

**CITY OF MARKHAM, ILLINOIS**

**ANNUAL FINANCIAL REPORT**

For the fiscal year ended April 30, 2024

CITY OF MARKHAM, ILLINOIS  
ANNUAL FINANCIAL REPORT  
For the fiscal year ended April 30, 2024

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## **FINANCIAL SECTION**

## INDEPENDENT AUDITOR'S REPORT

To the Honorable City Mayor  
Members of the City Council  
City of Markham, Illinois

**Opinions**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Markham, Illinois ("City"), as of and for the year ended April 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of April 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Police and Firefighters' Pension Funds, which represent 93 percent and 94 percent, respectively, of the assets and net position/fund balance of the aggregate remaining fund information as of April 30, 2024, and 72 percent of the revenues of the aggregate remaining fund information for the year then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as it relates to the amounts included for Police and Firefighters' Pension Funds, are based solely on the reports of the other auditors.

**Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a

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going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, historical pension and retirees' health plan information, and budgetary comparison schedules as listed on the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Combining and Individual Fund Financial Statements and Schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of other auditors, the accompanying budget to actual schedules and combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

Management is responsible for the other information included in the annual financial report. The other information comprises the Assessed Valuations, Tax Rates, Tax Extensions and Tax Collections - Last Ten Tax Years and Long-Term Debt Requirements schedules but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Crowe LLP*  
Crowe LLP

Oakbrook Terrace, Illinois  
July 31, 2025

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

CITY OF MARKHAM, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2024

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Our discussion and analysis of the City of Markham's financial performance provides an overview of the City's financial activities for the fiscal year ended April 30, 2024. Please read it in conjunction with the City's financial statements in the basic financial statements section of this report.

### **Financial Highlights**

- The City's net position increased as a result of this year's operations. Net position of governmental activities increased by \$36,700,930, or 396.5 percent, and net position of the business-type activities increased by \$495,824 or 12.1 percent.
- During the year, government-wide revenues before transfers for the primary government totaled \$68,770,443, while expenses totaled \$31,573,689, resulting in an increase to net position of \$37,196,754.
- The City's net position totaled \$32,033,074 on April 30, 2024, which includes \$12,824,023 net investment in capital assets, \$34,996,237 subject to external restrictions, and a deficit \$15,787,186 unrestricted net position that may be used to meet the ongoing obligations to citizens and creditors. The General Fund reported an increase this year of \$298,378, or 43.5 percent, resulting in ending fund balance of \$168,490.

### **USING THIS ANNUAL REPORT**

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the City of Markham as a whole and present a longer-term view of the City's finances. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operation in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

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

The government-wide financial statements provide readers with a broad overview of the City's finances, in a matter similar to a private-sector business.

The Statement of Net Position reports information on all of the City's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the City's property tax base and the condition of the City's roads, is needed to assess the overall health of the City.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) or from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, finance, information services, public safety, highways and streets, community planning, development and engineering. The business-type activities of the City include waterworks, sewerage, storm water management, parking operations and senior housing.

The City includes one separate legal entity in its report, the Bradford Anderson Oglesby Public Library. Although legally separate, this "component unit" is important because the City is financially accountable for it. Financial information for the component unit is reported separately from the financial information presented for the primary government itself.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The City maintains sixteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the TIF #1 Canterbury Mall Plaza Fund, the TIF #3 Dixie Highway Fund, and the Capital Projects Fund, all of which are considered major funds. Data from the other twelve governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual budget for all funds except the 2001 Bond Fund, the 2009B Bond Fund, the 2009B Bond Capital Improvements Fund, and the 2012 Bond Capital Improvements Fund. A budgetary comparison schedule for all other funds has been provided to demonstrate compliance with the budget.

CITY OF MARKHAM, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2024

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**Proprietary Funds**

The City maintains one proprietary fund type: enterprise. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements.

The City utilizes enterprise funds to account for its waterworks and sewerage, solid waste, Markham roller rink, and Markham Senior Living Complex operations.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Fund, the Solid Waste Fund, the Markham Roller Rink Fund, and the Markham Senior Living Complex Fund, which are considered to be a major funds of the City.

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs.

The accounting use for fiduciary funds is much like that used for proprietary funds.

**Notes to Financial Statements**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's I.M.R.F. and police and fire employee pension obligations, the City's retiree benefits plan, and budgetary comparison schedules for the General Fund. The combining statements referred to earlier in connection with non-major governmental funds is presented immediately following the required supplementary information on pensions.

CITY OF MARKHAM, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2024

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$32,033,074.

|                                        | Net Position            |                |                          |              |               |                |
|----------------------------------------|-------------------------|----------------|--------------------------|--------------|---------------|----------------|
|                                        | Governmental Activities |                | Business-Type Activities |              | Total         |                |
|                                        | 2024                    | 2023           | 2024                     | 2023         | 2024          | 2023           |
| Current and other assets               | \$ 57,069,059           | \$ 24,877,997  | \$ 5,541,871             | \$ 5,864,531 | \$ 62,610,930 | \$ 30,742,528  |
| Capital assets                         | 23,864,689              | 24,389,507     | 13,193,963               | 13,586,379   | 37,058,652    | 37,975,886     |
| Total assets                           | 80,933,748              | 49,267,504     | 18,735,834               | 19,450,910   | 99,669,582    | 68,718,414     |
| Deferred outflows                      | 7,101,799               | 10,597,040     | 300,000                  | 359,162      | 7,401,799     | 10,956,202     |
| Total assets and deferred outflows     | 88,035,547              | 59,864,544     | 19,035,834               | 19,810,072   | 107,071,381   | 79,674,616     |
| Long-term debt                         | 37,996,118              | 42,084,649     | 11,562,198               | 11,496,958   | 49,558,316    | 53,581,607     |
| Other liabilities                      | 4,870,117               | 9,285,032      | 1,780,138                | 2,858,168    | 6,650,255     | 12,143,200     |
| Total liabilities                      | 42,866,235              | 51,369,681     | 13,342,336               | 14,355,126   | 56,208,571    | 65,724,807     |
| Deferred inflows                       | 17,724,470              | 17,750,951     | 1,105,266                | 1,362,538    | 18,829,736    | 19,113,489     |
| Total liabilities and deferred inflows | 60,590,705              | 69,120,632     | 14,447,602               | 15,717,664   | 75,038,307    | 84,838,296     |
| Net position                           |                         |                |                          |              |               |                |
| Net investment in capital assets       | 10,700,638              | 10,397,263     | 2,123,385                | 1,533,736    | 12,824,023    | 11,930,999     |
| Restricted                             | 34,996,237              | 2,269,718      | -                        | -            | 34,996,237    | 2,269,718      |
| Unrestricted (deficit)                 | (18,252,033)            | (21,923,069)   | 2,464,847                | 2,558,672    | (15,787,186)  | (19,364,397)   |
| Total net position                     | \$ 27,444,842           | \$ (9,256,088) | \$ 4,588,232             | \$ 4,092,408 | \$ 32,033,074 | \$ (5,163,680) |

A portion of the City's net position, \$12,824,023, reflects its investment in capital assets (for example, land, buildings and improvements, machinery and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$34,996,237, of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining deficit \$15,787,186, represents unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors.

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CITY OF MARKHAM, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2024

|                                         | Changes in Net Position |                |                          |              |               |                |
|-----------------------------------------|-------------------------|----------------|--------------------------|--------------|---------------|----------------|
|                                         | Governmental Activities |                | Business-Type Activities |              | Total         |                |
|                                         | 2024                    | 2023           | 2024                     | 2023         | 2024          | 2023           |
| Revenues                                |                         |                |                          |              |               |                |
| Program revenues                        |                         |                |                          |              |               |                |
| Charges for services                    | \$ 2,437,781            | \$ 2,587,656   | \$ 5,895,608             | \$ 5,751,462 | \$ 8,333,389  | \$ 8,339,118   |
| Operating grants and contributions      | 892,060                 | 1,198,688      | -                        | -            | 892,060       | 1,198,688      |
| General revenues                        |                         |                |                          |              |               |                |
| Property taxes                          | 47,696,329              | 12,750,046     | 1,402,317                | 1,350,145    | 49,098,646    | 14,100,191     |
| Other taxes                             | 3,257,946               | 2,467,725      | -                        | -            | 3,257,946     | 2,467,725      |
| Income taxes                            | 2,354,881               | 1,884,165      | -                        | -            | 2,354,881     | 1,884,165      |
| Sales taxes                             | 3,182,823               | 4,361,780      | -                        | -            | 3,182,823     | 4,361,780      |
| Replacement taxes                       | 189,842                 | 290,002        | -                        | -            | 189,842       | 290,002        |
| Other general revenues                  | 1,042,233               | 520,496        | 418,623                  | 405,040      | 1,460,856     | 925,536        |
| Total revenues                          | 61,053,895              | 26,060,558     | 7,716,548                | 7,506,647    | 68,770,443    | 33,567,205     |
| Expenses                                |                         |                |                          |              |               |                |
| General government                      | 11,449,375              | 11,519,514     | -                        | -            | 11,449,375    | 11,519,514     |
| Public health and safety                | 8,249,463               | 8,211,610      | -                        | -            | 8,249,463     | 8,211,610      |
| Highways and streets                    | 3,942,754               | 3,850,832      | -                        | -            | 3,942,754     | 3,850,832      |
| Interest on long-term debt              | 711,373                 | 806,295        | -                        | -            | 711,373       | 806,295        |
| Waterworks and sewerage                 | -                       | -              | 3,617,667                | 4,244,540    | 3,617,667     | 4,244,540      |
| Solid waste                             | -                       | -              | 1,591,600                | 1,513,726    | 1,591,600     | 1,513,726      |
| Markham roller rink                     | -                       | -              | 357,163                  | 374,019      | 357,163       | 374,019        |
| Markham senior living complex           | -                       | -              | 1,654,294                | 1,744,025    | 1,654,294     | 1,744,025      |
| Total expenses                          | 24,352,965              | 24,388,251     | 7,220,724                | 7,876,310    | 31,573,689    | 32,264,561     |
| Change in net position before transfers | 36,700,930              | 1,672,307      | 495,824                  | (369,663)    | 37,196,754    | 1,302,644      |
| Transfers                               | -                       | 573,552        | -                        | (573,552)    | -             | -              |
| Change in net position                  | 36,700,930              | 2,245,859      | 495,824                  | (943,215)    | 37,196,754    | 1,302,644      |
| Net position - beginning                | (9,256,088)             | (11,501,947)   | 4,092,408                | 5,035,623    | (5,163,680)   | (6,466,324)    |
| Net position - ending                   | \$ 27,444,842           | \$ (9,256,088) | \$ 4,588,232             | \$ 4,092,408 | \$ 32,033,074 | \$ (5,163,680) |

Net position of the City's governmental activities increased by \$36,700,930, or 396.5 percent, and unrestricted net position of the City's governmental activities was negative \$18,252,033 at April 30, 2024.

Net position of business-type activities decreased by \$495,824, or 12.1 percent, from the prior year. The City generally can only use this net position to finance the continuing operations of the waterworks and sewerage, solid waste, Markham Roller Rink, and Markham Senior Living Complex operations.

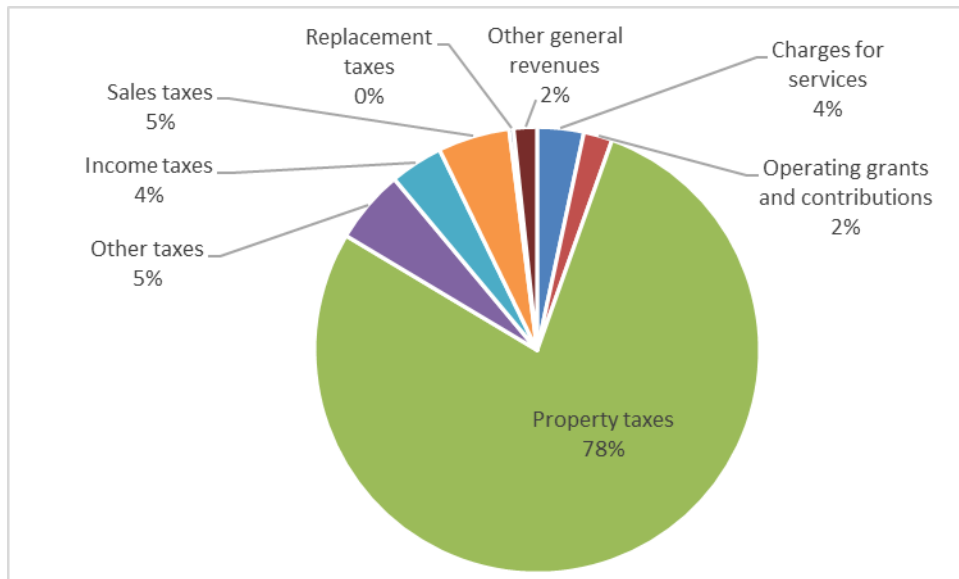
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### **Governmental Activities**

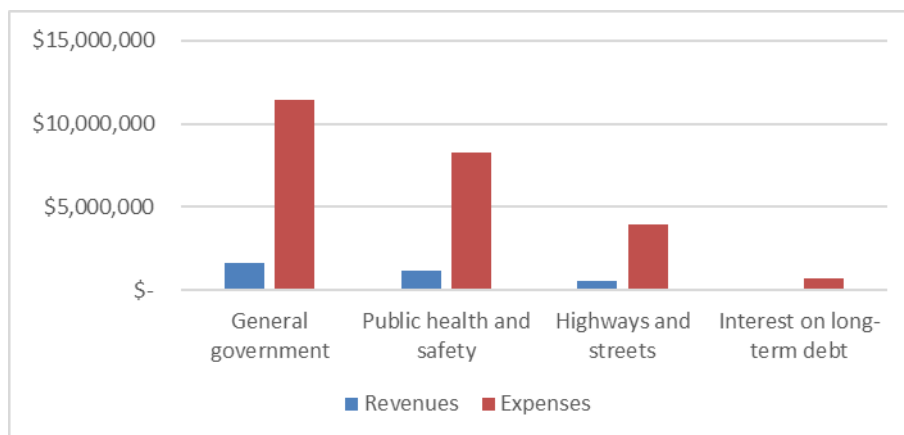
Revenues for governmental activities totaled \$60,558,042, while the cost of all governmental functions totaled \$25,952,374. This results in an increase of \$34,605,668 prior to other financing sources and uses of \$726,868. In 2023, revenues of \$26,060,558 exceeded expenses of \$24,388,251, resulting in an increase of \$1,672,307 prior to transfers in of \$573,552. The increase in 2024 was due in large part to an increase in property tax revenue increases from TIF #5. Though expenses increased from the previous year, they still came in under total revenues resulting in the increase for the year.

The following table graphically depicts the major revenue sources of the City. It depicts very clearly the reliance of property taxes, utility taxes and use taxes to fund governmental activities. It also clearly identifies the less significant percentage the City receives from income taxes.

**Revenues by Source – Governmental Activities**



**Expenses and Program Revenues – Governmental Activities**



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CITY OF MARKHAM, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2024

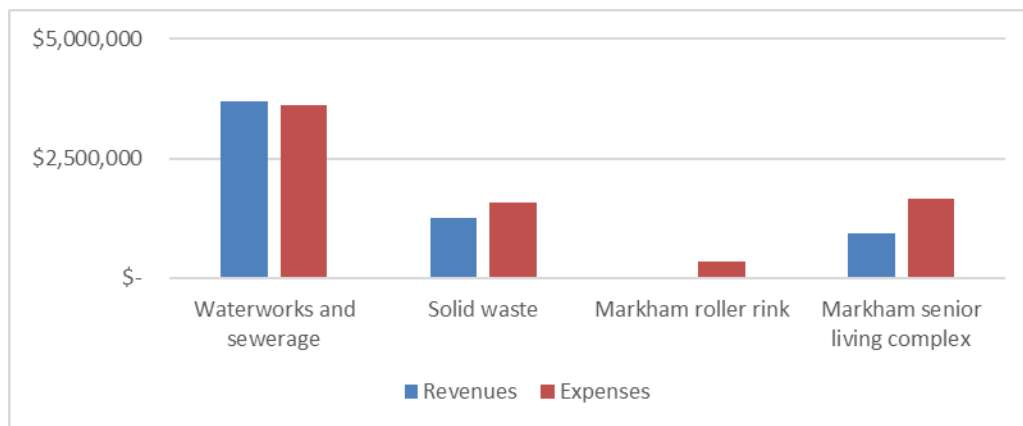
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The 'Expenses and Program Revenues' Table identifies those governmental functions where program expenses greatly exceed revenues. Clearly general government, public health and safety, and highways and streets expenses far exceed any directly allocated revenues.

### **Business-Type Activities**

Business-Type activities total revenues of \$7,716,548 exceeded expenses of \$7,220,724, resulting in an increase of \$495,824. In 2023, total revenues were \$7,506,647, while the cost of all business-type activities totaled \$7,220,724, resulting in an decrease of \$283,877 prior to transfers out of \$573,552. The increase in the current year is due to increases in all revenue functions totaling \$209,901 while overall expenses decreased by \$655,586.

**Expenses and Program Revenues – Business-Type Activities**



The previous graph compares program revenues to expenses for the City's enterprise operations.

## **FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### **Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The City's governmental funds reported combining ending fund balances of \$43,584,825, which is \$35,332,536, or 428.1 percent higher than last year's total of \$8,252,289. Of the \$43,584,825 total, a deficit \$3,488,241 of the fund balance constitutes unassigned fund balance.

The General Fund reported an increase in fund balance for the year of \$298,278, or 43.5 percent. Actual revenues of \$20,663,723, were exceeded by actual expenditures of \$22,106,147 due primarily to a decrease in licenses and permits during the year, and minor incremental increases of expenses across several departments in the City.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2024

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The General Fund is the chief operating fund of the City. At April 30, 2024, unassigned fund balance in the General Fund was \$57,019. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance in the General Fund represents approximately 0.3 percent of total General Fund expenditures.

The TIF #1 Canterbury Mall Plaza Fund realized a increase in the fund balance of \$1,850,054. This increase is a result of total revenues of \$2,006,970 exceeding total expenditures of \$249,758.

The TIF #3 Dixie Highway Fund realized an increase in the fund balance of \$1,263,239. This increase is a result of total revenues of \$2,666,550 exceeding total expenditures and transfers out of \$593,765 and \$809,546, respectively.

The TIF #5 Interstate Fund realized a increase in the fund balance of \$32,827,567. This increase is the result of an increase in property taxes during the year from a new property that began incurring increment.

### **Proprietary Funds**

The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The City reports the Waterworks and Sewerage Fund as a major proprietary fund. The Waterworks and Sewerage Fund is used to account for the operating activities of the City water and sewerage utility services on a user-charge basis to the City's residents. Water is purchased from the Midlothian-Markham Water Commission at a rate of \$5.00 per thousand gallons. Sewage is treated by a local Sewage Treatment Center. Beginning August 1, 2023, water is sold to all municipal customers at a minimum rate of \$45.66 for 4,000 gallons of water and \$11.42 for each additional 1,000 gallons of water and a rate of \$5.00 for sewer for 4,000 gallons and \$1.25 for each additional 1,000 gallons. Prior to August 1, 2023, water is sold to all municipal customers at a minimum rate of \$44.33 for 4,000 gallons of water and \$11.08 for each additional 1,000 gallons of water and a flat rate of \$5.00 for sewer. The spread between purchase and sale rates is intended to finance the operations of the utility system, including labor costs, supplies, and infrastructure maintenance. The City intends to run the fund at a breakeven rate. Periodically, there will be an annual surplus or draw down due to timing of capital projects. The increase in net position in the Waterworks and Sewerage Fund during the current fiscal year was \$275,566, while the previous fiscal year also reported a decrease of \$901,781. Unrestricted net position in the Waterworks and Sewerage Fund totaled \$1,340,563 at April 30, 2024.

The Solid Waste Fund, also a major fund, is used to account for the operating activities of the City solid waste services on a user-charge basis to the City's residents. The City intends to run the fund at a breakeven rate. Periodically, there will be an annual surplus or draw down due to timing of capital projects. The deficit in the Solid Waste Fund during the current fiscal year was \$342,264, and the previous fiscal year also reported a deficit of \$406,683. Unrestricted net position in the Solid Waste Fund totaled \$1,458,740 at April 30, 2024.

The Markham Roller Rink Fund is also reported as a major proprietary fund by the City. The Markham Roller Rink Fund is used to account for the operating activities of the City's roller rink on a customer charge basis to the roller rink customers. The roller rink was acquired and improved and commenced operations during the fiscal year April 30, 2014. The City intends to run the fund at a breakeven rate. Periodically, there will be an annual surplus or draw down due to timing of capital projects. The surplus in the Markham Roller Rink Fund during the current fiscal year was \$7,124 while the previous fiscal year reported a surplus of \$182,664. Unrestricted net position in the Markham Roller Rink Fund totaled a deficit \$1,873,744 at April 30, 2024.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2024

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Finally, the City reports the Markham Senior Living Complex Fund also as a major proprietary fund. The Markham Senior Living Complex Fund is used to account for the operating activities of the City's senior living complex on a rental charge basis to the senior living complex residents. The City intends to run the fund at a breakeven rate. Periodically, there will be an annual surplus or draw down due to timing of capital projects. The surplus in the Markham Senior Living Complex Fund during the current fiscal year was \$555,398, while the previous fiscal year also reported a surplus of \$182,585. Unrestricted net position in the Markham Senior Living Complex totaled \$1,724,130 at April 30, 2024.

### GENERAL FUND BUDGETARY HIGHLIGHTS

The City Council made no budget amendments to the General Fund during the year. General Fund actual revenues for the year totaled \$20,663,723, compared to budgeted revenues of \$18,391,294. Actual revenues for taxes, intergovernmental, licenses and permits, charges for services, fines and forfeitures, and investment income of \$13,130,457, \$4,556,589, \$1,231,766, \$1,073,848, and \$118,852, respectively, were over budgeted revenues of \$12,608,374, \$3,506,644, \$1,076,046, \$345,000, and \$15,000, respectively. This was offset by charges for services actual revenues of \$107,096 being under the budget of \$181,350 and miscellaneous actual revenues of \$445,115 being under the budget of \$658,880.

The General Fund actual expenditures for the year were \$2,341,057 over budgeted (\$22,106,147 actual compared to \$19,765,090 budgeted). All functions were over budget except interest and fiscal charges.

### CAPITAL ASSETS AND DEBT ADMINISTRATION

#### Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of April 30, 2024 was \$37,058,652 (net of accumulated depreciation). This investment in capital assets includes land, building and improvements, machinery and equipment, and infrastructure.

|                            | Capital Assets - Net of Depreciation |                      |                          |                      |                      |                      |
|----------------------------|--------------------------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|
|                            | Governmental Activities              |                      | Business-Type Activities |                      | Total                |                      |
|                            | 2024                                 | 2023                 | 2024                     | 2023                 | 2024                 | 2023                 |
| Land                       | \$ 426,678                           | \$ 426,678           | \$ 187,140               | \$ 187,140           | \$ 613,818           | \$ 613,818           |
| Buildings and improvements | 11,592,971                           | 12,024,775           | 12,699,229               | 13,152,442           | 24,292,200           | 25,177,217           |
| Machinery and equipment    | 1,420,353                            | 1,536,037            | 132,136                  | 246,797              | 1,552,489            | 1,782,834            |
| Infrastructure             | 9,662,993                            | 10,098,202           | -                        | -                    | 9,662,993            | 10,098,202           |
| Leased vehicles            | 761,694                              | 303,815              | 175,458                  | -                    | 937,152              | 303,815              |
| Total                      | <u>\$ 23,864,689</u>                 | <u>\$ 24,389,507</u> | <u>\$ 13,193,963</u>     | <u>\$ 13,586,379</u> | <u>\$ 37,058,652</u> | <u>\$ 37,975,886</u> |

This year's major additions included leased vehicles of \$808,958.

Additional information on the City's capital assets can be found in Note 5 of this report.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
April 30, 2024

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### **Debt Administration**

At year-end, the City had total outstanding debt of \$24,459,642 as compared to \$26,252,135 the previous year. The following is a comparative statement of outstanding debt:

|                          | Long-Term Debt Outstanding     |                      |                                 |                      |                      |                      |
|--------------------------|--------------------------------|----------------------|---------------------------------|----------------------|----------------------|----------------------|
|                          | <u>Governmental Activities</u> |                      | <u>Business-Type Activities</u> |                      | <u>Total</u>         |                      |
|                          | <u>2024</u>                    | <u>2023</u>          | <u>2024</u>                     | <u>2023</u>          | <u>2024</u>          | <u>2023</u>          |
| General obligation bonds | \$ 11,550,000                  | \$ 12,890,000        | \$ 11,125,000                   | \$ 12,155,000        | \$ 22,675,000        | \$ 25,045,000        |
| Installment contracts    | 833,161                        | 903,341              | 94,717                          | 115,000              | 927,878              | 1,018,341            |
| Leases payable           | <u>773,306</u>                 | <u>188,794</u>       | <u>83,458</u>                   | <u>-</u>             | <u>856,764</u>       | <u>188,794</u>       |
|                          | <u>\$ 13,156,467</u>           | <u>\$ 13,982,135</u> | <u>\$ 11,303,175</u>            | <u>\$ 12,270,000</u> | <u>\$ 24,459,642</u> | <u>\$ 26,252,135</u> |

Additional information on the City's long-term debt can be found in Note 7 of this report.

### **ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The City's elected and appointed officials considered many factors when setting the fiscal year 2025 budget, tax rates, and fees that will be charged for its governmental and business-type activities. One of those factors is the economy. Unemployment rates for April 2024 for Cook County were 5.4 percent and the state and national unemployment rates were 5.1 and 3.9 percent, respectively.

These indicators were taken into account when adopting the General Fund budget for 2025. Amounts available for appropriation in the General Fund budget are 33.1 million, an increase of 67.2 percent from the final 2024 budget of \$19.8. The City anticipates only a slight increase in tax revenues, but instead anticipates significant revenues from a redevelopment agreement.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City of Markham, Illinois's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to Office of the Finance Director, City of Markham, Illinois, 16313 Kedzie, Markham Illinois 60428.

## **BASIC FINANCIAL STATEMENTS**

CITY OF MARKHAM, ILLINOIS  
STATEMENT OF NET POSITION  
April 30, 2024

|                                                 | Primary Government  |                     |                     | Component Unit                            |
|-------------------------------------------------|---------------------|---------------------|---------------------|-------------------------------------------|
|                                                 | Governmental        | Business-Type       |                     | Bradford                                  |
|                                                 | <u>Activities</u>   | <u>Activities</u>   | <u>Total</u>        | Anderson Oglesby<br><u>Public Library</u> |
| <b>ASSETS</b>                                   |                     |                     |                     |                                           |
| Current assets                                  |                     |                     |                     |                                           |
| Cash and cash equivalents                       | \$ 45,443,904       | \$ 2,874,018        | \$ 48,317,922       | \$ 1,054,743                              |
| Cash held with others                           | 410,000             | -                   | 410,000             | -                                         |
| Taxes receivable                                | 11,755,721          | 1,172,592           | 12,928,313          | 553,073                                   |
| Accounts receivable, net of allowances          | 29,866              | 596,639             | 626,505             | 16,303                                    |
| Due from other governments                      | 328,190             | -                   | 328,190             | -                                         |
| Internal balances                               | <u>(898,622)</u>    | <u>898,622</u>      | <u>-</u>            | <u>-</u>                                  |
| Total current assets                            | 57,069,059          | 5,541,871           | 62,610,930          | 1,624,119                                 |
| Noncurrent assets                               |                     |                     |                     |                                           |
| Capital assets                                  |                     |                     |                     |                                           |
| Nondepreciable/amortizable                      | 426,678             | 187,140             | 613,818             | 23,133                                    |
| Depreciable/amortizable                         | 51,886,920          | 23,079,084          | 74,966,004          | 4,902,524                                 |
| Accumulated depreciation/amortization           | <u>(28,448,909)</u> | <u>(10,072,261)</u> | <u>(38,521,170)</u> | <u>(2,218,110)</u>                        |
| Total noncurrent assets                         | 23,864,689          | 13,193,963          | 37,058,652          | 2,707,547                                 |
| Total assets                                    | <u>80,933,748</u>   | <u>18,735,834</u>   | <u>99,669,582</u>   | <u>4,331,666</u>                          |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>           |                     |                     |                     |                                           |
| Deferred outflows - pensions                    | 6,700,391           | -                   | 6,700,391           | 94,308                                    |
| Deferred outflows - RBP                         | 401,408             | -                   | 401,408             | -                                         |
| Deferred outflows - ARO                         | <u>-</u>            | <u>300,000</u>      | <u>300,000</u>      | <u>-</u>                                  |
| Total deferred outflows of resources            | 7,101,799           | 300,000             | 7,401,799           | 94,308                                    |
| Total assets and deferred outflows of resources | <u>88,035,547</u>   | <u>19,035,834</u>   | <u>107,071,381</u>  | <u>4,425,974</u>                          |

(Continued)

CITY OF MARKHAM, ILLINOIS  
STATEMENT OF NET POSITION  
April 30, 2024

|                                                     | Primary Government |                   |               | Component Unit                            |
|-----------------------------------------------------|--------------------|-------------------|---------------|-------------------------------------------|
|                                                     | Governmental       | Business-Type     |               | Bradford                                  |
|                                                     | <u>Activities</u>  | <u>Activities</u> | <u>Total</u>  | Anderson Oglesby<br><u>Public Library</u> |
| <b>LIABILITIES</b>                                  |                    |                   |               |                                           |
| Current liabilities                                 |                    |                   |               |                                           |
| Accounts payable                                    | \$ 1,053,264       | \$ 523,473        | \$ 1,576,737  | \$ 30,543                                 |
| Checks paid in excess of cash                       | 2,987,153          | -                 | 2,987,153     | -                                         |
| Accrued payroll                                     | 268,100            | 21,424            | 289,524       | 14,854                                    |
| Deposits payable                                    | -                  | 753,458           | 753,458       | -                                         |
| Unearned revenue                                    | -                  | 142,283           | 142,283       | -                                         |
| Accrued interest                                    | 142,496            | 339,500           | 481,996       | 4,575                                     |
| Accrued liabilities                                 | 404,556            | -                 | 404,556       | 8,794                                     |
| Due to other governments                            | 14,548             | -                 | 14,548        | -                                         |
| Current portion of long-term liabilities            | 2,127,921          | 1,204,506         | 3,332,427     | 305,000                                   |
| Total current liabilities                           | 6,998,038          | 2,984,644         | 9,982,682     | 363,766                                   |
| Noncurrent liabilities:                             |                    |                   |               |                                           |
| Compensated absences payable                        | 1,246,690          | 12,344            | 1,259,034     | -                                         |
| Net pension liabilities                             | 20,930,123         | -                 | 20,930,123    | 5,839                                     |
| Total OPEB liability                                | 2,189,468          | -                 | 2,189,468     | -                                         |
| Asset retirement obligation                         | -                  | 333,333           | 333,333       | -                                         |
| General obligation bonds payable - net              | 10,127,584         | 9,932,245         | 20,059,829    | -                                         |
| Installment contract payable                        | 772,530            | 73,158            | 845,688       | -                                         |
| Leases payable                                      | 601,802            | 6,612             | 608,414       | -                                         |
| Total noncurrent liabilities                        | 35,868,197         | 10,357,692        | 46,225,889    | 5,839                                     |
| Total liabilities                                   | 42,866,235         | 13,342,336        | 56,208,571    | 369,605                                   |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                |                    |                   |               |                                           |
| Property taxes                                      | 8,260,760          | 1,105,266         | 9,366,026     | 501,220                                   |
| Deferred items - pensions                           | 8,104,649          | -                 | 8,104,649     | 43,217                                    |
| Deferred items - RBP                                | 1,359,061          | -                 | 1,359,061     | -                                         |
| Total deferred inflows of resources                 | 17,724,470         | 1,105,266         | 18,829,736    | 544,437                                   |
| Total liabilities and deferred inflows of resources | 60,590,705         | 14,447,602        | 75,038,307    | 914,042                                   |
| <b>NET POSITION</b>                                 |                    |                   |               |                                           |
| Net investment in capital assets                    | 10,700,638         | 1,945,210         | 12,645,848    | 2,402,547                                 |
| Restricted                                          |                    |                   |               |                                           |
| Public safety                                       | 131,310            | -                 | 131,310       | -                                         |
| Impact fees                                         | 29,542             | -                 | 29,542        | -                                         |
| Special events                                      | 9,171              | -                 | 9,171         | -                                         |
| Hotel/motel TIF                                     | 934,384            | -                 | 934,384       | -                                         |
| Debt Service                                        | 410,000            | -                 | 410,000       | -                                         |
| Highways and streets                                | 33,481,830         | -                 | 33,481,830    | -                                         |
| Public library                                      | -                  | -                 | -             | 318,725                                   |
| Unrestricted (deficit)                              | (18,252,033)       | 2,643,022         | (15,609,011)  | 790,660                                   |
| Total net position                                  | \$ 27,444,842      | \$ 4,588,232      | \$ 32,033,074 | \$ 3,511,932                              |

See notes to financial statements.

