

CITY OF HIGHLAND PARK, ILLINOIS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED APRIL 30, 2001

Prepared by
David W. Fairman
Director of Fiscal and Administrative Services

CITY OF HIGHLAND PARK, ILLINOIS

Comprehensive Annual Financial Report

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CITY OF HIGHLAND PARK, ILLINOIS

Principal Officials
April 30, 2001

LEGISLATIVE

Daniel M. Pierce, Mayor

City Council

Michael D. Belsky

Steven W. Mandel

Michael C. Brenner

Mari A. Barnes

Peter J. Koukos

Marilyn N. Weinger

David W. Fairman, City Clerk

ADMINISTRATIVE

David M. Limardi, City Manager

David W. Fairman

Director of Fiscal and Administrative Services

THE CITIZENS OF HIGHLAND PARK

Mayor and City Council
 Daniel M. Pierce, Mayor
 Michael D. Belsky Steven W. Mandel
 Michael C. Brenner Karen S. May
 Peter J. Koukos Marilyn N. Weinger

City Boards and Commissions

Business and Economic
 Development Commission
 Civil Service Commission
 Cultural Arts Commission
 Design Review Commission
 Emergency Telephone System Board
 Environmental Commission
 Firefighters Pension Board
 Historic Preservation Commission
 Housing Commission
 Human Relations Commission

Lakefront Task Force
 Library Board
 Plan Commission
 Police Pension Board
 Ravinia Festival Community
 Relations Commission
 Ravinia Strategic
 Planning Commission
 Telecommunications Commission
 Traffic Commission
 Zoning Board of Appeals

City Manager
 David Limardi

Deputy City Manager
 Tim Wiberg

City Clerk
 David Fairman

City Treasurer
 Ralph Arnheim

Corporation Counsel
 Steven Elrod

City Manager's Office
 Tim Wiberg

Dir of Community Devel
 Peter Waldoek

Fire Chief
 David Campagni

Dir of Fiscal/Admin Serv
 David Fairman

Chief of Police
 Daniel Dahlberg

Director of Public Works
 James Johnson

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Highland Park,
Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
April 30, 2000

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.



Anne Spray Kinney
President

Jeffrey L. Essler
Executive Director



CITY OF HIGHLAND PARK

1707 ST. JOHNS AVENUE
HIGHLAND PARK, ILLINOIS 60035
(847) 432-0800

October 25, 2001

To: The Mayor and Members of the City Council and the Citizens
of the City of Highland Park

The Comprehensive Annual Financial Report (CAFR) of the City of Highland Park (City) for the fiscal year ended April 30, 2001 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The CAFR is presented in three sections: introductory, financial and statistical. The introductory section includes this transmittal letter, the City's organizational chart, and a list of principal officials. The financial section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the report of the independent public accountants on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a ten-year basis.

This report includes all funds and account groups of the City. The City provides a full range of services including: public safety; community and economic development; construction and maintenance of the City's streets and infrastructure; as well as youth, senior, cultural and library services. In addition to these general governmental services, the City also provides water and sewer service as well as maintaining an underground parking facility and several parking lots. The CAFR also includes the activities of both the Police and Fire Pension Funds although control of these funds rests with the independent boards.

ECONOMIC CONDITION AND OUTLOOK

The City has a long-standing heritage as one of the prestigious communities along Chicagoland's "north shore" of Lake Michigan. The economic outlook remains very strong as the City enters the 21st Century. The stable tax base increased by 7.4% during the fiscal year. Of the total tax base, 90% is residential property. This large proportion of residential property reflects the value that the market has placed on living in Highland Park. The 2000 Median Home Value in the City was \$257,000, which is more than twice the statewide median. Of the City's 7,945 single-family homes, over 15% were valued above \$500,000. The 1,233 homes valued in this category comprise 8.6% of all homes so valued in the entire State of Illinois.

The residents will continue to support these substantial home values as evidenced by the 1990 census which showed that of the 16,059 member civilian labor force, over 49% were employed in the "Managerial & Professional" category. The per capita income of this labor force according to the latest census data was \$43,394, which placed the City among the nation's wealthiest communities with populations of 25,000 or more.

A study published in the Illinois Municipal Review rated cities around the state in terms of their revenue-raising capacity. Not only did the study show that Highland Park ranked fourth in its revenue-raising capacity, but it also estimated the City's unemployment rate to be the lowest among all the Chicago suburbs during both good and bad economic periods. This positive trend in unemployment has continued throughout the decade, with the latest rate of 2.3% unemployment being among the lowest in the last ten years.

While primarily a residential community, the City's business base has experienced excellent growth over the last ten years. Commercial property comprises 10% of the total tax base. Each of the three main commercial areas in the City, including the Central Business District, the Skokie Corridor, and the Ravinia Business District, has undergone significant planning and revitalization efforts. The Central Business District has been a major focus of the City's attention through the redevelopment of the "target block." With this project successfully completed, the City reduced the boundary of the tax increment financing district this year, thereby infusing over \$40 million of new commercial value to the tax base

MAJOR INITIATIVES FOR THE FISCAL YEAR 2000-2001

The City has entered into a development agreement to complete the final phase of the redevelopment of its Central Business District. The Renaissance Place project calls for the redevelopment of a majority of a downtown block bounded on three sides by Green Bay Road, Elm Place and Second Street. This mixed-use development will be anchored by a 48,000 square foot nationally known retailer. An additional 72,000 square feet of street front retail is planned along with a 16,000 square foot multi-screen fine arts theater, along with 38,000 square feet of office and 36,000 square feet of residential uses. Under the terms of the development agreement, the City will fund \$7.55 million to pay for approximately 60% of the estimated cost of an underground parking facility. The City has also agreed to fund certain streetscape improvements in an amount not to exceed \$1 million.

A major initiative was undertaken to expand the capacity of the City's water distribution system. A multi-year phased improvement plan calls for expanding the capacity of the filtration plant, enlarging several key transmission mains and expanding the reservoir capacity of the system. The initial phase of the work was funded from \$1.6 million proceeds from the 2000 Series Bond Issue.

The installation of an automated irrigation system at the Highland Park Country Club was completed. This project will provide long term labor cost savings while improving the playability and appearance of the golf course

FOR THE FUTURE

The City continues to plan for its future to preserve the outstanding quality of life enjoyed by the residents, and to ensure a high level of service to the community. Several planning initiatives are underway.

An Intergovernmental Task Force was formed to plan for the construction of a by-pass roadway to alleviate traffic congestion downtown. The project will include land acquisition, construction of the roadway and construction of a relocated Park District facility.

Also formed was an ad hoc committee to study the City's parking needs in the central business district. A diverse group of interests and talents will work with a consultant to determine the optimal capacity and location of additional parking facilities the downtown.

The City Council approved the purchase of the former American Legion building property for \$1.2 million. A committee comprised of City Council members and commission has approved a proposal from the Suburban Fine Arts Center to convert the building to a cultural arts center. Negotiations for a development agreement are underway.

FINANCIAL INFORMATION

Management of the City is responsible for establishing and maintaining internal control 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 Accounting Principles Generally Accepted in the United States of America (GAAP). Internal control 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.

Budgetary control is maintained on an object basis for most City funds. Estimated revenues are based upon amounts expected to be received during the year. Appropriations are based upon anticipated cash needs for specifically identified projects. These appropriations lapse at year-end. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, Enterprise Funds, and Internal Service Funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by individual fund. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end.

The basis of accounting for fund transactions is dictated by the specific type of fund utilized by the City. The modified accrual basis of accounting is followed by all governmental funds (i.e., General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds) and agency funds. The Enterprise Funds, Internal Service Funds, and Pension Trust Funds follow the accrual basis of accounting.

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 GOVERNMENT FUNCTIONS

The following schedule presents a summary of revenues for the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds; and Component Unit - Library for the fiscal year 2000-2001 and the amount and percentage of increases and decreases in relation to prior year revenues.

| <u>Source</u> | <u>Amount</u> | <u>Percent of Total</u> | <u>Increase (Decrease) from 2000</u> | <u>Percent of Increase (Decrease) from 2000</u> |
|--------------------------------|---------------------|-----------------------------|--|---|
| Property taxes | \$11,813,119 | 29.7% | (\$2,119,604) | (15.2%) |
| Other local taxes | 19,162,286 | 48.1 | 1,135,281 | 6.3 |
| Licenses, permits & fines | 2,538,890 | 6.4 | (782,145) | (23.6) |
| Interest on investments | 1,350,749 | 3.4 | (33,658) | (2.4) |
| Service charges | 1,828,861 | 4.6 | (101,751) | (5.3) |
| Revenue from other agencies | 1,730,214 | 4.4 | 130,383 | 8.1 |
| Miscellaneous revenue | <u>1,349,628</u> | <u>3.4</u> | <u>(1,640,280)</u> | <u>(54.9)</u> |
| Total | <u>\$39,773,747</u> | 100.0% | <u>(\$3,411,774)</u> | (7.9%) |

As indicated in the above table, total revenues decreased when compared to the prior year by 7.9%. The largest dollar increase was in the amount of \$1,135,281 in the category of other local taxes. This increase is primarily attributable to the 10.5% increase in utility tax revenues when compared to the prior year. There were two significant decreases in revenue from the prior year. FY2001 property taxes decreased by \$2,119,604 as a result of the City's planned reduction in the downtown TIF district. The largest percentage decrease was in the miscellaneous category which reflects a return to an historical level after the prior year's sale of land.

The following schedule presents a summary of expenditures for the General Fund, Special Revenue Funds, Capital Projects Funds, Debt Service Funds; and Component Unit - Library for the fiscal year 2000-2001 and the amount and percentage of increases and decreases in relation to prior year expenditures.

| <u>Function</u> | <u>Amount</u> | <u>Percent of Total</u> | <u>Increase (Decrease) from 2000</u> | <u>Percent of Increase (Decrease) from 2000</u> |
|--------------------|---------------------|-----------------------------|--|---|
| Current: | | | | |
| General Government | \$7,475,502 | 18.2 | \$1,146,248 | 18.1% |
| Public Safety | 11,699,586 | 28.6 | (753,304) | (6.0) |
| Public Works | 8,570,979 | 20.9 | 1,815,191 | 26.9 |
| Other | 937,909 | 2.3 | (1,476,749) | (61.2) |
| Pensions | 1,561,815 | 3.8 | 203,698 | 15.0 |
| Library | 2,476,201 | 6.0 | 148,110 | 6.4 |
| Debt Service | 3,404,121 | 8.3 | (350,160) | (9.3) |
| Capital Outlay | <u>4,845,170</u> | <u>11.8</u> | <u>(10,480,279)</u> | <u>(68.4)</u> |
| Total | <u>\$40,971,283</u> | <u>100.0%</u> | <u>(\$9,747,245)</u> | (19.2%) |

In total, expenditures decreased by 19.2%, when compared to 2000. The largest decrease from the prior year was in the category of capital outlay. This decrease reflects a return to historical spending levels after the prior year's completion of the Renaissance Place Garage. There were major increases in the categories of general government and Public Works. An increase of \$1,146,248 was attributable to increased legal defense costs and various general government initiatives. Public Works expenditures increased by \$1,815,191 as a result of a local windstorm that caused significant damage to trees throughout the community.

GENERAL FUND BALANCE

At year-end, the unreserved fund balance of the General Fund was \$6,866,610. This amount of fund balance was equal to approximately 90 working days of actual expenditures and interfund transfers. This amount should significantly reduce the likelihood of the City entering the short-term debt market to pay for current operating expenditures.

ENTERPRISE OPERATIONS

The City's enterprise operations are comprised of three separate activities: the Motor Vehicle Parking Fund, the Water Fund, and the Highland Park Country Club Fund. The following data illustrates the operating revenues and expenses, excluding depreciation, for the fiscal year 2000-2001 and the amount and percentage of increase in relation to the prior year.

| | <u>Amount</u> | <u>Increase (Decrease) from 2000</u> | <u>Percent of Increase (Decrease) from 2000</u> |
|---|--------------------|--|---|
| Operating revenues | 10,956,470 | (226,915) | (2.0%) |
| Operating expenses excluding depreciation and amortization | <u>6,609,892</u> | <u>1,144,951</u> | 21.0 |
| Net operating income before depreciation | <u>\$4,346,578</u> | <u>(\$1,371,866)</u> | <u>(24.0%)</u> |

The 2.0% decrease in operating revenues is primarily attributable to the Water Fund. Lower demand led to a decrease of over \$300,000. Slightly offsetting this decrease was a 2.7% increase in revenues from the Highland Park Country Club. Each of the City's three Enterprise Funds experienced increased operating expenses during the year.

PENSION TRUST FUND OPERATIONS

Pension Plan net changes in assets for the year consisted of a \$16,774 decrease for the Police Pension Fund and a \$347,879 increase for the Firefighters' Pension Fund. The most recent actuarial determination for the unfunded actuarial accrued liability indicates funding levels of 99.4% for the Police Pension Fund and 87.1% for the Firefighters' Pension Fund.

DEBT ADMINISTRATION

The ratio of fiscal 2001 net bonded debt to 2000 equalized assessed valuation (the most recent available information) and the amount of bonded debt per capita are useful indicators of the

City's debt position to municipal management, citizens and investors. These data for the City at the end of the 2001 fiscal year were as follows:

| | <u>Amount</u> | <u>Ratio to Equalized Value</u> | <u>Per Capita</u> |
|------------------------|---------------|---|-----------------------|
| Net direct bonded debt | \$29,890,000 | .0203 | \$953 |

On December 14, 1992, the City sold \$2,500,000 of bank-qualified, corporate purpose bonds ("Series 1992"). Of the proceeds of this issue, \$2,100,000 was used for water plant improvements, and \$400,000 was used to fund the City's share of streetscape improvements for Special Service Area #12.

On April 26, 1993, the City issued \$8,200,000 of bank-qualified, corporate purpose bonds (1993A Series) to provide funds for the acquisition of the Highland Park Country Club. Proceeds from this issue, along with a taxable, variable-rate line of credit, were used to fund the \$10,000,000 purchase.

On March 14, 1994, the City issued \$9,320,000 of bank-qualified, corporate purpose refunding Bonds (1994A Series) to advance refund \$8,450,000 of outstanding 1984 Series, 1986 Series, and 1988 Series General Obligation Corporate Bonds.

On February 26, 1996, the City issued \$4,975,000 of bank-qualified, corporate purpose bonds (Series 1996) to provide funds for an aquatic center and street reconstruction for access thereto.

On December 15, 1997 the City issued \$4,870,000 of bank qualified, corporate purpose bonds (Series 1997A) to provide funds for water system and public facilities improvements. In addition, the City issued \$1,900,000 in general obligation refunding bonds (Series 1997B). The proceeds of which were used to refund certain maturities of the City's Series 1990 general obligation corporate purpose bonds.

On December 14, 1998, the City sold \$4,300,000 of bank qualified, corporate purpose bonds ("Series 1998"). Of the proceeds, \$1,100,000 was used for water system improvements, \$3,030,000 was used for facilities improvements, and \$170,000 was used for the installation of cart paths at the Highland Park Country Club.

On July 26, 1999, the City issued a \$3,000,000 general obligation note ("Series 1999") for the purpose of funding streetscape and infrastructure improvements in connection with the Renaissance Place project.

On November 22, 1999, the City sold \$2,000,000 of corporate purpose bonds ("Series 1999"). Of the proceeds of this issue of Series 1999 bonds, \$1,000,000 was used for the Highland Park Country Club renovation of the clubhouse, and \$1,000,000 was used for water system improvements.

On October 1, 2000, the City sold \$2,500,000 of bank-qualified, corporate purpose bonds (Series 2000). Of the proceeds, \$900,000 was used for an automated irrigation system for the Highland Park Country Club, and the remaining \$1,600,000 was used for water system improvements.

Since Highland Park is a home rule unit, there is presently no statutory limit on the amount of general obligation debt. However, if the City were subject to such a limitation, outstanding indebtedness could not exceed 8.625% of equalized assessed valuation. Using 2000 values, this limitation would allow for over \$127,286,000 in debt as compared to the \$29,890,000 now outstanding. Maintaining significantly lower debt levels provides for greater flexibility in issuing additional bonds if the need arises.

The City of Highland Park has not used long-term debt to fund operating programs, but has used the proceeds of all bond issues for capital outlay purposes only. The City's bond rating on general obligation bonds by Moody's was upgraded to Aaa, the highest rating possible, during fiscal year 1996. This rating has been affirmed for all subsequent bond issues.

CASH MANAGEMENT

Cash, temporarily idle during the year, was invested in certificates of deposit, U.S. Treasury bills and notes, the Illinois Public Treasurer's Investment Pool, and other securities. Interest earned on investments during the year was \$3,894,288, a decrease of 25% from the prior year. Investments by fund held at year-end are as follows:

| <u>Fund</u> | <u>Amount</u> |
|-------------------|---------------------|
| General Corporate | \$9,157,241 |
| Special Revenue | 119,198 |
| Library | 494,600 |
| Debt Service | 99,554 |
| Capital Projects | 410,004 |
| Enterprise | 4,531,714 |
| Internal Service | 318,750 |
| Trust and Agency | <u>46,310,834</u> |
| Total | <u>\$61,441,895</u> |

GENERAL FIXED ASSETS

The general fixed assets of the City are those fixed assets used in the performance of general governmental functions and exclude the fixed assets of Enterprise and Internal Service Funds. As of April 30, 2001, the original cost of the City's general fixed assets amounted to \$47,022,937. Depreciation of general fixed assets is not recognized in the City's accounting system.

RISK MANAGEMENT

The City has initiated a self-insurance program for managing risks. Auto liability, general liability, police liability and property damage are self-insured to an exposure of \$100,000, at which time an excess coverage policy is in effect. The City continues to monitor the premium costs associated with these policies and their coverage bases to provide an efficient and effective risk management tool. The City continues to be self-insured for all unemployment and health care claims.

INDEPENDENT AUDIT

State Statutes require an annual audit by an independent certified public accountant. The accounting firm of Crowe, Chizek and Company, LLP was selected by the City Council to conduct the annual audit for the fiscal year 2000-2001. The report of independent public accountants on the general purpose financial statements and the combining and individual fund statements and schedules is included in the financial section of this report.

AWARDS

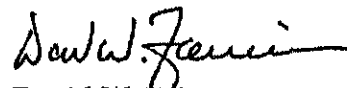
For the sixteenth consecutive year, the Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Comprehensive Annual Financial Report for the fiscal year ended April 30, 2000. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement Program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

ACKNOWLEDGMENTS

The preparation of this report could not have been accomplished without dedicated services of the staff of the Department of Fiscal and Administrative Services and the cooperation of the other operating departments of the City. We wish to express our appreciation to all who assisted in this endeavor. Most importantly, we wish to thank the Mayor and City Council for their leadership and interest in planning and conducting the financial operations of the City in a responsible and prudent manner.

Respectfully submitted,



David W. Fairman
Director of Fiscal and
Administrative Services

REPORT OF INDEPENDENT AUDITORS



REPORT OF INDEPENDENT AUDITORS

The Honorable Mayor
Members of the City Council
City of Highland Park, Illinois

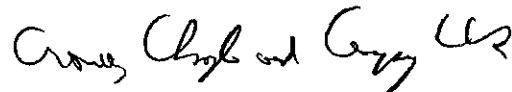
We have audited the accompanying general purpose financial statements and the combining, individual fund, and account group financial statements of the City of Highland Park, Illinois, as of and for the year ended April 30, 2001, as listed in the accompanying table of contents. These financial statements are the responsibility of the City of Highland Park, Illinois' management. Our responsibility is to express an opinion 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 opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the City of Highland Park, Illinois, as of April 30, 2001, and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the combining, individual fund, and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the City of Highland Park, Illinois, as of April 30, 2001, and the results of operations of such funds and cash flows of individual proprietary funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining, individual fund, and account group financial statements. The accompanying financial information listed as supplemental and schedules in the accompanying table of contents and the schedules of analysis of funding progress and employer contributions on pages 43 to 48 are presented for purposes of additional analysis and are not a required part of the financial statements of the City of Highland Park, Illinois. Such information has been subjected to the auditing procedures applied in the audit of the general purpose, combining, individual fund, and account group financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements and each of the combining, individual fund, and account group financial statements taken as a whole.

The introductory and statistical information listed in the table of contents was not audited by us and, accordingly, we do not express an opinion thereon.

A handwritten signature in cursive script, appearing to read "Crowe, Chizek and Company LLP", is written in dark ink.

Crowe, Chizek and Company LLP

Oak Brook, Illinois
August 31, 2001

CITY OF HIGHLAND PARK, ILLINOIS

All Fund Types and Account Groups and
Discretely Presented Component Unit

Combined Balance Sheet
April 30, 2001

(See Following Page)

CITY OF HIGHLAND PARK, ILLINOIS

All Fund Types and Account Groups and Discretely Presented Component Unit

Combined Balance Sheet April 30, 2001

| | Governmental Fund Types | | | |
|---|-------------------------|---------------------|---------------------|---------------------|
| | General | Special Revenue | Debt Service | Capital Projects |
| ASSETS AND OTHER DEBITS | | | | |
| Assets | | | | |
| Cash | \$ 1,317,503 | \$ 719,719 | \$ 910,049 | \$ 3,565,335 |
| Investments | 9,157,241 | 119,198 | 99,554 | 410,004 |
| Receivables | | | | |
| Property taxes | 1,077,908 | 3,600,922 | 3,035,045 | 1,762,253 |
| Utility customers, net | - | - | - | - |
| Motor fuel tax allotments | - | 68,659 | - | - |
| Intergovernmental | 330,010 | - | - | - |
| Accrued interest | - | - | - | - |
| Other | 272,462 | 119,757 | - | - |
| Due from other funds | 581,598 | 13,374 | 28,111 | 2,640,074 |
| Other assets | - | - | - | - |
| Property, plant, and equipment, net of accumulated depreciation | - | - | - | - |
| Other debits | | | | |
| Amount available for debt service | - | - | - | - |
| Amount to be provided for retirement of general long-term debt | - | - | - | - |
| Total assets and other debits | <u>\$ 12,736,722</u> | <u>\$ 4,641,629</u> | <u>\$ 4,072,759</u> | <u>\$ 8,377,666</u> |
| LIABILITIES AND EQUITY AND OTHER CREDITS | | | | |
| Liabilities | | | | |
| Checks written in excess of deposits | \$ - | \$ - | \$ - | \$ - |
| Accounts payable | 243,902 | 182,455 | - | 429,940 |
| Accrued payroll | 33,651 | 119,110 | - | - |
| Accrued insurance claims | 601,820 | - | - | - |
| Accrued expenses | - | - | - | - |
| Due to other funds | 2,623,760 | 13,374 | - | 2,825,720 |
| Gift certificates | - | - | - | - |
| Deferred revenue | 1,224,905 | 3,600,922 | 3,035,045 | 1,639,609 |
| Compensated absences payable | 1,141,874 | - | - | - |
| Refundable deposits | - | - | - | - |
| General obligation bonds payable | - | - | - | - |
| Installment note payable | - | - | - | - |
| Special service area bonds payable | - | - | - | - |
| Amounts held for future assessments | - | - | - | - |
| Total liabilities | <u>5,869,912</u> | <u>3,915,861</u> | <u>3,035,045</u> | <u>4,895,269</u> |
| Equity and other credits | | | | |
| Investment in general fixed assets | - | - | - | - |
| Contributed capital | - | - | - | - |
| Retained earnings | | | | |
| Unreserved | - | - | - | - |
| Fund balances | | | | |
| Reserved for debt service | - | - | 1,037,714 | - |
| Reserved for retirement benefits | - | - | - | - |
| Reserved for loans receivable | 579,676 | - | - | - |
| Unreserved-undesignated | 6,287,134 | 725,768 | - | 3,482,397 |
| Total equity and other credits | <u>6,866,810</u> | <u>725,768</u> | <u>1,037,714</u> | <u>3,482,397</u> |
| Total liabilities and equity and other credits | <u>\$ 12,736,722</u> | <u>\$ 4,641,629</u> | <u>\$ 4,072,759</u> | <u>\$ 8,377,666</u> |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

All Fund Types and Account Groups and Discretely Presented Component Unit

Combined Balance Sheet

April 30, 2001

| Proprietary Fund Types | | Fiduciary Fund Types | Account Groups | | Totals Primary Government | Component Unit | Totals Reporting Entity |
|------------------------|---------------------|----------------------|----------------------|------------------------|---------------------------|---------------------|-------------------------|
| Enterprise | Internal Service | Trust and Agency | General Fixed Assets | General Long-Term Debt | (Memorandum Only) | | (Memorandum Only) |
| \$ 427,242 | \$ 3,428,545 | \$ 3,910,124 | \$ - | \$ - | \$ 14,278,517 | \$ 347,728 | \$ 14,626,245 |
| 4,531,714 | 318,750 | 46,310,834 | - | - | 60,947,295 | 494,600 | 61,441,895 |
| - | - | - | - | - | 9,476,128 | 2,803,996 | 12,280,124 |
| 988,572 | - | - | - | - | 988,572 | - | 988,572 |
| - | - | - | - | - | 68,659 | - | 68,659 |
| - | - | - | - | - | 330,010 | - | 330,010 |
| - | - | 512,793 | - | - | 512,793 | - | 512,793 |
| 3,996 | 32,447 | 441,153 | - | - | 869,815 | - | 869,815 |
| 2,201,619 | - | 9,155 | - | - | 5,473,931 | - | 5,473,931 |
| 403,402 | - | - | - | - | 403,402 | - | 403,402 |
| 32,205,033 | 1,640,530 | - | 47,022,937 | - | 80,868,500 | 3,160,324 | 84,028,824 |
| - | - | - | - | 1,037,714 | 1,037,714 | - | 1,037,714 |
| - | - | - | - | 18,533,446 | 18,533,446 | 313,813 | 18,847,259 |
| <u>\$ 40,761,578</u> | <u>\$ 5,420,272</u> | <u>\$ 51,184,059</u> | <u>\$ 47,022,937</u> | <u>\$ 19,571,160</u> | <u>\$ 193,788,782</u> | <u>\$ 7,120,461</u> | <u>\$ 200,909,243</u> |
| \$ 2,410,671 | \$ - | \$ - | \$ - | \$ - | \$ 2,410,671 | \$ - | \$ 2,410,671 |
| 191,455 | 75,172 | 273,402 | - | - | 1,396,326 | 149,561 | 1,545,887 |
| 7,093 | 2,943 | - | - | - | 162,797 | 65,588 | 228,385 |
| - | 715,779 | - | - | - | 1,317,599 | - | 1,317,599 |
| 150,445 | - | - | - | - | 150,445 | - | 150,445 |
| 1,922 | - | 9,155 | - | - | 5,473,931 | - | 5,473,931 |
| 9,116 | - | - | - | - | 9,116 | - | 9,116 |
| - | - | 16,684 | - | - | 9,517,165 | 2,803,996 | 12,321,161 |
| 110,467 | 57,806 | - | - | 1,254,680 | 2,564,827 | - | 2,564,827 |
| 159,786 | - | 2,612,331 | - | - | 2,772,117 | - | 2,772,117 |
| 11,573,520 | - | - | - | 18,316,480 | 29,890,000 | - | 29,890,000 |
| - | - | - | - | - | - | 313,813 | 313,813 |
| - | - | - | - | - | - | - | - |
| - | - | 541,826 | - | - | 541,826 | - | 541,826 |
| <u>14,614,475</u> | <u>851,700</u> | <u>3,453,398</u> | <u>-</u> | <u>19,571,160</u> | <u>56,206,820</u> | <u>3,332,958</u> | <u>59,539,778</u> |
| - | - | - | 47,022,937 | - | 47,022,937 | 3,160,324 | 50,183,261 |
| 12,595,286 | - | - | - | - | 12,595,286 | - | 12,595,286 |
| 13,551,817 | 4,568,572 | - | - | - | 18,120,389 | - | 18,120,389 |
| - | - | - | - | - | 1,037,714 | - | 1,037,714 |
| - | - | 47,730,661 | - | - | 47,730,661 | 58,627 | 47,789,288 |
| - | - | - | - | - | 579,676 | - | 579,676 |
| - | - | - | - | - | 10,495,299 | 568,552 | 11,063,851 |
| <u>26,147,103</u> | <u>4,568,572</u> | <u>47,730,661</u> | <u>47,022,937</u> | <u>-</u> | <u>137,581,962</u> | <u>3,787,503</u> | <u>141,369,465</u> |
| <u>\$ 40,761,578</u> | <u>\$ 5,420,272</u> | <u>\$ 51,184,059</u> | <u>\$ 47,022,937</u> | <u>\$ 19,571,160</u> | <u>\$ 193,788,782</u> | <u>\$ 7,120,461</u> | <u>\$ 200,909,243</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

