

City Manager Shawn Hamilton
City Council
505 Butler Place
Park Ridge, IL 60068

Dear Gentlemen,

I hereby submit my resignation as the City's Finance Director and Treasurer, effective at the close of August 4, 2014.

During the past two years I have had the pleasure of working to help the City's finances in the following areas:

- 1) I discovered a General Fund \$150,937.86 overpayment and an additional savings of \$200,000 per year for seven years (FY13 through FY19) within a contract for a total nominal dollar savings of \$1,350,937.86.
- 2) In my previous municipality, I worked with five TIFs and I segregated the parcels of land to maximize collected monies into those TIFs. Through much research and work I personally completed that parcel segregation for the Uptown TIF. This year the TIF will bring in \$657,417.77 or 36.18% more than the prior year. Most of this increase is attributable to that work. Further, it is likely that the remaining dozen years will see similar results now that these parcels have been properly segregated. It is likely that this will prevent \$6 to \$10 million in property tax increases through the life of the Uptown TIF.
- 3) I have worked hard to decrease other Uptown TIF and General Fund expenditures related to the Uptown TIF. Through negotiations \$247,426.10 in new property payments were made in FY14 compared to FY13. A process is underway to look at past and future new property payments.
- 4) In January 2012, the City of Park Ridge's Moody's bond rating was downgraded to Aa2 and given a negative outlook, meaning that it was considered likely that it would be downgraded below Aa2 in two years. In January 2014, on schedule, it was put on Aa2 negative watch, meaning that another downgrade was likely imminent. City Manager Hamilton, CP&D Director Testin, and I worked hard to show that the City was on a better path and accomplished bringing the rating back to Aa2 negative outlook in April. In that report Moody's praised this financial management team. Last month, I completed work to reaffirm that rating and to demonstrate that the City is on a path back to Aa2 Stable within the next year or so. By working to prevent the downgrade to Aa3, the City will save an approximately \$84,000 in additional bond costs for the Series 2014A. If it had fallen two steps instead of one, a definite possibility at the time, the professional estimate is that the loss would have been twice that difference. Bonds with call dates later in 2014 through 2016 will have similar savings from that rating.
- 5) The bond refunding that I have been working on with our bond advisor and bond counsel is expected to save around \$1 million in present value when it closes on Monday.

The above revenue increases and expenditure decreases that I personally worked on, combined with better internal reports and tighter control on spending have lead to the City meeting its General Fund fund balance policy of three months of expenditures for the first time in many years. Additionally, while not completely fixed, the Uptown TIF is in a much better place.

The bank accounts for FY14 have been reconciled and I have submitted a detailed FY14 audit plan so that the Finance Committee will be presented with the audit in the November meeting as it has in prior years. I also have provided a software plan that will continue the upgrades that we have already made and will soon allow check printing to be outsourced, a move from paper to electronic records, and allow for online utility bill payments. I have left these project plans in good hands.

We have accomplished a lot and I thank you for the opportunities for professional and personal development that you have provided me. I have had the opportunity to work with a dedicated Finance Department staff and with great people from many other departments. Finally, I appreciated the promotion, financial recognition, and gratitude that you provided at a meeting in the fall. I wish both you and the City of Park Ridge well.

Sincerely,

Kent Oliven