CITY OF MARKHAM, ILLINOIS  
STATEMENT OF ACTIVITIES  
For the fiscal year ended April 30, 2024

|                                          | Expenses      | Program Revenues     |                                |                              | Net (Expense) Revenue and Changes in Net Position |                          |                |                                          |
|------------------------------------------|---------------|----------------------|--------------------------------|------------------------------|---------------------------------------------------|--------------------------|----------------|------------------------------------------|
|                                          |               | Charges for Services | Operating Grants/Contributions | Capital Grants/Contributions | Primary Government                                |                          |                | Component Unit                           |
|                                          |               |                      |                                |                              | Governmental Activities                           | Business-Type Activities | Totals         | Bradford Anderson Oglesby Public Library |
| Governmental activities                  |               |                      |                                |                              |                                                   |                          |                |                                          |
| General government                       | \$ 11,449,375 | \$ 1,338,862         | \$ 322,000                     | \$ -                         | \$ (9,788,513)                                    | \$ -                     | \$ (9,788,513) | \$ -                                     |
| Public health and safety                 | 8,249,463     | 1,086,419            | 57,911                         | -                            | (7,105,133)                                       | -                        | (7,105,133)    | -                                        |
| Highways and streets                     | 3,942,754     | 12,500               | 512,149                        | -                            | (3,418,105)                                       | -                        | (3,418,105)    | -                                        |
| Interest on long-term debt               | 711,373       | -                    | -                              | -                            | (711,373)                                         | -                        | (711,373)      | -                                        |
| Total governmental activities            | 24,352,965    | 2,437,781            | 892,060                        | -                            | (21,023,124)                                      | -                        | (21,023,124)   | -                                        |
| Business-type activities                 |               |                      |                                |                              |                                                   |                          |                |                                          |
| Waterworks and sewerage                  | 3,617,667     | 3,704,261            | -                              | -                            | -                                                 | 86,594                   | 86,594         | -                                        |
| Solid waste                              | 1,591,600     | 1,249,336            | -                              | -                            | -                                                 | (342,264)                | (342,264)      | -                                        |
| Markham roller rink                      | 357,163       | -                    | -                              | -                            | -                                                 | (357,163)                | (357,163)      | -                                        |
| Markham senior living complex            | 1,654,294     | 942,011              | -                              | -                            | -                                                 | (712,283)                | (712,283)      | -                                        |
| Total business-type activities           | 7,220,724     | 5,895,608            | -                              | -                            | -                                                 | (1,325,116)              | (1,325,116)    | -                                        |
| Total primary activities                 | \$ 31,573,689 | \$ 8,333,389         | \$ 892,060                     | \$ -                         | (21,023,124)                                      | (1,325,116)              | (22,348,240)   | -                                        |
| Component Unit                           |               |                      |                                |                              |                                                   |                          |                |                                          |
| Bradford Anderson Oglesby Public Library | \$ 1,016,752  | \$ 103,005           | \$ 40,610                      | \$ -                         | -                                                 | -                        | -              | (873,137)                                |
| General Revenues                         |               |                      |                                |                              |                                                   |                          |                |                                          |
| Taxes                                    |               |                      |                                |                              |                                                   |                          |                |                                          |
| Property taxes                           |               |                      |                                |                              | 47,696,329                                        | 1,402,317                | 49,098,646     | 1,063,575                                |
| Home rule sales tax                      |               |                      |                                |                              | 1,302,189                                         | -                        | 1,302,189      | -                                        |
| Casino and gaming taxes                  |               |                      |                                |                              | 1,287,509                                         | -                        | 1,287,509      | -                                        |
| Other taxes                              |               |                      |                                |                              | 1,970,437                                         | -                        | 1,970,437      | -                                        |
| Intergovernmental - unrestricted         |               |                      |                                |                              |                                                   |                          |                |                                          |
| Income taxes                             |               |                      |                                |                              | 2,354,881                                         | -                        | 2,354,881      | -                                        |
| Sales taxes                              |               |                      |                                |                              | 1,880,634                                         | -                        | 1,880,634      | -                                        |
| Replacement taxes                        |               |                      |                                |                              | 189,842                                           | -                        | 189,842        | -                                        |
| Investment income                        |               |                      |                                |                              | 376,712                                           | 224,646                  | 601,358        | 17,617                                   |
| Miscellaneous                            |               |                      |                                |                              | 665,521                                           | 193,977                  | 859,498        | 755                                      |
| Total general revenues                   |               |                      |                                |                              | 57,724,054                                        | 1,820,940                | 59,544,994     | 1,081,947                                |
| Change in net position                   |               |                      |                                |                              | 36,700,930                                        | 495,824                  | 37,196,754     | 208,810                                  |
| Beginning net position                   |               |                      |                                |                              | (9,256,088)                                       | 4,092,408                | (5,163,680)    | 3,303,122                                |
| Ending net position                      |               |                      |                                |                              | \$ 27,444,842                                     | \$ 4,588,232             | \$ 32,033,074  | \$ 3,511,932                             |

See notes to financial statements.

CITY OF MARKHAM, ILLINOIS  
BALANCE SHEET - GOVERNMENTAL FUNDS  
April 30, 2024

|                                                                    | General              | TIF #1<br>Canterbury<br>Mall Plaza | TIF #3<br>Dixie<br>Highway | TIF #5<br>Interstate | Nonmajor            | Total                |
|--------------------------------------------------------------------|----------------------|------------------------------------|----------------------------|----------------------|---------------------|----------------------|
| <b>ASSETS</b>                                                      |                      |                                    |                            |                      |                     |                      |
| Cash and cash equivalents                                          | \$ 116,985           | \$ 4,570,052                       | \$ 5,361,300               | \$ 33,470,035        | \$ 1,925,532        | \$ 45,443,904        |
| Cash held with others                                              | -                    | 410,000                            | -                          | -                    | -                   | 410,000              |
| Receivables, net of allowances                                     |                      |                                    |                            |                      |                     |                      |
| Property taxes                                                     | 7,521,121            | 1,006,651                          | -                          | 31,141               | 1,165,938           | 9,724,851            |
| Other taxes                                                        | 1,985,131            | -                                  | 5,839                      | -                    | 39,900              | 2,030,870            |
| Accounts                                                           | 29,866               | -                                  | -                          | -                    | -                   | 29,866               |
| Due from other governments                                         | 328,190              | -                                  | -                          | -                    | -                   | 328,190              |
| Due from other funds                                               | 6,683,421            | 974,737                            | 144,023                    | -                    | -                   | 7,802,181            |
| Total assets                                                       | <u>\$ 16,664,714</u> | <u>\$ 6,961,440</u>                | <u>\$ 5,511,162</u>        | <u>\$ 33,501,176</u> | <u>\$ 3,131,370</u> | <u>\$ 65,769,862</u> |
| <b>LIABILITIES</b>                                                 |                      |                                    |                            |                      |                     |                      |
| Accounts payable                                                   | \$ 1,025,369         | \$ -                               | \$ -                       | \$ 10,846            | \$ 17,049           | \$ 1,053,264         |
| Checks paid in excess of cash                                      | 2,987,153            | -                                  | -                          | -                    | -                   | 2,987,153            |
| Accrued payroll                                                    | 268,100              | -                                  | -                          | -                    | -                   | 268,100              |
| Accrued liabilities                                                | 404,556              | -                                  | -                          | -                    | -                   | 404,556              |
| Due to other governments                                           | 14,548               | -                                  | -                          | -                    | -                   | 14,548               |
| Due to other funds                                                 | 4,123,298            | -                                  | -                          | 8,828                | 4,568,677           | 8,700,803            |
| Total liabilities                                                  | 8,823,024            | -                                  | -                          | 19,674               | 4,585,726           | 13,428,424           |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                               |                      |                                    |                            |                      |                     |                      |
| Property taxes                                                     | 7,177,347            | -                                  | -                          | -                    | 1,083,413           | 8,260,760            |
| Unavailable revenue                                                | 495,853              | -                                  | -                          | -                    | -                   | 495,853              |
| Total deferred inflows of resources                                | 7,673,200            | -                                  | -                          | -                    | 1,083,413           | 8,756,613            |
| Total liabilities and deferred inflows of resources                | 16,496,224           | -                                  | -                          | 19,674               | 5,669,139           | 22,185,037           |
| <b>FUND BALANCES</b>                                               |                      |                                    |                            |                      |                     |                      |
| Restricted                                                         |                      |                                    |                            |                      |                     |                      |
| Public safety                                                      | 72,758               | -                                  | -                          | -                    | 58,552              | 131,310              |
| Impact fees                                                        | 29,542               | -                                  | -                          | -                    | -                   | 29,542               |
| Special events                                                     | 9,171                | -                                  | -                          | -                    | -                   | 9,171                |
| Hotel/Motel TIF                                                    | -                    | -                                  | -                          | -                    | 948,611             | 948,611              |
| Debt service                                                       | -                    | 410,000                            | -                          | -                    | -                   | 410,000              |
| Highways and streets                                               | -                    | -                                  | -                          | 33,481,502           | 328                 | 33,481,830           |
| Assigned - capital projects                                        | -                    | 6,551,440                          | 5,511,162                  | -                    | -                   | 12,062,602           |
| Unassigned                                                         | 57,019               | -                                  | -                          | -                    | (3,545,260)         | (3,488,241)          |
| Total fund balances                                                | <u>168,490</u>       | <u>6,961,440</u>                   | <u>5,511,162</u>           | <u>33,481,502</u>    | <u>(2,537,769)</u>  | <u>43,584,825</u>    |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 16,664,714</u> | <u>\$ 6,961,440</u>                | <u>\$ 5,511,162</u>        | <u>\$ 33,501,176</u> | <u>\$ 3,131,370</u> | <u>\$ 65,769,862</u> |

See notes to financial statements.

CITY OF MARKHAM, ILLINOIS  
RECONCILIATION OF TOTAL GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES  
April 30, 2024

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|                                  |               |
|----------------------------------|---------------|
| Total governmental fund balances | \$ 43,584,825 |
|----------------------------------|---------------|

Amounts reported for governmental activities in the Statement of Net Position  
are different because:

|                                                                                                                             |            |
|-----------------------------------------------------------------------------------------------------------------------------|------------|
| Capital assets used in governmental activities are not financial resources<br>and therefore, are not reported in the funds. | 23,864,689 |
|-----------------------------------------------------------------------------------------------------------------------------|------------|

|                                                                                                                                                                                                                     |         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| Some receivables that are not currently available are reported as deferred inflows<br>of resources in the fund financial statements but are recognized as revenue<br>when earned in the government-wide statements. | 495,853 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|

|                                                                                                                                   |             |
|-----------------------------------------------------------------------------------------------------------------------------------|-------------|
| Deferred outflows (inflows) of resources related to the pensions and other post<br>employment benefits not reported in the funds. |             |
| Deferred items - IMRF                                                                                                             | 345,352     |
| Deferred items - Police pension                                                                                                   | (642,029)   |
| Deferred items - Firefighters' pension                                                                                            | (1,107,581) |
| Deferred items - OPEB                                                                                                             | (957,653)   |

|                                                                                                                     |              |
|---------------------------------------------------------------------------------------------------------------------|--------------|
| Long-term liabilities are not due and payable in the current period and<br>therefore are not reported in the funds. |              |
| Compensated absences payable                                                                                        | (1,385,211)  |
| Net pension liability - IMRF                                                                                        | (39,465)     |
| Net pension liability - Police pension                                                                              | (17,496,284) |
| Net pension liability - Firefighters' pension                                                                       | (3,394,374)  |
| Total OPEB liability                                                                                                | (2,256,676)  |
| Claims payable                                                                                                      | (260,057)    |
| General obligation bonds payable - net                                                                              | (11,557,584) |
| Installment contracts payable                                                                                       | (833,161)    |
| Leases payable                                                                                                      | (773,306)    |
| Accrued interest payable                                                                                            | (142,496)    |

|                                         |                      |
|-----------------------------------------|----------------------|
| Net position of governmental activities | <u>\$ 27,444,842</u> |
|-----------------------------------------|----------------------|

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See notes to financial statements.

CITY OF MARKHAM, ILLINOIS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
For the fiscal year ended April 30, 2024

|                                                              | General           | TIF #1<br>Canterbury<br>Mall Plaza | TIF #3<br>Dixie<br>Highway | TIF #5<br>Interstate | Nonmajor              | Total                |
|--------------------------------------------------------------|-------------------|------------------------------------|----------------------------|----------------------|-----------------------|----------------------|
| Revenues                                                     |                   |                                    |                            |                      |                       |                      |
| Taxes                                                        | \$ 13,130,457     | \$ 2,006,970                       | \$ 2,533,193               | \$ 32,827,567        | \$ 1,536,174          | \$ 52,034,361        |
| Intergovernmental                                            | 4,556,589         | -                                  | -                          | -                    | 512,149               | 5,068,738            |
| Licenses and permits                                         | 1,231,766         | -                                  | -                          | -                    | -                     | 1,231,766            |
| Charges for services                                         | 107,096           | -                                  | -                          | -                    | -                     | 107,096              |
| Fines and forfeitures                                        | 1,073,848         | -                                  | -                          | -                    | -                     | 1,073,848            |
| Investment income                                            | 118,852           | 92,842                             | 133,357                    | -                    | 31,661                | 376,712              |
| Miscellaneous                                                | 445,115           | -                                  | -                          | -                    | 220,406               | 665,521              |
| Total revenues                                               | <u>20,663,723</u> | <u>2,099,812</u>                   | <u>2,666,550</u>           | <u>32,827,567</u>    | <u>2,300,390</u>      | <u>60,558,042</u>    |
| Expenditures                                                 |                   |                                    |                            |                      |                       |                      |
| General government                                           | 11,309,096        | -                                  | -                          | -                    | -                     | 11,309,096           |
| Public safety                                                | 7,925,694         | -                                  | -                          | -                    | -                     | 7,925,694            |
| Highways and streets                                         | 1,570,677         | 164,022                            | 593,765                    | 32,579               | 657,737               | 3,018,780            |
| Capital outlay                                               | 729,868           | -                                  | -                          | -                    | 660,522               | 1,390,390            |
| Debt service                                                 |                   |                                    |                            |                      |                       |                      |
| Principal retirement                                         | 507,536           | -                                  | -                          | -                    | 1,045,000             | 1,552,536            |
| Interest and fiscal charges                                  | 63,276            | 85,736                             | -                          | -                    | 606,866               | 755,878              |
| Total expenditures                                           | <u>22,106,147</u> | <u>249,758</u>                     | <u>593,765</u>             | <u>32,579</u>        | <u>2,970,125</u>      | <u>25,952,374</u>    |
| Excess (deficiency) of revenues<br>over (under) expenditures | (1,442,424)       | 1,850,054                          | 2,072,785                  | 32,794,988           | (669,735)             | 34,605,668           |
| Other financing sources (uses)                               |                   |                                    |                            |                      |                       |                      |
| Debt issuance                                                | 726,868           | -                                  | -                          | -                    | -                     | 726,868              |
| Transfers in                                                 | 1,320,853         | -                                  | -                          | -                    | 307,019               | 1,627,872            |
| Transfers (out)                                              | (307,019)         | -                                  | (809,546)                  | (376,845)            | (134,462)             | (1,627,872)          |
| Total other financing sources (uses)                         | <u>1,740,702</u>  | <u>-</u>                           | <u>(809,546)</u>           | <u>(376,845)</u>     | <u>172,557</u>        | <u>726,868</u>       |
| Net change in fund balances                                  | 298,278           | 1,850,054                          | 1,263,239                  | 32,418,143           | (497,178)             | 35,332,536           |
| Beginning fund balances                                      | <u>(129,788)</u>  | <u>5,111,386</u>                   | <u>4,247,923</u>           | <u>1,063,359</u>     | <u>(2,040,591)</u>    | <u>8,252,289</u>     |
| Ending fund balances                                         | <u>\$ 168,490</u> | <u>\$ 6,961,440</u>                | <u>\$ 5,511,162</u>        | <u>\$ 33,481,502</u> | <u>\$ (2,537,769)</u> | <u>\$ 43,584,825</u> |

See notes to financial statements.

CITY OF MARKHAM, ILLINOIS  
RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES OF THE  
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES  
For the fiscal year ended April 30, 2024

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|                                                                                                                                                                                                                               |                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|
| Net change in fund balances - total governmental funds                                                                                                                                                                        | \$ 35,332,536        |
| Amounts reported for governmental activities in the Statement of Activities are different because:                                                                                                                            |                      |
| Governmental funds report capital outlays as expenditures. however, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense. |                      |
| Capital outlay                                                                                                                                                                                                                | 990,615              |
| Depreciation/amortization expense                                                                                                                                                                                             | (1,515,433)          |
| Some revenues were not collected within 60 days after the close of the fiscal year and therefore were not considered to be "available" and are not reported as revenue in the governmental funds.                             | 495,853              |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds.                                                       |                      |
| Change in compensated absences payable                                                                                                                                                                                        | 27,039               |
| Change in claims payable                                                                                                                                                                                                      | 298,269              |
| Change in accrued interest payable                                                                                                                                                                                            | 41,980               |
| Change in OPEB and deferral items                                                                                                                                                                                             | (102,768)            |
| Change in net pension liabilities and deferral items                                                                                                                                                                          | 304,646              |
| The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal on long-term debt consumes the current financial resources of the governmental funds.         |                      |
| Retirement of debt                                                                                                                                                                                                            | 1,552,536            |
| Debt issuance                                                                                                                                                                                                                 | (726,868)            |
| Amortization of premium on debt issuance                                                                                                                                                                                      | <u>2,525</u>         |
| Change in net position of governmental activities                                                                                                                                                                             | <u>\$ 36,700,930</u> |

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See notes to financial statements.

CITY OF MARKHAM, ILLINOIS  
STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
April 30, 2024

|                                                 | Business-Type Activities - Enterprise |                |                        |                                  |              |
|-------------------------------------------------|---------------------------------------|----------------|------------------------|----------------------------------|--------------|
|                                                 | Waterworks<br>and Sewerage            | Solid<br>Waste | Markham<br>Roller Rink | Markham Senior<br>Living Complex | Total        |
| <b>ASSETS</b>                                   |                                       |                |                        |                                  |              |
| Cash and cash equivalents                       | \$ -                                  | \$ 265,389     | \$ 455,057             | \$ 2,153,572                     | \$ 2,874,018 |
| Receivables, net of allowances                  |                                       |                |                        |                                  |              |
| Property taxes                                  | -                                     | -              | 311,780                | 860,812                          | 1,172,592    |
| Accounts                                        | 430,924                               | 137,987        | -                      | 27,728                           | 596,639      |
| Due from other funds                            | 3,148,561                             | 1,202,637      | -                      | -                                | 4,351,198    |
| Total current assets                            | 3,579,485                             | 1,606,013      | 766,837                | 3,042,112                        | 8,994,447    |
| Noncurrent assets                               |                                       |                |                        |                                  |              |
| Capital assets                                  |                                       |                |                        |                                  |              |
| Non-depreciable/amortizable capital assets      | -                                     | -              | 187,140                | -                                | 187,140      |
| Depreciable/amortizable capital assets          | 5,208,383                             | -              | 3,916,277              | 13,954,424                       | 23,079,084   |
| Accumulated depreciation/amortization           | (4,684,230)                           | -              | (1,099,693)            | (4,288,338)                      | (10,072,261) |
| Total noncurrent assets                         | 524,153                               | -              | 3,003,724              | 9,666,086                        | 13,193,963   |
| Total assets                                    | 4,103,638                             | 1,606,013      | 3,770,561              | 12,708,198                       | 22,188,410   |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>           |                                       |                |                        |                                  |              |
| Deferred Items - ARO                            | 300,000                               | -              | -                      | -                                | 300,000      |
| Total assets and deferred outflows of resources | 4,403,638                             | 1,606,013      | 3,770,561              | 12,708,198                       | 22,488,410   |

(Continued)

CITY OF MARKHAM, ILLINOIS  
STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
April 30, 2024

|                                                     | Business-Type Activities - Enterprise |                |                        |                                  |              |
|-----------------------------------------------------|---------------------------------------|----------------|------------------------|----------------------------------|--------------|
|                                                     | Waterworks<br>and Sewerage            | Solid<br>Waste | Markham<br>Roller Rink | Markham Senior<br>Living Complex | Total        |
| <b>LIABILITIES</b>                                  |                                       |                |                        |                                  |              |
| Current liabilities                                 |                                       |                |                        |                                  |              |
| Accounts payable                                    | 309,533                               | 147,273        | 14,100                 | 52,567                           | 523,473      |
| Accrued payroll                                     | 16,525                                | -              | 638                    | 4,261                            | 21,424       |
| Deposits payable                                    | 665,885                               | -              | -                      | 87,573                           | 753,458      |
| Unearned revenue                                    | 40,000                                | -              | -                      | 102,283                          | 142,283      |
| Accrued interest                                    | -                                     | -              | 81,250                 | 258,250                          | 339,500      |
| Due to other funds                                  | 1,202,637                             | -              | 2,249,939              | -                                | 3,452,576    |
| Current position of long-term liabilities           | 99,506                                | -              | 285,000                | 820,000                          | 1,204,506    |
| Total current liabilities                           | 2,334,086                             | 147,273        | 2,630,927              | 1,324,934                        | 6,437,220    |
| Noncurrent liabilities                              |                                       |                |                        |                                  |              |
| Compensated absences payable                        | 9,908                                 | -              | -                      | 2,436                            | 12,344       |
| Net pension liability - IMRF                        | -                                     | -              | -                      | -                                | -            |
| Asset retirement obligation                         | 333,333                               | -              | -                      | -                                | 333,333      |
| Leases payable                                      | 6,612                                 | -              | -                      | -                                | 6,612        |
| General obligation bond payable                     | -                                     | -              | 3,007,896              | 6,924,349                        | 9,932,245    |
| Installment contracts payable                       | 73,158                                | -              | -                      | -                                | 73,158       |
| Total noncurrent liabilities                        | 423,011                               | -              | 3,007,896              | 6,926,785                        | 10,357,692   |
| Total liabilities                                   | 2,757,097                             | 147,273        | 5,638,823              | 8,251,719                        | 16,794,912   |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                |                                       |                |                        |                                  |              |
| Property taxes                                      | -                                     | -              | 294,654                | 810,612                          | 1,105,266    |
| Total liabilities and deferred inflows of resources | 2,757,097                             | 147,273        | 5,933,477              | 9,062,331                        | 17,900,178   |
| <b>NET POSITION</b>                                 |                                       |                |                        |                                  |              |
| Net investment in capital assets                    | 312,645                               | -              | (289,172)              | 1,921,737                        | 1,945,210    |
| Unrestricted (deficit)                              | 1,333,896                             | 1,458,740      | (1,873,744)            | 1,724,130                        | 2,643,022    |
| Total net position                                  | \$ 1,646,541                          | \$ 1,458,740   | \$ (2,162,916)         | \$ 3,645,867                     | \$ 4,588,232 |

See notes to financial statements.

CITY OF MARKHAM, ILLINOIS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
For the fiscal year ended April 30, 2024

|                                     | Business-Type Activities - Enterprise |                     |                        |                                  |                     |
|-------------------------------------|---------------------------------------|---------------------|------------------------|----------------------------------|---------------------|
|                                     | Waterworks<br>and Sewerage            | Solid<br>Waste      | Markham<br>Roller Rink | Markham Senior<br>Living Complex | Total               |
| Operating revenues                  |                                       |                     |                        |                                  |                     |
| Charges for services                | \$ 3,704,261                          | \$ 1,249,336        | \$ -                   | \$ 942,011                       | \$ 5,895,608        |
| Miscellaneous                       | <u>188,972</u>                        | <u>-</u>            | <u>-</u>               | <u>5,005</u>                     | <u>193,977</u>      |
| Total operating revenues            | <u>3,893,233</u>                      | <u>1,249,336</u>    | <u>-</u>               | <u>947,016</u>                   | <u>6,089,585</u>    |
| Operating expenses                  |                                       |                     |                        |                                  |                     |
| Operations                          | 3,477,373                             | 1,591,600           | 59,501                 | 632,838                          | 5,761,312           |
| Depreciation and amortization       | <u>129,183</u>                        | <u>-</u>            | <u>97,907</u>          | <u>348,087</u>                   | <u>575,177</u>      |
| Total operating expenses            | <u>3,606,556</u>                      | <u>1,591,600</u>    | <u>157,408</u>         | <u>980,925</u>                   | <u>6,336,489</u>    |
| Operating income (loss)             | <u>286,677</u>                        | <u>(342,264)</u>    | <u>(157,408)</u>       | <u>(33,909)</u>                  | <u>(246,904)</u>    |
| Nonoperating revenues (expenses)    |                                       |                     |                        |                                  |                     |
| Investment income                   | -                                     | -                   | -                      | 224,646                          | 224,646             |
| Property taxes                      | -                                     | -                   | 364,287                | 1,038,030                        | 1,402,317           |
| Interest expense and fiscal charges | <u>(11,111)</u>                       | <u>-</u>            | <u>(199,755)</u>       | <u>(673,369)</u>                 | <u>(884,235)</u>    |
|                                     | <u>(11,111)</u>                       | <u>-</u>            | <u>164,532</u>         | <u>589,307</u>                   | <u>742,728</u>      |
| Change in net position              | 275,566                               | (342,264)           | 7,124                  | 555,398                          | 495,824             |
| Beginning net position              | <u>1,370,975</u>                      | <u>1,801,004</u>    | <u>(2,170,040)</u>     | <u>3,090,469</u>                 | <u>4,092,408</u>    |
| Ending net position                 | <u>\$ 1,646,541</u>                   | <u>\$ 1,458,740</u> | <u>\$ (2,162,916)</u>  | <u>\$ 3,645,867</u>              | <u>\$ 4,588,232</u> |

See notes to financial statements.

CITY OF MARKHAM, ILLINOIS  
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
For the fiscal year ended April 30, 2024

|                                                                                              | Business-Type Activities - Enterprise |                     |                        |                                  |                     |
|----------------------------------------------------------------------------------------------|---------------------------------------|---------------------|------------------------|----------------------------------|---------------------|
|                                                                                              | Waterworks<br>and Sewerage            | Solid<br>Waste      | Markham<br>Roller Rink | Markham Senior<br>Living Complex | Total               |
| Cash flows from operating activities                                                         |                                       |                     |                        |                                  |                     |
| Receipts from customers and users                                                            | \$ 3,893,149                          | \$ 1,202,637        | \$ -                   | \$ 947,016                       | \$ 6,042,802        |
| Payments to suppliers                                                                        | (3,034,019)                           | (1,635,029)         | (68,277)               | (419,219)                        | (5,156,544)         |
| Payments to employees                                                                        | (541,270)                             | -                   | -                      | (206,800)                        | (748,070)           |
|                                                                                              | <u>317,860</u>                        | <u>(432,392)</u>    | <u>(68,277)</u>        | <u>320,997</u>                   | <u>138,188</u>      |
| Cash flows from noncapital<br>financial activities                                           |                                       |                     |                        |                                  |                     |
| (Repayment) issuance of interfund                                                            | (238,274)                             | (336,758)           | 498,452                | (4,669,985)                      | (4,746,565)         |
| Cash flows from capital and related<br>financing activities                                  |                                       |                     |                        |                                  |                     |
| Receipts of property taxes                                                                   | -                                     | -                   | 347,161                | 978,488                          | 1,325,649           |
| Purchase of capital assets                                                                   | (32,765)                              | -                   | -                      | -                                | (32,765)            |
| Advances on grant funds                                                                      | 40,000                                | -                   | -                      | -                                | 40,000              |
| Principal retirement                                                                         | (86,821)                              | -                   | (265,000)              | (765,000)                        | (1,116,821)         |
| Interest payments and fiscal charges                                                         | -                                     | -                   | (211,375)              | (677,360)                        | (888,735)           |
|                                                                                              | <u>(79,586)</u>                       | <u>-</u>            | <u>(129,214)</u>       | <u>(463,872)</u>                 | <u>(672,672)</u>    |
| Cash flows from investing activities                                                         |                                       |                     |                        |                                  |                     |
| interest received                                                                            | -                                     | -                   | -                      | 224,646                          | 224,646             |
| Net change in cash and cash equivalents                                                      | -                                     | (769,150)           | 300,961                | (4,588,214)                      | (5,056,403)         |
| Cash and cash equivalents - beginning                                                        | -                                     | 1,034,539           | 154,096                | 6,741,786                        | 7,930,421           |
| Cash and cash equivalents - ending                                                           | <u>\$ -</u>                           | <u>\$ 265,389</u>   | <u>\$ 455,057</u>      | <u>\$ 2,153,572</u>              | <u>\$ 2,874,018</u> |
| Reconciliation of operating income<br>to net cash provided (used) by<br>operating activities |                                       |                     |                        |                                  |                     |
| Operating income (loss)                                                                      | \$ 286,677                            | \$ (342,264)        | \$ (157,408)           | \$ (33,909)                      | \$ (246,904)        |
| Adjustments to reconcile operating<br>income to net cash from<br>operating activities:       |                                       |                     |                        |                                  |                     |
| Depreciation and amortization<br>expense                                                     | 129,183                               | -                   | 97,907                 | 348,087                          | 575,177             |
| Other expenses - IMRF                                                                        | (6,004)                               | -                   | -                      | -                                | (6,004)             |
| Change in assets and liabilities                                                             |                                       |                     |                        |                                  |                     |
| Receivables                                                                                  | (84)                                  | (46,699)            | -                      | -                                | (46,783)            |
| Accounts payable                                                                             | (156,963)                             | (43,429)            | (8,776)                | 4,056                            | (205,112)           |
| Accrued payroll                                                                              | 7,260                                 | -                   | -                      | 1,126                            | 8,386               |
| Deposits payable                                                                             | 59,169                                | -                   | -                      | 472                              | 59,641              |
| Compensated absences                                                                         | (1,378)                               | -                   | -                      | 1,165                            | (213)               |
| Net cash from operating activities                                                           | <u>\$ 317,860</u>                     | <u>\$ (432,392)</u> | <u>\$ (68,277)</u>     | <u>\$ 320,997</u>                | <u>\$ 138,188</u>   |
| Non-cash transactions                                                                        |                                       |                     |                        |                                  |                     |
| Recognition of lease asset and<br>lease liability                                            | <u>\$ 149,996</u>                     | <u>\$ -</u>         | <u>\$ -</u>            | <u>\$ -</u>                      | <u>\$ 149,996</u>   |

See notes to financial statements.