All Governmental Fund Types and Discretely Presented Component Unit

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances Year Ended April 30, 2001

| | Governmental Fund Types | | | | Totals Primary Government (Memorandum Only) | Component | Totals Reporting Entity (Memorandum Only) |
|--|-------------------------|----------------------------|-------------------------|-----------------------------|---|------------------|---|
| | <u>General</u> | <u>Special Revenue</u> | <u>Debt Service</u> | <u>Capital Projects</u> | | <u>Unit</u> | |
| Revenues | | | | | | | |
| Property taxes | \$ 1,356,685 | \$ 3,330,760 | \$ 3,005,588 | \$ 1,584,894 | \$ 9,277,927 | \$ 2,535,192 | \$ 11,813,119 |
| Illinois state replacement taxes | 155,727 | 46,375 | - | - | 202,102 | 12,464 | 214,566 |
| Licenses and permits | 1,544,388 | 744,432 | - | - | 2,288,820 | - | 2,288,820 |
| Charges for current services | 793,858 | 786,858 | - | - | 1,580,716 | 82,640 | 1,663,356 |
| Municipal sales tax | 10,492,993 | - | - | - | 10,492,993 | - | 10,492,993 |
| Fines and forfeitures | 250,070 | - | - | - | 250,070 | - | 250,070 |
| Utility tax | 3,648,778 | - | - | - | 3,648,778 | - | 3,648,778 |
| Fire insurance tax | - | - | - | - | - | - | - |
| Cable television franchise tax | 319,456 | - | - | - | 319,456 | - | 319,456 |
| Real estate transfer tax | 1,938,210 | - | - | - | 1,938,210 | - | 1,938,210 |
| Investment income | 1,084,189 | 42,653 | 14,647 | 124,456 | 1,265,945 | 84,804 | 1,350,749 |
| Illinois state income tax | 2,420,065 | - | - | - | 2,420,065 | - | 2,420,065 |
| Regional Transportation Authority reimbursement | 839,264 | - | - | - | 839,264 | - | 839,264 |
| Franchise tax | 128,218 | - | - | - | 128,218 | - | 128,218 |
| Reimbursement - Fort Sheridan expenditures | 165,505 | - | - | - | 165,505 | - | 165,505 |
| Motor fuel tax allotments | - | 890,950 | - | - | 890,950 | - | 890,950 |
| Miscellaneous | 693,037 | 386,310 | - | 144,680 | 1,224,027 | 125,601 | 1,349,628 |
| Total revenues | <u>25,830,443</u> | <u>6,228,338</u> | <u>3,020,235</u> | <u>1,854,030</u> | <u>36,933,046</u> | <u>2,840,701</u> | <u>39,773,747</u> |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

All Governmental Fund Types and Discretely Presented Component Unit

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances Year Ended April 30, 2001

| | Governmental Fund Types | | | | Totals Primary Government (Memorandum Only) | Component Unit | Totals Reporting Entity (Memorandum Only) |
|---|-------------------------|----------------------------|-------------------------|-----------------------------|---|-------------------|---|
| | <u>General</u> | <u>Special Revenue</u> | <u>Debt Service</u> | <u>Capital Projects</u> | | | |
| Expenditures | | | | | | | |
| Current | | | | | | | |
| General government | \$ 7,367,606 | \$ 107,896 | \$ - | \$ - | \$ 7,475,502 | \$ - | \$ 7,475,502 |
| Public safety | 11,572,883 | 126,703 | - | - | 11,699,586 | - | 11,699,586 |
| Public works | 2,887,642 | 5,683,337 | - | - | 8,570,979 | - | 8,570,979 |
| Other | 937,909 | - | - | - | 937,909 | - | 937,909 |
| Reserves and contingencies | - | - | - | - | - | - | - |
| Employee retirement benefits | - | 1,561,815 | - | - | 1,561,815 | - | 1,561,815 |
| Library | - | - | - | - | - | 2,476,201 | 2,476,201 |
| Debt service | - | - | 3,175,152 | - | 3,175,152 | 228,969 | 3,404,121 |
| Capital outlay | - | 215,017 | - | 4,385,357 | 4,600,374 | 244,796 | 4,845,170 |
| Total expenditures | <u>22,766,040</u> | <u>7,694,768</u> | <u>3,175,152</u> | <u>4,385,357</u> | <u>38,021,317</u> | <u>2,949,966</u> | <u>40,971,283</u> |
| Excess (deficiency) of revenues over expenditures | <u>3,064,403</u> | <u>(1,466,430)</u> | <u>(154,917)</u> | <u>(2,531,327)</u> | <u>(1,088,271)</u> | <u>(109,265)</u> | <u>(1,197,536)</u> |
| Other financing sources (uses) | | | | | | | |
| Bond proceeds | - | - | - | - | - | - | - |
| Operating transfers in | 530,000 | 2,303,683 | 1,100,000 | 2,970,000 | 6,903,683 | - | 6,903,683 |
| Operating transfers (out) | <u>(5,220,000)</u> | <u>(1,043,930)</u> | - | - | <u>(6,263,930)</u> | - | <u>(6,263,930)</u> |
| | <u>(4,690,000)</u> | <u>1,259,753</u> | <u>1,100,000</u> | <u>2,970,000</u> | <u>639,753</u> | - | <u>639,753</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | <u>(1,625,597)</u> | <u>(206,677)</u> | <u>945,083</u> | <u>438,673</u> | <u>(448,518)</u> | <u>(109,265)</u> | <u>(557,783)</u> |
| Fund balances | | | | | | | |
| May 1 | 8,492,407 | 932,445 | 92,631 | 3,043,724 | 12,561,207 | 736,444 | 13,297,651 |
| Residual equity transfer in | - | - | - | 1,309,289 | 1,309,289 | - | 1,309,289 |
| Residual equity transfer (out) | - | - | - | <u>(1,309,289)</u> | <u>(1,309,289)</u> | - | <u>(1,309,289)</u> |
| April 30 | <u>\$ 6,866,810</u> | <u>\$ 725,768</u> | <u>\$ 1,037,714</u> | <u>\$ 3,482,397</u> | <u>\$ 12,112,689</u> | <u>\$ 627,179</u> | <u>\$ 12,739,868</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

General, Special Revenue, and Debt Service Fund Types

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Year Ended April 30, 2001

| | General | | Variance- Favorable (Unfavorable) |
|---|------------------------|---------------------|---|
| | Budget | Actual | |
| Revenues | | | |
| Property taxes | \$ 1,344,703 | \$ 1,356,685 | \$ 11,982 |
| Illinois state replacement taxes | 145,000 | 155,727 | 10,727 |
| Licenses and permits | 1,583,850 | 1,544,388 | (39,462) |
| Charges for current services | 1,042,527 | 793,858 | (248,669) |
| Municipal sales tax | 10,855,091 | 10,492,993 | (362,098) |
| Fines and forfeitures | 300,000 | 250,070 | (49,930) |
| Utility tax | 3,250,000 | 3,648,778 | 398,778 |
| Fire insurance tax | 40,000 | - | (40,000) |
| Cable television franchise tax | 278,648 | 319,456 | 40,808 |
| Real estate transfer tax | 1,850,000 | 1,938,210 | 88,210 |
| Investment income | 878,816 | 1,084,189 | 205,373 |
| Illinois state income tax | 2,246,184 | 2,420,065 | 173,881 |
| Regional Transportation Authority reimbursement | 727,290 | 839,264 | 111,974 |
| Franchise tax | 137,805 | 128,218 | (9,587) |
| Reimbursement - Fort Sheridan expenditures | - | 165,505 | 165,505 |
| Motor fuel tax allotments | - | - | - |
| Miscellaneous | 687,136 | 693,037 | 5,901 |
| Total revenues | <u>25,367,050</u> | <u>25,830,443</u> | <u>463,393</u> |
| Expenditures | | | |
| Current | | | |
| General government | 7,231,777 | 7,367,606 | (135,829) |
| Public safety | 12,310,021 | 11,572,883 | 737,138 |
| Public Works | 2,899,613 | 2,887,642 | 11,971 |
| Employee retirement benefits | - | - | - |
| Other | 9,436,152 | 937,909 | 8,498,243 |
| Debt service | - | - | - |
| Capital outlay | - | - | - |
| Total expenditures | <u>31,877,563</u> | <u>22,766,040</u> | <u>9,111,523</u> |
| Excess (deficiency) of revenues over expenditures | <u>(6,510,513)</u> | <u>3,064,403</u> | <u>9,574,916</u> |
| Other financing sources (uses) | | | |
| Operating transfers in | 430,000 | 530,000 | 100,000 |
| Operating transfers (out) | <u>(5,220,000)</u> | <u>(5,220,000)</u> | <u>-</u> |
| | <u>(4,790,000)</u> | <u>(4,690,000)</u> | <u>100,000</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | <u>\$ (11,300,513)</u> | <u>(1,625,597)</u> | <u>\$ 9,674,916</u> |
| Fund balances | | | |
| May 1 | | <u>8,492,407</u> | |
| April 30 | | <u>\$ 6,866,810</u> | |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

General, Special Revenue, and Debt Service Fund Types

Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Year Ended April 30, 2001

| Special Revenue Funds | | | Debt Service Funds | | | Total (Memorandum Only) | | |
|-----------------------|--------------------|---|--------------------|---------------------|---|-------------------------|---------------------|---|
| Budget | Actual | Variance- Favorable (Unfavorable) | Budget | Actual | Variance- Favorable (Unfavorable) | Budget | Actual | Variance- Favorable (Unfavorable) |
| \$ 3,320,000 | \$ 3,330,760 | \$ 10,760 | \$ 2,941,852 | \$ 3,005,588 | \$ 63,736 | \$ 7,606,555 | \$ 7,693,033 | \$ 86,478 |
| 48,000 | 46,375 | (1,625) | - | - | - | 193,000 | 202,102 | 9,102 |
| 720,000 | 744,432 | 24,432 | - | - | - | 2,303,850 | 2,288,820 | (15,030) |
| 721,478 | 786,858 | 65,380 | - | - | - | 1,764,005 | 1,580,716 | (183,289) |
| - | - | - | - | - | - | 10,855,091 | 10,492,993 | (362,098) |
| - | - | - | - | - | - | 300,000 | 250,070 | (49,930) |
| - | - | - | - | - | - | 3,250,000 | 3,648,778 | 398,778 |
| - | - | - | - | - | - | 40,000 | - | (40,000) |
| - | - | - | - | - | - | 278,648 | 319,456 | 40,808 |
| - | - | - | - | - | - | 1,850,000 | 1,938,210 | 88,210 |
| 49,365 | 42,653 | (6,712) | 72,100 | 14,647 | (57,453) | 1,000,281 | 1,141,489 | 141,208 |
| - | - | - | - | - | - | 2,246,184 | 2,420,065 | 173,881 |
| - | - | - | - | - | - | 727,290 | 839,264 | 111,974 |
| - | - | - | - | - | - | 137,805 | 128,218 | (9,587) |
| - | - | - | - | - | - | - | 165,505 | 165,505 |
| 748,000 | 890,950 | 142,950 | - | - | - | 748,000 | 890,950 | 142,950 |
| 1,493,492 | 386,310 | (1,107,182) | - | - | - | 2,180,628 | 1,079,347 | (1,101,281) |
| <u>7,100,335</u> | <u>6,228,338</u> | <u>(871,997)</u> | <u>3,013,952</u> | <u>3,020,235</u> | <u>6,283</u> | <u>35,481,337</u> | <u>35,079,016</u> | <u>(402,321)</u> |
| 320,821 | 107,896 | 212,925 | - | - | - | 7,552,598 | 7,475,502 | 77,096 |
| 156,500 | 126,703 | 29,797 | - | - | - | 12,466,521 | 11,699,586 | 766,935 |
| 5,752,498 | 5,683,337 | 69,161 | - | - | - | 8,652,111 | 8,570,979 | 81,132 |
| 1,525,000 | 1,561,815 | (36,815) | - | - | - | 1,525,000 | 1,561,815 | (36,815) |
| 394,494 | - | 394,494 | - | - | - | 9,830,646 | 937,909 | 8,892,737 |
| - | - | - | 4,245,417 | 3,175,152 | 1,070,265 | 4,245,417 | 3,175,152 | 1,070,265 |
| 329,161 | 215,017 | 114,144 | - | - | - | 329,161 | 215,017 | 114,144 |
| <u>8,478,474</u> | <u>7,694,768</u> | <u>783,706</u> | <u>4,245,417</u> | <u>3,175,152</u> | <u>1,070,265</u> | <u>44,601,454</u> | <u>33,635,960</u> | <u>10,965,494</u> |
| <u>(1,378,139)</u> | <u>(1,466,430)</u> | <u>(88,291)</u> | <u>(1,231,465)</u> | <u>(154,917)</u> | <u>1,076,548</u> | <u>(9,120,117)</u> | <u>1,443,056</u> | <u>10,563,173</u> |
| 1,034,035 | 2,303,683 | 1,269,648 | 1,160,425 | 1,100,000 | (60,425) | 2,624,460 | 3,933,683 | 1,309,223 |
| (812,480) | (1,043,930) | (231,450) | - | - | - | (6,032,480) | (6,263,930) | (231,450) |
| <u>221,555</u> | <u>1,259,753</u> | <u>1,038,198</u> | <u>1,160,425</u> | <u>1,100,000</u> | <u>(60,425)</u> | <u>(3,408,020)</u> | <u>(2,330,247)</u> | <u>1,077,773</u> |
| <u>\$ (1,156,584)</u> | <u>(206,677)</u> | <u>\$ 949,907</u> | <u>\$ (71,040)</u> | <u>945,083</u> | <u>\$ 1,016,123</u> | <u>\$ (12,528,137)</u> | <u>(887,191)</u> | <u>\$ 11,640,946</u> |
| | <u>932,445</u> | | | <u>92,631</u> | | | <u>9,517,483</u> | |
| | <u>\$ 725,768</u> | | | <u>\$ 1,037,714</u> | | | <u>\$ 8,630,292</u> | |

See accompanying notes to financial statements

CITY OF HIGHLAND PARK, ILLINOIS

All Proprietary Fund Types

Combined Statement of Revenues, Expenses, and Changes in Retained Earnings Year Ended April 30, 2001

| | <u>Enterprise</u> | <u>Internal Service</u> | <u>Totals (Memorandum Only)</u> |
|---|----------------------|-----------------------------|---|
| Operating revenues | | | |
| Water sales | \$ 6,486,333 | \$ - | \$ 6,486,333 |
| Water permit fees | 94,295 | - | 94,295 |
| Parking lot collections | 476,753 | - | 476,753 |
| Parking violations | 233,250 | - | 233,250 |
| Season pass fees | 1,703,978 | - | 1,703,978 |
| Charges for goods and services | 1,417,625 | 5,216,036 | 6,633,661 |
| Premium reimbursement | - | 854,854 | 854,854 |
| Other | 544,236 | 34,543 | 578,779 |
| Total operating revenues | <u>10,956,470</u> | <u>6,105,433</u> | <u>17,061,903</u> |
| Operating expenses | | | |
| Personal services | 3,304,484 | 790,011 | 4,094,495 |
| Contractual services | 1,793,409 | 3,485,266 | 5,278,675 |
| Cost of goods sold | 460,379 | - | 460,379 |
| Materials and supplies | 322,323 | 464,305 | 786,628 |
| Repairs and maintenance | 729,297 | 49,016 | 778,313 |
| Claims | - | 353,445 | 353,445 |
| Total operating expenses | <u>6,609,892</u> | <u>5,142,043</u> | <u>11,751,935</u> |
| Operating income before depreciation and amortization | 4,346,578 | 963,390 | 5,309,968 |
| Depreciation and amortization | <u>2,386,235</u> | <u>786,217</u> | <u>3,172,452</u> |
| Operating income | <u>1,960,343</u> | <u>177,173</u> | <u>2,137,516</u> |
| Nonoperating revenues (expenses) | | | |
| Interest income | 279,284 | 95,401 | 374,685 |
| Interest expense and fiscal charges | (533,876) | - | (533,876) |
| Gain (loss) on sale of fixed assets | 186 | 21,209 | 21,395 |
| | <u>(254,406)</u> | <u>116,610</u> | <u>(137,796)</u> |
| Income before operating transfers | <u>1,705,937</u> | <u>293,783</u> | <u>1,999,720</u> |
| Operating transfers in | 200,000 | - | 200,000 |
| Operating transfers (out) | <u>(809,028)</u> | <u>(30,725)</u> | <u>(839,753)</u> |
| | <u>(609,028)</u> | <u>(30,725)</u> | <u>(639,753)</u> |
| Net income | 1,096,909 | 263,058 | 1,359,967 |
| Add depreciation expense on contributed capital | <u>578,010</u> | - | <u>578,010</u> |
| Increase in retained earnings | 1,674,919 | 263,058 | 1,937,977 |
| Retained earnings - unreserved | | | |
| May 1 | 11,876,898 | 4,305,514 | 16,182,412 |
| April 30 | <u>\$ 13,551,817</u> | <u>\$ 4,568,572</u> | <u>\$ 18,120,389</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

All Pension Trust Funds

Combined Statement of Changes in Plan Net Assets
Year Ended April 30, 2001

| | <u>Police Pension</u> | <u>Firefighters' Pension</u> | <u>Totals</u> |
|--|---------------------------|----------------------------------|----------------------|
| Additions | | | |
| Contributions - employer | | | |
| Taxes | \$ 678,818 | \$ 721,224 | \$ 1,400,042 |
| Contributions - plan members | 315,248 | 256,845 | 572,093 |
| Donations | - | 390 | 390 |
| Investment income | | | |
| Net (depreciation) in fair value of investments | (93,384) | (1,082,533) | (1,175,917) |
| Interest earned on investments | <u>631,636</u> | <u>1,537,218</u> | <u>2,168,854</u> |
| Total additions | <u>1,532,318</u> | <u>1,433,144</u> | <u>2,965,462</u> |
| Deductions | | | |
| Pensions and refunds | 1,369,050 | 1,052,055 | 2,421,105 |
| Miscellaneous | | | |
| Contractual professional services | <u>180,042</u> | <u>33,210</u> | <u>213,252</u> |
| Total deductions | <u>1,549,092</u> | <u>1,085,265</u> | <u>2,634,357</u> |
| Net increase | (16,774) | 347,879 | 331,105 |
| Net assets held in trust for pension benefits | | | |
| May 1 | <u>25,984,060</u> | <u>21,415,496</u> | <u>47,399,556</u> |
| April 30 | <u>\$ 25,967,286</u> | <u>\$ 21,763,375</u> | <u>\$ 47,730,661</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

All Proprietary Fund Types

Combined Statement of Cash Flows
Year Ended April 30, 2001

| | <u>Enterprise</u> | <u>Internal Service</u> | <u>Totals (Memorandum Only)</u> |
|---|--------------------|-----------------------------|---|
| Cash flows from operating activities | | | |
| Operating income | \$ 1,960,343 | \$ 177,173 | \$ 2,137,516 |
| Adjustments to reconcile operating income to net cash provided by operating activities | | | |
| Depreciation and amortization | 2,386,235 | 786,217 | 3,172,452 |
| Nonoperating revenues | 186 | - | 186 |
| Changes in assets and liabilities | | | |
| Receivables | 102,751 | 2,931 | 105,682 |
| Other assets | (61,093) | - | (61,093) |
| Accounts payable and other liabilities | 664,711 | 755 | 665,466 |
| Accrued payroll | 5,368 | (66,392) | (61,024) |
| Compensated absences payable | 110,467 | 57,806 | 168,273 |
| Deposits payable | 9,634 | - | 9,634 |
| Accrued insurance claims | - | 51,724 | 51,724 |
| | <u>5,178,602</u> | <u>1,010,214</u> | <u>6,188,816</u> |
| Cash flows from noncapital financing activities | | | |
| Operating transfers in | 200,000 | - | 200,000 |
| Operating transfers (out) | (809,028) | (30,725) | (839,753) |
| Due from other funds | (2,082,252) | 36,737 | (2,045,515) |
| Due to other funds | (10,359) | - | (10,359) |
| | <u>(2,701,639)</u> | <u>6,012</u> | <u>(2,695,627)</u> |
| Cash flows from capital and related financing activities | | | |
| Bond proceeds | 2,500,000 | - | 2,500,000 |
| Debt retirement | (735,000) | - | (735,000) |
| Interest paid | (533,876) | - | (533,876) |
| Proceeds from sale of assets | - | 21,209 | 21,209 |
| Purchase of fixed assets | (5,202,940) | (870,576) | (6,073,516) |
| | <u>(3,971,816)</u> | <u>(849,367)</u> | <u>(4,821,183)</u> |
| Cash flows from investing activities | | | |
| Purchase of investments | (337,264) | 1,757,175 | 1,419,911 |
| Maturities of investments | 1,386,735 | - | 1,386,735 |
| Interest received | 279,284 | 95,401 | 374,685 |
| | <u>1,328,755</u> | <u>1,852,576</u> | <u>3,181,331</u> |
| Net increase (decrease) in cash and cash equivalents | (166,098) | 2,019,435 | 1,853,337 |
| Cash and cash equivalents | | | |
| May 1 | <u>593,340</u> | <u>1,409,110</u> | <u>2,002,450</u> |
| April 30 | <u>\$ 427,242</u> | <u>\$ 3,428,545</u> | <u>\$ 3,855,787</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements April 30, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Highland Park, Illinois (Government) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Government's accounting policies are described below.

Reporting Entity: The Government was incorporated in 1869. The Government is a municipal corporation governed by an elected seven-member council. The Government operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire); highways and streets; health, social and cultural services; water and sanitation; public improvements; planning and zoning; and general administrative services. As required by generally accepted accounting principles, these financial statements present the Government (the primary government) and its component units.

The Government's financial statements include pension trust funds:

Police Pension Employees Retirement System

The Government's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board. Two members appointed by the Government's Mayor, one pension beneficiary elected by the membership, and two police employees elected by the membership constitute the pension board. The Government and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Government is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, the PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Government's police employees and because of the fiduciary nature of such activities. The PPERS is reported as a pension trust fund.

Firefighters' Pension Employees Retirement System

The Government's firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a nine-member pension board. The Government's Mayor, Treasurer, Clerk, Attorney, and Fire Chief, one pension beneficiary elected by the membership, and three fire employees elected by the membership constitute the pension board. The Government and FPERS participants are

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements April 30, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reporting Entity: (Continued)

Firefighters' Pension Employees Retirement System (Continued)

obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the Government is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, the FPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the Government's firefighters and because of the fiduciary nature of such activities. The FPERS is reported as a pension trust fund.

The Highland Park Public Library

This component unit has an appointed nine member board and provides services to residents, generally within the geographic boundaries of the Government. This component unit is included within the reporting entity because the Government approves the budget and annual tax levy. In addition, bond issuance authorizations are approved by the Government and the legal liability for the general obligation portion of the Library's debt remains with the Government.

A copy of the Library's Annual Financial Report may be obtained by written request to Highland Park Public Library, 494 Laurel Avenue, Highland Park, Illinois 60035.

Fund Accounting: The Government uses funds and account groups to report on its financial position and the results of its operations and cash flows. 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. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

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

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements April 30, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Accounting: (Continued)

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 fixed 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, either a pension trust fund, a nonexpendable trust fund, or an expendable trust fund is used. Agency funds generally are used to account for assets that the Government holds on behalf of others as their agent.

The general fixed assets account group is used to account for fixed assets not accounted for in proprietary or trust funds. The general long-term debt account group is used to account for general long-term debt and certain other liabilities that are not specific liabilities of proprietary or trust funds.

Basis of Accounting: The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund-type fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements April 30, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting: (Continued)

The modified accrual basis of accounting is used by all governmental fund types, and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period. The Government recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

Those revenues susceptible to accrual are property taxes, franchise taxes, licenses, interest revenue, and charges for services. Sales, income, and motor fuel taxes collected and held by the state at year end on behalf of the Government also are recognized as revenue. Fines and permits revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The accrual basis of accounting is utilized by proprietary fund types and pension trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

The Government reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Government before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the Government has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

Budgets: Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted (at the fund level) for the general corporate, special revenue, debt service (on a total generic fund basis), enterprise, and internal service funds. All annual appropriations lapse at fiscal year end.

