



CITY OF LIGHTS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended December 31, 2018

2018

CITY OF AURORA, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
December 31, 2018

Prepared by Finance Department

Martin S. Lyons
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Linda B. Read, MBA, CPA
Assistant Director of Finance

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Accounting Supervisor

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INTRODUCTORY SECTION

**CITY OF AURORA, ILLINOIS
PRINCIPAL OFFICIALS**

MAYOR

Richard C. Irvin

CITY COUNCIL

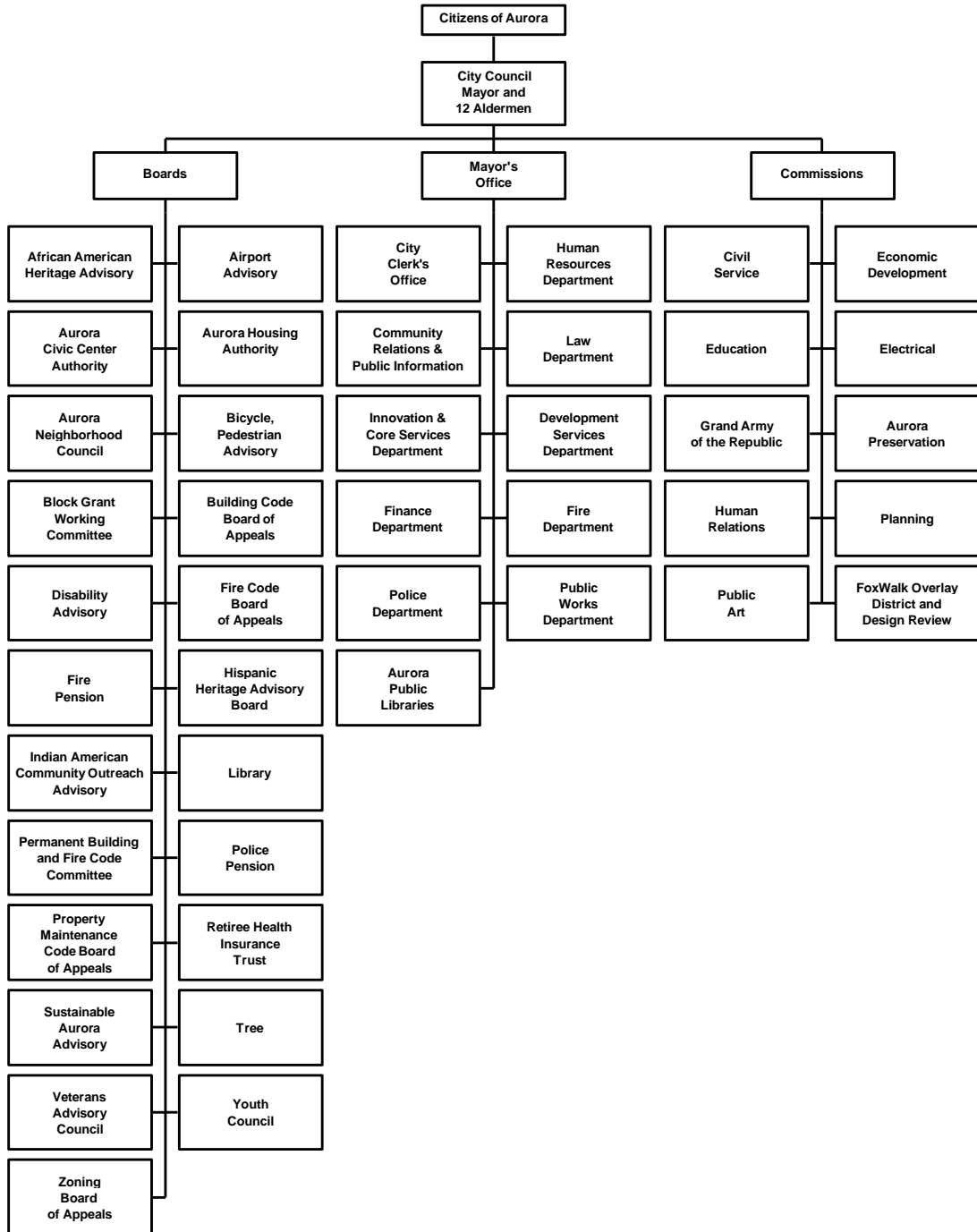
*Robert J. O'Connor, Alderman at Large
Sherman L. Jenkins, Alderman at Large
Kristina A. Bohman, First Ward Alderman
Juany Garza, Second Ward Alderman
Theodoros C. Mesiacos, Third Ward Alderman
William M. Donnell, Fourth Ward Alderman
Carl A. Franco, Fifth Ward Alderman
Michael B. Saville, Sixth Ward Alderman
Schequeta Hart-Burns, Seventh Ward Alderman
Richard B. Mervine, Eighth Ward Alderman
Edward J. Bugg, Ninth Ward Alderman
Judd M. Lofchie, Tenth Ward Alderman*

PRIMARY ADMINISTRATIVE OFFICIALS

*Alex G. Alexandrou, Chief Management Officer
John P. Curley, Chief Development Services Officer
Adrienne M. Holloway, Chief Innovation Officer
Gary N. Krienitz, Fire Chief
Alisia I. Lewis, Director of Human Resources
Martin S. Lyons, Chief Finance Officer/City Treasurer
Wendy A. McCambridge, City Clerk
Clayton A. Muhammad, Community Relations & Public Information
Daisy Porter-Reynolds, Director of Libraries
Kenneth D. Schroth, Director of Public Works/City Engineer
Richard J. Veenstra, Corporation Counsel
Kristen Ziman, Police Chief*

CITY OF AURORA

Organizational Chart





**The Government Finance Officers Association
of the United States and Canada**

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Finance Department
City of Aurora, Illinois



The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

Executive Director

Christopher P. Morrill

Date January 24, 2019



City of Aurora

44 E. Downer Place • Aurora, Illinois 60507 • Phone: 630-256-INFO • www.aurora-il.org
Martin Lyons • Chief Financial Officer • City Treasurer

Richard C. Irvin
Mayor

June 28, 2019

To the Mayor of the City of Aurora, the Aurora City Council, and Aurora Residents and Businesses:

The Comprehensive Annual Financial Report (CAFR) of the City of Aurora, Illinois, for the fiscal year ended December 31, 2018, is submitted herewith. This report provides a broad view of the city's financial activities for the 2018 fiscal year and its financial position at December 31, 2018. Although addressed to the elected officials and the citizens of the city, this report has a number of other users. Foremost among these other users are bondholders of the city, financial institutions, credit rating agencies, educational institutions, and other governmental entities. Illinois statutes require that Illinois municipalities publish financial statements on an annual basis that are prepared in accordance with generally accepted accounting principles and are audited by independent accountants. In producing a CAFR, the City of Aurora has chosen to provide financial information that is significantly greater than what state law requires and in many cases information above the Government Finance Officers Association (GFOA) requirements for a CAFR.

Responsibility for both the accuracy of the information presented in the CAFR as well as the completeness and fairness of the presentation, including all disclosures, rests with the city's management. We believe that the information, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position of the city and the results of its operations; and that all disclosures necessary to enable the reader to gain the maximum understanding of the city's financial affairs have been included.

Sikich LLP (Certified Public Accountants) has issued an unmodified ("clean") opinion on the city's financial statements for the year ended December 31, 2018. The independent auditor's report is located at the front of the financial section of this report.

The management of the city has established a system of internal control that is designed to assure that the assets of the city are safeguarded against loss, theft, or misuse. The system of internal control also assures that the accounting system compiles reliable financial data for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that these objectives will be met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of the costs and benefits requires estimates and judgments by management.

This letter of transmittal should be read in conjunction with management's discussion and analysis (also included in the CAFR) to obtain the most complete assessment of the city's current financial status and its future prospects.

The Reporting Entity and its Services

The City of Aurora was incorporated in 1857. The city is located approximately 36 miles west of Chicago. Aurora is a home-rule community as defined by the Illinois Constitution and operates under the mayor-council form of government. The City Council is comprised of 12 aldermen, two elected at large and one elected from each of the city's ten wards.

Aurora is a diverse and growing community. The city currently has a land area of approximately 46 square miles and extends into four Illinois counties: Kane, DuPage, Kendall, and Will. In the 2010 census, Aurora's population was found to be 201,110, making it the second most populous municipality in the state. The 1980 and 2000 census figures of 81,293 and 142,990, respectively, provide insight into the pace of Aurora's growth. The United States Census Bureau found that Aurora was the 18th fastest growing city in America during the 1990s among cities with a population of more than 100,000.

The city provides the full range of municipal services contemplated by statute or charter. These services include public safety, roadway maintenance, refuse disposal, public improvements, planning and zoning, engineering and inspection, water and sewer utility service, youth and certain other social services, and general administrative services. Supplementing the recreational services provided by local park districts, the city operates several municipal parks, one zoo, and a golf course. The city also owns and operates the Aurora Municipal Airport. Library services are provided by the Aurora Public Library. The Aurora Public Library is a component unit of the city whose financial information is "discretely presented" in accordance with generally accepted accounting principles. Consequently, most of the detailed financial information pertaining to the library is published in a separate financial report.

The Accounting System and Budgeting

The accounts of the city are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balances, revenues, and expenditures. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The city's accounting records are generally maintained on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when measurable and available to liquidate obligations of the current period and expenditures are recorded when a liability is incurred that is expected to draw upon current financial resources. The modified accrual accounting records are the basis for assessing budgetary compliance. After the end of the fiscal year, the city's management makes various adjustments to the accounting records to permit the preparation of certain financial statements on the accrual basis of accounting to comply with generally accepted accounting principles. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when incurred.

The City of Aurora has operated under the budget system as permitted by Chapter 65 of Illinois Compiled Statutes (as opposed to the appropriation system) since January 1, 2000. State law requires that a municipality operating under the budget system adopt its annual budget prior to the start of its fiscal year. Through the budget, spending authority is conveyed by expenditure object. Budgetary control is maintained by the use of encumbrance accounting under which purchase orders, contracts, and other commitments are effectively recorded as temporary expenditures in order to reserve the proper portion of the applicable budgetary account. The legal level of budgetary control is the department level or, where no departmental segregation of a fund exists, the fund level.

The city's budget development process starts in April of each year with the issuance of budgeting instructions by the Finance Department. These instructions provide detailed guidance to the city staff on how to prepare departmental/divisional budget requests. Applicable forms are also provided. Department heads must submit their budget requests to the Finance Department in April and May. During the month of May and June, the Finance Department compiles a draft city budget based upon the departmental requests and its projection of revenues for the budget year. In June and July, the Mayor meets with department heads to review their budget requests. The Mayor makes adjustments as appropriate to achieve budgetary balance and align the spending plan with his priorities. During August and September, the Finance Department revises the draft budget as directed by the Mayor. The Mayor submits his proposed city budget to the City Council for consideration in October.

Upon receiving the Mayor's proposed budget, the City Council refers the document to its Finance Committee for review. The Finance Committee meets with selected department heads and other city staff members during October and November to review the portions of the proposed budget within their functional responsibility. The Finance Committee may make changes to the proposed budget in consultation with the Mayor. Upon completion of its review, the Finance Committee typically recommends approval of the proposed budget to the City Council in November. The City Council approves the budget in late November or early December.

The city prepares budgets for its numerous governmental, proprietary, and fiduciary funds. The General Fund, Debt Service Fund, Gaming Tax Fund, and several other special revenue and capital projects funds comprise the governmental funds section of the budget. The proprietary funds section includes the Water and Sewer Fund, Airport Fund, Motor Vehicle Parking System Fund, Transportation Center Fund, Golf Operations Fund, and the three internal service funds. The Aurora Police Pension Fund, Aurora Firefighters' Pension Fund, and Retiree Health Insurance Trust Fund are included in the budget as fiduciary funds. The city does not adopt a budget for its Working Cash Fund (a governmental permanent fund) or agency funds.

Factors Affecting Economic Condition

Local Economy. The Aurora local economy remains strong. The City is a full participant in the strong metropolitan Chicagoland economy. As residential and business development has moved west from Chicago, Aurora has been a beneficiary. As described above, Aurora has experienced significant population growth over the past 30 years. Geographic growth has paralleled the population increases. Between 1980 and 2013 the land area of the City increased from 28 to 46 square miles. The City has managed the growth with a "growth should pay for itself" philosophy. This philosophy has manifested itself through policies that require new developments to pay for their own infrastructure.

A major strength of Aurora's economic base is its diversity. Of the city's combined total of \$3,705,635,744 in equalized assessed value (EAV) for the 2017 property tax levy (applicable to property taxes paid in 2018), \$641,341,282 or 17.3% was classified as commercial and \$367,032,495 or 9.9% as industrial. Between 2014 and 2015, the city's total EAV (excluding incremental/tax increment financing EAV) increased by \$259.7 million or 8.09% due to the reassessment of properties.

The city's retail anchors continue to be the Fox Valley Mall, a 1.5 million square-foot enclosed shopping mall constructed in the 1970s that contains over 150 stores and the Chicago Premium Outlets, an upscale fashion oriented outlet center located just east of Farnsworth Avenue and north of Interstate Route 88 with over 170 stores and 725,000 square feet of retail space. While these retail facilities enjoy regional recognition as prime shopping locations, several smaller retail centers also exist throughout the community.

