	3,000	1,311	1,689
General contractual services	20,000	20,000	25,151	(5,151)
Pension payments	1,166,600	1,166,600	1,283,139	(116,539)
Materials	34,816	34,816	25,742	9,074
Motor equipment	56,500	56,500	56,500	-
Computer equipment	39,600	39,600	39,600	-
Total patrol	5,916,646	5,916,646	6,087,814	(171,168)
Crime prevention				
Regular salaries	80,900	80,900	78,236	2,664
Overtime	3,536	3,536	3,536	-
Employee benefits				
Insurance	10,700	10,700	10,538	162
Uniforms	800	800	750	50
Training	700	700	-	700
Mileage compensation	1,800	1,800	1,686	114
General contractual services	600	600	350	250
Pension payments	25,100	25,100	27,137	(2,037)
Materials	3,000	3,000	2,340	660
Total crime prevention	127,136	127,136	124,573	2,563
Total police	8,773,500	8,773,500	8,869,780	(96,280)

(Continued)

**City of Park Ridge, Illinois**  
 General Fund  
 Schedule of Expenditures - Budget and Actual (Continued)  
 For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
Public safety (continued)				
Fire and ambulance services				
Fire administration				
Regular salaries	\$ 242,200	\$ 242,200	\$ 262,721	\$ (20,521)
Overtime	1,000	1,000	611	389
Employee benefits				
Insurance	30,000	30,000	32,217	(2,217)
Uniforms	1,000	1,000	968	32
PSEBA	18,400	18,400	15,834	2,566
Workers' compensation	80,000	80,000	91,629	(11,629)
Telecommunications	23,500	23,500	21,201	2,299
Building maintenance	20,800	20,800	20,643	157
Training	2,740	2,740	1,633	1,107
General contractual services	29,240	29,240	29,576	(336)
Pension payments	73,300	73,300	69,768	3,532
Materials	35,621	35,621	35,955	(334)
Natural gas	13,400	13,400	4,876	8,524
Motor equipment	2,600	2,600	2,600	-
Total fire administration	573,801	573,801	590,232	(16,431)
Fire prevention				
Regular salaries	105,000	105,000	102,072	2,928
Overtime	12,700	12,700	6,039	6,661
Employee benefits				
Insurance	10,700	10,700	10,538	162
Uniforms	1,000	1,000	992	8
Training	2,100	2,100	660	1,440
General contractual services	951	951	56	895
Pension payments	29,200	29,200	27,793	1,407
Materials	4,249	4,249	4,248	1
Motor equipment	2,300	2,300	2,300	-
Total fire prevention	168,200	168,200	154,698	13,502

(Continued)

**City of Park Ridge, Illinois**  
 General Fund  
 Schedule of Expenditures - Budget and Actual (Continued)  
 For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
Public safety (continued)				
Fire and ambulance services (continued)				
Emergency response				
Regular salaries	\$ 3,800,400	\$ 3,800,400	\$ 3,893,719	\$ (93,319)
Overtime	340,000	340,000	298,688	41,312
Employee benefits				
Insurance	513,600	513,600	502,897	10,703
Uniforms	20,300	20,300	19,249	1,051
Uniforms - PPC	20,300	20,300	16,156	4,144
Squad emergency equipment repair	116	116	23	93
Training	13,012	13,012	8,350	4,662
General contractual services	18,800	18,800	19,783	(983)
Pension payments	1,313,200	1,313,200	1,270,595	42,605
Materials	51,200	51,200	51,348	(148)
Materials - grant	-	-	3,860	(3,860)
Equipment maintenance	4,000	4,000	2,379	1,621
Motor equipment	106,400	106,400	106,400	-
Computer equipment	11,500	11,500	11,500	-
Total emergency response	<u>6,212,828</u>	<u>6,212,828</u>	<u>6,204,947</u>	<u>7,881</u>
Special services				
Training	6,618	6,618	6,618	-
General contractual services	1,899	1,899	605	1,294
Materials	6,880	6,880	6,887	(7)
Total special services	<u>15,397</u>	<u>15,397</u>	<u>14,110</u>	<u>1,287</u>
Emergency preparedness				
Regular salaries	26,800	26,800	25,789	1,011
Employee benefits - insurance	2,100	2,100	2,018	82
Training	70	70	70	-
General contractual services	4,000	4,000	-	4,000
Pension payments	8,900	8,900	8,471	429
Materials	1,704	1,704	1,703	1
Total emergency preparedness	<u>43,574</u>	<u>43,574</u>	<u>38,051</u>	<u>5,523</u>

(Continued)

**City of Park Ridge, Illinois**  
 General Fund  
 Schedule of Expenditures - Budget and Actual (Continued)  
For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
Public safety (continued)				
Fire and ambulance services (continued)				
Total fire and ambulance services	\$ 7,013,800	\$ 7,013,800	\$ 7,002,038	\$ 11,762
Total public safety	15,787,300	15,787,300	15,871,818	(84,518)
Public works				
Public works administration				
Regular salaries	283,900	283,900	317,315	(33,415)
Overtime	3,000	3,000	202	2,798
Employee benefits - insurance	49,200	49,200	62,939	(13,739)
Workers' compensation	85,300	85,300	190,776	(105,476)
Telecommunications	18,000	18,000	15,795	2,205
Training	700	700	330	370
General contractual services	6,500	6,500	5,258	1,242
Materials	5,100	5,100	4,647	453
Motor equipment	2,300	2,300	2,300	-
Total public works administration	454,000	454,000	599,562	(145,562)
Engineering				
Regular salaries	267,000	267,000	262,553	4,447
Overtime	3,000	3,000	236	2,764
Employee benefits - insurance	39,600	39,600	38,788	812
Training	1,400	1,400	67	1,333
General contractual services	10,000	10,000	4,770	5,230
Materials	2,700	2,700	1,646	1,054
Motor equipment	2,800	2,800	2,800	-
Total engineering	326,500	326,500	310,860	15,640

(Continued)

**City of Park Ridge, Illinois**  
 General Fund  
 Schedule of Expenditures - Budget and Actual (Continued)  
 For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
<b>Public works (continued)</b>				
Traffic control				
Regular salaries	\$ 55,800	\$ 55,800	\$ 27,172	\$ 28,628
Overtime	1,300	1,300	1,586	(286)
Employee benefits				
Insurance	9,700	9,700	9,641	59
Uniforms	200	200	108	92
Electrical equipment maintenance	55,000	55,000	95,086	(40,086)
General contractual services	100	100	-	100
Materials	26,000	26,000	22,231	3,769
Traffic improvements	-	-	-	-
Total traffic control	<u>148,100</u>	<u>148,100</u>	<u>155,824</u>	<u>(7,724)</u>
Street lighting				
Electricity equipment maintenance	35,000	35,000	52,639	(17,639)
Electricity	231,000	231,000	224,959	6,041
Total street lighting	<u>266,000</u>	<u>266,000</u>	<u>277,598</u>	<u>(11,598)</u>
Snow and storm control				
Regular salaries	175,400	175,400	164,084	11,316
Overtime	82,200	82,200	69,466	12,734
Employee benefits				
Insurance	31,000	31,000	30,492	508
Uniforms	1,800	1,800	694	1,106
General contractual services	15,000	15,000	3,280	11,720
Materials	100	100	-	100
Snow removal supplies	400,000	400,000	368,131	31,869
Motor equipment	25,300	25,300	25,300	-
Total snow and storm control	<u>730,800</u>	<u>730,800</u>	<u>661,447</u>	<u>69,353</u>
Street maintenance				
Regular salaries	478,500	478,500	536,674	(58,174)
Overtime	29,600	29,600	34,720	(5,120)

(Continued)

**City of Park Ridge, Illinois**  
 General Fund  
 Schedule of Expenditures - Budget and Actual (Continued)  
 For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
Public works (continued)				
Street maintenance (continued)				
Employee benefits				
Insurance	\$ 82,200	\$ 82,200	\$ 80,490	\$ 1,710
Uniforms	3,100	3,100	8,141	(5,041)
Telecommunications	4,000	4,000	3,943	57
Striping	31,000	31,000	30,339	661
General contractual services	2,000	2,000	2,277	(277)
Materials	96,200	96,200	93,220	2,980
Grant funded projects	-	-	29,305	(29,305)
Motor equipment	77,400	77,400	77,400	-
Total street maintenance	<u>804,000</u>	<u>804,000</u>	<u>896,509</u>	<u>(92,509)</u>
Sidewalk maintenance				
Regular salaries	47,800	47,800	39,716	8,084
Overtime	1,100	1,100	2,227	(1,127)
Employee benefits				
Insurance	8,700	8,700	8,520	180
Uniforms	400	400	186	214
General contractual services	100	100	-	100
Materials	5,000	5,000	5,289	(289)
Grant funded project	400,000	400,000	38,561	361,439
Sidewalk repairs	75,000	75,000	75,000	-
Total sidewalk maintenance	<u>538,100</u>	<u>538,100</u>	<u>169,499</u>	<u>368,601</u>
Alley maintenance				
Regular salaries	24,000	24,000	19,609	4,391
Overtime	500	500	1,129	(629)
Employee benefits				
Insurance	4,000	4,000	3,812	188
Uniforms	200	200	55	145
General contracting	10,000	10,000	2,056	7,944
Property tax refund	-	-	637	(637)
Materials	300	300	-	300
Total alley maintenance	<u>39,000</u>	<u>39,000</u>	<u>27,298</u>	<u>11,702</u>

(Continued)

**City of Park Ridge, Illinois**  
 General Fund  
 Schedule of Expenditures - Budget and Actual (Continued)  
 For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
<b>Public works (continued)</b>				
Sewer line and drainage				
Regular salaries	\$ 238,300	\$ 238,300	\$ -	\$ 238,300
Extra help	-	-	-	-
Overtime	22,000	22,000	-	22,000
Employee benefits				
Insurance	41,100	41,100	-	41,100
Uniforms	2,000	2,000	-	2,000
General contractual services	268,000	268,000	-	268,000
Sewer clean and televise	2,000	2,000	-	2,000
Materials	57,500	57,500	-	57,500
Electricity	6,000	6,000	-	6,000
Motor equipment	22,000	22,000	-	22,000
Sewer construction	530,000	530,000	-	530,000
Total sewer line and drainage	<u>1,188,900</u>	<u>1,188,900</u>	<u>-</u>	<u>1,188,900</u>
City buildings maintenance				
Regular salaries	152,200	152,200	157,650	(5,450)
Overtime	13,000	13,000	11,721	1,279
Employee benefits				
Insurance	24,300	24,300	23,766	534
Uniforms	200	200	889	(689)
Building maintenance				
General	100,000	100,000	60,926	39,074
City Hall	107,000	107,000	141,329	(34,329)
Train Depot	15,000	15,000	10,323	4,677
Dee Road train station	4,500	4,500	3,589	911
General contractual services	30,000	30,000	30,232	(232)
Materials	15,000	15,000	11,437	3,563
Materials - City Hall	11,000	11,000	10,372	628
Materials - uptown station and depot	6,000	6,000	971	5,029
Natural gas and electricity	45,000	45,000	30,037	14,963
Building repairs	25,000	25,000	34,752	(9,752)
Total City buildings maintenance	<u>548,200</u>	<u>548,200</u>	<u>527,994</u>	<u>20,206</u>

(Continued)

**City of Park Ridge, Illinois**  
 General Fund  
 Schedule of Expenditures - Budget and Actual (Continued)  
 For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
Public works (continued)				
Forestry				
Regular salaries	\$ 65,700	\$ 65,700	\$ 64,083	\$ 1,617
Overtime	500	500	-	500
Employee benefits - insurance	12,800	12,800	12,556	244
Tree trimming and removal	667,835	667,835	673,715	(5,880)
Tree spraying	526	526	526	-
Tree spraying - Elm trees	-	-	7,365	(7,365)
Training	910	910	1,305	(395)
General contractual services	2,339	2,339	2,255	84
Materials	9,342	9,342	9,342	-
Motor equipment	1,200	1,200	1,200	-
Reforestation	132,548	132,548	132,548	-
Total forestry	<u>893,700</u>	<u>893,700</u>	<u>904,895</u>	<u>(11,195)</u>
Grounds maintenance				
Regular salaries	263,800	263,800	230,789	33,011
Extra help	31,000	31,000	10,372	20,628
Overtime	16,000	16,000	15,367	633
Employee benefits				
Insurance	45,400	45,400	44,393	1,007
Uniforms	1,100	1,100	2,003	(903)
Gas for gas lights	28,000	28,000	14,277	13,723
Gas light maintenance	9,000	9,000	11,368	(2,368)
General contractual services	62,000	62,000	58,770	3,230
Materials	25,000	25,000	24,136	864
Motor equipment	8,400	8,400	8,400	-
Total grounds maintenance	<u>489,700</u>	<u>489,700</u>	<u>419,875</u>	<u>69,825</u>
Vehicle maintenance				
Regular salaries	409,200	409,200	507,739	(98,539)
Overtime	30,600	30,600	29,626	974

(Continued)

**City of Park Ridge, Illinois**  
 General Fund  
 Schedule of Expenditures - Budget and Actual (Continued)  
 For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
Public works (continued)				
Vehicle maintenance (continued)				
Employee benefits				
Insurance	\$ 59,900	\$ 59,900	\$ 58,742	\$ 1,158
Uniforms	2,200	2,200	4,164	(1,964)
Insurance claims	52,000	52,000	56,500	(4,500)
Building maintenance	3,000	3,000	8,524	(5,524)
Training	1,100	1,100	-	1,100
General contractual services	60,500	60,500	60,088	412
Materials	155,000	155,000	147,395	7,605
Automobile petroleum products	275,000	275,000	204,998	70,002
Tires	19,000	19,000	17,945	1,055
Motor equipment	2,600	2,600	2,600	-
Computer equipment	900	900	900	-
Total vehicle maintenance	<u>1,071,000</u>	<u>1,071,000</u>	<u>1,099,221</u>	<u>(28,221)</u>
Total public works	<u>7,498,000</u>	<u>7,498,000</u>	<u>6,050,582</u>	<u>1,447,418</u>
Development				
Development administration				
Regular salaries	94,300	94,300	112,442	(18,142)
Extra help	6,000	6,000	619	5,381
Employee benefits - insurance	12,800	12,800	12,556	244
Workers' compensation	3,800	3,800	3,785	15
Telecommunications	15,402	15,402	15,468	(66)
Training	260	260	260	-
General contractual services	4,938	4,938	4,291	647
Materials	7,000	7,000	6,827	173
Motor equipment	300	300	300	-
Total development administration	<u>144,800</u>	<u>144,800</u>	<u>156,548</u>	<u>(11,748)</u>
Planning				
Regular salaries	104,400	104,400	100,276	4,124
Employee benefits - insurance	21,400	21,400	20,851	549

(Continued)