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements April 30, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets: (Continued)

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting--under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation--is utilized in the governmental funds. Material encumbrances outstanding at year end, if any, are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Government's proprietary fund types consider all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments are stated at fair value.

Short-Term Interfund Receivables/Payables: During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans, if any, are classified as "interfund receivables/payables."

Advances to Other Funds: Noncurrent portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

Fixed Assets: General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair value on the date received.

(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Depreciation on fixed assets acquired through intergovernmental grants, entitlements, or shared revenues externally restricted to capital acquisitions is closed to contributed capital.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are not capitalized, as these assets are immovable and of value only to the Government.

Assets in the general fixed assets account group are not depreciated. Depreciation of buildings, equipment, water/sewer systems, and vehicles in the proprietary fund types is computed using the straight-line method.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period.

Compensated Absences: The Government's policy for vacation pay states that vacation time is earned as of the beginning of each calendar year. Vacation credits carry over into future years up to a maximum of 30 days. Any accumulated time in excess of 30 days is lost. Vested or accumulated vacation leave including related social security, medicare, and the Government's share of pension costs for IMRF that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is reported for these amounts. Vested or accumulated vacation leave of proprietary funds is recorded as an expense and liability of those funds as the benefits accrue to employees.

Long-Term Obligations: Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements

April 30, 2001

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Equity: Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers, or other funds. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

Bond Discounts/Issuance Costs: In governmental fund types, bond discounts and issuance costs are recognized in the current period. Bond discounts and issuance costs for proprietary fund types are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Bond discounts are presented as a reduction of the face amount of bonds payable whereas issuance costs are recorded as deferred charges.

Interfund Transactions: Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Memorandum Only - Total Columns: Total columns on the general purpose financial statements are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with GAAP. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

GASB Pronouncements: The Government has elected, under the provisions of GASB Statement 20, titled "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting," to apply all applicable GASB pronouncements and all FASB Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements.

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements April 30, 2001

NOTE 2 - LEGAL COMPLIANCE AND ACCOUNTABILITY

Budgets: All departments of the Government submit requests for appropriation to the Government's Director of Fiscal and Administrative Services so that a budget may be prepared. The budget is prepared by fund and includes information on the past year, current year estimates, and requested appropriations for the next fiscal year.

The proposed budget is presented to the governing body for review. The governing body holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget.

The manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the governing body.

Expenditures may not legally exceed budgeted appropriations at the fund level. During the year no supplementary appropriations were necessary.

Deficit Fund Balances/Retained Earnings of Individual Funds: The following funds had a deficit in fund balance/retained earnings as of the date of this report:

| <u>Fund</u> | <u>Deficit Balance</u> |
|--|----------------------------|
| Illinois Municipal Retirement | \$ 76,243 |
| Public Benefit | 3,151 |
| Tax Increment Financing G.O. Bond 1981 | 619,048 |
| Highland Park Country Club | 10,021 |

The following fund had an excess of actual expenditures/expenses (exclusive of depreciation and amortization) over budget for the fiscal year:

| <u>Fund</u> | <u>Excess</u> |
|-------------------------------|---------------|
| Illinois Municipal Retirement | \$ 36,815 |

NOTE 3 - DEPOSITS AND INVESTMENTS

The Government maintains a cash and investment pool that is available for use by all funds, except the pension trust funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "cash and investments." In addition, investments are separately held by several of the Government's funds.

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements
April 30, 2001

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Permitted Deposits and Investments: Statutes authorize the Government to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, and The Illinois Funds. Pension funds may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, and Illinois insurance company general and separate accounts.

Deposits: At year end, the carrying amount of the Government's deposits totaled \$1,804,814 and the bank balances totaled \$2,697,325. The carrying amount of the Component Unit's deposits totaled \$842,328, and the bank balances totaled \$884,839.

| | <u>Bank Balances</u> | |
|---|-------------------------------|---------------------------|
| | <u>Primary Government</u> | <u>Component Unit</u> |
| Category 1 | | |
| Deposits covered by federal depository insurance, or by collateral held by the Government, or its agent, in the Government's name. | \$ 200,000 | \$ 884,839 |
| Category 2 | | |
| Deposits covered by collateral held by the pledging financial institution's trust department, or by its agents, in the Government's name. | - | - |
| Category 3 | | |
| Deposits covered by collateral held by the pledging financial institution, or its trust department, or its agent but not in the Government's name, and deposits which are uninsured and uncollateralized. | <u>2,497,325</u> | <u>-</u> |
| Total deposits | <u>\$ 2,697,325</u> | <u>\$ 884,839</u> |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements April 30, 2001

NOTE 3 - DEPOSITS AND INVESTMENTS (Continued)

Investments: The Government's investments are categorized to give an indication of the level of risk assumed by the entity at year end. Category 1 includes investments that are insured or registered or for which the securities are held by the Government or its agent in the Government's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the Government's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the Government's name, and uninsured, unregistered investments.

| | Primary Government | | | |
|--|----------------------------|-------------|-------------|----------------------|
| | Fair Value/Carrying Amount | | | |
| | Category | | | |
| | <u>1</u> | <u>2</u> | <u>3</u> | <u>Totals</u> |
| U.S. Government Securities | <u>\$ 30,103,895</u> | <u>\$ -</u> | <u>\$ -</u> | \$ 30,103,895 |
| *# Illinois Metropolitan Investment Fund | | | | 1,769,126 |
| * Mutual Funds | | | | 27,593,938 |
| * Life insurance contracts and separate accounts | | | | 3,654,348 |
| *# The Illinois Funds | | | | <u>7,888,520</u> |
| Total investments | | | | <u>\$ 71,010,327</u> |

* (Not subject to risk categorization)

The fair value of the position in the external investment pool is the same as the value of the pool shares and it is SEC registered.

The pension trust funds own approximately 60 percent of the investments in Category 1.

NOTE 4 - RECEIVABLES - TAXES

Property taxes for 2000 attach as an enforceable lien on January 1, 2000 on property values assessed as of the same date. Taxes are levied in December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and issued on May 1, 2001 and August 1, 2001 and are payable in two installments, on June 1, 2001 and September 1, 2001. The County collects such taxes and remits them periodically. The allowance for uncollectible taxes has been stated at 0.5 percent of the tax levy to reflect actual collection experience.

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements April 30, 2001

NOTE 5 - FIXED ASSETS

General Fixed Assets Account Group: The following is a summary of changes in the general fixed assets account group during the fiscal year:

| <u>Primary Government</u> | <u>Balances May 1</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balances April 30</u> |
|---------------------------|-----------------------------|----------------------------|--------------------|------------------------------|
| Land | \$ 5,819,149 | \$ - | \$ - | \$ 5,819,149 |
| Buildings | 25,368,426 | 3,235,528 | - | 28,603,954 |
| Equipment | 2,934,251 | 169,952 | - | 3,104,203 |
| Land improvements | <u>9,495,631</u> | <u>-</u> | <u>-</u> | <u>9,495,631</u> |
| Total | <u>\$ 43,617,457</u> | <u>\$ 3,405,480</u> | <u>\$ -</u> | <u>\$ 47,022,937</u> |

| <u>Component Unit</u> | <u>Balances May 1</u> | <u>Additions</u> | <u>Retirements</u> | <u>Balances April 30</u> |
|-----------------------|----------------------------|--------------------------|--------------------|------------------------------|
| Land | \$ 500,000 | \$ - | \$ - | \$ 500,000 |
| Buildings | 1,994,091 | 192,838 | - | 2,186,929 |
| Contents | <u>421,438</u> | <u>51,958</u> | <u>-</u> | <u>473,395</u> |
| | <u>\$ 2,915,529</u> | <u>\$ 244,796</u> | <u>\$ -</u> | <u>\$ 3,160,324</u> |

Proprietary Fixed Assets: The following is a summary of proprietary fund-type fixed assets as of the date of this report:

| | <u>Enterprise</u> | <u>Internal Service</u> |
|-----------------------------------|-----------------------------|-----------------------------|
| Land | \$ 4,981,323 | \$ - |
| Buildings, system, and equipment | <u>53,773,963</u> | <u>8,523,273</u> |
| Total | <u>58,755,286</u> | <u>8,523,273</u> |
| Less accumulated depreciation | <u>26,550,253</u> | <u>6,882,743</u> |
| | <u>\$ 32,205,033</u> | <u>\$ 1,640,530</u> |

In proprietary funds, the following estimated useful lives are used to compute depreciation:

| | |
|----------------------------------|------------|
| Buildings, system, and equipment | 4-60 years |
|----------------------------------|------------|

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements
April 30, 2001

NOTE 6 - RISK MANAGEMENT

The Government is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; illnesses of employees; and natural disasters. The Government is self-insured for unemployment claims and partially self-insured for general liability, auto liability, paramedic liability, and police professional liability. The Government has established a risk financing fund, Insurance ("Fund") for various risks. It is accounted for as an internal service fund where assets are set aside for claim settlements. Under this program, the Fund provides coverage up to a maximum of \$100,000 for each general liability claim, \$300,000 for each workers' compensation claim, \$50,000 for each property damage claim, and \$75,000 for each health claim. The Government purchases commercial insurance for claims in excess of the coverages provided by the Fund. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

All funds of the Government participate and make payments to the Fund based upon actuarial estimates of the amounts needed to pay prior and current-year claims. Liabilities of the Fund are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and societal factors. Changes in the balances of claims liabilities during the past two fiscal years are as follows:

| | Fiscal Year Ended | |
|----------------------------------|--------------------------|--------------------------|
| | April 30, <u>2001</u> | April 30, <u>2000</u> |
| Unpaid claims - beginning | \$ 910,529 | \$ 1,039,007 |
| Incurred claims (including IBNR) | 2,241,010 | 2,355,257 |
| Claim payment | <u>(1,833,940)</u> | <u>(2,483,735)</u> |
| Unpaid claims - ending | <u>\$ 1,317,599</u> | <u>\$ 910,529</u> |

NOTE 7 - LEASE OBLIGATIONS

No material capital or operating leases were in effect as of the date of this report.

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements April 30, 2001

NOTE 8 - LONG-TERM DEBT

General Obligation Bonds: The Government issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government and proprietary activities. These bonds therefore are reported in the proprietary funds if they are expected to be repaid from proprietary revenues.

General obligation bonds are direct obligations and pledge the full faith and credit of the Government. General obligation bonds currently outstanding are as follows:

| <u>Issue</u> | <u>Fund Debt Retired By</u> | <u>Balances May 1</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balances April 30</u> |
|--|-----------------------------|-----------------------|------------------|-------------------|--------------------------|
| Debt Service General Obligation Bonds: | | | | | |
| \$400,000, 1992 General Obligation Corporate Purpose Bonds, due in annual installments of \$40,000 to \$60,000 through 2000; interest at 3.9% to 4.8% | Debt Service | \$ 60,000 | \$ - | \$ 60,000 | \$ - |
| \$8,200,000, 1993 General Obligation Corporate Purpose Bonds, due in annual installments of \$260,000 to \$660,000 through 2023; interest at 4.8% to 8.0% | Debt Service | 6,715,000 | - | 345,000 | 6,370,000 |
| \$2,535,000, 1994 General Obligation Corporate Purpose Refunding Bonds, due in annual installments of \$21,480 to \$1,650,000 through 2008; interest at 4.6% to 4.75%. | Debt Service | 21,480 | - | - | 21,480 |
| \$4,975,000, 1996 General Obligation Corporate Purpose Bonds, due in annual installments of \$120,000 to \$1,225,000 through 2004 | Debt Service | 4,530,000 | - | 1,160,000 | 3,370,000 |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements
April 30, 2001**NOTE 8 - LONG-TERM DEBT (Continued)****General Obligation Bonds: (Continued)**

| <u>Issue</u> | <u>Fund Debt Retired By</u> | <u>Balances May 1</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balances April 30</u> |
|---|---------------------------------|---------------------------|------------------|---------------------|------------------------------|
| Debt Service General Obligation Bonds (Continued) | | | | | |
| \$3,450,000, 1997 General Obligation Corporate Purpose Bonds, due in annual installments of \$125,000 to \$575,000 through 2011; interest at 4.4% to 4.6% | Debt Service | \$ 3,150,000 | \$ - | \$ 575,000 | \$ 2,575,000 |
| \$3,030,000, 1998 General Obligation Corporate Purpose Bonds, due in annual installments of \$50,000 to \$800,000 through December 30, 2008, interest at 4% to 4.125% | Debt Service | 3,030,000 | - | 50,000 | 2,980,000 |
| \$3,000,000 1999 General Obligation Corporate Purpose Bonds, due at maturity on December 31, 2002, interest at LIBOR plus .3% times 65%. | Debt Service | <u>3,000,000</u> | <u>-</u> | <u>-</u> | <u>3,000,000</u> |
| Total | | <u>\$ 20,506,480</u> | <u>\$ -</u> | <u>\$ 2,190,000</u> | <u>\$ 18,316,480</u> |

Special Service Area Bonds:

| <u>Issue</u> | <u>Fund Debt Retired By</u> | <u>Balances May 1</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balances April 30</u> |
|---|---------------------------------|---------------------------|------------------|-------------------|------------------------------|
| \$381,000, 1992 Special Service Area No. 12 Bonds, due in annual installments of \$50,000 to \$55,000 through 2000; interest at 3.15% to 5.2% | Debt Service | <u>\$ 55,000</u> | <u>\$ -</u> | <u>\$ 55,000</u> | <u>\$ -</u> |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements
April 30, 2001

NOTE 8 - LONG-TERM DEBT (Continued)

Water Fund General Obligation Bonds:

| <u>Issue</u> | <u>Fund Debt Retired By</u> | <u>Balances May 1</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balances April 30</u> |
|--|---------------------------------|---------------------------|---------------------|-------------------|------------------------------|
| \$6,785,000, 1994 General Obligation Corporate Purpose Refunding Bonds, due in annual installments of \$80,000 to \$1,650,000 through 2008; interest at 4.6% to 4.75% | Water Fund | \$ 5,163,520 | \$ - | \$ 665,000 | \$ 4,498,520 |
| \$1,420,000, 1997 General Obligation Corporate Purpose Bonds, due in annual installments of \$45,000 to \$110,000 through 2018; interest at 4.40% to 4.75% | Water Fund | 1,375,000 | - | 45,000 | 1,330,000 |
| \$1,100,000, 1998 General Obligation Corporate Purpose Bonds, due in annual installments of \$25,000 to \$100,000, through December 30, 2021; interest at 4% to 4.25% | Water Fund | 1,100,000 | - | 25,000 | 1,075,000 |
| \$1,000,000, 1999 General Obligation Corporate Purpose Bonds, due in annual installments of \$55,000 to \$105,000 through 2013; interest at 4.8% to 5.0%. | Water Fund | 1,000,000 | - | - | 1,000,000 |
| \$1,600,000, 2001 General Obligation Corporate Purpose Bonds, due in annual installments of \$35,000 to \$125,000 through 2020; interest at 4.875% to 5.375%. | Water Fund | - | 1,600,000 | - | 1,600,000 |
| Total | | <u>\$ 8,638,520</u> | <u>\$ 1,600,000</u> | <u>\$ 735,000</u> | <u>\$ 9,503,520</u> |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements
April 30, 2001

NOTE 8 - LONG-TERM DEBT (Continued)

Country Club Fund General Obligation Bonds:

| <u>Issue</u> | <u>Fund Debt Retired By</u> | <u>Balances May 1</u> | <u>Additions</u> | <u>Reductions</u> | <u>Balances April 30</u> |
|---|---------------------------------|---------------------------|-------------------|-------------------|------------------------------|
| \$170,000, 1998 General Obligation Corporate Purpose Bonds, due in annual installments of \$5,000 to \$25,000 through December 30, 2013; interest at 4.10% to 4.125%. | Country Club Fund | \$ 170,000 | \$ - | \$ - | \$ 170,000 |
| \$1,000,000, 1999 General Obligation Corporate Purpose Bonds, due in annual installments of \$20,000 to \$195,000, through 2013; interest at 4.8% to 5.0%. | Country Club Fund | 1,000,000 | - | - | 1,000,000 |
| \$900,000, 2001 General Obligation Corporate Purpose Bonds, due in annual installments of \$15,000 to \$95,000 through 2011; interest at 4.875% to 5.375%. | Country Club Fund | - | 900,000 | - | 900,000 |
| Total | | <u>\$ 1,170,000</u> | <u>\$ 900,000</u> | <u>\$ -</u> | <u>\$ 2,070,000</u> |

Component Unit:

| | | | | | |
|---|----------------|-------------------|-------------|-------------------|-------------------|
| \$700,000, 1998 Installment Note due in monthly installments of \$7,292 through April 19, 2006; interest at 4.40% | Public Library | <u>\$ 522,266</u> | <u>\$ -</u> | <u>\$ 208,453</u> | <u>\$ 313,813</u> |
|---|----------------|-------------------|-------------|-------------------|-------------------|

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements
April 30, 2001

NOTE 8 - LONG-TERM DEBT (Continued)

Debt Service Requirements to Maturity:

Annual debt service requirements to maturity are as follows:

| Fiscal Year Ending April 30 | <u>Primary Government</u> General Obligation Bonds | Component Unit |
|-----------------------------------|---|-------------------|
| 2002 | \$ 5,610,609 | \$ - |
| 2003 | 7,216,923 | 86,308 |
| 2004 | 3,343,811 | 97,303 |
| 2005 | 3,378,600 | 93,378 |
| 2006 | 2,751,688 | 86,075 |
| 2007 | 2,046,030 | - |
| 2008 | 2,024,360 | - |
| 2009 | 1,960,562 | - |
| 2010 | 1,611,213 | - |
| 2011 | 1,613,632 | - |
| 2012 | 1,422,282 | - |
| 2013 | 1,431,594 | - |
| 2014 | 1,437,756 | - |
| 2015 | 320,769 | - |
| 2016 | 319,669 | - |
| 2017 | 343,043 | - |
| 2018 | 339,856 | - |
| 2019 | 361,038 | - |
| 2020 | 240,650 | - |
| 2021 | 240,219 | - |
| 2022 | <u>104,250</u> | <u>-</u> |
| Total principal and interest | <u>\$ 38,118,550</u> | <u>\$ 363,064</u> |
| Interest portion | <u>\$ 8,228,550</u> | <u>\$ 49,251</u> |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements
April 30, 2001

NOTE 8 - LONG-TERM DEBT (Continued)

Changes in Long-Term Liabilities: During the fiscal year the following changes occurred in liabilities reported in the general long-term debt account group:

| | Balances <u>May 1</u> | <u>Additions</u> | <u>Reductions</u> | Balances <u>April 30</u> |
|----------------------------|--------------------------|------------------|---------------------|-----------------------------|
| Primary Government | | | | |
| Special service area bonds | \$ 55,000 | \$ - | \$ 55,000 | \$ - |
| Compensated absences | 1,345,771 | - | 91,091 | 1,254,680 |
| General obligation bonds | <u>20,506,480</u> | <u>-</u> | <u>2,190,000</u> | <u>18,316,480</u> |
| | <u>\$ 21,907,251</u> | <u>\$ -</u> | <u>\$ 2,336,091</u> | <u>\$ 19,571,160</u> |
| Component Unit | | | | |
| Installment contract | <u>\$ 522,266</u> | <u>\$ -</u> | <u>\$ 208,453</u> | <u>\$ 313,813</u> |

Legal Debt Margin: The Government is a home rule municipality.

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

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

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

Port Clinton Tax Increment Financing Project: On May 11, 1981, the Government adopted a Downtown Redevelopment Plan and Project (Redevelopment Plan) and adopted tax increment financing pursuant to the Real Property Tax Increment Allocation Redevelopment Act of the State of Illinois (Act) as a means of inducing developer participation in the Redevelopment Plan.

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements
April 30, 2001

NOTE 8 - LONG-TERM DEBT (Continued)

Port Clinton Tax Increment Financing Project: (Continued)

The Redevelopment Plan provides that the redevelopment occur in phases. Phase I designated a target block to be developed into retail and office space. Future phases would depend on the success of the first phase.

On September 3, 1982, the City entered into a lease agreement (Lease) with a developer, Port Clinton Associates (PCA), to develop the target block. The Lease provides that PCA construct and manage the retail and office space, at its cost, for a 99-year period and construct for the Government, at its cost, an underground parking facility and plaza. The Lease calls for the Government to finance the operation and maintenance of the parking facility and plaza.

The Lease provides for a minimum rental payment of \$300,000 for the initial three-year period of the Lease, which payment was received during fiscal years 1983 and 1984 and recorded as revenue in the General Corporate Fund. In addition, rent during this period and for future periods was and shall be based upon 50% of the first \$400,000 of annual net cash flow of PCA, as defined in the Lease, plus 10% of annual net cash flow in excess of \$600,000. For the year ended April 30, 1993, \$2,032 was distributed to the City from PCA. No payments have been made by PCA since that time. The Lease provides for a purchase option of the land on which PCA facilities are constructed at various times during the Lease (beginning during the seventh year) at a price equal to the greater of \$3,000,000 or the fair market value of the land.

In order to finance the Government's share of the construction costs and the purchase price of the land itself, the Government issued two issues of general obligation bonds in December 1981 (1981 Series) and October 1982 (1982 Series) in the amounts of \$6,600,000 and \$5,250,000, respectively. On June 1, 1984, the Government issued \$6,200,000 in general obligation bonds (1984 Series), \$5,991,900 of which was used for the in-substance defeasance of \$5,600,000 of the above mentioned 1981 Series. The 1984 Series bonds matured in 1997. On December 1, 1987, the Government issued \$4,320,000 of general obligation bonds (1987 A Series), \$4,154,611 of which was used for the in-substance defeasance of \$4,950,000 of the above mentioned 1982 Series. The 1987A Series bonds matured during 1995.

As noted above, the Government adopted tax increment financing as part of the Redevelopment Plan. In this regard, the incremental taxes attributable to the increase in the current equalized value of the target block property over and above the initial equalized value of the property will be used to fund the debt service on the above mentioned general obligation bonds and redevelopment costs. Since inception of the project, the Government has received approximately \$19,275,000 of incremental property taxes. These revenues have been recorded in the Tax Increment Financing G.O. Bonds 1981 Capital Projects Fund. In addition to the

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements
April 30, 2001

NOTE 8 - LONG-TERM DEBT (Continued)

Port Clinton Tax Increment Financing Project: (Continued)

above, \$2,347,345 (representing the rental payments mentioned above and \$2,047,345 in sales tax receipts) has been transferred to this 1981 Fund from the General Corporate Fund. Prior to fiscal 1988, the Government had recorded the \$2,347,345 as operating transfers from the General Corporate Fund. During fiscal 1988, the Government reversed the operating transfers and established an interfund liability in accordance with its intent to reimburse the General Corporate Fund for these advances. During fiscal 2000, the Tax Increment Financing G.O. Bonds 1981 Capital Projects Fund reimbursed \$175,000 to the General Corporate Fund (\$1,739,558 has been reimbursed since inception). The net amount (\$607,787) is reflected as an interfund payable to the General Corporate Fund (\$579,676) and the Debt Service Fund (\$28,111) in the accompanying financial statements.

In December 1999, the Government adopted an ordinance approving the second amendment to the District. This amendment reduced the boundary of the District, thereby releasing \$36,000,000 in equalized assessed valuations to the other taxing districts. In January 2000, the Government adopted an ordinance approving the third amendment to the redevelopment plan. This amendment extended the life of the District to the year 2004 and added additional property.

Noncommitment Debt

Residential Mortgage Revenue Bonds: The Government has issued residential mortgage revenue bonds in order to provide for low-cost mortgages for single-family residences within Highland Park, Illinois. In the opinion of the Government's corporation counsel, these bonds are neither a debt of the Government nor a pledge of its faith and credit, nor do they give rise to a pecuniary liability of the Government or a charge against its general credit or taxing powers. The bonds are special and limited obligations of the Government and are payable solely from the payments under the mortgages in accordance with the indentures. As such, no liability for the bonds is recorded in the Government's general purpose financial statements. The aggregate amount of all such obligations outstanding as of April 30, 2001 is \$480,000.

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements April 30, 2001

NOTE 8 - LONG-TERM DEBT (Continued)

Special Assessment Bonds Payable: As of April 30, 2001, the City had outstanding \$165,000 of special assessment bonds representing the nonpublic benefit portion of the originally issued special assessment debt, which is to be repaid solely by collections from property owners. Accordingly, the City is not obligated in any manner for the portion of special assessments to be collected from property owners; as such, this portion is not recorded in the amounts of the City. The City's duties are limited to acting as an agent for the property owners in collecting the assessments and forwarding the collections to the bondholders. Repayment activity related to the nonpublic benefit portion of the special assessment debt is recorded in an agency fund.