Economic development successes during 2018 included, but were not limited to:

- ***Old Copley Hospital*** – The City committed to the remediation of the Old Copley Hospital site as part of a multi-phase development plan. Phase I involved up to a \$3.0 million grant to facilitate the cleanup of this site, which in turn could result in a multi-use health and living facility on the near east side of the City.
- Two downtown developments were finalized and approved in February 2019 for the renovation of the Terminal Building at Broadway and Galena and for the Keystone Building just south of the Paramount Theater on Stolp Island.
- The City finalized negotiations with Cedarwood LLC for the development of senior care and memory facilities at the Ogden Avenue and 75th Street site. The first two phases of this development could have a construction value of \$29 million.
- ***Pacifica Square***– This development replaces the old Yorkshire Plaza and involves the rehab of the shopping center and the creation of an Asian Market. Future phases on this site include a corporate office center and a residential development tailored to the Asian market environment.

Long-Term Financial Planning. The city uses a number of processes and resultant planning documents to accomplish its financial planning. As discussed above, the city adopts an annual budget. There are two major planning documents that are inputs to the annual budgeting process. The first is the city’s strategic plan. The strategic plan establishes a comprehensive program of major goals for the city. The overall organizational goals included in the current plan are to:

- Attract and retain businesses and jobs.
- Preserve high levels of public safety and quality of life.
- Provide efficient, innovative, transparent, and accountable city government.

The city’s departments and divisions have established goals and programs of work to support the accomplishment of the citywide goals listed above.

Tasks included in the strategic plan that require capital expenditures are inputs to the city’s capital planning process. Those that do not require capital expenditures are direct inputs to the annual budget process.

The second major input to the annual budget process is the capital planning process. The Capital Improvements Plan (CIP) is the product of the capital planning process. The CIP reflects a ten-year projection for a variety of capital projects, to include infrastructure. For a project to be included in the CIP, it must involve the creation or purchase of a tangible asset with an original cost of at least \$100,000 and a useful life of more than one year. (Motor vehicles and equipment are excluded from the CIP.) The major categories of projects in the CIP are:

- Downtown.
- Economic Development.

- Facilities.
- Municipal Airport.
- Neighborhood Redevelopment.
- Recreation.
- Stormwater.
- Transportation.
- Water and Sewer.

Those projects that are programmed for the first year of the CIP (i.e., the upcoming budget year) are most closely scrutinized in the capital planning process because their funding must be addressed in the annual budget.

Financial Policies. The city has established several specific policies to guide its financial operations. Those policies relate to accounting and financial reporting, budgeting and revenue management, debt management, cash management and investments, and purchasing. Some of the most significant policies include:

- Issue a comprehensive annual financial report within 180 days of the end of each fiscal year that complies with generally accepted accounting principles. (Accounting and Financial Reporting)
- Capitalize building improvements, land improvements, and infrastructure with an acquisition cost of \$100,000 or more. Capitalize vehicles, machinery, furniture, and equipment with an acquisition cost of \$50,000 or more. (Accounting and Financial Reporting)
- Maintain a diversified revenue structure. (Budgeting and Revenue Management)
- Maintain a General Fund balance of the greater of a) \$1 million plus 25% of the prior year's corporate property tax levy or b) 10% of expenditures as originally budgeted for the year. (Budgeting and Revenue Management)
- Maintain a balanced General Fund budget except for planned drawdowns of the fund balance when the fund balance exceeds its target. (Budgeting and Revenue Management)
- Restrict the use of gaming tax revenues to capital projects, general obligation debt service, and non-essential services. Maximize the use of gaming tax revenues for downtown redevelopment purposes. (Budgeting and Revenue Management)
- Gradually increase annual employer contributions to the Retiree Health Insurance Trust Fund so as to achieve an 80% funded ratio for the retiree healthcare plan over the course of several years. (Budgeting and Revenue Management)

- Limit the period during which debt is outstanding to a time period not greater than the useful life of the asset financed by the debt. (Debt Management)
- Sell bonds through competitive, rather than negotiated, sales whenever possible. (Debt Management)
- Require that all bank deposits be collateralized with high-quality securities having a market value of at least 110% of the underlying securities. (Cash Management and Investments)
- Purchase investments on a delivery-versus-payment basis pursuant to competitive bidding. (Cash Management and Investments)
- Purchase only those investments allowable under the Illinois Public Funds Investment Act. (Cash Management and Investments)
- Place all investment securities with a third-party custodian for safekeeping. (Cash Management and Investments)
- Conduct a formal competitive bidding process (newspaper publication) for purchases in excess of \$25,000. (Purchasing)
- Obtain City Council approval of all purchases in excess of \$25,000. (Purchasing)

2018 Accomplishments

Aurora is a great place to work, live, and raise a family. The City of Aurora is dedicated to constantly improving the delivery of its services thereby enhancing the quality of life for its residents and the operating environment for its businesses. Among the city's more notable accomplishments in 2018 were:

- ***Advisory Commission on Disabilities.*** Mayor Irvin created an Advisory Commission on Disabilities focused on better supporting persons in the community with disabilities.
- ***Acquisition of new Public Works Facility site.*** Acquisition of this site will allow for a multi-purpose facility in a more appropriate setting and free up river front real estate for future development.
- Development Services operations, covering Planning & Zoning, Building & Permits, and Property Maintenance, were moved into a remodeled PNC building in the downtown to improve "one stop" business processing at the City.
- ***Retiree Health Care Restructured.*** The City converted a large portion of retiree health coverage to a new carrier and funding system, reducing the City's outstanding Other Post Employment liability from \$331 to \$177 million.
- ***Street Resurfacing.*** Resurfaced 55 lane-miles of residential and arterial streets. This annual resurfacing program has had a direct, positive impact upon Aurora's neighborhoods and transportation network.

- ***Fox River Pedestrian Bridge.*** The City initiated design and construction on the \$14 million pedestrian bridge across the Fox River. This bridge will connect the River Edge Park area and the Metra/BNSF transit facility with the west side of the river.

The city's record of achievement for 2018 was substantial. Given the professionalism and dedication of the Mayor, City Council, and city staff, I believe that the accomplishments of the future will be no less weighty. All are committed to seeing that Aurora residents and businesses receive first-rate municipal services.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Aurora for its CAFR for the fiscal year ended December 31, 2017. This was the 20th consecutive year that the government achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. The report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that this CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City of Aurora received the GFOA's Distinguished Budget Presentation Award for its annual budget for the 2018 fiscal year. This was the 19th consecutive year that the government achieved this award. In order to qualify for the Distinguished Budget Presentation Award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

Acknowledgments

The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. In particular, I would like to acknowledge the work of the following Finance Department staff members:

Linda B. Read, Assistant Director of Finance
Stacey L. Hamling, Assistant Director of Finance
Krista L. Heinke, Accounting Supervisor
Ana M. Ruiz, Accountant
Amy J. Gauer, Accountant
Daniel Contreras, Accountant
Jennifer O'Malley, Accountant
Sarah Walker, Administrative Aide

Additionally, I would like to express my appreciation to the Mayor and the City Council for their leadership and support in planning and conducting the financial operations of the city in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Martin S. Lyons". The signature is fluid and cursive, with the first name "Martin" being the most prominent.

Martin S. Lyons
Chief Financial Officer/City Treasurer

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

1415 West Diehl Road, Suite 400
Naperville, IL 60563
630.566.8400

SIKICH.COM

INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the City Council
City of Aurora, Illinois

We have audited the accompanying 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 Aurora, Illinois (the City) as of and for the year ended December 31, 2018, and the related notes to financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Aurora Public Library were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Aurora, Illinois, as of December 31, 2018 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, 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 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Aurora, Illinois' basic financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City of Aurora, Illinois' basic financial statements for the year ended December 31, 2017, which are not presented with the accompanying financial statements. In our report dated June 8, 2018, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Aurora, Illinois' basic financial statements as a whole. The 2017 comparative information included on certain combining and individual fund 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 2017 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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. In our opinion, the 2017 comparative information included on certain combining and individual fund statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Governmental Auditing Standards*, we have also issued our report dated June 28, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
June 28, 2019

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

CITY OF AURORA, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2018

As the management of the City of Aurora (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which may be found on pages iv through xi of this report.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT

In accordance with generally accepted accounting principles, the City presents its financial statements so as to offer two perspectives of its financial position and results of operations. The government-wide perspective presents financial information for the government as a whole. The fund perspective involves the presentation of financial information for individual accounting entities established by the City for specific purposes. The focus of the fund statements is on major funds. Both perspectives (government-wide and major fund) address likely user questions, provide a broad basis for comparison (year to year or government to government), and enhance the City's accountability and transparency.

Government-Wide Financial Statements

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

The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the aggregate difference 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.

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 an event giving rise to the change occurs, regardless of the timing of the 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., earned but unused sick leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) 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, public safety, streets and transportation, health and welfare, culture and recreation, and economic development. The business-type activities of the City include a water and sewer system, downtown and commuter parking operations, an airport, and a golf course.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

The government-wide financial statements include not only the City itself (known as the primary government), but also the Aurora Public Library (the “Library”). The City is financially accountable for the Library, but the Library has a separate governing board. Because the Library is a legally separate component unit, its financial information is reported separately from the financial information of the City.

The government-wide financial statements can be found on pages 4 through 7 of this report.

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 state and 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, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information is useful in evaluating a government’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 government’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 this comparison between governmental funds and governmental activities.

The City maintains 30 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 and Debt Services Fund, which are considered to be “major” funds. Data from the other 28 governmental funds are combined into a single, aggregate 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 each fund in accordance with Illinois compiled statutes. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 8 through 12 of this report.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

Proprietary Funds. The City maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer system, airport, downtown and commuter parking operations, and a golf course. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City’s various functions. The City uses internal service funds to account for the costs of property and casualty insurance, employee health insurance, and employee severance and sick leave. Because the City’s costs for these items relate primarily to governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds 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 and Airport Fund, which are considered to be major funds of the City. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 13 through 17 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of 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 used for fiduciary funds is much like that used for proprietary funds. The City maintains six fiduciary funds: the Police Pension Fund, Firefighters’ Pension Fund, Retiree Health Insurance Trust Fund, Section 125 Medical Fund, Section 125 Dependent Care Fund, and the Police Charitable Fund.

The basic fiduciary fund financial statements can be found on pages 18 and 19 of this report.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages 20 through 88 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City’s progress in funding its obligation to provide benefits to its employees. Required supplementary information can be found on pages 89 through 101 of this report.

The combining statements referred to earlier in connection with non-major governmental funds, non-major enterprise funds, and internal service funds are presented immediately following the required supplementary information on postemployment benefits. Combining and individual fund statements and schedules can be found on pages 102 through 171 of this report.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

Financial Analysis of the City as a Whole

Beyond presenting current-year financial information in the government-wide and major individual fund formats, the City also presents comparative information from the prior year in this Management’s Discussion and Analysis. By doing so, the City believes that it is providing the best means of analyzing its financial condition and position as of December 31, 2018.

GOVERNMENT-WIDE STATEMENTS

Net Position

The following table reflects the condensed Statement of Net Position.

**Table 1
Statement of Net Position
As of December 31, 2018 and 2017
(in millions)**

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total Primary Government</i>	
	<i>2018</i>	<i>2017</i>	<i>2018</i>	<i>2017</i>	<i>2018</i>	<i>2017</i>
Current and Other Assets	\$ 244.6	\$ 243.8	\$ 33.8	\$ 24.3	\$ 278.4	\$ 268.1
Capital Assets	524.7	525.0	248.7	252.4	773.4	777.4
<i>Total Assets</i>	769.3	768.8	282.5	276.7	1,051.8	1,045.5
Deferred Outflows of Resources	188.2	184.7	11.7	14.1	199.9	198.8
<i>Total Assets and Deferred Outflows</i>	957.5	953.5	294.2	290.8	1,251.7	1,244.3
Long-Term Liabilities	780.0	883.2	49.7	66.6	829.7	949.8
Other Liabilities	47.3	45.7	7.0	7.1	54.3	52.8
<i>Total Liabilities</i>	827.3	928.9	56.7	73.7	884.0	1,002.6
Deferred Inflows of Resources	130.5	106.7	6.8	1.4	137.3	108.1
<i>Total Liabilities and Deferred Inflows</i>	957.8	1,035.6	63.5	75.1	1,021.3	1,110.7
Net Position:						
Net Investment in Capital Assets	401.6	399.2	226.0	227.3	627.6	626.5
Restricted	46.7	49.0	5.1	4.3	51.8	53.3
Unrestricted	(448.6)	(530.3)	(0.4)	(15.9)	(449.0)	(546.2)
<i>Total Net Position</i>	\$ (0.3)	\$ (82.1)	\$ 230.7	\$ 215.7	\$ 230.4	\$ 133.6