**City of Park Ridge, Illinois**  
 General Fund  
 Schedule of Expenditures - Budget and Actual (Continued)  
 For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
<b>Development (continued)</b>				
<b>  Planning (continued)</b>				
Consulting services	\$ 14,062	\$ 14,062	\$ 20,611	\$ (6,549)
Training	2,715	2,715	1,994	721
Membership dues	3,000	3,000	734	2,266
General contractual services	156,000	156,000	154,672	1,328
Materials	2,313	2,313	2,364	(51)
Computer equipment	3,500	3,500	3,500	-
Total planning	<u>307,390</u>	<u>307,390</u>	<u>305,002</u>	<u>2,388</u>
<b>  Zoning administration</b>				
Regular salaries	168,000	168,000	165,786	2,214
Employee benefits - insurance	26,800	26,800	26,232	568
Training	25	25	25	-
General contractual services	500	500	-	500
Materials	887	887	208	679
Motor equipment	2,100	2,100	2,100	-
Total zoning administration	<u>198,312</u>	<u>198,312</u>	<u>194,351</u>	<u>3,961</u>
<b>  Building code enforcement</b>				
Regular salaries	340,700	340,700	343,119	(2,419)
Overtime	1,000	1,000	581	419
Employee benefits - insurance	62,100	62,100	60,760	1,340
Microfilming	14,000	14,000	6,201	7,799
Training	4,000	4,000	3,077	923
General contractual services	77,000	77,000	63,134	13,866
Materials	3,098	3,098	1,793	1,305
Motor equipment	3,300	3,300	3,300	-
Total building code enforcement	<u>505,198</u>	<u>505,198</u>	<u>481,965</u>	<u>23,233</u>

(Continued)

**City of Park Ridge, Illinois**  
 General Fund  
 Schedule of Expenditures - Budget and Actual (Continued)  
 For the Year Ended April 30, 2010

	Budget		2010 Actual	Variance Positive (Negative)
	Original	Final		
Development (continued)				
Environmental health - neighborhood				
Regular salaries	\$ 135,400	\$ 135,400	\$ 142,689	\$ (7,289)
Overtime	500	500	-	500
Employee benefits - insurance	26,800	26,800	26,232	568
Training	1,300	1,300	485	815
Pest control	5,000	5,000	-	5,000
General contractual services	13,000	13,000	10,368	2,632
Materials	2,500	2,500	1,964	536
Motor equipment	1,600	1,600	1,600	-
Total environmental health - neighborhood	<u>186,100</u>	<u>186,100</u>	<u>183,338</u>	<u>2,762</u>
Total development	<u>1,341,800</u>	<u>1,341,800</u>	<u>1,321,204</u>	<u>20,596</u>
Culture and civic				
Community support				
Regular salaries	5,300	5,300	4,668	632
Concerts	25,600	25,600	30,000	(4,400)
Youth services	32,700	32,700	38,639	(5,939)
Senior services	100,700	100,700	115,500	(14,800)
Historical services	8,500	8,500	10,000	(1,500)
Cultural arts	19,600	19,600	18,612	988
Materials	-	-	350,000	(350,000)
Total community support	<u>192,400</u>	<u>192,400</u>	<u>567,419</u>	<u>(375,019)</u>
Transportation				
Regular salaries	5,400	5,400	5,614	(214)
Employee benefits - insurance	1,100	1,100	1,121	(21)
Taxi service subsidy	20,000	20,000	12,395	7,605
Total transportation	<u>26,500</u>	<u>26,500</u>	<u>19,130</u>	<u>7,370</u>

(Continued)

**City of Park Ridge, Illinois**  
 General Fund  
 Schedule of Expenditures - Budget and Actual (Continued)  
For the Year Ended April 30, 2010

	<u>Budget</u>		2010 Actual	Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Other				
General Contractual Services	\$ 25,000	\$ 25,000	\$ -	\$ 25,000
Total culture and civic	<u>243,900</u>	<u>243,900</u>	<u>586,549</u>	<u>(342,649)</u>
Total expenditures	<u>\$ 28,523,700</u>	<u>\$ 28,523,700</u>	<u>\$ 27,854,055</u>	<u>\$ 669,645</u>

(Concluded)

## City of Park Ridge, Illinois

### Nonmajor Governmental Funds

#### Combining Balance Sheet

April 30, 2010

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 1,465,508	\$ 201,253	\$ 503,213	\$ 2,169,974
Receivables				
Property taxes, net	929,565	-	-	929,565
Other taxes	86,485	-	-	86,485
Intergovernmental	81,940	-	-	81,940
Other receivables	12,403	-	-	12,403
Due from other funds	161	-	-	161
Prepaid items	86,083	-	-	86,083
Deposits in escrow	-	-	835,129	835,129
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	<u>\$ 2,662,145</u>	<u>\$ 201,253</u>	<u>\$ 1,338,342</u>	<u>\$ 4,201,740</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 507,041	\$ -	\$ 22,067	\$ 529,108
Other accrued liabilities	-	3,568	-	3,568
Unearned property tax revenue	944,909	-	-	944,909
Unearned revenue - other	43,242	-	-	43,242
Contracts payable	49,241	-	-	49,241
Due to other funds	1,338,076	-	85,360	1,423,436
Advances from other funds	-	435,047	-	435,047
Due to other governments	10,487	-	-	10,487
Other liabilities	143,030	-	-	143,030
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	<u>3,036,026</u>	<u>438,615</u>	<u>107,427</u>	<u>3,582,068</u>
<b>Fund balances</b>				
Reserved for prepaid items	86,083	-	-	86,083
Reserved for debt service	-	47,693	-	47,693
Reserved for employees' retirement	77,783	-	-	77,783
Reserved for TIF expenditures	118,295	-	-	118,295
Reserved for capital projects	-	-	1,230,915	1,230,915
Unreserved	(656,042)	(285,055)	-	(941,097)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balances	<u>(373,881)</u>	<u>(237,362)</u>	<u>1,230,915</u>	<u>619,672</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities and fund balances	<u>\$ 2,662,145</u>	<u>\$ 201,253</u>	<u>\$ 1,338,342</u>	<u>\$ 4,201,740</u>

## City of Park Ridge, Illinois

### Nonmajor Governmental Funds

#### Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)

For the Year Ended April 30, 2010

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Revenues</b>				
Property taxes	\$ 2,095,751	\$ 786,211	\$ -	\$ 2,881,962
Other taxes	573,042	-	-	573,042
Intergovernmental	953,330	-	-	953,330
Fines and forfeitures	73,365	-	-	73,365
Interest	1,394	3,619	7,003	12,016
<b>Total revenues</b>	<u>3,696,882</u>	<u>789,830</u>	<u>7,003</u>	<u>4,493,715</u>
<b>Expenditures</b>				
<b>Current</b>				
General government	301,776	-	-	301,776
Public safety	1,662,351	-	-	1,662,351
Public works	1,800,657	-	661,093	2,461,750
Development	441,452	-	69,943	511,395
Culture and civic	457,823	-	-	457,823
<b>Debt service</b>				
Principal	-	2,905,000	-	2,905,000
Interest and fiscal agent fees	-	2,072,213	-	2,072,213
<b>Total expenditures</b>	<u>4,664,059</u>	<u>4,977,213</u>	<u>731,036</u>	<u>10,372,308</u>
Deficiency of revenues over expenditures	(967,177)	(4,187,383)	(724,033)	(5,878,593)
<b>Other financing sources (uses)</b>				
Transfers in (out)	978,600	2,369,750	(1,852)	3,346,498
Net change in fund balances	11,423	(1,817,633)	(725,885)	(2,532,095)
Fund balances (deficit), May 1	<u>(385,304)</u>	<u>1,580,271</u>	<u>1,956,800</u>	<u>3,151,767</u>
Fund balances (deficits), April 30	<u>\$ (373,881)</u>	<u>\$ (237,362)</u>	<u>\$ 1,230,915</u>	<u>\$ 619,672</u>

### NONMAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are governmental funds used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

**Motor Fuel Tax Fund** - to account for the use of the City's share of state gasoline taxes. State law requires that motor fuel taxes be used for improvements in the street right of way, including streets, curbs and gutters, traffic signalization, and sewer improvements.

**Illinois Municipal Retirement Fund** - to account for the City's property tax levy and water revenue transfers used to make employer contributions for all non-uniformed personnel to the state-administered retirement fund.

**Emergency Telephone Fund** - to account for the telephone surcharge collected from persons with telephones installed in homes and businesses to be used to fund emergency telephone services.

**Asset Forfeiture Fund** - to account for the receipt of confiscated illegal drug money or assets and the disbursement of the monies for drug enforcement purposes.

**Dempster Tax Increment Financing Fund** - to account for the redevelopment of the Dempster Plaza Business District.

**Foreign Fire Insurance Tax Fund** - to account for receipts and disbursements of foreign fire insurance taxes.

**Special Service Areas Fund** - to account for the monies levied on property owners, which are to be used for alley paving and other improvements, as approved by the majority of those property owners upon formation of the Special Service Area.

**City of Park Ridge, Illinois**

Nonmajor Special Revenue Funds

Combining Balance Sheet

April 30, 2010

	Motor Fuel Tax	Illinois Municipal Retirement	Emergency Telephone	Asset Forfeiture
<b>ASSETS</b>				
Cash and cash equivalents	\$ 845,073	\$ 92,427	\$ -	\$ 124,934
Receivables				
Property taxes, net	-	873,080	-	-
Intergovernmental	81,940	-	-	-
Other taxes				
Emergency telephone surcharge	-	-	86,485	-
Miscellaneous	-	-	-	-
Due from other funds	-	161	-	-
Prepaid items	-	-	86,083	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total assets	\$ <u>927,013</u>	\$ <u>965,668</u>	\$ <u>172,568</u>	\$ <u>124,934</u>
<b>LIABILITIES AND FUND BALANCES (DEFICIT)</b>				
<b>Liabilities</b>				
Accounts payable	\$ 504,816	\$ -	\$ -	\$ 1,296
Unearned property tax revenue	-	887,885	-	-
Unearned revenue - other	-	-	43,242	-
Contracts payable	49,241	-	-	-
Due to other funds	630,000	-	340,025	-
Due to other governments	-	-	-	-
Other liabilities	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities	1,184,057	887,885	383,267	1,296
<b>Fund balances (deficit)</b>				
Reserved for prepaid items	-	-	86,083	-
Reserved for employees' retirement	-	77,783	-	-
Reserved for TIF expenditures	-	-	-	-
Unreserved	(257,044)	-	(296,782)	123,638
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total fund balances (deficit)	(257,044)	77,783	(210,699)	123,638
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total liabilities and fund balances (deficit)	\$ <u>927,013</u>	\$ <u>965,668</u>	\$ <u>172,568</u>	\$ <u>124,934</u>

<u>Dempster Tax Increment Financing</u>	<u>Foreign Fire Insurance Tax</u>	<u>Special Service Areas</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 252,939	\$ 41,031	\$ 109,104	\$ 1,465,508
-	-	56,485	929,565
-	-	-	81,940
-	-	-	86,485
-	-	12,403	12,403
-	-	-	161
-	-	-	86,083
<u>\$ 252,939</u>	<u>\$ 41,031</u>	<u>\$ 177,992</u>	<u>\$ 2,662,145</u>
\$ -	\$ -	\$ 929	\$ 507,041
-	-	57,024	944,909
-	-	-	43,242
-	-	-	49,241
-	-	368,051	1,338,076
-	-	10,487	10,487
134,644	-	8,386	143,030
<u>134,644</u>	<u>-</u>	<u>444,877</u>	<u>3,036,026</u>
-	-	-	86,083
-	-	-	77,783
118,295	-	-	118,295
-	41,031	(266,885)	(656,042)
<u>118,295</u>	<u>41,031</u>	<u>(266,885)</u>	<u>(373,881)</u>
<u>\$ 252,939</u>	<u>\$ 41,031</u>	<u>\$ 177,992</u>	<u>\$ 2,662,145</u>

## City of Park Ridge, Illinois

### Nonmajor Special Revenue Funds

#### Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)

For the Year Ended April 30, 2010

	Motor Fuel Tax	Illinois Municipal Retirement	Emergency Telephone	Asset Forfeiture
<b>Revenues</b>				
Property taxes	\$ -	\$ 1,668,190	\$ -	\$ -
Other taxes				
Emergency telephone surcharge	-	-	514,296	-
Personal property replacement	-	19,900	-	-
Foreign fire insurance	-	-	-	-
Intergovernmental - grants	953,330	-	-	-
Fines and forfeitures	-	-	-	73,365
Miscellaneous	-	-	-	-
Interest	486	-	-	461
	<u>953,816</u>	<u>1,688,090</u>	<u>514,296</u>	<u>73,826</u>
<b>Total revenues</b>				
<b>Expenditures</b>				
<b>Current</b>				
General government	-	301,776	-	-
Public safety	-	326,934	1,273,484	35,554
Public works	1,114,406	674,507	-	-
Development	-	165,459	-	-
Culture and civic	-	457,823	-	-
	<u>1,114,406</u>	<u>1,926,499</u>	<u>1,273,484</u>	<u>35,554</u>
<b>Total expenditures</b>				
Excess (deficiency) of revenues over expenditures	(160,590)	(238,409)	(759,188)	38,272
<b>Other financing sources (uses)</b>				
Transfers in (out)	-	201,400	777,200	-
	<u>-</u>	<u>201,400</u>	<u>777,200</u>	<u>-</u>
<b>Net change in fund balances</b>	(160,590)	(37,009)	18,012	38,272
Fund balances (deficits), May 1	<u>(96,454)</u>	<u>114,792</u>	<u>(228,711)</u>	<u>85,366</u>
Fund balances (deficits), April 30	<u>\$ (257,044)</u>	<u>\$ 77,783</u>	<u>\$ (210,699)</u>	<u>\$ 123,638</u>

<u>Dempster Tax Increment Financing</u>	<u>Foreign Fire Insurance Tax</u>	<u>Special Service Areas</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 262,055	\$ -	\$ 165,506	\$ 2,095,751
-	-	-	514,296
-	-	-	19,900
-	38,846	-	38,846
-	-	-	953,330
-	-	-	73,365
-	-	-	-
447	-	-	1,394
<u>262,502</u>	<u>38,846</u>	<u>165,506</u>	<u>3,696,882</u>
-	-	-	301,776
-	26,379	-	1,662,351
-	-	11,744	1,800,657
263,771	-	12,222	441,452
-	-	-	457,823
<u>263,771</u>	<u>26,379</u>	<u>23,966</u>	<u>4,664,059</u>
(1,269)	12,467	141,540	(967,177)
-	-	-	978,600
(1,269)	12,467	141,540	11,423
<u>119,564</u>	<u>28,564</u>	<u>(408,425)</u>	<u>(385,304)</u>
<u>\$ 118,295</u>	<u>\$ 41,031</u>	<u>\$ (266,885)</u>	<u>\$ (373,881)</u>

## City of Park Ridge, Illinois

### Motor Fuel Tax Fund

#### Schedule of Revenues, Expenditures, and Changes in Fund Balance (Deficit) - Budget and Actual For the Year Ended April 30, 2010