NOTE 9 - INTERFUND ASSETS/LIABILITIES

Due From/To Other Funds

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|---|--|---------------------|
| General | | |
| General Corporate | Motor Vehicle Parking System | \$ 1,922 |
| | Capital Projects | <u>579,676</u> |
| | | <u>581,598</u> |
| Special Revenue | | |
| Crossing Guard | Illinois Municipal Retirement | 10,223 |
| | Public Benefit | <u>3,151</u> |
| | | <u>13,374</u> |
| Debt Service | | |
| General Obligation Bonds | Capital Projects | <u>28,111</u> |
| Capital Projects | | |
| Tax Increment Financing G.O. Bonds 1981 | Street Improvements | 601,369 |
| Street Improvements | Tax Increment Financing G.O. Bonds 1981 | 1,616,564 |
| Working Capital Public Facility and Improvements | General Corporate | <u>422,141</u> |
| | | <u>2,640,074</u> |
| Enterprise | | |
| Motor Vehicle Parking System | General Corporate | 1,319,891 |
| Water | General Corporate | <u>881,728</u> |
| | | <u>2,201,619</u> |
| Trust and Agency | | |
| Police Pension | Firefighters' Pension | <u>9,155</u> |
| | | <u>\$ 5,473,931</u> |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements April 30, 2001

NOTE 10 - SEGMENT INFORMATION - ENTERPRISE FUNDS

The Government maintains the following enterprise funds which are intended to be self-supporting through user fees charged for services to the public. Financial segment information as of the date of this report and for the fiscal year is as follows:

| | <u>Motor Vehicle Parking System</u> | <u>Water</u> | <u>Highland Park Country Club</u> | <u>Totals</u> |
|--|---|--------------|---|---------------|
| Operating revenues | \$ 710,003 | \$ 6,830,496 | \$ 3,415,971 | \$ 10,956,470 |
| Depreciation expense | 208,466 | 1,701,267 | 476,502 | 2,386,235 |
| Operating income (loss) | (136,796) | 1,984,789 | 112,350 | 1,960,343 |
| Operating grants, entitlements, and shared revenues | - | - | - | - |
| Operating transfers in | - | - | 200,000 | 200,000 |
| Operating transfers (out) | (80,000) | (629,028) | (100,000) | (809,028) |
| Tax revenues | - | - | - | - |
| Net income (loss) | (133,449) | 1,075,452 | 154,906 | 1,096,909 |
| Current capital contributions | - | - | - | - |
| Current capital transfers | - | - | - | - |
| Plant, property, and equipment | | | | |
| Additions | 83,778 | 3,718,645 | 1,400,517 | 5,202,940 |
| Deletions | - | - | (1,150) | (1,150) |
| Total assets | 8,141,743 | 22,109,348 | 10,510,487 | 40,761,578 |
| Net working capital | 1,305,095 | 3,921,345 | 289,150 | 5,515,590 |
| Bonds and other long-term liabilities | | | | |
| Payable from operating revenues | - | 9,503,520 | 2,070,000 | 11,573,520 |
| Payable from other sources | - | - | - | - |
| Total equity | 6,437,262 | 11,761,178 | 7,948,663 | 26,147,103 |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements
April 30, 2001

NOTE 11 - CONTRIBUTED CAPITAL

During the fiscal year, contributed capital increased/decreased by the following amounts:

| | Motor Vehicle Parking System | Water | Highland Park Country Club | Totals |
|---------------------|---------------------------------------|---------------------|----------------------------------|----------------------|
| Balance at May 1 | \$ 2,970,621 | \$ 1,904,085 | \$ 8,298,590 | \$ 13,173,296 |
| Increases | - | - | - | - |
| Decreases | | | | |
| Depreciation | <u>121,209</u> | <u>116,895</u> | <u>339,906</u> | <u>578,010</u> |
| Balance at April 30 | <u>\$ 2,849,412</u> | <u>\$ 1,787,190</u> | <u>\$ 7,958,684</u> | <u>\$ 12,595,286</u> |

NOTE 12 - CONTINGENT LIABILITIES

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

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 Government expects such amounts, if any, to be immaterial.

(Continued)

NOTE 13 - EMPLOYEE RETIREMENT SYSTEMS

Plan Descriptions and Provisions:

Illinois Municipal Retirement

The Government contributes to the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for local governments and school districts in Illinois. The Government's total payroll for the year ended December 31, 2000 was \$14,040,437. Of this amount, \$8,957,641 in payroll earnings were reported to and covered by the IMRF system.

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3 percent of their final rate (average of the highest 48 consecutive months' earnings during the last 10 years) of earnings for each year of credited service up to 15 years and 2 percent for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by Illinois Compiled Statutes.

Funding Policy - Participating members are required to contribute 4.5 percent of their annual salary to IMRF. The Government is required to contribute the remaining amounts necessary to fund the coverage of its own employees in the system, using the actuarial basis specified by state statute (entry age normal); for 2000 the rate was 6.33 percent.

IMRF issues a separate financial report which may be obtained by writing them at: IMRF, Drake Oak Brook Plaza, Suite 500, 2211 S. York Road, Oak Brook, Illinois 60521-2374.

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements
April 30, 2001

NOTE 13 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Plan Descriptions and Provisions: (Continued)

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 contributions levels are governed by Illinois Compiled Statutes (Chapter 40 - Article 5/3) and may be amended only by the Illinois legislature. The Government accounts for the plan as a pension trust fund. The Government's payroll for employees covered by the Police Pension Plan for the year ended April 30, 2000 was \$4,340,489 out of a total payroll of \$15,862,890. At April 30, 2001, the Police Pension Plan membership consisted of:

| | |
|--|------------|
| Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them | 42 |
| Current employees | |
| Vested | 58 |
| Nonvested | <u>16</u> |
| Total | <u>116</u> |

The following is a summary of the Police Pension Plan as provided for in Illinois Compiled 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 one-half of the salary attached to the rank held on the last day of service or for one year prior to the last day, whichever is greater. The pension shall be increased by 2.50 percent of such salary for each additional year of service over 20 years up to 30 years and 1 percent of such salary for each additional year of service over 30 years, to a maximum of 75 percent of such salary. Employees with at least 8 years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent simple interest annually thereafter.

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements
April 30, 2001

NOTE 13 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Plan Descriptions and Provisions: (Continued)

Police Pension (Continued)

Funding Policy - Covered employees are required to contribute 9.91 percent 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 Government is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. The Government's contributions must accumulate to the point where the past service cost for the Police Pension Plan is fully funded by the year 2033.

No separate Police Pension Fund annual financial report is issued.

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 contributions levels are mandated by Illinois Compiled Statutes (Chapter 40 - Article 5/4) and may be amended only by the Illinois legislature. The Government accounts for the plan as a pension trust fund. The Government's payroll for employees covered by the Firefighters' Pension Plan for the year ended April 30, 2000 was \$3,245,585 out of a total payroll of \$15,862,890. At April 30, 2001, the Firefighters' Pension Plan membership consisted of:

| | |
|--|-----------|
| Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them | 35 |
| Current employees | |
| Vested | 52 |
| Nonvested | <u>2</u> |
| Total | <u>89</u> |

The following is a summary of the Firefighters' Pension Plan as provided for in Illinois Compiled Statutes.

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements
April 30, 2001

NOTE 13 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Plan Descriptions and Provisions: (Continued)

Firefighters' Pension (Continued)

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 a monthly retirement benefit of one-half of the monthly salary attached to the rank held in the fire service at the date of retirement. The monthly pension shall be increased by one-twelfth of 2 percent of such monthly salary for each additional month over 20 years of service through 30 years of service and one-twelfth of 1 percent of such monthly service for each additional month over 30 years of service, to a maximum of 75 percent 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 percent of the original pension and 3 percent annually thereafter.

Funding Policy - Covered employees are required to contribute 8.455 percent of their 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 Government is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. The Government's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded by the year 2033.

No separate Firefighters' Pension Fund annual financial report is issued.

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements
April 30, 2001

NOTE 13 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Summary of Significant Accounting Policies and Plan Asset Matters:

Basis of Accounting - The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee services are performed.

Method Used to Value Investments - Investments are reported at fair value. Investment income is recognized as earned.

Gains and losses on sales and exchanges of fixed-income securities are recognized on the trade date.

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:

Related Party Transactions - There were no securities of the employer or any other related parties included in plan assets, including any loans.

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements
April 30, 2001

NOTE 13 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Funding Policy and Annual Pension Cost

| | <u>Illinois Municipal Retirement</u> | <u>Police Pension</u> | <u>Firefighters' Pension</u> |
|-------------------------------|--|------------------------------------|------------------------------------|
| Contribution rates | | | |
| Government | 6.33% | 18.97% | 22.71% |
| Members | 4.50% | 9.91 | 8.458% |
| Annual pension cost | \$ 597,019 | \$ 297,802 | \$ 711,655 |
| Contributions made | \$ 597,019 | \$ 735,964 | \$ 671,875 |
| Actuarial valuation date | | | |
| Actuarial method | Entry age | Entry age | Entry age |
| Amortization method | Level percentage of pay, closed | Level percentage of pay, closed | Level percentage of pay, closed |
| Remaining amortization period | 32 years | 33 years | 33 years |
| Asset valuation method | 5-year smoothed market | 5-year smoothed market | 5-year smoothed market |
| Actuarial assumptions | | | |
| Investment rate of return* | 7.5% | 8.0% | 8.0% |
| Projected salary increases* | 0.4% to 11.6% | 6.0% | 6.0% |
| *Includes inflation of | 4.0% | 4.0% | 4.0% |

Net Pension Obligation: The Government's annual pension cost and net pension obligation to the Police Pension and Firefighters' Pension funds for the current year were as follows:

| | <u>Police Pension</u> | <u>Firefighters' Pension</u> |
|--|---------------------------|----------------------------------|
| Annual required contribution | \$ 297,615 | \$ 711,655 |
| Interest on net pension obligation | (22,196) | (39,597) |
| Adjustment to annual required contribution | <u>22,383</u> | <u>39,597</u> |
| Annual pension cost | 297,862 | 711,655 |
| Contributions made | <u>735,964</u> | <u>671,875</u> |
| Increase (decrease) in net pension obligation | (438,162) | 39,780 |
| Net pension obligation (asset) - beginning of period | <u>(277,444)</u> | <u>(494,966)</u> |
| Net pension obligation (asset) - end of period | <u>\$ (715,606)</u> | <u>\$ (455,186)</u> |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Notes to Financial Statements April 30, 2001

NOTE 13 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Trend Information: Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due.

| | <u>Year</u> | <u>Illinois Municipal Retirement</u> | <u>Police Pension</u> | <u>Firefighters' Pension</u> |
|--------------------------------|-------------|--|---------------------------|----------------------------------|
| Annual pension cost (APC) | 1999 | \$ 741,007 | \$ 417,061 | \$ 600,853 |
| | 2000 | 719,580 | 297,802 | 711,655 |
| | 2001 | 567,019 | N/A | N/A |
| Percentage of APC contributed | 1999 | 100.00% | 150.88% | 100.51% |
| | 2000 | 100.00 | 247.13 | 94.41 |
| | 2001 | 100.00 | N/A | N/A |
| Net pension obligation (asset) | 1999 | \$ - | \$ (277,444) | \$ (494,966) |
| | 2000 | - | (715,606) | (455,186) |
| | 2001 | - | N/A | N/A |

N/A - Information not available.

NOTE 14 - HIGHLAND PARK COUNTRY CLUB FUND

The Highland Park Country Club Fund was created in fiscal 1993 pursuant to Government ordinance and classified as an enterprise fund. The Highland Park Country Club Fund is utilized for the purpose of recording the activity of the Highland Park Country Club (Club) which was purchased by the Government on May 6, 1993.

As of June 1, 1998, the Club is managed by American Golf Corporation, pursuant to a consulting and management agreement between the Government and American Golf Corporation dated May 28, 1998. The term of the lease is for a period of five years. American is paid a fixed monthly management fee (\$7,500) plus an incentive management fee.

The Government financed its purchase of the Club through the issuance of \$8,200,000 of general obligation bonds. As the debt service on the bonds is currently being met through a property tax levy, the liability for the bonds is recorded in the Government's General Long-Term Debt Account Group. A corresponding amount of contributed capital is reflected on the balance sheet of the Highland Park Country Club Fund.

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

**Notes to Financial Statements
April 30, 2001**

NOTE 14 - HIGHLAND PARK COUNTRY CLUB FUND (Continued)

On December 21, 1995, the Government sold approximately 26 acres of land adjacent to the Club to a local developer for \$3,500,000.

NOTE 15 - MAJOR CUSTOMERS

The Village of Deerfield and the Village of Lincolnshire purchase water from the Government's available supply. During fiscal 2001, these purchases amounted to \$1,780,027, or 26%, and \$910,798 or 13%, respectively, of total operating revenues in the Water Fund.

CITY OF HIGHLAND PARK, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information Analysis of Funding Progress April 30, 2001

| Actuarial Valuation Date <u>January 1</u> | (1) Actuarial Value of Plan <u>Assets</u> | (2) Actuarial Accrued Liability (AAL) <u>Entry Age</u> | (3) Funded Ratio <u>(1) ÷ (2)</u> | (4) Unfunded (Overfunded) Actuarial Accrued Liability <u>(2) - (1)</u> | (5) Annual Covered <u>Payroll</u> | (6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll <u>(4) ÷ (5)</u> |
|--|---|---|--|--|--|---|
| 1995 | \$ 17,885,422 | \$ 19,134,918 | 93.47% | \$ 1,249,496 | \$ 7,983,394 | 15.65% |
| 1996 | 18,503,449 | 19,098,794 | 96.88 | 595,345 | 8,018,343 | 7.42 |
| 1997 | 21,804,281 | 21,371,906 | 102.02 | (432,375) | 8,216,799 | (5.26) |
| 1998 | 24,217,374 | 22,895,891 | 105.77 | (1,321,483) | 8,527,119 | (15.50) |
| 1999 | 22,370,583 | 22,445,186 | 99.67 | 74,603 | 9,039,959 | 0.83 |
| 2000 | 25,572,806 | 23,385,998 | 109.35 | (2,186,808) | 8,957,641 | (24.41) |

Notes to the Required Supplementary Information -

The information presented was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation presented is as follows: The actuarial cost method was entry age normal; the amortization method was level percent of pay, closed and the amortization period was 33 years; the asset valuation method was a five-year smoothed market method; and the significant actuarial assumptions were an investment rate of return at 7.5% compounded annually including a 4.00% inflation factor, a projected salary increases assumption of .4% to 11.6% compounded annually including a 4.00% inflation factor, and post-retirement benefit increases of 3% compounded annually.

CITY OF HIGHLAND PARK, ILLINOIS

Police Pension Fund

Required Supplementary Information Analysis of Funding Progress April 30, 2001

| Actuarial Valuation Date <u>May 1</u> | (1) Actuarial Value of Plan <u>Assets</u> | (2) Actuarial Accrued Liability (AAL) <u>Entry Age</u> | (3) Funded Ratio <u>(1) ÷ (2)</u> | (4) Unfunded Actuarial Accrued Liability <u>(2) - (1)</u> | (5) Annual Covered Payroll <u>Payroll</u> | (6) Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll <u>(4) ÷ (5)</u> |
|--|---|---|--|--|---|---|
| 1995 | N/A | N/A | N/A | N/A | N/A | N/A |
| 1996 | N/A | N/A | N/A | N/A | N/A | N/A |
| 1997 | \$ 20,469,308 | \$ 24,090,956 | 84.97% | \$3,621,648 | \$ 3,384,792 | 107.00% |
| 1998 | 22,585,377 | 26,078,431 | 86.61 | 3,493,054 | 3,159,740 | 115.49 |
| 1999 | 24,854,667 | 26,972,975 | 92.15 | 2,118,308 | 3,157,705 | 67.08 |
| 2000 | 25,984,060 | 26,147,176 | 99.38 | 163,116 | 4,340,489 | 0.38 |

N/A - Information is presented for as many of the six prior years as information according to the disclosure parameters is available. Information for these years is not available.

Notes to the Required Supplementary Information -

The information presented was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation presented is as follows: The actuarial cost method was entry age normal; the amortization method was level percent of pay, closed and the amortization period was 33 years; the asset valuation method was a five-year smoothed market method; and the significant actuarial assumptions were an investment rate of return at 8% compounded annually including a 4.00% inflation factor, a projected salary increases assumption of 6.0% compounded annually including a 4.00% inflation factor, and post-retirement benefit increases of 3% compounded annually.

CITY OF HIGHLAND PARK, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information Analysis of Funding Progress April 30, 2001

| Actuarial Valuation Date <u>May 1</u> | (1) Actuarial Value of Plan Assets | (2) Actuarial Accrued Liability (AAL) Entry Age | (3) Funded Ratio (1) ÷ (2) | (4) Unfunded Actuarial Accrued Liability (2) - (1) | (5) Annual Covered Payroll | (6) Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5) |
|--|--|--|-------------------------------------|---|-------------------------------------|--|
| 1995 | N/A | N/A | N/A | N/A | N/A | N/A |
| 1996 | N/A | N/A | N/A | N/A | N/A | N/A |
| 1997 | \$ 17,381,275 | \$ 19,851,399 | 87.56% | \$ 2,470,124 | \$ 2,560,035 | 96.49% |
| 1998 | 19,425,688 | 20,900,744 | 92.94 | 1,475,056 | 2,836,351 | 52.01 |
| 1999 | 20,464,015 | 21,857,090 | 93.63 | 1,393,075 | 3,003,840 | 46.38 |
| 2000 | 21,415,496 | 24,577,502 | 87.13 | 3,162,006 | 3,245,585 | 97.42 |

N/A - Information is presented for as many of the six prior years as information according to the disclosure parameters is available. Information for these years is not available.

Notes to the Required Supplementary Information -

The information presented was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation presented is as follows: The actuarial cost method was entry age normal; the amortization method was level percent of pay, closed and the amortization period was 33 years; the asset valuation method was a five-year smoothed market method; and the significant actuarial assumptions were an investment rate of return at 8% compounded annually including a 4.0% inflation factor, a projected salary increases assumption of 6.0% compounded annually including a 4.0% inflation factor, and post-retirement benefit increases of 3% compounded annually.

CITY OF HIGHLAND PARK, ILLINOIS

Illinois Municipal Retirement Fund

Required Supplementary Information
Employer Contributions
April 30, 2001

| <u>Year Ended December 31</u> | <u>Employer Contributions</u> | <u>Annual Required Contribution</u> | <u>Percent Contributed</u> |
|-----------------------------------|-----------------------------------|---|--------------------------------|
| 1995 | \$ 796,791 | \$ 796,791 | 100.00% |
| 1996 | 799,290 | 799,290 | 100.00 |
| 1997 | 751,604 | 751,604 | 100.00 |
| 1998 | 741,007 | 741,007 | 100.00 |
| 1999 | 719,580 | 719,580 | 100.00 |
| 2000 | 567,019 | 567,019 | 100.00 |

Notes to the Required Supplementary Information -

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: The actuarial cost method was entry age normal; the amortization method was level percent of pay, closed and the amortization period was 32 years; the asset valuation method was a five-year smoothed market method; and the significant actuarial assumptions were an investment rate of return at 7.5% compounded annually including a 4.25% inflation factor, a projected salary increases assumption of .4% to 11.6% compounded annually including a 4.0% inflation factor, and post-retirement benefit increases of 3% compounded annually.

CITY OF HIGHLAND PARK, ILLINOIS

Police Pension Fund

Required Supplementary Information Employer Contributions April 30, 2001

| <u>Year Ended</u> <u>April 30</u> | <u>Employer</u> <u>Contributions</u> | <u>Annual</u> <u>Required</u> <u>Contribution</u> | <u>Percent</u> <u>Contributed</u> |
|--------------------------------------|---|---|--------------------------------------|
| 1996 | N/A | N/A | N/A |
| 1997 | N/A | N/A | N/A |
| 1998 | \$ 532,415 | \$ 675,457 | 78.82% |
| 1999 | 629,234 | 417,017 | 150.89 |
| 2000 | 735,964 | 297,615 | 247.29 |
| 2001 | 678,818 | N/A | N/A |

N/A - Information is presented for as many of the six prior years as information according to the disclosure parameters is available. Information for these years is not available.

Notes to the Required Supplementary Information -

The information presented was determined as part of the actuarial valuations as of April 30 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: The actuarial cost method was entry age normal; the amortization method was level percent of pay, closed and the amortization period was 33 years; the asset valuation method was a five-year smoothed market method; and the significant actuarial assumptions were an investment rate of return at 8% compounded annually including a 4.0% inflation factor, a projected salary increases assumption of 6.0% compounded annually including a 4.0% inflation factor, and post-retirement benefit increases of 3% compounded annually.

CITY OF HIGHLAND PARK, ILLINOIS

Firefighters' Pension Fund

Required Supplementary Information
Employer Contributions
April 30, 2001

| <u>Year Ended</u> <u>April 30</u> | <u>Employer</u> <u>Contributions</u> | <u>Annual</u> <u>Required</u> <u>Contribution</u> | <u>Percent</u> <u>Contributed</u> |
|--------------------------------------|---|---|--------------------------------------|
| 1996 | N/A | N/A | N/A |
| 1997 | N/A | N/A | N/A |
| 1998 | \$ 494,076 | \$ 510,306 | 96.82% |
| 1999 | 603,930 | 600,853 | 100.51 |
| 2000 | 671,875 | 711,655 | 94.41 |
| 2001 | 721,224 | N/A | N/A |

N/A - Information is presented for as many of the six prior years as information according to the disclosure parameters is available. Information for these years is not available.

Notes to the Required Supplementary Information -

The information presented was determined as part of the actuarial valuations as of April 30 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: The actuarial cost method was entry age normal; the amortization method was level percent of pay, closed and the amortization period was 33 years; the asset valuation method was a five-year smoothed market method; and the significant actuarial assumptions were an investment rate of return at 8% compounded annually including a 4.0% inflation factor, a projected salary increases assumption of 6.0% compounded annually including a 4.0% inflation factor, and post-retirement benefit increases of 3% compounded annually.

GENERAL CORPORATE FUND

The General Corporate Fund is used to account for most of the current day-to-day operations of the Government which are financed from property taxes and other general revenues. Activities financed by the General Corporate Fund include those of line and staff departments within the Government except for activities of the Enterprise Funds.

CITY OF HIGHLAND PARK, ILLINOIS

General Corporate Fund

Balance Sheet

April 30, 2001

ASSETS

| | | |
|----------------------|----|--------------------------|
| Cash | \$ | 1,317,503 |
| Investments | | 9,157,241 |
| Receivables | | |
| Property taxes | | 1,077,908 |
| State of Illinois | | 330,010 |
| Other | | 272,462 |
| Due from other funds | | <u>581,598</u> |
| Total assets | \$ | <u><u>12,736,722</u></u> |

LIABILITIES AND FUND BALANCE

Liabilities

| | | |
|------------------------------|----|------------------|
| Accounts payable | \$ | 243,902 |
| Accrued payroll | | 33,651 |
| Accrued insurance claims | | 601,820 |
| Due to other funds | | 2,623,760 |
| Deferred revenues | | 1,224,905 |
| Compensated absences payable | | <u>1,141,874</u> |
| Total liabilities | | <u>5,869,912</u> |

Fund balance

| | | |
|-------------------------------|--|------------------|
| Reserved for loans receivable | | 579,676 |
| Unreserved - undesignated | | <u>6,287,134</u> |
| | | <u>6,866,810</u> |

| | | |
|------------------------------------|----|--------------------------|
| Total liabilities and fund balance | \$ | <u><u>12,736,722</u></u> |
|------------------------------------|----|--------------------------|

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

General Corporate Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | Variance- Favorable (Unfavorable) |
|---|------------------------|---------------------|---|
| Revenues | | | |
| Property taxes | \$ 1,344,703 | \$ 1,356,685 | \$ 11,982 |
| Illinois state replacement taxes | 145,000 | 155,727 | 10,727 |
| Licenses | 137,450 | 142,333 | 4,883 |
| Permits | 1,446,400 | 1,402,055 | (44,345) |
| Charges for current services | 1,042,527 | 793,858 | (248,669) |
| Municipal sales tax | 10,855,091 | 10,492,993 | (362,098) |
| Fines and forfeitures | 300,000 | 250,070 | (49,930) |
| Utility tax | 3,250,000 | 3,648,778 | 398,778 |
| Fire insurance tax | 40,000 | - | (40,000) |
| Cable television franchise tax | 278,648 | 319,456 | 40,808 |
| Real estate transfer tax | 1,850,000 | 1,938,210 | 88,210 |
| Investment income | 878,816 | 1,084,189 | 205,373 |
| Illinois state income tax | 2,246,184 | 2,420,065 | 173,881 |
| Franchise tax | 137,805 | 128,218 | (9,587) |
| Other taxes | 271,200 | 354,702 | 83,502 |
| Reimbursement - Fort Sheridan expense | - | 165,505 | 165,505 |
| Miscellaneous | | | |
| PACE R.T.A. fare reimbursement | 727,290 | 839,264 | 111,974 |
| Sale of assets | 178,580 | 88,886 | (89,694) |
| Other | 237,356 | 249,449 | 12,093 |
| Total revenues | <u>25,367,050</u> | <u>25,830,443</u> | <u>463,393</u> |
| Expenditures | | | |
| Current | | | |
| General government | 7,231,777 | 7,367,606 | (135,829) |
| Public safety | 12,310,021 | 11,572,883 | 737,138 |
| Public works | 2,899,613 | 2,887,642 | 11,971 |
| Other charges | 9,436,152 | 937,909 | 8,498,243 |
| Total expenditures | <u>31,877,563</u> | <u>22,766,040</u> | <u>9,111,523</u> |
| Excess (deficiency) of revenues over expenditures | <u>(6,510,513)</u> | <u>3,064,403</u> | <u>9,574,916</u> |
| Other financing sources (uses) | | | |
| Operating transfers in | | | |
| Motor Vehicle Parking Fund | 80,000 | 80,000 | - |
| Water Fund | 350,000 | 450,000 | 100,000 |
| Operating transfers (out) | | | |
| Highland Park Country Club Fund | (200,000) | (200,000) | - |
| Debt Service Fund | (1,000,000) | (1,000,000) | - |
| General Obligation Bonds 1997 Fund | - | - | - |
| General Obligation Bonds 1998 Fund | - | - | - |
| Capital Projects Funds | (2,970,000) | (2,970,000) | - |
| Street and Bridge Fund | (1,050,000) | (1,050,000) | - |
| | <u>(4,790,000)</u> | <u>(4,690,000)</u> | <u>100,000</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | <u>\$ (11,300,513)</u> | <u>(1,625,597)</u> | <u>\$ 9,674,916</u> |
| Fund balances | | | |
| May 1 | | 8,492,407 | |
| April 30 | | <u>\$ 6,866,810</u> | |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

General Corporate Fund

Detailed Schedule of Expenditures - Budget and Actual Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|------------------|------------------|--|
| General government | | | |
| Legislative | | | |
| Personal services | \$ 66,620 | \$ 64,547 | \$ 2,073 |
| Contractual services | 17,500 | 17,194 | 306 |
| Materials and supplies | 9,800 | 9,732 | 68 |
| Total legislative department | <u>93,920</u> | <u>91,473</u> | <u>2,447</u> |
| Executive | | | |
| Personal services | 516,208 | 498,589 | 17,619 |
| Contractual services | 193,000 | 196,332 | (3,332) |
| Materials and supplies | 5,800 | 6,426 | (626) |
| Capital outlay | 5,000 | - | 5,000 |
| Total executive | <u>720,008</u> | <u>701,347</u> | <u>18,661</u> |
| City clerk | | | |
| Personal services | 67,008 | 66,807 | 201 |
| Contractual services | 17,500 | 17,646 | (146) |
| Materials and supplies | 450 | 671 | (221) |
| Total city clerk | <u>84,958</u> | <u>85,124</u> | <u>(166)</u> |
| Legal department | | | |
| Personal services | 125,000 | 117,160 | 7,840 |
| Contractual services | 1,875,000 | 1,755,624 | 119,376 |
| Materials and supplies | 2,500 | 2,327 | 173 |
| Total legal department | <u>2,002,500</u> | <u>1,875,111</u> | <u>127,389</u> |
| Finance administration and accounting | | | |
| Personal services | 440,000 | 424,910 | 15,090 |
| Contractual services | 121,157 | 106,854 | 14,303 |
| Materials and supplies | 38,000 | 40,647 | (2,647) |
| Total finance administration and accounting | <u>599,157</u> | <u>572,411</u> | <u>26,746</u> |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