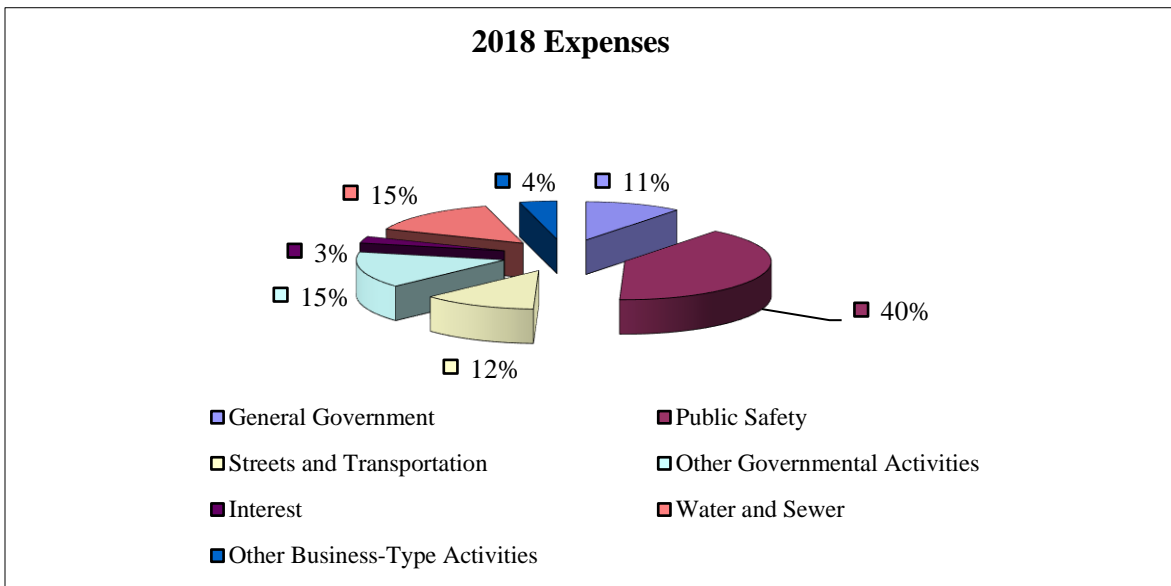
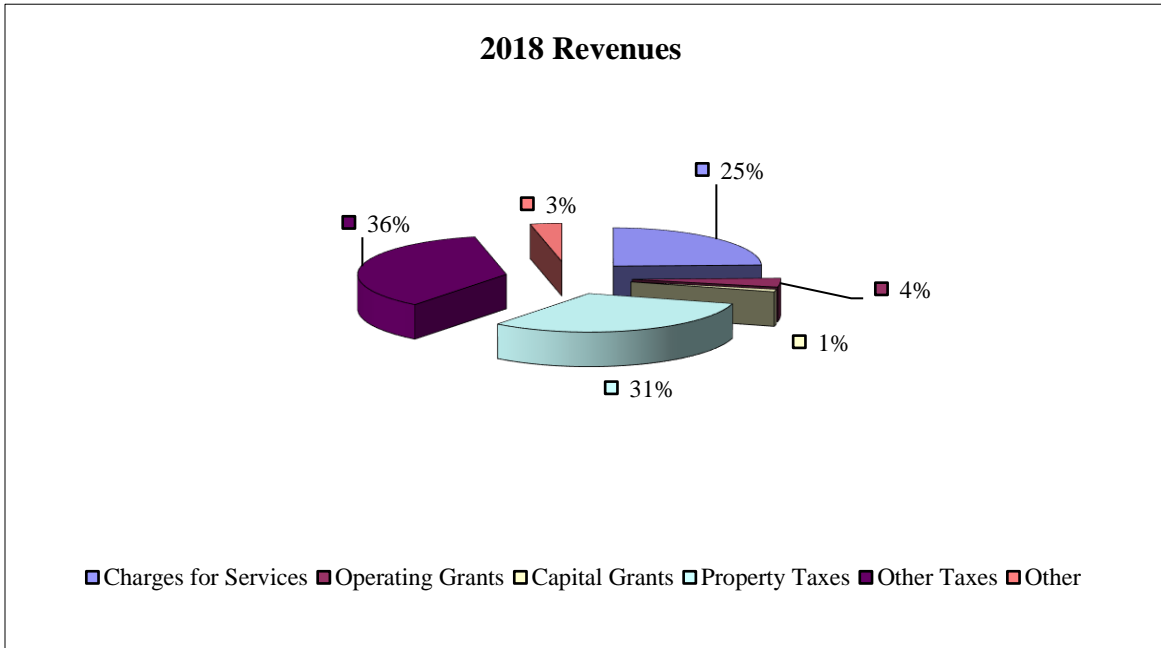
The City’s combined net position increased by \$96.8 million - from \$133.6 to \$230.4 million - during 2018. This change is the result of \$81.8 million and \$15.0 million increases in the net position of governmental activities and business-type activities, respectively. The change in net position was due to a slight increase in capital assets and a decrease in long-term liabilities. The decrease in liabilities is impacted by the City’s change in benefits related to retiree health insurance.

For more detailed information, see the Statement of Net Position on pages 4 and 5.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

Activities

The following charts and table summarize the revenue and expenses of the City’s activities.



CITY OF AURORA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Table 2
Changes in Net Position
For the Fiscal Year Ended December 31, 2018 and 2017
(in millions)

	<i>Governmental</i>		<i>Business-Type</i>		<i>Total</i>	
	<i>Activities</i>		<i>Activities</i>		<i>Primary</i>	
	<i>2018</i>	<i>2017</i>	<i>2018</i>	<i>2017</i>	<i>2018</i>	<i>2017</i>
REVENUES						
Program Revenues:						
Charges for Services	\$ 26.2	\$ 25.9	\$ 40.7	\$ 38.9	\$ 66.9	\$ 64.8
Operating Grants and Contributions	9.9	6.9	0.2	0.1	10.1	7.0
Capital Grants and Contributions	2.0	2.6	0.7	0.1	2.7	2.7
General Revenues:						
Property Taxes	85.3	82.2	-	-	85.3	82.2
Other Taxes	98.0	93.1	0.4	0.3	98.4	93.4
Other	3.5	2.6	0.4	0.3	3.9	2.9
Total Revenues	224.9	213.3	42.4	39.7	267.3	253.0
EXPENSES						
General Government	18.7	17.8	-	-	18.7	17.8
Public Safety	70.3	131.5	-	-	70.3	131.5
Streets and Transportation	22.0	28.3	-	-	22.0	28.3
Health and Welfare	8.6	14.6	-	-	8.6	14.6
Culture and Recreation	6.8	4.8	-	-	6.8	4.8
Economic Development	11.4	4.3	-	-	11.4	4.3
Water and Sewer	-	-	26.1	28.4	26.1	28.4
Airport	-	-	3.1	2.3	3.1	2.3
Downtown Parking	-	-	0.9	1.3	0.9	1.3
Commuter Parking	-	-	2.1	2.2	2.1	2.2
Golf Operations	-	-	1.0	1.0	1.0	1.0
Interest on Long-Term Debt	4.9	4.8	-	-	4.9	4.8
Total Expenses	142.7	206.1	33.2	35.2	175.9	241.3
Excess (Deficiency) Before Transfers and Special Items	82.2	7.2	9.2	4.5	91.4	11.7
Transfers	(0.5)	(5.1)	0.5	5.1	-	-
Special Items	-	-	5.3	-	5.3	-
Change in Net Position	\$ 81.7	\$ 2.1	\$ 15.0	\$ 9.6	\$ 96.7	\$ 11.7

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

For the fiscal year ended December 31, 2018, revenues totaled \$272.6 million. The City benefits from a highly diversified revenue base. Revenues from the City’s largest single source, property taxes, amounted to \$88.3 million. Property taxes support governmental activities, which includes the City’s contribution to the Aurora Firefighters’ Pension Fund and the Aurora Police Pension Fund. Between 2017 and 2018, total property tax revenues rose by 3.8%.

The “other taxes” classification includes a number of different revenue sources. Among those are sales taxes, income taxes, and gaming taxes. The two major types of sales taxes are the retailer’s occupation tax (ROT) and the home-rule sales tax. Both of these sales taxes are collected by the State of Illinois. A portion of the ROT is shared by the state with its municipalities based upon the point of sale. While the ROT is a 7.0% tax, the equivalent of a 1% tax is remitted to Aurora. The City’s home-rule sales tax rate is 1.25%. All of the proceeds from the home-rule sales tax are remitted to Aurora.

The ROT is recorded only in the General Fund. During 2018, the City recorded home-rule sales tax revenues in the General Fund; Sanitation Fund; Safety, Health, and Public Enhancement Fund; Capital Improvements Fund; Airport Fund; and the Motor Vehicle Parking Systems Fund.

In 2018, ROT revenues were \$22.1 million compared to \$22.3 million in 2017. Home-rule sales tax revenues increased 1.5% between the two years, increasing from \$18.9 million to a total of \$19.2 million during 2018. Sales tax remains stable in the City of Aurora, and numerous economic development activities are planned as discussed below in this correspondence to support the Aurora economy.

Income taxes are also shared by the state, but on a per-capita basis. Between 2017 and 2018, the City’s income tax revenues increased from \$18.2 million to \$19.0 million – a \$0.8 million increase or 4.4%.

The City collects a \$1 per person tax on admissions to Aurora’s riverboat casino, the Hollywood Casino. Aurora also benefits from a 5% wagering tax on the casino’s revenues. Together, these taxes amounted to \$6.8 million in 2018 and \$7.0 in 2017. The decline from previous years reflects the effect of competition from other gaming facilities in the region and the institution of video gaming throughout the state. In 1994, the first full year when the Aurora casino was in operation, the City received \$9.3 million in gaming taxes. The revenue high point came in 2002 when \$16.3 million was generated for the City.

There was a slight increase in charges for services in 2018 compared to the prior year. Greater revenue was seen in business-type activities while the revenue in governmental activities was fairly consistent with the prior year. In governmental activities, the City saw an increase in revenues from video gaming. Between 2017 and 2018, video gaming revenue increased from \$15,900 to \$218,700. In business-type activities, the water and sewer fee revenue was approximately \$35.0 million in 2018, up from \$33.2 million in 2017. The revenue increase of 5.4% reflects the city’s practice of increasing water rates gradually each year. Over the past few years, the City has migrated to a rate structure that relies more heavily on a fixed base fee. This serves to shore up overall water and sewer utility revenues as customers conserve water and the revenues generated by the volume (consumption) charge are less robust.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

Also indicated in Table 2 are changes in grant and contribution revenues. Operating grants and contributions increased from \$7.0 in 2017 to \$10.1 million in 2018 (a 44.3% increase). This increase was related primarily to changes in funding and timing of expenditures of grant funds from the United States Department of Housing and Urban Development as the Home Ownership and Maintenance Empowerment Program and Community Development Block Grant Program were more active in 2018. Additionally, there was an increase of \$261,000 in federal asset forfeitures from 2017 to 2018 and increased spending of \$483,000 associated with the U.S. Department of Homeland Security grant program to Prepare Communities for Complex Coordinated Terrorist Attacks. Capital grants and contributions in 2018 were consistent with 2017.

Aurora’s expenses amounted to a total of \$175.9 million in 2018. This represents a decrease of 27.1% from the prior year.

Public safety costs comprise the greatest proportion of the City’s total expenses. Between 2017 and 2018, public safety costs decreased by 46.5%, from \$131.5 to \$70.3 million. The decrease is attributable to personnel-related and other operating costs associated with the City’s fire department and police department. Although the net pension expense increased from the prior year, it was more than offset by the reduction in retiree health costs as a result of the change in benefits to the retiree health plan.

Expenses for streets and transportation dropped from \$28.3 million in 2017 to \$22.0 million in 2018 (a decrease of \$6.3 million or 22.3%). The difference was the result of lower retiree health costs due to the change in benefit to the retirement plan.

In the business-type activities, the expenses of the water and sewer function decreased from \$28.4 million in 2017 to \$26.1 million in 2018 – a \$2.3 million or 8.0% decrease. Lower retiree health benefit costs in 2018 account for the year-to-year change.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

FINANCIAL ANALYSIS OF THE CITY’S FUNDS

At December 31, 2018, the governmental funds had combined fund balances of \$100.2 million. This reflects a \$5.6 million decrease from the prior year. Summarized results for the General Fund are provided below.

**Table 3
General Fund Budgetary Highlights
For the Fiscal Year Ended December 31, 2018
(in millions)**

	<i>Original Budget</i>	<i>Amended Budget</i>	<i>Actual</i>
REVENUES			
Taxes	\$ 159.314	\$ 159.314	\$ 157.051
Licenses, Fees, and Permits	8.323	8.323	7.818
Other	8.711	8.782	10.710
Total Revenues	176.348	176.419	175.579
EXPENDITURES	177.430	179.051	174.985
TRANSFERS IN	1.500	1.500	1.500
TRANSFERS OUT	-	1.000	1.500
Change in Fund Balance	\$ 0.418	\$ (2.132)	\$ 0.594

In 2018, the fund balance of the General Fund increased by about \$0.6 million, bringing the total fund balance at year-end to \$24.5 million. The City’s policy is to maintain a General Fund balance of no less than 10% of budgeted expenditures. As of December 31, 2017, the minimum fund balance target was \$17.7 million. Thus, management deemed the General Fund balance to be at least minimally satisfactory at the end of 2018. Because property tax revenues are not received each year until about mid-year, the City requires a minimum fund balance in the General Fund to satisfy operational cash flow needs early in the fiscal year.

Actual tax revenues were less than the budgeted amount primarily because sales tax, income tax and utility tax revenues were lower than expected. Revenues associated with licenses, fees, and permits were slightly less than the budgeted amount. This was primarily due to apartment registration fees and building permits being lower than amounts budgeted. Actual expenditures were less than the original budget and reflect efforts to control operating and personnel costs during the year.

**CITY OF AURORA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

The fund balance in the Debt Service fund increased \$0.7 million during 2018 from \$0.9 million in 2017 to \$1.6 million in 2018. Principal and interest payments were slightly higher in 2018 than the previous but the change was primarily due to transfers in from other funds. In 2017 the Debt Service Fund received \$1.6 million from other funds compared to \$4.4 million in 2018.