CITY OF MARKHAM, ILLINOIS  
STATEMENT OF FIDUCIARY NET POSITION  
April 30, 2024

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|                                                   | Pension<br><u>Trust</u>         |
|---------------------------------------------------|---------------------------------|
| <b>ASSETS</b>                                     |                                 |
| Cash and cash equivalents                         | \$ 1,531,277                    |
| Investments                                       |                                 |
| Illinois Police Officer's Pension Investment Fund | 24,036,005                      |
| Illinois Firefighters' Pension Investment Fund    | 14,561,020                      |
| Insurance contracts                               | 402,826                         |
| Receivables - net of allowances                   |                                 |
| Due from municipality                             | 45,091                          |
| Prepays                                           | <u>4,286</u>                    |
| <br>Total assets                                  | <br>40,580,505                  |
| <b>LIABILITIES</b>                                |                                 |
| Accounts payable                                  | <u>9,805</u>                    |
| <br>Net position restricted for pensions          | <br><u><u>\$ 40,570,700</u></u> |

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See notes to financial statements.

CITY OF MARKHAM, ILLINOIS  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
For the fiscal year ended April 30, 2024

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|                                      | Pension<br><u>Trust</u> |
|--------------------------------------|-------------------------|
| Additions                            |                         |
| Contributions - employer             | \$ 1,643,909            |
| Contributions - plan members         | <u>537,799</u>          |
| Total contributions                  | <u>2,181,708</u>        |
| Investment income (loss)             |                         |
| Interest earned                      | 1,763,575               |
| Net change in fair value             | <u>1,961,625</u>        |
|                                      | 3,725,200               |
| Less investment expenses             | <u>(31,969)</u>         |
| Net investment income                | 3,693,231               |
| Miscellaneous income                 | <u>90,099</u>           |
| Total additions                      | <u>5,965,038</u>        |
| Deductions                           |                         |
| Administration                       | 94,289                  |
| Benefits and refunds                 | <u>2,219,390</u>        |
| Total deductions                     | <u>2,313,679</u>        |
| Change in fiduciary net position     | 3,651,359               |
| Net position restricted for pensions |                         |
| Beginning net position               | <u>36,919,341</u>       |
| Ending net position                  | <u>\$ 40,570,700</u>    |

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See notes to financial statements.

## **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The City of Markham (the City), Illinois, was incorporated in 1925. The City became a 'home-rule' unit on August 2, 2006 under the home-rule provision of the State of Illinois (State) law. The City has a mayor-aldermanic form of government. The Mayor is the Chief Executive Officer of the City and is elected by general election. The City Council is the legislative body and consists of four members who each represent one of the City's four wards. The members of the Council are elected through popular vote by ward for a four-year term.

The government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the City's accounting policies established in GAAP and used by the City are described below.

### Reporting Entity:

The City's financial reporting entity comprises the following:

Primary Government: City of Markham

Discretely Presented Component Unit: Bradford Anderson Oglesby Public Library

In determining the financial reporting entity, the City complies with the provisions of GASB Statement No. 61, "The Financial Reporting Omnibus - an Amendment of GASB Statements No. 14 and No. 34," and includes all component units that have a significant operational or financial relationship with the City have been included.

Police Pension Employees Retirement System: The City's sworn 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 City's Mayor, one elected pension beneficiary and two elected police employees constitute the pension board. The participants are required to contribute a percentage of salary as established by state statute and the City is obligated to fund all remaining PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the City, the PPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the City's police employees. The PPERS is reported as a pension trust fund.

Firefighters' Pension Employees Retirement System: The City's sworn firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of those employees and is governed by a five-member pension board, with two members appointed by the City's Mayor, two elected from active participants of the Fund, and one elected from the retired members of the Fund. The participants are required to contribute a percentage of salary as established by state statute and the City is obligated to fund all remaining FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it is legally separate from the City, the FPERS is reported as if it were part of the primary government because its sole purpose is to provide retirement benefits for the City's sworn firefighters. The FPERS is reported as a pension trust fund.

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

Discretely Presented Component Unit: Discretely presented component units are separate legal entities that meet the component unit criteria described in GASB Statement No. 61 but do not meet the criteria for blending.

Bradford Anderson Oglesby Public Library: The Bradford Anderson Oglesby Public Library (the Library) has a separate elected board and provides service to residents, generally within the geographic boundaries of the City. The Library Board of Trustees annually determines its budget and resulting tax levy. Upon approval of the City, the levy is submitted to the County. All debt of the Library is secured by the full faith and credit of the City. The Library is considered a component unit of the City of Markham for purposes of these financial statements. The Library's report is presented in the City of Markham's Annual Financial Report. A separately issued financial statement audit for the Library can be obtained from the Library at 16640 Kedzie Parkway, Markham, Illinois 60428.

Basis of Presentation:

Government-Wide Statements: The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's public health and safety, highways and streets, and general administrative services are classified as governmental activities. The City's water and sewer services, solid waste services, the Markham Roller Rink, and the Markham Senior Living Complex are classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are: (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The City's net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The City first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's governmental functions (general government, public health and safety, highways and streets, etc.) and business-type activities. The functions are supported by general government revenues (property, sales and other taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use, or directly benefit from foods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

The net costs (by function or business-type activity) are normally covered by general revenue (property tax, sales tax, intergovernmental revenues, Investment Income, etc.).

The City does allocate indirect costs. An administrative service fee is charged by the General Fund to the other operating funds that is eliminated like a reimbursement (reducing the revenue and expense in the General Fund) to recover the direct costs of General Fund services provided (finance, personnel, purchasing, legal, technology management, etc.).

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

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(Continued)

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

Fund Financial Statements: The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets/deferred outflows, liabilities/deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City electively added funds, as major funds, which either have debt outstanding or a specific or community focus. The nonmajor funds are combined in a column in the fund financial statements. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the City:

Governmental Funds: The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the City:

General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund is a major fund.

*Special revenue funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City maintains five special revenue funds. The TIF #5 Interstate Fund, reported as a major fund, is used to account for the redevelopment of the Interstate Crossing Incremental Financing District.

*Debt service funds* are used to account for the accumulation of funds for the periodic payment of principal and interest on long-term debt. The City maintains two nonmajor debt service funds.

*Capital projects funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by business-type/proprietary funds). The City maintains five capital projects funds. The TIF #1 Canterbury Fund Mall Plaza, a major fund, is used to account for the redevelopment of the Canterbury Tax Incremental Financing District. The TIF #3 Dixie Highway Fund, also a major fund, is used to account for the redevelopment of the Dixie Highway Tax Incremental Financing District.

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

Proprietary Funds: The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the proprietary funds of the City:

*Enterprise Funds* are required to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designed to recover similar costs. The City maintains four major enterprise funds. The Waterworks and Sewerage Fund is used to account for the operating activities of the City's water and sewerage utility services on a user-charge basis to the City's residents. The Solid Waste Fund is used to account for the operating activities of the City's solid waste services on a user-charge basis to the City's residents. The Markham Roller Rink Fund is used to account for the operating activities of the City's roller rink on a customer charge basis to the roller rink customers. The roller rink was acquired and improved and commenced operations during the fiscal year April 30, 2014. The Markham Senior Living Complex Fund is used to account for the operating activities of the City's senior living complex on a rental charge basis to the senior living complex residents.

Fiduciary Funds: Fiduciary funds are used to report assets held in a trustee capacity for others and therefore are not available to support City programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

*Pension trust funds* are used to account for assets held in a trustee capacity for pension benefit payments. The Police Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the City's police force. The Firefighters' Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the City's Fire Department.

The City's fiduciary funds are presented in the fiduciary fund financial statements. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements.

Measurement Focus and Basis of Accounting:

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus: On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-type activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

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(Continued)

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

All proprietary and pension trust funds utilize an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets/deferred outflows and liabilities/deferred inflows (whether current or noncurrent) associated with their activities are reported. Proprietary and pension trust fund equity is classified as net position.

Basis of Accounting: In the government-wide Statement of Net Position and Statement of Activities, both governmental and business-type activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. The City recognizes property taxes when they become both measurable and available in accordance with GASB Codification Section P70. A sixty-day availability period is used for revenue recognition for all other governmental fund revenues. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are recognized when due.

In applying the susceptible to accrual concept under the modified accrual basis, those revenues susceptible to accrual are property taxes, sales and use taxes, franchise taxes, licenses, interest revenue, and charges for services. All other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

All proprietary and pension trust funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the City’s enterprise funds are charges to customers for sales and services. The City also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Assets/Deferred Outflows, Liabilities/Deferred Inflows, and Net Position or Equity:

Cash, Investments, and Cash Held with Others: For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent. For the purpose of the proprietary funds “Statement of Cash Flows,” cash and cash equivalents are considered to be cash on hand, demand deposits, cash with fiscal agent, and all highly liquid investments with an original maturity of three months or less.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, the City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Cash held with others represents mandatory sinking fund payments to the Bond Fund for the 2005A General Obligation Bonds. This amount was \$410,000 at April 30, 2024. The principal payment will be applied to the bonds during the year ended April 30, 2027.

Property Taxes: Property taxes for 2022 attach as an enforceable lien on January 1, 2022 on property values assessed as of the same date. Taxes are levied by December of the subsequent fiscal year (by passage of a Tax Levy Ordinance). Tax bills are prepared by the County and are payable in two installments, on or about March 1 and August 1 during the following year. The County collects such taxes and remits them periodically. The City includes a provision for uncollectible property taxes of 5% of the gross levy.

Property taxes levied for calendar 2023 are recorded as receivable, net of estimated uncollectibles, in fiscal 2024. Revenues relating to these accruals for governmental fund types are recorded as a deferred inflow because they are intended to finance fiscal year 2025.

Receivables: In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. The allowance for receivables, other than property taxes, was \$0 at April 30, 2024. Major receivables balances for governmental activities include property taxes, sales and use taxes, franchise taxes, and grants. Business-type activities report utility and customer charges as their major receivables.

Deferred Outflows/Inflows of Resources: Deferred outflow/inflow of resources represents a consumption/acquisition of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

Interfund Receivables, Payables and Activity: Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Capital Assets: Capital assets purchased or acquired with an original cost of \$5,000 or more, depending on asset class, are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the City as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Capital assets in the proprietary funds are capitalized in the fund in which they are utilized. The valuation bases for proprietary fund capital assets are the same as those used for the general capital assets. Donated capital assets are capitalized at estimated fair market value on the date donated.

Depreciation/amortization on all assets is computed and recorded using the straight-line method of depreciation/amortization over the following estimated useful lives:

|                            |               |
|----------------------------|---------------|
| Buildings and Improvements | 15 - 40 Years |
| Machinery and Equipment    | 5 - 20 Years  |
| Infrastructure             | 10 - 40 Years |
| Leased Vehicles            | 4 Years       |

Prepays: Prepays are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both the government-wide and fund financial statements.

Compensated Absences: The City accrues accumulated unpaid vacation and associated employee-related costs when earned (or estimated to be earned) by the employee. In accordance with GASB Statement No. 16, no liability is recorded for nonvesting accumulation rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulated sick leave that is estimated to be taken as "terminal leave" prior to retirement pursuant to the City's personnel rules and union contracts.

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations: In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses at the time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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

In the government-wide financial statements, equity is classified as net position and displayed in three components:

Net Investment in Capital Assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted - All other net position balances that do not meet the definition of "restricted" or "net investment in capital assets."

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Illinois Municipal Retirement Fund (IMRF), Firefighters' Pension Trust Fund, and Police Pension Fund and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by each pension. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Leases: GASB Statement No. 87, Leases establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The City is a lessee for noncancellable leases of equipment and vehicles. The City recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. At the commencement of the lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. Key estimates and judgments related to leases include how the City determines the discount rate, lease term, and lease payments. The City uses the interest rate charged by the lessor as the discount rate; when that rate is not provided, the City generally uses its estimated incremental borrowing rate. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments. The City monitors changes in circumstances that would require a remeasurement.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

Budgetary Information:

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to July 31, the Mayor submits to the City Council a proposed budget of expenditures/expenses and the means of financing them.
- The budget document is available for public inspection for at least ten days prior to passage of the annual appropriation ordinance by the City Council, which is also required to hold at least one public hearing.
- Prior to July 31, the budget is legally enacted through passage of an appropriation ordinance.
- Subsequent to the enactment of the appropriation ordinance, the City Council has the authority to make necessary adjustments to the budget which result in a change in total or individual appropriations. Detailed line-item budgets are included for administrative control. The level of control for the detailed budgets is at the department head/function level. Appropriations lapse at the end of each fiscal year. The City Council may authorize supplemental appropriations during the year. The budget is prepared on the cash basis.
- All annual appropriations unused and unencumbered lapse at year-end. Encumbered appropriations are carried forward to the following year. Project-length financial plans are adopted for Capital Projects Funds. Appropriations for Debt Service Funds are established by bond ordinance. During the year, no supplementary appropriations were necessary.
- Annual appropriation budgets are established for the General Fund, the TIF #1 Canterbury Mall Plaza Fund, the Capital Projects Fund, the TIF #3 Dixie Highway Fund, the Motor Fuel Tax Fund, the TIF #2 Hotel/Motel Tax Fund, the TIF #5 Interstate Fund, the 2008A Bond Fund, the 2008B Bond Fund, the 2012 Bond Fund, the Waterworks and Sewerage Fund, the Solid Waste Fund, the Markham Roller Rink Fund, and the Markham Senior Living Complex Fund.

Excess of Actual Expenditures/Expenses over Budget in Individual Funds:

The following funds had an excess of actual expenditures/expenses, exclusive of depreciation, over budget as of the date of this report:

| <u>Fund</u>      | <u>Excess</u>  |
|------------------|----------------|
| General          | \$ (2,341,057) |
| Capital Projects | (84,519)       |
| Motor Fuel Tax   | (155,190)      |
| 2008A            | (3,000)        |
| Solid Waste      | (236,600)      |

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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**NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)**

Deficit Fund Balances/Net Position:

The following funds had deficit fund balance/net position as of the date of this report:

| <u>Fund</u>                     | <u>Deficit</u> |
|---------------------------------|----------------|
| Capital Projects                | \$ (702,864)   |
| Motor Fuel Tax                  | (45,788)       |
| Grant                           | (348,785)      |
| 2008A Bond                      | (1,028,737)    |
| 2008B Bond                      | (724,366)      |
| 2009B Bond Capital Improvements | (694,720)      |
| Markham Roller Rink             | (2,162,916)    |

**NOTE 3 – CASH AND INVESTMENTS**

The City 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 financial statements as "cash and investments." In addition, investments are separately held by several of the City's funds. The deposits and investments of the pension trust funds are held separately from those of other funds.

Permitted Deposits and Investments - Statutes authorize the City to make deposits/invest in commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. Agencies, obligations of States and their political subdivisions, credit union shares, repurchase agreements, commercial paper rated within the three highest classifications by at least two standard rating services, and Illinois Funds.

The Illinois Funds is an investment pool managed by the Illinois Public Treasurer's Office which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company. Investments in Illinois Funds are valued at the share price, the price for which the investment could be sold.

City:

*Deposits.* At year-end, the carrying amount of the City's deposits for governmental and business-type activities totaled \$45,330,769, which is net of checks written in excess of cash of \$2,987,153, and the bank balances totaled \$47,739,338. Additionally, the City has \$4,514 invested in the Illinois Funds, which is measured at net asset value per share as determined by the Pool.

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment policy manages its exposure to declines in fair value by limiting the maturity of its investment portfolio to less than one year. The City's investments in the Illinois Funds has an average maturity of less than one year.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The City's investment policy limits its exposure to credit risk by primarily investing in external investment pools, fully collateralized certificates of deposits and fully collateralized money market funds. At yearend, the City's investment in the Illinois Funds was rated AAA by Fitch.

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(Continued)

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

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's investment policy does not address custodial credit risk for deposits. At year-end, the entire bank balance of deposits was covered federal depository or equivalent insurance. The City's investment in the Illinois Funds is not subject to custodial credit risk.

For an investment, this is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy diversifies investments to eliminate the risk of loss and by utilizing independent third-party instructions to act as custodians for securities and collateral.

*Concentration Risk.* This is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City's investment policy follows the requirements of the State of Illinois Public Funds Investment Act, which prescribes allowable investment vehicles. At year-end, the City does not have any investments over 5 percent of the total cash and investment portfolio.

Police Pension Fund: The Illinois Police Officers Pension Investment Fund (IPOPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate police pension funds. IPOPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IPOPIF by Illinois suburban and downstate police pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IPOPIF. A schedule of investment expenses is included in IPOPIF's annual comprehensive financial report. For additional information on IPOPIF's investments, please refer to their annual comprehensive financial report, which can be obtained from IFPIF at 456 Fulton Street, Suite 402 Peoria, Illinois 61602 or at [www.ipopif.org](http://www.ipopif.org).

*Deposits.* The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IPOPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's cash on hand totaled \$1,014,665 and the bank balances totaled \$1,014,665.

*Custodial Credit Risk.* In the case of deposits, the Fund's investment policy does not address custodial credit risk for deposits. At year-end, the entire bank balance of deposits was covered by collateral, federal depository or equivalent insurance.

*Investments.* At year-end the Fund has \$24,036,005 invested in IPOPIF. The pooled investments consist of the investments as noted in the target allocation table available at [www.ipopif.org](http://www.ipopif.org). Investments in IPOPIF are valued at IPOPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at year-end. The fund may redeem shares with a seven calendar day notice. IPOPIF may, at its sole discretion and based on circumstances, process redemption requests with fewer than a seven calendar day notice. Regular redemptions of the same amount on a particular day of the month may be arranged with IPOPIF. The fund had \$402,826 invested in Insurance Contracts.

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

*Investment Policy.* IPOPIF's current investment policy was adopted by the Board of Trustees on December 17, 2021. IPOPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IPOPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 3 of the Illinois Pension Code.

*Rate of Return:* For the year ended April 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.54%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

*Firefighters' Pension Fund:* The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory. Investments of the Fund are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual comprehensive financial report, which can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at [www.ifpif.org](http://www.ifpif.org).

*Deposits.* The Fund retains all its available cash with one financial institution. Available cash is determined to be that amount which is required for the current expenditures of the Fund. The excess of available cash is required to be transferred to IFPIF for purposes of the long-term investment for the Fund. At year-end, the carrying amount of the Fund's deposits totaled \$516,612 and the bank balances totaled \$516,612.

*Investments.* At year-end the Fund has \$14,561,020 invested in IFPIF. The pooled investments consist of the investments as noted in the target allocation table available at [www.ifpif.org](http://www.ifpif.org). Investments in IFPIF are valued at IFPIF's share price, which is the price the investment could be sold. There are no unfunded commitments at yearend. The plan may redeem shares by giving notice by 5:00 pm central time on the 1st of each month. Requests properly submitted on or before the 1st of each month will be processed for redemption by the 14th of the month. Expedited redemptions may be processed at the sole discretion of IFPIF.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. The Fund's investment policy states that all deposits in excess of FDIC insurable limits be secured by collateral in order to protect deposits from default. At year-end, the entire carrying amount of the bank balance of deposits is covered by federal depository or equivalent insurance.

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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

*Investment Policy.* IFPIF's current investment policy was adopted by the Board of Trustees on June 17, 2022. IFPIF is authorized to invest in all investments allowed by Illinois Compiled Statutes (ILCS). The IFPIF shall not be subject to any of the limitations applicable to investments of pension fund assets currently held by the transferor pension funds under Sections 1-113.1 through 1-113.12 or Article 4 of the Illinois Pension Code.

*Rate of Return:* For the year ended April 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.79%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discretely Presented Component Unit - Bradford Anderson Oglesby Public Library Deposits and Investments: The Library investment policies permit investments in commercial banks (if a member a FDIC), and to invest in obligations of the US. Treasury and U.S. agencies, short-term commercial paper, Illinois Funds and money market funds.

As of April 30, 2024, the Library's book balance was \$1,054,743 and the bank balances totaled \$1,090,507. At April 30, 2024, the Library had no investments.

*Custodial Credit Risk.* In the case of deposits, this is the risk that in the event of a bank failure, the Library's deposits may not be returned to it. The Library's investment policy states that balances in all deposit accounts will not exceed the insured amount. At year-end, \$135,605 of the bank balance of the deposits was not covered by federal depository or equivalent insurance.

**NOTE 4 – INTERGOVERNMENTAL RECEIVABLE**

The General Obligation bonds of 2005B were issued to provide financing to the Bradford Anderson Ogelsby Public Library (the Library). The Library is repaying these bonds issued by the City. Future principal and interest payments owed from the Library are as follows, with the principal portion recorded as due from other governments in the General fund/governmental activities.

The annual debt service requirements are as follows:

| <u>Fiscal Year</u> | <u>Principal</u>  | <u>Interest</u>  |
|--------------------|-------------------|------------------|
| 2025               | \$ 305,000        | \$ 13,725        |
|                    | <u>\$ 305,000</u> | <u>\$ 13,725</u> |

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

**NOTE 5 – CAPITAL ASSETS**

Governmental Activities: Governmental capital asset activity for the year was as follows:

|                                                     | Beginning<br>Balance | Increases           | (Decreases) | Ending<br>Balance    |
|-----------------------------------------------------|----------------------|---------------------|-------------|----------------------|
| Nondepreciable capital assets                       |                      |                     |             |                      |
| Land                                                | \$ 426,678           | \$ -                | \$ -        | \$ 426,678           |
| Depreciable/amortizable capital assets              |                      |                     |             |                      |
| Buildings and improvements                          | 24,041,846           | 149,180             | -           | 24,191,026           |
| Machinery and equipment                             | 8,499,831            | 100,223             | -           | 8,600,054            |
| Infrastructure                                      | 18,016,604           | 82,250              | -           | 18,098,854           |
| Leased vehicles                                     | 338,024              | 658,962             | -           | 996,986              |
|                                                     | <u>50,896,305</u>    | <u>990,615</u>      | <u>-</u>    | <u>51,886,920</u>    |
| Less accumulated depreciation/<br>amortization      |                      |                     |             |                      |
| Buildings and improvements                          | 12,017,071           | 580,984             | -           | 12,598,055           |
| Machinery and equipment                             | 6,963,794            | 215,907             | -           | 7,179,701            |
| Infrastructure                                      | 7,918,402            | 517,459             | -           | 8,435,861            |
| Leased vehicles                                     | 34,209               | 201,083             | -           | 235,292              |
|                                                     | <u>26,933,476</u>    | <u>1,515,433</u>    | <u>-</u>    | <u>28,448,909</u>    |
| Total net depreciable/amortizable<br>capital assets | <u>23,962,829</u>    | <u>(524,818)</u>    | <u>-</u>    | <u>23,438,011</u>    |
| Total net capital assets                            | <u>\$ 24,389,507</u> | <u>\$ (524,818)</u> | <u>\$ -</u> | <u>\$ 23,864,689</u> |

Depreciation/amortization expense was charged to governmental activities as follows:

|                          |                     |
|--------------------------|---------------------|
| General government       | \$ 853,006          |
| Public health and safety | 138,228             |
| Highways and streets     | <u>524,199</u>      |
|                          | <u>\$ 1,515,433</u> |

(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

**NOTE 5 – CAPITAL ASSETS** (Continued)

Business-Type Activities: Business-type capital asset activity for the year was as follows:

|                                                     | Beginning<br>Balance | Increases           | (Decreases) | Ending<br>Balance    |
|-----------------------------------------------------|----------------------|---------------------|-------------|----------------------|
| Nondepreciable capital assets                       |                      |                     |             |                      |
| Land                                                | \$ 187,140           | \$ -                | \$ -        | \$ 187,140           |
| Depreciable/amortizable capital assets              |                      |                     |             |                      |
| Buildings and improvements                          | 18,866,003           | -                   | -           | 18,866,003           |
| Machinery and equipment                             | 3,915,320            | 32,765              | -           | 3,948,085            |
| Leased equipment                                    | 115,000              | 149,996             | -           | 264,996              |
|                                                     | <u>22,896,323</u>    | <u>182,761</u>      | <u>-</u>    | <u>23,079,084</u>    |
| Less accumulated depreciation/<br>amortization      |                      |                     |             |                      |
| Buildings and improvements                          | 5,713,561            | 453,213             | -           | 6,166,774            |
| Machinery and equipment                             | 3,783,523            | 32,426              | -           | 3,815,949            |
| Leased equipment                                    | -                    | 89,538              | -           | 89,538               |
|                                                     | <u>9,497,084</u>     | <u>575,177</u>      | <u>-</u>    | <u>10,072,261</u>    |
| Total net depreciable/amortizable<br>capital assets | <u>13,399,239</u>    | <u>(392,416)</u>    | <u>-</u>    | <u>13,006,823</u>    |
| Total net capital assets                            | <u>\$ 13,586,379</u> | <u>\$ (392,416)</u> | <u>\$ -</u> | <u>\$ 13,193,963</u> |

Depreciation/Amortization expense was charged to business-type activities as follows:

|                               |                   |
|-------------------------------|-------------------|
| Waterworks and sewerage       | \$ 129,183        |
| Markham roller rink           | 97,907            |
| Markham senior living complex | <u>348,087</u>    |
|                               | <u>\$ 575,177</u> |

(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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**NOTE 5 – CAPITAL ASSETS** (Continued)

Discretely Presented Component Unit - Bradford Anderson Oglesby Public Library: The Bradford Anderson Oglesby Public Library capital asset activity for the year was as follows:

|                               | Beginning<br><u>Balance</u> | <u>Increases</u>   | <u>(Decreases)</u> | Ending<br><u>Balance</u> |
|-------------------------------|-----------------------------|--------------------|--------------------|--------------------------|
| Nondepreciable capital assets |                             |                    |                    |                          |
| Land                          | \$ 23,133                   | \$ -               | \$ -               | \$ 23,133                |
| Depreciable capital assets    |                             |                    |                    |                          |
| Buildings and improvements    | 4,359,125                   | -                  | -                  | 4,359,125                |
| Library bookmobile            | 212,433                     | -                  | -                  | 212,433                  |
| Computer equipment            | 63,938                      | 42,132             | -                  | 106,070                  |
| Office equipment              | 55,805                      | 5,740              | -                  | 61,545                   |
| Machinery and equipment       | 163,351                     | -                  | -                  | 163,351                  |
|                               | <u>4,854,652</u>            | <u>47,872</u>      | <u>-</u>           | <u>4,902,524</u>         |
| Less accumulated depreciation |                             |                    |                    |                          |
| Buildings and improvements    | 1,603,677                   | 108,978            | -                  | 1,712,655                |
| Library bookmobile            | 212,433                     | -                  | -                  | 212,433                  |
| Computer equipment            | 63,938                      | 10,731             | -                  | 74,669                   |
| Office equipment              | 55,805                      | 1,148              | -                  | 56,953                   |
| Machinery and equipment       | 159,450                     | 1,950              | -                  | 161,400                  |
|                               | <u>2,095,303</u>            | <u>122,807</u>     | <u>-</u>           | <u>2,218,110</u>         |
| Total other capital assets    | <u>2,759,349</u>            | <u>(74,935)</u>    | <u>-</u>           | <u>2,684,414</u>         |
| Total capital assets          | <u>\$ 2,782,482</u>         | <u>\$ (74,935)</u> | <u>\$ -</u>        | <u>\$ 2,707,547</u>      |

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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**NOTE 6 – INTERFUNDS AND TRANSFERS**

Interfund Balances: Interfund balances are advances in anticipation of receipts to cover temporary cash shortages and from the time lag between when transactions are recorded in the accounting system and payments between funds are made. The composition of interfund balances as of the date of this report, is as follows:

| <u>Receivable Fund</u>       | <u>Payable Fund</u>     | <u>Amount</u>        |
|------------------------------|-------------------------|----------------------|
| General                      | Nonmajor Governmental   | \$ 4,568,677         |
| General                      | Markham Roller Rink     | 2,105,916            |
| General                      | TIF #5 Interstate       | 8,828                |
| TIF #1 Canterbury Mall Plaza | General                 | 974,737              |
| TIF #3 Dixie Highway         | Markham Roller Rink     | 144,023              |
| Waterworks and Sewerage      | General                 | 3,148,561            |
| Solid Waste                  | Waterworks and Sewerage | <u>1,202,637</u>     |
|                              |                         | <u>\$ 12,153,379</u> |

Interfund Transfers: Interfund transfers for the year consisted of the following:

| <u>Transfer In</u>    | <u>Transfer Out</u>   | <u>Amount</u>       |
|-----------------------|-----------------------|---------------------|
| General               | TIF #3 Dixie Highway  | \$ 809,546          |
| General               | TIF #5 Interstate     | 376,845             |
| General               | Nonmajor Governmental | 134,462             |
| Nonmajor Governmental | General               | <u>307,019</u>      |
|                       |                       | <u>\$ 1,627,872</u> |

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

**NOTE 7 – LONG-TERM OBLIGATIONS**

General Obligation Bonds: The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and for operations. General obligation bonds have been issued for governmental and business-type activities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds currently outstanding are as follows:

| <u>Issue</u>                                                                                                                                                                             | <u>Fund Debt<br/>Retired by</u>        | <u>Beginning<br/>Balance</u> | <u>Issuances</u> | <u>Retirement</u>     | <u>Ending<br/>Balance</u> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|------------------------------|------------------|-----------------------|---------------------------|
| \$5,550,000 General Obligation (Alternate Revenue Source) Bonds of 2005A - Due in annual installments of \$135,000 to \$1,785,000 plus interest at 4.00% to 5.25% through April 1, 2027. | TIF #1<br>Canterbury<br>Mall Plaza     | \$ 1,785,000                 | \$ -             | \$ -                  | \$ 1,785,000              |
| \$4,000,000 General Obligation Library Purpose Bonds of 2005B - Due in annual installments of \$215,000 to \$305,000 plus interest at 4.50% to 5.25% through January 1, 2025.            | General                                | 600,000                      | -                | (295,000)             | 305,000                   |
| \$10,000,000 General Obligation Bonds of 2008A - Due in annual installments of \$330,000 to \$1,045,000 plus interest at 5.50% to 6.00% through February 1, 2033.                        | 2008A Bond                             | 7,570,000                    | -                | (525,000)             | 7,045,000                 |
| \$8,000,000 General Obligation Bonds of 2008B - Due in annual installments of \$260,000 to \$655,000 plus interest at 4.75% to 5.75% through February 1, 2028.                           | 2008B Bond                             | 2,935,000                    | -                | (520,000)             | 2,415,000                 |
| \$14,295,000 General Obligation Bonds of 2009A - Due in annual installments of \$355,000 to \$1,430,000 plus interest at 7.40% to 8.00% through December 1, 2030.                        | Markham<br>Senior<br>Living<br>Complex | 8,640,000                    | -                | (765,000)             | 7,875,000                 |
| \$5,500,000 General Obligation Bonds of 2012 - Due in annual installments of \$160,000 to \$450,000 plus interest at 6.00% through December 1, 2032.                                     | Markham<br>Roller Rink                 | 3,515,000                    | -                | (265,000)             | 3,250,000                 |
|                                                                                                                                                                                          |                                        | <u>\$ 25,045,000</u>         | <u>\$ -</u>      | <u>\$ (2,370,000)</u> | <u>\$ 22,675,000</u>      |

(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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**NOTE 7 – LONG-TERM OBLIGATIONS** (Continued)

Asset Retirement Obligation: The City has recognized an asset retirement obligation (ARO) and related deferred outflow of resources in connection with its obligation to three water towers at the end of their estimated useful lives in accordance with federal, state, and/or local requirements. The ARO was measured using actual historical costs for similar abandonments, adjusted for inflation through the end of the year. The estimated remaining useful lives of the water towers is 28 years.