General Corporate Fund

Detailed Schedule of Expenditures - Budget and Actual Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|--|---------------------|---------------------|--|
| General government (Continued) | | | |
| Boards and Commissions | | | |
| Contractual services | \$ 181,225 | \$ 196,434 | \$ (15,209) |
| Materials and supplies | 10,460 | 7,473 | 2,987 |
| Total Boards and Commissions | <u>191,685</u> | <u>203,907</u> | <u>(12,222)</u> |
| | | | |
| Youth and senior centers | | | |
| Personal services | 414,547 | 390,423 | 24,124 |
| Contractual services | 109,355 | 105,922 | 3,433 |
| Materials and supplies | 22,540 | 22,519 | 21 |
| Capital outlay | <u>8,500</u> | <u>8,373</u> | <u>127</u> |
| Total youth and senior centers | <u>554,942</u> | <u>527,237</u> | <u>27,705</u> |
| | | | |
| Community Development Department | | | |
| Personal services | 546,957 | 527,664 | 19,293 |
| Contractual services | 217,000 | 215,539 | 1,461 |
| Materials and supplies | 14,000 | 14,528 | (528) |
| Capital outlay | <u>1,000</u> | <u>2,479</u> | <u>(1,479)</u> |
| Total Community Development Development | <u>778,957</u> | <u>760,210</u> | <u>18,747</u> |
| | | | |
| Insurance | | | |
| Contractual services | | | |
| Health | 1,722,450 | 1,722,450 | - |
| Liability Insurance | 255,000 | 600,136 | (345,136) |
| Worker's Compensation | <u>228,200</u> | <u>228,200</u> | <u>-</u> |
| Total Insurance | <u>2,205,650</u> | <u>2,550,786</u> | <u>(345,136)</u> |
| | | | |
| Total general government | <u>\$ 7,231,777</u> | <u>\$ 7,367,606</u> | <u>\$ (135,829)</u> |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

General Corporate Fund

Detailed Schedule of Expenditures - Budget and Actual
Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|--|----------------------|----------------------|---|
| Public safety | | | |
| Police Department | | | |
| Personal services | \$ 4,999,005 | \$ 4,542,012 | \$ 456,993 |
| Contractual services | 802,069 | 798,201 | 3,868 |
| Materials and supplies | 108,450 | 111,777 | (3,327) |
| Capital outlay | 108,520 | 102,482 | 6,038 |
| Pension Cost | <u>657,726</u> | <u>657,726</u> | <u>-</u> |
| Total Police Department | <u>6,675,770</u> | <u>6,212,198</u> | <u>463,572</u> |
| Fire Department | | | |
| Personal services | 3,553,268 | 3,373,401 | 179,867 |
| Contractual services | 363,038 | 360,120 | 2,918 |
| Materials and supplies | 67,400 | 67,862 | (462) |
| Pension cost | 698,036 | 698,903 | (867) |
| Capital outlay | <u>25,800</u> | <u>23,326</u> | <u>2,474</u> |
| Total Fire Department | <u>4,707,542</u> | <u>4,523,612</u> | <u>183,930</u> |
| Community Development Department | | | |
| Personal services | 775,559 | 692,080 | 83,479 |
| Contractual services | 136,000 | 125,668 | 10,332 |
| Materials and supplies | 14,650 | 16,825 | (2,175) |
| Capital outlay | <u>500</u> | <u>2,500</u> | <u>(2,000)</u> |
| Total Community Development Development | <u>926,709</u> | <u>837,073</u> | <u>89,636</u> |
| Total public safety | <u>\$ 12,310,021</u> | <u>\$ 11,572,883</u> | <u>\$ 737,138</u> |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

General Corporate Fund

Detailed Schedule of Expenditures - Budget and Actual Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|---------------------|---------------------|--|
| Public works | | | |
| Public works administration | | | |
| Personal services | \$ 252,491 | \$ 201,414 | \$ 51,077 |
| Contractual services | 56,000 | 84,695 | (28,695) |
| Materials and supplies | 16,500 | 15,844 | 656 |
| Capital Outlays | 100 | - | 100 |
| Total public works administration | <u>325,091</u> | <u>301,953</u> | <u>23,138</u> |
| Building maintenance | | | |
| Personal services | 114,000 | 103,062 | 10,938 |
| Contractual services | 418,000 | 436,978 | (18,978) |
| Materials and supplies | 55,800 | 63,032 | (7,232) |
| Capital outlay | 443,500 | 445,947 | (2,447) |
| Total building maintenance | <u>1,031,300</u> | <u>1,049,019</u> | <u>(17,719)</u> |
| Transportation | | | |
| Personal services | 601,814 | 554,026 | 47,788 |
| Contractual services | 102,838 | 101,709 | 1,129 |
| Materials and supplies | 28,970 | 29,953 | (983) |
| Total transportation | <u>733,622</u> | <u>685,688</u> | <u>47,934</u> |
| Engineering | | | |
| Personal services | 672,000 | 705,607 | (33,607) |
| Contractual services | 125,000 | 132,312 | (7,312) |
| Materials and supplies | 8,300 | 8,771 | (471) |
| Capital outlay | 4,300 | 4,292 | 8 |
| Total engineering | <u>809,600</u> | <u>850,982</u> | <u>(41,382)</u> |
| Total public works | <u>\$ 2,899,613</u> | <u>\$ 2,887,642</u> | <u>\$ 11,971</u> |
| Other charges - nondepartmental expenditures | | | |
| Contractual services | \$ 1,250,000 | \$ 909,812 | \$ 340,188 |
| Taxes and special accounts | 8,186,152 | 28,097 | 8,158,055 |
| Total other charges | <u>\$ 9,436,152</u> | <u>\$ 937,909</u> | <u>\$ 8,498,243</u> |

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account are used to account for revenues derived from specific taxes or other earmarked revenue sources which, by law, are designated to finance particular functions or activities of government and which therefore cannot be diverted to other uses.

Street and Bridge - provides street lighting, street cleaning, snow removal, maintenance, and certain capital improvements to streets and bridges

Crossing Guard - to provide for school guards.

Illinois Municipal Retirement - to fund the contributions due to the state retirement fund for municipal employees.

Motor Fuel Tax - underwrites the cost of some major street and bridge improvements by a transfer to street and bridge. Allotments of gasoline taxes collected by the state are the primary revenue.

Public Benefit - to underwrite the public benefit portion of special assessments.

Municipal Audit - to pay for the annual audit by independent public accountants.

Working Cash - provides advances to other funds that require cash immediately but are temporarily short on working capital.

Emergency 911 System - to pay for the Government's "911" emergency telephone service.

CITY OF HIGHLAND PARK, ILLINOIS

Special Revenue Funds

Combining Balance Sheet
April 30, 2001

(See Following Page)

CITY OF HIGHLAND PARK, ILLINOIS

Special Revenue Funds

**Combining Balance Sheet
April 30, 2001**

| | <u>Street and Bridge</u> | <u>Crossing Guard</u> | <u>Illinois Municipal Retirement</u> |
|--|--------------------------------|-----------------------------|--|
| ASSETS | | | |
| Cash and cash equivalents | \$ 112,588 | \$ 53,759 | \$ - |
| Investments | 9,981 | 7,344 | 41,582 |
| Receivables | | | |
| Property taxes | 2,257,955 | - | 1,283,935 |
| Motor fuel tax allotments | - | - | - |
| Other | 119,757 | - | - |
| Due to other funds | <u>-</u> | <u>13,374</u> | <u>-</u> |
| Total assets | <u><u>\$ 2,500,281</u></u> | <u><u>\$ 74,477</u></u> | <u><u>\$ 1,325,517</u></u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ 47,658 | \$ - | \$ 107,602 |
| Accrued payroll | 118,413 | 697 | - |
| Due to other funds | - | - | 10,223 |
| Deferred revenue | <u>2,257,955</u> | <u>-</u> | <u>1,283,935</u> |
| Total liabilities | 2,424,026 | 697 | 1,401,760 |
| Fund balances | | | |
| Unreserved - undesignated | <u>76,255</u> | <u>73,780</u> | <u>(76,243)</u> |
| Total liabilities and fund balances | <u><u>\$ 2,500,281</u></u> | <u><u>\$ 74,477</u></u> | <u><u>\$ 1,325,517</u></u> |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Special Revenue Funds

Combining Balance Sheet April 30, 2001

| <u>Motor Fuel Tax</u> | <u>Public Benefit</u> | <u>Municipal Audit</u> | <u>Working Cash</u> | <u>Emergency 911 System</u> | <u>Totals</u> |
|---------------------------|---------------------------|----------------------------|-------------------------|---------------------------------|---------------------|
| \$ 2,236 | \$ - | \$ 19,293 | \$ 19,193 | \$ 512,650 | \$ 719,719 |
| - | - | 2,111 | 2,099 | 56,081 | 119,198 |
| - | 59,032 | - | - | - | 3,600,922 |
| 68,659 | - | - | - | - | 68,659 |
| - | - | - | - | - | 119,757 |
| - | - | - | - | - | 13,374 |
| <u>\$ 70,895</u> | <u>\$ 59,032</u> | <u>\$ 21,404</u> | <u>\$ 21,292</u> | <u>\$ 568,731</u> | <u>\$ 4,641,629</u> |
| \$ - | \$ - | \$ - | \$ - | \$ 27,195 | \$ 182,455 |
| - | - | - | - | - | 119,110 |
| - | 3,151 | - | - | - | 13,374 |
| - | 59,032 | - | - | - | 3,600,922 |
| - | 62,183 | - | - | 27,195 | 3,915,861 |
| <u>70,895</u> | <u>(3,151)</u> | <u>21,404</u> | <u>21,292</u> | <u>541,536</u> | <u>725,768</u> |
| <u>\$ 70,895</u> | <u>\$ 59,032</u> | <u>\$ 21,404</u> | <u>\$ 21,292</u> | <u>\$ 568,731</u> | <u>\$ 4,641,629</u> |

See accompanying notes to the financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended April 30, 2001

| | Street and Bridge | Crossing Guard | Illinois Municipal Retirement |
|--|----------------------|-------------------|-------------------------------------|
| Revenues | | | |
| Property taxes | \$ 2,097,145 | \$ 150,775 | \$ 1,000,599 |
| Illinois replacement taxes | | | 46,375 |
| Licenses and permits | 744,432 | - | - |
| Charges for current services | 486,154 | - | - |
| Investment income | 2,988 | 1,356 | 2,814 |
| Motor fuel tax allotments | - | - | - |
| Miscellaneous | 386,310 | - | - |
| Total revenues | <u>3,717,029</u> | <u>152,131</u> | <u>1,049,788</u> |
| Expenditures | | | |
| Current | | | |
| General government | - | - | - |
| Public safety | - | 126,703 | - |
| Public works | 5,683,337 | - | - |
| Employee retirement benefits | - | - | 1,561,815 |
| Capital outlay | 208,481 | - | - |
| Total expenditures | <u>5,891,818</u> | <u>126,703</u> | <u>1,561,815</u> |
| Excess (deficiency) of revenues over expenditures | <u>(2,174,789)</u> | <u>25,428</u> | <u>(512,027)</u> |
| Other financing sources (uses) | | | |
| Operating transfers in | 2,048,150 | - | 255,533 |
| Operating transfers (out) | (45,780) | - | - |
| | <u>2,002,370</u> | <u>-</u> | <u>255,533</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | <u>(172,419)</u> | <u>25,428</u> | <u>(256,494)</u> |
| Fund balances | | | |
| May 1 | <u>248,674</u> | <u>48,352</u> | <u>180,251</u> |
| April 30 | <u>\$ 76,255</u> | <u>\$ 73,780</u> | <u>\$ (76,243)</u> |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Special Revenue Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Year Ended April 30, 2001

| <u>Motor Fuel Tax</u> | <u>Public Benefit</u> | <u>Municipal Audit</u> | <u>Working Cash</u> | <u>Emergency 911 System</u> | <u>Totals</u> |
|---------------------------|---------------------------|----------------------------|-------------------------|---------------------------------|--------------------|
| \$ - | \$ 54,827 | \$ 27,414 | \$ - | \$ - | \$ 3,330,760 |
| - | - | - | - | - | 46,375 |
| - | - | - | - | - | 744,432 |
| - | - | - | - | 300,704 | 786,858 |
| 26,156 | - | 386 | 690 | 8,263 | 42,653 |
| 890,950 | - | - | - | - | 890,950 |
| - | - | - | - | - | 386,310 |
| <u>917,106</u> | <u>54,827</u> | <u>27,800</u> | <u>690</u> | <u>308,967</u> | <u>6,228,338</u> |
| - | - | 31,525 | - | 76,371 | 107,896 |
| - | - | - | - | - | 126,703 |
| - | - | - | - | - | 5,683,337 |
| - | - | - | - | - | 1,561,815 |
| - | 181 | - | - | 6,355 | 215,017 |
| - | <u>181</u> | <u>31,525</u> | - | <u>82,726</u> | <u>7,694,768</u> |
| <u>917,106</u> | <u>54,646</u> | <u>(3,725)</u> | <u>690</u> | <u>226,241</u> | <u>(1,466,430)</u> |
| - | - | - | - | - | 2,303,683 |
| <u>(998,150)</u> | - | - | - | - | <u>(1,043,930)</u> |
| <u>(998,150)</u> | - | - | - | - | <u>1,259,753</u> |
| (81,044) | 54,646 | (3,725) | 690 | 226,241 | (206,677) |
| <u>151,939</u> | <u>(57,797)</u> | <u>25,129</u> | <u>20,602</u> | <u>315,295</u> | <u>932,445</u> |
| <u>\$ 70,895</u> | <u>\$ (3,151)</u> | <u>\$ 21,404</u> | <u>\$ 21,292</u> | <u>\$ 541,536</u> | <u>\$ 725,768</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Street and Bridge Fund

Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|--|---------------------|--------------------|--|
| Revenues | | | |
| Property taxes | \$ 2,100,000 | \$ 2,097,145 | \$ (2,855) |
| Vehicle licenses | 720,000 | 744,432 | 24,432 |
| Charges for current services | 400,000 | 486,154 | 86,154 |
| Investment income | 20,000 | 2,988 | (17,012) |
| Miscellaneous | | | |
| Miscellaneous | 124,300 | 386,310 | 262,010 |
| Reserves and contingencies | <u>1,334,142</u> | <u>-</u> | <u>(1,334,142)</u> |
| Total revenues | <u>4,698,442</u> | <u>3,717,029</u> | <u>(981,413)</u> |
| Expenditures | | | |
| Public works | | | |
| Personal services | 1,518,000 | 1,473,985 | 44,015 |
| Contractual services | 3,780,245 | 3,807,983 | (27,738) |
| Material and supplies | 454,253 | 401,369 | 52,884 |
| Capital outlay | <u>226,885</u> | <u>208,481</u> | <u>18,404</u> |
| Total expenditures | <u>5,979,383</u> | <u>5,891,818</u> | <u>87,565</u> |
| Excess (deficiency) of revenues over expenditures | <u>(1,280,941)</u> | <u>(2,174,789)</u> | <u>(893,848)</u> |
| Other financing sources (uses) | | | |
| Operating transfers in | | | |
| Motor Fuel Tax Fund | 766,700 | 998,150 | 231,450 |
| General Fund | - | 1,050,000 | 1,050,000 |
| Operating transfers (out) | | | |
| Illinois Municipal Retirement Fund | <u>(45,780)</u> | <u>(45,780)</u> | <u>-</u> |
| | <u>720,920</u> | <u>2,002,370</u> | <u>1,281,450</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | <u>\$ (560,021)</u> | <u>(172,419)</u> | <u>\$ 387,602</u> |
| Fund balance | | | |
| May 1 | | <u>248,674</u> | |
| April 30 | | <u>\$ 76,255</u> | |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Crossing Guard Fund

Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|--|--------------------|------------------|--|
| Revenues | | | |
| Property taxes | \$ 150,000 | \$ 150,775 | \$ 775 |
| Investment income | - | 1,356 | 1,356 |
| Total revenues | <u>150,000</u> | <u>152,131</u> | <u>2,131</u> |
| Expenditures | | | |
| Public safety | | | |
| Personal services | 155,250 | 126,413 | 28,837 |
| Commodities | 1,250 | 290 | 960 |
| Reserve and contingencies | <u>32,096</u> | - | <u>32,096</u> |
| Total expenditures | <u>188,596</u> | <u>126,703</u> | <u>61,893</u> |
| Excess (deficiency) of revenues over expenditures | <u>\$ (38,596)</u> | 25,428 | <u>\$ 64,024</u> |
| Fund balance | | | |
| May 1 | | <u>48,352</u> | |
| April 30 | | <u>\$ 73,780</u> | |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Illinois Municipal Retirement Fund

**Statement of Revenues, Expenditures,
and Changes in Fund Balances - Budget and Actual
Year Ended April 30, 2001**

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|---------------------|--------------------|--|
| Revenues | | | |
| Property taxes | \$ 1,000,000 | \$ 1,000,599 | \$ 599 |
| Illinois replacement taxes | 48,000 | 46,375 | (1,625) |
| Investment income | 5,726 | 2,814 | (2,912) |
| Reserves and contingencies | <u>35,050</u> | <u>-</u> | <u>(35,050)</u> |
| Total revenues | 1,088,776 | 1,049,788 | (38,988) |
| Expenditures | | | |
| Employee retirement benefits | | | |
| Payments to Illinois Municipal Retirement Fund | <u>1,525,000</u> | <u>1,561,815</u> | <u>(36,815)</u> |
| Excess (deficiency) of revenues over expenditures | <u>(436,224)</u> | <u>(512,027)</u> | <u>(75,803)</u> |
| Other financing sources | | | |
| Operating transfers in | | | |
| Water Fund | 190,830 | 179,028 | (11,802) |
| Equipment Maintenance and Replacement Fund | 30,725 | 30,725 | - |
| Street and Bridge Fund | <u>45,780</u> | <u>45,780</u> | <u>-</u> |
| | <u>267,335</u> | <u>255,533</u> | <u>(11,802)</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures | <u>\$ (168,889)</u> | (256,494) | <u>\$ (87,605)</u> |
| Fund balance | | | |
| May 1 | | <u>180,251</u> | |
| April 30 | | <u>\$ (76,243)</u> | |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Motor Fuel Tax Fund

Statement of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|------------------|------------------|--|
| Revenues | | | |
| Motor fuel tax allotments | \$ 748,000 | \$ 890,950 | \$ 142,950 |
| Investment income | <u>18,700</u> | <u>26,156</u> | <u>7,456</u> |
| Total revenues | 766,700 | 917,106 | 150,406 |
| Expenditures | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess of revenues over expenditures | 766,700 | 917,106 | 150,406 |
| Other financing (uses) | | | |
| Operating transfer (out) | | | |
| Street and Bridge Fund | <u>(766,700)</u> | <u>(998,150)</u> | <u>(231,450)</u> |
| Excess (deficiency) of revenues over expenditures and other financing uses | <u>\$ -</u> | (81,044) | <u>\$ (81,044)</u> |
| Fund balance | | | |
| May 1 | | <u>151,939</u> | |
| April 30 | | <u>\$ 70,895</u> | |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Public Benefit Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|--|--------------------|-------------------|--|
| Revenues | | | |
| Property taxes | \$ 50,000 | \$ 54,827 | \$ 4,827 |
| Investment income | <u>587</u> | <u>-</u> | <u>(587)</u> |
| Total revenues | <u>50,587</u> | <u>54,827</u> | <u>4,240</u> |
| Expenditures | | | |
| Capital outlay | | | |
| Reserve | 85,276 | - | 85,276 |
| Capital outlay | <u>-</u> | <u>181</u> | <u>(181)</u> |
| Total expenditures | <u>85,276</u> | <u>181</u> | <u>85,095</u> |
| Excess (deficiency) of revenues over expenditures | <u>\$ (34,689)</u> | 54,646 | <u>\$ 89,335</u> |
| Fund balance | | | |
| May 1 | | <u>(57,797)</u> | |
| April 30 | | <u>\$ (3,151)</u> | |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Municipal Audit Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|--|--------------------|------------------|--|
| Revenues | | | |
| Property taxes | \$ 20,000 | \$ 27,414 | \$ 7,414 |
| Investment income | - | 386 | 386 |
| Total revenues | <u>20,000</u> | <u>27,800</u> | <u>7,800</u> |
| Expenditures | | | |
| General government | | | |
| Contractual services | 31,525 | 31,525 | - |
| Reserve and contingencies | <u>14,179</u> | - | <u>14,179</u> |
| Total expenditures | <u>45,704</u> | <u>31,525</u> | <u>14,179</u> |
| Excess (deficiency) of revenues over expenditures | <u>\$ (25,704)</u> | (3,725) | <u>\$ 21,979</u> |
| Fund balance | | | |
| May 1 | | <u>25,129</u> | |
| April 30 | | <u>\$ 21,404</u> | |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Working Cash Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|--|---------------------|------------------|--|
| Revenues | | | |
| Investment income | \$ 1,800 | \$ 690 | \$ (1,110) |
| Expenditures | | | |
| General government | | | |
| Reserves | <u>189,406</u> | <u>-</u> | <u>189,406</u> |
| Excess (deficiency) of revenues over expenditures | <u>\$ (187,606)</u> | 690 | <u>\$ 188,296</u> |
| Fund balance | | | |
| May 1 | | <u>20,602</u> | |
| April 30 | | <u>\$ 21,292</u> | |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Emergency 911 System Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|---------------------|-------------------|--|
| Revenues | | | |
| Charges for current services | \$ 321,478 | \$ 300,704 | \$ (20,774) |
| Investment income | <u>2,552</u> | <u>8,263</u> | <u>5,711</u> |
| Total revenues | <u>324,030</u> | <u>308,967</u> | <u>(15,063)</u> |
| Expenditures | | | |
| General government | | | |
| Contractual services | 99,890 | 76,371 | 23,519 |
| Capital outlay | | | |
| Capital outlay | 17,000 | 6,355 | 10,645 |
| Reserves | <u>348,219</u> | <u>-</u> | <u>348,219</u> |
| Total expenditures | <u>465,109</u> | <u>82,726</u> | <u>382,383</u> |
| Excess (deficiency) of revenues over expenditures | <u>\$ (141,079)</u> | 226,241 | <u>\$ 367,320</u> |
| Fund balance | | | |
| May 1 | | <u>315,295</u> | |
| April 30 | | <u>\$ 541,536</u> | |

See accompanying notes to financial statements.

DEBT SERVICE FUNDS

The Debt Service Funds are used to account for the payment of interest and principal on general and special obligation debt other than that payable from special assessments and debt issued for and serviced by a governmental enterprise.

CITY OF HIGHLAND PARK, ILLINOIS

Debt Service Funds

Combining Balance Sheet
April 30, 2001

| | Special Service Area <u>Bonds</u> | General Obligation <u>Bonds</u> | <u>Totals</u> |
|--|--|---------------------------------------|-------------------------|
| ASSETS | | | |
| Cash | \$ 37,066 | \$ 872,983 | \$ 910,049 |
| Investments | - | 99,554 | 99,554 |
| Property taxes receivable | 24,438 | 3,010,607 | 3,035,045 |
| Due from other funds | <u>-</u> | <u>28,111</u> | <u>28,111</u> |
| Total assets | <u>\$ 61,504</u> | <u>\$ 4,011,255</u> | <u>\$ 4,072,759</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Deferred revenue | 24,438 | 3,010,607 | 3,035,045 |
| Fund balances | | | |
| Reserved for debt service | <u>37,066</u> | <u>1,000,648</u> | <u>1,037,714</u> |
| Total liabilities and fund balances | <u>\$ 61,504</u> | <u>\$ 4,011,255</u> | <u>\$ 4,072,759</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Debt Service Funds

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances - Budget and Actual
Year Ended April 30, 2001

| | Special Service Area <u>Bonds</u> | General Obligation <u>Bonds</u> | <u>Totals</u> | <u>Budget</u> |
|---|---|---------------------------------------|---------------------|--------------------|
| Revenues | | | | |
| Property taxes | \$ 58,619 | \$ 2,946,969 | \$ 3,005,588 | \$ 2,941,852 |
| Investment income | 14,647 | - | 14,647 | 72,100 |
| Total revenues | <u>73,266</u> | <u>2,946,969</u> | <u>3,020,235</u> | <u>3,013,952</u> |
| Expenditures | | | | |
| Debt service | | | | |
| Principal | 55,000 | 2,190,000 | 2,245,000 | 2,217,740 |
| Interest and fiscal charges | <u>2,860</u> | <u>927,292</u> | <u>930,152</u> | <u>1,063,891</u> |
| Total debt service | 57,860 | 3,117,292 | 3,175,152 | 3,281,631 |
| Reserve | - | - | - | 963,786 |
| Total expenditures | <u>57,860</u> | <u>3,117,292</u> | <u>3,175,152</u> | <u>4,245,417</u> |
| Excess (deficiency) of revenues over expenditures | <u>15,406</u> | <u>(170,323)</u> | <u>(154,917)</u> | <u>(1,231,465)</u> |
| Operating transfers in | | | | |
| General Fund | - | 1,000,000 | 1,000,000 | 1,000,000 |
| Highland Park Country Club Fund | <u>-</u> | <u>100,000</u> | <u>100,000</u> | <u>160,425</u> |
| | <u>-</u> | <u>1,100,000</u> | <u>1,100,000</u> | <u>1,160,425</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures | 15,406 | 929,677 | 945,083 | <u>\$ (71,040)</u> |
| Fund balances | | | | |
| May 1 | <u>21,660</u> | <u>70,971</u> | <u>92,631</u> | |
| April 30 | <u>\$ 37,066</u> | <u>\$ 1,000,648</u> | <u>\$ 1,037,714</u> | |

See accompanying notes to financial statements.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds account for all resources used for the acquisition and/or construction of capital equipment and facilities by the Government except those financed by the Enterprise and Internal Service Funds.

Tax Increment Financing G.O. Bonds 1981 - to account for the Initial Phase acquisition, relocation, rehabilitation, and reconstruction related to the Downtown Redevelopment Plan and Project.

Street Improvements - to account for costs incurred to alleviate storm drainage problems, finance street improvements, and provide other infrastructure improvements.