There were significant changes in the fund balances of three special revenue funds (other governmental funds). The fund balance of the City's Safety, Health, and Public Enhancement Fund decreased \$0.6 million to \$1.8 million as transfers to the Debt Service Fund were necessary in 2018. The fund balance of the Stormwater Management Fee Fund increased by \$1.1 million to \$3.9 million as a result of a smaller transfer to the Debt Service Fund for bond and interest costs associated with the repayment of related debt and lower project costs than the previous year while charges for services remained constant. Additionally the fund balance of the Long-Term Control Plan Fee Fund increased \$1.7 million to \$4.2 million as a result of lower capital outlay for various drainage projects than previous years while charges for services remained constant. The separation of combined sewers in certain areas of the community as called for in the City's Long-Term Control Plan has required significant resources from the City funds. The fund balance in TIF #7 West Farnsworth Area decreased \$3.5 million from \$8.2 million in 2017 to \$4.6 million in 2018. The decrease is primarily attributable to the cost of land acquisition in 2018.

The fund balance of the non-major capital projects funds changed significantly during 2018 as a result of spending the bond proceeds from the issuance of \$16.5 million in bonds in 2017 for various capital projects. The Capital Improvements Fund's balance decreased by \$1.0 million to \$10.6 million due to higher expenditures in 2018 than in the prior year.

The Aurora City Council approved two budget amendments during the year. These budget amendments served mainly to provide authority for a) offsetting revenue and expenditure amounts associated with the bond refinancing for TIF #3 Rivercity (\$4.0 million) and TIF #6 East River Area (\$5.0 million) b) allocation of \$3.5 million in additional funds from the United States Department of Housing and Urban Development through the Home Ownership and Maintenance Empowerment program, Community Development Block Grant program and the Emergency Solutions Grant program c) various transfers to/from the General Fund, Property and Casualty Insurance Fund, Employee Health Insurance Fund and the Employee Compensated Benefits Fund for claims that were higher than expected and for accrued sick leave and severance pay that were higher than expected.

Different measurement foci and bases of accounting are used in the accounting and financial reporting for the City's governmental activities and government funds even though the financial statements for each essentially address the same City operations. The economic resources measurement focus and the accrual basis of accounting are used for governmental activities. On the other hand, the current financial resources measurement focus and modified accrual basis of accounting are used for the governmental funds. To reconcile the fund balances of the governmental funds with the net position of governmental activities as of December 31, 2018, the City has provided a reconciliation on page 10 of this report. The most significant reconciling items include:

- \$524.7 million of capital assets are included in the assets of governmental activities. During 2018 and prior years, these costs were recorded as expenditures in the governmental funds.

CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)

- \$33.4 million of general obligation bonds are included in the liabilities of governmental activities. Long-term liabilities are not recorded in the governmental funds. Rather, the principal and interest payments associated with the servicing of this debt are recorded as expenditures when the debt service payments are due and payable.
- A \$406.1 million net pension liability is recorded for governmental activities. This liability is not recognized in the governmental funds. Rather, the City’s employer contributions are recorded in the General Fund (a governmental fund) as expenditures when the contributions are made to the pension trust funds.
- A \$91.1 million net other postemployment benefits obligation is recorded as a liability of governmental activities. This liability is not recognized in the governmental funds. Instead, the City’s employer contributions to the Retiree Health Insurance Trust Fund are recorded as expenditures in the governmental funds as the contributions are made.

Capital Assets

The following schedule reflects the City’s capital asset balances as of December 31, 2018.

Table 4
Capital Assets
As of December 31, 2018 and 2017
(in millions)

	<i>Governmental</i>		<i>Business-Type</i>		<i>Total</i>	
	<i>Activities</i>		<i>Activities</i>			
	<i>2018</i>	<i>2017</i>	<i>2018</i>	<i>2017</i>	<i>2018</i>	<i>2017</i>
Land and Land Right of Way	\$ 138.5	\$ 133.2	\$ 25.4	\$ 25.9	\$ 163.9	\$ 159.1
Buildings and Land Improvements	149.1	148.8	145.9	145.9	295.0	294.7
Machinery, Vehicles, and Equipment	45.8	45.5	9.5	9.6	55.3	55.1
Works of Art	1.0	1.0	-	-	1.0	1.0
Infrastructure	393.9	389.7	210.7	192.0	604.6	581.7
Construction in Progress	30.0	26.1	3.6	18.5	33.6	44.6
Less:						
Accumulated Depreciation	(233.6)	(219.3)	(146.4)	(139.6)	(380.0)	(358.9)
Total	\$ 524.7	\$ 525.0	\$ 248.7	\$ 252.3	\$ 773.4	\$ 777.3

At year-end, the City’s investment in capital assets for both its governmental and business-type activities was \$773.4 million (net of accumulated depreciation).

Major capital asset events during 2018 included:

- Several properties were acquired resulting in an increase in land and land right of way of governmental activities. The City acquired the land for economic and neighborhood development purposes.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

- Infrastructure recorded for governmental activities rose by \$22.9 million. This was due primarily to the completion of fiber optic projects, various storm sewer separation projects and completion of certain street and bridge improvement projects.
- Construction in progress of the business-type activities decreased by \$14.9 million due to the completion of various storm sewer separation projects.

For more information on the City’s capital assets, see Note 4 in the notes to the financial statements.

Long-Term Debt

The table below summarizes the City’s bonded and similar indebtedness.

**Table 5
Long-Term Debt
As of December 31, 2018 and 2017
(in millions)**

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	<i>2018</i>	<i>2017</i>	<i>2018</i>	<i>2017</i>	<i>2018</i>	<i>2017</i>
General Obligation Bonds	\$ 113.1	\$ 120.2	\$ -	\$ -	\$ 113.1	\$ 120.2
Revenue Bonds/Notes	9.4	10.9	25.6	27.0	35.0	37.9
Debt Certificates	3.8	4.2	-	-	3.8	4.2
Illinois EPA Loans	7.1	7.1	4.8	5.6	11.9	12.7
Compensated Absences	19.6	18.9	2.1	2.1	21.7	21.0
Insurance Claims Payable	8.9	9.0	-	-	8.9	9.0
Net Pension Liabilities *	469.9	421.7	3.9	7.9	473.8	429.6
Net Other Post-Employment Benefit Liability *	162.3	305.6	15.4	25.9	177.7	331.5
Unamortized Bond Premium	1.2	1.3	0.3	0.3	1.5	1.6
Total	\$ 795.3	\$ 898.9	\$ 52.1	\$ 68.8	\$ 847.4	\$ 967.7

As of December 31, 2018, the City had a total of \$847.4 million of long-term debt outstanding. Of this amount, \$113.1 million was in the form of general obligation bonds backed by the full faith and credit of the City government. Normally, the debt service on the general obligation bonds is paid with a dedicated component of a local government's property tax levy. However, for the past several years, the City abated a large portion of its property tax levy for debt service and used revenues from other sources, especially gaming taxes and real estate transfer taxes, to pay general obligation debt service.

**CITY OF AURORA, ILLINOIS
MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)**

Also outstanding at the end of 2018 were \$35.0 million of revenue bonds and notes. This classification of bonded indebtedness includes water and sewer, golf course, and tax increment revenue bonds and notes. Water and sewer service fees charged to the City’s residents and businesses are covering the debt service on the water and sewer bonds. The golf bonds are being repaid from fees charged at the City’s golf course and transfers from the Gaming Tax Fund. Incremental property taxes generated in the City’s Tax Increment Financing (TIF) Districts #3 and #6 as well as transfers from the Gaming Tax Fund are being used to pay the debt service on TIF bonds and notes issued in 2008 and 2009.

As an Illinois home-rule community, the City is not subject to any debt limitation. In 2017, Standard and Poor’s Ratings Services affirmed a AA credit rating for the City’s general obligation bonds. Standard and Poor’s also gave the new \$16.5 million 2017 Bond issue an AA rating. The AA rating indicates a “very strong capacity to meet financial commitments.” In assigning the rating, Standard & Poor’s cited Aurora’s:

- Strong management, with good financial policies and practice under the firm’s financial management assessment methodology;
- Very strong budgetary flexibility;
- Adequate budgetary performance;
- Very strong liquidity and access to external liquidity considered to be strong;
- Adequate economy, although the City benefits from access to a broad and diverse metropolitan statistical area; and
- Strong institutional framework.

The City has accepted several low - or no-interest loans from the Illinois Environmental Protection Agency (IEPA) to finance water and sewer improvements. The most recent loan, accepted in 2016 from the IEPA, was in the amount of \$7.3 million (of which \$6.7 million has been expended). The proceeds of the loan are being used to construct storm sewers and related appurtenances.

Effective January 1, 2015, the City implemented Statement No. 68, *Accounting and Financial Reporting for Pensions*, of the Governmental Accounting Standards Board. The most significant effect of the City’s implementation of the standard was the reporting of net pension liabilities in the government-wide statement of net position. Previously, in accordance with generally accepted accounting principles, the City reported roughly similar measures – unfunded actuarial accrued liabilities – as required supplementary information (i.e., not on the face of the government-wide statement of net position). As shown in Table 5 above, the recognition of net pension liabilities resulted in the placement of \$473.8 million of long-term liabilities on government-wide statement of net position as of December 31, 2018.

Effective January 1, 2016, the City implemented Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, of the Governmental Accounting Standards Board. The most significant effect of the City’s implementation of the standard was the reporting of net postemployment benefit liabilities in the government-wide statement of net position. Previously, in accordance with generally accepted accounting principles, the City reported roughly similar measures – unfunded actuarial accrued liabilities – as required supplementary information (i.e., not on the face of the government-wide statement of net position).

**CITY OF AURORA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

As shown in Table 5 above, the recognition of net other post-employment benefit liabilities resulted in the placement of \$177.7 million of long-term liabilities on the government-wide statement of net position as of December 31, 2018. The net decrease in the liability is primarily due to changes in actuarial assumptions and a plan change in benefits for fiscal year 2018.

Despite this reduction in liability for retiree health insurance Standard and Poor's states the major credit weakness of the City is Aurora's large unfunded pension and OPEB obligation, without a plan to sufficiently address it.

For more detailed information on the City's bonded and similar indebtedness, see Note 5 in the notes to the financial statements.

Economic Factors

The City's property tax base possesses significant commercial and industrial components. The value of commercial and industrial properties comprised 17.3% and 9.9%, respectively, of the City's total 2017 EAV of \$3.7 billion. The 2013 – 2017 American Community Survey conducted by the United States Bureau of the Census found that 83.5% of residential properties had a value of \$100,000 or more. The median home value was \$170,800. Property taxes imposed on property within the City's corporate limits provide a stable revenue source. The property of the City's ten largest taxpayers during 2017 accounted for only 6.4% of the City's total EAV.

The City receives revenue from a variety of sources other than property taxes. Two major sales tax generators exist within the community. Since the 1970s, the Fox Valley Mall has been the City's retail anchor. The mall is a 1.5 million square foot structure comprised of 151 stores. In mid-2004, Chicago Premium Outlets was added to the tax base. After an expansion completed in 2015, this upscale, fashion-oriented outlet center now spans 725,000 square feet with space for 170 stores.

Numerous economic development initiatives were started in 2017, but will not be completed until 2019 and beyond. The City has begun the redevelopment of the Yorkshire shopping center with a new investment of approximately \$20 million to convert this traditional retail venue into an experience-based center drawing visitors from the entire Chicago region. The Paramount Theater in Downtown Aurora continues to expand with the creation of the Paramount School of Performing Arts. Property values have increased in Aurora through a combination of increasing taxable property through new construction and based on re-assessments of current property by all Township Assessors.

According to the American Community Survey, the estimated median annual income for Aurora households between 2013 and 2017 was \$66,848. This compares favorably with the statewide figure of \$61,229.

The 2010 census found that Aurora's population was 197,899. This was a 38.4% increase over the 2000 population of 142,990. The increased census count has entitled the City to larger portions of state-shared revenue such as income taxes and motor fuel taxes. The City now estimates that its population has surpassed 200,000.

**CITY OF AURORA, ILLINOIS
MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Mr. Martin S. Lyons, Chief Financial Officer/City Treasurer, City of Aurora, 44 East Downer Place, Aurora, Illinois 60507.

CITY OF AURORA, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2018

	Primary Government			Component
	Governmental	Business-Type	Total	Unit
	Activities	Activities		Aurora Public Library
ASSETS				
Cash and Investments	\$ 143,052,231	\$ 16,791,237	\$ 159,843,468	\$ 6,627,729
Restricted Cash and Investments	-	4,463,754	4,463,754	-
Receivables (Net of Allowance Where Applicable)				
Property Taxes				
General and Pension Levies	76,608,180	-	76,608,180	11,810,205
Special Service Areas Levies	646,625	-	646,625	-
Other Taxes	16,237,643	-	16,237,643	-
Utility Customers	-	6,545,890	6,545,890	-
Loans Receivable	128,484	-	128,484	-
Interest	276,151	21,530	297,681	4,647
Miscellaneous	3,550,684	95,286	3,645,970	-
Pledge	-	-	-	1,435,551
Land Held for Resale	386,406	-	386,406	-
Inventory	-	274,604	274,604	-
Due from Other Governments	3,630,017	5,609,786	9,239,803	278,263
Internal Balances	(150)	150	-	-
Prepaid Items	24,048	-	24,048	85,922
Capital Assets				
Nondepreciable	169,507,698	29,036,010	198,543,708	3,378,686
Depreciable (Net of Accumulated Depreciation)	355,239,534	219,664,185	574,903,719	35,208,466
Total Assets	769,287,551	282,502,432	1,051,789,983	58,829,469
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized Loss on Refunding	521,084	2,474	523,558	102
Pension Items - IMRF	8,595,717	2,500,914	11,096,631	1,351,912
OPEB Items	97,524,689	9,241,122	106,765,811	16,362
Pension Items - Pension Trust Funds	81,559,746	-	81,559,746	-
Total Deferred Outflows of Resources	188,201,236	11,744,510	199,945,746	1,368,376
Total Assets and Deferred Outflows of Resources	957,488,787	294,246,942	1,251,735,729	60,197,845

(This statement is continued on the following page.)