1. Elevated 1 Million Gallon Water Tower (approximately valued \$4 million)
2. Ground 2 Million Gallon Water (approximately valued \$4 million)
3. Ground 1 Million Gallon Water (approximately valued \$2 million)

Leases Payable: The City has the following leases outstanding at year end:

| <u>Lease</u>            | <u>Term Length</u> | <u>Start Date</u>  | <u>Payments</u> | <u>Interest Rate</u> |
|-------------------------|--------------------|--------------------|-----------------|----------------------|
| Police Interceptor 3355 | 60 Months          | May 23, 2022       | \$740 Monthly   | 10.04%               |
| Police Inteceptor 2231  | 60 Months          | May 24, 2022       | \$736 Monthly   | 10.12%               |
| Police Inteceptor 1754  | 60 Months          | May 24, 2022       | \$749 Monthly   | 10.90%               |
| Police Inteceptor 3763  | 60 Months          | May 23, 2022       | \$740 Monthly   | 10.41%               |
| Durango 2743            | 60 Months          | March 2, 2023      | 960 Monthly     | 9.52%                |
| Durango 2742            | 60 Months          | April 18, 2023     | \$953 Monthly   | 9.21%                |
| Expedition 2964         | 60 Months          | April 13, 2023     | \$1,189 Monthly | 8.20%                |
| Expedition 2695         | 60 Months          | January 27, 2023   | \$1,198 Monthly | 8.55%                |
| Police Interceptor 0992 | 60 Months          | July 7, 2023       | \$704 Monthly   | 9.79%                |
| Police Interceptor 1632 | 60 Months          | July 27, 2023      | \$1,038 Monthly | 10.06%               |
| Police Interceptor 1651 | 60 Months          | July 27, 2023      | \$692 Monthly   | 9.03%                |
| Police Interceptor 0409 | 60 Months          | July 27, 2023      | \$1,039 Monthly | 10.06%               |
| Police Interceptor 1655 | 60 Months          | July 27, 2023      | \$1,038 Monthly | 10.06%               |
| Police Interceptor 0376 | 60 Months          | July 27, 2023      | \$1,038 Monthly | 10.06%               |
| Police Interceptor 0976 | 60 Months          | July 27, 2023      | \$1,038 Monthly | 10.06%               |
| Police Interceptor 1113 | 60 Months          | July 27, 2023      | \$1,038 Monthly | 10.06%               |
| Police Interceptor 1230 | 60 Months          | July 27, 2023      | \$1,038 Monthly | 10.06%               |
| Police Interceptor 1659 | 60 Months          | July 27, 2023      | \$1,038 Monthly | 10.06%               |
| Explorer 0495           | 60 Months          | September 15, 2023 | \$768 Monthly   | 11.05%               |
| Durango 2744            | 60 Months          | May 3, 2023        | \$981 Monthly   | 9.48%                |
| Expedition 2694         | 60 Months          | April 13, 2023     | \$1,189 Monthly | 8.20%                |
| John Deere Backhoe      | 24 months          | May 28, 2023       | \$6,645 Monthly | 6.00%                |

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

**NOTE 7 – LONG-TERM OBLIGATIONS** (Continued)

The future principal and interest lease payments as of the year-end were as follows:

| <u>Fiscal Year</u> | <u>Governmental type</u> |                   | <u>Business type</u> |                 |
|--------------------|--------------------------|-------------------|----------------------|-----------------|
|                    | <u>Principal</u>         | <u>Interest</u>   | <u>Principal</u>     | <u>Interest</u> |
| 2025               | \$ 171,504               | \$ 67,335         | \$ 76,846            | \$ 2,899        |
| 2026               | 188,857                  | 49,982            | 6,612                | 33              |
| 2027               | 207,979                  | 30,860            | -                    | -               |
| 2028               | 182,804                  | 11,590            | -                    | -               |
| 2029               | 22,162                   | 308               | -                    | -               |
|                    | <u>\$ 773,306</u>        | <u>\$ 160,075</u> | <u>\$ 83,458</u>     | <u>\$ 2,932</u> |

Installment Contracts: The City has established installment contracts payable as follows:

| <u>Issue</u>                                                                                                                                           | <u>Fund Debt<br/>Retired by</u> | <u>Beginning<br/>Balance</u> | <u>Issuances</u> | <u>Retirement</u>  | <u>Ending<br/>Balance</u> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|------------------------------|------------------|--------------------|---------------------------|
| \$33,305 Installment Contract of 2020 -<br>Due in annual installments of \$10,000<br>to \$11,753 plus interest at 5.99%<br>through November 16, 2023.  | General                         | \$ 11,754                    | \$ -             | \$ (11,754)        | \$ -                      |
| \$489,213 Installment Contract of 2021 -<br>Due in annual installments of \$34,365<br>to \$47,845 plus interest at 3.00%<br>through July 13, 2032.     | General                         | 419,433                      | -                | (36,496)           | 382,937                   |
| \$672,154 Installment Contract of 2023 -<br>Due in annual installments of \$21,930<br>to \$200,000 plus interest at 4.97%<br>through January 20, 2038. | General                         | 472,154                      | -                | (21,930)           | 450,224                   |
| \$175,000 Installment Contract of 2023A<br>- Due in annual installments of \$20,283<br>to \$25,888 plus interest at 6.29%<br>through April 24, 2028.   | Waterworks &<br>Sewerage        | 115,000                      | -                | (20,283)           | 94,717                    |
|                                                                                                                                                        |                                 | <u>\$ 1,018,341</u>          | <u>\$ -</u>      | <u>\$ (90,463)</u> | <u>\$ 927,878</u>         |

(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

**NOTE 7 – LONG-TERM OBLIGATIONS (Continued)**

Long-Term Liability Activity: Changes in long-term liabilities during the fiscal year were as follows:

|                                        | Beginning<br>Balance | Additions           | Reductions            | Ending<br>Balance    | Amounts<br>Due Within<br>One Year |
|----------------------------------------|----------------------|---------------------|-----------------------|----------------------|-----------------------------------|
| <b>Governmental activities</b>         |                      |                     |                       |                      |                                   |
| Compensated absences                   | \$ 1,412,250         | \$ 255,411          | \$ (282,450)          | \$ 1,385,211         | \$ 138,521                        |
| Net pension liability/(asset)          |                      |                     |                       |                      |                                   |
| IMRF                                   | 693,277              | -                   | (653,812)             | 39,465               | -                                 |
| Police pension                         | 21,283,554           | -                   | (3,787,270)           | 17,496,284           | -                                 |
| Firefighters' pension                  | 3,760,002            | -                   | (365,628)             | 3,394,374            | -                                 |
| Total OPEB liability                   | 2,117,253            | 206,631             | (67,208)              | 2,256,676            | 67,208                            |
| Claims payable                         | 558,326              | 209,881             | (508,150)             | 260,057              | 260,057                           |
| General obligation bonds               | 12,890,000           | -                   | (1,340,000)           | 11,550,000           | 1,430,000                         |
| Unamortized bond premium               | 10,109               | -                   | (2,525)               | 7,584                | -                                 |
| Installment contracts payable          | 903,341              | -                   | (70,180)              | 833,161              | 60,631                            |
| Leases payable                         | 188,794              | 726,868             | (142,356)             | 773,306              | 171,504                           |
|                                        | <u>\$ 43,816,906</u> | <u>\$ 1,398,791</u> | <u>\$ (7,219,579)</u> | <u>\$ 37,996,118</u> | <u>\$ 2,127,921</u>               |
| <b>Business-type activities</b>        |                      |                     |                       |                      |                                   |
| Compensated absences                   | \$ 13,658            | \$ 2,519            | \$ (2,732)            | \$ 13,445            | \$ 1,101                          |
| Net pension liability/(asset) - IMRF   | 35,339               | -                   | (35,339)              | -                    | -                                 |
| Asset retirement obligation            | 333,333              | -                   | -                     | 333,333              | -                                 |
| General obligation bonds               | 12,155,000           | -                   | (1,030,000)           | 11,125,000           | 1,105,000                         |
| Unamortized bond discount              | (102,357)            | 14,602              | -                     | (87,755)             | -                                 |
| Leases payable                         | -                    | 149,996             | (66,538)              | 83,458               | 76,846                            |
| Installment contracts payable          | 115,000              | -                   | (20,283)              | 94,717               | 21,559                            |
|                                        | <u>\$ 12,549,973</u> | <u>\$ 167,117</u>   | <u>\$ (1,154,892)</u> | <u>\$ 11,562,198</u> | <u>\$ 1,204,506</u>               |
| <b>Component unit - public library</b> |                      |                     |                       |                      |                                   |
| Net pension liability/(asset) – IMRF   | \$ 71,476            | \$ -                | \$ (65,637)           | \$ 5,839             | \$ -                              |
| Intergovernmental payable              | 600,000              | -                   | (295,000)             | 305,000              | 305,000                           |
|                                        | <u>\$ 671,476</u>    | <u>\$ -</u>         | <u>\$ (360,637)</u>   | <u>\$ 310,839</u>    | <u>\$ 305,000</u>                 |

For the governmental activities, payments on the compensated absences, the net pension liabilities/(asset), the claims payable, and the total OPEB liability are made by the General Fund. Payments on general obligation bonds are being liquidated by the General Fund, the TIF #1 Canterbury Mall Plaza Fund, the 2008A Bond Fund, and the 2008B Bond Fund. The General Fund makes payments on the installment contracts and leases payable.

Additionally, for business-type activities, the compensated absences are being liquidated by the Waterworks and Sewerage Fund, the Markham Roller Rink Fund, and the Markham Senior Living Complex Fund. The Waterworks and Sewerage Fund makes payments on the net pension liability/(asset) and the asset retirement obligation. The Markham Senior Living Complex Fund and the Markham Roller Rink make payment on the general obligation bonds.

(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

**NOTE 7 – LONG-TERM OBLIGATIONS (Continued)**

Legal Debt Margin: Article VII, Section 6(k) of the 1970 Illinois Constitution governs the computation of 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 Illinois General Assembly has set no limits for home rule municipalities. The City is a home rule municipality.

Debt Service Requirements to Maturity: The annual debt service requirements to maturity, including principal and interest, are as follows:

| Fiscal<br>Year | Governmental Activities |                     |                       |                   | Business-Type Activities |                     |                       |                  | Component Unit -<br>Public Library |                  |
|----------------|-------------------------|---------------------|-----------------------|-------------------|--------------------------|---------------------|-----------------------|------------------|------------------------------------|------------------|
|                | General Obligation Bond |                     | Installment Contracts |                   | General Obligation Bond  |                     | Installment Contracts |                  | Intergovernmental Payable          |                  |
|                | Principal               | Interest            | Principal             | Interest          | Principal                | Interest            | Principal             | Interest         | Principal                          | Interest         |
| 2025           | \$ 1,430,000            | \$ 638,747          | \$ 60,631             | \$ 34,071         | \$ 1,105,000             | \$ 814,800          | \$ 21,559             | \$ 5,957         | \$ 305,000                         | \$ 13,725        |
| 2026           | 1,195,000               | 558,909             | 62,924                | 31,778            | 1,180,000                | 737,020             | 22,915                | 4,601            | -                                  | -                |
| 2027           | 3,060,000               | 493,198             | 65,309                | 29,394            | 1,375,000                | 653,900             | 24,356                | 3,160            | -                                  | -                |
| 2028           | 1,360,000               | 334,328             | 67,889                | 26,813            | 1,470,000                | 550,300             | 25,887                | 1,628            | -                                  | -                |
| 2029           | 765,000                 | 256,128             | 70,369                | 24,333            | 1,585,000                | 439,400             | -                     | -                | -                                  | -                |
| 2030           | 830,000                 | 212,140             | 73,054                | 21,648            | 1,705,000                | 319,700             | -                     | -                | -                                  | -                |
| 2031           | 895,000                 | 164,415             | 75,847                | 18,855            | 1,830,000                | 190,900             | -                     | -                | -                                  | -                |
| 2032           | 970,000                 | 113,848             | 78,754                | 15,948            | 425,000                  | 52,500              | -                     | -                | -                                  | -                |
| 2033           | 1,045,000               | 59,043              | 81,778                | 12,924            | 450,000                  | 27,000              | -                     | -                | -                                  | -                |
| 2034           | -                       | -                   | 35,620                | 9,776             | -                        | -                   | -                     | -                | -                                  | -                |
| 2035           | -                       | -                   | 37,390                | 8,006             | -                        | -                   | -                     | -                | -                                  | -                |
| 2036           | -                       | -                   | 39,249                | 6,148             | -                        | -                   | -                     | -                | -                                  | -                |
| 2037           | -                       | -                   | 41,199                | 4,197             | -                        | -                   | -                     | -                | -                                  | -                |
| 2038           | -                       | -                   | 43,148                | 2,149             | -                        | -                   | -                     | -                | -                                  | -                |
| Totals         | <u>\$ 11,550,000</u>    | <u>\$ 2,830,756</u> | <u>\$ 833,161</u>     | <u>\$ 246,040</u> | <u>\$ 11,125,000</u>     | <u>\$ 3,785,520</u> | <u>\$ 94,717</u>      | <u>\$ 15,346</u> | <u>\$ 305,000</u>                  | <u>\$ 13,725</u> |

(Continued)

**NOTE 8 – INTERGOVERNMENTAL AGREEMENTS**

Intergovernmental Agreement: On February 15, 2012, the City and the Markham Park District (the District) entered into an intergovernmental agreement (Agreement) under which the District engaged the City to operate and maintain the District facilities including all real and personal property, equipment, tools and other items owned or leased by the District. Under this agreement, the City agreed to take full operational and maintenance responsibilities for all District facilities and programs and services to be operated in the City. Amounts paid by the City to the District totaled \$3,587,891 for the fiscal year ended April 30, 2013, \$525,932 for the fiscal year ended April 30, 2014, \$60,000 for the fiscal year ended April 30, 2015, \$70,000 for the fiscal year ended April 30, 2016, \$70,000 for the fiscal year ended April 30, 2017, \$70,000 for the fiscal year ended April 30, 2018, \$89,088 for the fiscal year ended April 30, 2019, \$195,739 for the fiscal year ended April 30, 2020, \$95,500 for the fiscal year ended April 30, 2021, \$175,500 for the fiscal year ended April 30, 2022, \$236,500 for the fiscal year ended April 30, 2023, and \$319,000 for the fiscal year ended April 30, 2024.

In consideration of the City's agreement to service the District, the District agreed to pay the City twice annually an amount equal to all "net tax revenue" meaning all tax revenue received by the District minus debt service obligations and annual administrative expenses. Notwithstanding the foregoing, no such payments have been made since the inception of the agreement referenced above and through the date of this report. However, the District has not paid the City to date, nor is the City anticipating to be paid in arrears. Since there is no consideration exchanged to the City in this arrangement, the criteria to be a Public-Public Partnership (P4) under GASB Statement No. 94 is not met.

The terms of the Agreement are ten years from the effective date of the Agreement. The Agreement shall automatically be extended for an additional twenty years unless either party gives the other party at least six months' notice of non-renewal.

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 9 – NET POSITION AND FUND BALANCE CLASSIFICATIONS**

Net Position Classification: Net investment in capital assets was comprised of the following as of April 30, 2024:

|                                                              |                      |
|--------------------------------------------------------------|----------------------|
| Governmental activities                                      |                      |
| Capital assets - net of accumulated depreciation             | \$ 23,864,689        |
| Less capital related debt:                                   |                      |
| General obligation (alternate revenue source) bonds of 2005A | (1,785,000)          |
| General obligation library purpose bonds of 2005B            | (305,000)            |
| General obligation bonds of 2008A                            | (7,045,000)          |
| General obligation bonds of 2008B                            | (2,415,000)          |
| Unamortized bond premium                                     | (7,584)              |
| Installment contracts payable                                | (833,161)            |
| Lease payable                                                | <u>(773,306)</u>     |
| Net investment in capital assets                             | <u>\$ 10,700,638</u> |
| Business-type activities                                     |                      |
| Capital assets - net of accumulated depreciation             | \$ 13,193,963        |
| Less capital related debt:                                   |                      |
| General obligation bonds of 2009A                            | (7,875,000)          |
| General obligation bonds of 2012                             | (3,250,000)          |
| Asset retirement obligation, net of deferred outflow         | (33,333)             |
| Unamortized bond discount                                    | 87,755               |
| Installment contracts payable                                | (83,458)             |
| Lease payable                                                | <u>(94,717)</u>      |
| Net investment in capital assets                             | <u>\$ 1,945,210</u>  |
| Component unit - public library                              |                      |
| Capital assets - net of accumulated depreciation             | \$ 2,707,547         |
| Less capital related debt:                                   |                      |
| Intergovernmental payable                                    | <u>(305,000)</u>     |
| Net investment in capital assets                             | <u>\$ 2,402,547</u>  |

Fund Balance Classifications: In the governmental fund financial statements, the City considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The City first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

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(Continued)

**NOTE 9 – NET POSITION AND FUND BALANCE CLASSIFICATIONS** (Continued)

*Nonspendable Fund Balance.* Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

*Restricted Fund Balance.* Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

*Committed Fund Balance.* Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the City Council; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

*Assigned Fund Balance.* Consists of amounts that are constrained by the City Council's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the City Council itself or b) a body or official to which the City Council has delegated the authority to assign amounts to be used for specific purposes. The City's highest level of decision-making authority is the City Council, who is authorized to assign amounts to a specific purpose.

*Unassigned Fund Balance.* Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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**NOTE 10 – RISK MANAGEMENT AND CONTINGENCIES**

Risk Management: The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; natural disasters; and injuries to the City's employees.

The City is self-insured for a portion of its general liability and workers' compensation claims. Under this program, the City has a self-insurance retention of between \$100,000 and \$500,000 for each general liability and workers' compensation claim based on type of claim.

The City currently reports all of its risk management activities as governmental activities. Claims expenses and liabilities are reported when it is probable that a loss has occurred and the amount of the that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported that was determined using historical claims data.

As of April 30, 2024, that amount of these liabilities total \$260,057 which is the City's best estimate based on available information. Changes in the reported liability since April 30, 2024 resulted in the following:

|                                 |                          |
|---------------------------------|--------------------------|
| Claims payable - April 30, 2022 | \$ 711,608               |
| Incurred Claims                 | 753,476                  |
| Claims Paid                     | <u>(906,758)</u>         |
| Claims payable - April 30, 2023 | 558,326                  |
| Incurred Claims                 | 209,881                  |
| Claims Paid                     | <u>(508,150)</u>         |
| Claims payable - April 30, 2024 | <u><u>\$ 260,057</u></u> |

Contingent Liabilities:

Litigation: The City of Markham has been served with a subpoena from each of the United States Department of Justice and the Securities and Exchange Commission for records. The records pertain to issuance of Municipal Bonds. The City is cooperating with the governmental entities and producing documents requested by the government without limitation. The government has not advised the City of any specific direction for the subpoena except that the government is collecting and analyzing documents.

Grants: Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 11 – JOINT VENTURE**

CalComm Regional Joint ETSB: The Illinois General Assembly amended the Emergency Telephone System Act (PSAP) and mandated that Public Safety Answering Points in Counties with populations of at least 250,000 but less than 1,000,000 be consolidated to reduce the number of PSAPs by at least 50%. Therefore, as of July 2017, the City became a member of the CalComm Regional Joint ETSB (CalComm). CalComm consists of five municipalities. CalComm is an intergovernmental association established by participating local governmental entities (agencies) and pursuant to legal authority conferred by the State of Illinois. CalComm provides equipment services and other items necessary and appropriate for the establishment, operations and ongoing maintenance of a combined public safety telecommunications system for the mutual benefit of the members of CalComm.

CalComm is governed by Board of Directors, which consists of one representative for each member of CalComm and signatory to the intergovernmental agreement and the bylaws. The Board, shall have the authority to hire, fix the salary and job descriptions, and remove the employees of CalComm with recommendation from the Executive Director. In accordance with the intergovernmental agreement, the City remitted \$363,610 to the Center for the year ended April 30, 2024, which is recorded in the City's General Fund.

**NOTE 12 – DEFINED BENEFIT PENSION PLANS**

Employee Retirement System - Defined Benefit Pension Plans: The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Police Pension Plan which is a single-employer pension plan, and the Firefighters' Pension Plan which is a single-employer pension plan. A separate report is issued for the Police Pension Plan and Firefighters' Pension Plan and may be obtained by writing to the City at 16313 Kedzie, Markham, Illinois 60428. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at [www.imrf.org](http://www.imrf.org). The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

The aggregate amounts recognized for the three pension plans are:

|                       | Net Pension<br><u>Liabilities</u> | Deferred<br><u>Outflows</u> | Deferred<br><u>Inflows</u> | Pension<br>Expenses/<br><u>(Revenues)</u> |
|-----------------------|-----------------------------------|-----------------------------|----------------------------|-------------------------------------------|
| IMRF                  |                                   |                             |                            |                                           |
| City                  | \$ 39,465                         | \$ 637,468                  | \$ (292,116)               | \$ (278,714)                              |
| Library               | 5,839                             | 94,308                      | (43,217)                   | (41,233)                                  |
| Police pension        | 17,496,284                        | 4,960,796                   | (5,602,825)                | 1,338,243                                 |
| Firefighters' pension | <u>3,394,374</u>                  | <u>1,102,127</u>            | <u>(2,209,708)</u>         | <u>424,698</u>                            |
|                       | <u>\$ 20,935,962</u>              | <u>\$ 6,794,699</u>         | <u>\$ (8,147,866)</u>      | <u>\$ 1,442,994</u>                       |

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(Continued)

**NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)**

Illinois Municipal Retirement Fund (IMRF):

Plan Descriptions:

Plan Administration. All employees (other than those covered by the Police and Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

IMRF provides two tiers of pension benefits. Employees hired **before** January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired **on or after** January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership. As of December 31, 2023, the measurement date, the following employees for the City and Library were covered by the benefit terms:

|                                                                  |                     |
|------------------------------------------------------------------|---------------------|
| Inactive plan members currently receiving benefits               | 45                  |
| Inactive plan members entitled to but not yet receiving benefits | 62                  |
| Active plan members                                              | <u>57</u>           |
| Total                                                            | <u><u>164</u></u> * |

\*The employees in the above table include the Bradford Anderson Oglesby Public Library.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)**

*Contributions.* As set by statute, the City's and Library's Regular Plan Members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended April 30, 2024, the City's contribution was 3.85% of covered payroll and the Library's contribution was 3.85% of covered payroll. For the fiscal year ended April 30, 2024, the City contributed \$167,162 to the plan.

*Net Pension Liability.* The City's and Library's net pension liability was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of December 31, 2023, using the following actuarial methods and assumptions:

|                            |                        |
|----------------------------|------------------------|
| Actuarial Cost Method      | Entry Age Normal       |
| Asset Valuation Method     | Market Value of Assets |
| Actuarial Assumptions      |                        |
| Investment Rate of Return  | 7.25%                  |
| Salary Increases           | 2.85% to 13.75%        |
| Cost of Living Adjustments | 3.25%                  |
| Inflation                  | 2.25%                  |

For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 108%) and Female (adjusted 106%) tables, and future mortality improvements projected using scale MP-2021. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2021.

Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2023 valuation pursuant to an experience study of the period 2020-2022.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

| Asset Class            | Target Allocation | Long-Term Expected Real Rate of Return |
|------------------------|-------------------|----------------------------------------|
| Equities               | 34.5%             | 5.00%                                  |
| International Equities | 18.0%             | 6.35%                                  |
| Fixed Income           | 24.5%             | 4.75%                                  |
| Real Estate            | 10.5%             | 6.30%                                  |
| Alternatives           | 11.5%             | 6.05%-8.65%                            |
| Cash Equivalents       | 1.0%              | 3.80%                                  |
|                        | <u>100.00%</u>    |                                        |

Discount Rate: The discount rate used to measure the total pension liability was 7.25%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity: The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the net pension liability/(asset) of the City calculated using the discount rate as well as what the City's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

|                               | 1% Decrease<br>(6.25%) | Current<br>Discount Rate<br>(7.25%) | 1% Increase<br>(8.25%) |
|-------------------------------|------------------------|-------------------------------------|------------------------|
| City                          | \$ 1,116,824           | \$ 39,465                           | \$ (816,063)           |
| Library                       | <u>165,225</u>         | <u>5,839</u>                        | <u>(120,730)</u>       |
| Net pension liability/(asset) | <u>\$ 1,282,049</u>    | <u>\$ 45,304</u>                    | <u>\$ (936,793)</u>    |

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CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)**

Changes in the Net Pension Liability:

|                                                             | <u>City</u>              | <u>Library</u>        | <u>Total</u>             |
|-------------------------------------------------------------|--------------------------|-----------------------|--------------------------|
| Total pension liability                                     |                          |                       |                          |
| Service cost                                                | \$ 228,891               | \$ 33,862             | \$ 262,753               |
| Interest                                                    | 762,363                  | 112,785               | 875,148                  |
| Differences between expected and actual experience          | (332,620)                | (49,208)              | (381,828)                |
| Change of assumptions                                       | (27,954)                 | (4,136)               | (32,090)                 |
| Benefit payments, including refunds of member contributions | (717,091)                | (106,087)             | (823,178)                |
| Change in proportionate share                               | (31,637)                 | 31,637                | -                        |
| Net change in total pension liability                       | (118,048)                | 18,853                | (99,195)                 |
| Total pension liability - beginning                         | <u>11,439,806</u>        | <u>911,415</u>        | <u>12,351,221</u>        |
| <br>Total pension liability - ending                        | <br><u>\$ 11,321,758</u> | <br><u>\$ 930,268</u> | <br><u>\$ 12,252,026</u> |
| <br>Plan fiduciary net position                             |                          |                       |                          |
| Contributions - employer                                    | \$ 136,841               | \$ 20,244             | \$ 157,085               |
| Contributions - members                                     | 123,664                  | 18,295                | 141,959                  |
| Net investment income                                       | 1,122,382                | 166,047               | 1,288,429                |
| Benefit payments, including refunds of member contributions | (717,091)                | (106,087)             | (823,178)                |
| Other (net transfer)                                        | (94,693)                 | (14,009)              | (108,702)                |
| Net change in plan fiduciary net position                   | 571,103                  | 84,490                | 655,593                  |
| Plan net position - beginning                               | <u>10,711,190</u>        | <u>839,939</u>        | <u>11,551,129</u>        |
| <br>Plan net position - ending                              | <br><u>\$ 11,282,293</u> | <br><u>\$ 924,429</u> | <br><u>\$ 12,206,722</u> |
| <br>Employer's net pension liability                        | <br><u>\$ 39,465</u>     | <br><u>\$ 5,839</u>   | <br><u>\$ 45,304</u>     |

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(Continued)

CITY OF MARKHAM, ILLINOIS  
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**NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)**

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions: For the year ended April 30, 2024, the City recognized pension income of \$278,714 and the Library recognized pension income of \$41,233. At April 30, 2024, the City and Library reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                     | <u>City</u>                                   |                                              | <u>Library</u>                                |                                              |                   |
|---------------------------------------------------------------------|-----------------------------------------------|----------------------------------------------|-----------------------------------------------|----------------------------------------------|-------------------|
|                                                                     | <u>Deferred<br/>Outflows of<br/>Resources</u> | <u>Deferred<br/>Inflows of<br/>Resources</u> | <u>Deferred<br/>Outflows of<br/>Resources</u> | <u>Deferred<br/>Inflows of<br/>Resources</u> | <u>Total</u>      |
| Difference between expected and                                     |                                               |                                              |                                               |                                              |                   |
| actual experience                                                   | \$ 73,009                                     | \$ (273,443)                                 | \$ 10,801                                     | \$ (40,454)                                  | \$ (230,087)      |
| Change in assumptions                                               | -                                             | (18,673)                                     | -                                             | (2,763)                                      | (21,436)          |
| Net difference between projected<br>and actual                      | <u>509,976</u>                                | <u>-</u>                                     | <u>75,447</u>                                 | <u>-</u>                                     | <u>585,423</u>    |
| Total pension expense to be<br>recognized in future periods         | 582,985                                       | (292,116)                                    | 86,248                                        | (43,217)                                     | 333,900           |
| Pension contributions made<br>subsequent to the<br>measurement date | <u>54,483</u>                                 | <u>-</u>                                     | <u>8,060</u>                                  | <u>-</u>                                     | <u>62,543</u>     |
| Total deferred amounts<br>related to IMRF                           | <u>\$ 637,468</u>                             | <u>\$ (292,116)</u>                          | <u>\$ 94,308</u>                              | <u>\$ (43,217)</u>                           | <u>\$ 396,443</u> |

\$54,483 for the City and \$8,060 for the Library reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the reporting year ended April 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

|                    | <u>Net Deferred Outflows/Inflows of Resources</u> |                  |                   |
|--------------------|---------------------------------------------------|------------------|-------------------|
| <u>Fiscal Year</u> | <u>City</u>                                       | <u>Library</u>   | <u>Total</u>      |
| 2025               | \$ (67,329)                                       | \$ (9,961)       | \$ (77,290)       |
| 2026               | 52,123                                            | 7,711            | 59,834            |
| 2027               | 388,643                                           | 57,497           | 446,140           |
| 2028               | (82,568)                                          | (12,216)         | (94,784)          |
| 2029               | -                                                 | -                | -                 |
| Thereafter         | <u>-</u>                                          | <u>-</u>         | <u>-</u>          |
| Total              | <u>\$ 290,869</u>                                 | <u>\$ 43,031</u> | <u>\$ 333,900</u> |

(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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**NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)**

Police Pension Plan:

Plan Descriptions:

*Plan Administration.* The Police Pension Plan is a single-employer defined benefit pension plan that covers all sworn police personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/3-1) and may be amended only by the Illinois legislature. The City accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the City President, one member is elected by pension beneficiaries and two members are elected by active police employees.

*Plan Membership.* At April 30, 2023, the valuation date, membership consisted of the following:

|                                                                  |                  |
|------------------------------------------------------------------|------------------|
| Inactive plan members currently receiving benefits               | 28               |
| Inactive plan members entitled to but not yet receiving benefits | 9                |
| Active plan members                                              | <u>35</u>        |
| Total                                                            | <u><u>72</u></u> |

*Benefits Provided.* The following is a summary of the Police Pension Plan as provided for in Illinois State Statutes.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of  $\frac{1}{2}$  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 annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit 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 compounded annually thereafter.

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Police officer salary for the pension purposes is capped at \$106,800, plus the lesser of  $\frac{1}{2}$  of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e.,  $\frac{1}{2}$  percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or  $\frac{1}{2}$  of the change in the Consumer Price Index for the proceeding calendar year.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)**

*Contributions.* Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2024, the City's contribution was 36.52% of covered payroll.

*Concentrations.* At year-end, the Pension Plan does not have any investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) in any one organization that represent 5 percent or more of net position available for benefits.

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of April 30, 2024, using the following actuarial methods and assumptions:

|                            |                  |
|----------------------------|------------------|
| Actuarial Cost Method      | Entry Age Normal |
| Asset Valuation Method     | Fair Value       |
| Actuarial Assumptions      |                  |
| Investment Rate of Return  | 7.00%            |
| Salary Increases           | 3.00%            |
| Cost of Living Adjustments | 2.25%            |
| Inflation                  | 2.25%            |

Mortality rates were based on the PubS-2010(A) Study with improvements using MP-2019 Improvement Rates applied on a fully generational basis.