General Obligation Bonds 1996 - to account for the bond proceeds from the 1996 bond issue and the costs associated with the construction of a new aquatic center and related facilities.

General Obligation Bonds 1997 - to account for the bond proceeds from the 1997 bond issue and costs associated with the construction of the fire station.

General Obligation Bonds 1998 - to account for the bond proceeds from the 1998 bond issue and costs associated with street improvements.

Working Capital Public Facility and Improvement - the assets in this fund are to be utilized for the acquisition and/or construction of public facilities.

CITY OF HIGHLAND PARK, ILLINOIS

Capital Projects Funds

Combining Balance Sheet April 30, 2001

| | Tax Increment Financing G.O. Bonds <u>1981</u> | Street Improve- ments | General Obligation Bonds <u>1996</u> | General Obligation Bonds <u>1997</u> | General Obligation Bonds <u>1998</u> | Working Capital Public Facility and Improve- ments | <u>Totals</u> |
|--|--|-----------------------------|---|---|---|---|---------------------|
| ASSETS | | | | | | | |
| Cash | \$ - | \$ 3,565,335 ✓ | \$ - | \$ - | \$ - | \$ - | \$ 3,565,335 |
| Investments | 396,147 | - | - | - | - | 13,857 | 410,004 |
| Receivables | | | | | | | |
| Property taxes, net | 827,926 | 934,327 | - | - | - | - | 1,762,253 |
| Due from other funds | <u>601,369</u> | <u>1,616,564 ✓</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>422,141</u> | <u>2,640,074</u> |
| Total assets | <u>\$ 1,825,442</u> | <u>\$ 6,116,226</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 435,998</u> | <u>\$ 8,377,666</u> |
| LIABILITIES AND FUND BALANCES | | | | | | | |
| Liabilities | | | | | | | |
| Accounts payable | \$ - | \$ 429,940 | \$ - | \$ - | \$ - | \$ - | \$ 429,940 |
| Due to other funds | 1,616,564 ✓ | 1,209,156 | - | - | - | - | 2,825,720 |
| Deferred revenue | | | | | | | |
| Property tax | <u>827,926</u> | <u>811,683</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>1,639,609</u> |
| Total liabilities | <u>2,444,490</u> | <u>2,450,779</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>4,895,269</u> |
| Fund balances | <u>(619,048)</u> | <u>3,665,447</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>435,998</u> | <u>3,482,397</u> |
| Total liabilities and fund balances | <u>\$ 1,825,442</u> | <u>\$ 6,116,226</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 435,998</u> | <u>\$ 8,377,666</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Capital Projects Funds

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances Year Ended April 30, 2001

| | Tax Increment Financing G.O. Bonds <u>1981</u> | Street Improve- ments <u>ments</u> | General Obligation Bonds <u>1996</u> | General Obligation Bonds <u>1997</u> | General Obligation Bonds <u>1998</u> | Working Capital Public Facility and Improve- ments <u>ments</u> | <u>Totals</u> |
|--|--|---|---|---|---|---|---------------------|
| Revenues | | | | | | | |
| Property taxes | \$ 600,978 | \$ 983,916 | \$ - | \$ - | \$ - | \$ - | \$ 1,584,894 |
| Investment income | 105,793 | 193 | - | - | 18,060 | 410 | 124,456 |
| Miscellaneous | | | | | | | |
| Other | - | 132,180 | - | - | - | 12,500 | 144,680 |
| Total revenues | <u>706,771</u> | <u>1,116,289</u> | <u>-</u> | <u>-</u> | <u>18,060</u> | <u>12,910</u> | <u>1,854,030</u> |
| Expenditures | | | | | | | |
| Capital outlay | | | | | | | |
| Capital outlay | 1,734,572 | 2,207,124 | - | - | 443,661 | - | 4,385,357 |
| Reserves | - | - | - | - | - | - | - |
| Total expenditures | <u>1,734,572</u> | <u>2,207,124</u> | <u>-</u> | <u>-</u> | <u>443,661</u> | <u>-</u> | <u>4,385,357</u> |
| Excess (deficiency) of revenues over expenditures | (1,027,801) | (1,090,835) | - | - | (425,601) | 12,910 | (2,531,327) |
| Other financing sources | | | | | | | |
| Operating transfers in General Fund | <u>195,000</u> | <u>2,650,000</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>125,000</u> | <u>2,970,000</u> |
| Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | (832,801) | 1,559,165 | - | - | (425,601) | 137,910 | 438,673 |
| Fund balances | | | | | | | |
| May 1 | 213,753 | 909,069 | 122,845 | (56,038) | 1,556,007 | 298,088 | 3,043,724 |
| Residual equity transfer in | - | 1,253,251 | - | 56,038 | - | - | 1,309,289 |
| Residual equity transfer (out) | <u>-</u> | <u>(56,038)</u> | <u>(122,845)</u> | <u>-</u> | <u>(1,130,406)</u> | <u>-</u> | <u>(1,309,289)</u> |
| April 30 | <u>\$ (619,048)</u> | <u>\$ 3,665,447</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 435,998</u> | <u>\$ 3,482,397</u> |

See accompanying notes to financial statements.

ENTERPRISE FUNDS

Motor Vehicle Parking System Fund, Water Fund, and the Highland Park Country Club Fund - to account for the acquisition, operation, and maintenance of Government-owned parking, water facilities and services, golf course and other Government-owned facilities which are entirely or predominantly self-supported by user charges. The operation of these funds are accounted for in such a manner as to show a profit or loss similar to comparable private enterprises.

CITY OF HIGHLAND PARK, ILLINOIS

Enterprise Funds

Combining Balance Sheet April 30, 2001

| | Motor Vehicle Parking System | Water | Highland Park Country Club | Totals |
|---------------------------------------|---------------------------------------|----------------------|-------------------------------|----------------------|
| ASSETS | | | | |
| Current assets | | | | |
| Cash | \$ 567 | \$ 37 | \$ 426,638 | \$ 427,242 |
| Investments | 1,688,949 | 2,804,502 | 38,263 | 4,531,714 |
| Receivables | | | | |
| Billed | - | 547,009 | 44,962 | 591,971 |
| Unbilled | - | 396,601 | - | 396,601 |
| Other | 169 | 3,827 | - | 3,996 |
| Due from other funds | 1,319,891 | 881,728 | - | 2,201,619 |
| Other assets | - | 132,291 | 271,111 | 403,402 |
| | <u>3,009,576</u> | <u>4,765,995</u> | <u>780,974</u> | <u>8,556,545</u> |
| Fixed assets | | | | |
| Land | 1,319,165 | 66,958 | 3,595,200 | 4,981,323 |
| Parking facilities and equipment | 6,809,872 | - | - | 6,809,872 |
| Water and sewer plant and equipment | - | 32,363,736 | - | 32,363,736 |
| Country club facilities and equipment | - | - | 925,364 | 925,364 |
| Buildings and building improvements | - | 5,631,362 | 8,043,629 | 13,674,991 |
| | <u>8,129,037</u> | <u>38,062,056</u> | <u>12,564,193</u> | <u>58,755,286</u> |
| Accumulated depreciation | <u>(2,996,870)</u> | <u>(20,718,703)</u> | <u>(2,834,680)</u> | <u>(26,550,253)</u> |
| | <u>5,132,167</u> | <u>17,343,353</u> | <u>9,729,513</u> | <u>32,205,033</u> |
| Total assets | <u>\$ 8,141,743</u> | <u>\$ 22,109,348</u> | <u>\$ 10,510,487</u> | <u>\$ 40,761,578</u> |
| LIABILITIES AND FUND EQUITY | | | | |
| Liabilities | | | | |
| Current | | | | |
| Checks written in excess of deposits | \$ 1,640,321 | \$ 601,168 | \$ 169,182 | 2,410,671 |
| Accounts payable | 62,099 | 129,356 | - | 191,455 |
| Accrued payroll | 139 | 3,659 | 3,295 | 7,093 |
| Accrued expenses | - | - | 150,445 | 150,445 |
| Due to other funds | 1,922 | - | - | 1,922 |
| Gift certificates | - | - | 9,116 | 9,116 |
| Compensated absences payable | - | 110,467 | - | 110,467 |
| Refundable deposits | - | - | 159,786 | 159,786 |
| | <u>1,704,481</u> | <u>844,650</u> | <u>491,824</u> | <u>3,040,955</u> |
| Long-term | | | | |
| General obligation bonds payable | - | 9,503,520 | 2,070,000 | 11,573,520 |
| Total liabilities | <u>1,704,481</u> | <u>10,348,170</u> | <u>2,561,824</u> | <u>14,614,475</u> |
| Fund equity | | | | |
| Contributed capital | 2,849,412 | 1,787,190 | 7,958,684 | 12,595,286 |
| Retained earnings | 3,587,850 | 9,973,988 | (10,021) | 13,551,817 |
| Total fund equity | <u>6,437,262</u> | <u>11,761,178</u> | <u>7,948,663</u> | <u>26,147,103</u> |
| Total liabilities and fund equity | <u>\$ 8,141,743</u> | <u>\$ 22,109,348</u> | <u>\$ 10,510,487</u> | <u>\$ 40,761,578</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Enterprise Funds

Combining Statement of Revenues, Expenses, and Changes in Retained Earnings - Unreserved Year Ended April 30, 2001

| | Motor Vehicle Parking System | Water | Highland Park Country Club | Totals |
|---|---------------------------------------|---------------------|-------------------------------------|----------------------|
| Operating revenues | | | | |
| Charges for services | | | | |
| Water sales | \$ - | \$ 6,486,333 | \$ - | \$ 6,486,333 |
| Water permit fees | - | 94,295 | - | 94,295 |
| Parking lot collections | 476,753 | - | - | 476,753 |
| Parking violations | 233,250 | - | - | 233,250 |
| Golf fees | - | - | 1,703,978 | 1,703,978 |
| Charges for goods and services | - | - | 1,417,625 | 1,417,625 |
| Other/miscellaneous | - | 249,868 | 294,368 | 544,236 |
| Total operating revenues | <u>710,003</u> | <u>6,830,496</u> | <u>3,415,971</u> | <u>10,956,470</u> |
| Operating expenses | | | | |
| Personal services | 7,847 | 1,202,916 | 2,093,721 | 3,304,484 |
| Contractual services | 210,108 | 1,583,301 | - | 1,793,409 |
| Cost of goods sold | - | - | 460,379 | 460,379 |
| Materials and supplies | 175 | 322,148 | - | 322,323 |
| Repairs and maintenance | 420,203 | 36,075 | 273,019 | 729,297 |
| Total operating expenses | <u>638,333</u> | <u>3,144,440</u> | <u>2,827,119</u> | <u>6,609,892</u> |
| Operating income before depreciation and amortization | 71,670 | 3,686,056 | 588,852 | 4,346,578 |
| Depreciation | <u>208,466</u> | <u>1,701,267</u> | <u>476,502</u> | <u>2,386,235</u> |
| Operating income (loss) | <u>(136,796)</u> | <u>1,984,789</u> | <u>112,350</u> | <u>1,960,343</u> |
| Nonoperating revenues (expenses) | | | | |
| Interest income | 83,161 | 193,142 | 2,981 | 279,284 |
| Interest expense and fiscal charges | - | (473,451) | (60,425) | (533,876) |
| Miscellaneous reimbursement | 186 | - | - | 186 |
| | <u>83,347</u> | <u>(280,309)</u> | <u>(57,444)</u> | <u>(254,406)</u> |
| Income (loss) before operating transfers | <u>(53,449)</u> | <u>1,704,480</u> | <u>54,906</u> | <u>1,705,937</u> |
| Operating transfers in | - | - | 200,000 | 200,000 |
| Operating transfers (out) | <u>(80,000)</u> | <u>(629,028)</u> | <u>(100,000)</u> | <u>(809,028)</u> |
| | <u>(80,000)</u> | <u>(629,028)</u> | <u>100,000</u> | <u>(609,028)</u> |
| Net income (loss) | <u>(133,449)</u> | <u>1,075,452</u> | <u>154,906</u> | <u>1,096,909</u> |
| Add depreciation expense on contributed capital | <u>121,209</u> | <u>116,895</u> | <u>339,906</u> | <u>578,010</u> |
| Increase (decrease) in retained earnings | <u>(12,240)</u> | <u>1,192,347</u> | <u>494,812</u> | <u>1,674,919</u> |
| Retained earnings | | | | |
| May 1 | <u>3,600,090</u> | <u>8,781,641</u> | <u>(504,833)</u> | <u>11,876,898</u> |
| April 30 | <u>\$ 3,587,850</u> | <u>\$ 9,973,988</u> | <u>\$ (10,021)</u> | <u>\$ 13,551,817</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Enterprise Funds

**Combining Statement of Cash Flows
Year Ended April 30, 2001**

| | <u>Motor Vehicle Parking System</u> | <u>Water</u> | <u>Highland Park Country Club</u> | <u>Totals</u> |
|---|---|--------------------|---|--------------------|
| Cash flows from operating activities | | | | |
| Operating income (loss) | \$ (136,796) | \$ 1,984,789 | \$ 112,350 | \$ 1,960,343 |
| Adjustments to reconcile operating income (loss) to net cash provided by operating activities | | | | |
| Depreciation | 208,466 | 1,701,267 | 476,502 | 2,386,235 |
| Nonoperating revenues | 186 | - | - | 186 |
| Changes in assets and liabilities | | | | |
| Receivables | 81 | 137,021 | (34,351) | 102,751 |
| Other assets | (168) | 39,700 | (100,625) | (61,093) |
| Accounts payable and other liabilities | 1,598,672 | (798,403) | (135,558) | 664,711 |
| Accrued payroll | 139 | 3,659 | 1,570 | 5,368 |
| Compensated absences payable | - | 110,467 | - | 110,467 |
| Deposits payable | - | - | 9,634 | 9,634 |
| | <u>1,670,580</u> | <u>3,178,500</u> | <u>329,522</u> | <u>5,178,602</u> |
| Cash flows from noncapital financing activities | | | | |
| Operating transfers in | - | - | 200,000 | 200,000 |
| Operating transfers (out) | (80,000) | (629,028) | (100,000) | (809,028) |
| Due from other funds | (1,292,317) | (789,935) | - | (2,082,252) |
| Due to other funds | 1,922 | (12,281) | - | (10,359) |
| | <u>(1,370,395)</u> | <u>(1,431,244)</u> | <u>100,000</u> | <u>(2,701,639)</u> |
| Cash flows from capital and related financing activities | | | | |
| Bond proceeds | - | 1,600,000 | 900,000 | 2,500,000 |
| Debt retirement | - | (735,000) | - | (735,000) |
| Interest paid | - | (473,451) | (60,425) | (533,876) |
| Purchase of fixed assets | (83,778) | (3,718,645) | (1,400,517) | (5,202,940) |
| | <u>(83,778)</u> | <u>(3,327,096)</u> | <u>(560,942)</u> | <u>(3,971,816)</u> |
| Cash flows from investing activities | | | | |
| Purchase of investments | (299,001) | - | (38,263) | (337,264) |
| Maturities of investments | - | 1,386,735 | - | 1,386,735 |
| Interest received | 83,161 | 193,142 | 2,981 | 279,284 |
| | <u>(215,840)</u> | <u>1,579,877</u> | <u>(35,282)</u> | <u>1,328,755</u> |
| Net increase (decrease) in cash and cash equivalents | 567 | 37 | (166,702) | (166,098) |
| Cash and cash equivalents | | | | |
| May 1 | - | - | 593,340 | 593,340 |
| April 30 | <u>\$ 567</u> | <u>\$ 37</u> | <u>\$ 426,638</u> | <u>\$ 427,242</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Motor Vehicle Parking System Fund

Statement of Revenues and Expenses, and Changes in Retained Earnings - Budget and Actual Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|-----------------------|---------------------|--|
| Operating revenues | | | |
| Parking collections | \$ 464,000 | \$ 476,753 | \$ 12,753 |
| Parking violations | 225,000 | 233,250 | 8,250 |
| Total operating revenues | <u>689,000</u> | <u>710,003</u> | <u>21,003</u> |
| Operating expenses | | | |
| Personal services | 14,229 | 7,847 | 6,382 |
| Contractual services | 218,000 | 210,108 | 7,892 |
| Materials and supplies | 2,605 | 175 | 2,430 |
| Reserve and contingencies | 1,422,453 | - | 1,422,453 |
| Capital outlay | <u>1,207,000</u> | <u>420,203</u> | <u>786,797</u> |
| Total operating expenses | <u>2,864,287</u> | <u>638,333</u> | <u>2,225,954</u> |
| Operating income (loss) before depreciation | (2,175,287) | 71,670 | 2,246,957 |
| Depreciation | <u>-</u> | <u>208,466</u> | <u>(208,466)</u> |
| Operating income (loss) | (2,175,287) | (136,796) | 2,038,491 |
| Nonoperating revenues | | | |
| Investment income | 37,127 | 83,161 | 46,034 |
| Miscellaneous reimbursement | <u>750,000</u> | <u>186</u> | <u>(749,814)</u> |
| | <u>787,127</u> | <u>83,347</u> | <u>(703,780)</u> |
| Income (loss) before operating transfers | (1,388,160) | (53,449) | 1,334,711 |
| Operating transfers (out) | | | |
| General Fund | <u>(80,000)</u> | <u>(80,000)</u> | <u>-</u> |
| Net income (loss) | <u>\$ (1,468,160)</u> | (133,449) | <u>\$ 1,334,711</u> |
| Add back depreciation expense on contributed capital | | <u>121,209</u> | |
| Increase in retained earnings | | (12,240) | |
| Retained earnings | | | |
| May 1 | | <u>3,600,090</u> | |
| April 30 | | <u>\$ 3,587,850</u> | |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Water Fund

Statement of Revenues and Expenses,
and Changes in Retained Earnings - Budget and Actual
Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | <u>Variance Favorable (Unfavorable)</u> |
|---|-----------------------|---------------------|---|
| Operating revenues | | | |
| Water sales | \$ 6,931,000 | \$ 6,486,333 | \$ (444,667) |
| Water permit fees | 70,000 | 94,295 | 24,295 |
| Miscellaneous | 450,000 | 249,868 | (200,132) |
| Total operating revenues | <u>7,451,000</u> | <u>6,830,496</u> | <u>(620,504)</u> |
| Operating expenses | | | |
| Personal services | 1,221,337 | 1,202,916 | 18,421 |
| Contractual services | 1,676,962 | 1,583,301 | 93,661 |
| Materials and supplies | 381,900 | 322,148 | 59,752 |
| Miscellaneous | 735,000 | - | 735,000 |
| Repairs and maintenance | <u>8,655,100</u> | <u>36,075</u> | <u>8,619,025</u> |
| Total operating expenses | <u>12,670,299</u> | <u>3,144,440</u> | <u>9,525,859</u> |
| Operating income (loss) before depreciation | (5,219,299) | 3,686,056 | 8,905,355 |
| Depreciation | - | <u>1,701,267</u> | <u>(1,701,267)</u> |
| Operating income (loss) | <u>(5,219,299)</u> | <u>1,984,789</u> | <u>7,204,088</u> |
| Nonoperating revenues (expenses) | | | |
| Bond proceeds | 5,000,000 | - | (5,000,000) |
| Investment income | 219,392 | 193,142 | (26,250) |
| Interest expense | (407,341) | (473,451) | (66,110) |
| Reserve | <u>(823,605)</u> | <u>-</u> | <u>823,605</u> |
| | <u>3,988,446</u> | <u>(280,309)</u> | <u>(4,268,755)</u> |
| Income (loss) before operating transfers | <u>(1,230,853)</u> | <u>1,704,480</u> | <u>2,935,333</u> |
| Operating transfers (out) | | | |
| General Fund | (450,000) | (450,000) | - |
| Illinois Municipal Retirement Fund | <u>(179,028)</u> | <u>(179,028)</u> | <u>-</u> |
| | <u>(629,028)</u> | <u>(629,028)</u> | <u>-</u> |
| Net income (loss) | <u>\$ (1,859,881)</u> | 1,075,452 | <u>\$ 2,935,333</u> |
| Add back depreciation expense on contributed capital | | <u>116,895</u> | |
| Increase in retained earnings | | 1,192,347 | |
| Retained earnings | | | |
| May 1 | | <u>8,781,641</u> | |
| April 30 | | <u>\$ 9,973,988</u> | |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Highland Park Country Club Fund

Statement of Revenues and Expenses,
and Changes in Retained Earnings - Budget and Actual
Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|--|---------------------|--------------------|--|
| Operating revenues | | | |
| Golf fees | \$ 1,704,275 | \$ 1,703,978 | \$ (297) |
| Charges for goods and services | 1,400,000 | 1,417,625 | 17,625 |
| Other | 180,000 | 294,368 | 114,368 |
| Total operating revenues | <u>3,284,275</u> | <u>3,415,971</u> | <u>131,696</u> |
| Operating expenses | | | |
| Contractual services | 2,876,352 | 2,093,721 | 782,631 |
| Cost of goods sold | - | 460,379 | (460,379) |
| Capital outlay | 1,290,000 | 273,019 | 1,016,981 |
| Total operating expenses | <u>4,166,352</u> | <u>2,827,119</u> | <u>1,339,233</u> |
| Operating (loss) before depreciation and amortization | (882,077) | 588,852 | 1,470,929 |
| Depreciation | <u>433,876</u> | <u>476,502</u> | <u>(42,626)</u> |
| Operating income (loss) | <u>(1,315,953)</u> | <u>112,350</u> | <u>1,428,303</u> |
| Nonoperating revenues (expenses) | | | |
| Interest expense | - | (60,425) | (60,425) |
| Investment income | 800,000 | 2,981 | (797,019) |
| Total nonoperating revenues | <u>800,000</u> | <u>(57,444)</u> | <u>(857,444)</u> |
| Income (loss) before operating transfers | <u>(515,953)</u> | <u>54,906</u> | <u>570,859</u> |
| Operating transfers in (out) | | | |
| Debt Service Fund | (153,340) | (100,000) | 53,340 |
| General Fund | 200,000 | 200,000 | - |
| | <u>46,660</u> | <u>100,000</u> | <u>53,340</u> |
| Net income (loss) | <u>\$ (469,293)</u> | <u>154,906</u> | <u>\$ 624,199</u> |
| Add back depreciation expense on contributed capital | | <u>339,906</u> | |
| Increase in retained earnings | | 494,812 | |
| Retained earnings | | | |
| May 1 | | <u>(504,833)</u> | |
| April 30 | | <u>\$ (10,021)</u> | |

See accompanying notes to financial statements.

INTERNAL SERVICE FUNDS

Equipment Maintenance and Replacement Fund - to finance and account for services and/or commodities furnished by a designated program to other programs within the Government.

Insurance Fund - to account for the payment of premiums on insurance policies and employee benefit related claims.