CITY OF AURORA, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2018

	Primary Government			Component
	Governmental	Business-Type	Total	Unit
	Activities	Activities		Aurora Public Library
LIABILITIES				
Accounts Payable	\$ 10,997,279	\$ 2,447,431	\$ 13,444,710	\$ 259,820
Accrued Payroll	10,439,112	658,851	11,097,963	152,375
Retainage Payable	431,876	38,587	470,463	-
Accrued Interest Payable	-	92,228	92,228	-
Unearned Revenue	6,640,712	603,365	7,244,077	-
Due to Other Governments	1,207,063	13,136	1,220,199	-
Due to Component Unit	30,889	-	30,889	-
Due to Trust/Agency	37,909	-	37,909	-
Deposits Payable	2,182,111	815,085	2,997,196	-
Noncurrent Liabilities				
Due Within One Year	15,082,082	2,333,206	17,415,288	637,097
Due in More than One Year	780,260,419	49,728,930	829,989,349	20,995,490
Total Liabilities	827,309,452	56,730,819	884,040,271	22,044,782
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue	77,254,805	-	77,254,805	11,810,205
Unamortized Gain on Refunding	701,506	-	701,506	-
Pension Items - IMRF	14,809,852	4,308,905	19,118,757	2,329,254
OPEB Items	26,215,226	2,484,069	28,699,295	253,531
Pension Items - Pension Trust Funds	11,534,349	-	11,534,349	-
Total Deferred Inflows of Resources	130,515,738	6,792,974	137,308,712	14,392,990
Total Liabilities and Deferred Inflows of Resources	957,825,190	63,523,793	1,021,348,983	36,437,772
NET POSITION				
Net Investment in Capital Assets	401,626,704	226,037,151	627,663,855	19,692,900
Restricted Nonexpendable for				
Working Cash	454,066	-	454,066	-
Restricted Expendable for				
Debt Service	1,559,122	4,463,754	6,022,876	127,586
Capital Improvements	-	631,126	631,126	3,092,084
Public Safety	12,507,571	-	12,507,571	-
Streets and Transportation	12,033,698	-	12,033,698	-
Health and Welfare	8,306,041	-	8,306,041	-
Economic Development	11,792,202	-	11,792,202	-
Unrestricted	(448,615,807)	(408,882)	(449,024,689)	847,503
TOTAL NET POSITION	\$ (336,403)	\$ 230,723,149	\$ 230,386,746	\$ 23,760,073

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2018

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 18,718,491	\$ 3,594,384	\$ 138,740	\$ -
Public Safety	70,316,127	8,459,057	1,259,658	-
Streets and Transportation	21,991,553	918,899	5,339,638	1,199,302
Health and Welfare	8,653,775	12,899,904	2,710,563	-
Culture and Recreation	6,810,003	336,757	269,993	798,426
Economic Development	11,377,518	1,689	-	-
Interest	4,861,905	-	160,790	-
Total Governmental Activities	142,729,372	26,210,690	9,879,382	1,997,728
Business-Type Activities				
Water and Sewer	26,125,647	35,816,140	-	680,462
Airport	3,069,507	756,475	172,715	-
Downtown Parking	920,397	760,195	-	-
Commuter Parking	2,113,813	2,326,053	-	15,040
Golf Operations	1,017,515	1,065,667	-	-
Total Business-Type Activities	33,246,879	40,724,530	172,715	695,502
TOTAL PRIMARY GOVERNMENT	\$ 175,976,251	\$ 66,935,220	\$ 10,052,097	\$ 2,693,230
COMPONENT UNIT				
Aurora Public Library and Foundation	\$ 11,892,711	\$ 131,118	\$ 393,615	\$ 301,957

Net (Expense) Revenue and Change in Net Position				
Primary Government				Component Unit
Governmental Activities	Business-Type Activities	Total	Aurora Public Library	
\$ (14,985,367)	\$ -	\$ (14,985,367)	\$ -	
(60,597,412)	-	(60,597,412)	-	
(14,533,714)	-	(14,533,714)	-	
6,956,692	-	6,956,692	-	
(5,404,827)	-	(5,404,827)	-	
(11,375,829)	-	(11,375,829)	-	
(4,701,115)	-	(4,701,115)	-	
(104,641,572)	-	(104,641,572)	-	
-	10,370,955	10,370,955	-	
-	(2,140,317)	(2,140,317)	-	
-	(160,202)	(160,202)	-	
-	227,280	227,280	-	
-	48,152	48,152	-	
-	8,345,868	8,345,868	-	
(104,641,572)	8,345,868	(96,295,704)	-	
-	-	-	(11,066,021)	
General Revenues				
Taxes				
Property and Replacement	85,304,883	-	85,304,883	11,173,291
Sales	46,685,525	447,271	47,132,796	-
Utility	13,374,124	-	13,374,124	-
Income	18,952,010	-	18,952,010	-
Real Estate Transfer	3,104,624	-	3,104,624	-
Food and Beverage Tax	4,979,496	-	4,979,496	-
Gaming Tax	7,290,134	-	7,290,134	-
Hotel/Motel	541,092	-	541,092	-
Other	3,072,687	-	3,072,687	-
Investment Income	2,135,884	466,597	2,602,481	(41,659)
Gain (Loss) on Sale of Assets	-	(39,727)	(39,727)	-
Miscellaneous	1,381,700	38,952	1,420,652	252,556
Transfers	(450,000)	450,000	-	-
Special Item	-	5,293,708	5,293,708	-
Total	186,372,159	6,656,801	193,028,960	11,384,188
CHANGE IN NET POSITION	81,730,587	15,002,669	96,733,256	318,167
NET POSITION (DEFICIT), JANUARY 1	(82,066,990)	215,720,480	133,653,490	23,441,906
NET POSITION (DEFICIT), DECEMBER 31	\$ (336,403)	\$ 230,723,149	\$ 230,386,746	\$ 23,760,073

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

BALANCE SHEET

GOVERNMENTAL FUNDS

December 31, 2018

	<u>General</u>	<u>Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	\$ 27,195,774	\$ 1,560,967	\$ 79,159,766	\$ 107,916,507
Receivables (Net of Allowance Where Applicable)				
Property Taxes				
General and Pension Levies	72,648,180	3,960,000	-	76,608,180
Special Service Areas Levies	-	-	646,625	646,625
Other Taxes	14,887,033	-	1,350,610	16,237,643
Loans Receivable	-	-	128,484	128,484
Interest	36,202	-	130,014	166,216
Miscellaneous	1,169,663	-	2,311,958	3,481,621
Land Held for Resale	-	-	386,406	386,406
Due from Other Governments	162,129	-	3,467,888	3,630,017
Due from Other Funds	12,637	-	966,392	979,029
Prepaid Items	15,432	-	-	15,432
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	116,127,050	5,520,967	88,548,143	210,196,160
DEFERRED OUTFLOWS OF RESOURCES				
None	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-
Total Deferred Outflows of Resources	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-
 TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 116,127,050	\$ 5,520,967	\$ 88,548,143	\$ 210,196,160

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 3,701,122	\$ 1,845	\$ 7,139,447	\$ 10,842,414
Accrued Payroll	10,393,581	-	-	10,393,581
Retainage Payable	-	-	431,876	431,876
Deposits Payable	2,181,361	-	750	2,182,111
Unearned Revenue	1,495,359	-	5,145,353	6,640,712
Due to Other Funds	-	-	979,179	979,179
Due to Component Unit	30,889	-	-	30,889
Due to Trust/Agency Funds	37,909	-	-	37,909
Due to Other Governments	1,107,934	-	99,129	1,207,063
Total Liabilities	18,948,155	1,845	13,795,734	32,745,734
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	72,648,180	3,960,000	646,625	77,254,805
Total Deferred Inflows of Resources	72,648,180	3,960,000	646,625	77,254,805
Total Liabilities and Deferred Inflows of Resources	91,596,335	3,961,845	14,442,359	110,000,539
FUND BALANCES				
Nonspendable				
Prepaid Items	15,432	-	-	15,432
Restricted				
Debt Service	-	1,559,122	-	1,559,122
Working Cash	-	-	454,066	454,066
Public Safety	-	-	12,507,571	12,507,571
Streets and Transportation	-	-	12,033,698	12,033,698
Health and Welfare	-	-	8,306,041	8,306,041
Economic Development	-	-	11,792,202	11,792,202
Capital Projects	-	-	7,948,348	7,948,348
Unrestricted				
Assigned				
Public Safety	-	-	120,968	120,968
Health and Welfare	-	-	705,072	705,072
Capital Projects	-	-	20,252,087	20,252,087
Tourism	729,974	-	-	729,974
Unassigned (Deficit)	23,785,309	-	(14,269)	23,771,040
Total Fund Balances	24,530,715	1,559,122	74,105,784	100,195,621
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 116,127,050	\$ 5,520,967	\$ 88,548,143	\$ 210,196,160

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

RECONCILIATION OF FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION

December 31, 2018

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 100,195,621
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	524,747,232
Premiums or discounts on long-term liabilities and gains and losses on debt refundings are capitalized and amortized at the government-wide level	
Premiums	(1,192,656)
Loss on refundings	521,084
Gain on refundings	(701,506)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(113,080,000)
Tax increment revenue bonds	(9,410,000)
Debt certificates	(3,800,000)
Illinois EPA loan	(7,126,868)
Compensated absences	(19,604,533)
Insurance claims payable	(8,875,184)
Less amounts included in internal service funds below	28,479,717
Net other postemployment benefits liability is shown as a liability on the statement of net position	(162,369,157)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for other postemployment benefits are recognized as deferred outflows and inflows of resources on the statement of net position	71,309,463
Net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position	(13,434,856)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings and contributions subsequent to the measurement date for the Illinois Municipal Retirement Fund are recognized as deferred outflows of resources on the statement of net position	(6,214,135)
Net pension liability for the Pension Trust Funds is shown as a liability on the statement of net position	(456,449,247)
Differences between expected and actual experiences, assumption changes, net differences between projected and actual earnings for the Pension Trust Funds are recognized as deferred outflows and inflows of resources on the statement of net position	70,025,397
The net position of the internal service funds is included in the governmental activities in the statement of net position	<u>6,643,225</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (336,403)</u></u>

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended December 31, 2018

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property Taxes	\$ 72,718,135	\$ 4,037,705	\$ 5,462,549	\$ 82,218,389
Other Taxes	83,236,577	3,104,624	15,394,621	101,735,822
Intergovernmental	1,096,804	290,540	10,190,958	11,578,302
Licenses, Fees and Permits	7,818,219	-	131,705	7,949,924
Charges for Services	6,065,140	-	8,597,637	14,662,777
Fines and Forfeits	3,815,826	-	-	3,815,826
Investment Income	511,263	96,111	1,528,510	2,135,884
Other	317,441	-	373,991	691,432
Total Revenues	175,579,405	7,528,980	41,679,971	224,788,356
EXPENDITURES				
Current				
General Government	25,788,179	-	738,687	26,526,866
Public Safety	124,367,664	-	4,713,553	129,081,217
Streets and Transportation	12,042,494	-	9,223,851	21,266,345
Health and Welfare	7,220,161	-	4,549,285	11,769,446
Culture and Recreation	4,493,270	-	793,791	5,287,061
Economic Development	1,073,811	-	10,049,098	11,122,909
Capital Outlay	-	-	9,513,649	9,513,649
Debt Service				
Principal	-	7,140,000	1,964,309	9,104,309
Interest and Other Charges	-	4,040,129	902,162	4,942,291
Total Expenditures	174,985,579	11,180,129	42,448,385	228,614,093
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	593,826	(3,651,149)	(768,414)	(3,825,737)
OTHER FINANCING SOURCES (USES)				
Illinois EPA Loan Issued	-	-	324,491	324,491
Transfers In	1,500,000	4,355,500	2,590,100	8,445,600
Transfers (Out)	(1,500,000)	-	(8,895,600)	(10,395,600)
Bonds Issued	-	-	7,430,000	7,430,000
Payment to Escrow Agent	-	-	(7,625,000)	(7,625,000)
Total Other Financing Sources (Uses)	-	4,355,500	(6,176,009)	(1,820,509)
NET CHANGE IN FUND BALANCES	593,826	704,351	(6,944,423)	(5,646,246)
FUND BALANCES, JANUARY 1	23,936,889	854,771	81,050,207	105,841,867
FUND BALANCES, DECEMBER 31	\$ 24,530,715	\$ 1,559,122	\$ 74,105,784	\$ 100,195,621

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE
GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2018