Discount Rate: A Single Discount Rate of 5.59% was used to measure the total pension liability, while the prior year used a discount rate of 5.06%. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The Municipal Bond Rate assumption is based on the Bond Buyer 20-Bond G.O. Index. The rate used is the April 25, 2024 rate. The 20-Bond G.O. Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.00%, the municipal bond rate is 3.53%, and the resulting single discount rate is 5.59%. The discount rate of 7% is utilized until 2056 at which point the discount rate of 3.53% is used going forward.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

**NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)**

Discount Rate Sensitivity: The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

|                       | 1% Decrease<br>(4.59%) | Current<br>Discount Rate<br>(5.59%) | 1% Increase<br>(6.59%) |
|-----------------------|------------------------|-------------------------------------|------------------------|
| Net pension liability | <u>\$ 23,836,392</u>   | <u>\$ 17,496,284</u>                | <u>\$ 12,362,505</u>   |

Changes in the Net Pension Liability:

|                                     | Total Pension<br>Liability<br>(A) | Plan Fiduciary<br>Net Pension<br>(B) | Net Pension<br>Liability<br>(A) - (B) |
|-------------------------------------|-----------------------------------|--------------------------------------|---------------------------------------|
| Balances at April 30. 2023          | <u>\$ 44,798,870</u>              | <u>\$ 23,515,316</u>                 | <u>\$ 21,283,554</u>                  |
| Changes for the year:               |                                   |                                      |                                       |
| Service cost                        | 1,120,469                         | -                                    | 1,120,469                             |
| Interest on total pension liability | 2,209,887                         | -                                    | 2,209,887                             |
| Actual experience                   | (337,345)                         | -                                    | (337,345)                             |
| Change of assumptions               | (3,602,548)                       | -                                    | (3,602,548)                           |
| Changes in benefit terms            | 517,979                           | -                                    | 517,979                               |
| Contributions - employer            | -                                 | 1,216,432                            | (1,216,432)                           |
| Contributions - employees           | -                                 | 353,632                              | (353,632)                             |
| Contributions - others              | -                                 | 90,098                               | (90,098)                              |
| Net investment income               | -                                 | 2,097,898                            | (2,097,898)                           |
| Benefit payments and refunds        | (1,731,305)                       | (1,731,305)                          | -                                     |
| Administrative expense              | -                                 | (62,348)                             | 62,348                                |
| Net change                          | <u>(1,822,863)</u>                | <u>1,964,407</u>                     | <u>(3,787,270)</u>                    |
| Balances at April 30. 2024          | <u>\$ 42,976,007</u>              | <u>\$ 25,479,723</u>                 | <u>\$ 17,496,284</u>                  |

(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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**NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)**

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions: For the year ended April 30, 2024, the City recognized pension expense of \$1,338,243. At April 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                  | Deferred<br>Outflows of<br><u>Resources</u> | Deferred<br>Inflows of<br><u>Resources</u> | <u>Total</u>        |
|----------------------------------------------------------------------------------|---------------------------------------------|--------------------------------------------|---------------------|
| Difference between expected and actual experience                                | \$ 1,159,838                                | \$ (2,271,343)                             | \$ (1,111,505)      |
| Change in assumptions                                                            | 2,881,016                                   | (3,331,482)                                | (450,466)           |
| Net difference between projected and actual earnings on pension plan investments | <u>919,942</u>                              | <u>-</u>                                   | <u>919,942</u>      |
| Total deferred amounts related to Police Pension                                 | <u>\$ 4,960,796</u>                         | <u>\$ (5,602,825)</u>                      | <u>\$ (642,029)</u> |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

| <u>Fiscal Year</u> | Net Deferred<br>Outflows/<br>Inflows of<br><u>Resources</u> |
|--------------------|-------------------------------------------------------------|
| 2025               | \$ (248,634)                                                |
| 2026               | 525,903                                                     |
| 2027               | 394,759                                                     |
| 2028               | (782,384)                                                   |
| 2029               | <u>(531,673)</u>                                            |
| Total              | <u>\$ (642,029)</u>                                         |

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(Continued)

**NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)**

Firefighters' Pension Plan:

Plan Descriptions:

*Plan Administration.* The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The City accounts for the Fund as a pension trust fund. The Fund is governed by a five-member pension board. Two members of the Board are appointed by the City President, one member is elected by pension beneficiaries and two members are elected by active fire employees.

*Plan Membership.* At April 30, 2024, the measurement date, membership consisted of the following:

|                                                                  |                  |
|------------------------------------------------------------------|------------------|
| Inactive plan members currently receiving benefits               | 7                |
| Inactive plan members entitled to but not yet receiving benefits | 5                |
| Active plan members                                              | <u>22</u>        |
| Total                                                            | <u><u>34</u></u> |

*Benefits Provided.* The following is a summary of the Firefighters' Pension Plan as provided for in Illinois State Statutes.

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of  $\frac{1}{2}$  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 annual benefit shall be increased by 2.5 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit 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 be paid upon reaching the age of at least 55 years, by 3 percent of the original pension and 3 percent compounded annually thereafter.

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 48 consecutive months of service within the last 60 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for the pension purposes is capped at \$106,800, plus the lesser of  $\frac{1}{2}$  of the annual change in the Consumer Price Index or 3 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e.,  $\frac{1}{2}$  percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or  $\frac{1}{2}$  of the change in the Consumer Price Index for the proceeding calendar year.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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**NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)**

*Contributions.* Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. For the year-ended April 30, 2024, the City's contribution was 23.00% of covered payroll.

*Concentrations.* At year end, the Pension Plan does not have any investments (other than investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments) in any one organization that represent 5 percent or more of net position available for benefits.

*Actuarial Assumptions.* The total pension liability was determined by an actuarial valuation performed, as of April 30, 2024, using the following actuarial methods and assumptions:

|                            |                  |
|----------------------------|------------------|
| Actuarial Cost Method      | Entry Age Normal |
| Asset Valuation Method     | Fair Value       |
| Actuarial Assumptions      |                  |
| Investment Rate of Return  | 6.75%            |
| Salary Increases           | Service Based    |
| Cost of Living Adjustments | 3.00%            |
| Inflation                  | 2.50%            |

Mortality rates were based on PubS-2010, projected five years past the valuation date with Scale MP-2019.

Discount Rate: The discount rate used to measure the total pension liability was 6.75%, the same as the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

**NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)**

Discount Rate Sensitivity: The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the net pension liability of the City calculated using the discount rate as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

|                       | 1% Decrease<br>(5.75%) | Current<br>Discount Rate<br>(6.75%) | 1% Increase<br>(7.75%) |
|-----------------------|------------------------|-------------------------------------|------------------------|
| Net pension liability | \$ 855,877             | \$ 3,394,374                        | \$ 6,569,132           |

Changes in the Net Pension Liability:

|                                                                                         | Total Pension<br>Liability<br>(A) | Plan Fiduciary<br>Net Pension<br>(B) | Net Pension<br>Liability<br>(A) - (B) |
|-----------------------------------------------------------------------------------------|-----------------------------------|--------------------------------------|---------------------------------------|
| Balances at April 30, 2023                                                              | \$ 17,164,027                     | \$ 13,404,025                        | \$ 3,760,002                          |
| Changes for the year:                                                                   |                                   |                                      |                                       |
| Service cost                                                                            | 520,697                           | -                                    | 520,697                               |
| Interest on total pension liability                                                     | 1,177,246                         | -                                    | 1,177,246                             |
| Changes in benefit terms                                                                | -                                 | -                                    | -                                     |
| Differences between expected and<br>actual experience of the total<br>pension liability | 111,466                           | -                                    | 111,466                               |
| Change of assumptions                                                                   | -                                 | -                                    | -                                     |
| Contributions - employer                                                                | -                                 | 427,477                              | (427,477)                             |
| Contributions - employees                                                               | -                                 | 184,167                              | (184,167)                             |
| Net investment income                                                                   | -                                 | 1,595,332                            | (1,595,332)                           |
| Benefit payments, including refunds<br>of employee contributions                        | (488,085)                         | (488,085)                            | -                                     |
| Other (net transfer)                                                                    | -                                 | (31,939)                             | 31,939                                |
| Net change                                                                              | 1,321,324                         | 1,686,952                            | (365,628)                             |
| Balances at April 30, 2024                                                              | \$ 18,485,351                     | \$ 15,090,977                        | \$ 3,394,374                          |

(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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**NOTE 12 – DEFINED BENEFIT PENSION PLANS (Continued)**

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions: For the year ended April 30, 2024, the City recognized pension expense of \$424,698. At April 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|                                                                                  | <u>Deferred<br/>Outflows of<br/>Resources</u> | <u>Deferred<br/>Inflows of<br/>Resources</u> | <u>Total</u>          |
|----------------------------------------------------------------------------------|-----------------------------------------------|----------------------------------------------|-----------------------|
| Difference between expected and actual experience                                | \$ 866,364                                    | \$ (371,322)                                 | \$ 495,042            |
| Change in assumptions                                                            | 119,166                                       | (1,838,386)                                  | (1,719,220)           |
| Net difference between projected and actual earnings on pension plan investments | <u>116,597</u>                                | <u>-</u>                                     | <u>116,597</u>        |
| Total deferred amounts related to Police Pension                                 | <u>\$ 1,102,127</u>                           | <u>\$ (2,209,708)</u>                        | <u>\$ (1,107,581)</u> |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

| <u>Fiscal Year</u> | <u>Net Deferred<br/>Outflows/<br/>Inflows of<br/>Resources</u> |
|--------------------|----------------------------------------------------------------|
| 2025               | \$ (329,674)                                                   |
| 2026               | 49,715                                                         |
| 2027               | (230,385)                                                      |
| 2028               | (376,654)                                                      |
| 2029               | (145,383)                                                      |
| Thereafter         | <u>(75,200)</u>                                                |
| Total              | <u>\$ (1,107,581)</u>                                          |

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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**NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS**

**Plan Description.** The City's defined benefit OPEB plan, the City of Markham Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general and public safety employees of the City. RBP is a single-employer defined benefit OPEB plan administered by the City. Article 11 of the State Compiled Statutes grants the authority to establish and amend the benefit terms and financing requirements to the City Council. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

**Benefits Provided.** RBP provides healthcare for active employees. Spouses and dependents of eligible retirees are also eligible for medical coverage. All employees of the City are eligible to receive post-employment health care benefits. Coverage for retirees and their spouses and dependents is provided for life.

**Plan Membership.** As of April 30, 2023, the valuation date, the following employees were covered by the benefit terms:

|                                                                  |                   |
|------------------------------------------------------------------|-------------------|
| Inactive plan members currently receiving benefits               | 2                 |
| Inactive plan members entitled to but not yet receiving benefits | 1                 |
| Active plan members                                              | <u>119</u>        |
| Total                                                            | <u><u>122</u></u> |

**Total OPEB Liability:** The City's total OPEB liability was measured as of April 30, 2024, and was determined by an actuarial valuation as of April 30, 2023.

**Actuarial Assumptions and Other Inputs.** The total OPEB liability in the April 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

|                                          |                                                                                                                      |
|------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Inflation                                | 3.50%                                                                                                                |
| Salary Increases                         | 3.50%                                                                                                                |
| Discount Rate                            | 4.12%                                                                                                                |
| Healthcare Cost Trend Rates              | 6.75% for 2023, decreasing at a rate of 0.25% per year to an ultimate rate of 4.50% for fiscal years 2029 and after. |
| Retirees' Share of Benefit-Related Costs | 100% of projected health insurance premiums for retirees                                                             |

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

**NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

The discount rate was based on the measurement date of the Municipal Bond 20 Year High Grade Rate Index as published.

Mortality rates were based on the RP-2014 base rates projected to 2021 using scale MP-2021.

Change in the Total OPEB Liability:

|                                                    |                     |
|----------------------------------------------------|---------------------|
| Balances at April 30, 2023                         | \$ 2,117,253        |
| Changes for the year:                              |                     |
| Service cost                                       | 187,083             |
| Interest on total OPEB liability                   | 78,554              |
| Changes in benefit terms                           | -                   |
| Differences between expected and actual experience | -                   |
| Change of assumptions or other inputs              | (59,006)            |
| Benefit payments                                   | (67,208)            |
| Net change                                         | <u>139,423</u>      |
| Balances at April 30, 2024                         | <u>\$ 2,256,676</u> |

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following presents the total OPEB liability, calculated using a Single Discount Rate of 4.12% while the prior valuation used 3.77%. The following presents the total OPEB liability, calculated using the discount rate, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher:

|                      | 1% Decrease<br>(3.12%) | Current<br>Discount Rate<br>(4.12%) | 1% Increase<br>(5.12%) |
|----------------------|------------------------|-------------------------------------|------------------------|
| Total OPEB liability | \$ 2,495,548           | \$ 2,256,676                        | \$ 2,043,647           |

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following presents the total OPEB liability, calculated using a variable Healthcare Trend Rate, as well as what the total OPEB liability would be if it were calculated using a Healthcare Trend Rate that is one percentage point lower or one percentage point higher:

|                      | 1% Decrease<br>(Varries) | Healthcare Cost<br>Trend Rates<br>(Varries) | 1% Increase<br>(Varries) |
|----------------------|--------------------------|---------------------------------------------|--------------------------|
| Total OPEB liability | \$ 1,977,685             | \$ 2,256,676                                | \$ 2,584,415             |

(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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**NOTE 13 – OTHER POSTEMPLOYMENT BENEFITS (Continued)**

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB:  
For the year ended April 30, 2024, the City recognized OPEB expense of \$169,976. At April 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

|                                                      | <u>Deferred<br/>Outflows of<br/>Resources</u> | <u>Deferred<br/>Inflows of<br/>Resources</u> | <u>Total</u>        |
|------------------------------------------------------|-----------------------------------------------|----------------------------------------------|---------------------|
| Difference between expected and actual experience    | \$ -                                          | \$ (1,087,267)                               | \$ (1,087,267)      |
| Change in assumptions                                | 401,408                                       | (271,794)                                    | 129,614             |
| Net difference between projected and actual earnings | <u>-</u>                                      | <u>-</u>                                     | <u>-</u>            |
| Total deferred amounts related to OPEB               | <u>\$ 401,408</u>                             | <u>\$ (1,359,061)</u>                        | <u>\$ (957,653)</u> |

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| <u>Fiscal Year</u> | <u>Net Deferred<br/>Inflows of<br/>Resources</u> |
|--------------------|--------------------------------------------------|
| 2025               | \$ (95,661)                                      |
| 2026               | (95,661)                                         |
| 2027               | (95,661)                                         |
| 2028               | (95,661)                                         |
| 2029               | (95,661)                                         |
| Thereafter         | <u>(479,348)</u>                                 |
| Total              | <u>\$ (957,653)</u>                              |

**NOTE 14 – TAX ABATEMENTS**

Tax abatements are a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the governments or the citizens of those governments.

The City is affected by Cook County's Class 6b property tax incentive program. The purpose of the Class 6b program is to encourage industrial development throughout Cook County by offering a real estate tax incentive for the development of new industrial facilities, the rehabilitation of existing industrial structures, and the industrial reutilization of abandoned buildings. The goal of the program is to attract new industry, stimulate expansion and retention of existing industry, and increase employment opportunities.

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(Continued)

CITY OF MARKHAM, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
April 30, 2024

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**NOTE 14 – TAX ABATEMENTS** (Continued)

Properties receiving a Class 6b incentive are assessed at 10% of market value for the first 10 years, 15% in the 11th year, and 20% in the 12th year. This constitutes a substantial reduction in the level of assessment and results in significant tax savings. In the absence of this incentive, industrial real estate would normally be assessed at 25% of its market value.

Municipalities within the District area have granted Class 6b incentives to businesses that, as a result, have occupied abandoned properties, constructed new buildings, or expanded existing facilities. In many instances, the program has produced more property tax revenue for the City and the other impacted taxing districts than would have been generated if the development had not occurred. The District's tax revenues are reduced due to the agreements entered into by these municipalities.

For the fiscal year ending April 30, 2024, the City's share of the abatement granted to the Class 6b properties was approximately \$678,000.

## **REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF MARKHAM, ILLINOIS

Required Supplementary Information  
Schedule of Illinois Municipal Retirement Fund Contributions  
Last 9 Fiscal Years

|                                                                      | Fiscal Year     |                 |                |                |                |                  |                |                |                |
|----------------------------------------------------------------------|-----------------|-----------------|----------------|----------------|----------------|------------------|----------------|----------------|----------------|
|                                                                      | <u>2016</u>     | <u>2017</u>     | <u>2018</u>    | <u>2019</u>    | <u>2020</u>    | <u>2021</u>      | <u>2022</u>    | <u>2023</u>    | <u>2024</u>    |
| Actuarially determined contribution                                  | \$ 327,870      | \$ 361,846      | \$ 366,562     | \$ 324,744     | \$ 366,271     | \$ 294,547       | \$ 278,446     | \$ 221,811     | \$ 167,162     |
| Contributions in relation to the actuarially determined contribution | <u>328,891</u>  | <u>362,874</u>  | <u>366,562</u> | <u>324,744</u> | <u>366,271</u> | <u>344,547</u>   | <u>278,446</u> | <u>221,811</u> | <u>167,162</u> |
| Contribution deficiency (excess)                                     | <u>\$ 1,021</u> | <u>\$ 1,028</u> | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ 50,000</u> | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>    |
| Covered payroll                                                      | \$ 2,914,403    | \$ 3,292,502    | \$ 3,651,669   | \$ 3,111,097   | \$ 2,677,657   | \$ 2,801,231     | \$ 2,642,297   | \$ 2,912,698   | \$ 3,198,596   |
| Contributions as a percentage of covered payroll                     | 10.04%          | 10.44%          | 12.56%         | 0.00%          | 10.54%         | 12.30%           | 10.54%         | 7.62%          | 5.23%          |

**Notes to Schedule**

Valuation Date

Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.

**Methods and assumptions used to determine 2023 contribution rates:**

|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Actuarial cost method         | Aggregate entry age normal                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Amortization method           | Level percentage of payroll, closed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Remaining amortization period | 20-year closed period.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Asset valuation method        | 5-year smoothed market, 20% corridor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Wage growth                   | 2.75%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Price inflation               | 2.25%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Salary increases              | 2.75% to 13.75% including inflation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Investment rate of return     | 7.25%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Retirement age                | Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2020 valuation pursuant to an experience study of the period 2017-2019.                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Mortality                     | For non-disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Disabled Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Employee, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale |

**Other information:**

Changes

There were no benefit changes during the year.

The calculation of the 2023 contribution rate is based on valuation assumptions used in the December 31, 2021 actuarial valuation.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

## CITY OF MARKHAM, ILLINOIS

Required Supplementary Information  
Schedule of Police Pension Fund Contributions  
Last 10 Fiscal Years

|                                                                         | <u>2015</u>       | <u>2016</u>     | <u>2017</u>      | <u>2018</u>         | <u>2019</u>         | <u>2020</u>         | <u>2021</u>         | <u>2022</u>         | <u>2023</u>         | <u>2024</u>         |
|-------------------------------------------------------------------------|-------------------|-----------------|------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Actuarially determined contribution                                     | \$ 861,119        | \$ 947,543      | \$ 933,430       | \$ 1,181,559        | \$ 1,308,627        | \$ 1,209,171        | \$ 1,218,434        | \$ 1,490,281        | \$ 1,429,137        | \$ 1,403,549        |
| Contributions in relation to the<br>actuarially determined contribution | <u>1,056,858</u>  | <u>955,232</u>  | <u>992,561</u>   | <u>957,445</u>      | <u>878,115</u>      | <u>628,872</u>      | <u>693,334</u>      | <u>966,767</u>      | <u>1,081,621</u>    | <u>1,216,432</u>    |
| Contribution deficiency (excess)                                        | <u>\$ 195,739</u> | <u>\$ 7,689</u> | <u>\$ 59,131</u> | <u>\$ (224,114)</u> | <u>\$ (430,512)</u> | <u>\$ (580,299)</u> | <u>\$ (525,100)</u> | <u>\$ (523,514)</u> | <u>\$ (347,516)</u> | <u>\$ (187,117)</u> |
| Covered payroll                                                         | \$ 2,868,131      | \$ 3,281,421    | \$ 2,900,615     | \$ 2,994,885        | \$ 2,838,955        | \$ 2,934,729        | \$ 3,238,011        | \$ 2,586,726        | \$ 3,234,292        | \$ 3,331,320        |
| Contributions as a percentage of<br>covered payroll                     | 36.85%            | 29.11%          | 34.22%           | 31.97%              | 30.93%              | 21.43%              | 21.41%              | 37.37%              | 33.44%              | 36.52%              |

## Notes to the Required Supplementary Information:

|                               |                                                                                                                                       |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Actuarial Cost Method         | Entry Age Normal                                                                                                                      |
| Amortization Method           | Level % Pay (Closed)                                                                                                                  |
| Remaining Amortization Period | 12 Years                                                                                                                              |
| Asset Valuation Method        | Fair Value                                                                                                                            |
| Inflation                     | 2.25%                                                                                                                                 |
| Salary Increases              | 3.00%                                                                                                                                 |
| Investment Rate of Return     | 7.00%                                                                                                                                 |
| Mortality                     | Mortality rates were based on the Pub-2010 Mortality<br>Tables adjusted for plan status, collar, and Illinois public<br>pension data. |

## CITY OF MARKHAM, ILLINOIS

Required Supplementary Information  
Schedule of Firefighters' Pension Fund Contributions  
Last 9 Fiscal Years

|                                                                      | Fiscal Year        |                   |                  |                  |                     |                     |                     |                    |                     |
|----------------------------------------------------------------------|--------------------|-------------------|------------------|------------------|---------------------|---------------------|---------------------|--------------------|---------------------|
|                                                                      | <u>2016</u>        | <u>2017</u>       | <u>2018</u>      | <u>2019</u>      | <u>2020</u>         | <u>2021</u>         | <u>2022</u>         | <u>2023</u>        | <u>2024</u>         |
| Actuarially determined contribution                                  | \$ 390,098         | \$ 369,443        | \$ 523,004       | \$ 550,952       | \$ 646,035          | \$ 691,192          | \$ 816,404          | \$ 807,962         | \$ 610,312          |
| Contributions in relation to the actuarially determined contribution | <u>378,155</u>     | <u>697,575</u>    | <u>605,581</u>   | <u>577,069</u>   | <u>354,586</u>      | <u>439,257</u>      | <u>612,595</u>      | <u>734,192</u>     | <u>427,477</u>      |
| Contribution deficiency (excess)                                     | <u>\$ (11,943)</u> | <u>\$ 328,132</u> | <u>\$ 82,577</u> | <u>\$ 26,117</u> | <u>\$ (291,449)</u> | <u>\$ (251,935)</u> | <u>\$ (203,809)</u> | <u>\$ (73,770)</u> | <u>\$ (182,835)</u> |
| Covered payroll                                                      | \$ 1,232,421       | \$ 1,312,457      | \$ 1,204,750     | \$ 1,145,567     | \$ 1,448,248        | \$ 1,349,902        | \$ 1,391,594        | \$ 1,661,978       | \$ 1,858,396        |
| Contributions as a percentage of covered payroll                     | 30.68%             | 53.15%            | 50.27%           | 50.37%           | 24.48%              | 32.54%              | 44.02%              | 44.18%             | 23.00%              |

## Notes to the Required Supplementary Information:

|                               |                                                                                                                                 |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| Actuarial Cost Method         | Entry Age Normal                                                                                                                |
| Amortization Method           | Level % Pay (Closed)                                                                                                            |
| Remaining Amortization Period | 13 Years                                                                                                                        |
| Asset Valuation Method        | 5-Year Smoothed Fair Value                                                                                                      |
| Inflation                     | 2.50%                                                                                                                           |
| Salary Increases              | 2.75%                                                                                                                           |
| Investment Rate of Return     | 6.75%                                                                                                                           |
| Mortality                     | Mortality rates were based on the Pub-2010 Mortality Tables adjusted for plan status, collar, and Illinois public pension data. |

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

## CITY OF MARKHAM, ILLINOIS

Required Supplementary Information  
Schedule of Changes in Illinois Municipal Retirement Fund Net Pension Liability (Asset) and Related Ratios  
Last 9 Fiscal Years

|                                                                           | December 31, |              |              |              |              |              |                |              |              |
|---------------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|----------------|--------------|--------------|
|                                                                           | 2015         | 2016         | 2017         | 2018         | 2019         | 2020         | 2021           | 2022         | 2023         |
| <b>Total pension liability</b>                                            |              |              |              |              |              |              |                |              |              |
| Service cost                                                              | \$ 292,997   | \$ 325,541   | \$ 347,062   | \$ 323,950   | \$ 283,303   | \$ 257,451   | \$ 231,183     | \$ 245,139   | \$ 262,753   |
| Interest                                                                  | 710,445      | 751,469      | 827,271      | 879,290      | 863,251      | 873,095      | 878,578        | 832,893      | 875,148      |
| Changes in benefit terms                                                  | -            | -            | -            | -            | -            | -            | -              | -            | -            |
| Difference between expected and actual experience                         | 5,737        | 484,692      | 650,766      | (490,369)    | (140,849)    | (198,974)    | (1,006,817)    | 265,200      | (381,828)    |
| Changes of assumptions                                                    | 12,682       | (27,407)     | (426,959)    | 329,099      | -            | (57,326)     | -              | -            | (32,090)     |
| Change in proportionate share                                             | -            | -            | -            | -            | -            | -            | -              | -            | -            |
| Benefit payments, including refunds of members contributions              | (448,356)    | (505,626)    | (616,696)    | (769,305)    | (907,889)    | (806,100)    | (764,879)      | (715,242)    | (823,178)    |
| Net change in total pension liability                                     | 573,505      | 1,028,669    | 781,444      | 272,665      | 97,816       | 68,146       | (661,935)      | 627,990      | (99,195)     |
| Beginning total pension liability                                         | 9,562,921    | 10,136,426   | 11,165,095   | 11,946,539   | 12,219,204   | 12,317,020   | 12,385,166     | 11,723,231   | 12,351,221   |
| Ending total pension liability                                            | \$10,136,426 | \$11,165,095 | \$11,946,539 | \$12,219,204 | \$12,317,020 | \$12,385,166 | \$11,723,231   | \$12,351,221 | \$12,252,026 |
| <b>Plan fiduciary net position</b>                                        |              |              |              |              |              |              |                |              |              |
| Contributions - employer                                                  | \$ 328,891   | \$ 362,874   | \$ 393,295   | \$ 345,781   | \$ 296,789   | \$ 390,987   | \$ 298,760     | \$ 255,497   | \$ 157,085   |
| Contributions - members                                                   | 131,537      | 149,227      | 157,207      | 145,159      | 129,302      | 109,106      | 118,661        | 129,185      | 141,959      |
| Net investment income                                                     | 41,892       | 563,837      | 1,586,247    | (596,467)    | 1,856,824    | 1,597,166    | 2,112,975      | (1,738,633)  | 1,288,429    |
| Benefit payments, including refunds of members contributions              | (448,356)    | (505,626)    | (616,696)    | (769,305)    | (907,889)    | (806,100)    | (764,879)      | (715,242)    | (823,178)    |
| Other (net transfer)                                                      | (91,164)     | 100,895      | (56,836)     | 225,086      | (155,910)    | (70,028)     | (440,102)      | 34,888       | (108,702)    |
| Net change in plan fiduciary net position                                 | (37,200)     | 671,207      | 1,463,217    | (649,746)    | 1,219,116    | 1,221,131    | 1,325,415      | (2,034,305)  | 655,593      |
| Beginning plan fiduciary net position                                     | 8,372,294    | 8,335,094    | 9,006,301    | 10,469,518   | 9,819,772    | 11,038,888   | 12,260,019     | 13,585,434   | 11,551,129   |
| Ending plan fiduciary net position                                        | \$ 8,335,094 | \$ 9,006,301 | \$10,469,518 | \$ 9,819,772 | \$11,038,888 | \$12,260,019 | \$13,585,434   | \$11,551,129 | \$12,206,722 |
| Employer's net pension liability/asset                                    | \$ 1,801,332 | \$ 2,158,794 | \$ 1,477,021 | \$ 2,399,432 | \$ 1,278,132 | \$ 125,147   | \$ (1,862,203) | \$ 800,092   | \$ 45,304    |
| Plan fiduciary net position as a percentage of total pension liability    | 82.23%       | 80.66%       | 87.64%       | 80.36%       | 89.62%       | 98.99%       | 115.88%        | 93.52%       | 99.63%       |
| Covered payroll                                                           | \$ 2,914,403 | \$ 3,292,502 | \$ 3,468,589 | \$ 3,218,042 | \$ 2,870,264 | \$ 2,424,583 | \$ 2,636,894   | \$ 2,801,231 | \$ 3,154,931 |
| Employer's net pension liability/asset as a percentage of covered payroll | 61.81%       | 65.57%       | 42.58%       | 74.56%       | 44.53%       | 5.16%        | -70.62%        | 28.56%       | 1.44%        |

**Note to the Required Supplementary Information:**

There were no assumption changes during the year ending December 31, 2023.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

## CITY OF MARKHAM, ILLINOIS

Required Supplementary Information  
Schedule of Changes in Police Pension Fund Net Pension Liability (Asset) and Related Ratios  
Last 10 Fiscal Years

|                                                                           | 2015          | 2016          | 2017          | 2018          | 2019          | 2020          | 2021          | 2022          | 2023          | 2024          |
|---------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Total pension liability</b>                                            |               |               |               |               |               |               |               |               |               |               |
| Service cost                                                              | \$ 792,913    | \$ 793,093    | \$ 740,482    | \$ 792,316    | \$ 812,550    | \$ 816,653    | \$ 1,300,217  | \$ 1,084,934  | \$ 1,114,355  | \$ 1,120,469  |
| Interest                                                                  | 1,560,847     | 1,621,861     | 2,197,996     | 2,022,983     | 2,131,717     | 2,113,503     | 2,026,837     | 2,035,901     | 2,138,551     | 2,209,887     |
| Changes in benefit terms                                                  | -             | -             | -             | -             | -             | 293,378       | -             | -             | (36,669)      | 517,979       |
| Difference between expected and actual experience                         | -             | 966,309       | 32,621        | 66,991        | (2,056,853)   | (93,018)      | 2,782,685     | (3,826,064)   | 104,740       | (337,345)     |
| Changes of assumptions                                                    | -             | 2,737,177     | (4,296,450)   | 1,725,817     | (174,731)     | 6,840,831     | 297,703       | (26,462)      | (507,397)     | (3,602,548)   |
| Benefit payments, including refunds of members contributions              | (860,853)     | (903,647)     | (1,105,826)   | (1,243,868)   | (1,174,356)   | (1,188,782)   | (1,663,136)   | (1,598,093)   | (1,636,046)   | (1,731,305)   |
| Net change in total pension liability                                     | 1,492,907     | 5,214,793     | (2,431,177)   | 3,364,239     | (461,673)     | 8,782,565     | 4,744,306     | (2,329,784)   | 1,177,534     | (1,822,863)   |
| Beginning total pension liability                                         | 25,245,160    | 26,738,067    | 31,952,860    | 29,521,683    | 32,885,922    | 32,424,249    | 41,206,814    | 45,951,120    | 43,621,336    | 44,798,870    |
| Ending total pension liability                                            | \$ 26,738,067 | \$ 31,952,860 | \$ 29,521,683 | \$ 32,885,922 | \$ 32,424,249 | \$ 41,206,814 | \$ 45,951,120 | \$ 43,621,336 | \$ 44,798,870 | \$ 42,976,007 |
| <b>Plan fiduciary net position</b>                                        |               |               |               |               |               |               |               |               |               |               |
| Contributions - employer                                                  | \$ 1,056,858  | \$ 955,232    | \$ 992,561    | \$ 957,445    | \$ 878,115    | \$ 628,872    | \$ 693,334    | \$ 966,767    | \$ 1,081,621  | \$ 1,216,432  |
| Contributions - members                                                   | 282,469       | 263,551       | 262,948       | 257,834       | 256,912       | 265,341       | 269,535       | 254,517       | 317,002       | 353,632       |
| Contributions - others                                                    | -             | -             | 725           | 650           | 650           | 650           | 675           | 650           | 650           | 90,098        |
| Net investment income                                                     | 897,412       | (269,419)     | 1,474,473     | 1,378,865     | 1,317,553     | 98,221        | 5,408,556     | (1,676,064)   | 452,476       | 2,097,898     |
| members contributions                                                     | (860,853)     | (903,647)     | (1,105,826)   | (1,243,868)   | (1,174,356)   | (1,188,782)   | (1,663,136)   | (1,598,093)   | (1,636,046)   | (1,731,305)   |
| Other (net transfer)                                                      | (57,850)      | 73,124        | (55,906)      | (57,497)      | (52,024)      | (73,301)      | (102,349)     | (55,258)      | (53,164)      | (62,348)      |
| Net change in plan fiduciary net position                                 | 1,318,036     | 118,841       | 1,568,975     | 1,293,429     | 1,226,850     | (268,999)     | 4,606,615     | (2,107,481)   | 162,539       | 1,964,407     |
| Beginning plan fiduciary net position                                     | 15,596,511    | 16,914,547    | 17,033,388    | 18,602,363    | 19,895,792    | 21,122,642    | 20,853,643    | 25,460,258    | 23,352,777    | 23,515,316    |
| Ending plan fiduciary net position                                        | \$ 16,914,547 | \$ 17,033,388 | \$ 18,602,363 | \$ 19,895,792 | \$ 21,122,642 | \$ 20,853,643 | \$ 25,460,258 | \$ 23,352,777 | \$ 23,515,316 | \$ 25,479,723 |
| Employer's net pension liability/asset                                    | \$ 9,823,520  | \$ 14,919,472 | \$ 10,919,320 | \$ 12,990,130 | \$ 11,301,607 | \$ 20,353,171 | \$ 20,490,862 | \$ 20,268,559 | \$ 21,283,554 | \$ 17,496,284 |
| Plan fiduciary net position as a percentage of total pension liability    | 63.26%        | 53.31%        | 63.01%        | 60.50%        | 65.14%        | 50.61%        | 55.41%        | 53.54%        | 52.49%        | 59.29%        |
| Covered payroll                                                           | \$ 2,868,131  | \$ 3,281,421  | \$ 2,900,615  | \$ 2,994,885  | \$ 2,838,955  | \$ 2,934,729  | \$ 3,238,011  | \$ 2,586,726  | \$ 3,234,292  | \$ 3,331,320  |
| Employer's net pension liability/asset as a percentage of covered payroll | 342.51%       | 454.66%       | 376.45%       | 433.74%       | 398.09%       | 693.53%       | 632.82%       | 783.56%       | 658.06%       | 525.21%       |