	<u>Original and Final Budget</u>	<u>2010 Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>			
Intergovernmental			
Allotments from State of Illinois	\$ 1,026,000	\$ 953,330	\$ (72,670)
Interest	<u>5,700</u>	<u>486</u>	<u>(5,214)</u>
Total revenues	<u>1,031,700</u>	<u>953,816</u>	<u>(77,884)</u>
<b>Expenditures</b>			
Public works			
Street repairs	1,002,142	1,040,916	(38,774)
Alley paving	<u>166</u>	<u>73,490</u>	<u>(73,324)</u>
Total public works expenditures	<u>1,002,308</u>	<u>1,114,406</u>	<u>(112,098)</u>
Deficiency of revenues over expenditures	<u>\$ 29,392</u>	(160,590)	<u>\$ (189,982)</u>
Fund balance (deficit), May 1		<u>(96,454)</u>	
Fund balance (deficit), April 30		<u>\$ (257,044)</u>	

**City of Park Ridge, Illinois**  
 Illinois Municipal Retirement Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2010

	<u>Original and Final Budget</u>	<u>2010 Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>			
Property taxes	\$ 1,798,500	\$ 1,668,190	\$ (130,310)
Other taxes			
Personal property replacement	<u>19,900</u>	<u>19,900</u>	<u>-</u>
Total revenues	<u>1,818,400</u>	<u>1,688,090</u>	<u>(130,310)</u>
<b>Expenditures</b>			
Pension payments			
General government	327,300	301,776	25,524
Public safety	327,700	326,934	766
Public works	658,900	674,507	(15,607)
Development	169,100	165,459	3,641
Culture and civic	<u>536,800</u>	<u>457,823</u>	<u>78,977</u>
Total expenditures	<u>2,019,800</u>	<u>1,926,499</u>	<u>93,301</u>
Deficiency of revenues over expenditures	<u>(201,400)</u>	<u>(238,409)</u>	<u>(37,009)</u>
<b>Other financing sources</b>			
Transfers in			
Contribution from Water Fund	166,100	166,100	-
Contribution from Parking Fund	<u>35,300</u>	<u>35,300</u>	<u>-</u>
Total transfers in	<u>201,400</u>	<u>201,400</u>	<u>-</u>
Deficiency of revenues and other financing sources over expenditures	<u>\$ -</u>	<u>(37,009)</u>	<u>\$ (37,009)</u>
Fund balance, May 1		<u>114,792</u>	
Fund balance, April 30		<u>\$ 77,783</u>	

# City of Park Ridge, Illinois

## Emergency Telephone Fund

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

For the Year Ended April 30, 2010

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	<u>Original and Final Budget</u>	<u>2010 Actual</u>	<u>Variance Positive (Negative)</u>
Revenues			
Other taxes			
Emergency telephone surcharge	\$ <u>525,000</u>	\$ <u>514,296</u>	\$ <u>(10,704)</u>
Expenditures			
Public safety - communications	<u>1,264,200</u>	<u>1,273,484</u>	<u>(9,284)</u>
Deficiency of revenues over expenditures	(739,200)	(759,188)	(19,988)
Other financing sources			
Transfers in	<u>777,200</u>	<u>777,200</u>	<u>-</u>
Excess of revenues and other financing sources over expenditures	\$ <u>38,000</u>	18,012	\$ <u>(19,988)</u>
Fund deficit, May 1		<u>(228,711)</u>	
Fund deficit, April 30		\$ <u>(210,699)</u>	

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### NONMAJOR DEBT SERVICE FUNDS

Debt Service Funds are governmental funds used to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs.

**1998 General Obligation Bond Fund** - a governmental fund used to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs for the general obligation bonds issued in 1998 to finance the construction of a new public works service center and the paving of various alleys.

**2004A General Obligation Bond Fund** - a governmental fund used to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs for the general obligation bonds issued in 2004 to finance the construction of the reservoir and pump station.

**2004B General Obligation Bond Fund** - a governmental fund used to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs for the general obligation bonds issued in 2004 to finance the construction of the reservoir and pump station. (Closed in fiscal 2008.)

**2005A General Obligation Bond Fund** - a governmental fund used to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs for the general obligation bonds issued in 2005 to finance the construction of Phases I and II of the Uptown Redevelopment Project.

**2006A General Obligation Bond Fund** - a governmental fund used to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs for the general obligation bonds issued in 2006 to finance the further construction of the Uptown Redevelopment Project.

**2006B General Obligation Bond Fund** - a governmental fund used to account for the accumulation of resources for, and the payment of, debt principal, interest, and related costs for the general obligation bonds issued in 2006 to finance the further construction of the Uptown Redevelopment Project.

**City of Park Ridge, Illinois**

Nonmajor Debt Service Funds

Combining Balance Sheet

April 30, 2010

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	1998 General Obligation Bond Fund	2004A General Obligation Bond Fund	2004B General Obligation Bond Fund	2005A General Obligation Bond Fund
<b>ASSETS</b>				
Cash and cash equivalents	\$ 153,560	\$ -	\$ -	\$ -
Total assets	<u>\$ 153,560</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>LIABILITIES AND FUND BALANCES (DEFICIT)</b>				
<b>Liabilities</b>				
Other accrued liabilities	\$ -	\$ -	\$ -	\$ 3,568
Advances from other funds	-	435,047	-	-
Total liabilities	<u>-</u>	<u>435,047</u>	<u>-</u>	<u>3,568</u>
<b>Fund balances (deficit)</b>				
Reserved for debt service	-	-	-	-
Unreserved	153,560	(435,047)	-	(3,568)
Total fund balances (deficit)	<u>153,560</u>	<u>(435,047)</u>	<u>-</u>	<u>(3,568)</u>
Total liabilities and fund balances (deficits)	<u>\$ 153,560</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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2006A General Obligation Bond Fund	2006B General Obligation Bond Fund	Total Nonmajor Debt Service Funds
\$ 45,056	\$ 2,637	\$ 201,253
<u>\$ 45,056</u>	<u>\$ 2,637</u>	<u>\$ 201,253</u>
\$ -	\$ -	\$ 3,568
<u>-</u>	<u>-</u>	<u>435,047</u>
-	-	438,615
<u>45,056</u>	<u>2,637</u>	<u>47,693</u>
-	-	(285,055)
<u>45,056</u>	<u>2,637</u>	<u>(237,362)</u>
<u>\$ 45,056</u>	<u>\$ 2,637</u>	<u>\$ 201,253</u>

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## City of Park Ridge, Illinois

### Nonmajor Debt Service Funds

#### Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficits)

For the Year Ended April 30, 2010

	1998 General Obligation Bond Fund	2004A General Obligation Bond Fund	2004B General Obligation Bond Fund	2005A General Obligation Bond Fund
<b>Revenues</b>				
Property taxes	\$ 786,211	\$ -	\$ -	\$ -
Interest	<u>2,731</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>788,942</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Debt Service				
Principal	1,570,000	900,000	435,000	-
Interest and fiscal agent fees	<u>62,800</u>	<u>141,581</u>	<u>443,404</u>	<u>321,112</u>
Total expenditures	<u>1,632,800</u>	<u>1,041,581</u>	<u>878,404</u>	<u>321,112</u>
Deficiency of revenues over expenditures	(843,858)	(1,041,581)	(878,404)	(321,112)
<b>Other financing sources</b>				
Transfers in	<u>-</u>	<u>1,041,581</u>	<u>878,404</u>	<u>160,556</u>
Net change in fund balances	(843,858)	-	-	(160,556)
Fund balance (deficit) - May 1	<u>997,418</u>	<u>(435,047)</u>	<u>-</u>	<u>156,988</u>
Fund balance (deficit) - April 30	<u>\$ 153,560</u>	<u>\$ (435,047)</u>	<u>\$ -</u>	<u>\$ (3,568)</u>

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2006A General Obligation Bond Fund	2006B General Obligation Bond Fund	Total Nonmajor Debt Service Funds
\$ -	\$ -	\$ 786,211
<u>888</u>	<u>-</u>	<u>3,619</u>
<u>888</u>	<u>-</u>	<u>789,830</u>
-	-	2,905,000
<u>523,500</u>	<u>579,816</u>	<u>2,072,213</u>
<u>523,500</u>	<u>579,816</u>	<u>4,977,213</u>
(522,612)	(579,816)	(4,187,383)
<u>-</u>	<u>289,209</u>	<u>2,369,750</u>
(522,612)	(290,607)	(1,817,633)
<u>567,668</u>	<u>293,244</u>	<u>1,580,271</u>
<u>\$ 45,056</u>	<u>\$ 2,637</u>	<u>\$ (237,362)</u>

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## City of Park Ridge, Illinois

### Debt Service 2004A General Obligation Bond Fund

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

For the Year Ended April 30, 2010

	<u>Original and Final Budget</u>	<u>2010 Actual</u>	<u>Variance Positive (Negative)</u>
<hr/>			
Revenues			
Interest	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures			
Debt service			
Principal	1,039,600	900,000	139,600
Interest and fiscal agent fees	<u>-</u>	<u>141,581</u>	<u>(141,581)</u>
Total expenditures	<u>1,039,600</u>	<u>1,041,581</u>	<u>(1,981)</u>
Deficiency of revenues over expenditures	(1,039,600)	(1,041,581)	(1,981)
Other financing sources			
Transfers in	<u>1,039,600</u>	<u>1,041,581</u>	<u>1,981</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund deficit - May 1		<u>(435,047)</u>	
Fund deficit - April 30		<u>\$ (435,047)</u>	

**City of Park Ridge, Illinois**  
 Debt Service 2004B General Obligation Bond Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2010

	Original and Final Budget	2010 Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$ -	\$ -	\$ -
Total revenues	-	-	-
<b>Expenditures</b>			
Debt service			
Principal	885,400	435,000	450,400
Interest and fiscal agent fees	-	443,404	(443,404)
Total expenditures	885,400	878,404	6,996
Deficiency of revenues over expenditures	(885,400)	(878,404)	6,996
<b>Other financing sources</b>			
Transfers in	885,400	878,404	(6,996)
Net change in fund balance	\$ -	-	\$ -
Fund balance - May 1		-	
Fund balance - April 30		\$ -	

**City of Park Ridge, Illinois**  
 Debt Service 2005A General Obligation Bond Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Deficit - Budget and Actual  
For the Year Ended April 30, 2010

	Original and Final Budget	2010 Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Debt service			
Interest and fiscal agent fees	<u>321,100</u>	<u>321,112</u>	<u>(12)</u>
Total expenditures	<u>321,100</u>	<u>321,112</u>	<u>(12)</u>
Deficiency of revenues over expenditures	<u>(321,100)</u>	<u>(321,112)</u>	<u>(12)</u>
<b>Other financing sources</b>			
Transfers in			
From Uptown TIF Fund	<u>321,100</u>	<u>160,556</u>	<u>(160,544)</u>
Total other financing sources	<u>321,100</u>	<u>160,556</u>	<u>(160,544)</u>
Net change in fund balance	<u>\$ -</u>	(160,556)	<u>\$ (160,556)</u>
Fund deficit - May 1		<u>156,988</u>	
Fund deficit - April 30		<u>\$ (3,568)</u>	

**City of Park Ridge, Illinois**  
 Debt Service 2006A General Obligation Bond Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2010

	Original and Final Budget	2010 Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$ -	\$ 888	\$ 888
Total revenues	<u>-</u>	<u>888</u>	<u>888</u>
<b>Expenditures</b>			
Debt service			
Interest and fiscal agent fees	<u>523,500</u>	<u>523,500</u>	<u>-</u>
Total expenditures	<u>523,500</u>	<u>523,500</u>	<u>-</u>
Deficiency of revenues over expenditures	(523,500)	(522,612)	888
<b>Other financing sources</b>			
Transfers in			
From Uptown TIF Fund	<u>523,500</u>	<u>-</u>	<u>(523,500)</u>
Net change in fund balance	<u>\$ -</u>	(522,612)	<u>\$ (522,612)</u>
Fund balance - May 1		<u>567,668</u>	
Fund balance - April 30		<u>\$ 45,056</u>	

**City of Park Ridge, Illinois**  
 Debt Service 2006B General Obligation Bond Fund  
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year Ended April 30, 2010

	Original and Final Budget	2010 Actual	Variance Positive (Negative)
<b>Revenues</b>			
Interest	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>			
Debt service			
Interest and fiscal agent fees	579,800	579,816	(16)
Total expenditures	<u>579,800</u>	<u>579,816</u>	<u>(16)</u>
Deficiency of revenues over expenditures	(579,800)	(579,816)	(16)
<b>Other financing sources</b>			
Transfers in			
From Uptown TIF Fund	579,800	289,209	(290,591)
Net change in fund balance	<u>\$ -</u>	(290,607)	<u>\$ (290,607)</u>
Fund balance - May 1		<u>293,244</u>	
Fund balance - April 30		<u>\$ 2,637</u>	

### NONMAJOR CAPITAL PROJECTS FUNDS

The Capital Projects Funds are governmental funds used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds and Trust Funds).

**Sewer Construction Fund** - to account for the cost of construction and improvements to the combined sewer system to provide for better storm drainage. Financing was provided by \$16,000,000 general obligation bonds which were sold in June 1985.

**Series 2005A Uptown TIF Construction Fund** - to account for the cost of construction of Phase II of the Uptown Redevelopment Project. Financing was provided by \$3,000,000 general obligation bonds which were sold in January 2006.

**Series 2006A Uptown TIF Construction Fund** - to account for the City's portion of phases of the Uptown Redevelopment Project.

**Series 2006B Uptown TIF Construction Fund** - to account for the City's portion of phases of the Uptown Redevelopment Project.

**City of Park Ridge, Illinois**

Nonmajor Capital Projects Funds

Combining Balance Sheet

April 30, 2010

	<u>Sewer Construction</u>	<u>Series 2005A Uptown TIF Construction</u>	<u>Series 2006A Uptown Construction</u>	<u>Series 2006B Uptown Construction</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ -	\$ 2,215	\$ 1,016	\$ 499,982	\$ 503,213
Deposits in escrow	-	418,743	360,884	55,502	835,129
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 420,958</b>	<b>\$ 361,900</b>	<b>\$ 555,484</b>	<b>\$ 1,338,342</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ 22,067	\$ 22,067
Due to other funds	-	-	85,360	-	85,360
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>85,360</b>	<b>22,067</b>	<b>107,427</b>
<b>Fund balances</b>	<b>-</b>	<b>420,958</b>	<b>276,540</b>	<b>533,417</b>	<b>1,230,915</b>
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>\$ 420,958</b>	<b>\$ 361,900</b>	<b>\$ 555,484</b>	<b>\$ 1,338,342</b>

**City of Park Ridge, Illinois**  
 Nonmajor Capital Projects Funds  
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
 For the Year Ended April 30, 2010

	<u>Sewer Construction</u>	<u>Series 2005A Uptown TIF Construction</u>	<u>Series 2006A Uptown Construction</u>	<u>Series 2006B Uptown Construction</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Revenues</b>					
Interest	\$ -	\$ 1,318	\$ 3,626	\$ 2,059	\$ 7,003
<b>Expenditures</b>					
Current					
Public works	-	-	465,395	195,698	661,093
Development	-	69,943	-	-	69,943
Total expenditures	-	69,943	465,395	195,698	731,036
Excess (deficiency) of revenues over expenditures	-	(68,625)	(461,769)	(193,639)	(724,033)
<b>Other financing uses</b>					
Transfers out	(1,852)	-	-	-	(1,852)
Net change in fund balance	(1,852)	(68,625)	(461,769)	(193,639)	(725,885)
<b>Fund balances</b>					
May 1	1,852	489,583	738,309	727,056	1,956,800
April 30	\$ -	\$ 420,958	\$ 276,540	\$ 533,417	\$ 1,230,915

## ENTERPRISE FUNDS

The Enterprise Funds are proprietary funds established to account for the financing of self-supporting activities of governmental units which render services on a user-charge basis to the general public. The significant attribute of Enterprise Funds is that they are financed primarily by charges to consumers and that the accounting for them makes it possible to show whether they operated at a profit or loss similar to comparable private enterprises.