NET CHANGE IN FUND BALANCES -	
TOTAL GOVERNMENTAL FUNDS	\$ (5,646,246)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities, and contributed capital assets are reported on the statement of ac	14,372,711
Sales of capital assets are reported as a proceed in governmental funds but as a gain (loss) from sale on the statement of activities	(113,345)
The issuance of long-term debt and related costs is shown on the fund financial statements as other financing sources but is recorded as a long-term liability on the government-wide statements	
Tax Increment Revenue Bonds	(7,430,000)
Payment To Escrow Agent	7,625,000
Illinois EPA loans	(324,491)
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities	9,104,309
Revenues in the statement of activities that are not available in governmental funds are not reported as revenue in governmental funds until received	(129,750)
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	
Depreciation	(14,507,497)
Amortization of bond premiums	136,063
Amortization of gain or loss on refunding	(55,677)
The change in the net other postemployment benefit liability is reported only in the statement of activities	143,188,234
The change in deferred inflows and outflows of resources for other postemployment benefits is reported only in the statement of activities	(40,868,283)
The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities	16,049,181
The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(17,907,862)
The change in the net pension liability for the Pension Trust Funds is reported only in the statement of activities	(64,262,076)
The change in deferred inflows and outflows for the Pension Trust Fund is reported only in the statement of activities	39,465,902
The change in net position of internal service funds is reported with governmental activities	<u>3,034,414</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ 81,730,587</u>

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

December 31, 2018

	Business-Type Activities				Governmental
	Major Funds			Total	Internal
	Water and Sewer Fund	Airport	Other Enterprise Funds		Service Funds
CURRENT ASSETS					
Cash and Investments	\$ 9,035,139	\$ 1,157,187	\$ 6,598,911	\$ 16,791,237	\$ 35,135,724
Restricted Cash and Investments	4,028,740	-	435,014	4,463,754	-
Receivables					
Accounts (Net of Allowance)	6,373,816	14,838	157,236	6,545,890	-
Interest	14,095	3,000	4,435	21,530	109,935
Miscellaneous	-	95,286	-	95,286	69,063
Prepays	-	-	-	-	8,616
Due from Other Governments	214,021	-	27,225	241,246	-
Due from Other Funds	150	-	-	150	-
Inventory	274,604	-	-	274,604	-
Total Current Assets	19,940,565	1,270,311	7,222,821	28,433,697	35,323,338
NONCURRENT ASSETS					
Due from Other Governments	5,228,080	140,460	-	5,368,540	-
Capital Assets					
Nondepreciable	5,057,948	13,296,310	10,681,752	29,036,010	-
Depreciable (Net of Accumulated Depreciation)	188,705,835	19,107,911	11,850,439	219,664,185	-
Total Capital Assets	193,763,783	32,404,221	22,532,191	248,700,195	-
Total Noncurrent Assets	198,991,863	32,544,681	22,532,191	254,068,735	-
Total Assets	218,932,428	33,814,992	29,755,012	282,502,432	35,323,338
DEFERRED OUTFLOW OF RESOURCES					
Unamortized Loss on Refunding	-	-	2,474	2,474	-
Pension Items - IMRF	2,052,766	65,977	382,171	2,500,914	-
OPEB Items	7,767,972	43,894	1,429,256	9,241,122	-
Total Deferred Outflows of Resources	9,820,738	109,871	1,813,901	11,744,510	-
Total Assets and Deferred Outflows of Resources	228,753,166	33,924,863	31,568,913	294,246,942	35,323,338

(This statement is continued on the following page.)

CITY OF AURORA, ILLINOIS

STATEMENT OF NET POSITION (Continued)

PROPRIETARY FUNDS

December 31, 2018

	Business-Type Activities				Governmental
	Major Funds			Total	Internal
	Water and Sewer Fund	Airport	Other Enterprise Funds		Service Funds
CURRENT LIABILITIES					
Accounts Payable	\$ 2,089,997	\$ 209,679	\$ 147,755	\$ 2,447,431	\$ 154,865
Accrued Payroll	544,530	5,493	108,828	658,851	45,531
Retainage Payable	38,587	-	-	38,587	-
Accrued Interest Payable	92,228	-	-	92,228	-
Other Unearned Revenue	467,500	16,252	119,613	603,365	-
Due to Other Governments	13,136	-	-	13,136	-
Deposits Payable	815,085	-	-	815,085	-
Claims Payable	-	-	-	-	5,706,855
Compensated Absences Payable	83,441	1,258	18,267	102,966	980,227
Illinois EPA Loan Payable, Due Within One Year	797,791	-	-	797,791	-
Bonds Payable, Due Within One Year	1,020,000	-	412,449	1,432,449	-
Total Current Liabilities	5,962,295	232,682	806,912	7,001,889	6,887,478
NONCURRENT LIABILITIES					
Compensated Absences Payable	1,585,386	23,906	347,060	1,956,352	18,624,306
Net Other Postemployment Benefits Liability	12,932,921	73,080	2,379,572	15,385,573	-
Net Pension Liability - IMRF	3,208,412	103,121	597,320	3,908,853	-
Claims Payable	-	-	-	-	3,168,329
Illinois EPA Loan Payable (Less Current Portion)	4,006,585	-	-	4,006,585	-
Bonds Payable (Less Current Portion)	24,471,567	-	-	24,471,567	-
Total Noncurrent Liabilities	46,204,871	200,107	3,323,952	49,728,930	21,792,635
Total Liabilities	52,167,166	432,789	4,130,864	56,730,819	28,680,113
DEFERRED INFLOW OF RESOURCES					
Pension Items - IMRF	3,536,777	113,674	658,454	4,308,905	-
OPEB Items	2,088,077	11,799	384,193	2,484,069	-
Total Deferred Inflows of Resources	5,624,854	125,473	1,042,647	6,792,974	-
Total Liabilities and Deferred Inflows of Resources	57,792,020	558,262	5,173,511	63,523,793	28,680,113
NET POSITION					
Net Investment in Capital Assets	171,510,714	32,404,221	22,122,216	226,037,151	-
Restricted for Debt Service	4,028,740	-	435,014	4,463,754	-
Restricted for Capital Improvements	-	631,126	-	631,126	-
Unrestricted (Deficit)	(4,578,308)	331,254	3,838,172	(408,882)	6,643,225
TOTAL NET POSITION	\$ 170,961,146	\$ 33,366,601	\$ 26,395,402	\$ 230,723,149	\$ 6,643,225

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION

PROPRIETARY FUNDS

For the Year Ended December 31, 2018

	Business-Type Activities				Governmental
	Major Funds			Total	Internal
	Water and Sewer Fund	Airport	Other Enterprise Funds		Service Funds
OPERATING REVENUES					
Charges for Services	\$ 35,816,140	\$ 756,475	\$ 4,151,915	\$ 40,724,530	\$ 26,807,978
Total Operating Revenues	35,816,140	756,475	4,151,915	40,724,530	26,807,978
OPERATING EXPENSES EXCLUDING DEPRECIATION					
Personnel Services	5,980,726	406,991	1,129,740	7,517,457	-
Materials and Supplies	5,045,242	143,740	491,220	5,680,202	-
Other Services and Charges	8,146,925	552,063	1,637,316	10,336,304	25,802,810
Miscellaneous	-	406,240	-	406,240	-
Total Operating Expenses Excluding Depreciation	19,172,893	1,509,034	3,258,276	23,940,203	25,802,810
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	16,643,247	(752,559)	893,639	16,784,327	1,005,168
Depreciation	5,972,367	1,560,473	772,673	8,305,513	-
OPERATING INCOME (LOSS)	10,670,880	(2,313,032)	120,966	8,478,814	1,005,168
NON-OPERATING REVENUES (EXPENSES)					
Sales Tax	-	347,877	99,394	447,271	-
Intergovernmental	-	172,715	-	172,715	-
Investment Income	394,659	14,854	57,084	466,597	529,246
Recovery of Cost	38,815	-	137	38,952	-
Gain (Loss) on Sale of Assets	-	403,163	(442,890)	(39,727)	-
Interest Expense	(980,387)	-	(20,776)	(1,001,163)	-
Total Non-Operating Revenues (Expenses)	(546,913)	938,609	(307,051)	84,645	529,246
INCOME (LOSS) BEFORE TRANSFERS, CAPITAL GRANTS AND CONTRIBUTIONS	10,123,967	(1,374,423)	(186,085)	8,563,459	1,534,414
TRANSFERS					
Transfers In	-	-	450,000	450,000	3,750,000
Transfers (Out)	-	-	-	-	(2,250,000)
Total Transfers	-	-	450,000	450,000	1,500,000
CAPITAL GRANTS AND CONTRIBUTIONS	680,462	-	15,040	695,502	-
SPECIAL ITEM					
Gain on Sale of Golf Course	-	-	5,293,708	5,293,708	-
CHANGE IN NET POSITION	10,804,429	(1,374,423)	5,572,663	15,002,669	3,034,414
NET POSITION, JANUARY 1	160,156,717	34,741,024	20,822,739	215,720,480	3,608,811
NET POSITION, DECEMBER 31	\$ 170,961,146	\$ 33,366,601	\$ 26,395,402	\$ 230,723,149	\$ 6,643,225

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended December 31, 2018

	Business-Type Activities				Governmental
	Major Funds			Total	Internal
	Water and Sewer Fund	Airport	Other Enterprise Funds		Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers and Users	\$ 35,389,977	\$ 737,876	\$ 4,175,928	\$ 40,303,781	\$ 2,898,991
Receipts from Interfund Services	-	-	-	-	23,886,195
Payments to Suppliers	(11,121,412)	(957,587)	(2,012,780)	(14,091,779)	(22,762,148)
Overhead Payments to Other Funds	(2,342,702)	-	(162,146)	(2,504,848)	-
Payments to Employees	(11,687,291)	(178,244)	(2,493,727)	(14,359,262)	(2,362,303)
Net Cash from Operating Activities	10,238,572	(397,955)	(492,725)	9,347,892	1,660,735
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Recovery of Costs	38,815	-	-	38,815	-
Sales Taxes	-	347,877	123,357	471,234	-
Intergovernmental Income	215,151	35,021	-	250,172	-
Due from Other Funds	(119)	-	-	(119)	-
Transfers In	-	-	450,000	450,000	3,750,000
Transfers (Out)	-	-	-	-	(2,250,000)
Net Cash from Noncapital Financing Activities	253,847	382,898	573,357	1,210,102	1,500,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Property, Plant and Equipment Acquired or Constructed	(4,671,877)	(150,631)	(8,515)	(4,831,023)	-
Principal Paid on Bonds and Illinois EPA Loans	(1,776,918)	-	(400,000)	(2,176,918)	-
Proceeds from the Sale of Capital Assets	-	841,366	5,293,708	6,135,074	-
Interest and Fiscal Agents' Fees	(987,119)	-	(20,724)	(1,007,843)	-
Net Cash from Capital and Related Financing Activities	(7,435,914)	690,735	4,864,469	(1,880,710)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from Sale and Maturities on Investment Securities	2,285,000	-	4,233,965	6,518,965	12,890,000
Purchase of Investment Securities	(4,000,000)	-	(3,804,127)	(7,804,127)	(13,104,384)
Interest on Investments	407,457	18,376	108,671	534,504	284,280
Net Cash from Investing Activities	(1,307,543)	18,376	538,509	(750,658)	69,896
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,748,962	694,054	5,483,610	7,926,626	3,230,631
CASH AND CASH EQUIVALENTS, JANUARY 1	7,333,791	313,133	551,204	8,198,128	11,581,045
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 9,082,753	\$ 1,007,187	\$ 6,034,814	\$ 16,124,754	\$ 14,811,676

(This statement is continued on the following page.)