## CITY OF MARKHAM, ILLINOIS

Required Supplementary Information  
Schedule of Changes in Firefighters' Pension Fund Net Pension Liability (Asset) and Related Ratios  
Last 9 Fiscal Years

|                                                                           | 2016          | 2017          | 2018          | 2019          | 2020          | 2021          | 2022          | 2023          | 2024          |
|---------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Total pension liability</b>                                            |               |               |               |               |               |               |               |               |               |
| Service cost                                                              | \$ 565,986    | \$ 467,641    | \$ 476,262    | \$ 453,096    | \$ 438,598    | \$ 508,191    | \$ 472,817    | \$ 464,739    | \$ 520,697    |
| Interest                                                                  | 570,620       | 732,555       | 747,885       | 801,523       | 879,985       | 962,280       | 1,017,580     | 1,055,413     | 1,177,246     |
| Changes in benefit terms                                                  | -             | -             | -             | -             | 9,170         | -             | -             | -             | -             |
| Difference between expected and actual experience                         | -             | 166,712       | (33,287)      | 5,281         | 329,423       | (78,145)      | (475,554)     | 705,193       | 111,466       |
| Changes of assumptions                                                    | -             | (1,823,578)   | (69,835)      | 357,497       | -             | -             | (1,875,698)   | -             | -             |
| Benefit payments, including refunds of members contributions              | (126,391)     | (121,979)     | (161,409)     | (246,381)     | (314,565)     | (425,270)     | (445,295)     | (464,667)     | (488,085)     |
| Net change in total pension liability                                     | 1,010,215     | (578,649)     | 959,616       | 1,371,016     | 1,342,611     | 967,056       | (1,306,150)   | 1,760,678     | 1,321,324     |
| Beginning total pension liability                                         | 11,637,634    | 12,647,849    | 12,069,200    | 13,028,816    | 14,399,832    | 15,742,443    | 16,709,499    | 15,403,349    | 17,164,027    |
| Ending total pension liability                                            | \$ 12,647,849 | \$ 12,069,200 | \$ 13,028,816 | \$ 14,399,832 | \$ 15,742,443 | \$ 16,709,499 | \$ 15,403,349 | \$ 17,164,027 | \$ 18,485,351 |
| <b>Plan fiduciary net position</b>                                        |               |               |               |               |               |               |               |               |               |
| Contributions - employer                                                  | \$ 378,155    | \$ 697,575    | \$ 605,581    | \$ 577,069    | \$ 354,586    | \$ 439,257    | \$ 612,595    | \$ 734,192    | \$ 427,477    |
| Contributions - members                                                   | 111,668       | 137,513       | 121,688       | 116,272       | 165,775       | 136,239       | 137,907       | 164,702       | 184,167       |
| Net investment income                                                     | (15,017)      | 596,776       | 599,234       | 425,730       | 47,743        | 2,537,944     | (652,942)     | 112,425       | 1,595,332     |
| Benefit payments, including refunds of members contributions              | (126,391)     | (121,980)     | (161,409)     | (246,381)     | (344,040)     | (425,270)     | (445,295)     | (464,667)     | (488,085)     |
| Other (net transfer)                                                      | (6,035)       | (24,533)      | (23,982)      | (32,918)      | (32,247)      | (34,340)      | (35,323)      | (38,738)      | (31,939)      |
| Net change in plan fiduciary net position                                 | 342,380       | 1,285,351     | 1,141,112     | 839,772       | 191,817       | 2,653,830     | (383,058)     | 507,914       | 1,686,952     |
| Beginning plan fiduciary net position                                     | 6,824,907     | 7,167,287     | 8,452,638     | 9,593,750     | 10,433,522    | 10,625,339    | 13,279,169    | 12,896,111    | 13,404,025    |
| Ending plan fiduciary net position                                        | \$ 7,167,287  | \$ 8,452,638  | \$ 9,593,750  | \$ 10,433,522 | \$ 10,625,339 | \$ 13,279,169 | \$ 12,896,111 | \$ 13,404,025 | \$ 15,090,977 |
| Employer's net pension liability/asset                                    | \$ 5,480,562  | \$ 3,616,562  | \$ 3,435,066  | \$ 3,966,310  | \$ 5,117,104  | \$ 3,430,330  | \$ 2,507,238  | \$ 3,760,002  | \$ 3,394,374  |
| Plan fiduciary net position as a percentage of total pension liability    | 56.57%        | 70.03%        | 7.63%         | 72.46%        | 67.49%        | 79.47%        | 83.72%        | 78.09%        | 81.64%        |
| Covered payroll                                                           | \$ 1,232,421  | \$ 1,312,457  | \$ 1,204,750  | \$ 1,145,567  | \$ 1,448,248  | \$ 1,349,902  | \$ 1,391,594  | \$ 1,661,978  | \$ 1,858,396  |
| Employer's net pension liability/asset as a percentage of covered payroll | 444.70%       | 275.56%       | 285.13%       | 346.23%       | 353.33%       | 254.12%       | 180.17%       | 226.24%       | 182.65%       |

**Note to the Required Supplementary Information:**

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

CITY OF MARKHAM, ILLINOIS

Required Supplementary Information  
Schedule of Police Pension Fund Investment Rate of Return  
Last 10 Fiscal Years

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| <u>Fiscal Year</u> | <u>Annual Money-<br/>Weighted Rate<br/>of Return, Net<br/>of Investment<br/>Expense</u> |
|--------------------|-----------------------------------------------------------------------------------------|
| 2015               | 8.47%                                                                                   |
| 2016               | -3.52%                                                                                  |
| 2017               | 13.08%                                                                                  |
| 2018               | 11.78%                                                                                  |
| 2019               | 7.02%                                                                                   |
| 2020               | 7.40%                                                                                   |
| 2021               | 11.61%                                                                                  |
| 2022               | N/A                                                                                     |
| 2023               | -0.07%                                                                                  |
| 2024               | 9.54%                                                                                   |

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## CITY OF MARKHAM, ILLINOIS

Required Supplementary Information  
 Schedule of Firefighters' Pension Fund Investment Rate of Return  
 Last 9 Fiscal Years

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| <u>Fiscal Year</u> | Annual Money-<br>Weighted Rate<br>of Return, Net<br>of Investment<br>Expense |
|--------------------|------------------------------------------------------------------------------|
| 2016               | -3.85%                                                                       |
| 2017               | 4.95%                                                                        |
| 2018               | 3.10%                                                                        |
| 2019               | -0.05%                                                                       |
| 2020               | -3.46%                                                                       |
| 2021               | 21.25%                                                                       |
| 2022               | N/A                                                                          |
| 2023               | -8.39%                                                                       |
| 2024               | 1.79%                                                                        |

**Note to the Required Supplementary Information:**

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

## CITY OF MARKHAM, ILLINOIS

Required Supplementary Information  
Schedule of Changes in the Retiree Benefit Plan Total Other Post-Employment Benefits Liability and Related Ratios  
Last 6 Fiscal Years

|                                                                  | <u>2019</u>         | <u>2020</u>         | <u>2021</u>         | <u>2022</u>         | <u>2023</u>         | <u>2024</u>         |
|------------------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Total OPEB liability</b>                                      |                     |                     |                     |                     |                     |                     |
| Service cost                                                     | \$ 156,238          | \$ 162,159          | \$ 139,148          | \$ 167,633          | \$ 141,853          | \$ 187,083          |
| Interest                                                         | 97,016              | 98,513              | 89,421              | 43,640              | 66,130              | 78,554              |
| Changes in benefit terms                                         | -                   | -                   | -                   | -                   | -                   | -                   |
| experience                                                       | (90,612)            | -                   | (1,428,794)         | -                   | (35,354)            | -                   |
| Changes of assumptions or other inputs                           | 56,091              | 272,337             | 231,616             | (280,466)           | 56,962              | (59,006)            |
| Benefit payments                                                 | <u>(68,630)</u>     | <u>(73,777)</u>     | <u>(45,120)</u>     | <u>(59,924)</u>     | <u>(64,935)</u>     | <u>(67,208)</u>     |
| Net change in total pension liability                            | 150,103             | 459,232             | (1,013,729)         | (129,117)           | 164,656             | 139,423             |
| Beginning total OPEB liability                                   | <u>2,486,108</u>    | <u>2,636,211</u>    | <u>3,095,443</u>    | <u>2,081,714</u>    | <u>1,952,597</u>    | <u>2,117,253</u>    |
| Ending total OPEB liability                                      | <u>\$ 2,636,211</u> | <u>\$ 3,095,443</u> | <u>\$ 2,081,714</u> | <u>\$ 1,952,597</u> | <u>\$ 2,117,253</u> | <u>\$ 2,256,676</u> |
| Covered-employee payroll                                         | \$ 1,813,540        | \$ 8,113,659        | \$ 7,827,322        | \$ 8,101,278        | \$ 8,659,548        | \$ 8,962,632        |
| Total OPEB liability as a percentage of covered-employee payroll | 145.36%             | 38.15%              | 26.60%              | 24.10%              | 24.45%              | 25.18%              |

**Notes to Schedule:** This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

There is no actuarially determined contribution or employer contribution in relation to the actuarially determined contribution, as the City does not have a Trust that exists for funding the OPEB liability.

## CITY OF MARKHAM, ILLINOIS

General Fund  
Schedule of Revenues and Expenditures - Budget and Actual  
For the Fiscal Year ended April 30, 2024

|                                                              | Original and<br>Final Budget | Actual        | Over (Under)<br>Budget |
|--------------------------------------------------------------|------------------------------|---------------|------------------------|
| Revenues                                                     |                              |               |                        |
| Taxes                                                        | \$ 12,608,374                | \$ 13,130,457 | \$ 522,083             |
| Intergovernmental                                            | 3,186,644                    | 4,556,589     | 1,369,945              |
| Licenses and permits                                         | 1,076,046                    | 1,231,766     | 155,720                |
| Charges for services                                         | 181,350                      | 107,096       | (74,254)               |
| Fines and forfeitures                                        | 665,000                      | 1,073,848     | 408,848                |
| Investment income                                            | 15,000                       | 118,852       | 103,852                |
| Miscellaneous                                                | 658,880                      | 445,115       | (213,765)              |
| Total revenues                                               | 18,391,294                   | 20,663,723    | 2,272,429              |
| Expenditures                                                 |                              |               |                        |
| General government                                           | 10,897,628                   | 11,309,096    | 411,468                |
| Public safety                                                | 7,290,059                    | 7,925,694     | 635,635                |
| Highways and streets                                         | 1,272,302                    | 1,570,677     | 298,375                |
| Capital outlay                                               | -                            | 729,868       | 729,868                |
| Debt service                                                 |                              |               |                        |
| Principal retirement                                         | 109,000                      | 507,536       | 398,536                |
| Interest and fiscal charges                                  | 196,101                      | 63,276        | (132,825)              |
|                                                              | 19,765,090                   | 22,106,147    | 2,341,057              |
| Excess (deficiency) of revenues<br>over (under) expenditures | (1,373,796)                  | (1,442,424)   | (68,628)               |
| Other financing sources (uses)                               |                              |               |                        |
| Debt issuance                                                | -                            | 726,868       | 726,868                |
| Transfers in                                                 | 1,373,796                    | 1,320,853     | (52,943)               |
| Transfers (out)                                              | -                            | (307,019)     | (307,019)              |
| Total other financing sources (uses)                         | 1,373,796                    | 1,740,702     | 366,906                |
| Net change in fund balance                                   | \$ -                         | 298,278       | \$ 298,278             |
| Beginning fund balance                                       |                              | (129,788)     |                        |
| Ending fund balance                                          |                              | \$ 168,490    |                        |

## CITY OF MARKHAM, ILLINOIS

TIF #5 Interstate - Special Revenue Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2024

|                                                              | Original<br>and<br>Final<br>Budget | Actual        | Over<br>(Under)<br>Budget |
|--------------------------------------------------------------|------------------------------------|---------------|---------------------------|
| Revenues                                                     |                                    |               |                           |
| Taxes                                                        |                                    |               |                           |
| Property tax                                                 | \$ 850,000                         | \$ 32,827,567 | \$ 31,977,567             |
| Expenditures                                                 |                                    |               |                           |
| Highways and streets                                         | 500,000                            | 32,579        | (467,421)                 |
| Excess (deficiency) of revenues<br>over (under) expenditures | 350,000                            | 32,794,988    | 32,444,988                |
| Other financing (uses)                                       |                                    |               |                           |
| Transfers out                                                | (350,000)                          | (376,845)     | (26,845)                  |
| Net change in fund balance                                   | \$ -                               | 32,418,143    | \$ 32,418,143             |
| Beginning fund balance                                       |                                    | 1,063,359     |                           |
| Ending fund balance                                          |                                    | \$ 33,481,502 |                           |

## **SUPPLEMENTARY INFORMATION**

## INDIVIDUAL FUND DESCRIPTIONS

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### GENERAL FUND

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

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### SPECIAL REVENUE FUNDS

The Special revenue funds account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

#### Motor Fuel Tax Fund

The Motor Fuel Tax Fund is used to account for the motor fuel tax allotments from the State of Illinois, and the expenditures for the purpose of street maintenance and improvements.

#### Grant Fund

The Grant Fund is used to account for the support activities and required match-funding for a variety of grants from agencies including US Department of Housing and Urban Development, Illinois Housing Development Agency, the Environmental Protection Agency, US Department of Transportation, US Department of Agriculture.

#### Asset Seizure Fund

The Asset Seizure Fund is used to account for expenditures related to public safety. Revenues are primarily received from the seizure of assets within the City limits.

#### TIF #2 Hotel/Motel Tax Fund

The TIF #2 Hotel/Motel Tax Fund is used to account for service and marketing of Markham hotel/motels.

#### TIF #5 Interstate Fund

The TIF #5 Interstate Fund is used to account for the redevelopment of the Interstate Crossing Incremental Financing District and receipt of incremental tax revenues.

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### DEBT SERVICE FUNDS

The Debt Service Funds account for the accumulation of funds for the periodic payment of principal and interest on general long-term debt.

#### 2008A Bond Fund

The 2008A Bond Fund is used to account for the accumulation of financial resources for the payment of principal and interest on the City's 2008A Bond long-term debt.

#### 2008B Bond Fund

The 2008B Bond Fund is used to account for the accumulation of financial resources for the payment of principal and interest on the City's 2008B Bond long-term debt.

#### 2009B Bond Fund

The 2009B Bond Fund is used to account for the accumulation of financial resources for the payment of principal and interest on the City's 2009B Bond long-term debt.

#### 2012 Bond Fund

The 2012 Bond Fund is used to account for the accumulation of financial resources for the payment of principal and interest on the City's 2012 Bond long-term debt.

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## INDIVIDUAL FUND DESCRIPTIONS

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### **CAPITAL PROJECTS FUNDS**

The Capital Projects Funds are used to account for all resources used for the acquisition of capital facilities by a governmental unit except those financed by Proprietary and Trust Funds.

#### **TIF #1 Canterbury Mall Plaza Fund**

The TIF #1 Canterbury Mall Plaza Fund is used to account for the redevelopment of the Canterbury Tax Incremental Financing District.

#### **TIF #3 Dixie Highway Fund**

The TIF #3 Dixie Highway Fund is used to account for the redevelopment of the Dixie Highway Tax Incremental Financing District.

#### **Capital Projects Fund**

The Capital Projects Fund is used to account for all resources used for the acquisition of capital assets by the City, except those financed by Proprietary and Trust Funds, including general and infrastructure capital assets.

#### **2009B Bond Capital Improvements Fund**

The 2009B Bond Capital Improvements Fund is used to account for the proceeds of the 2009B Bond debt issuance used for the acquisition or construction of capital projects, other than those financed by Special Revenue, Enterprise or Trust and Agency Funds.

#### **2012 Bond Capital Improvements Fund**

The 2012 Bond Capital Improvements Fund is used to account for the proceeds of the 2012 Bond debt issuance used for the acquisition or construction of capital projects, other than those financed by Special Revenue, Enterprise or Trust and Agency Funds.

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### **ENTERPRISE FUNDS**

The Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where it has been decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purpose. The City's enterprise fund is a nonmajor fund.

#### **Waterworks and Sewerage Fund**

The Waterworks and Sewerage Fund is used to account for the operating activities of the City's water and sewerage utility services on a user-charge basis to the City's residents.

#### **Solid Waste Fund**

The Solid Waste Fund is used to account for the operating activities of the City's solid waste services on a user-charge basis to the City's residents.

#### **Markham Roller Rink Fund**

The Markham Roller Rink Fund is used to account for the operating activities of the City's roller rink on a customer charge basis to the roller rink customers. The roller rink was acquired and improved and commenced operations during the fiscal year April 30, 2014.

#### **Markham Senior Living Complex Fund**

Markham Senior Living Complex Fund is used to account for the operating activities of the City's senior living complex on a rental charge basis to the senior living complex residents.

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## INDIVIDUAL FUND DESCRIPTIONS

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### **TRUST FUNDS** **PENSION TRUST FUNDS**

#### **Police Pension Fund**

The Police Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the police force at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

#### **Firefighters' Pension Fund**

The Firefighters' Pension Fund is used to account for the accumulation of resources to be used for retirement annuity payments to employees on the fire department at appropriate amounts and times in the future. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

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Note: Certain funds did not have a budget during the year and budget to actual schedules for these funds have not been included.

## CITY OF MARKHAM, ILLINOIS

General Fund  
Schedule of Revenues - Budget and Actual  
For the Fiscal Year ended April 30, 2024

|                                     | Original and<br>Final Budget | Actual       | Over (Under)<br>Budget |
|-------------------------------------|------------------------------|--------------|------------------------|
| <b>Taxes</b>                        |                              |              |                        |
| Property taxes                      | \$ 8,819,654                 | \$ 8,792,425 | \$ (27,229)            |
| Home rule sales tax                 | 1,120,000                    | 1,302,189    | 182,189                |
| Local use tax                       | 440,000                      | 440,359      | 359                    |
| Telecommunication tax               | 135,000                      | 106,317      | (28,683)               |
| Local motor fuel tax                | 135,000                      | 183,932      | 48,932                 |
| Auction tax                         | 58,000                       | 53,314       | (4,686)                |
| Utility tax                         | 665,000                      | 708,934      | 43,934                 |
| Video gaming tax                    | 225,000                      | 293,115      | 68,115                 |
| Casino revenue sharing tax          | 812,720                      | 994,394      | 181,674                |
| Franchise tax                       | 102,000                      | 88,652       | (13,348)               |
| Cannabis use tax                    | 20,000                       | 72,078       | 52,078                 |
| Liquor tax                          | 4,000                        | 6,603        | 2,603                  |
| Foreign fire tax                    | 20,000                       | 31,601       | 11,601                 |
| Hotel/motel tax                     | 52,000                       | 56,544       | 4,544                  |
| Total taxes                         | 12,608,374                   | 13,130,457   | 522,083                |
| <b>Intergovernmental</b>            |                              |              |                        |
| State income tax                    | 1,575,360                    | 2,354,881    | 779,521                |
| Sales tax                           | 1,405,000                    | 1,606,884    | 201,884                |
| Replacement tax                     | 162,000                      | 189,842      | 27,842                 |
| Other intergovernmental revenue     | 44,284                       | 404,982      | 360,698                |
| Total intergovernmental             | 3,186,644                    | 4,556,589    | 1,369,945              |
| <b>Licenses and permits</b>         |                              |              |                        |
| Inspections and permits             | 10,000                       | 250          | (9,750)                |
| Business and vending license        | 230,000                      | 279,797      | 49,797                 |
| Building inspections and permits    | 731,546                      | 927,208      | 195,662                |
| Lien fee                            | 1,000                        | 10,416       | 9,416                  |
| Other                               | 103,500                      | 14,095       | (89,405)               |
| Total licenses and permits          | 1,076,046                    | 1,231,766    | 155,720                |
| <b>Charges for services</b>         |                              |              |                        |
| Rental income                       | -                            | 29,185       | 29,185                 |
| Impact fees                         | 100,000                      | -            | (100,000)              |
| Cell tower income                   | -                            | 3,000        | 3,000                  |
| Vehicle stickers - motorcycle bands | 350                          | 845          | 495                    |
| Vehicle stickers - trucks           | 23,000                       | 18,915       | (4,085)                |
| Vehicle stickers - auto             | 58,000                       | 55,151       | (2,849)                |
| Total charges for services          | 181,350                      | 107,096      | (74,254)               |
| <b>Fines and forfeitures</b>        |                              |              |                        |
| Court fines                         | 265,000                      | 615,961      | 350,961                |
| Drug forfeitures                    | 50,000                       | 55,237       | 5,237                  |
| Ordinance violations                | 350,000                      | 402,650      | 52,650                 |
| Total fines and forfeitures         | 665,000                      | 1,073,848    | 408,848                |
| Investment income                   | 15,000                       | 118,852      | 103,852                |
| <b>Miscellaneous</b>                |                              |              |                        |
| Health Insurance Reimbursement      | 40,000                       | 105,509      | 65,509                 |
| Special events                      | 2,500                        | -            | (2,500)                |

(Continued)

## CITY OF MARKHAM, ILLINOIS

General Fund  
Schedule of Revenues - Budget and Actual  
For the Fiscal Year ended April 30, 2024

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|                     | Original and<br>Final Budget | Actual        | Over (Under)<br>Budget |
|---------------------|------------------------------|---------------|------------------------|
| Federal grants      | \$ -                         | \$ 185,452    | \$ 185,452             |
| Other               | 616,380                      | 154,154       | (462,226)              |
| Total miscellaneous | 658,880                      | 445,115       | (213,765)              |
| Total revenues      | \$ 18,391,294                | \$ 20,663,723 | \$ 2,272,429           |

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## CITY OF MARKHAM, ILLINOIS

General Fund  
Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended April 30, 2024

|                                        | Original<br>and<br>Final<br>Budget | Actual         | Over<br>(Under)<br>Budget |
|----------------------------------------|------------------------------------|----------------|---------------------------|
| <b>General government</b>              |                                    |                |                           |
| Mayor's office                         |                                    |                |                           |
| Mayor's expenditures                   | \$ 20,000                          | \$ 20,000      | \$ -                      |
| Materials and supplies                 | 5,130                              | 4,683          | (447)                     |
| Executive assistant to the Mayor       | 109,200                            | 116,329        | 7,129                     |
| Administrative coordinator             | 45,851                             | 17,860         | (27,991)                  |
| Public relations consultant            | 5,000                              | -              | (5,000)                   |
| Mayor's office                         | 102,305                            | 103,195        | 890                       |
| Special events                         | -                                  | 232            | 232                       |
| Dues and subscriptions                 | 9,000                              | 8,952          | (48)                      |
| Public relations                       | 5,000                              | -              | (5,000)                   |
| City administration                    | 62,500                             | 62,969         | 469                       |
| Capital outlay                         | -                                  | -              | -                         |
|                                        | <u>363,986</u>                     | <u>334,220</u> | <u>(29,766)</u>           |
| <b>City council</b>                    |                                    |                |                           |
| Illinois Municipal League              | 1,000                              | 1,671          | 671                       |
| Ward I Hampton - salary                | 20,000                             | 20,165         | 165                       |
| Ward II McDowell - salary              | 20,000                             | 20,165         | 165                       |
| Ward III Jones - salary                | 20,000                             | 20,934         | 934                       |
| Ward IV Barron - salary                | 20,000                             | 20,165         | 165                       |
| Ward I Hampton - expenditures          | 20,000                             | 20,000         | -                         |
| Ward II McDowell - expenditures        | 20,000                             | 19,957         | (43)                      |
| Ward III Jones - expenditures          | 20,000                             | 20,000         | -                         |
| Ward IV Barron - expenditures          | 20,000                             | 19,885         | (115)                     |
|                                        | <u>161,000</u>                     | <u>162,942</u> | <u>1,942</u>              |
| <b>City clerk</b>                      |                                    |                |                           |
| Clerk's expenditures                   | 7,000                              | 7,000          | -                         |
| Materials and supplies                 | 10,000                             | 11,698         | 1,698                     |
| City clerk                             | 33,949                             | 34,247         | 298                       |
| Deputy Clerk (P/T)                     | 25,000                             | -              | (25,000)                  |
| Administrative clerk                   | -                                  | 25,206         | 25,206                    |
| Recodification expenditure             | 8,000                              | 4,679          | (3,321)                   |
| Publication                            | 1,000                              | -              | (1,000)                   |
| Dues and subscriptions                 | 1,000                              | 549            | (451)                     |
| Election                               | 1,000                              | -              | (1,000)                   |
|                                        | <u>86,949</u>                      | <u>83,379</u>  | <u>(3,570)</u>            |
| <b>City administrations</b>            |                                    |                |                           |
| Maintenance contract                   | 250,000                            | 257,635        | 7,635                     |
| Park District Contribution             | 35,000                             | -              | (35,000)                  |
| Administration                         | 16,800                             | 17,789         | 989                       |
| Lobbyist                               | 36,000                             | 36,000         | -                         |
| Offsite storage                        | 4,500                              | 2,819          | (1,681)                   |
| Payroll services                       | 65,000                             | 76,518         | 11,518                    |
| Bank charges                           | 10,000                             | 5,114          | (4,886)                   |
| Electric                               | 110,000                            | 92,027         | (17,973)                  |
| Postal equipment lease and maintenance | 3,500                              | 2,877          | (623)                     |
| Postal expenditure                     | 10,000                             | 14,667         | 4,667                     |
| Telephone and federal mandate          | 95,050                             | 58,847         | (36,203)                  |

(Continued)

## CITY OF MARKHAM, ILLINOIS

General Fund  
Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended April 30, 2024

|                                        | Original<br>and<br>Final<br>Budget | Actual           | Over<br>(Under)<br>Budget |
|----------------------------------------|------------------------------------|------------------|---------------------------|
| Beautification supplies and services   | \$ 300,000                         | \$ 752,061       | \$ 452,061                |
| Snow removal                           | 200,000                            | 39,245           | (160,755)                 |
| Professional services                  | 25,000                             | 138,715          | 113,715                   |
| City-wide picnic and parade            | 85,000                             | 103,105          | 18,105                    |
| Telogis vehicle tracking               | 18,000                             | -                | (18,000)                  |
| Wireless communication                 | 60,000                             | 68,872           | 8,872                     |
| Internet Services, IT Hardware         | 35,000                             | 53,866           | 18,866                    |
| Bond disclosure agreement              | 8,000                              | 2,000            | (6,000)                   |
| Media development                      | 50,000                             | 52,992           | 2,992                     |
| MSI maintenance                        | 15,950                             | 18,147           | 2,197                     |
| City website                           | 20,000                             | 5,810            | (14,190)                  |
| Special events                         | 20,000                             | 30,984           | 10,984                    |
| Dues and subscriptions                 | 1,000                              | 2,441            | 1,441                     |
| Materials & supplies                   | 25,000                             | 37,704           | 12,704                    |
| Energy                                 | 30,000                             | 27,893           | (2,107)                   |
| Salary Contingency                     | 50,000                             | -                | (50,000)                  |
| Miscellaneous Contingency              | 50,000                             | -                | (50,000)                  |
| IT contracts                           | 142,000                            | 148,615          | 6,615                     |
| Salaries - Mayor summer youth program  | 60,000                             | 128,584          | 68,584                    |
|                                        | <u>1,830,800</u>                   | <u>2,175,327</u> | <u>344,527</u>            |
| Treasurer's office                     |                                    |                  |                           |
| Treasurer's expenditures               | 7,000                              | 7,000            | -                         |
| Budget consultant                      | 4,000                              | 4,000            | -                         |
| Material and supplies                  | 4,000                              | 5,603            | 1,603                     |
| Treasurer's salary                     | 33,949                             | 34,248           | 299                       |
| Finance director                       | 118,457                            | 119,485          | 1,028                     |
| Accounts payable specialist            | 62,000                             | 62,484           | 484                       |
| Dues and subscriptions                 | 1,000                              | 554              | (446)                     |
| Training                               | 3,000                              | 917              | (2,083)                   |
| Publication                            | 1,200                              | 936              | (264)                     |
| Audit expenditures                     | 68,000                             | 61,760           | (6,240)                   |
| Staff accountant                       | 65,000                             | 65,515           | 515                       |
|                                        | <u>367,606</u>                     | <u>362,502</u>   | <u>(5,104)</u>            |
| Civil service                          |                                    |                  |                           |
|                                        | -                                  | 1,528            | 1,528                     |
| Materials & supplies                   | 2,700                              | 2,410            | (290)                     |
| Commissioners expenditures             | <u>2,700</u>                       | <u>3,938</u>     | <u>1,238</u>              |
| Legal department                       |                                    |                  |                           |
| Legal claims                           | 100,000                            | 281,346          | 181,346                   |
| Union matters - legal and negotiations | 20,000                             | 4,300            | (15,700)                  |
| Litigation and legal expenditures      | 550,000                            | 753,103          | 203,103                   |
| Prosecuting attorney                   | 20,000                             | 14,310           | (5,690)                   |
| Board meetings and sessions            | 10,000                             | 6,378            | (3,622)                   |
|                                        | <u>700,000</u>                     | <u>1,059,437</u> | <u>359,437</u>            |
| Zoning and planning commission         |                                    |                  |                           |
| Zoning and planning board expenditures | 2,500                              | 1,400            | (1,100)                   |
| Attorney and hearing expenditures      | 16,500                             | 900              | (15,600)                  |
| Publication expenditures               | 100                                | -                | (100)                     |
| Seminars                               | 1,500                              | -                | (1,500)                   |

(Continued)

