

**City of Park Ridge
Finance Review**

History of General Operating Fund Deficits:

Fiscal Year Deficits

2001/02	842,730
2002/03	2,111,149
2003/04	419,546
2004/05	1,266,208
2005/06	2,202,675

Fiscal Year Surplus

2006/07	6,376,394	due to sale of asset for 6,129,089
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Fiscal Year Deficits

2007/08	1,716,767
2008/09	2,368,724

History of General Operating Fund Balance:

2001/02	12,308,322
2002/03	11,428,781
2003/04	11,403,597
2004/05	10,278,823
2005/06	8,417,705
2006/07	14,876,244
2007/08	13,413,534
2008/09	11,378,347

4/30/09 General Operating Fund Balance:

FUND BALANCES

	4/30/2008	4/30/2009
Reserved for inventory	25,848	163,392
Reserved for prepaid items	32,689	67,711
Reserved for grant restrictions	275,000	275,000
Reserved for advances (Uptown TIF)	2,711,186	4,314,076
Unreserved - general fund	10,702,348	6,558,168
Total fund balances	13,747,071	11,378,347

Fund Balance Policy:

The City's target general fund balance at year-end is a range between four and six months of operating revenues of general, special revenue and debt service (where payment stems from the levying of property taxes) funds. Fund balance is defined as the excess of assets over liabilities. A fund balance policy provides guidance to the City Council and senior staff regarding the appropriate balance between

reserves, revenues and expenditures. Adherence to an appropriate policy will help the city maintain and improve its credit rating. Having adequate reserves will help the city maintain operations should unexpected emergencies arise, revenues not be realized or expenditures exceed expectations.

	FB 4-30-09	Operating Rev
General	6,558,168	24,506,592
Special Revenue		
Library	2,221,736	4,555,784
IMRF	114,792	1,646,707
Mun Waste	(412,210)	3,216,209
MFT	(96,454)	988,446
Dempster TIF	119,563	245,606
Uptown TIF	(4,343,273)	1,909,686
E-911	(346,394)	582,513
Total	3,815,928	37,651,542
Actual	10% FB as a % of Oper Rev	

Cash Policy:

At year-end, the City's target is to have cash reserves equal to a range of two to four months of operating expenses.

	Cash Bal	Expenses
General	3,917,437	26,997,554
Special Revenue		
Library	2,014,261	4,296,037
IMRF	97,862	1,793,821
Mun Waste	251	3,410,845
MFT	321,320	1,234,285
Dempster TIF	236,929	249,088
Uptown TIF	277,725	1,536,919
E-911	(370,754)	1,218,345
Total	6,495,031	40,736,894
Actual	16% Cash as a % of Oper Exp	

What is the City's cash position today?

City of Park Ridge Priorities

Alleys:

Changed funding from 50/50 to 75/25

131 paved alleys and 53 unpaved alleys

Part of the 1998 Bond Issue

\$400,000 owed to General Operating Fund currently

Early Retirement Incentive:

\$2,000,000 owed at 7.5% over ten years

Uptown:

\$42,400,000 of Bonded Debt (\$14,800,000 + \$7,005,000 + \$20,585,000) Outstanding
plus

\$4,300,000 owed to the General Operating Fund – projected to be fully paid in 2021

Can we issue bonds today?