CITY OF AURORA, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)

PROPRIETARY FUNDS

For the Year Ended December 31, 2018

	Business-Type Activities				Governmental
	Major Funds			Total	Internal
	Water and Sewer Fund	Airport	Other Enterprise Funds		Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 10,670,880	\$ (2,313,032)	\$ 120,966	\$ 8,478,814	\$ 1,005,168
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities					
Depreciation	5,972,367	1,560,473	772,673	8,305,513	-
(Increase) Decrease in					
Other Taxes	-	(69,692)	-	(69,692)	-
Accounts Receivable	(426,163)	38,357	18,107	(369,699)	(22,792)
Prepaid Expenses	-	-	-	-	34,463
Inventory	38,820	-	-	38,820	-
Deferred Outflows of Resources -					
Pension Items - IMRF	1,497,250	(13,231)	298,938	1,782,957	-
Deferred Outflows of Resources - OPEB	408,978	(43,894)	231,412	596,496	-
Increase (Decrease) in					
Accounts Payable	(292,618)	144,456	(46,390)	(194,552)	81,082
Accrued Payroll	4,789	887	1,840	7,516	(11,169)
Claims Payable	-	-	-	-	(87,642)
Other Unearned Revenue	6,814	12,736	5,906	25,456	-
Deposits	(24,963)	-	-	(24,963)	-
Compensated Absences	(19,483)	3,922	(36,430)	(51,991)	661,625
Deferred Inflows of Resources - IMRF	2,589,852	99,605	476,777	3,166,234	-
Deferred Inflows of Resources - OPEB	1,848,416	6,105	335,519	2,190,040	-
Net Pension Liability - IMRF	(3,354,903)	5,604	(661,920)	(4,011,219)	-
Net Other Postemployment Benefits Liability	(8,681,464)	169,749	(2,010,123)	(10,521,838)	-
NET CASH FROM OPERATING ACTIVITIES	\$ 10,238,572	\$ (397,955)	\$ (492,725)	\$ 9,347,892	\$ 1,660,735
CASH AND INVESTMENTS					
Cash and Cash Equivalents	\$ 9,078,029	\$ 1,007,187	\$ 6,034,814	\$ 16,120,030	\$ 14,811,676
Investments	3,985,850	150,000	999,111	5,134,961	20,324,048
TOTAL CASH AND INVESTMENTS	\$ 13,063,879	\$ 1,157,187	\$ 7,033,925	\$ 21,254,991	\$ 35,135,724
NONCASH TRANSACTIONS					
Contributions of Capital Assets	\$ 680,462	\$ -	\$ 15,040	\$ 695,502	\$ -
Unrealized Gain (Loss) on Investments	(7,366)	(3,522)	(20,502)	(31,390)	(46,489)
TOTAL NONCASH TRANSACTIONS	\$ 673,096	\$ (3,522)	\$ (5,462)	\$ 664,112	\$ (46,489)

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION

PENSION AND OPEB TRUST FUNDS

December 31, 2018

	Pension and OPEB	
	Trust Funds	Agency Funds
ASSETS		
Cash and Short-Term Investments	\$ 23,945,857	\$ 69,538
Investments, at Fair Value		
Fixed Income Securities	144,894,465	-
Domestic Equity Securities	129,701,495	-
International Equity Securities	62,498,739	-
Real Estate Investment Trusts	43,946,888	-
Blended Mutual Funds	16,007,993	-
Accrued Interest	1,059,849	-
Accounts Receivable	65,022	-
Pension Service Credit	96,156	-
Prepaid Expenses	15,488	-
Due from the Primary Government	37,909	-
	<hr/>	
Total Assets	422,269,861	\$ 69,538
	<hr/>	
LIABILITIES		
Accounts Payable	403,125	\$ -
Deposits Payable	82,738	-
Benefits Payable	378,578	-
Due to Others	-	69,538
	<hr/>	
Total Liabilities	864,441	\$ 69,538
	<hr/>	
NET POSITION RESTRICTED FOR PENSION/OPEB BENEFITS	<u>\$ 421,405,420</u>	

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

PENSION AND OPEB TRUST FUNDS

For the Year Ended December 31, 2018

ADDITIONS

Contributions	
Employer Contributions	\$ 32,225,098
Employee/Retiree Contributions	<u>5,571,568</u>
Total Contributions	<u>37,796,666</u>
Investment Income	
Net Depreciation in Fair Value of Investments	(21,501,291)
Interest	<u>8,772,552</u>
Total Investment Income	(12,728,739)
Less Investment Expense	<u>(1,027,249)</u>
Net Investment Income	<u>(13,755,988)</u>
Total Additions	<u>24,040,678</u>

DEDUCTIONS

Benefits	33,794,783
Administrative Expenses	<u>175,298</u>
Total Deductions	<u>33,970,081</u>

NET DECREASE (9,929,403)

**NET POSITION RESTRICTED
FOR PENSION/OPEB BENEFITS**

January 1	<u>431,334,823</u>
December 31	<u>\$ 421,405,420</u>

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

INDEX TO NOTES TO FINANCIAL STATEMENTS

December 31, 2018

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CITY OF AURORA, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City was incorporated in 1857 and is a municipal corporation governed by an elected board under the mayor/council form of government. It is a "home rule" unit under the Illinois Constitution. As required by GAAP, these financial statements present the City (the primary government) and its component units. In evaluating how to define the reporting entity, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was based upon the significance of its operational or financial relationship with the primary government.

Discretely Presented Component Unit

The component unit column in the basic financial statements includes the financial data of the City's component unit. It is reported in a separate column to emphasize that it is legally separate from the City.

The Aurora Public Library

The Aurora Public Library (the Library) operates and maintains the City's public library facilities. The Library's Board of Trustees is appointed by the Mayor with the consent of the City Council. The Library may not issue bonded debt without the City Council's approval and its annual budget and property tax levy request are subject to the City Council's approval. Separate audited financial statements as of December 31, 2018 are available from the Library's administrative offices located at 101 S. River Street, Aurora, Illinois 60505 or at www.aurorapubliclibrary.org.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Fund Accounting

The City uses funds to report on its financial position and changes in its financial position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The minimum number of funds is maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental, proprietary and fiduciary.

Governmental funds are used to account for all or most of the City's general activities, including the collection and disbursement of restricted or committed monies (special revenue funds), the funds committed, restricted or assigned for the acquisition or construction of capital assets (capital projects funds), the funds committed, restricted or assigned for the servicing of long-term debt (debt service funds) and the management of funds held in trust where the interest earnings can be used for governmental services (permanent fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. The City utilizes pension trust funds and agency funds which are generally used to account for assets that the City holds in a fiduciary capacity or on behalf of others as their agent.

C. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. The effect of material interfund activity has been eliminated from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and (2) grants and standard revenues that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The Debt Service Fund accounts for the City's principal and interest payments related to general government debt issued. Management has elected to report the Debt Service Fund as a major fund.

The City reports the following major proprietary funds:

The Water and Sewer Fund accounts for the activities of the water operations and sewer collection system. The City operates the water treatment plant, sewerage pumping stations and collection systems and the water distribution system.

The Airport Fund accounts for the activities of the Aurora Municipal Airport.

Additionally, the City reports the following proprietary fund type:

Internal Service Funds account for the City's self-insured property, casualty, workers' compensation, general liability and health insurance programs and the employee benefits, including vacation, sick leave and severance provided to other departments or agencies of the City on a cost reimbursement basis. These are reported as part of the governmental activities on the government-wide financial statements as they provide services to the City's governmental funds/activities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Government-Wide and Fund Financial Statements (Continued)

The City reports pension and other postemployment benefit (OPEB) trust funds as fiduciary funds to account for the Police Pension Fund, Firefighters' Pension Fund and Retiree Health Insurance Trust Fund. Furthermore, the City reports the following agency funds as fiduciary funds: Police Charitable Fund, Section 125 Medical Fund and the Section 125 Dependent Care Fund.

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements (except the agency funds which do not have a measurement focus). Revenues and additions are recorded when earned and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e., intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Incidental revenues/expenses are reported as non-operating.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except for sales taxes and telecommunication taxes which use a 90-day period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due, unless due the first day of the following fiscal year.

Property taxes, sales taxes and telecommunication taxes owed to the state at year end, utility taxes, franchise taxes, licenses, charges for services, food and beverage taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. Fines and permit revenue are considered to be measurable and available only when cash is received by the City.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e., federal and state grants), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are generally revocable only for failure to comply with prescribed eligibility requirements, such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criterion.

The City reports unavailable/deferred revenue and unearned revenue on its financial statements. Unavailable/deferred revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has a legal claim to them or prior to the provision of services, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the unavailable/unearned/deferred revenue is removed from the financial statements and revenue is recognized.

E. Cash and Investments

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City's proprietary funds consider their demand deposits and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments

Investments with a maturity of less than one year when purchased, non-negotiable certificates of deposit and other nonparticipating investments are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased and all investments of the pension trust funds are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

F. Property Taxes

Property taxes are recognized as receivable in the year that they attach as an enforceable lien and are levied. Funds utilizing the modified accrual basis of accounting treat property taxes receivable as unavailable revenue until the measurable and available criteria have been met (the year intended to finance and collected within 60 days after year end). On the accrual basis, property taxes are recognized as revenue in the year intended to finance, regardless of when collected. Property taxes receivable more than one year old have been fully offset by an allowance account.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Inventory

Inventory held for resale, including land, is valued at the lower of cost or market on a first-in/first-out (FIFO) basis.

H. Restricted Assets

Enterprise funds, based on certain bond covenants, are required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only for specified purposes indicated in the bond ordinances.

I. Prepaid Items/Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report are recorded as prepaid items/expenses accounted for on the consumption method.

J. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an estimated useful life in excess of one year and an initial, individual cost in excess of the following:

<u>Asset Class</u>	<u>Capitalization Threshold</u>
Land	\$ -
Buildings, Building and Land Improvements, Infrastructure and Intangible Assets	100,000
Vehicles, Machinery, Furniture and Equipment	50,000
Works of Art, Historical Artifacts	50,000

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs, including street overlays that do not add to the value of the asset or materially extend asset lives are not capitalized.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. Property, plant and equipment is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings, Land Improvements and Infrastructure	20-65
Vehicles	8
Machinery, Furniture and Equipment and Software	5-15

K. Vacation, Sick Pay and Other Employee Benefits

Accumulated unpaid vacation, sick pay and other employee benefit amounts for governmental funds are accrued in these funds as a current liability to the extent that employees have retired or terminated at year end but have not been paid. The remaining liability is reported in the Employee Compensated Benefits Fund (an internal service fund).

Accumulated unpaid vacation, sick pay and other employee benefit amounts for proprietary funds are recorded as earned by employees in those funds.

L. Interfund Transactions

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

All other interfund transactions, except interfund service transactions and reimbursements, are reported as transfers.

M. Interfund Receivables/Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.”

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Long-Term Obligations

In the government-wide financial statements and proprietary funds 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 financial statements. Bond premiums and discounts and gains/losses on refunding are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as expenses in the period incurred.

In the fund financial statements, governmental funds 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 expenditures/expenses in the period incurred.

O. Fund Balance/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not in spendable form or legally or contractually required to be maintained intact. Restrictions of fund balance are reported for amounts constrained by legal restrictions from outside parties for use for a specific purpose, or externally imposed by outside entities or from enabling legislation adopted by the City. Committed fund balance is constrained by formal actions of the City Council, which is considered the City's highest level of decision-making authority. Formal actions include ordinances approved by the City Council. Assigned fund balance represents amounts constrained by the City's intent to use them for a specific purpose. The authority to assign fund balance has been delegated to the City's Chief Financial Officer/City Treasurer through the approved budget of the City. Any residual fund balance in the General Fund, including fund balance targets and any deficit fund balance of any other governmental fund is reported as unassigned.

The City has not adopted a flow of funds policy; therefore, in accordance with GASB Statement No. 54, the City follows the default flow of funds, that the funds with the highest level of constraint are expended first. If restricted or unrestricted funds are available for spending, the restricted funds are spent first. Additionally, if different levels of unrestricted funds are available for spending, the City considers committed funds to be expended first followed by assigned funds and then unassigned funds.

The City has established a policy requiring that the General Fund balance be maintained at the greater of either (a) 10% of expenditures and other financing uses as originally budgeted for the fiscal year or (b) \$1 million plus 25% of the current fiscal year's property tax levy. This is reported as part of unassigned fund balance.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Fund Balance/Net Position (Continued)

In the government-wide financial statements, restricted net positions are legally restricted by outside parties for a specific purpose. Net investment in capital assets represents the book value of capital assets less any outstanding long-term debt issued to acquire or construct the capital assets.

Restricted net position and restricted fund balance resulting from enabling legislation adopted by the City consists of \$1,711,800 restricted by the original ordinances to be used for public safety and \$8,151,143 restricted by the original ordinances to be used for health and welfare at December 31, 2018.

Restrictions, commitments and assignments of fund balance on the fund financial statements and restrictions on the government-wide financial statements for specific purposes are detailed in Note 14.

P. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Q. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows, liabilities and deferred inflows and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

R. Special Item

Special Items are significant transactions or other events within the control of management that are either unusual in nature or infrequent in occurrence. The City reports one special item in the current year, the gain on the sale of a golf course in the nonmajor enterprise funds and the business-type activities.

2. PROPERTY TAXES

The City's property tax becomes a lien on real property on January 1 of the year it is levied. The 2018 levy was adopted December 18, 2018 and attached as an enforceable lien as of January 1, 2018. The City does not have a statutory tax rate limit. Property taxes are deposited with the County Treasurers who remit to the City its respective share of the collections. Taxes levied in one year become due and payable in two installments during the following year, on or about June 1 and September 1. The 2018 levy is intended to finance the 2019 fiscal year and, therefore, is reported as unavailable/deferred revenue at December 31, 2018.

3. CASH AND INVESTMENTS

The City and pension funds categorizes the fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs.

The City maintains a cash and investment pool that is available for use by all funds except the pension trust funds. Each fund'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. The investments are governed by the following four separate investment policies: one policy for the City and the Library adopted by the City Council and one policy each for the Police and Firefighters' Pension Funds and the Retiree Health Insurance Trust Fund approved by their respective boards.

In accordance with the City's investment policy, the City's monetary assets may be placed in all instruments permitted by the Illinois Public Funds Investment Act. This act permits deposits and investments 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 The Illinois Funds.

It is the policy of the City to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting daily cash flow demands and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are safety (preservation of capital and protection of investment principal), liquidity and yield.

City Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the City's deposits may not be returned to it. The City's investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance with the collateral held by an agent of the City in the City's name.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. CASH AND INVESTMENTS (Continued)

City Investments

The following table presents the investments and maturities of the City's debt securities as of December 31, 2018:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Government Agency Notes	\$ 20,311,094	\$ 14,113,468	\$ 6,197,626	\$ -	\$ -
U.S. Treasury Notes	34,366,976	34,366,976	-	-	-
State and Local Obligations	18,652,985	10,714,523	7,938,462	-	-
TOTAL	\$ 73,331,055	\$ 59,194,967	\$ 14,136,088	\$ -	\$ -

The City has the following recurring fair value measurements as of December 31, 2018: the U.S. agency obligations are valued using multi-dimensional relational models (Level 2 inputs). The U.S. treasury notes are valued using trade platform fees (Level 2 inputs). The state and local obligations are valued based on quoted matrix pricing models (Level 2 inputs).