**Water Fund** - to account for the provisions of water services to the residents of the City. All activities necessary to provide these services are accounted for in this fund.

**Parking Fund** - to account for the provision of parking facilities to the residents of the City. All activities necessary to provide such facilities are accounted for in this fund.

**Sewer Fund** - to account 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.

**City of Park Ridge, Illinois**  
 Nonmajor Proprietary Funds  
 Combining Statement of Net Assets  
April 30, 2010

	Parking Fund	Sewer Fund	Total Nonmajor Proprietary Funds
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 1,230,935	\$ 1,015	\$ 1,231,950
Receivables			
Accounts, net	29,769	155,450	185,219
Accrued interest	24	-	24
Total current assets	<u>1,260,728</u>	<u>156,465</u>	<u>1,417,193</u>
Capital assets			
Cost	1,436,016	552,110	1,988,126
Accumulated depreciation	<u>(303,091)</u>	<u>(460)</u>	<u>(303,551)</u>
Total capital assets	<u>1,132,925</u>	<u>551,650</u>	<u>1,684,575</u>
Total assets	<u>2,393,653</u>	<u>708,115</u>	<u>3,101,768</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	6,681	7,354	14,035
Other accrued liabilities	160,923	2,382	163,305
Claims and judgments payable	1,447	2,497	3,944
Due to other funds	-	232,936	232,936
Total current liabilities	<u>169,051</u>	<u>245,169</u>	<u>414,220</u>
Long-term liabilities			
Compensated absences payable	<u>8,191</u>	<u>3,303</u>	<u>11,494</u>
Total noncurrent liabilities	<u>8,191</u>	<u>3,303</u>	<u>11,494</u>
Total liabilities	<u>177,242</u>	<u>248,472</u>	<u>425,714</u>
<b>NET ASSETS</b>			
Invested in capital assets	1,132,925	551,650	1,684,575
Unrestricted	<u>1,083,486</u>	<u>(92,007)</u>	<u>991,479</u>
Total net assets	<u>\$ 2,216,411</u>	<u>\$ 459,643</u>	<u>\$ 2,676,054</u>

**City of Park Ridge, Illinois**  
 Nonmajor Proprietary Funds  
 Combining Statement of Revenues, Expenses, and Changes in Net Assets  
For the Year Ended April 30, 2010

	Parking Fund	Sewer Fund	Total Nonmajor Proprietary Funds
Operating revenues			
Charges for services	\$ 442,053	\$ 898,595	\$ 1,340,648
Total operating revenues	<u>442,053</u>	<u>898,595</u>	<u>1,340,648</u>
Operating expenses			
Parking services and maintenance	383,793	-	383,793
Sewer and drainage	-	733,804	733,804
Total operating expenses	<u>383,793</u>	<u>733,804</u>	<u>1,117,597</u>
Operating income	<u>58,260</u>	<u>164,791</u>	<u>223,051</u>
Nonoperating revenues			
Interest income	3,689	-	3,689
Miscellaneous income	5,701	-	5,701
Loss on disposal of capital assets	(230,151)	-	(230,151)
Total nonoperating revenues	<u>(220,761)</u>	<u>-</u>	<u>(220,761)</u>
Income (loss) before transfers	(162,501)	164,791	2,290
Transfers in	-	294,852	294,852
Transfers out	(35,300)	-	(35,300)
Change in net assets	(197,801)	459,643	261,842
Net assets - May 1	<u>2,414,212</u>	<u>-</u>	<u>2,414,212</u>
Net assets - April 30	<u>\$ 2,216,411</u>	<u>\$ 459,643</u>	<u>2,676,054</u>

## City of Park Ridge, Illinois

### Water Fund

#### Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual For the Year Ended April 30, 2010

	<u>Original and Final Budget</u>	<u>2010 Actual</u>	<u>Variance Positive (Negative)</u>
<b>Operating revenues</b>			
Charges for services			
Water sales	\$ 7,000,000	\$ 6,328,965	\$ (671,035)
Water meters	20,000	13,910	(6,090)
Total charges for services	<u>7,020,000</u>	<u>6,342,875</u>	<u>(677,125)</u>
Total operating revenue	<u>7,020,000</u>	<u>6,342,875</u>	<u>(677,125)</u>
<b>Operating expenses</b>			
Administration			
Regular salaries	213,200	151,938	61,262
Overtime	5,000	2,093	2,907
Employee benefits			
Insurance	37,900	35,725	2,175
Telecommunications	22,000	21,551	449
Data processing services	22,000	18,793	3,207
Postal charges	31,000	28,196	2,804
General contractual services	42,000	35,005	6,995
Materials	2,000	827	1,173
Total administration	<u>375,100</u>	<u>294,128</u>	<u>80,972</u>
Water supply and treatment			
Regular salaries	155,400	154,369	1,031
Overtime	25,000	17,912	7,088
Employee benefits			
Insurance	28,900	27,308	1,592
Uniforms	1,200	800	400
Purchase of water	3,090,600	2,914,849	175,751
Testing	7,500	5,514	1,986
Building maintenance	8,000	230	7,770
Training	2,500	140	2,360
General contractual services	40,000	22,970	17,030

(Continued)

## City of Park Ridge, Illinois

### Water Fund

#### Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual (Continued)

For the Year Ended April 30, 2010

	Final Budget	2010 Actual	Variance Positive (Negative)
Operating expenses (continued)			
Water supply and treatment (continued)			
Materials	\$ 15,000	\$ 7,993	\$ 7,007
Natural gas	10,000	3,567	6,433
Electricity	126,000	117,994	8,006
Equipment maintenance	6,500	11,085	(4,585)
Motor equipment	3,900	3,900	-
Computer equipment	3,800	3,800	-
Total water supply and treatment	<u>3,524,300</u>	<u>3,292,431</u>	<u>231,869</u>
Fire hydrant services			
Regular salaries	47,800	51,530	(3,730)
Overtime	3,100	2,892	208
Employee benefits			
Insurance	8,700	8,256	444
Uniforms	500	241	259
General contractual services	100	-	100
Materials	40,000	30,036	9,964
Total fire hydrant services	<u>100,200</u>	<u>92,955</u>	<u>7,245</u>
Water main services			
Regular salaries	270,900	235,667	35,233
Overtime	32,800	17,641	15,159
Employee benefits			
Insurance	49,100	46,485	2,615
Uniforms	2,000	5,844	(3,844)
Water surveys	12,000	-	12,000
General contractual services	5,000	51,486	(46,486)
Materials	130,000	136,675	(6,675)
Motor equipment	70,300	70,300	-

(Continued)

## City of Park Ridge, Illinois

### Water Fund

#### Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual (Continued)

For the Year Ended April 30, 2010

	<u>Final Budget</u>	<u>2010 Actual</u>	<u>Variance Positive (Negative)</u>
Operating expenses (continued)			
Water main services (continued)			
Water main construction	\$ 725,000	\$ 710,076	\$ 14,924
Street repairs	250,000	92,000	158,000
Subtotal water main services	<u>1,547,100</u>	<u>1,366,174</u>	<u>180,926</u>
Less fixed assets capitalized	-	(710,076)	710,076
Total water main services	<u>1,547,100</u>	<u>656,098</u>	<u>891,002</u>
Water meter services			
Regular salaries	79,700	68,855	10,845
Overtime	3,700	3,861	(161)
Employee benefits			
Insurance	14,400	13,685	715
Uniforms	900	322	578
General contractual services	25,000	10,342	14,658
Materials	3,500	-	3,500
Meters	40,000	30,374	9,626
Total water meter services	<u>167,200</u>	<u>127,439</u>	<u>39,761</u>
Depreciation	-	754,127	(754,127)
Total operating expenses	<u>5,713,900</u>	<u>5,217,178</u>	<u>496,722</u>
Operating income	<u>1,306,100</u>	<u>1,125,697</u>	<u>(180,403)</u>
Nonoperating revenues			
Interest income	100,000	11,186	(88,814)
Miscellaneous	41,000	28,166	(12,834)
Total nonoperating revenues	<u>141,000</u>	<u>39,352</u>	<u>(101,648)</u>
Income before transfers out	<u>1,447,100</u>	<u>1,165,049</u>	<u>(282,051)</u>

(Continued)

# City of Park Ridge, Illinois

## Water Fund

### Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual (Continued)

For the Year Ended April 30, 2010

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	<u>Final Budget</u>	<u>2010 Actual</u>	<u>Variance Positive (Negative)</u>
Transfers out	\$ <u>(1,851,500)</u>	\$ <u>(1,844,504)</u>	\$ <u>6,996</u>
Changes in net assets	\$ <u>(404,400)</u>	(679,455)	\$ <u>(275,055)</u>
Net assets			
May 1		<u>26,444,954</u>	
April 30		\$ <u>25,765,499</u>	

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(Concluded)

## City of Park Ridge, Illinois

### Parking Fund

#### Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual For the Year Ended April 30, 2010

	Original and Final Budget	2010 Actual	Variance Positive (Negative)
<b>Operating revenues</b>			
Charges for services	\$ 397,000	\$ 442,053	\$ 45,053
Total operating revenue	<u>397,000</u>	<u>442,053</u>	<u>45,053</u>
<b>Operating expenses</b>			
Parking services and maintenance			
Regular salaries	169,200	186,985	(17,785)
Overtime	5,400	5,454	(54)
Employee benefits			
Insurance	22,300	21,082	1,218
Uniforms	5,500	295	5,205
Real property rental	56,000	50,805	5,195
General contractual services	30,000	37,556	(7,556)
Citation fees	-	37,432	(37,432)
Materials	9,000	8,107	893
Electricity	4,700	2,837	1,863
Parking meters	1,800	4,240	(2,440)
Motor equipment	21,000	21,000	-
Computer equipment	8,000	8,000	-
Total operating expenses	<u>332,900</u>	<u>383,793</u>	<u>(50,893)</u>
Operating income	<u>64,100</u>	<u>58,260</u>	<u>(5,840)</u>
<b>Nonoperating revenues (expenses)</b>			
Interest income	23,600	3,689	(19,911)
Miscellaneous	-	5,701	5,701
Loss on disposal of capital assets	-	(230,151)	(230,151)
Total nonoperating revenues	<u>23,600</u>	<u>(220,761)</u>	<u>(244,361)</u>

(Continued)

**City of Park Ridge, Illinois**

Parking Fund

Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual (Continued)

For the Year Ended April 30, 2010

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	<u>Final Budget</u>	<u>2010 Actual</u>	<u>Variance Positive (Negative)</u>
Income (loss) before transfers	87,700	(162,501)	(250,201)
Transfers out	<u>(35,300)</u>	<u>(35,300)</u>	-
Change in net assets	<u>\$ 52,400</u>	(197,801)	<u>\$ (250,201)</u>
Net assets			
May 1		<u>2,414,212</u>	
April 30		<u>\$ 2,216,411</u>	

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(Concluded)

## City of Park Ridge, Illinois

### Sewer Fund

#### Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual For the Year Ended April 30, 2010

	<u>Original and Final Budget</u>	<u>2010 Actual</u>	<u>Variance Positive (Negative)</u>
Operating revenues			
Charges for services	\$ 895,900	\$ 898,595	\$ 2,695
Total operating revenue	<u>895,900</u>	<u>898,595</u>	<u>2,695</u>
Operating expenses			
Sewer line and drainage			
Regular salaries	238,300	215,900	22,400
Overtime	22,000	27,934	(5,934)
Employee benefits			
Insurance	41,100	42,630	(1,530)
Uniforms	2,000	775	1,225
General contractual services	268,000	329,120	(61,120)
Sewer clean and televise	2,000	1,400	600
Materials	57,500	87,405	(29,905)
Electricity	6,000	6,180	(180)
Motor equipment	22,000	22,000	-
Sewer construction	530,000	552,110	(22,110)
Depreciation	-	460	(460)
Subtotal sewer line and drainage	<u>1,188,900</u>	<u>1,285,914</u>	<u>(97,014)</u>
Less fixed assets capitalized	-	552,110	(552,110)
Total sewer line and drainage	<u>1,188,900</u>	<u>733,804</u>	<u>455,096</u>
Operating loss	(293,000)	164,791	(452,401)
Income (loss) before transfers	<u>(293,000)</u>	<u>164,791</u>	<u>(452,401)</u>
Transfers in	<u>293,000</u>	<u>294,852</u>	<u>1,852</u>
Change in net assets	<u>\$ -</u>	<u>459,643</u>	<u>\$ (450,549)</u>
Net assets			
May 1		-	
April 30		<u>\$ 459,643</u>	

### INTERNAL SERVICE FUNDS

Internal Service Funds are proprietary funds used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City, on a cost-reimbursement basis.

**Technology Replacement Fund** - to account for budgeted contributions from City departments to purchase computer equipment.

**Motor Equipment Replacement Fund** - to account for budgeted contributions from City departments to purchase motor equipment.

**Library Technology Replacement Fund** - to account for budgeted contributions from the Library to purchase computer, telecommunication, and photocopying equipment.