CITY OF HIGHLAND PARK, ILLINOIS

Internal Service Funds

Combining Balance Sheet April 30, 2001

| | Equipment Maintenance and <u>Replacement</u> | <u>Insurance</u> | <u>Totals</u> |
|--|---|-------------------------|-------------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash | \$ 1,847,876 | \$ 1,580,669 | \$ 3,428,545 |
| Investments | 202,147 | 116,603 | 318,750 |
| Receivables - other | <u>2,425</u> | <u>30,022</u> | <u>32,447</u> |
| | <u>2,052,448</u> | <u>1,727,294</u> | <u>3,779,742</u> |
| Fixed assets | | | |
| Equipment | 8,523,273 | - | 8,523,273 |
| Accumulated depreciation | <u>(6,882,743)</u> | <u>-</u> | <u>(6,882,743)</u> |
| | <u>1,640,530</u> | <u>-</u> | <u>1,640,530</u> |
| Total assets | <u>\$ 3,692,978</u> | <u>\$ 1,727,294</u> | <u>\$ 5,420,272</u> |
| LIABILITIES AND RETAINED EARNINGS | | | |
| Liabilities | | | |
| Accounts payable | \$ - | \$ 75,172 | \$ 75,172 |
| Accrued salaries | 2,686 | 257 | 2,943 |
| Accrued insurance claims | - | 715,779 | 715,779 |
| Compensated absences payable | <u>49,000</u> | <u>8,806</u> | <u>57,806</u> |
| Total liabilities | 51,686 | 800,014 | 851,700 |
| Retained earnings | <u>3,641,292</u> | <u>927,280</u> | <u>4,568,572</u> |
| Total liabilities and retained earnings | <u>\$ 3,692,978</u> | <u>\$ 1,727,294</u> | <u>\$ 5,420,272</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Internal Service Funds

Combining Statement of Revenues, Expenses, and Changes in Retained Earnings Year Ended April 30, 2001

| | Equipment Maintenance and Replacement | Insurance | Totals |
|--------------------------------------|--|--------------|--------------|
| Operating revenues | | | |
| Charges for services | \$ 2,451,545 | \$ 2,764,491 | \$ 5,216,036 |
| Premium reimbursements | - | 854,854 | 854,854 |
| Miscellaneous | 34,543 | - | 34,543 |
| Total operating revenues | 2,486,088 | 3,619,345 | 6,105,433 |
| Operating expenses | | | |
| Personal services | 723,984 | 66,027 | 790,011 |
| Contractual services | 431,428 | 3,053,838 | 3,485,266 |
| Materials and supplies | 463,202 | 1,103 | 464,305 |
| Repairs and maintenance | 45,592 | 3,424 | 49,016 |
| Insurance claims | - | 353,445 | 353,445 |
| Total operating expenses | 1,664,206 | 3,477,837 | 5,142,043 |
| Operating income before depreciation | 821,882 | 141,508 | 963,390 |
| Depreciation | 786,217 | - | 786,217 |
| Operating income | 35,665 | 141,508 | 177,173 |
| Nonoperating revenues | | | |
| Gain on sale of assets | 21,209 | - | 21,209 |
| Investment income | 32,671 | 62,730 | 95,401 |
| | 53,880 | 62,730 | 116,610 |
| Income before transfers | 89,545 | 204,238 | 293,783 |
| Operating transfers (out) | (30,725) | - | (30,725) |
| Net income | 58,820 | 204,238 | 263,058 |
| Retained earnings | | | |
| May 1 | 3,582,472 | 723,042 | 4,305,514 |
| April 30 | \$ 3,641,292 | \$ 927,280 | \$ 4,568,572 |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Internal Service Funds

Combining Statement of Cash Flows Year Ended April 30, 2001

| | Equipment Maintenance and <u>Replacement</u> | <u>Insurance</u> | <u>Totals</u> |
|--|---|---------------------|---------------------|
| Cash flows from operating activities | | | |
| Operating income (loss) | \$ 35,665 | \$ 141,508 | \$ 177,173 |
| Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities | | | |
| Depreciation | 786,217 | - | 786,217 |
| Changes in assets and liabilities | | | |
| Receivables | (179) | 3,110 | 2,931 |
| Accounts payable | (31,233) | 31,988 | 755 |
| Accrued payroll | (55,300) | (11,092) | (66,392) |
| Accrued insurance claims | - | 51,724 | 51,724 |
| Compensated absences payable | 49,000 | 8,806 | 57,806 |
| | <u>784,170</u> | <u>226,044</u> | <u>1,010,214</u> |
| Cash flows from noncapital and related financing activities | | | |
| Operating transfers (out) | (30,725) | - | (30,725) |
| Due from other funds | - | 36,737 | 36,737 |
| | <u>(30,725)</u> | <u>36,737</u> | <u>6,012</u> |
| Cash flows from capital and related financing activities | | | |
| Proceeds from sale of assets | 21,209 | - | 21,209 |
| Purchase of capital assets | (870,576) | - | (870,576) |
| | <u>(849,367)</u> | <u>-</u> | <u>(849,367)</u> |
| Cash flows from investing activities | | | |
| Sale of investments | 788,455 | 968,720 | 1,757,175 |
| Interest received | 32,671 | 62,730 | 95,401 |
| | <u>821,126</u> | <u>1,031,450</u> | <u>1,852,576</u> |
| Net increase in cash and cash equivalents | 725,204 | 1,294,231 | 2,019,435 |
| Cash and cash equivalents May 1 | <u>1,122,672</u> | <u>286,438</u> | <u>1,409,110</u> |
| April 30 | <u>\$ 1,847,876</u> | <u>\$ 1,580,669</u> | <u>\$ 3,428,545</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Equipment Maintenance and Replacement Fund

**Statement of Revenues, Expenses,
and Changes in Retained Earnings - Budget and Actual
Year Ended April 30, 2001**

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|---|-----------------------|---------------------|--|
| Operating revenues | | | |
| Charges for services | \$ 2,549,711 | \$ 2,451,545 | \$ (98,166) |
| Miscellaneous | 10,000 | 34,543 | 24,543 |
| Total operating revenues | <u>2,559,711</u> | <u>2,486,088</u> | <u>(73,623)</u> |
| Operating expenses | | | |
| Personal services | 752,195 | 723,984 | 28,211 |
| Contractual services | 497,798 | 431,428 | 66,370 |
| Materials and supplies | 459,000 | 463,202 | (4,202) |
| Repairs and maintenance | 1,201,086 | 45,592 | 1,155,494 |
| Reserves | <u>1,506,863</u> | <u>-</u> | <u>1,506,863</u> |
| Total operating expenses | <u>4,416,942</u> | <u>1,664,206</u> | <u>2,752,736</u> |
| Operating income (loss) before depreciation | (1,857,231) | 821,882 | 2,679,113 |
| Depreciation | <u>-</u> | <u>786,217</u> | <u>(786,217)</u> |
| Operating income (loss) | <u>(1,857,231)</u> | <u>35,665</u> | <u>1,892,896</u> |
| Nonoperating revenue | | | |
| Gain on sale of assets | 30,000 | 21,209 | (8,791) |
| Investment income | <u>33,762</u> | <u>32,671</u> | <u>(1,091)</u> |
| | <u>63,762</u> | <u>53,880</u> | <u>(9,882)</u> |
| Income (loss) before operating transfers | (1,793,469) | 89,545 | 1,883,014 |
| Operating transfers (out) | | | |
| Illinois Municipal Retirement Fund | <u>(30,725)</u> | <u>(30,725)</u> | <u>-</u> |
| Net income (loss) | <u>\$ (1,824,194)</u> | <u>58,820</u> | <u>\$ 1,883,014</u> |
| Retained earnings | | | |
| May 1 | | <u>3,582,472</u> | |
| April 30 | | <u>\$ 3,641,292</u> | |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Insurance Fund

Schedule of Revenues, Expenses, and Changes in Retained Earnings - Budget and Actual Year Ended April 30, 2001

| | <u>Budget</u> | <u>Actual</u> | Variance Favorable (Unfavorable) |
|------------------------------|-----------------------|-------------------|--|
| Operating revenues | | | |
| Charges for current services | \$ 2,779,441 | \$ 2,764,491 | \$ (14,950) |
| Premium reimbursements | <u>680,000</u> | <u>854,854</u> | <u>174,854</u> |
| Total revenues | <u>3,459,441</u> | <u>3,619,345</u> | <u>159,904</u> |
| Operating expenses | | | |
| Personal services | 74,838 | 66,027 | 8,811 |
| Contractual services | 2,950,746 | 3,053,838 | (103,092) |
| Materials and supplies | 1,564 | 1,103 | 461 |
| Reserves for claims | 2,331,059 | 353,445 | 1,977,614 |
| Repairs and maintenance | <u>3,400</u> | <u>3,424</u> | <u>(24)</u> |
| Total operating expenses | <u>5,361,607</u> | <u>3,477,837</u> | <u>1,883,770</u> |
| Operating income (loss) | (1,902,166) | 141,508 | 2,043,674 |
| Nonoperating revenue | | | |
| Investment income | <u>35,000</u> | <u>62,730</u> | <u>27,730</u> |
| Net income (loss) | <u>\$ (1,867,166)</u> | 204,238 | <u>\$ 2,071,404</u> |
| Retained earnings | | | |
| May 1 | | <u>723,042</u> | |
| April 30 | | <u>\$ 927,280</u> | |

See accompanying notes to financial statements.

TRUST AND AGENCY FUNDS

Trust and Agency Funds consist of resources received from the non-Government sources and held by the Government as trustee or agent to be expended or invested in accordance with the conditions of the trust or in its agency capacity.

Pension Trust

Police and Firefighter's Pension - provides for payment of retirement benefits. Funding comes from property taxes, Government contributions, and employee contributions.

Agency

General Deposit - consists of security deposits made by contractors performing services for the Government.

Payroll - the monies for the Government payroll is deposited and drawn on this fund.

Special Assessment - to account for the collection of special assessments from property owners. The collections are used to pay off special assessment debt, for which the Government is not obligated.

CITY OF HIGHLAND PARK, ILLINOIS

Trust and Agency Funds

Combining Balance Sheet April 30, 2001

| | Pension <u>Trust</u> | <u>Agency</u> | <u>Totals</u> |
|---|--------------------------|-------------------------|--------------------------|
| ASSETS | | | |
| Cash | \$ 1,167,214 | \$ 2,742,910 | \$ 3,910,124 |
| Investments | 46,051,058 | 259,776 | 46,310,834 |
| Receivables | | | |
| Accrued interest | 512,793 | - | 512,793 |
| Payroll withholding receivable | - | 248,340 | 248,340 |
| Accounts receivable | - | 192,813 | 192,813 |
| Due from other funds | <u>9,155</u> | <u>-</u> | <u>9,155</u> |
| Total assets | <u>\$ 47,740,220</u> | <u>\$ 3,443,839</u> | <u>\$ 51,184,059</u> |
| LIABILITIES AND FUND BALANCES | | | |
| Liabilities | | | |
| Accounts payable | \$ 404 | \$ 272,998 | \$ 273,402 |
| Due to other funds | 9,155 | - | 9,155 |
| Refundable deposits | - | 2,612,331 | 2,612,331 |
| Deferred revenue | - | 16,684 | 16,684 |
| Amounts held for future assessments | <u>-</u> | <u>541,826</u> | <u>541,826</u> |
| Total liabilities | 9,559 | 3,443,839 | 3,453,398 |
| Fund balances | | | |
| Reserved for employees' retirement systems | <u>47,730,661</u> | <u>-</u> | <u>47,730,661</u> |
| Total liabilities and fund balances | <u>\$ 47,740,220</u> | <u>\$ 3,443,839</u> | <u>\$ 51,184,059</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Pension Trust Funds

Combining Statement of Plan Net Assets April 30, 2001

| | <u>Police Pension</u> | <u>Firefighters' Pension</u> | <u>Totals</u> |
|--|---------------------------|----------------------------------|--------------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 762,949 | \$ 404,265 | \$ 1,167,214 |
| Receivables | | | |
| Accrued interest | 286,097 | 226,696 | 512,793 |
| Due from other funds | 9,155 | - | 9,155 |
| | <u>295,252</u> | <u>226,696</u> | <u>521,948</u> |
| Investments, at fair value | | | |
| U.S. government obligations | 14,538,858 | 12,659,886 | 27,198,744 |
| Securities | 6,716,283 | 7,004,267 | 13,720,550 |
| Insurance contracts | 3,654,348 | 1,477,416 | 5,131,764 |
| Total investments | <u>24,909,489</u> | <u>21,141,569</u> | <u>46,051,058</u> |
| Total assets | <u>25,967,690</u> | <u>21,772,530</u> | <u>47,740,220</u> |
| LIABILITIES | | | |
| Accounts payable | 404 | - | 404 |
| Due to other funds | - | 9,155 | 9,155 |
| Total liabilities | <u>404</u> | <u>9,155</u> | <u>9,559</u> |
| NET ASSETS HELD IN TRUST FOR PENSION BENEFITS | | | |
| (A schedule of funding progress for each plan is presented following the notes to financial statements) | <u>\$ 25,967,286</u> | <u>\$ 21,763,375</u> | <u>\$ 47,730,661</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Pension Trust Funds

Combining Statement of Changes in Plan Net Assets Year Ended April 30, 2001

| | <u>Police Pension</u> | <u>Firefighters' Pension</u> | <u>Totals</u> |
|--|---------------------------|----------------------------------|--------------------------|
| Additions | | | |
| Contributions - employer | | | |
| Property taxes | \$ 678,818 | \$ 721,224 | \$ 1,400,042 |
| Contributions - plan members | 315,248 | 256,845 | 572,093 |
| Donations | - | 390 | 390 |
| Net (depreciation) in fair value of investments | (93,384) | (1,082,533) | (1,175,917) |
| Investment income | | | |
| Interest earned on investments | <u>631,636</u> | <u>1,537,218</u> | <u>2,168,854</u> |
| Total additions | <u>1,532,318</u> | <u>1,433,144</u> | <u>2,965,462</u> |
| Deductions | | | |
| Pensions and refunds | 1,369,050 | 1,052,055 | 2,421,105 |
| Miscellaneous | | | |
| Contractual professional services | <u>180,042</u> | <u>33,210</u> | <u>213,252</u> |
| Total deductions | <u>1,549,092</u> | <u>1,085,265</u> | <u>2,634,357</u> |
| Net increase (decrease) | (16,774) | 347,879 | 331,105 |
| Net assets held in trust for pension benefits | | | |
| May 1 | <u>25,984,060</u> | <u>21,415,496</u> | <u>47,399,556</u> |
| April 30 | <u>\$ 25,967,286</u> | <u>\$ 21,763,375</u> | <u>\$ 47,730,661</u> |

See accompanying notes to financial statements.

CITY OF HIGHLAND PARK, ILLINOIS

Agency Funds

Combining Statement of Changes in Assets and Liabilities
Year Ended April 30, 2001

| | Balances <u>May 1</u> | <u>Additions</u> | <u>Deductions</u> | Balances <u>April 30</u> |
|-------------------------------------|--------------------------|-------------------|---------------------|-----------------------------|
| All Funds | | | | |
| ASSETS | | | | |
| Cash | \$ 2,498,965 | \$ 274,142 | \$ 30,197 | \$ 2,742,910 |
| Investments | 1,130,857 | - | 871,081 | 259,776 |
| Accounts receivable | 29,714 | 163,099 | - | 192,813 |
| Payroll withholding receivable | 509,777 | - | 261,437 | 248,340 |
| Total assets | <u>\$ 4,169,313</u> | <u>\$ 437,241</u> | <u>\$ 1,162,715</u> | <u>\$ 3,443,839</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 527,895 | \$ - | \$ 254,897 | \$ 272,998 |
| Due to other funds | 36,737 | - | 36,737 | - |
| Refundable deposits | 3,256,919 | - | 644,588 | 2,612,331 |
| Deferred revenue | 27,762 | - | 11,078 | 16,684 |
| Amounts held for future assessments | 320,000 | 221,826 | - | 541,826 |
| Total liabilities | <u>\$ 4,169,313</u> | <u>\$ 221,826</u> | <u>\$ 947,300</u> | <u>\$ 3,443,839</u> |
| General Deposit Fund | | | | |
| ASSETS | | | | |
| Cash | \$ 2,126,062 | \$ 226,493 | \$ - | \$ 2,352,555 |
| Investments | 1,130,857 | - | 871,081 | 259,776 |
| Total assets | <u>\$ 3,256,919</u> | <u>\$ 226,493</u> | <u>\$ 871,081</u> | <u>\$ 2,612,331</u> |
| LIABILITIES | | | | |
| Deposits payable | \$ 3,256,919 | \$ - | \$ 644,588 | \$ 2,612,331 |
| Total liabilities | <u>\$ 3,256,919</u> | <u>\$ -</u> | <u>\$ 644,588</u> | <u>\$ 2,612,331</u> |
| Payroll Fund | | | | |
| ASSETS | | | | |
| Cash | \$ 54,855 | \$ - | \$ 30,197 | \$ 24,658 |
| Payroll withholding receivable | 509,777 | - | 261,437 | 248,340 |
| Total assets | <u>\$ 564,632</u> | <u>\$ -</u> | <u>\$ 291,634</u> | <u>\$ 272,998</u> |
| LIABILITIES | | | | |
| Accounts payable | \$ 527,895 | \$ - | \$ 254,897 | \$ 272,998 |
| Due to other funds | 36,737 | - | 36,737 | - |
| Total liabilities | <u>\$ 564,632</u> | <u>\$ -</u> | <u>\$ 291,634</u> | <u>\$ 272,998</u> |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

Agency Funds

**Combining Statement of Changes in Assets and Liabilities
Year Ended April 30, 2001**

| | <u>Balances</u> <u>May 1</u> | <u>Additions</u> | <u>Deductions</u> | <u>Balances</u> <u>April 30</u> |
|-------------------------------------|---------------------------------|-----------------------|----------------------|------------------------------------|
| Special Assessment Fund | | | | |
| ASSETS | | | | |
| Cash | \$ 318,048 | \$ 47,649 | \$ - | \$ 365,697 |
| Accounts receivable | <u>29,714</u> | <u>163,099</u> | <u>-</u> | <u>192,813</u> |
| Total assets | <u>\$ 347,762</u> | <u>\$ 210,748</u> | <u>\$ -</u> | <u>\$ 558,510</u> |
| LIABILITIES | | | | |
| Deferred revenue | \$ 27,762 | \$ - | \$ 11,078 | \$ 16,684 |
| Amounts held for future assessments | <u>320,000</u> | <u>221,826</u> | <u>-</u> | <u>541,826</u> |
| Total liabilities | <u>\$ 347,762</u> | <u>\$ 221,826</u> | <u>\$ 11,078</u> | <u>\$ 558,510</u> |

See accompanying notes to financial statements.

GENERAL FIXED ASSETS

General Fixed Assets are those fixed assets of a governmental jurisdiction which are not accounted for in an Enterprise, Internal Service, or Trust Fund.

CITY OF HIGHLAND PARK, ILLINOIS

General Fixed Assets Account Group

Schedule of General Fixed Assets - by Source
April 30, 2001

GENERAL FIXED ASSETS

| | |
|----------------------------------|--------------------------|
| Land | \$ 5,819,149 |
| Buildings and improvements | 28,603,954 |
| Equipment | 3,104,203 |
| Land improvements | <u>9,495,631</u> |
| Total general fixed assets | <u>\$ 47,022,937</u> |
| Balance at beginning of year | \$ 43,617,457 |
| Current year additions | 3,405,480 |
| Current year retirements | <u>-</u> |
| Balance at end of year | <u>\$ 47,022,937</u> |

CITY OF HIGHLAND PARK, ILLINOIS

General Fixed Assets Account Group

Schedule of General Fixed Assets - by Function and Activity
April 30, 2001

Function and Activity

Acquired prior to April 30, 1993, net: \$ 26,197,327

Acquired subsequent to
April 30, 1993:

General government 12,202,649

Public safety 8,513,893

Streets and alleys 109,068

Total general fixed assets \$ 47,022,937

CITY OF HIGHLAND PARK, ILLINOIS

General Fixed Assets Account Group

Schedule of Changes in General Fixed Assets - by Function and Activity April 30, 2001

| Function and Activity | Balances <u>May 1</u> | <u>Additions</u> | <u>Deletions</u> | Balances <u>April 30</u> |
|---|--------------------------|---------------------|------------------|-----------------------------|
| Acquired prior to April 30, 1993: | \$ 26,197,327 | \$ - | \$ - | \$ 26,197,327 |
| Acquired subsequent to April 30, 1993: | | | | |
| General government | 11,742,898 | 459,751 | - | 12,202,649 |
| Public safety | 5,568,164 | 2,945,729 | - | 8,513,893 |
| Streets and alleys | <u>109,068</u> | <u>-</u> | <u>-</u> | <u>109,068</u> |
| Total general fixed assets | <u>\$ 43,617,457</u> | <u>\$ 3,405,480</u> | <u>\$ -</u> | <u>\$ 47,022,937</u> |

GENERAL LONG-TERM DEBT

The General Long-Term Debt Account Group accounts for long-term debt legally payable from federal revenues and backed by the full faith and credit of the Government.

CITY OF HIGHLAND PARK, ILLINOIS

General Long-Term Debt Account Group

Schedule of Long-Term Debt
April 30, 2001

**AMOUNT AVAILABLE AND TO BE
PROVIDED FOR THE RETIREMENT
OF GENERAL LONG-TERM DEBT**

| | |
|---|-----------------------------|
| Amount available for debt service | \$ 1,037,714 |
| Amount to be provided for retirement of general long-term debt | <u>18,533,446</u> |
| | <u><u>\$ 19,571,160</u></u> |

**GENERAL LONG-TERM
DEBT PAYABLE**

| | |
|----------------------------------|-----------------------------|
| Compensated absences payable | \$ 1,254,680 |
| General obligation bonds payable | <u>18,316,480</u> |
| | <u><u>\$ 19,571,160</u></u> |

CITY OF HIGHLAND PARK, ILLINOIS

Total Expenditures and Expenses by Function Last Ten Fiscal Years April 30, 2001

| | <u>2001</u> | <u>2000</u> | <u>1999</u> | <u>1998</u> | <u>1997</u> | <u>1996</u> | <u>1995</u> | <u>1994</u> | <u>1993</u> | <u>1992</u> |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| General government and other | \$ 8,413,411 | \$ 8,743,912 | \$ 7,199,292 | \$ 7,029,356 | \$ 6,863,584 | \$ 6,799,755 | \$ 6,844,989 | \$ 6,903,737 | \$ 6,852,283 | \$ 6,846,466 |
| Public safety | 11,699,586 | 12,452,890 | 11,107,541 | 10,783,735 | 8,628,837 | 8,702,129 | 8,469,986 | 8,610,521 | 8,248,844 | 7,930,934 |
| Public works and capital outlay | 13,171,353 | 21,813,889 | 13,193,075 | 13,272,560 | 13,392,675 | 7,771,924 | 7,167,889 | 5,837,461 | 8,061,643 | 8,921,882 |
| Debt service | 3,175,152 | 3,642,742 | 3,414,607 | 3,297,079 | 3,163,056 | 4,726,976 | 6,224,280 | 5,291,025 | 4,723,825 | 4,821,107 |
| Contributions to IMRF and Police/Firefighters' Pension | | | | | | | | | | |
| Employers retirement benefits | 1,561,815 | 1,358,117 | 805,864 | 2,578,663 | 1,494,770 | 1,516,662 | 1,498,152 | 1,486,324 | 1,493,622 | 1,350,891 |
| Total governmental | 38,021,317 | 48,011,550 | 35,720,379 | 36,961,393 | 33,542,922 | 29,517,446 | 30,205,296 | 28,129,068 | 29,380,217 | 29,871,280 |
| Enterprises | | | | | | | | | | |
| Motor Vehicle Parking System | 638,333 | 195,589 | 250,072 | 449,458 | 361,198 | 467,687 | 300,849 | 323,274 | 276,586 | 274,943 |
| Water | 3,144,440 | 2,534,068 | 3,199,782 | 3,722,124 | 3,822,008 | 3,555,406 | 3,331,230 | 4,635,421 | 2,572,908 | 2,763,659 |
| Sewer maintenance | - | - | - | - | - | - | 561,095 | 453,059 | 20,050 | 3,479 |
| Highland Park Country Club | 2,827,119 | 2,735,284 | 2,893,484 | 3,692,003 | 2,894,144 | 2,229,776 | 2,799,276 | 2,348,494 | - | - |
| Equipment maintenance and replacement | 1,664,206 | 1,531,696 | 1,950,200 | 1,606,071 | 1,467,653 | 1,457,181 | 1,423,305 | 1,307,973 | 1,256,892 | 1,085,931 |
| Liability insurance | 3,477,837 | 3,539,745 | 3,019,207 | 2,643,806 | 3,262,246 | 3,040,478 | - | - | - | - |
| Totals | \$ 49,773,252 | \$ 58,547,932 | \$ 47,033,124 | \$ 49,074,855 | \$ 45,350,171 | \$ 40,267,974 | \$ 38,621,051 | \$ 37,197,289 | \$ 33,506,653 | \$ 33,999,292 |

Notes:

(1) Expenditures of Pension Funds and Public Library Funds are not included in this table.

(2) Expenditures for services of the Internal Service Funds are included in this table, but are offset by service charges reflected on pages 92-93.

Internal Service Fund charges for liability insurance were previously reflected as general government expenditures prior to the adoption of GASB Statement 10.

CITY OF HIGHLAND PARK, ILLINOIS

Total Revenues and Other Financing Sources by Source Other Than Property Taxes Last Ten Fiscal Years April 30, 2001

| | <u>2001</u> | <u>2000</u> | <u>1999</u> | <u>1998</u> | <u>1997</u> | <u>1996</u> | <u>1995</u> | <u>1994</u> | <u>1993</u> | <u>1992</u> |
|------------------------------------|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Other local taxes | | | | | | | | | | |
| Municipal sales tax (3) | \$ 10,492,993 | \$ 10,060,364 | \$ 8,692,201 | \$ 7,766,292 | \$ 7,557,962 | \$ 7,391,301 | \$ 5,787,769 | \$ 5,379,062 | \$ 5,280,121 | \$ 5,026,383 |
| Motor fuel tax allotments | 890,950 | 830,957 | 732,313 | 706,770 | 718,257 | 713,411 | 678,346 | 691,232 | 620,138 | 638,536 |
| Utility tax | 3,648,778 | 3,301,140 | 3,051,006 | 2,934,825 | 3,105,766 | 2,972,377 | 2,610,443 | 2,781,521 | 2,657,067 | 2,569,993 |
| Illinois state income tax | 2,420,065 | 2,260,531 | 2,519,150 | 2,383,183 | 2,182,272 | 2,031,189 | 1,755,166 | 1,800,174 | 1,923,446 | 1,861,879 |
| Illinois state replacement tax (1) | 202,102 | 220,690 | 204,330 | 200,191 | 175,872 | 168,703 | 148,579 | 140,210 | 104,948 | 99,451 |
| Cable television franchise tax | 319,456 | 267,931 | 239,813 | 240,205 | 236,045 | 221,971 | 206,552 | 202,233 | 193,575 | 175,940 |
| Real estate transfer tax | 1,938,210 | 1,734,500 | 1,624,035 | 1,349,335 | 1,052,010 | 1,114,080 | 1,041,455 | 1,057,670 | 915,780 | 894,960 |
| Franchise tax | 128,218 | 123,532 | 365,130 | 338,305 | 305,888 | 281,636 | 266,189 | 246,571 | 242,391 | - |
| Total other local taxes | 20,040,772 | 18,799,645 | 17,427,978 | 15,919,106 | 15,334,072 | 14,894,668 | 12,494,499 | 12,298,673 | 11,937,466 | 11,267,142 |
| Total licenses, permits, and fines | - | 3,321,035 | 2,285,104 | 1,779,386 | 1,760,076 | 1,999,577 | 2,054,547 | 1,525,180 | 1,740,590 | 1,509,172 |
| Interest and rental income | | | | | | | | | | |
| Investment income | 1,265,945 | 1,317,693 | 1,057,618 | 761,039 | 1,045,344 | 1,201,859 | 894,102 | 844,330 | 720,266 | 972,655 |
| Rental income | - | - | - | - | - | - | - | - | - | 100,700 |
| Total interest and rental income | 1,265,945 | 1,317,693 | 1,057,618 | 761,039 | 1,045,344 | 1,201,859 | 894,102 | 844,330 | 720,266 | 1,073,355 |
| Service charges (1) | | | | | | | | | | |
| Internal Service Funds (2) | 3,619,345 | 5,156,808 | 5,085,181 | 5,075,905 | 4,321,418 | 4,078,409 | 1,913,939 | 1,910,322 | 1,909,646 | 1,909,678 |
| Other charges | 2,451,545 | 1,665,892 | 1,587,969 | 1,686,313 | 1,420,475 | 1,011,584 | 962,616 | 968,212 | 896,560 | 640,381 |
| Sewer maintenance charges | - | - | - | - | - | 450,892 | 356,907 | 190,158 | 184,756 | 189,670 |
| Miscellaneous | 34,543 | 710,418 | 599,638 | 676,837 | 588,291 | 486,056 | 92,169 | 124,135 | 72,827 | 311,621 |
| Total service charges | 6,105,433 | 7,533,118 | 7,272,788 | 7,439,055 | 6,330,184 | 6,026,941 | 3,325,631 | 3,192,827 | 3,063,789 | 3,051,350 |
| Revenue from enterprises | | | | | | | | | | |
| Parking collections | 476,753 | 460,574 | 446,113 | 463,476 | 467,683 | 468,183 | 485,346 | 476,147 | 484,794 | 460,028 |
| Parking violations | 233,250 | 256,702 | 189,441 | 233,995 | 232,568 | 251,761 | 219,683 | 199,128 | 215,260 | 197,573 |
| Water sales and tap permits | 6,830,496 | 7,142,318 | 6,325,835 | 5,504,520 | 5,697,552 | 5,696,619 | 6,116,818 | 4,816,554 | 5,151,786 | 4,802,550 |
| Highland Park Country Club | 3,415,971 | 3,323,791 | 3,435,523 | 3,646,528 | 3,024,270 | 2,325,161 | 3,106,019 | 2,083,843 | 28,415 | - |
| Total revenue from enterprises | 10,956,470 | 11,183,385 | 10,396,912 | 9,948,519 | 9,422,073 | 8,741,724 | 9,927,866 | 7,575,672 | 5,880,255 | 5,460,151 |

(Continued)

CITY OF HIGHLAND PARK, ILLINOIS

General Governmental Revenues and Other Financing Sources by Source Other Than Property Taxes Last Ten Fiscal Years April 30, 2001

| | 2001 | 2000 | 1999 | 1998 | 1997 | 1996 | 1995 | 1994 | 1993 | 1992 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Revenue from other agencies | | | | | | | | | | |
| Fire insurance tax | \$ - | \$ 45,855 | \$ 45,194 | \$ 40,853 | \$ 41,696 | \$ 41,624 | \$ 39,930 | \$ 36,425 | \$ 36,340 | \$ 35,849 |
| State sales tax increment | - | - | - | - | - | - | - | - | - | 553,196 |
| Regional Transportation Authority | 839,264 | 768,874 | 710,766 | 748,393 | 734,872 | 741,005 | 723,659 | 660,687 | 598,584 | 559,846 |
| State Department of Transportation reimbursement | - | - | - | - | - | - | - | - | - | 50,509 |
| Total revenue from other agencies | 839,264 | 814,729 | 755,960 | 789,246 | 776,568 | 782,629 | 763,589 | 697,112 | 634,924 | 1,199,400 |
| Miscellaneous revenue (1) | 144,680 | 2,876,689 | 2,268,938 | 997,995 | 837,990 | - | 1,616,433 | 1,652,424 | 1,793,420 | 749,529 |
| Other sources of financial resources | | | | | | | | | | |
| Sale of property | | | | | | | | | | |
| Real estate | - | - | - | - | 1,356,613 | - | - | - | - | - |
| Personal property | - | - | - | - | - | - | - | - | - | 26,154 |
| Reimbursement - Fort Sheridan expenses | 165,505 | 184,446 | 558,117 | 1,427,377 | - | - | - | - | - | - |
| Proceeds from sale of bonds | 3,000,000 | 3,000,000 | - | 3,030,000 | 3,450,000 | 4,894,214 | - | - | 777,684 | 2,087,400 |
| Contributions from property owners | - | - | - | - | - | - | 117,771 | 46,944 | 91,079 | 67,806 |
| Total nonrevenue receipts | 3,165,505 | 3,184,446 | 558,117 | 4,457,377 | 4,806,613 | 4,894,214 | 117,771 | 46,944 | 868,763 | 2,181,360 |
| Total revenues | \$ 42,518,069 | \$ 49,030,740 | \$ 42,023,415 | \$ 41,991,723 | \$ 40,312,920 | \$ 38,541,612 | \$ 31,194,438 | \$ 27,833,162 | \$ 26,639,473 | \$ 26,491,459 |

Notes:

- (1) Revenues of Pension Funds and Public Library Funds are not included in the table.
- (2) Service charges of Internal Service Funds included in this table are eliminated by expenditures reflected in related funds on page 91.
- (3) Municipal sales tax revenues for fiscal 1996 and 1995 include \$358,427 and \$265,000, respectively, of incremental sales tax.