## CITY OF MARKHAM, ILLINOIS

General Fund  
Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended April 30, 2024

|                                 | Original<br>and<br>Final<br>Budget | Actual           | Over<br>(Under)<br>Budget |
|---------------------------------|------------------------------------|------------------|---------------------------|
| Secretarial expenditures        | \$ 1,200                           | \$ 500           | \$ (700)                  |
|                                 | <u>21,800</u>                      | <u>2,800</u>     | <u>(19,000)</u>           |
| Liquor department               |                                    |                  |                           |
| Commissioner                    | 20,000                             | 20,165           | 165                       |
| Attorney's fees                 | 5,000                              | -                | (5,000)                   |
| Publications                    | 400                                | 105              | (295)                     |
|                                 | <u>25,400</u>                      | <u>20,270</u>    | <u>(5,130)</u>            |
| Personnel                       |                                    |                  |                           |
| Insurance                       |                                    |                  |                           |
| Employee group health insurance | 1,421,400                          | 1,396,879        | (24,521)                  |
| Employee dental insurance       | 40,000                             | 35,021           | (4,979)                   |
| Other insurance costs           | 400,000                            | 341,740          | (58,260)                  |
| Insurance risk package          | 1,132,141                          | 1,357,304        | 225,163                   |
| Statutory worker's compensation | 175,000                            | 388,047          | 213,047                   |
| Difference benefit card         | 95,000                             | 147,706          | 52,706                    |
| Employer payroll taxes          |                                    |                  |                           |
| State unemployment insurance    | 85,000                             | 90,680           | 5,680                     |
| Unemployment compensation       | -                                  | 45               | 45                        |
| Medicare                        | 175,000                            | 204,575          | 29,575                    |
| Social security Medicare        | 105,000                            | 136,222          | 31,222                    |
| Human resources                 |                                    |                  |                           |
| Eligible expenditures           | 2,000                              | 2,627            | 627                       |
| Salaries                        | 85,000                             | 86,785           | 1,785                     |
| Human Resource Assoc. (P/T)     | 37,700                             | -                | (37,700)                  |
| Dues/membership                 | 200                                | -                | (200)                     |
| Employee pension contributions  | -                                  | 52               | 52                        |
| Training                        | 1,500                              | -                | (1,500)                   |
| Professional services           | 36,000                             | 73,500           | 37,500                    |
| Events                          | 10,000                             | 1,978            | (8,022)                   |
| Employer pension contributions  |                                    |                  |                           |
| Police pension contributions    | 1,403,549                          | 1,216,432        | (187,117)                 |
| IMRF pension contributions      | 300,000                            | 121,491          | (178,509)                 |
| Fire pension contributions      | 610,312                            | 427,477          | (182,835)                 |
|                                 | <u>6,114,802</u>                   | <u>6,028,561</u> | <u>(86,241)</u>           |
| Buildings and grounds           |                                    |                  |                           |
| School building                 |                                    |                  |                           |
| Gas - Nicor                     | 2,000                              | 3,706            | 1,706                     |
| Electric                        | 600                                | -                | (600)                     |
| DMC security service            | -                                  | 1,056            | 1,056                     |
| Copier/Comcast/lease purchase   | 1,500                              | 2,652            | 1,152                     |
| Hotel/motel                     |                                    |                  |                           |
| Eligible expenditures           | 10,000                             | 5,779            | (4,221)                   |
| Economic development            |                                    |                  |                           |
| Materials and supplies          | 10,000                             | 126              | (9,874)                   |
| Printing - maps and photos      | 10,000                             | 438              | (9,562)                   |
| Training and seminars           | 5,000                              | 1,955            | (3,045)                   |
| Travel                          | 5,000                              | 2,871            | (2,129)                   |
| Comprehensive plan              | 104,500                            | 45,692           | (58,808)                  |
| Property fees                   | 15,000                             | 41,048           | 26,048                    |
| Economic development consulting | 26,000                             | 26,309           | 309                       |

(Continued)

## CITY OF MARKHAM, ILLINOIS

General Fund  
Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended April 30, 2024

|                                         | Original<br>and<br>Final<br>Budget | Actual            | Over<br>(Under)<br>Budget |
|-----------------------------------------|------------------------------------|-------------------|---------------------------|
| Economic development salary             | \$ 62,500                          | \$ 62,969         | \$ 469                    |
| Building control and inspection         |                                    |                   |                           |
| Materials and supplies                  | 8,500                              | 11,327            | 2,827                     |
| Plumbing inspector                      | 16,000                             | 19,425            | 3,425                     |
| Director costs                          | 500                                | 443               | (57)                      |
| Salaries                                | 612,563                            | 544,065           | (68,498)                  |
| Overtime                                | -                                  | 2,118             | 2,118                     |
| Maintenance and repair - vehicles       | 1,500                              | 6,055             | 4,555                     |
| Uniforms                                | 2,500                              | 2,997             | 497                       |
| Training and seminars                   | 8,000                              | 6,324             | (1,676)                   |
| Dues and subscriptions                  | 200                                | 335               | 135                       |
| Engineer fees                           | 25,000                             | 16,638            | (8,362)                   |
| Building and grounds                    |                                    |                   | -                         |
| Materials and supplies                  | 40,000                             | 62,472            | 22,472                    |
| Property Signage                        | 50,000                             | -                 | (50,000)                  |
| Salaries                                | 55,722                             | 13,867            | (41,855)                  |
| Janitorial contractual services         | 60,000                             | 66,070            | 6,070                     |
| Maintenance and repair - heating and AC | 40,000                             | 58,594            | 18,594                    |
| Maintenance and repair - elevator       | 5,000                              | 5,088             | 88                        |
| Maintenance and pest control            | 20,000                             | 65,131            | 45,131                    |
| Maintenance and repairs                 | 25,000                             | -                 | (25,000)                  |
| Beautification                          | -                                  | 170               | 170                       |
|                                         | <u>1,222,585</u>                   | <u>1,075,720</u>  | <u>(146,865)</u>          |
| Total general government                | <u>10,897,628</u>                  | <u>11,309,096</u> | <u>411,468</u>            |
| Public safety                           |                                    |                   |                           |
| Police department                       |                                    |                   |                           |
| Chief's expenditures                    | 500                                | 435               | (65)                      |
| Maintenance of equipment                | 8,000                              | 2,195             | (5,805)                   |
| Professional services                   | 25,000                             | 24,211            | (789)                     |
| Equipment purchase                      | 35,000                             | 76,250            | 41,250                    |
| Materials and supplies                  | 20,000                             | 42,215            | 22,215                    |
| Salaries                                | 3,546,091                          | 3,804,540         | 258,449                   |
| Zero tolerance expenditures             | 93,500                             | 173,128           | 79,628                    |
| Bank charges                            | 500                                | 1,347             | 847                       |
| Police grant expenditures               | 23,898                             | 6,367             | (17,531)                  |
| Animal welfare - strays                 | -                                  | 1,105             | 1,105                     |
| Maintenance vehicle and equipment       | 50,000                             | 41,165            | (8,835)                   |
| Prisoners' meals                        | 1,500                              | 753               | (747)                     |
| Clothing allowance                      | 25,000                             | 36,984            | 11,984                    |
| Overtime                                | 112,000                            | 489,540           | 377,540                   |
| Forfeitures                             | 3,000                              | 5,279             | 2,279                     |
| Communications and federal mandate      | 20,000                             | 39,562            | 19,562                    |
| Dues and subscriptions                  | 10,000                             | 11,079            | 1,079                     |
| Law Enforcement Data/Lexipol            | 40,910                             | -                 | (40,910)                  |
| Copier and lease purchases              | -                                  | 301               | 301                       |
| 911 annual contract                     | 383,500                            | 363,610           | (19,890)                  |
| Vehicle loan payments/Elig Exp          | 9,000                              | -                 | (9,000)                   |
| Training program                        | 160,000                            | 77,594            | (82,406)                  |
| Maintenance/annual contract             | -                                  | 779               | 779                       |
|                                         | <u>4,567,399</u>                   | <u>5,198,439</u>  | <u>631,040</u>            |

(Continued)

## CITY OF MARKHAM, ILLINOIS

General Fund  
Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended April 30, 2024

|                                      | Original<br>and<br>Final<br>Budget | Actual           | Over<br>(Under)<br>Budget |
|--------------------------------------|------------------------------------|------------------|---------------------------|
| Fire department                      |                                    |                  |                           |
| Chief's expenditures                 | \$ 500                             | \$ 405           | \$ (95)                   |
| Maintenance and repair - vehicle     | 50,000                             | 46,605           | (3,395)                   |
| Vehicle repair                       | 50,000                             | 54,951           | 4,951                     |
| Equipment purchase                   | 50,000                             | 63,328           | 13,328                    |
| Materials and supplies               | 5,000                              | 5,966            | 966                       |
| Salaries                             | 2,020,366                          | 1,977,020        | (43,346)                  |
| Overtime                             | 80,000                             | 154,761          | 74,761                    |
| Safety committee                     | 500                                | -                | (500)                     |
| Foreign fire tax                     | 25,000                             | 13,537           | (11,463)                  |
| Co/med ambulance contractual service | 110,000                            | 109,740          | (260)                     |
| Maintenance and repair - building    | 40,000                             | 44,475           | 4,475                     |
| Fire/arson investigation             | 500                                | -                | (500)                     |
| Prevention and education             | 2,500                              | 2,492            | (8)                       |
| Communications and federal mandate   | 12,000                             | 25,416           | 13,416                    |
| Fire grant expenditures              | 100,000                            | 53,265           | (46,735)                  |
| Uniforms/clothing allowance          | 20,000                             | 16,669           | (3,331)                   |
| Dues and subscriptions               | 10,000                             | 9,448            | (552)                     |
| Training program                     | 12,000                             | 8,895            | (3,105)                   |
|                                      | <u>2,588,366</u>                   | <u>2,586,973</u> | <u>(1,393)</u>            |
| Emergency and disaster               |                                    |                  |                           |
| Materials and supplies               | 200                                | -                | (200)                     |
| Sirens                               | 5,000                              | 34,918           | 29,918                    |
|                                      | <u>5,200</u>                       | <u>34,918</u>    | <u>29,718</u>             |
| Fire and police commission           |                                    |                  |                           |
| Secretarial services                 | 1,200                              | 400              | (800)                     |
| Materials and supplies               | 350                                | 56               | (294)                     |
| Psychological tests                  | 2,000                              | -                | (2,000)                   |
| Examination expenditures             | 8,000                              | 3,825            | (4,175)                   |
| Legal expenditures                   | 5,000                              | -                | (5,000)                   |
| Commission expenditures              | 1,500                              | 1,572            | 72                        |
| Dues and subscriptions               | -                                  | 400              | 400                       |
|                                      | <u>18,050</u>                      | <u>6,253</u>     | <u>(11,797)</u>           |
| In-house court department            |                                    |                  |                           |
| Equipment purchase                   | 20,400                             | 20,555           | 155                       |
| Materials and supplies               | 100                                | 4,144            | 4,044                     |
| Computer operator                    | 23,242                             | 14,553           | (8,689)                   |
| Hearing officer                      | 8,000                              | 19,579           | 11,579                    |
| Printing                             | 15,000                             | 2,154            | (12,846)                  |
| Legal fees                           | 6,000                              | 18,248           | 12,248                    |
|                                      | <u>72,742</u>                      | <u>79,233</u>    | <u>6,491</u>              |
| Senior transportation                |                                    |                  |                           |
| Equipment purchase                   | 10,000                             | 211              | (9,789)                   |
| Vehicle purchase                     | 3,600                              | 1,600            | (2,000)                   |
| Tollway                              | 1,000                              | 464              | (536)                     |
| Gas                                  | -                                  | 20               | 20                        |
| Materials and supplies               | 200                                | 309              | 109                       |

(Continued)

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## CITY OF MARKHAM, ILLINOIS

General Fund  
Schedule of Expenditures - Budget and Actual  
For the Fiscal Year Ended April 30, 2024

|                                     | Original<br>and<br>Final<br>Budget | Actual                   | Over<br>(Under)<br>Budget |
|-------------------------------------|------------------------------------|--------------------------|---------------------------|
| Senior driver (part time)           | \$ 23,002                          | \$ 17,274                | \$ (5,728)                |
| Training program                    | 500                                | -                        | (500)                     |
|                                     | <u>38,302</u>                      | <u>19,878</u>            | <u>(18,424)</u>           |
| <br>Total public safety             | <br><u>7,290,059</u>               | <br><u>7,925,694</u>     | <br><u>635,635</u>        |
| Highways and streets                |                                    |                          |                           |
| Street department                   |                                    |                          |                           |
| Department head expenditures        | 500                                | 630                      | 130                       |
| Materials and supplies              | 60,000                             | 72,395                   | 12,395                    |
| Salaries                            | 528,602                            | 502,270                  | (26,332)                  |
| Part-time wages                     | 226,200                            | 273,538                  | 47,338                    |
| Overtime                            | 50,000                             | 153,482                  | 103,482                   |
| Gasoline                            | 210,000                            | 284,557                  | 74,557                    |
| Uniform rental                      | 20,000                             | 49,281                   | 29,281                    |
| Animal welfare (Strays)             | 20,000                             | 12,444                   | (7,556)                   |
| Professional services               | 1,000                              | 920                      | (80)                      |
| Tree removal                        | -                                  | 5,900                    | 5,900                     |
| Equipment rental                    | -                                  | 940                      | 940                       |
| Safety equipment                    | 1,000                              | -                        | (1,000)                   |
| Maintenance - vehicle and equipment | <u>155,000</u>                     | <u>214,320</u>           | <u>59,320</u>             |
| <br>Total highways and streets      | <br><u>1,272,302</u>               | <br><u>1,570,677</u>     | <br><u>298,375</u>        |
| Capital outlay                      | <u>-</u>                           | <u>729,868</u>           | <u>729,868</u>            |
| Debt service                        |                                    |                          |                           |
| Principal retirement                | 109,000                            | 507,536                  | 398,536                   |
| Interest and fiscal charges         | <u>196,101</u>                     | <u>63,276</u>            | <u>(132,825)</u>          |
| Total debt service                  | <u>305,101</u>                     | <u>570,812</u>           | <u>265,711</u>            |
| <br>Total expenditures              | <br><u>\$ 19,765,090</u>           | <br><u>\$ 22,106,147</u> | <br><u>\$ 2,341,057</u>   |

## CITY OF MARKHAM, ILLINOIS

TIF #1 Canterbury Mall Plaza - Capital Projects Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended April 30, 2024

|                             | Original<br>and<br>Final<br>Budget | Actual       | Over<br>(Under)<br>Budget |
|-----------------------------|------------------------------------|--------------|---------------------------|
| Revenues                    |                                    |              |                           |
| Taxes                       |                                    |              |                           |
| Property tax                | \$ 1,050,000                       | \$ 2,006,970 | \$ 956,970                |
| Investment income           | 150                                | 92,842       | 92,692                    |
| Total revenues              | 1,050,150                          | 2,099,812    | 1,049,662                 |
| Expenditures                |                                    |              |                           |
| Highways and streets        | 461,252                            | 164,022      | (297,230)                 |
| Debt service                |                                    |              |                           |
| Principal retirement        | 410,000                            | -            | (410,000)                 |
| Interest and fiscal charges | 82,556                             | 85,736       | 3,180                     |
| Total expenditures          | 953,808                            | 249,758      | (704,050)                 |
| Net change in fund balance  | \$ 96,342                          | 1,850,054    | \$ 1,753,712              |
| Beginning fund balance      |                                    | 5,111,386    |                           |
| Ending fund balance         |                                    | \$ 6,961,440 |                           |

## CITY OF MARKHAM, ILLINOIS

TIF #3 Dixie Highway - Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2024

|                                                              | Original<br>and<br>Final<br>Budget | Actual              | Over<br>(Under)<br>Budget |
|--------------------------------------------------------------|------------------------------------|---------------------|---------------------------|
| Revenues                                                     |                                    |                     |                           |
| Taxes                                                        |                                    |                     |                           |
| Property tax                                                 | \$ 1,680,000                       | \$ 2,533,193        | \$ 853,193                |
| Investment income                                            | 3,000                              | 133,357             | 130,357                   |
| Total revenues                                               | <u>1,683,000</u>                   | <u>2,666,550</u>    | <u>983,550</u>            |
| Expenditures                                                 |                                    |                     |                           |
| Highways and streets                                         | <u>750,000</u>                     | <u>593,765</u>      | <u>(156,235)</u>          |
| Excess (deficiency) of revenues<br>over (under) expenditures | 933,000                            | 2,072,785           | 1,139,785                 |
| Other financing (uses)                                       |                                    |                     |                           |
| Transfers out                                                | <u>(650,000)</u>                   | <u>(809,546)</u>    | <u>(159,546)</u>          |
| Net change in fund balance                                   | <u>\$ 283,000</u>                  | 1,263,239           | <u>\$ 980,239</u>         |
| Beginning fund balance                                       |                                    | <u>4,247,923</u>    |                           |
| Ending fund balance                                          |                                    | <u>\$ 5,511,162</u> |                           |

## CITY OF MARKHAM, ILLINOIS

Combining Balance Sheet  
Nonmajor Governmental Funds  
April 30, 2024

|                                                                     | Special Revenue Funds |                   |                  |                        | Debt Service Funds |                   | Capital Projects |                                 |                                | Total Nonmajor Governmental Funds |
|---------------------------------------------------------------------|-----------------------|-------------------|------------------|------------------------|--------------------|-------------------|------------------|---------------------------------|--------------------------------|-----------------------------------|
|                                                                     | Motor Fuel Tax        | Grant             | Asset Seizure    | TIF #2 Hotel/Motel Tax | 2008A Bond         | 2008B Bond        | Capital Projects | 2009B Bond Capital Improvements | 2012 Bond Capital Improvements |                                   |
| <b>ASSETS</b>                                                       |                       |                   |                  |                        |                    |                   |                  |                                 |                                |                                   |
| Cash and cash equivalents                                           | \$ 363,267            | \$ 567,961        | \$ 58,552        | \$ 935,424             | \$ -               | \$ -              | \$ -             | \$ -                            | \$ 328                         | \$ 1,925,532                      |
| Receivables - net of allowances                                     |                       |                   |                  |                        |                    |                   |                  |                                 |                                |                                   |
| Property taxes                                                      | -                     | -                 | -                | 14,227                 | 675,356            | 476,355           | -                | -                               | -                              | 1,165,938                         |
| Other taxes                                                         | 39,900                | -                 | -                | -                      | -                  | -                 | -                | -                               | -                              | 39,900                            |
| Total assets                                                        | <u>\$ 403,167</u>     | <u>\$ 567,961</u> | <u>\$ 58,552</u> | <u>\$ 949,651</u>      | <u>\$ 675,356</u>  | <u>\$ 476,355</u> | <u>\$ -</u>      | <u>\$ -</u>                     | <u>\$ 328</u>                  | <u>\$ 3,131,370</u>               |
| <b>LIABILITIES</b>                                                  |                       |                   |                  |                        |                    |                   |                  |                                 |                                |                                   |
| Accounts payable                                                    | \$ 9,549              | \$ -              | \$ -             | \$ -                   | \$ -               | \$ -              | \$ 7,500         | \$ -                            | \$ -                           | \$ 17,049                         |
| Due to other funds                                                  | 439,406               | 916,746           | -                | 1,040                  | 1,068,218          | 753,183           | 695,364          | 694,720                         | -                              | 4,568,677                         |
| Total liabilities                                                   | <u>448,955</u>        | <u>916,746</u>    | <u>-</u>         | <u>1,040</u>           | <u>1,068,218</u>   | <u>753,183</u>    | <u>702,864</u>   | <u>694,720</u>                  | <u>-</u>                       | <u>4,585,726</u>                  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                |                       |                   |                  |                        |                    |                   |                  |                                 |                                |                                   |
| Property taxes                                                      | -                     | -                 | -                | -                      | 635,875            | 447,538           | -                | -                               | -                              | 1,083,413                         |
| Total liabilities and deferred inflows of resources                 | <u>448,955</u>        | <u>916,746</u>    | <u>-</u>         | <u>1,040</u>           | <u>1,704,093</u>   | <u>1,200,721</u>  | <u>702,864</u>   | <u>694,720</u>                  | <u>-</u>                       | <u>5,669,139</u>                  |
| <b>FUND BALANCES</b>                                                |                       |                   |                  |                        |                    |                   |                  |                                 |                                |                                   |
| Restricted                                                          |                       |                   |                  |                        |                    |                   |                  |                                 |                                |                                   |
| Public safety                                                       | -                     | -                 | 58,552           | -                      | -                  | -                 | -                | -                               | -                              | 58,552                            |
| Hotel/Motel TIF                                                     | -                     | -                 | -                | 948,611                | -                  | -                 | -                | -                               | -                              | 948,611                           |
| Assigned - capital projects                                         | -                     | -                 | -                | -                      | -                  | -                 | -                | -                               | 328                            | 328                               |
| Unassigned                                                          | (45,788)              | (348,785)         | -                | -                      | (1,028,737)        | (724,366)         | (702,864)        | (694,720)                       | -                              | (3,545,260)                       |
| Total fund balances                                                 | <u>(45,788)</u>       | <u>(348,785)</u>  | <u>58,552</u>    | <u>948,611</u>         | <u>(1,028,737)</u> | <u>(724,366)</u>  | <u>(702,864)</u> | <u>(694,720)</u>                | <u>328</u>                     | <u>(2,537,769)</u>                |
| Total liabilities, deferred inflows of resources, and fund balances | <u>\$ 403,167</u>     | <u>\$ 567,961</u> | <u>\$ 58,552</u> | <u>\$ 949,651</u>      | <u>\$ 675,356</u>  | <u>\$ 476,355</u> | <u>\$ -</u>      | <u>\$ -</u>                     | <u>\$ 328</u>                  | <u>\$ 3,131,370</u>               |

## CITY OF MARKHAM, ILLINOIS

Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Year Ending April 30, 2024

|                                                              | Special Revenue Funds |                     |                  |                              | Debt Service Funds    |                     | Capital Projects    |                                       |                                      | Total Nonmajor<br>Governmental<br>Funds |
|--------------------------------------------------------------|-----------------------|---------------------|------------------|------------------------------|-----------------------|---------------------|---------------------|---------------------------------------|--------------------------------------|-----------------------------------------|
|                                                              | Motor Fuel<br>Tax     | Grant               | Asset<br>Seizure | TIF #2<br>Hotel/Motel<br>Tax | 2008A<br>Bond         | 2008B<br>Bond       | Capital<br>Projects | 2009B Bond<br>Capital<br>Improvements | 2012 Bond<br>Capital<br>Improvements |                                         |
| Revenues                                                     |                       |                     |                  |                              |                       |                     |                     |                                       |                                      |                                         |
| Taxes                                                        | \$ -                  | \$ -                | \$ -             | \$ 133,991                   | \$ 811,553            | \$ 590,630          | \$ -                | \$ -                                  | \$ -                                 | \$ 1,536,174                            |
| Intergovernmental                                            | 512,149               | -                   | -                | -                            | -                     | -                   | -                   | -                                     | -                                    | 512,149                                 |
| Investment income                                            | -                     | -                   | -                | -                            | 17,184                | 14,477              | -                   | -                                     | -                                    | 31,661                                  |
| Miscellaneous                                                | -                     | -                   | 406              | -                            | -                     | -                   | 220,000             | -                                     | -                                    | 220,406                                 |
| Total revenues                                               | <u>512,149</u>        | <u>-</u>            | <u>406</u>       | <u>133,991</u>               | <u>828,737</u>        | <u>605,107</u>      | <u>220,000</u>      | <u>-</u>                              | <u>-</u>                             | <u>2,300,390</u>                        |
| Expenditures                                                 |                       |                     |                  |                              |                       |                     |                     |                                       |                                      |                                         |
| Capital outlay                                               | -                     | 126,003             | -                | -                            | -                     | -                   | 534,519             | -                                     | -                                    | 660,522                                 |
| Highways and streets                                         | 645,190               | 11,507              | -                | 1,040                        | -                     | -                   | -                   | -                                     | -                                    | 657,737                                 |
| Debt service                                                 |                       |                     |                  |                              |                       |                     |                     |                                       |                                      |                                         |
| Principal retirement                                         | -                     | -                   | -                | -                            | 525,000               | 520,000             | -                   | -                                     | -                                    | 1,045,000                               |
| Interest and fiscal charges                                  | -                     | -                   | -                | -                            | 438,103               | 168,763             | -                   | -                                     | -                                    | 606,866                                 |
| Total expenditures                                           | <u>645,190</u>        | <u>137,510</u>      | <u>-</u>         | <u>1,040</u>                 | <u>963,103</u>        | <u>688,763</u>      | <u>534,519</u>      | <u>-</u>                              | <u>-</u>                             | <u>2,970,125</u>                        |
| Excess (deficiency) of revenues<br>over (under) expenditures | <u>(133,041)</u>      | <u>(137,510)</u>    | <u>406</u>       | <u>132,951</u>               | <u>(134,366)</u>      | <u>(83,656)</u>     | <u>(314,519)</u>    | <u>-</u>                              | <u>-</u>                             | <u>(669,735)</u>                        |
| Other financing (uses)                                       |                       |                     |                  |                              |                       |                     |                     |                                       |                                      |                                         |
| Transfers in                                                 | -                     | -                   | -                | -                            | -                     | -                   | 307,019             | -                                     | -                                    | 307,019                                 |
| Transfers (out)                                              | -                     | -                   | (5,279)          | (129,183)                    | -                     | -                   | -                   | -                                     | -                                    | (134,462)                               |
| Total other financing sources (uses)                         | <u>-</u>              | <u>-</u>            | <u>(5,279)</u>   | <u>(129,183)</u>             | <u>-</u>              | <u>-</u>            | <u>307,019</u>      | <u>-</u>                              | <u>-</u>                             | <u>172,557</u>                          |
| Net change in fund balances                                  | (133,041)             | (137,510)           | (4,873)          | 3,768                        | (134,366)             | (83,656)            | (7,500)             | -                                     | -                                    | (497,178)                               |
| Beginning fund balances                                      | <u>87,253</u>         | <u>(211,275)</u>    | <u>63,425</u>    | <u>944,843</u>               | <u>(894,371)</u>      | <u>(640,710)</u>    | <u>(695,364)</u>    | <u>(694,720)</u>                      | <u>328</u>                           | <u>(2,040,591)</u>                      |
| Ending fund balances                                         | <u>\$ (45,788)</u>    | <u>\$ (348,785)</u> | <u>\$ 58,552</u> | <u>\$ 948,611</u>            | <u>\$ (1,028,737)</u> | <u>\$ (724,366)</u> | <u>\$ (702,864)</u> | <u>\$ (694,720)</u>                   | <u>\$ 328</u>                        | <u>\$ (2,537,769)</u>                   |

## CITY OF MARKHAM, ILLINOIS

Motor Fuel Tax - Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended April 30, 2024

|                            | Original<br>and<br>Final<br>Budget | Actual             | Over<br>(Under)<br>Budget |
|----------------------------|------------------------------------|--------------------|---------------------------|
| Revenues                   |                                    |                    |                           |
| Intergovernmental          |                                    |                    |                           |
| Motor fuel tax allotment   | \$ 300,000                         | \$ 512,149         | \$ 212,149                |
| Grants                     | 193,889                            | -                  | (193,889)                 |
| Total revenues             | <u>493,889</u>                     | <u>512,149</u>     | <u>18,260</u>             |
| Expenditures               |                                    |                    |                           |
| Highways and streets       | <u>490,000</u>                     | <u>645,190</u>     | <u>155,190</u>            |
| Net change in fund balance | <u>\$ 3,889</u>                    | (133,041)          | <u>\$ (136,930)</u>       |
| Beginning fund balance     |                                    | <u>87,253</u>      |                           |
| Ending fund balance        |                                    | <u>\$ (45,788)</u> |                           |

## CITY OF MARKHAM, ILLINOIS

TIF #2 Hotel/Motel Tax - Special Revenue Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
 For the Fiscal Year Ended April 30, 2024

|                                                              | Original<br>and<br>Final<br>Budget | Actual            | Over<br>(Under)<br>Budget |
|--------------------------------------------------------------|------------------------------------|-------------------|---------------------------|
| Revenues                                                     |                                    |                   |                           |
| Taxes                                                        |                                    |                   |                           |
| Property tax                                                 | \$ 150,000                         | \$ 133,991        | \$ (16,009)               |
| Expenditures                                                 |                                    |                   |                           |
| Highways and streets                                         | 100,000                            | 1,040             | (98,960)                  |
| Excess (deficiency) of revenues<br>over (under) expenditures | 50,000                             | 132,951           | 82,951                    |
| Other financing (uses)                                       |                                    |                   |                           |
| Transfers out                                                | (130,000)                          | (129,183)         | 817                       |
| Net change in fund balance                                   | <u>\$ (80,000)</u>                 | 3,768             | <u>\$ 83,768</u>          |
| Beginning fund balance                                       |                                    | <u>944,843</u>    |                           |
| Ending fund balance                                          |                                    | <u>\$ 948,611</u> |                           |

## CITY OF MARKHAM, ILLINOIS

Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2024

|                                                              | Original<br>and<br>Final<br>Budget | Actual       | Over<br>(Under)<br>Budget |
|--------------------------------------------------------------|------------------------------------|--------------|---------------------------|
| Revenues                                                     |                                    |              |                           |
| Contribution revenue                                         | \$ -                               | \$ 220,000   | \$ 220,000                |
| Expenditures                                                 |                                    |              |                           |
| Capital outlay                                               | 450,000                            | 534,519      | 84,519                    |
| Excess (deficiency) of revenues<br>over (under) expenditures | (450,000)                          | (314,519)    | 135,481                   |
| Other financing sources (uses)                               |                                    |              |                           |
| Transfers in                                                 | -                                  | 307,019      | 307,019                   |
| Net change in fund balance                                   | \$ (450,000)                       | (7,500)      | \$ 442,500                |
| Beginning fund balance                                       |                                    | (695,364)    |                           |
| Ending fund balance                                          |                                    | \$ (702,864) |                           |

## CITY OF MARKHAM, ILLINOIS

2008A Bond - Debt Service Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2024

|                             | Original<br>and<br>Final<br>Budget | Actual                | Over<br>(Under)<br>Budget |
|-----------------------------|------------------------------------|-----------------------|---------------------------|
| Revenues                    |                                    |                       |                           |
| Taxes                       |                                    |                       |                           |
| Property tax                | \$ 852,791                         | \$ 811,553            | \$ (41,238)               |
| Investment income           | 5,000                              | 17,184                | 12,184                    |
| Total revenues              | <u>857,791</u>                     | <u>828,737</u>        | <u>(29,054)</u>           |
| Expenditures                |                                    |                       |                           |
| Debt service                |                                    |                       |                           |
| Principal retirement        | 525,000                            | 525,000               | -                         |
| Interest and fiscal charges | <u>435,103</u>                     | <u>438,103</u>        | <u>3,000</u>              |
| Total expenditures          | <u>960,103</u>                     | <u>963,103</u>        | <u>3,000</u>              |
| Net change in fund balance  | <u>\$ (102,312)</u>                | <u>(134,366)</u>      | <u>\$ (32,054)</u>        |
| Beginning fund balance      |                                    | <u>(894,371)</u>      |                           |
| Ending fund balance         |                                    | <u>\$ (1,028,737)</u> |                           |