**City of Park Ridge, Illinois**  
Internal Service Funds  
Combining Schedule of Net Assets  
April 30, 2010

	<u>Technology Replacement</u>	<u>Motor Equipment Replacement</u>	<u>Library Technology Replacement</u>	<u>Total</u>
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 1,613,721	\$ 2,263,462	\$ 532,245	\$ 4,409,428
Investments	-	1,338,000	-	1,338,000
Interest receivable	32	230	30	292
Total current assets	<u>1,613,753</u>	<u>3,601,692</u>	<u>532,275</u>	<u>5,747,720</u>
Noncurrent assets				
Capital assets				
Cost	29,290	5,726,380	55,715	5,811,385
Accumulated depreciation	<u>(29,290)</u>	<u>(3,732,530)</u>	<u>(39,228)</u>	<u>(3,801,048)</u>
Total noncurrent assets	<u>-</u>	<u>1,993,850</u>	<u>16,487</u>	<u>2,010,337</u>
Total assets	<u>1,613,753</u>	<u>5,595,542</u>	<u>548,762</u>	<u>7,758,057</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	<u>10,517</u>	<u>-</u>	<u>14,168</u>	<u>24,685</u>
<b>NET ASSETS</b>				
Invested in capital assets, net of related debt	-	1,993,850	16,487	2,010,337
Unrestricted	<u>1,603,236</u>	<u>3,601,692</u>	<u>518,107</u>	<u>5,723,035</u>
Total net assets	<u>\$ 1,603,236</u>	<u>\$ 5,595,542</u>	<u>\$ 534,594</u>	<u>\$ 7,733,372</u>

**City of Park Ridge, Illinois**  
Internal Service Funds  
Combining Schedule of Revenues, Expenses, and Changes in Net Assets  
For the Year Ended April 30, 2010

	<u>Technology Replacement</u>	<u>Motor Equipment Replacement</u>	<u>Library Technology Replacement</u>	<u>Total</u>
Operating revenues				
Charges for services	\$ 166,800	\$ 464,780	\$ 66,800	\$ 698,380
Operating expenses				
General contractual services	-	2,082	-	2,082
Materials	66,019	-	208,743	274,762
Depreciation	-	402,709	3,455	406,164
Total operating expenses	<u>66,019</u>	<u>404,791</u>	<u>212,198</u>	<u>683,008</u>
Operating income	<u>100,781</u>	<u>59,989</u>	<u>(145,398)</u>	<u>15,372</u>
Nonoperating revenues				
Interest income	<u>8,582</u>	<u>19,395</u>	<u>3,358</u>	<u>31,335</u>
Total nonoperating revenues	<u>8,582</u>	<u>19,395</u>	<u>3,358</u>	<u>31,335</u>
Change in net assets	109,363	79,384	(142,040)	46,707
Net assets				
May 1	<u>1,493,873</u>	<u>5,516,158</u>	<u>676,634</u>	<u>7,686,665</u>
April 30	<u>\$ 1,603,236</u>	<u>\$ 5,595,542</u>	<u>\$ 534,594</u>	<u>\$ 7,733,372</u>

## City of Park Ridge, Illinois

### Internal Service Funds

#### Combining Schedule of Cash Flows

For the Year Ended April 30, 2010

	<u>Technology Replacement</u>	<u>Motor Equipment Replacement</u>	<u>Library Technology Replacement</u>	<u>Total</u>
Cash flows from operating activities				
Receipts from services provided	\$ 166,800	\$ 464,780	\$ 66,800	\$ 698,380
Payments to suppliers	<u>(55,502)</u>	<u>(4,114)</u>	<u>(203,590)</u>	<u>(263,206)</u>
Net cash provided by (used in) operating activities	<u>111,298</u>	<u>460,666</u>	<u>(136,790)</u>	<u>435,174</u>
Cash flows from capital and related financing activities				
Purchases of capital assets	<u>-</u>	<u>(458,488)</u>	<u>-</u>	<u>(458,488)</u>
Net cash used in capital and related financing activities	<u>-</u>	<u>(458,488)</u>	<u>-</u>	<u>(458,488)</u>
Cash flows from investing activities				
Purchases of investments	(1,396,000)	(3,676,000)	(441,000)	(5,513,000)
Proceeds from sale of investments	2,587,000	3,670,000	900,000	7,157,000
Interest income received	<u>9,779</u>	<u>21,372</u>	<u>3,587</u>	<u>34,738</u>
Net cash provided by investing activities	<u>1,200,779</u>	<u>15,372</u>	<u>462,587</u>	<u>1,678,738</u>
Net increase in cash and cash equivalents	1,312,077	17,550	325,797	1,655,424
Cash and cash equivalents				
May 1	<u>301,644</u>	<u>2,245,912</u>	<u>206,448</u>	<u>2,754,004</u>
April 30	<u>\$ 1,613,721</u>	<u>\$ 2,263,462</u>	<u>\$ 532,245</u>	<u>\$ 4,409,428</u>

(Continued)

**City of Park Ridge, Illinois**  
Internal Service Funds  
Combining Schedule of Cash Flows (Continued)  
For the Year Ended April 30, 2010

	<u>Technology Replacement</u>	<u>Motor Equipment Replacement</u>	<u>Library Technology Replacement</u>	<u>Total</u>
Cash flows from operating activities				
Operating income (loss)	\$ 100,781	\$ 59,989	\$ (145,398)	\$ 15,372
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation	-	402,709	3,455	406,164
Change in liabilities Accounts payable	<u>10,517</u>	<u>(2,032)</u>	<u>5,153</u>	<u>13,638</u>
Net cash provided by (used in) operating activities	<u>\$ 111,298</u>	<u>\$ 460,666</u>	<u>\$ (136,790)</u>	<u>\$ 435,174</u>

(Concluded)

### **AGENCY FUNDS**

Agency Funds are fiduciary funds used to account for assets held by the City in a trustee capacity for individuals, private organizations, and/or other governments.

**Escrow Deposit Agency Fund** - to account for the collection and payment of amounts deposited by citizens and developers for specific projects and improvements.

**City of Park Ridge, Illinois**  
Escrow Deposit Agency Fund  
Statement of Changes in Assets and Liabilities  
For the Year Ended April 30, 2010

	<u>Balance at May 1, 2009</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at April 30, 2010</u>
<b>ASSETS</b>				
Current assets				
Cash and cash equivalents	\$ 78,169	\$ 1,906,634	\$ 1,522,135	\$ 462,668
Investments	432,000	232,000	664,000	-
Receivables				
Accrued interest	116	-	116	-
Other	2,142	3,600	3,527	2,215
	<u>512,427</u>	<u>2,142,234</u>	<u>2,189,778</u>	<u>464,883</u>
Total assets	<u>\$ 512,427</u>	<u>\$ 2,142,234</u>	<u>\$ 2,189,778</u>	<u>\$ 464,883</u>
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	\$ 7,449	\$ 174,285	\$ 180,350	\$ 1,384
Deposits	504,978	297,644	339,123	463,499
	<u>512,427</u>	<u>471,929</u>	<u>519,473</u>	<u>464,883</u>
Total liabilities	<u>\$ 512,427</u>	<u>\$ 471,929</u>	<u>\$ 519,473</u>	<u>\$ 464,883</u>

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**Capital Assets Used in the Operations of Governmental Funds**

**City of Park Ridge, Illinois**  
**Capital Assets Used in the Operations of Governmental Funds**  
**Comparative Schedules by Source**  
For the Years Ended April 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
<b>Governmental funds capital assets:</b>		
Land	\$ 35,927,189	\$ 35,931,189
Land improvements	2,472,347	2,472,347
Buildings	16,851,091	16,784,842
Machinery and equipment	1,024,662	989,909
Vehicles	563,104	574,474
Office furniture and equipment	1,090,183	1,050,184
Construction in progress	72,800	34,239
Infrastructure	<u>41,946,683</u>	<u>41,866,156</u>
 Total governmental funds capital assets	 <u>\$ 99,948,059</u>	 <u>\$ 99,703,340</u>
 <b>Investments in governmental funds capital assets by source:</b>		
From current revenues	\$ 80,986,475	\$ 80,848,005
Debt issuance	18,107,544	18,041,295
Intergovernmental	<u>854,040</u>	<u>814,040</u>
 Total governmental funds capital assets	 <u>\$ 99,948,059</u>	 <u>\$ 99,703,340</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets. The capital asset balances of the internal service funds were \$5,811,385 at April 30, 2010 and \$5,606,103 at April 30, 2009.

**City of Park Ridge, Illinois**  
 Capital Assets Used in the Operations of Governmental Funds  
 Schedule by Function and Activity  
For the Year Ended April 30, 2010

	FUNCTION AND ACTIVITY					Total Capital Assets
	General Government	Culture and Civic	Public Safety	Public Works	Development	
Capital assets not depreciated						
Land	\$ -	\$ 170,084	\$ 393,491	\$ 35,363,614	\$ -	\$ 35,927,189
Construction in progress	-	-	-	72,800	-	72,800
Capital assets being depreciated						
Land improvements	-	-	347,277	2,109,790	15,280	2,472,347
Buildings	-	1,252,932	622,323	14,975,836	-	16,851,091
Machinery and equipment	23,900	13,682	336,488	650,592	-	1,024,662
Vehicles	-	17,154	540,623	5,327	-	563,104
Office furniture and equipment	134,209	841,841	66,250	47,883	-	1,090,183
Infrastructure	-	-	-	41,946,683	-	41,946,683
<b>Total</b>	<b>\$ 158,109</b>	<b>\$ 2,295,693</b>	<b>\$ 2,306,452</b>	<b>\$ 95,172,525</b>	<b>\$ 15,280</b>	<b>\$ 99,948,059</b>

**City of Park Ridge, Illinois**  
 Capital Assets Used in the Operations of Governmental Funds  
 Schedule of Changes by Function and Activity  
For the Year Ended April 30, 2010

FUNCTION AND ACTIVITY	General fixed assets May 1, 2009	Additions	Deletions	General fixed assets April 30, 2010
General government	\$ 118,109	\$ 40,000	\$ -	\$ 158,109
Culture and civic	2,295,693	-	-	2,295,693
Public safety	2,306,452	-	-	2,306,452
Public works	94,967,806	220,089	15,370	95,172,525
Development	15,280	-	-	15,280
Total capital assets	<u>\$ 99,703,340</u>	<u>\$ 260,089</u>	<u>\$ 15,370</u>	<u>\$ 99,948,059</u>

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets. The capital asset balances of the internal service funds were \$5,811,385 at April 30, 2010 and \$5,606,103 at April 30, 2009.

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**Statistical Section (Unaudited)**

## Statistical Section

*This part of the City of Park Ridge's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.*

### Contents

### Page

#### **Financial Trends**

*These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.*

Schedule of Net Assets by Component, Last Seven Fiscal Years	144
Schedule of Changes in Net Assets, Last Seven Fiscal Years	145 - 148
Fund Balances of Governmental Funds, Last Ten Fiscal Years	149
Schedule of Changes in Fund Balances of Governmental Funds, Last Ten Fiscal Years	150 - 151

#### **Revenue Capacity**

*These schedules contain information to help the reader assess the City's most significant local revenue sources.*

##### *Property Tax Information*

Assessed Value and Actual Value of Taxable Property, Last Ten Levy Years	152
Property Tax Rates - Direct and Overlapping Governments, Last Ten Fiscal Years	153
Principal Property Taxpayers, Current Year and Nine Years Ago	154
Property Tax Levies and Collections, Last Ten Levy Years	155

##### *Sales Tax Information*

Taxable Sales by Category, Last Ten Fiscal Years	156
Direct and Overlapping Sales Tax Rates, Last Ten Levy Years	157

#### **Debt Capacity**

*These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.*

Schedule of Legal Debt Margin	158
Ratios of Outstanding Debt by Type, Last Ten Fiscal Years	159
Ratios of General Bonded Debt Outstanding, Last Ten Fiscal Years	160
Direct and Overlapping Governmental Activities Debt	161

## Statistical Section (Continued)

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#### **Demographic and Economic Information**

*These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.*

Demographic and Economic Information - Last Ten Fiscal Years	162
Principal Employers - Current Year and Three Years Ago	163

#### **Operating Information**

*These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.*

Full-time Equivalent Employees - Last Ten Fiscal Years	164 - 165
Capital Asset Statistics - Last Ten Fiscal Years	166
Operating Indicators - Last Ten Fiscal Years	167

*Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The City implemented GASB Statement 34 in FY2003-04; schedules presenting government-wide information include information beginning in that year.*

**City of Park Ridge, Illinois**  
**Net Assets by Component**  
**Last Seven Fiscal Years**

	2004	2005	2006	2007	2008	2009	2010
<b>Governmental Activities</b>							
Invested in Capital Assets Net of Related Debt	\$ 58,253,503	\$ 49,298,379	\$ 41,899,798	\$ 26,094,190	\$ 40,592,487	\$ 33,052,796	\$ 35,467,201
Restricted							
Grant purposes	604,568	468,298	475,000	468,032	275,000	275,000	275,000
Debt service	862,169	1,191,616	1,107,825	2,320,938	2,229,942	2,015,318	47,693
Capital projects	-	-	-	1,181,871	2,602,423	1,956,800	727,702
Enabling legislation	-	-	-	4,153,074	316,456	228,722	242,452
Unrestricted	20,335,918	29,454,310	19,246,028	27,752,517	14,127,990	16,920,850	13,063,311
Total Governmental Activities	<u>\$ 80,056,158</u>	<u>\$ 80,412,603</u>	<u>\$ 62,728,651</u>	<u>\$ 61,970,622</u>	<u>\$ 60,144,298</u>	<u>\$ 54,449,486</u>	<u>\$ 49,823,359</u>
<b>Business-type Activities</b>							
Invested in Capital Assets Net of Related Debt	\$ 9,275,441	\$ 9,386,214	\$ 24,395,178	\$ 23,908,103	\$ 23,676,745	\$ 23,650,123	\$ 23,927,570
Unrestricted	5,244,471	6,336,223	6,830,533	6,516,995	6,173,999	5,320,400	4,513,983
Total Business-type Activities	<u>\$ 14,519,912</u>	<u>\$ 15,722,437</u>	<u>\$ 31,225,711</u>	<u>\$ 30,425,098</u>	<u>\$ 29,850,744</u>	<u>\$ 28,970,523</u>	<u>\$ 28,441,553</u>
<b>Primary Government</b>							
Invested in Capital Assets Net of Related Debt	\$ 67,528,944	\$ 58,684,593	\$ 66,294,976	\$ 50,002,293	\$ 64,269,232	\$ 56,702,919	\$ 59,394,771
Restricted							
Grant purpose	604,568	468,298	475,000	468,032	275,000	275,000	275,000
Debt service	862,169	1,191,616	1,107,825	2,320,938	2,229,942	2,015,318	47,693
Capital projects	-	-	-	-	2,602,423	1,956,800	727,702
Enabling legislation	-	-	-	-	316,456	228,722	242,452
Unrestricted	25,580,389	35,790,533	26,076,561	34,269,512	20,301,989	22,241,250	17,577,294
Total Primary Government	<u>\$ 94,576,070</u>	<u>\$ 96,135,040</u>	<u>\$ 93,954,362</u>	<u>\$ 87,060,775</u>	<u>\$ 89,995,042</u>	<u>\$ 83,420,009</u>	<u>\$ 78,264,912</u>

Data Source: Audited Financial Statements

**City of Park Ridge, Illinois**  
**Changes in Net Assets**  
**Last Seven Fiscal Years**

	2004	2005	2006	2007	2008	2009	2010
<b>Expenses</b>							
<i>Governmental Activities</i>							
General Government	\$ 3,627,273	\$ 3,467,387	\$ 3,674,774	\$ 4,123,883	\$ 4,078,601	\$ 4,088,879	\$ 4,107,880
Public Safety	12,331,100	13,084,566	14,229,159	15,242,327	15,546,186	16,682,893	18,055,715
Public Works	9,275,456	10,014,637	26,079,742	14,604,233	12,820,471	15,489,133	12,465,191
Development	1,881,842	2,302,765	5,921,175	5,046,338	3,590,080	3,834,333	2,745,862
Culture and civic	4,807,302	4,788,017	4,732,967	4,903,540	4,988,281	4,981,785	5,378,577
Interest	439,046	873,476	1,482,476	2,208,474	2,265,103	2,128,155	2,029,359
<b>Total Governmental Activities Expenses</b>	<b>32,362,019</b>	<b>34,530,848</b>	<b>56,120,293</b>	<b>46,128,795</b>	<b>43,288,722</b>	<b>47,205,178</b>	<b>44,782,584</b>
<i>Business-type Activities</i>							
Water	3,762,335	3,794,441	4,465,570	5,335,171	5,425,499	5,049,979	5,328,535
Parking	353,195	521,877	358,310	308,844	430,030	455,988	383,793
Sewer	-	-	-	-	-	-	733,804
<b>Total Business-type Activities Expenses</b>	<b>4,115,530</b>	<b>4,316,318</b>	<b>4,823,880</b>	<b>5,644,015</b>	<b>5,855,529</b>	<b>5,505,967</b>	<b>6,446,132</b>
<b>Total Primary Government Expenses</b>	<b>\$ 36,477,549</b>	<b>\$ 38,847,166</b>	<b>\$ 60,944,173</b>	<b>\$ 51,772,810</b>	<b>\$ 49,144,251</b>	<b>\$ 52,711,145</b>	<b>\$ 51,228,716</b>