CITY OF HIGHLAND PARK, ILLINOIS

Tax Revenues by Source Last Ten Fiscal Years April 30, 2001

| Fiscal year | Total Taxes | Property Taxes * | Municipal | | Vehicle | | Illinois | | | Illinois | | | Real Estate | | |
|----------------|----------------|---------------------|--------------|------------|------------|-----------|--------------|-----------|------------|------------|------------|-------------|----------------|----------|-----|
| | | | Sales | Tax | Licenses | Tax | Utility | Tax | Income | Fire | Motor | Replacement | Franchise | Transfer | Tax |
| 1992 | \$ 23,943,363 | \$ 11,996,653 | \$ 5,026,383 | \$ 590,722 | \$ 582,936 | 2,569,993 | \$ 1,861,879 | \$ 35,849 | \$ 638,536 | \$ 152,448 | \$ 175,940 | \$ 894,960 | | | |
| 1993 | 23,692,127 | 11,086,762 | 5,280,121 | 582,936 | 579,848 | 2,657,067 | 1,923,446 | 36,340 | 620,138 | 153,571 | 435,966 | 915,780 | | | |
| 1994 | 24,042,045 | 11,329,332 | 5,379,062 | 579,848 | 671,339 | 2,781,521 | 1,800,174 | 36,425 | 691,232 | 140,210 | 246,571 | 1,057,670 | | | |
| 1995 | 24,957,749 | 12,223,533 | 5,522,769 | 681,091 | 687,255 | 2,972,377 | 1,755,166 | 39,930 | 713,411 | 148,579 | 266,189 | 1,041,455 | | | |
| 1996 | 27,027,475 | 11,990,490 | 7,032,874 | 681,091 | 687,255 | 3,105,766 | 2,031,189 | 41,624 | 718,257 | 168,703 | 281,636 | 1,114,080 | | | |
| 1997 | 28,284,303 | 12,444,861 | 7,557,962 | 681,091 | 681,656 | 2,934,825 | 2,182,272 | 41,696 | 706,770 | 188,336 | 305,888 | 1,052,010 | | | |
| 1998 | 30,346,597 | 13,932,723 | 7,766,292 | 686,215 | 686,215 | 3,051,006 | 2,383,183 | 40,853 | 732,313 | 212,655 | 338,305 | 1,349,335 | | | |
| 1999 | 31,669,656 | 13,737,618 | 8,692,201 | 758,872 | 758,872 | 3,301,140 | 2,519,150 | 45,194 | 830,957 | 216,794 | 365,130 | 1,624,035 | | | |
| 2000 | 33,549,557 | 13,932,723 | 10,060,364 | 744,432 | 744,432 | 3,648,778 | 2,260,531 | 45,855 | 890,950 | 233,152 | 391,463 | 1,734,500 | | | |
| 2001 | 32,610,787 | 11,813,119 | 10,492,993 | | | | 2,420,065 | - | | 214,566 | 447,674 | 1,938,210 | | | |

* includes Component Unit - Library

CITY OF HIGHLAND PARK, ILLINOIS

Property Tax Levies and Collections Last Ten Fiscal Years April 30, 2001

| Tax Levy Year | Tax Levy as Abated (2) | Current Taxes Collected | | Percent of Levy Collected | Delinquent Taxes Collected in Current Year | Total Collections | Percent of Total Collections to Tax Levy |
|---------------------|------------------------------|-----------------------------|---------------|---------------------------------|--|----------------------|---|
| | | Fiscal Year Collected | Amount | | | | |
| 1991 | \$ 11,113,074 | 1993 | \$ 11,083,579 | 99.73% | \$ 3,183 | \$ 11,086,762 | 99.76% |
| 1992 | 11,317,264 | 1994 | 11,265,288 | 99.54% | 49 | 11,265,337 | 99.54% |
| 1993 | 12,377,200 | 1995 | 12,322,296 | 99.56% | - | 12,322,296 | 99.56% |
| 1994 | 11,922,405 | 1996 | 11,932,063 | 100.08% | 187 | 11,932,250 | 100.08% |
| 1995 | 12,243,365 | 1997 | 12,444,668 | 101.64% | 193 | 12,444,861 | 101.65% |
| 1996 | 12,796,148 | 1998 | 12,761,865 | 99.73% | - | 12,761,865 | 99.73% |
| 1997 | 13,732,515 | 1999 | 13,737,608 | 100.04% | - | 13,737,608 | 100.04% |
| 1998 | 14,033,480 | 2000 | 13,921,143 | 99.20% | 12,731 | 13,933,874 | 99.29% |
| 1999 | 11,870,900 | 2001 | 11,840,448 | 99.74% | - | 11,840,448 | 99.74% |
| 2000 | 11,877,136 | 2002 | - | 0.00% | - | - | 0.00% |

Notes:

(1) Lake County does not furnish information relating to delinquent taxes collected for the applicable levy year. Amounts shown in this column are collections in the year indicated of delinquent taxes applicable to prior years' tax levies.

(2) Tax levy as abated represents total assessments extended by the City tax rate plus levies on the special service areas and the tax increment financing area.

(3) The 2000 tax levy has not been collected as of the report date.

CITY OF HIGHLAND PARK, ILLINOIS

Assessed and Estimated Actual Value of Taxable Property Last Ten Fiscal Years April 30, 2001

| Fiscal Year | Tax levy Year | | | | Actual Value- Real Property Only (1) | Ratio of Total Assessed Valuation to Estimated Actual Value of Real Property |
|----------------|------------------|--------------------|------------------|----------------|--|---|
| | | <u>Real Estate</u> | <u>Railroads</u> | <u>Total</u> | | |
| 1992 | 1991 | \$ 948,792,588 | \$ 133,066 | \$ 948,925,654 | \$ 2,875,532,285 | 33% |
| 1993 | 1992 | 993,436,944 | 120,263 | 993,557,207 | 2,980,665,670 | 33% |
| 1994 | 1993 | 1,039,918,142 | 161,386 | 1,040,079,528 | 3,120,232,345 | 33% |
| 1995 | 1994 | 1,072,916,693 | 191,599 | 1,073,108,292 | 3,219,318,439 | 33% |
| 1996 | 1995 | 1,123,479,684 | 270,590 | 1,123,750,274 | 3,371,183,398 | 33% |
| 1997 | 1996 | 1,168,607,177 | 664,878 | 1,169,272,055 | 3,505,821,531 | 33% |
| 1998 | 1997 | 1,217,422,985 | 592,237 | 1,218,015,222 | 3,654,045,666 | 33% |
| 1999 | 1998 | 1,261,465,625 | 546,614 | 1,262,012,239 | 3,789,036,717 | 33% |
| 2000 | 1999 | 1,373,523,348 | 506,220 | 1,374,029,568 | 4,122,088,704 | 33% |
| 2001 | 2000 | 1,475,263,231 | 524,343 | 1,475,787,574 | 4,427,362,722 | 33% |

(1) Based on comparable 33% assessment ratios - real property only.

CITY OF HIGHLAND PARK, ILLINOIS

Property Tax Rates - All Direct and Overlapping Governments Last Ten Fiscal Years April 30, 2001 (Cents per hundred dollars)

| Fiscal Year | Tax Levy Year | College of Lake County | | | | | | | | | | Park District | Total Tax |
|----------------|---------------------|------------------------------|--------------------|----------|----------|----------------|----------------------|-----------------------|-------|-------|-------|------------------|--------------|
| | | County | Forest Preserve | Township | Sanitary | High School | Elementary School | Mosquito Abatement | City | | | | |
| 1993 | 1991 | 0.530 | 0.137 | 0.060 | 0.211 | 0.239 | 1.864 | 2.580 | 0.011 | 1.023 | 0.531 | 7.186 | |
| 1994 | 1992 | 0.529 | 0.136 | 0.060 | 0.211 | 0.220 | 1.862 | 2.687 | 0.010 | 0.995 | 0.521 | 7.231 | |
| 1995 | 1993 | 0.519 | 0.158 | 0.060 | 0.202 | 0.219 | 1.839 | 2.962 | 0.011 | 1.045 | 0.372 | 7.387 | |
| 1996 | 1994 | 0.520 | 0.157 | 0.061 | 0.196 | 0.220 | 1.863 | 3.661 | 0.012 | 0.976 | 0.377 | 8.043 | |
| 1997 | 1995 | 0.523 | 0.156 | 0.058 | 0.192 | 0.220 | 1.855 | 2.66 | 0.012 | 0.962 | 0.377 | 7.015 | |
| 1998 | 1996 | 0.525 | 0.156 | 0.054 | 0.185 | 0.220 | 1.861 | 2.665 | 0.012 | 0.932 | 0.376 | 6.986 | |
| 1999 | 1997 | 0.531 | 0.155 | 0.055 | 0.186 | 0.222 | 1.882 | 2.925 | 0.013 | 0.913 | 0.382 | 7.264 | |
| 2000 | 1998 | 0.531 | 0.157 | 0.056 | 0.181 | 0.221 | 1.884 | 2.914 | 0.012 | 0.885 | 0.385 | 7.226 | |
| 2001 | 1999 | 0.521 | 0.187 | 0.052 | 0.172 | 0.213 | 2.088 | 2.871 | 0.012 | 0.812 | 0.380 | 7.308 | |
| 2002 | 2000 | 0.521 | 0.231 | 0.051 | 0.167 | 0.235 | 2.060 | 2.804 | 0.012 | 0.776 | 0.376 | 7.233 | |

(1) Forest Preserve rate is included in the County rate for 1990 and 1991.

CITY OF HIGHLAND PARK, ILLINOIS

Ratio of General Bonded Debt to Equalized Assessed Valuation and Net General Obligation Bonded Debt per Capita Last Ten Fiscal Years April 30, 2001

| Fiscal Year | (a) Estimated Population | | (b) Equalized Assessed Valuation | | (c) General Bonded Debt | | Ratio of General Bonded Debt to Equalized Assessed Valuation | | General Bonded Debt Per Capita |
|----------------|--------------------------------|-----|---|---------------|----------------------------------|------------|---|--|--------------------------------------|
| | | | | | | | | | |
| 1992 | 30,575 | (1) | \$ | 948,925,654 | \$ | 30,170,000 | 0.0318 | | 986.75 |
| 1993 | 30,575 | (1) | | 993,557,207 | | 29,175,000 | 0.0294 | | 954.21 |
| 1994 | 30,575 | (1) | | 1,040,079,528 | | 33,970,000 | 0.0327 | | 1,111.04 |
| 1995 | 30,575 | (1) | | 1,073,108,282 | | 28,745,000 | 0.0268 | | 940.15 |
| 1996 | 30,575 | (1) | | 1,123,750,274 | | 29,315,000 | 0.0261 | | 958.79 |
| 1997 | 30,575 | (1) | | 1,169,272,055 | | 26,330,000 | 0.0225 | | 861.16 |
| 1998 | 30,575 | (1) | | 1,218,015,222 | | 28,030,000 | 0.0230 | | 916.76 |
| 1999 | 30,575 | (1) | | 1,262,012,239 | | 28,930,000 | 0.0229 | | 946.20 |
| 2000 | 30,575 | (1) | | 1,374,029,568 | | 30,315,000 | 0.0221 | | 991.50 |
| 2001 | 31,365 | (2) | | 1,475,787,574 | | 29,890,000 | 0.0203 | | 952.97 |

Notes:

(1) 1990 census.

(2) 2000 census.

Sources: (a) U.S. Census Bureau

(b) County Clerk

(c) City of Highland Park Finance Department

CITY OF HIGHLAND PARK, ILLINOIS

**Schedule of Legal Debt Margin
April 30, 2001**

Under the 1970 Illinois Constitution, there is no legal limit for home rule municipalities except as set by the General Assembly.

CITY OF HIGHLAND PARK, ILLINOIS

Schedule of Direct and Overlapping Debt April 30, 2001

| <u>Governmental unit</u> | <u>Gross Debt</u> | <u>Percentage Debt Applicable to the City of Highland Park (1)</u> | <u>City of Highland Park Share of Debt</u> |
|--------------------------------------|-----------------------|--|--|
| City of Highland Park (2) | \$ 29,890,000 | 100.00% | \$ 29,890,000 |
| Lake County | 19,161,000 | 6.53% | 1,251,213 |
| Lake County Forest Preserve District | 223,555,000 | 6.53% | 14,598,142 |
| North Shore Sanitary District | 12,552,259 | 18.28% | 2,294,553 |
| Schools: | | | |
| Elementary: | | | |
| District No. 106 | 1,755,000 | 3.71% | 65,111 |
| District No. 108 | 2,198,000 | 99.54% | 2,187,889 |
| District No. 109 | 43,930,000 | 3.26% | 1,432,118 |
| District No. 111 | - | 77.26% | - |
| District No. 112 | 43,475,000 | 69.94% | 30,406,415 |
| District No. 113 | 26,060,200 | 42.67% | 11,119,887 |
| College of Lake County | 12,629,165 | 6.89% | 870,149 |
| | <u>385,315,624</u> | | <u>64,225,477</u> |
| | <u>\$ 415,205,624</u> | | <u>\$ 94,115,477</u> |

(1) Determined by ratio of assessed valuation of property subject to taxation in the City of Highland Park to valuation of property subject to taxation in overlapping unit.

CITY OF HIGHLAND PARK, ILLINOIS

Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Governmental Expenditures Last Ten Fiscal Years April 30, 2001

| <u>Fiscal</u> <u>Year</u> | <u>Principal*</u> | <u>Interest*</u> | <u>Total Debt</u> <u>Service on</u> <u>General</u> <u>Bonded Debt</u> | <u>Total</u> <u>General</u> <u>Governmental</u> <u>Expenditures</u> | <u>Ratio of</u> <u>Bonded Debt</u> <u>to General</u> <u>Governmental</u> <u>Expenditures</u> |
|------------------------------|-------------------|------------------|--|--|--|
| 1992 | \$ 2,530,000 | \$ 2,252,599 | \$ 4,782,599 | \$ 33,999,292 | 14.07% |
| 1993 | 3,103,000 | 1,598,983 | 4,701,983 | 30,918,119 | 15.21% |
| 1994 | 4,275,000 | 1,933,247 | 6,208,247 | 29,837,346 | 20.81% |
| 1995 | 5,225,000 | 2,238,550 | 7,463,550 | 31,512,116 | 23.68% |
| 1996 | 4,405,000 | 1,531,437 | 5,936,437 | 31,322,520 | 18.95% |
| 1997 | 3,030,000 | 1,350,857 | 4,380,857 | 35,586,643 | 12.31% |
| 1998 | 5,070,000 | 1,292,808 | 6,362,808 | 34,739,311 | 18.32% |
| 1999 | 3,400,000 | 1,314,854 | 4,714,854 | 37,242,662 | 12.66% |
| 2000 | 2,565,000 | 1,012,579 | 3,577,579 | 48,011,550 | 7.45% |
| 2001 | 2,925,000 | 1,261,758 | 4,186,758 | 38,021,317 | 11.01% |

* Excludes Special Service Area Bonds and in-substance defeasance of general obligation bonds.

CITY OF HIGHLAND PARK, ILLINOIS

Principal Taxpayers

April 30, 2001

| (2) | | (1) |
|--|-------------------------|---|
| <u>Taxpayer</u> | <u>Business/Service</u> | 1999 Equalized Assessed <u>Valuation</u> |
| American NB Trust of Chicago | Real Property | \$ 13,093,548 |
| Toys R Us - Delaware Inc. | Retail Store | 5,818,164 |
| Federal Realty Investment Trust | Business/Retail Center | 4,768,543 |
| Dayton Hudson Corporation | Retail Store | 4,131,597 |
| American NB Trust of Chicago - Americana Apartments | Real Property | 3,539,108 |
| Renaissance Place, LLC | Business/Retail Center | 3,073,598 |
| Highland Park Convalescent Center Assoc. | Senior Care Facility | 2,605,210 |
| NBD Bank | Financial Institution | 2,068,120 |
| Klairmont Enterprises | Retail Store | 1,993,503 |
| Highland Park Hospital | Healthcare | <u>1,765,803</u> |
| | | <u>\$ 23,945,482</u> |

Notes:

(1) Source: Lake County.

(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels and it is possible that some parcels and their valuations have been overlooked. The 1999 EAV is the most current available for all taxpayers.

CITY OF HIGHLAND PARK, ILLINOIS

Demographic Statistics Last Ten Fiscal Years April 30, 2001

| <u>Fiscal Year</u> | <u>(1) Population</u> | <u>(1) Per Capita Income</u> | <u>(2) School Enrollment</u> | <u>(3) Unemployment Rate</u> | <u>(1) Median Age</u> | <u>(4) College Degree</u> |
|------------------------|---------------------------|--------------------------------------|--------------------------------------|--------------------------------------|-------------------------------|-----------------------------------|
| 1992 | 30,575 | \$ 43,394 | 5,442 | 3.6 % | 36.8 | 47.0 % |
| 1993 | 30,575 | 43,394 | 5,745 | 3.8 | 37.8 | 47.0 |
| 1994 | 30,575 | 43,394 | 5,528 | 3.2 | 37.8 | 47.0 |
| 1995 | 30,575 | 43,394 | 5,749 | 2.2 | 37.8 | 47.0 |
| 1996 | 30,575 | 43,394 | 5,816 | 2.4 | 37.8 | 47.0 |
| 1997 | 30,575 | 43,394 | 5,759 | 2.0 | 38.1 | 47.0 |
| 1998 | 30,575 | 43,394 | 5,803 | 1.8 | 38.1 | 47.0 |
| 1999 | 30,575 | 43,394 | 5,907 | 1.5 | 38.1 | 47.0 |
| 2000 | 30,575 | 43,394 | 5,919 | 1.8 | 38.1 | 47.0 |
| 2001 | 31,365 | 80,128 | 6,034 | 2.3 | 36.1 | 56.0 |

Notes:

- (1) U.S. Census Bureau.
 - (2) Highland Park School Districts.
 - (3) Illinois Department of Employment Security.
 - (4) CACI Marketing Systems, Inc.
-

CITY OF HIGHLAND PARK, ILLINOIS

Property Value and Bank Deposits Last Ten Fiscal Years April 30, 2001

| Fiscal Year | | | | | | (1) Total Property Values | (2) Commercial Bank Deposits (in 00s) |
|----------------|---------------------------|--------------------|--------------------------|--------------------------|------------------------|------------------------------------|---|
| | (1) <u>Residential</u> | (1) <u>Farm</u> | (1) <u>Commercial</u> | (1) <u>Industrial</u> | (1) <u>Railroad</u> | | |
| 1992 | \$ 860,202,621 | \$ 515,765 | \$ 86,794,181 | \$ 1,280,021 | \$ 133,066 | \$ 948,925,654 | \$ 774,849 |
| 1993 | 902,154,554 | 532,681 | 89,362,184 | 1,387,525 | 120,263 | 993,557,207 | 771,849 |
| 1994 | 950,738,107 | 585,283 | 87,163,030 | 1,431,722 | 161,386 | 1,040,079,528 | 722,264 |
| 1995 | 983,533,623 | 601,252 | 87,077,532 | 1,704,286 | 191,599 | 1,073,108,292 | 706,028 |
| 1996 | 1,031,768,542 | 619,648 | 89,341,753 | 1,749,741 | 270,590 | 1,123,750,274 | 805,573 |
| 1997 | 1,076,596,142 | 637,731 | 89,580,072 | 1,793,232 | 664,878 | 1,169,272,055 | 782,687 |
| 1998 | 1,124,994,212 | 1,936 | 90,593,142 | 1,833,695 | 592,237 | 1,218,015,222 | NA |
| 1999 | 1,167,800,283 | 937,150 | 90,834,062 | 1,894,130 | 546,614 | 1,262,012,239 | NA |
| 2000 | 1,233,581,123 | 980,639 | 136,971,426 | 1,990,160 | 506,220 | 1,374,029,568 | NA |
| 2001 | 1,328,590,213 | 1,070,829 | 143,475,204 | 2,127,005 | 524,343 | 1,475,787,524 | NA |

NA - Not available

Notes:

- (1) Lake County Extension Office.
- (2) Federal Deposit Insurance Corporation.

CITY OF HIGHLAND PARK, ILLINOIS

Miscellaneous Statistics

April 30, 2001

| | | | | |
|--|------|--------|------|-----------------|
| Date of incorporation | | | | March 11, 1869 |
| Form of government | | | | Council-Manager |
| Area - square miles | | | | 12 |
| Miles of streets | | | | |
| Paved | | | | 154 |
| Graded | | | | 2 |
| Total | | | | 156 |
| Miles of Sewers | | | | |
| Storm | | | | 150 |
| Sanitary | | | | 117 |
| Total | | | | 267 |
| Fire protection | | | | |
| Number of stations | | | | 3 |
| Number of employees | | | | 58 |
| Police protection | | | | |
| Number of stations | | | | 1 |
| Number of officers | | | | 60 |
| Recreation | | | | |
| Parks - number of acres | | | | 600 |
| Number of playgrounds | | | | 29 |
| Education | | | | |
| Number of public school buildings | | | | 12 |
| Number of certified teachers | | | | 535 |
| Number of students registered | | | | 6,034 |
| Municipal water system | | | | |
| Number of customers | | | | 10,392 |
| Average daily consumption (gallons) | | | | 10,000,000 |
| Plant capacity (rated) - per day (gallons) | | | | 21,000,000 |
| Miles of water mains (approximate) | | | | 150 |
| Number of fire hydrants (approximate) | | | | 1,900 |
| Number of street lights | | | | 1,420 |
| Employees | | | | 332 |
| Population | | | | |
| | 1880 | 1,154 | 1940 | 14,332 |
| | 1890 | 2,163 | 1950 | 16,808 |
| | 1900 | 2,906 | 1960 | 25,532 |
| | 1910 | 4,209 | 1970 | 32,263 |
| | 1920 | 6,167 | 1980 | 30,611 |
| | 1930 | 12,203 | 1990 | 30,575 |
| | | | 2000 | 31,365 |

Source of information: U.S. Census Bureau and city records.

CITY OF HIGHLAND PARK, ILLINOIS

Schedule of Special Assessment Principal Installment Collections Last Ten Fiscal Years April 30, 2000

| <u>Fiscal Year</u> | <u>Current Installments Due</u> | <u>Current Installments Paid</u> | <u>Percent of Current Installments Paid</u> | <u>Total Installments Paid*</u> | <u>Total Delinquent Installments Receivable</u> |
|------------------------|---|--|---|---|---|
| 1992 | \$ 26,933 | \$ 23,596 | 87.61 % | \$ 53,747 | \$ 12,858 |
| 1993 | 36,382 | 22,657 | 62.28 | 120,871 | 20,964 |
| 1994 | 28,435 | 19,416 | 68.28 | 53,339 | 23,129 |
| 1995 | 28,009 | 19,169 | 68.44 | 123,030 | 23,014 |
| 1996 | 17,549 | 10,880 | 62.00 | 55,605 | 21,113 |
| 1997 | 15,036 | 10,302 | 68.52 | 33,879 | 17,686 |
| 1998 | 14,011 | 9,523 | 67.97 | 24,840 | 19,529 |
| 1999 | 10,749 | 8,012 | 74.54 | 21,317 | 18,062 |
| 2000 | 8,724 | 5,373 | 61.59 | 6,704 | 18,567 |
| 2001 | 9,785 | 6,431 | 65.72 | 10,846 | 16,157 |

* Includes amounts received on current, delinquent, and future installments.