Uptown

Budget Year	Tax Levy Year	Fiscal Year Paid	INCOME		Prop Tax Increment	Total Interest Income	Total Income	EXPENSES		Capital Prog	Oper Exp	Annual Deficit	Due to Gen Oper Ed		
			2006A	2007A				2006B	SD 207 15%					Park District 3%	
08/07	2006	2008	764,238	8,600	772,838	888,331	420,060	261,750	448,718	32,570	6,514	81,632	1,251,062	(2,760,000)	4/30/2008
07/08	2007	2010	1,909,466	220	1,909,686	1,041,501	321,113	523,500	579,815	170,168	34,038	53,000	990,000	(4,314,076)	4/30/2009
08/09	2008	2011	2,073,203	500	2,073,703	1,039,581	321,113	523,500	579,815	207,057	41,571	53,000	990,000	(5,908,016)	4/30/2010
09/10	2009	2012	2,984,453	500	2,984,953	1,494,519	321,113	523,500	579,815	346,045	69,209	53,000	275,000	(8,121,121)	4/30/2011
10/11	2010	2013	4,076,316	500	4,076,816	1,200,609	421,113	523,500	579,815	409,611	81,922	50,000	275,000	(5,204,784)	4/30/2012
11/12	2011	2014	4,076,316	500	4,076,816	98,800	417,113	623,500	1,364,815	409,611	81,922	50,000	275,000	(4,394,590)	4/30/2013
12/13	2012	2015	4,076,316	500	4,076,816	98,800	417,113	623,500	1,364,815	409,611	81,922	25,000	2,300,000	(3,338,542)	4/30/2014
13/14	2013	2016	4,854,228	500	4,854,728	413,113	413,113	619,250	1,890,070	409,611	81,922	25,000	2,300,000	(5,002,789)	4/30/2015
14/15	2014	2017	4,854,228	500	4,854,728	405,113	405,113	615,000	2,167,733	409,611	81,922	25,000	825,000	(4,871,431)	4/30/2016
15/16	2015	2018	4,854,228	500	4,854,728	405,113	405,113	610,760	2,174,408	409,611	81,922	25,000	2,300,000	(5,813,506)	4/30/2017
16/17	2016	2019	5,746,590	500	5,747,090	400,963	400,963	866,500	2,810,045	409,611	81,922	25,000	2,300,000	(4,200,357)	4/30/2018
17/18	2017	2020	5,746,590	500	5,747,090	531,775	531,775	866,500	2,164,533	409,611	81,922	25,000	2,300,000	(2,552,506)	4/30/2019
18/19	2018	2021	5,746,590	500	5,747,090	531,775	531,775	3,472,250	3,472,250	409,611	81,922	25,000	2,300,000	(1,325,964)	4/30/2020
19/20	2019	2022	6,735,547	500	6,735,547	900,750	900,750	3,467,750	3,467,750	409,611	81,922	25,000	2,300,000	444,550	4/30/2021
20/21	2020	2023	6,735,547	10,000	6,745,047	1,178,905	1,178,905	3,898,000	3,898,000	409,611	81,922	25,000	2,300,000	1,790,039	4/30/2022
21/22	2021	2024	6,735,547	10,000	6,745,047	1,643,075	1,643,075	3,898,000	3,898,000	409,611	81,922	25,000	2,300,000	6,849,803	4/30/2023
22/23	2022	2025	7,842,007	10,000	7,852,007	1,916,250	1,916,250	3,898,000	3,898,000	409,611	81,922	25,000	2,300,000	12,542,002	4/30/2024
23/24	2023	2026	7,842,007	10,000	7,852,007	1,916,250	1,916,250	3,898,000	3,898,000	409,611	81,922	25,000	2,300,000	17,861,226	4/30/2025
24/25	2024	2027	7,842,007	10,000	7,852,007	1,916,250	1,916,250	3,898,000	3,898,000	409,611	81,922	25,000	2,300,000	25,290,700	4/30/2026
25/26	2025	2027	7,842,007	10,000	7,852,007	1,916,250	1,916,250	3,898,000	3,898,000	409,611	81,922	25,000	2,300,000	7,335,474	4/30/2027
26/27	2026	2028	7,842,007	10,000	7,852,007	1,916,250	1,916,250	3,898,000	3,898,000	409,611	81,922	25,000	2,300,000	7,335,474	4/30/2028
27/28	2027	2029	7,842,007	10,000	7,852,007	1,916,250	1,916,250	3,898,000	3,898,000	409,611	81,922	25,000	2,300,000	7,335,474	4/30/2029
28/29	2028	2030	7,842,007	10,000	7,852,007	1,916,250	1,916,250	3,898,000	3,898,000	409,611	81,922	25,000	2,300,000	7,335,474	4/30/2030

Did not include new student payments.
Debt service is listed in the year paid.

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Debt service is listed in this year paid.

Financial Reports

Monthly Treasurer Report

Warrant Listing

Comprehensive Annual Financial Report – CAFR

Budget:

Budget Comments:

- Outstanding. I liked how you showed how the budget relates to the vision.
- You related department goals to overall city goals. And you quantified these goals.
- The short-term initiative descriptions and details were excellent.
- Overall, this is a very good budget document with lots of strengths.
- This budget is packed full of information, more information than many budgets I've reviewed.

Rated Outstanding as a financial plan and capital plan.

Fiscal Year 2009/10

FY 2009/10 PROJECTION:

Deficits:

General:	\$ 117,600
Library:	\$ 52,300
Uptown TIF:	\$1,343,800
Water:	\$ 404,400
Total:	\$1,796,000

Revenue Concerns:

- Water Revenues – summer was not hot, even though rates increased, revenues did not.
- Red Light Camera Installation – October 1?
- Utility taxes – Crain's Chicago Business September 14, 2009 Issue: "Nicor Inc., which provides gas to most of the suburbs, is predicting a 25% drop, which would save the average household nearly \$200 from October to March."
- Adjudication and Ticket/parking fees.
- Delay of Property Taxes – due date no earlier than November 16. "Due to an Assessor's correction regarding homeowner and related exemptions, there will probably be an adjustment to your district's EAV and, in most cases, that adjustment will also affect your rate and/or your extension amounts."
Park Ridge EAV is \$2,025,625,686