**City of Park Ridge, Illinois**  
**Changes in Net Assets**  
**Last Seven Fiscal Years**

	2004	2005	2006	2007	2008	2009	2010
<b>Program Revenues</b>							
<i>Governmental Activities</i>							
Charges for Services							
General Government	\$ 1,716,674	\$ 1,980,748	\$ 2,390,909	\$ 1,025,765	\$ 3,630,949	\$ 3,369,510	\$ 3,061,263
Public Safety	724,266	876,956	861,995	4,465,613	775,097	805,618	1,009,633
Public Works	278,537	200,836	103,159	337,823	251,660	499,371	171,047
Development	1,058,096	1,177,073	1,744,129	266,698	16,314	18,790	10,436
Culture and civic	57,531	58,735	87,805	64,928	70,785	71,195	70,223
Operating Grants and Contributions	1,598,317	1,228,209	1,318,021	1,242,106	1,341,646	1,502,522	1,513,862
<b>Total Gov. Activities Program Revenues</b>	<b>5,433,421</b>	<b>5,522,557</b>	<b>6,506,018</b>	<b>7,402,933</b>	<b>6,086,451</b>	<b>6,267,006</b>	<b>5,836,464</b>
<i>Business-type Activities</i>							
Charges for Services							
Water	4,864,219	6,009,611	6,893,619	5,873,392	6,161,215	6,069,670	6,342,875
Parking	432,357	401,282	485,927	458,991	350,063	276,014	442,053
Sewer	-	-	-	-	-	-	898,595
Operating Grants and Cap. Contrib.	-	-	14,101,451	-	-	-	-
<b>Total Business-type Activities Revenues</b>	<b>5,296,576</b>	<b>6,410,893</b>	<b>21,480,997</b>	<b>6,332,383</b>	<b>6,511,278</b>	<b>6,345,684</b>	<b>7,683,523</b>
<b>Total Primary Government Program Revenues</b>	<b>\$ 10,729,997</b>	<b>\$ 11,933,450</b>	<b>\$ 27,987,015</b>	<b>\$ 13,735,316</b>	<b>\$ 12,597,729</b>	<b>\$ 12,612,690</b>	<b>\$ 13,519,987</b>
<b>Net (Expense) Revenue</b>							
Governmental Activities	\$ (26,928,598)	\$ (29,008,291)	\$ (49,614,275)	\$ (38,725,862)	\$ (37,202,271)	\$ (40,938,172)	\$ (38,946,120)
Business-type Activities	1,181,046	2,094,575	16,657,117	688,368	655,749	839,717	1,237,391
<b>Total Primary Gov. Net (Expense) Revenues</b>	<b>\$ (25,747,552)</b>	<b>\$ (26,913,716)</b>	<b>\$ (32,957,158)</b>	<b>\$ (38,037,494)</b>	<b>\$ (36,546,522)</b>	<b>\$ (40,098,455)</b>	<b>\$ (37,708,729)</b>

**City of Park Ridge, Illinois**  
**Changes in Net Assets (Continued)**  
**Last Seven Fiscal Years**

	2004	2005	2006	2007	2008	2009	2010
<b>General Revenues/Other Changes in Net Assets</b>							
<b>Governmental Activities</b>							
Taxes							
Property	\$ 12,427,783	\$ 13,249,375	\$ 14,390,929	\$ 14,467,133	\$ 16,106,676	\$ 17,386,365	\$ 18,028,634
Replacement	4,186,974	4,517,849	-	-	520,531	450,605	367,466
Sales	2,459,522	2,358,448	4,367,460	5,684,122	3,754,466	3,179,232	3,149,028
Utility	2,278,755	2,632,195	2,753,070	2,520,176	2,742,021	2,824,370	3,008,242
Income	2,474,722	1,999,927	2,921,955	3,258,110	3,559,023	3,326,676	2,393,258
Telecommunications	2,748,639	2,944,311	1,965,563	1,701,899	1,871,134	1,903,751	1,890,388
Property transfer	-	-	-	-	489,328	464,351	439,218
Emergency telephone	-	-	-	-	457,778	582,513	514,296
Parking garage	-	-	-	-	422,769	388,820	394,136
Other	-	-	3,103,933	6,905,472	2,372,780	2,475,457	2,469,256
Unrestricted Investment Earnings	227,258	444,595	698,719	1,644,085	913,047	210,500	26,478
Miscellaneous	60,940	221,285	-	-	309,539	181,967	54,641
Transfers	831,200	996,751	1,341,085	1,786,836	1,856,855	1,868,754	1,584,952
<b>Total Governmental Activities</b>	<b>27,695,793</b>	<b>29,364,736</b>	<b>31,542,714</b>	<b>37,967,833</b>	<b>35,375,947</b>	<b>35,243,361</b>	<b>34,319,993</b>
<b>Business-type Activities</b>							
Other	-	-	-	-	-	-	(230,151)
Investment Earnings	63,220	80,020	170,015	251,824	230,067	81,157	14,875
Miscellaneous	-	-	17,227	46,031	7,350	67,659	33,867
Transfers	(831,200)	(996,751)	(1,341,085)	(1,786,836)	(1,856,855)	(1,868,754)	(1,584,952)
<b>Total Business-type Activities</b>	<b>(767,980)</b>	<b>(916,731)</b>	<b>(1,153,843)</b>	<b>(1,488,981)</b>	<b>(1,619,438)</b>	<b>(1,719,938)</b>	<b>(1,766,361)</b>
<b>Total Primary Government</b>	<b>\$ 26,927,813</b>	<b>\$ 28,448,005</b>	<b>\$ 30,388,871</b>	<b>\$ 36,478,852</b>	<b>\$ 33,756,509</b>	<b>\$ 33,523,423</b>	<b>\$ 32,553,632</b>

**City of Park Ridge, Illinois**  
**Changes in Net Assets (Continued)**  
**Last Seven Fiscal Years**

	2004	2005	2006	2007	2008	2009	2010
<b>Change in Net Assets</b>							
Governmental Activities	\$ 767,195	\$ 356,445	\$ (7,183,148)	\$ 765,562	\$ (5,562,225)	\$ (5,694,811)	\$ (4,626,127)
Business-type Activities	413,066	1,177,844	(465,475)	(833,232)	(779,721)	(1,719,938)	(528,970)
<b>Total Primary Gov. Change in Net Assets</b>	<b>\$ 1,180,261</b>	<b>\$ 1,534,289</b>	<b>\$ (7,648,623)</b>	<b>\$ (67,670)</b>	<b>\$ (6,341,946)</b>	<b>\$ (7,414,749)</b>	<b>\$ (5,155,097)</b>

Data Source

Audited Financial Statements

Includes all available information

**City of Park Ridge, Illinois**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**

	2001	2002	2003	2004	2005	2006	2007	2,008	2009	2010
<b>General Fund</b>										
Reserved (a)	\$ 18,823	\$ 366,597	\$ 596,244	\$ 765,121	\$ 623,687	\$ 669,739	\$ 587,594	\$ 333,537	\$ 4,820,179	\$ 5,058,348
Unreserved (b)	13,100,507	11,941,725	10,832,537	11,403,597	10,278,823	8,417,705	14,876,244	13,413,534	6,558,168	2,609,181
<b>Total General Fund</b>	<b>13,119,330</b>	<b>12,308,322</b>	<b>11,428,781</b>	<b>12,168,718</b>	<b>10,902,510</b>	<b>9,087,444</b>	<b>15,463,838</b>	<b>13,747,071</b>	<b>11,378,347</b>	<b>7,667,529</b>
<b>All Other Governmental Funds</b>										
Reserved (a)	\$ 1,828,253	\$ 1,596,836	\$ 1,426,596	\$ 1,300,880	\$ 1,548,844	\$ 1,339,449	\$ 2,399,658	\$ 2,453,886	\$ 4,325,135	\$ 1,561,905
Unreserved, reported in										
Special Revenue Funds	788,203	502,846	197,702	(916,820)	(1,597,820)	325,438	(414,496)	(1,412,712)	(3,272,068)	(3,063,790)
Debt Service Funds	-	-	-	-	-	(1,203,190)	-	(438,615.00)	(435,047)	(285,055)
Capital Project Funds	1,366,254	888,287	859,331	175,738	19,027,246	3,627,416	10,271,300	6,172,061	-	-
<b>Total All Other Governmental Funds</b>	<b>3,982,710</b>	<b>2,987,969</b>	<b>2,483,629</b>	<b>559,798</b>	<b>18,978,270</b>	<b>4,089,113</b>	<b>12,256,462</b>	<b>6,774,620</b>	<b>618,020</b>	<b>(1,786,940)</b>
<b>Total Governmental Funds</b>	<b>\$ 17,102,040</b>	<b>\$ 15,296,291</b>	<b>\$ 13,912,410</b>	<b>\$ 12,728,516</b>	<b>\$ 29,880,780</b>	<b>\$ 13,176,557</b>	<b>\$ 27,720,300</b>	<b>\$ 20,521,691</b>	<b>\$ 11,996,367</b>	<b>\$ 5,880,589</b>
<b>Special Revenue Unreserved:</b>										
MFT	19,010	(549,960)	(195,573)	(48,121)	(124,886)	171,006	517,985	149,385	(96,454)	(257,044)
911	175,804	319,801	(124,860)	(145,469)	(166,184)	(164,833)	(151,967)	(437,262)	(346,394)	(296,782)
Asset Forfeiture	38,142	45,283	40,990	30,736	42,459	34,703	65,615	69,905	85,366	123,638
Dempster TIF	-	-	-	(27,087)	(30,864)	(25,796)	(15,343)	123,045	-	-
Foreign Fire	-	-	-	-	18,334	5,959	15,907	22,860	28,564	41,031
SSA	-	-	-	(561,037)	(339,866)	(132,598)	(260,060)	(288,133)	(408,425)	(266,885)
Uptown TIF	-	-	-	(234,863)	(1,674,584)	(964,334)	(2,165,104)	(2,696,572)	(4,343,273)	(4,550,309)
Mun Waste	(9,434)	(134,108)	(438,983)	(662,025)	62,677	(73,050)	(241,349)	(217,574)	(412,210)	(473,182)
Library	580,901	845,775	941,850	731,046	615,094	965,220	1,837,255	1,861,634	2,220,758	2,615,743
Tax Increment Financing	(16,220)	(23,945)	(25,722)	-	-	-	-	-	-	-
Subtotal	788,203	502,846	197,702	(916,820)	(1,597,820)	(183,723)	(397,061)	(1,412,712)	(3,272,068)	(3,063,790)
<b>Special Revenue Reserved:</b>										
Library	109,306	44,932	16,905	5,062	6,632	8,313	7,778	355	978	1,136
IMRF	60,660	108,467	281,010	311,604	259,096	171,006	53,507	74,306	114,792	77,783
911	61,533	20,433	163,643	122,045	87,175	(164,833)	(151,967)	149,283	117,683	86,083
Mun Waste	26,021	26,021	26,021	-	-	-	-	-	-	-
Dempster TIF	-	-	-	-	-	-	-	-	119,564	118,295
Asset Forfeiture	-	-	973	-	-	-	-	-	-	-
Subtotal	257,520	199,853	488,552	438,711	352,903	14,486	(90,682)	223,944	353,017	283,297
<b>Debt Service Unreserved:</b>										
2004A General Obligation Bond	-	-	-	-	-	-	-	(435,047)	(435,047)	(285,055)
2005A General Obligation Bond	-	-	-	-	-	-	-	(3,568)	-	-
Subtotal	-	-	-	-	-	-	-	(438,615)	(435,047)	(285,055)
<b>Debt Service Reserved:</b>	<b>1,570,733</b>	<b>1,396,983</b>	<b>938,044</b>	<b>862,169</b>	<b>1,195,941</b>	<b>(95,365)</b>	<b>2,320,938</b>	<b>2,229,942</b>	<b>2,015,318</b>	<b>47,693</b>
<b>Capital Project Unreserved</b>										
Fund Balance	1,366,254	888,287	859,331	175,738	2,080,724	344,068	1,181,871	2,602,423	1,956,800	1,230,915
Series 2005AUptown Const	-	-	-	-	6,195,062	6,195,062	-	-	-	-
Series 2004BUptown Const	-	-	-	-	2,278,199	(73,050)	-	-	-	-
Subtotal	1,366,254	888,287	859,331	175,738	10,553,985	6,466,080	1,181,871	2,602,423	1,956,800	1,230,915