## CITY OF MARKHAM, ILLINOIS

2008B Bond - Debt Service Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
For the Fiscal Year Ended April 30, 2024

|                             | Original<br>and<br>Final<br>Budget | Actual              | Over<br>(Under)<br>Budget |
|-----------------------------|------------------------------------|---------------------|---------------------------|
| Revenues                    |                                    |                     |                           |
| Taxes                       |                                    |                     |                           |
| Property tax                | \$ 625,504                         | \$ 590,630          | \$ (34,874)               |
| Investment income           | 5,000                              | 14,477              | 9,477                     |
| Total revenues              | <u>630,504</u>                     | <u>605,107</u>      | <u>(25,397)</u>           |
| Expenditures                |                                    |                     |                           |
| Debt service                |                                    |                     |                           |
| Principal retirement        | 520,000                            | 520,000             | -                         |
| Interest and fiscal charges | <u>168,763</u>                     | <u>168,763</u>      | <u>-</u>                  |
| Total expenditures          | <u>688,763</u>                     | <u>688,763</u>      | <u>-</u>                  |
| Net change in fund balance  | <u>\$ (58,259)</u>                 | (83,656)            | <u>\$ (25,397)</u>        |
| Beginning fund balance      |                                    | <u>(640,710)</u>    |                           |
| Ending fund balance         |                                    | <u>\$ (724,366)</u> |                           |

## CITY OF MARKHAM, ILLINOIS

Waterworks and Sewerage - Enterprise Fund  
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
For the Fiscal Year Ended April 30, 2024

|                                     | Original<br>and<br>Final<br>Budget | Actual              | Over<br>(Under)<br>Budget |
|-------------------------------------|------------------------------------|---------------------|---------------------------|
| Operating revenues                  |                                    |                     |                           |
| Charges for service                 |                                    |                     |                           |
| Water sales                         | \$ 4,096,484                       | \$ 3,704,261        | \$ (392,223)              |
| Miscellaneous                       | 100,000                            | 188,972             | 88,972                    |
| Total operating revenues            | <u>4,196,484</u>                   | <u>3,893,233</u>    | <u>(303,251)</u>          |
| Operating expenses                  |                                    |                     |                           |
| Operations                          |                                    |                     |                           |
| Administrative division             | 7,322,849                          | 691,743             | (6,631,106)               |
| Water purchased                     | 2,590,000                          | 2,355,770           | (234,230)                 |
| Operating expenses                  | 289,599                            | 429,860             | 140,261                   |
| Depreciation and amortization       | -                                  | 129,183             | 129,183                   |
| Total operating expenses            | <u>10,202,448</u>                  | <u>3,606,556</u>    | <u>(6,595,892)</u>        |
| Operating income (loss)             | (6,005,964)                        | 286,677             | 6,292,641                 |
| Nonoperating revenues (expenses)    |                                    |                     |                           |
| Interest expense and fiscal charges | -                                  | (11,111)            | (11,111)                  |
| Change in net position              | <u>\$ (6,005,964)</u>              | 275,566             | <u>\$ 6,281,530</u>       |
| Beginning net position              |                                    | <u>1,370,975</u>    |                           |
| Ending net position                 |                                    | <u>\$ 1,646,541</u> |                           |

## CITY OF MARKHAM, ILLINOIS

Solid Waste - Enterprise Fund  
 Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
 For the Fiscal Year Ended April 30, 2024

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|                             | Original<br>and<br>Final<br>Budget | Actual              | Over<br>(Under)<br>Budget |
|-----------------------------|------------------------------------|---------------------|---------------------------|
| Operating revenues          |                                    |                     |                           |
| Charges for service         |                                    |                     |                           |
| Garbage collection charges  | \$ 1,257,000                       | \$ 1,249,336        | \$ (7,664)                |
| Operating expenses          |                                    |                     |                           |
| Operations                  |                                    |                     |                           |
| Garbage collection expenses | <u>1,355,000</u>                   | <u>1,591,600</u>    | <u>236,600</u>            |
| Change in net position      | <u>\$ (98,000)</u>                 | <u>(342,264)</u>    | <u>\$ (244,264)</u>       |
| Beginning net position      |                                    | <u>1,801,004</u>    |                           |
| Ending net position         |                                    | <u>\$ 1,458,740</u> |                           |

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## CITY OF MARKHAM, ILLINOIS

Markham Roller Rink - Enterprise Fund  
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
For the Fiscal Year Ended April 30, 2024

|                                     | Original<br>and<br>Final<br>Budget | Actual                | Over<br>(Under)<br>Budget |
|-------------------------------------|------------------------------------|-----------------------|---------------------------|
| Operating revenues                  |                                    |                       |                           |
| Charges for service                 |                                    |                       |                           |
| Roller rink sales                   | \$ 125,000                         | \$ -                  | \$ (125,000)              |
| Operating expenses                  |                                    |                       |                           |
| Operations                          |                                    |                       |                           |
| Operating                           | 124,119                            | 59,501                | (64,618)                  |
| Depreciation and amortization       | -                                  | 97,907                | 97,907                    |
| Total operating expenses            | <u>124,119</u>                     | <u>157,408</u>        | <u>33,289</u>             |
| Operating income                    | 881                                | (157,408)             | (158,289)                 |
| Nonoperating (expenses)             |                                    |                       |                           |
| Property taxes                      | -                                  | 364,287               | 364,287                   |
| Interest expense and fiscal charges | -                                  | (199,755)             | (199,755)                 |
|                                     | <u>-</u>                           | <u>164,532</u>        | <u>164,532</u>            |
| Change in net position              | <u>\$ 881</u>                      | 7,124                 | <u>\$ 6,243</u>           |
| Beginning net position              |                                    | <u>(2,170,040)</u>    |                           |
| Ending net position                 |                                    | <u>\$ (2,162,916)</u> |                           |

## CITY OF MARKHAM, ILLINOIS

Markham Senior Living Complex - Enterprise Fund  
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual  
For the Fiscal Year Ended April 30, 2024

|                                     | Original<br>and<br>Final<br>Budget | Actual              | Over<br>(Under)<br>Budget |
|-------------------------------------|------------------------------------|---------------------|---------------------------|
| Operating revenues                  |                                    |                     |                           |
| Charges for service                 |                                    |                     |                           |
| Rental income                       | \$ 1,088,196                       | \$ 942,011          | \$ (146,185)              |
| Miscellaneous                       | 10,000                             | 5,005               | (4,995)                   |
| Total operating revenues            | 1,098,196                          | 947,016             | (151,180)                 |
| Operating expenses                  |                                    |                     |                           |
| Operations                          |                                    |                     |                           |
| General and administrative          | 184,762                            | 214,558             | 29,796                    |
| Operating                           | 769,405                            | 418,280             | (351,125)                 |
| Depreciation and amortization       | -                                  | 348,087             | 348,087                   |
| Total operating expenses            | 954,167                            | 980,925             | 26,758                    |
| Operating income (loss)             | 144,029                            | (33,909)            | (177,938)                 |
| Nonoperating revenues (expenses)    |                                    |                     |                           |
| Investment income                   | 300,050                            | 224,646             | (75,404)                  |
| Property taxes                      | 997,326                            | 1,038,030           | 40,704                    |
| Principal retirement                | 765,000                            | -                   | (765,000)                 |
| Interest expense and fiscal charges | (2,206,410)                        | (673,369)           | 1,533,041                 |
|                                     | (144,034)                          | 589,307             | 733,341                   |
| Change in net position              | <u>\$ (5)</u>                      | 555,398             | 555,403                   |
| Beginning net position              |                                    | <u>3,090,469</u>    |                           |
| Ending net position                 |                                    | <u>\$ 3,645,867</u> |                           |

## CITY OF MARKHAM, ILLINOIS

Pension Trust Funds  
Combining Statement of Fiduciary Net Position  
April 30, 2024

|                                                   | Pension Trust Funds    |                               | Total         |
|---------------------------------------------------|------------------------|-------------------------------|---------------|
|                                                   | Police<br>Pension Fund | Firefighters'<br>Pension Fund |               |
| <b>ASSETS</b>                                     |                        |                               |               |
| Cash and cash equivalents                         | \$ 1,014,665           | \$ 516,612                    | \$ 1,531,277  |
| Investments                                       |                        |                               |               |
| Illinois Police Officer's Pension Investment fund | 24,036,005             | -                             | 24,036,005    |
| Illinois Firefighters' Pension Investment Fund    | -                      | 14,561,020                    | 14,561,020    |
| Insurance contracts                               | 402,826                | -                             | 402,826       |
| Receivables - net of allowances                   |                        |                               |               |
| Due from other funds                              | 30,201                 | 14,890                        | 45,091        |
| Prepays                                           | 4,286                  | -                             | 4,286         |
| Total assets                                      | 25,487,983             | 15,092,522                    | 40,580,505    |
| <b>LIABILITIES</b>                                |                        |                               |               |
| Accounts payable                                  | 8,260                  | 1,545                         | 9,805         |
| Net position restricted for pensions              | \$ 25,479,723          | \$ 15,090,977                 | \$ 40,570,700 |

## CITY OF MARKHAM, ILLINOIS

Pension Trust Funds  
Combining Statement of Changes in Fiduciary Net Position  
For the Fiscal Year Ended April 30, 2024

|                                      | <u>Police<br/>Pension</u> | <u>Firefighters'<br/>Pension</u> | <u>Totals</u>        |
|--------------------------------------|---------------------------|----------------------------------|----------------------|
| Additions                            |                           |                                  |                      |
| Contributions - employer             | \$ 1,216,432              | \$ 427,477                       | \$ 1,643,909         |
| Contributions - plan members         | <u>353,632</u>            | <u>184,167</u>                   | <u>537,799</u>       |
| Total contributions                  | 1,570,064                 | 611,644                          | 2,181,708            |
| Investment income (loss)             |                           |                                  |                      |
| Interest earned                      | 149,644                   | 1,613,931                        | 1,763,575            |
| Net change in fair value             | <u>1,961,625</u>          | <u>-</u>                         | <u>1,961,625</u>     |
|                                      | 2,111,269                 | 1,613,931                        | 3,725,200            |
| Less investment expenses             | <u>(13,371)</u>           | <u>(18,598)</u>                  | <u>(31,969)</u>      |
| Net investment income                | 2,097,898                 | 1,595,333                        | 3,693,231            |
| Miscellaneous income                 | <u>90,099</u>             | <u>-</u>                         | <u>90,099</u>        |
| Total additions                      | 3,758,061                 | 2,206,977                        | 5,965,038            |
| Deductions                           |                           |                                  |                      |
| Administration                       | 62,349                    | 31,940                           | 94,289               |
| Benefits and refunds                 | <u>1,731,305</u>          | <u>488,085</u>                   | <u>2,219,390</u>     |
| Total deductions                     | 1,793,654                 | 520,025                          | 2,313,679            |
| Change in fiduciary net position     | 1,964,407                 | 1,686,952                        | 3,651,359            |
| Net position restricted for pensions |                           |                                  |                      |
| Beginning                            | <u>23,515,316</u>         | <u>13,404,025</u>                | <u>36,919,341</u>    |
| Ending                               | <u>\$ 25,479,723</u>      | <u>\$ 15,090,977</u>             | <u>\$ 40,570,700</u> |

## OTHER INFORMATION

CITY OF MARKHAM, ILLINOIS

Assessed Valuation, Tax Rates, Tax Extensions and Tax Collections - Last Ten Tax Years  
April 30, 2024

|                    | <u>2014</u>          | <u>2015</u>          | <u>2016</u>          | <u>2017</u>          | <u>2018</u>          |
|--------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Assessed valuation | \$ 115,147,630       | \$ 112,143,765       | \$ 116,803,903       | \$ 127,030,606       | \$ 120,684,689       |
| Tax rates          |                      |                      |                      |                      |                      |
| Corporate          | 1.7655               | 1.9030               | 1.9184               | 1.8522               | 2.5691               |
| Bonds and intere   | 2.3862               | 1.6464               | 2.4372               | 2.2604               | 2.3935               |
| Police pension     | 0.9633               | 1.0256               | 1.0159               | 0.9808               | 0.7830               |
| Fire pension       | 0.3826               | 0.6327               | 0.6341               | 0.6122               | 0.4596               |
| IMRF               | 0.0652               | 0.0703               | 0.0709               | 0.0684               | 0.0756               |
| Street and bridg   | 0.1575               | 0.1699               | 0.1712               | 0.1653               | 0.1827               |
| Fire protection    | 0.9104               | 0.9815               | 0.9894               | 0.9553               | 1.0558               |
| Police protection  | 1.4696               | 1.5844               | 1.5972               | 1.5421               | 1.7043               |
| Civil defense      | 0.0038               | 0.0041               | 0.0042               | 0.0040               | 0.0044               |
| Social security    | 0.1693               | 0.1826               | 0.1841               | 0.1777               | 0.1964               |
| Auditing           | 0.0437               | 0.0472               | 0.0475               | 0.0459               | 0.0570               |
| Liability insuranc | 0.3182               | 0.3431               | 0.3458               | 0.3339               | 0.3690               |
| Judgement fund     | 0.1136               | 0.1225               | 0.1235               | 0.1192               | 0.1318               |
| Workmen's com      | 0.2505               | 0.2580               | 0.2601               | 0.2511               | 0.2775               |
| Unemployment i     | 0.0483               | 0.0520               | 0.0524               | 0.0506               | 0.0560               |
| Total tax rates    | <u>9.0477</u>        | <u>9.0233</u>        | <u>9.8519</u>        | <u>9.4191</u>        | <u>10.3157</u>       |
| Tax extensions     |                      |                      |                      |                      |                      |
| Corporate          | \$ 2,032,939         | \$ 2,134,073         | \$ 2,240,774         | \$ 2,352,813         | \$ 3,100,454         |
| Bonds and intere   | 2,747,706            | 1,846,365            | 2,846,754            | 2,871,442            | 2,888,630            |
| Police pension     | 1,109,211            | 1,150,092            | 1,186,605            | 1,245,935            | 944,943              |
| Fire pension       | 440,508              | 709,483              | 740,670              | 777,704              | 554,671              |
| IMRF               | 75,101               | 78,856               | 82,799               | 86,939               | 91,286               |
| Street and bridg   | 181,414              | 190,485              | 200,004              | 210,004              | 220,504              |
| Fire protection    | 1,048,264            | 1,100,677            | 1,155,704            | 1,213,489            | 1,274,163            |
| Police protection  | 1,692,161            | 1,776,769            | 1,865,598            | 1,958,878            | 2,056,822            |
| Civil defense      | 4,410                | 4,631                | 4,863                | 5,106                | 5,361                |
| Social security    | 194,997              | 204,747              | 214,984              | 225,733              | 237,020              |
| Auditing           | 50,366               | 52,884               | 55,528               | 58,304               | 61,219               |
| Liability insuranc | 366,392              | 384,712              | 403,948              | 424,145              | 445,352              |
| Judgement fund     | 130,825              | 137,366              | 144,228              | 151,439              | 159,011              |
| Workmen's com      | 288,441              | 289,346              | 303,813              | 319,004              | 334,954              |
| Unemployment i     | 55,561               | 58,339               | 61,256               | 64,319               | 67,535               |
| Total tax exter    | <u>\$ 10,418,296</u> | <u>\$ 10,118,825</u> | <u>\$ 11,507,528</u> | <u>\$ 11,965,254</u> | <u>\$ 12,441,925</u> |
| Collections        |                      |                      |                      |                      |                      |
| Tax collections    | <u>\$ 8,056,697</u>  | <u>\$ 7,804,450</u>  | <u>\$ 8,975,359</u>  | <u>\$ 8,370,710</u>  | <u>\$ 9,173,008</u>  |
|                    | <u>77.3%</u>         | <u>77.1%</u>         | <u>78.0%</u>         | <u>70.0%</u>         | <u>73.7%</u>         |

Note: The remaining 2023 tax levy will be collected in Fiscal Year 2025 and 2026.

| <u>2019</u>           | <u>2020</u>           | <u>2021</u>           | <u>2022</u>           | <u>2023</u>           |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| <u>\$ 120,844,136</u> | <u>\$ 128,414,978</u> | <u>\$ 119,492,844</u> | <u>\$ 114,622,626</u> | <u>\$ 180,335,648</u> |
| 2.1622                | 2.0131                | 2.2121                | 2.3637                | 1.5512                |
| 2.8185                | 2.7156                | 2.8920                | 3.0332                | 1.9507                |
| 0.7834                | 0.8667                | 1.0674                | 1.2857                | 0.8892                |
| 0.4838                | 0.5469                | 0.7100                | 0.5591                | 0.4318                |
| 0.0739                | 0.0716                | 0.0787                | 0.0841                | 0.0534                |
| 0.6035                | 0.5850                | 0.6428                | 0.6869                | 0.4366                |
| 1.0521                | 1.0198                | 1.1206                | 1.1974                | 0.7611                |
| 1.8654                | 1.8447                | 2.0270                | 2.1659                | 1.3767                |
| 0.0033                | 0.0032                | 0.0035                | 0.0037                | 0.0024                |
| 0.1961                | 0.1901                | 0.2089                | 0.2232                | 0.1419                |
| 0.0438                | 0.0424                | 0.0466                | 0.0498                | 0.0317                |
| 0.3685                | 0.3572                | 0.3925                | 0.4194                | 0.2666                |
| 0.1775                | 0.1720                | 0.1890                | 0.2020                | 0.1284                |
| 0.2772                | 0.2689                | 0.2952                | 0.3155                | 0.2005                |
| 0.0559                | 0.0542                | 0.0595                | 0.0636                | 0.0404                |
| <u>10.9651</u>        | <u>10.7514</u>        | <u>11.9458</u>        | <u>12.6532</u>        | <u>8.2626</u>         |
| \$ 2,612,875          | \$ 2,585,108          | \$ 2,643,272          | \$ 2,709,355          | \$ 2,797,408          |
| 3,406,050             | 3,487,257             | 3,455,711             | 3,476,713             | 3,517,897             |
| 946,682               | 1,112,920             | 1,275,504             | 1,473,726             | 1,603,495             |
| 584,658               | 702,315               | 848,360               | 640,828               | 778,614               |
| 89,250                | 91,928                | 93,996                | 96,346                | 96,346                |
| 729,329               | 751,209               | 768,111               | 787,314               | 787,314               |
| 1,271,435             | 1,309,578             | 1,339,043             | 1,372,519             | 1,372,519             |
| 2,254,223             | 2,368,811             | 2,422,110             | 2,482,663             | 2,482,663             |
| 3,938                 | 4,056                 | 4,148                 | 4,251                 | 4,251                 |
| 237,020               | 244,130               | 249,623               | 255,864               | 255,864               |
| 52,921                | 54,509                | 55,735                | 57,128                | 57,128                |
| 445,352               | 458,712               | 469,034               | 480,759               | 480,759               |
| 214,463               | 220,897               | 225,868               | 231,513               | 231,513               |
| 334,954               | 345,003               | 352,765               | 361,584               | 361,584               |
| 67,535                | 69,561                | 71,127                | 72,905                | 72,905                |
| <u>\$ 13,250,685</u>  | <u>\$ 13,805,994</u>  | <u>\$ 14,274,407</u>  | <u>\$ 14,503,468</u>  | <u>\$ 14,900,260</u>  |
| <u>\$ 9,685,625</u>   | <u>\$ 10,458,445</u>  | <u>\$ 11,855,642</u>  | <u>\$ 10,234,771</u>  | <u>\$ 5,041,286</u>   |
| <u>73.1%</u>          | <u>78.8%</u>          | <u>83.0%</u>          | <u>70.6%</u>          | <u>33.8%</u>          |

CITY OF MARKHAM, ILLINOIS  
LONG-TERM DEBT REQUIREMENTS  
General Obligation (Alternate Revenue Source) Bonds of 2005A  
April 30, 2024

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|                         |                           |
|-------------------------|---------------------------|
| Date of issue           | February 1, 2005          |
| Date of maturity        | April 1, 2027             |
| Authorized issue        | \$ 5,550,000              |
| Denomination of bonds   | \$ 5,000                  |
| Interest rates          | 4.00% to 5.25%            |
| Interest dates          | October 1 and April 1     |
| Principal maturity date | April 1                   |
| Payable at              | J.P. Morgan Trust Company |

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

| Fiscal<br>Year<br>Ending<br><u>April 30</u> | <u>Principal</u>    | <u>Interest</u>   | <u>Total</u>        |
|---------------------------------------------|---------------------|-------------------|---------------------|
| 2025                                        | \$ -                | \$ 82,556         | \$ 82,556           |
| 2026                                        | -                   | 82,556            | 82,556              |
| 2027                                        | <u>1,785,000</u>    | <u>82,556</u>     | <u>1,867,556</u>    |
|                                             | <u>\$ 1,785,000</u> | <u>\$ 247,668</u> | <u>\$ 2,032,668</u> |

CITY OF MARKHAM, ILLINOIS  
LONG-TERM DEBT REQUIREMENTS  
General Obligation Library Purpose Bonds of 2005B  
April 30, 2024

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|                         |                           |
|-------------------------|---------------------------|
| Date of issue           | February 1, 2005          |
| Date of maturity        | January 1, 2025           |
| Authorized issue        | \$ 4,000,000              |
| Denomination of bonds   | \$ 5,000                  |
| Interest rates          | 4.50% to 5.25%            |
| Interest dates          | July 1 and January 1      |
| Principal maturity date | January 1                 |
| Payable at              | J.P. Morgan Trust Company |

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

| Fiscal<br>Year<br>Ending<br><u>April 30</u> | <u>Principal</u>         | <u>Interest</u>         | <u>Total</u>             |
|---------------------------------------------|--------------------------|-------------------------|--------------------------|
| 2025                                        | <u>\$ 305,000</u>        | <u>\$ 13,725</u>        | <u>\$ 318,725</u>        |
|                                             | <u><u>\$ 305,000</u></u> | <u><u>\$ 13,725</u></u> | <u><u>\$ 318,725</u></u> |

CITY OF MARKHAM, ILLINOIS  
LONG-TERM DEBT REQUIREMENTS  
General Obligation Bonds of 2008A  
April 30, 2024

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|                         |                             |
|-------------------------|-----------------------------|
| Date of issue           | January 1, 2008             |
| Date of maturity        | February 1, 2033            |
| Authorized issue        | \$ 10,000,000               |
| Denomination of bonds   | \$ 5,000                    |
| Interest rates          | 5.50% to 6.00%              |
| Interest dates          | August 1 and February 1     |
| Principal maturity date | February 1                  |
| Payable at              | Amalgamated Bank of Chicago |

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

| Fiscal<br>Year<br>Ending<br><u>April 30</u> | <u>Principal</u>    | <u>Interest</u>     | <u>Total</u>        |
|---------------------------------------------|---------------------|---------------------|---------------------|
| 2025                                        | \$ 570,000          | \$ 403,603          | \$ 973,603          |
| 2026                                        | 610,000             | 369,403             | 979,403             |
| 2027                                        | 655,000             | 337,328             | 992,328             |
| 2028                                        | 705,000             | 296,665             | 1,001,665           |
| 2029                                        | 765,000             | 256,128             | 1,021,128           |
| 2030                                        | 830,000             | 212,140             | 1,042,140           |
| 2031                                        | 895,000             | 164,415             | 1,059,415           |
| 2032                                        | 970,000             | 113,848             | 1,083,848           |
| 2033                                        | <u>1,045,000</u>    | <u>59,043</u>       | <u>1,104,043</u>    |
|                                             | <u>\$ 7,045,000</u> | <u>\$ 2,212,573</u> | <u>\$ 9,257,573</u> |

CITY OF MARKHAM, ILLINOIS  
LONG-TERM DEBT REQUIREMENTS  
General Obligation Bonds of 2008B  
April 30, 2024

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|                         |                             |
|-------------------------|-----------------------------|
| Date of issue           | April 15, 2008              |
| Date of maturity        | February 1, 2028            |
| Authorized issue        | \$ 8,000,000                |
| Denomination of bonds   | \$ 5,000                    |
| Interest rates          | 4.75% to 5.75%              |
| Interest dates          | August 1 and February 1     |
| Principal maturity date | February 1                  |
| Payable at              | Amalgamated Bank of Chicago |

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

| Fiscal<br>Year<br>Ending<br><u>April 30</u> | <u>Principal</u>    | <u>Interest</u>   | <u>Total</u>        |
|---------------------------------------------|---------------------|-------------------|---------------------|
| 2025                                        | \$ 555,000          | \$ 138,863        | \$ 693,863          |
| 2026                                        | 585,000             | 106,950           | 691,950             |
| 2027                                        | 620,000             | 73,313            | 693,313             |
| 2028                                        | <u>655,000</u>      | <u>37,663</u>     | <u>692,663</u>      |
|                                             | <u>\$ 2,415,000</u> | <u>\$ 356,789</u> | <u>\$ 2,771,789</u> |

CITY OF MARKHAM, ILLINOIS  
LONG-TERM DEBT REQUIREMENTS  
General Obligation Bonds of 2009A  
April 30, 2024

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|                         |                             |
|-------------------------|-----------------------------|
| Date of issue           | December 28, 2009           |
| Date of maturity        | December 1, 2030            |
| Authorized issue        | \$ 14,295,000               |
| Denomination of bonds   | \$ 5,000                    |
| Interest rates          | 7.40% to 8.00%              |
| Interest dates          | June 1 and December 1       |
| Principal maturity date | December 1                  |
| Payable at              | Amalgamated Bank of Chicago |

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

| Fiscal<br>Year<br>Ending<br><u>April 30</u> | <u>Principal</u>    | <u>Interest</u>     | <u>Total</u>         |
|---------------------------------------------|---------------------|---------------------|----------------------|
| 2025                                        | \$ 820,000          | \$ 619,800          | \$ 1,439,800         |
| 2026                                        | 880,000             | 559,120             | 1,439,120            |
| 2027                                        | 1,055,000           | 494,000             | 1,549,000            |
| 2028                                        | 1,135,000           | 409,600             | 1,544,600            |
| 2029                                        | 1,230,000           | 318,800             | 1,548,800            |
| 2030                                        | 1,325,000           | 220,400             | 1,545,400            |
| 2031                                        | <u>1,430,000</u>    | <u>114,400</u>      | <u>1,544,400</u>     |
|                                             | <u>\$ 7,875,000</u> | <u>\$ 2,736,120</u> | <u>\$ 10,611,120</u> |

CITY OF MARKHAM, ILLINOIS  
LONG-TERM DEBT REQUIREMENTS  
General Obligation Bonds of 2012  
April 30, 2024

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|                         |                             |
|-------------------------|-----------------------------|
| Date of issue           | May 30, 2012                |
| Date of maturity        | December 1, 2032            |
| Authorized issue        | \$ 5,500,000                |
| Denomination of bonds   | \$ 5,000                    |
| Interest rates          | 6.00%                       |
| Interest dates          | June 1 and December 1       |
| Principal maturity date | December 1                  |
| Payable at              | Amalgamated Bank of Chicago |

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

| Fiscal<br>Year<br>Ending<br><u>April 30</u> | <u>Principal</u>    | <u>Interest</u>     | <u>Total</u>        |
|---------------------------------------------|---------------------|---------------------|---------------------|
| 2025                                        | \$ 285,000          | \$ 195,000          | \$ 480,000          |
| 2026                                        | 300,000             | 177,900             | 477,900             |
| 2027                                        | 320,000             | 159,900             | 479,900             |
| 2028                                        | 335,000             | 140,700             | 475,700             |
| 2029                                        | 355,000             | 120,600             | 475,600             |
| 2030                                        | 380,000             | 99,300              | 479,300             |
| 2031                                        | 400,000             | 76,500              | 476,500             |
| 2032                                        | 425,000             | 52,500              | 477,500             |
| 2033                                        | <u>450,000</u>      | <u>27,000</u>       | <u>477,000</u>      |
|                                             | <u>\$ 3,250,000</u> | <u>\$ 1,049,400</u> | <u>\$ 4,299,400</u> |

CITY OF MARKHAM, ILLINOIS  
LONG-TERM DEBT REQUIREMENTS  
Installment Contract of 2021  
April 30, 2024

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|                         |                                     |
|-------------------------|-------------------------------------|
| Date of issue           | July 13, 2020                       |
| Date of maturity        | July 13, 2032                       |
| Authorized issue        | \$ 489,213                          |
| Interest rates          | 3.00%                               |
| Interest dates          | July 13                             |
| Principal maturity date | July 13                             |
| Payable at              | Republic First National Corporation |

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

| Fiscal<br>Year<br>Ending<br>April 30 | <u>Principal</u>  | <u>Interest</u>  | <u>Total</u>      |
|--------------------------------------|-------------------|------------------|-------------------|
| 2025                                 | \$ 37,611         | \$ 11,965        | \$ 49,576         |
| 2026                                 | 38,760            | 10,546           | 49,306            |
| 2027                                 | 39,943            | 9,363            | 49,306            |
| 2028                                 | 41,163            | 8,143            | 49,306            |
| 2029                                 | 42,420            | 6,886            | 49,306            |
| 2030                                 | 43,716            | 5,590            | 49,306            |
| 2031                                 | 45,051            | 4,255            | 49,306            |
| 2032                                 | 46,427            | 2,879            | 49,306            |
| 2033                                 | <u>47,846</u>     | <u>1,460</u>     | <u>49,306</u>     |
|                                      | <u>\$ 382,937</u> | <u>\$ 61,087</u> | <u>\$ 444,024</u> |

CITY OF MARKHAM, ILLINOIS  
LONG-TERM DEBT REQUIREMENTS  
Installment Contract of 2023  
April 30, 2024

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|                         |                                |
|-------------------------|--------------------------------|
| Date of issue           | January 20, 2023               |
| Date of maturity        | January 20, 2038               |
| Authorized issue        | \$ 672,154                     |
| Interest rates          | 4.97%                          |
| Interest dates          | January 20                     |
| Principal maturity date | January 20                     |
| Payable at              | PNC Bank, National Association |

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

| Fiscal<br>Year<br>Ending<br>April 30 | <u>Principal</u>  | <u>Interest</u>   | <u>Total</u>      |
|--------------------------------------|-------------------|-------------------|-------------------|
| 2025                                 | \$ 23,020         | \$ 22,376         | \$ 45,396         |
| 2026                                 | 24,164            | 21,232            | 45,396            |
| 2027                                 | 25,365            | 20,031            | 45,396            |
| 2028                                 | 26,626            | 18,770            | 45,396            |
| 2029                                 | 27,949            | 14,447            | 42,396            |
| 2030                                 | 29,338            | 16,058            | 45,396            |
| 2031                                 | 30,796            | 14,600            | 45,396            |
| 2032                                 | 32,327            | 13,069            | 45,396            |
| 2033                                 | 33,933            | 11,463            | 45,396            |
| 2034                                 | 35,620            | 9,776             | 45,396            |
| 2035                                 | 37,390            | 8,006             | 45,396            |
| 2036                                 | 39,249            | 6,147             | 45,396            |
| 2037                                 | 41,199            | 4,197             | 45,396            |
| 2038                                 | <u>43,248</u>     | <u>2,148</u>      | <u>45,396</u>     |
|                                      | <u>\$ 450,224</u> | <u>\$ 182,320</u> | <u>\$ 632,544</u> |

CITY OF MARKHAM, ILLINOIS  
LONG-TERM DEBT REQUIREMENTS  
Installment Contract of 2023A  
April 30, 2024

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|                         |                         |
|-------------------------|-------------------------|
| Date of issue           | April 24, 2023          |
| Date of maturity        | April 24, 2028          |
| Authorized issue        | \$ 175,000              |
| Interest rates          | 6.29%                   |
| Interest dates          | April 24                |
| Principal maturity date | April 24                |
| Payable at              | Tax-Exempt Leasing Corp |

**CURRENT AND FUTURE PRINCIPAL AND INTEREST REQUIREMENTS**

| Fiscal<br>Year<br>Ending<br>April 30 | <u>Principal</u> | <u>Interest</u>  | <u>Total</u>      |
|--------------------------------------|------------------|------------------|-------------------|
| 2025                                 | \$ 21,559        | \$ 5,957         | \$ 27,516         |
| 2026                                 | 22,914           | 4,602            | 27,516            |
| 2027                                 | 24,356           | 3,160            | 27,516            |
| 2028                                 | <u>25,888</u>    | <u>1,628</u>     | <u>27,516</u>     |
|                                      | <u>\$ 94,717</u> | <u>\$ 15,347</u> | <u>\$ 110,064</u> |