Data Source: Audited Financial Statements

**City of Park Ridge, Illinois**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Revenues</b>										
Property Taxes	\$ 10,523,069	\$ 10,823,903	\$ 11,471,539	\$ 11,956,235	\$ 12,900,070	\$ 14,380,929	\$ 14,705,990	\$ 15,274,233	\$ 17,139,702	\$ 18,176,917
Other Taxes	12,002,770	11,375,152	11,248,027	13,961,830	14,465,264	14,914,688	15,379,951	16,189,830	15,595,775	14,625,290
Licenses and Permits	1,773,822	1,711,699	2,052,838	2,418,615	2,705,072	3,330,442	4,164,109	2,925,371	2,712,700	2,495,432
Intergovernmental	5,710,984	4,708,299	4,250,051	1,598,317	1,228,209	1,318,021	1,242,106	1,337,116	1,502,522	1,513,862
Fines and Forfeitures	215,061	279,423	435,042	370,891	402,770	384,931	434,039	332,367	337,499	1,562,486
Charges for Services	123,371	87,565	188,033	889,088	1,188,259	1,198,687	1,679,859	1,658,369	1,939,857	488,799
Investment Income	1,028,904	526,191	354,976	146,278	346,021	521,789	1,405,997	917,577	210,500	26,478
Miscellaneous	620,724	710,838	628,621	84,869	162,383	47,845	125,956	309,539	181,967	54,641
<b>Total Revenues</b>	<b>\$ 31,998,705</b>	<b>\$ 30,223,070</b>	<b>\$ 30,629,127</b>	<b>\$ 31,426,123</b>	<b>\$ 33,398,048</b>	<b>\$ 36,097,332</b>	<b>\$ 39,138,007</b>	<b>\$ 38,944,402</b>	<b>\$ 39,620,522</b>	<b>\$ 38,943,905</b>
<b>Expenditures</b>										
General Government	\$ 2,664,997	\$ 2,720,873	\$ 3,366,527	\$ 3,673,724	\$ 3,859,889	\$ 4,012,594	\$ 3,809,780	\$ 4,157,170	\$ 4,031,893	\$ 4,325,678
Public Safety	11,427,874	11,603,893	11,664,667	12,063,199	12,799,684	14,064,897	14,506,356	15,451,231	16,337,357	17,534,169
Public Works	9,248,250	9,596,015	9,917,908	8,744,053	9,749,641	11,321,880	14,255,186	15,625,153	15,994,737	11,826,891
Development	2,052,244	1,971,641	5,948,717	1,890,488	2,292,049	5,921,175	5,037,294	3,590,080	3,591,522	2,745,862
Culture and civic	4,023,218	4,446,022	5,529,961	4,764,771	4,776,925	4,705,411	4,874,296	5,026,920	4,963,167	5,234,822
Miscellaneous	3,168	155,532	-	-	-	-	-	-	-	-
Capital Outlay	3,118,578	-	-	1,182,265	14,148,402	5,531,194	4,002,843	-	242,811	-
Debt Service (d)										
Principal	1,660,000	1,730,000	1,555,000	1,135,000	1,205,000	5,620,000	4,760,000	1,855,000	2,685,000	2,905,000
Interest	575,223	507,165	436,235	469,641	681,481	1,270,113	1,849,434	2,294,312	2,168,113	2,072,213
<b>Total Expenditures</b>	<b>\$ 34,773,552</b>	<b>\$ 32,731,141</b>	<b>\$ 38,419,016</b>	<b>\$ 33,923,141</b>	<b>\$ 49,513,071</b>	<b>\$ 52,447,264</b>	<b>\$ 53,095,189</b>	<b>\$ 47,999,866</b>	<b>\$ 50,014,600</b>	<b>\$ 46,644,635</b>
<b>Excess of Revenues over (under) Expenditures</b>	<b>(2,774,847)</b>	<b>(2,508,071)</b>	<b>(7,789,889)</b>	<b>(2,497,018)</b>	<b>(16,115,023)</b>	<b>(16,349,932)</b>	<b>(13,957,182)</b>	<b>(9,055,464)</b>	<b>(10,394,078)</b>	<b>(7,700,730)</b>
<b>Other financing Sources (Uses)</b>										
Transfers In	1,649,300	1,649,000	934,400	1,422,397	2,864,682	5,264,172	9,172,390	3,491,870	4,800,660	4,248,350
Transfers Out	(992,300)	(978,400)	(100,000)	(591,197)	(1,867,931)	(3,923,087)	(7,385,553)	(1,635,015)	(2,931,906)	(2,663,398)
Bonds Issued	-	-	4,340,000	-	23,775,000	3,000,000	20,585,000	-	-	-
Discount on Bonds Issued	-	-	-	-	22,274	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	3,390,276	6,129,089	-	-	-
<b>Total Other Financing Sources</b>	<b>657,000</b>	<b>670,600</b>	<b>5,174,400</b>	<b>831,200</b>	<b>24,794,025</b>	<b>7,731,361</b>	<b>28,500,926</b>	<b>1,856,855</b>	<b>1,868,754</b>	<b>1,584,952</b>
<b>Net Change in Fund Balances</b>	<b>\$ (2,117,847)</b>	<b>\$ (1,837,471)</b>	<b>\$ (2,615,489)</b>	<b>\$ (1,665,818)</b>	<b>\$ 8,679,002</b>	<b>\$ (8,618,571)</b>	<b>\$ 14,543,744</b>	<b>\$ (7,198,609)</b>	<b>\$ (8,525,324)</b>	<b>\$ (6,115,778)</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	<b>6.43%</b>	<b>6.87%</b>	<b>5.18%</b>	<b>4.73%</b>	<b>3.81%</b>	<b>13.14%</b>	<b>12.45%</b>	<b>9.33%</b>	<b>9.97%</b>	<b>10.67%</b>

Data Source: Audited Financial Statements

**City of Park Ridge, Illinois**  
**Changes in Fund Balances of Governmental Funds (Continued)**  
**Last Ten Fiscal Years**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Expenditures	32,731,141	38,419,016	33,923,141	49,513,071	52,447,264	53,095,189	47,999,866	47,999,866	50,014,600	46,644,635
Less										
Capital outlay function	(3,168)	(155,532)	-	-	-	-	-	(3,547,798)	(1,333,964)	-
Net noncapital expenditures	34,770,384	32,575,609	38,419,016	33,923,141	49,513,071	52,447,264	53,509,495	44,452,068	48,680,636	46,644,635
Debt Service										
Principal	1,660,000	1,730,000	1,555,000	1,135,000	1,205,000	5,620,000	4,760,000	1,855,000	2,685,000	2,905,000
Interest	575,223	507,165	436,235	469,641	681,481	1,270,113	1,849,435	2,294,312	2,168,113	2,072,213
Total Debt Service	2,235,223	2,237,165	1,991,235	1,604,641	1,886,481	6,890,113	6,609,435	4,149,312	4,853,113	4,977,213
<b>Percentage of DS to Non-Capital Expenditures</b>	6.43%	6.87%	5.18%	4.73%	3.81%	13.14%	12.45%	9.33%	9.97%	10.67%

Data Source: Audited Financial Statements

**City of Park Ridge, Illinois**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Levy Years**

Year of Levy	Residential Property	Commercial Property	Industrial Property	Real Property <i>Total of Residential, Comm. &amp; Industrial</i>	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
1999	724,841,758	189,903,760	18,877,311	933,622,829	266,777	933,889,606	0.779	2,801,668,818	33.333%
2000	725,361,710	178,627,247	22,253,100	926,242,057	277,668	926,519,725	0.808	2,779,559,175	33.333%
2001	914,096,053	201,026,679	21,379,577	1,136,502,309	289,731	1,136,792,040	0.692	3,410,376,120	33.333%
2002	984,441,475	210,863,384	26,979,180	1,222,284,039	342,967	1,222,627,006	0.649	3,667,881,018	33.333%
2003	983,591,648	198,131,470	25,880,308	1,207,603,426	370,359	1,207,973,785	0.696	3,623,921,355	33.333%
2004	1,164,439,757	209,031,489	33,094,940	1,406,670,439	416,480	1,407,086,919	0.622	4,221,260,757	33.333%
2005	1,257,761,409	209,920,948	34,053,941	1,501,736,298	392,610	1,502,128,908	0.595	4,506,386,724	33.333%
2006	1,290,203,181	202,819,578	34,958,662	1,527,981,421	391,343	1,528,372,764	0.641	4,585,118,292	33.333%
2007	1,593,304,916	220,160,736	38,864,051	1,852,329,703	429,037	1,852,758,740	0.563	5,558,276,220	33.333%
2008	1,726,243,617	219,005,029	48,925,033	1,994,173,679	468,466	1,994,642,145	0.623	5,983,926,435	33.333%

Data Source: Office of the County Clerk

**This is the latest information available from the Office of Cook County Clerk**

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

**City of Park Ridge, Illinois**  
**Property Tax Rates - Direct and Overlapping Governments**  
**Last Ten Levy Years**

Tax Levy Year	2000- 2001	2001- 2002	2002- 2003	2003- 2004	2004- 2005	2005- 2006	2006- 2007	2007- 2008	2008- 2009	2009- 2010
<b>City Direct Rates</b>										
General Corporate	\$ 0.21	\$ 0.19	\$ 0.18	\$ 0.18	\$ 0.16	\$ 0.14	\$ 0.16	\$ 0.12	\$ 0.09	N/A
Debt Service	0.17	0.13	0.13	0.14	0.12	0.11	0.11	0.09	0.08	N/A
Garbage	0.27	0.22	0.20	0.22	0.20	0.19	0.20	0.18	0.16	N/A
Police Pension	0.03	0.04	0.04	0.04	0.05	0.05	0.06	0.05	0.07	N/A
Fire Pension	-	-	-	0.00	0.00	0.01	0.01	0.04	0.06	N/A
Illinois Municipal Retirement	0.13	0.11	0.11	0.10	0.09	0.05	0.05	0.04	0.04	N/A
Social Security	-	-	-	-	-	0.05	0.05	0.04	0.04	N/A
<b>Total Direct Rate</b>	<b>0.81</b>	<b>0.69</b>	<b>0.65</b>	<b>0.70</b>	<b>0.62</b>	<b>0.60</b>	<b>0.64</b>	<b>0.56</b>	<b>0.55</b>	<b>N/A</b>
<b>Overlapping Rates</b>										
Park Ridge Public Library	0.353	0.295	0.292	0.304	0.280	0.292	0.274	0.230	0.214	N/A
High School District 207	2.298	2.026	1.936	2.012	1.795	1.757	1.826	1.602	1.577	N/A
Elementary School District 64	3.326	2.852	2.716	2.829	2.526	2.582	3.016	2.850	2.685	N/A
Cook County	0.605	0.545	0.534	0.489	0.471	0.274	0.397	0.446	0.415	N/A
Consolidated Elections	-	0.032	-	0.029	-	0.014	-	-	-	N/A
Cook County Health Facilities	0.219	0.201	0.156	0.141	0.122	0.112	0.103	-	-	N/A
Cook County Forest Preserve	0.069	0.067	0.061	0.059	0.060	0.060	0.057	0.053	0.051	N/A
Suburban T.B. Sanitarium	0.008	0.007	0.006	0.004	0.001	0.005	0.005	-	-	N/A
Water Reclamation District	0.415	0.401	0.371	0.361	0.347	0.315	0.284	0.263	0.252	N/A
Mosquito Abatement District	0.011	0.010	0.009	0.010	0.009	0.009	0.009	0.008	0.008	N/A
Maine Township*	0.089	0.079	0.076	0.079	0.071	0.070	0.073	0.065	0.064	N/A
Road and Bridge/Maine	0.044	0.039	0.038	0.040	0.036	0.036	0.038	0.034	0.033	N/A
General Assistance/Maine	0.016	0.015	0.015	0.016	0.015	0.015	0.016	0.015	0.015	N/A
Community College District 535	0.213	0.186	0.179	0.186	0.161	0.158	0.166	0.141	0.140	N/A
Recreation and Park District	0.423	0.350	0.365	0.338	0.299	0.331	0.337	0.286	0.278	N/A
<b>Total</b>	<b>8.089</b>	<b>7.105</b>	<b>6.754</b>	<b>6.897</b>	<b>6.193</b>	<b>6.030</b>	<b>6.601</b>	<b>6.005</b>	<b>5.732</b>	<b>N/A</b>
<b>TOTAL TAX BILL \$</b>	<b><u>8.897</u></b>	<b><u>7.797</u></b>	<b><u>7.403</u></b>	<b><u>7.593</u></b>	<b><u>6.815</u></b>	<b><u>6.575</u></b>	<b><u>7.242</u></b>	<b><u>6.568</u></b>	<b><u>6.279</u></b>	<b><u>N/A</u></b>

Data Source: Office of the County Clerk

2008/2009 are the latest figures available from Cook County

NOTE: Most of Park Ridge is located in Maine Township, but a portion of the City is in Leyden & Norwood Townships

**City of Park Ridge, Illinois**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

Taxpayer	2008			Taxpayer	1999		
	Assessed Value	Rank	Percentage of Total City Assessed Valuation		Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
Park Ridge Bldg LLC	\$ 4,956,571	1	2.40%	Protection Mutual	\$ 11,098,867	1	1.24%
Lutheran General	3,312,319	2	1.60%	Advocate Heath and Hospital	9,229,995	2	1.03%
CPTS 1032	2,822,335	3	1.40%	Kennedy Wilson	6,985,503	3	0.78%
Sunrise Assisted Living	2,243,372	4	1.10%	Vision Partners	6,693,285	4	0.75%
Tri Land Properties	2,208,396	5	1.10%	Tri Land Properties	4,098,506	5	0.46%
E E Cempel	2,188,837	6	1.00%	Imperial Realty	4,039,795	6	0.45%
Albertsons	1,837,889	7	0.92%	John Heinz	3,769,084	7	0.42%
Heinz	1,699,998	8	0.85%	Arthur Rodgers & Co.	3,036,522	8	0.34%
Dempster Development	1,515,388	9	0.75%	First Chicago	2,820,078	9	0.32%
Renaissance	1,536,547	10	0.70%	Park Ridge Country Club	2,708,901	10	0.30%
	<u>\$ 24,321,652</u>		<u>4.85%</u>		<u>\$ 54,480,536</u>		<u>6.09%</u>

NOTE:

Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Data Source: Office of the County Clerk

2008 figures are the most recent figures available from the Office of the Cook county Clerk

2008 EAV  
\$ 1,994,642,145

1999 EAV  
\$ 933,889,606

**City of Park Ridge, Illinois**  
**Property Tax Levies and Collections**  
**Last Ten Levy Years**

Fiscal Year Ended April 30th	Levy Year	Tax Levied	Collected within the Fiscal Year of the Levy	
			Amount	Percentage of Levy
2000	1999	\$ 10,478,500	\$ 10,331,705	98.60%
2001	2000	10,869,600	10,659,920	98.07%
2002	2001	11,330,900	11,134,127	98.26%
2003	2002	11,632,300	11,419,768	98.17%
2004	2003	12,199,200	11,986,016	98.25%
2005	2004	12,803,000	12,386,960	96.75%
2006	2005	13,455,800	6,232,326	46.32%
2007	2006	13,558,373	6,885,561	50.78%
2008	2007	14,973,380	7,116,248	47.53%
2009	2008	15,449,775	7,610,974	49.26%

**City of Park Ridge, Illinois**  
**Taxable Sales by Category**  
**Last Ten Fiscal Years**

Fiscal Year	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Merchandise	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,403	\$ 1,564	\$ 2,087	\$ 2,279
Food	\$ 721,759	\$ 763,693	\$ 742,906	\$ 753,590	\$ 759,794	\$ 769,438	\$ 779,675	\$ 812,960	\$ 853,286
Drinking and Eating Places	\$ 228,444	\$ 242,656	\$ 247,192	\$ 238,577	\$ 246,546	\$ 281,077	\$ 276,195	\$ 278,736	\$ 281,735
Apparel	\$ 113,245	\$ 113,072	\$ 115,018	\$ 102,339	\$ 103,684	\$ 103,293	\$ 100,743	\$ 98,448	\$ 110,718
Furniture & H.H. & Radio	\$ 52,788	\$ 52,946	\$ 47,731	\$ 42,894	\$ -	\$ 18,226	\$ 26,631	\$ 29,516	\$ 43,187
Lumber, Building Hardware	\$ 68,238	\$ 70,995	\$ 62,607	\$ 67,020	\$ 63,448	\$ 65,616	\$ 64,718	\$ 56,013	\$ 58,548
Automobile and Filling Stations	\$ 1,098,264	\$ 1,173,180	\$ 1,147,599	\$ 1,373,815	\$ 1,573,630	\$ 1,420,155	\$ 1,401,181	\$ 1,522,501	\$ 1,518,831
Drugs and Miscellaneous Retail	\$ 423,122	\$ 422,791	\$ 411,945	\$ 412,403	\$ 406,230	\$ 410,184	\$ 415,367	\$ 439,052	\$ 445,319
Agriculture and All Others	\$ 915,485	\$ 723,158	\$ 598,217	\$ 581,771	\$ 553,478	\$ 471,730	\$ 207,478	\$ 186,757	\$ 170,583
Manufacturers	\$ -	\$ -	\$ -	\$ -	\$ 17,482	\$ 16,994	\$ 15,256	\$ 17,481	\$ 18,673
<b>TOTAL</b>	<b>\$ 3,640,055</b>	<b>\$ 3,581,437</b>	<b>\$ 3,393,317</b>	<b>\$ 3,593,242</b>	<b>\$ 3,740,188</b>	<b>\$ 3,559,116</b>	<b>\$ 3,288,809</b>	<b>\$ 3,443,553</b>	<b>\$ 3,503,158</b>
City direct sales tax rate	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	0.75%	1.00%	1.00%

**NOTE:** Blank categories have less than 4 taxpayers, therefore no data is shown to respect the confidentiality of individual taxpayers, totals include censored data.

Data Source: Illinois Department of Revenue and City Records  
2006/2007 are the latest figures available from the Office of the Cook County Clerk.

**City of Park Ridge, Illinois**  
**Direct and Overlapping Sales Tax Rates**  
**Last Ten Levy Years**

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<u>Fiscal Year</u>	<u>City Direct Rate</u>	<u>Cook County Rate</u>	<u>State Rate</u>
2001	0.50%	0.75%	7.25%
2002	0.50%	0.75%	7.25%
2003	0.50%	0.75%	7.25%
2004	0.75%	0.75%	7.25%
2005	0.75%	0.75%	7.25%
2006	0.75%	0.75%	7.25%
2007	1.00%	0.75%	7.25%
* 2008	1.00%	0.75%	7.25%
2009	1.00%	1.75%	7.25%
** 2010	1.00%	1.25%	7.25%

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Data Source: City and County Records

\*Cook County rate increased to 1.75% July 2008 (1% Increase)

\*\*Cook County rate decreased to 1.25 July 2010

State Rate on Food & Drugs increased to 2.25% July 2008 (.25% Increase)

**City of Park Ridge, Illinois**  
**Schedule of Legal Debt Margin**  
**April 30, 2010**

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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 and reads as follows:

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home 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 50,000 in aggregate of one percent; ...Indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing

To date, the General Assembly has not set debt limits for home rule municipalities.

**City of Park Ridge, Illinois**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year Ended	Governmental Activities		Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Installment Notes Payable			
1999	\$ 16,060,000	\$ -	\$ 16,060,000	0.66%	\$ 425.15
2000	14,475,000	-	14,475,000	0.45%	383.19
2001	12,815,000	-	12,815,000	0.40%	339.25
2002	11,085,000	-	11,085,000	0.34%	293.45
2003	9,530,000	4,340,000	13,870,000	0.43%	367.17
2004	8,395,000	4,340,000	12,735,000	0.40%	337.13
2005	30,965,000	4,340,000	35,305,000	1.10%	934.61
2006	29,685,000	3,000,000	32,685,000	1.01%	865.25
2007	48,510,000	-	48,510,000	1.34%	1,294.18
2008	46,655,000	-	46,655,000	1.45%	1,235.07
2009	43,970,000	-	43,970,000	1.59%	1,163.99
2010	41,065,000	-	41,065,000	1.42%	1,087.09

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

\* See the Schedule of Demographic and Economic Statistics for personal income and population data.

Debt increased in fiscal years 2005 and 2006 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.

**City of Park Ridge, Illinois**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

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Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt		Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
		Service Fund				
2001	\$ 12,815,000	\$ 1,570,733	\$	11,244,267	0.99%	\$ 297.66
2002	11,085,000	1,396,983		9,688,017	0.79%	256.47
2003	9,530,000	938,044		8,591,956	0.71%	227.45
2004	8,395,000	862,169		7,532,831	0.54%	199.41
2005	30,965,000	1,195,941		29,769,059	0.66%	788.06
2006	32,685,000	(95,365)		32,780,365	2.14%	867.78
2007	48,510,000	2,320,938		46,189,062	3.02%	1,222.74
2008	46,655,000	1,791,327		44,863,673	2.42%	1,187.65
2009	43,970,000	1,580,271		45,550,271	2.28%	1,205.83
2010	41,065,000	(373,881)		40,691,119	2.04%	1,077.19

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

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

Debt increased in fiscal years 2005 and 2006 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.

**City of Park Ridge, Illinois**  
**Direct and Overlapping Governmental Activities Debt**  
**April 30, 2010**

Governmental unit	Gross Debt	Percentage Debt Applicable to the City of Park Ridge (1)	City of Park Ridge Share of Debt
<i>Direct Debt</i>			
City of Park Ridge	\$ 41,065,000	100.00%	\$ 41,065,000
<i>Overlapping Debt</i>			
Cook County	3,184,830,000	1.150%	36,625,545
Cook County Forest Preserve	108,665,000	1.150%	1,249,648
Metropolitan Water Reclamation District	1,960,541,202 (1)	1.174%	23,016,754
Golf Maine Park District	1,490,000 (2)	9.043%	134,741
Niles Park District	910,000 (2)	0.018%	164
Park Ridge Recreation and Park District	3,405,000 (2)	96.522%	3,286,574
School District #63	22,625,000	2.902%	656,578
School District #64	16,675,000	91.981%	15,337,832
High School District #207	13,020,000	31.853%	4,147,261
			<u>\$ 84,455,097</u>
			<u>\$ 119,495,949</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.

Source: Offices of the Cook County Clerk and Revenue Departments and Treasurer of the Metropolitan Water Reclamation District.

**City of Park Ridge, Illinois**  
**Demographic and Economic Information**  
**Last Ten Fiscal Years**

Fiscal Year	Population	Total Personal Income	Median Personal Income	Per Capita Personal Income	Unemployment Rate
2009	37,775	\$ 1,612,954,725	\$ 85,398	\$ 42,699	7.3%
2008	37,775	1,384,529,300	73,154	36,652	6.20%
2007	37,775	1,611,519,275	85,302	42,661	4.50%
2006	37,775	1,611,519,275	85,302	42,661	4.50%
2005	37,775	1,611,519,275	85,302	42,661	4.50%
2004	37,775	1,611,519,275	85,302	42,661	4.50%
2003	37,775	1,611,519,275	84,899	42,661	4.00%
2002	37,775	1,829,669,900	87,409	48,436	4.20%
2001	37,775	1,603,926,500	84,899	42,460	3.30%
2000	37,775	1,603,926,500	84,899	42,460	2.30%

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

**City of Park Ridge, Illinois**  
**Principal Employers**  
**Current Year and Three Years Ago**

<b>2009</b>				<b>2006</b>			
Employer	Employees	Rank	Percentage of Total City Employment	Employer	Employees	Rank	Percentage of Total City Employment
Advocate Lutheran General Hospital	4,250	1	23.13%	Advocate Lutheran General Hospital	4,236	1	23.05%
School District 207	1210	2	6.58%	BECO, Inc.	2,499	2	13.60%
Advocate Medical Group	800	3	4.35%	School District 207	1,549	3	8.43%
School District 64	625	4	3.40%	George S. May International Co.	999	4	5.44%
City of Park Ridge	362	5	1.97%	Advocate Medical Group	950	5	5.17%
George S. May International Co.	325	6	1.77%	School District 64	588	6	3.20%
BECO, Inc.	300	7	1.63%	Ragnar Benson, Inc.	400	7	2.18%
Resurrection Health Care	300	8	1.63%	City of Park Ridge	384	8	2.09%
Dominick's	230	9	1.25%	A-Abiding Care	149	9	0.81%
FM Global	200	10	1.09%	Marsh Affinity Group	149	10	0.81%
Jewel	180	11	0.98%	FM Global	137	11	0.75%
St. Mathew's	175	12	0.95%	Rainbow Hospice	134	12	0.73%
<b>Total</b>	<b><u>8,957</u></b>				<b><u>12,174</u></b>		

Source: Park Ridge Economic Development Department  
2006 are the latest figures available.

**City of Park Ridge, Illinois**  
**Full-Time Equivalent Employees**  
**Last Ten Fiscal Years**

Function/Program	00/01	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10
	2001	2002	2003	2004	2005	2,006	2007	2008	2009	2010
<b>General Government</b>										
City Administration	3.05	3.50	3.30	3.30	3.00	4.30	4.80	4.80	4.80	5.00
Legal Counsel	1.70	1.70	-	-	-	-	-	-	-	-
Records Control	1.35	1.30	1.00	1.00	1.00	1.50	1.00	1.00	1.00	0.80
Human Resources	1.70	2.10	2.50	2.50	2.80	2.00	2.00	2.00	2.00	1.00
Information Technology	-	-	2.50	2.50	2.50	2.00	3.00	3.00	3.00	3.00
Finance	14.05	15.05	12.80	12.55	12.55	12.05	12.05	12.05	12.05	11.75
<i>Total General Government:</i>	21.85	23.65	22.10	21.85	21.85	21.85	22.85	22.85	22.85	21.55
<b>Community and Civic Services</b>										
Community Support	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Information Services	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
Transportation	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Library	57.87	57.87	56.40	56.40	56.40	56.40	56.40	56.40	56.40	56.40
<i>Total Community &amp; Civic Services:</i>	59.27	59.27	57.80	57.80	57.80	57.80	57.80	57.80	57.80	57.80
<b>Community Development</b>										
Administration	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
Planning	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	0.95	2.00
Development Review	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	-
Zoning Administration	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50	2.50
Code Enforcement	4.70	4.70	5.80	5.80	5.80	5.80	5.80	5.80	5.80	5.80
Environmental Health	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.50
Business District Support	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	-
<i>Total Community Development:</i>	13.90	13.90	15.00	15.00	15.00	15.00	15.00	15.00	15.00	14.00

**City of Park Ridge, Illinois**  
**Full-Time Equivalent Employees**  
**Last Ten Fiscal Years**

Function/Program	00/01 2001	01/02 2002	02/03 2003	03/04 2004	04/05 2005	05/06 2,006	06/07 2007	07/08 2008	08/09 2009	09/10 2010
<b>Public Safety</b>										
<b>Police</b>										
Administration	8.90	8.90	8.90	8.90	8.90	8.90	8.90	8.90	8.70	8.70
Investigation	5.20	5.20	10.10	10.10	10.10	12.10	12.10	12.10	12.10	12.10
Youth and Family Services	4.90	4.90	-	-	-	-	-	-	-	-
Patrol	50.94	52.94	52.94	52.94	56.94	55.94	54.94	54.94	55.58	55.58
Crime Prevention	2.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Communications	5.50	5.50	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
<i>Total Police:</i>	77.44	78.44	78.94	78.94	82.94	83.94	82.94	82.94	83.38	83.38
<b>Fire</b>										
Administration	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80	2.80
Fire Prevention	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.50
Emergency Responses	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00	48.00
Emergency Preparedness	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
<i>Total Fire:</i>	53.00	53.00	53.00	53.00	53.00	53.00	53.00	53.00	53.00	52.50
<i>Total Public Safety:</i>	130.44	131.44	131.94	131.94	135.94	136.94	135.94	135.94	136.38	135.88
<b>Public Works</b>										
Administration	8.50	8.71	7.50	7.50	7.00	6.60	5.60	5.60	5.60	4.60
Engineering	4.00	4.00	2.00	2.00	2.20	2.70	2.70	2.70	2.70	3.70
Traffic Control	0.59	0.60	0.59	0.59	0.49	0.49	0.94	0.94	0.94	0.91
Street Maintenance	11.35	11.73	12.35	12.35	13.05	12.35	12.15	12.15	12.15	11.76
Parking	3.40	3.44	3.40	3.40	3.40	3.40	3.46	3.46	3.46	3.42
Sewer Line/Drainage Maint.	3.39	3.49	3.39	3.39	3.39	3.39	3.96	3.66	3.66	3.54
Solid Waste Disposal	0.95	0.99	0.95	0.95	0.95	0.95	0.84	0.84	0.84	0.81
Water Services	10.53	10.78	11.53	11.53	11.53	13.53	13.74	14.04	14.04	13.29
Forestry/Ground Maintenance	5.00	5.10	5.00	5.00	5.20	4.90	5.56	5.56	5.56	5.44
Building Maintenance	1.22	1.22	2.32	2.32	2.32	2.32	2.28	2.28	2.28	2.27
Vehicle Maintenance	7.31	7.38	7.31	7.31	7.21	7.21	5.61	5.61	5.61	5.60
<i>Total Public Works:</i>	56.24	57.44	56.34	56.34	56.74	57.84	56.84	56.84	56.84	55.34
<b>Total Full Time Equivalents:</b>	281.70	285.70	283.18	282.93	287.33	289.43	288.43	288.43	288.87	283.17

**City of Park Ridge, Illinois**  
**Capital Asset Statistics**  
**Last Ten Fiscal Years**

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>Public Safety</b>										
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Area patrols	5	5	5	5	5	5	5	5	5	5
Patrol units	7	7	7	7	7	7	7	7	7	7
<b>Fire</b>										
Fire stations	2	2	2	2	2	2	2	2	2	2
Fire engines	3	3	3	3	3	3	3	3	3	3
<b>Public Works</b>										
Miles of Streets	122.8	122.8	122.8	122.8	122.8	122.8	122.8	122.8	122.8	122.8
Streetlights	1,310	1,310	1,310	1,310	1,310	1,310	1,427	1,568	1,664	1,664
Traffic signals	40	40	44	44	44	44	44	51	51	51
<b>Water</b>										
Water mains (miles)	131	131	131	131	131	131	136	136	136	136
Fire hydrants	1,450	1,450	1,450	1,450	1,450	1,450	1,540	1,585	1,585	1,585
Storage capacity (gallons)	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	13,000,000	14,000,000	15,200,000	15,200,000	15,200,000
<b>Wastewater</b>										
Miles of Sewers	132	132	132	132	132	132	133	133	133	133

Data Source: Various City Departments

**City of Park Ridge, Illinois**  
**Operating Indicators**  
**Last Ten Fiscal Years**

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Public Safety</b>									
<b>Police</b>									
Physical arrests	1,097	1,132	1,143	1,417	1,435	1,582	1,413	1,102	762
Parking violations	9,692	9,606	10,520	11,771	10,963	10,690	10,796	8,581	10,691
Traffic violations	6,643	7,450	7,552	8,730	11,343	12,903	12,314	10,642	5,996
<b>Fire</b>									
Emergency responses	3,857	4,027	3,895	3,927	4,074	4,109	4,199	4,515	4,372
Paramedic responses	2,426	2,511	2,395	2,482	2,624	1,915	2,584	2,537	2,548
Fires Extinguished	83	54	61	74	75	82	44	51	155
<b>Public Works</b>									
Street resurfacing (miles)	4.5	5.8	6.3	6.3	6.3	8.3	9.3	5.5	5.0
Pothole repairs*	200	200	200	200	200	300	300	325	276
<b>Water</b>									
New connections	93	79	82	89	119	124	77	83	27
Water main breaks	56	47	76	51	36	54	48	47	62
Average daily consumption**	3.33	3.50	3.60	3.25	3.16	4.01	3.60	3.5	3.45
Peak daily consumption	8.06	10.75	8.97	8.62	6.98	10.24	7.90	6.6	6.7
<b>Library</b>									
Circulation	627,903	638,482	663,079	623,255	678,418	699,189	713,203	736,485	847,762
Collection-No. of Books	235,107	222,804	223,689	222,831	224,173	218,735	213,222	213,067	246,621

Data Source: Various City Departments

\* per ton of cold patch

\*\*millions of gallons per day