In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter term securities, money market mutual funds or similar investment pools. Unless matched to a specific cash flow, the City does not directly invest in securities maturing more than three years from the date of purchase.

The City limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury obligations, U.S. Government agency notes and state and local obligations rated in the highest two categories by national rating agencies. The U.S. agency securities are rated Aaa. The state and local obligations are rated Aa3 to Aaa by Moody's. Certain U.S. agency securities and state and local obligations are not rated.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the City will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the City's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the City's agent separate from where the investment was purchased. The Illinois Funds and the money market mutual funds are not subject to custodial credit risk.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

3. CASH AND INVESTMENTS (Continued)

City Investments (Continued)

Concentration of credit risk - The investment portfolio of the City shall not exceed the diversification standards below:

Diversification by Instrument	Percent of Portfolio
Commercial Paper	10%
The Illinois Funds	50%

No financial institution shall hold more than 20% of the City's total investment portfolio. Furthermore, the amount of monies deposited and/or invested in a financial institution shall not exceed 75% of the capital stock and surplus of such institution.

The City's investment policy does not specifically prohibit the use of or the investment in derivatives.

4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2018 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital Assets not Being Depreciated				
Land	\$ 29,062,523	\$ 5,418,145	\$ 93,804	\$ 34,386,864
Land Right of Way	104,122,961	-	-	104,122,961
Works of Art	977,267	-	-	977,267
Construction in Progress	26,073,106	7,633,434	3,685,934	30,020,606
Total Capital Assets not Being Depreciated	<u>160,235,857</u>	<u>13,051,579</u>	<u>3,779,738</u>	<u>169,507,698</u>
Capital Assets Being Depreciated				
Buildings and Land Improvements	148,843,223	309,213	-	149,152,436
Machinery and Equipment	29,053,452	194,500	-	29,247,952
Vehicles	16,434,699	307,782	237,761	16,504,720
Infrastructure	389,750,111	4,195,571	14,951	393,930,731
Total Capital Assets Being Depreciated	<u>584,081,485</u>	<u>5,007,066</u>	<u>252,712</u>	<u>588,835,839</u>
Less Accumulated Depreciation for				
Buildings and Land Improvements	36,829,702	3,538,572	-	40,368,274
Machinery and Equipment	17,802,647	2,247,507	-	20,050,154
Vehicles	10,659,785	1,243,478	218,738	11,684,525
Infrastructure	154,029,845	7,477,940	14,433	161,493,352
Total Accumulated Depreciation	<u>219,321,979</u>	<u>14,507,497</u>	<u>233,171</u>	<u>233,596,305</u>
Total Capital Assets Being Depreciated, Net	<u>364,759,506</u>	<u>(9,500,431)</u>	<u>19,541</u>	<u>355,239,534</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 524,995,363</u>	<u>\$ 3,551,148</u>	<u>\$ 3,799,279</u>	<u>\$ 524,747,232</u>

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES				
Capital Assets not Being Depreciated				
Land	\$ 25,922,036	\$ -	\$ 511,352	\$ 25,410,684
Construction in Progress	18,486,768	429,315	15,290,757	3,625,326
Total Capital Assets not Being Depreciated	<u>44,408,804</u>	<u>429,315</u>	<u>15,802,109</u>	<u>29,036,010</u>
Capital Assets Being Depreciated				
Land Improvements	42,760,040	220,118	250,000	42,730,158
Building	103,116,724	773,049	714,750	103,175,023
Infrastructure	192,000,524	19,292,446	613,730	210,679,240
Machinery and Equipment	5,907,905	125,870	196,500	5,837,275
Vehicles	3,734,913	-	56,020	3,678,893
Total Capital Assets Being Depreciated	<u>347,520,106</u>	<u>20,411,483</u>	<u>1,831,000</u>	<u>366,100,589</u>
Less Accumulated Depreciation for				
Land Improvements	28,410,799	1,619,342	250,000	29,780,141
Building	42,417,923	2,082,381	521,860	43,978,444
Infrastructure	61,531,512	4,170,428	594,936	65,107,004
Machinery and Equipment	4,528,152	221,152	19,650	4,729,654
Vehicles	2,684,971	212,210	56,020	2,841,161
Total Accumulated Depreciation	<u>139,573,357</u>	<u>8,305,513</u>	<u>1,442,466</u>	<u>146,436,404</u>
Total Capital Assets Being Depreciated, Net	<u>207,946,749</u>	<u>12,105,970</u>	<u>388,534</u>	<u>219,664,185</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 252,355,553</u>	<u>\$ 12,535,285</u>	<u>\$ 16,190,643</u>	<u>\$ 248,700,195</u>

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

GOVERNMENTAL ACTIVITIES	
General Government	\$ 812,308
Public Safety	390,333
Streets and Transportation	4,726,755
Culture and Recreation	7,432,386
Economic Development	<u>1,145,715</u>
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 14,507,497</u>
BUSINESS-TYPE ACTIVITIES	
Water and Sewer	\$ 5,972,367
Downtown Parking	402,355
Commuter Parking	138,434
Golf Operations	231,884
Airport	<u>1,560,473</u>
TOTAL DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES	<u>\$ 8,305,513</u>

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT

The following is a summary of changes in bonds, contracts payable and other long-term liabilities during 2018 (in thousands of dollars):

	January 1	Additions	Reductions/ Refundings	December 31	Current Portion
GOVERNMENTAL ACTIVITIES					
General Obligation Bonds	\$ 120,220	\$ -	\$ 7,140	\$ 113,080	\$ 6,280
Tax Increment Revenue Bonds/Notes	10,920	7,430	8,940	9,410	1,245
Debt Certificates	4,185	-	385	3,800	405
Illinois EPA Loan - Heathercrest Sanitary Sewer Rehabilitation	595	-	165	430	169
Illinois EPA Loan - Storm Sewer Construction**	6,472	323	98	6,697	296
Compensated Absences*	18,943	1,609	947	19,605	980
Insurance Claims Payable*	8,963	675	763	8,875	5,707
Net Pension Liability - Pension Trust*	392,187	64,262	-	456,449	-
Net Pension Liability - IMRF*	29,484	-	16,049	13,435	-
Net Other Postemployment Benefit Liability*	305,557	-	143,188	162,369	-
Unamortized Bond Premium	1,329	-	136	1,193	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 898,855	\$ 74,299	\$ 177,811	\$ 795,343	\$ 15,082

*These liabilities are primarily retired by the General Fund (for compensated absences and insurance claims through contributions to the Internal Service Fund).

**This loan is still in the construction period and, therefore, no repayment schedule has been determined.

	January 1	Additions	Reductions	December 31	Current Portion
BUSINESS-TYPE ACTIVITIES					
Revenue Bonds					
Water and Sewer Revenue Bonds	\$ 26,185	\$ -	\$ 980	\$ 25,205	\$ 1,020
Golf Course Revenue Bonds	810	-	400	410	410
Total Revenue Bonds	26,995	-	1,380	25,615	1,430
2000 Illinois EPA Loan	3,102	-	589	2,513	607
2009A Illinois EPA Loan	457	-	35	422	35
2009B Illinois EPA Loan	1,992	-	153	1,839	153
2010 Illinois EPA Loan	34	-	3	31	3
Compensated Absences	2,111	54	106	2,059	103
Net Pension Liability - IMRF	7,920	-	4,011	3,909	-
Net Other Postemployment Benefit Liability	25,907	-	10,521	15,386	-
Unamortized Bond Premium	310	-	21	289	-
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 68,828	\$ 54	\$ 16,819	\$ 52,063	\$ 2,331

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

Bonds payable at December 31, 2018 are comprised of the following, excluding the refunded bonds that are defeased in-substance.

General Obligation Bonds

	<u>Total</u>	<u>Current Portion</u>
\$15,460,000 2009A Taxable Corporate Purpose serial bonds, due in annual installments of \$740,000 to \$1,290,000 from December 30, 2010 to December 30, 2024, interest from 1.25% to 5.00%. Pursuant to the American Recovery and Reinvestment Act, the City is eligible to receive a rebate from the U.S. Treasury Department of 25% of the interest paid each year. The net interest rate for the Series 2009A Build America Bonds, after rebate, is 0.94% to 3.75%.	\$ 7,060	\$ 1,075
\$5,590,000 2009B Corporate Purpose refunding serial bonds, due in annual installments of \$270,000 to \$445,000 from December 30, 2010 to December 30, 2024, interest from 2.00% to 3.70%.	2,525	395
\$6,905,000 2012B Corporate Purpose refunding serial bonds, due in annual installments \$480,000 to \$655,000 from December 30, 2013 to December 30, 2024, interest from 2.00% to 2.50%.	3,700	580
\$9,565,000 2013 Corporate Purpose refunding serial bonds, due in annual installments of \$55,000 to \$1,465,000 from December 30, 2015 to December 30, 2025, interest from 2.000% to 3.125%.	9,330	1,210
\$9,150,000 2014 Corporate Purpose refunding serial bonds, due in annual installments of \$775,000 to \$1,580,000 from December 30, 2015 to December 30, 2030, interest from 2.00% to 3.50%.	4,820	-
\$6,690,000 2015A Corporate Purpose refunding serial bonds, due in annual installments of \$1,015,000 to \$1,225,000 from December 30, 2031 to December 30, 2036, interest from 3.25% to 4.00%.	6,690	-
\$69,185,000 2015C Corporate Purpose refunding serial bonds, due in annual installments of \$1,600,000 to \$4,275,000 from December 30, 2016 to December 30, 2038, interest from 3% to 4%.	63,135	2,325
\$16,500,000 2017 Corporate Purpose serial bonds, due in annual installments of \$680,000 to \$1,140,000 from December 30, 2018 to December 30, 2036, interest from 3.00% to 3.25%.	15,820	695
TOTAL	<u>\$ 113,080</u>	<u>\$ 6,280</u>

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

Tax Increment Revenue Bonds and Notes

	Total	Current Portion
\$3,700,000 2009 tax increment revenue notes, due in annual installments of \$120,000 to \$410,000, through December 30, 2024, interest at 7%.	\$ 2,210	\$ 305
\$4,300,000 2018A tax increment revenue bonds, due in annual installments of \$130,000 to \$560,000, through December 30, 2027, interest at 5%.	4,170	380
\$3,130,000 2018B tax increment revenue bonds, due in annual installments of \$100,000 to \$650,000, through December 30, 2023, interest at 4.50%.	3,030	560
TOTAL	\$ 9,410	\$ 1,245

Revenue and Alternate Revenue Source Bonds

	Total	Current Portion
Water and Sewer		
\$28,035,000 2015B Waterworks and Sewerage refunding serial revenue bonds, due in annual installments of \$910,000 to \$1,945,000, through December 1, 2036, interest from 3% to 4%.	\$ 25,205	\$ 1,020
TOTAL	\$ 25,205	\$ 1,020

	Total	Current Portion
Golf		
\$2,680,000 2012 Golf Course refunding alternate revenue source bonds, due in annual installments of \$355,000 to \$410,000, through December 30, 2019, interest at 2.50%.	\$ 410	\$ 410
TOTAL	\$ 410	\$ 410

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

Debt Certificates

	<u>Total</u>	<u>Current Portion</u>
\$4,760,000 Series 2006 Special Service Area No. 34 refunding debt certificates, due in annual installments of \$35,000 to \$580,000, through December 30, 2019, interest at 4%.	\$ 105	\$ 105
\$3,095,000 2012D Corporate Purpose refunding serial debt certificates, due in annual installments of \$235,000 to \$500,000 from December 30, 2013 to December 30, 2020, interest from 2% to 3%.	695	300
\$3,000,000 Section 108 Loan, due in annual installments of \$166,667 from August 1, 2020 to August 1, 2037.	<u>3,000</u>	<u>-</u>
TOTAL	<u><u>\$ 3,800</u></u>	<u><u>\$ 405</u></u>

Illinois EPA Loans

	<u>Total</u>	<u>Current Portion</u>
\$2,546,144 Illinois EPA low interest loan related to the Heathercrest Sanitary Sewer Rehabilitation, due in semiannual installments of \$89,444, through June 2021, interest at 2.535%.	\$ 430	\$ 169
Up to \$7,326,943 Illinois EPA low interest loan related to storm sewer construction, due in semiannual installments for 20 years after construction completion with interest at 1.86%.	6,696	296
\$10,000,000 Illinois EPA low interest loan related to the water plant expansion project, due in semiannual installments of \$337,665, through September 2022, interest at 2.905%.	2,513	607
\$685,871 Illinois EPA loan related to certain watermain replacements, due in semiannual installments to be determined, through January 2030, interest at 0%.	422	35
\$2,988,143 Illinois EPA loan related to the separation of certain combined sewer lines, due in semiannual installments to be determined, through June 2030, interest at 0%.	1,839	153
\$69,513 Illinois EPA loan related to a bio-infiltration system, due in semiannual installments of \$1,335, through June 2030, interest at 0%.	<u>31</u>	<u>3</u>
TOTAL	<u><u>\$ 11,931</u></u>	<u><u>\$ 1,263</u></u>

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

Debt Service to Maturity

The annual requirements to amortize all debt outstanding (except compensated absences, insurance claims, termination benefits, the NPO and the NOPEBL) as of December 31, 2018, are as follows (in thousands of dollars):

Year Ending December 31,	General Obligation Bonds		TIF Bonds/Notes		Installment Contracts/ Debt Certificates	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 6,280	\$ 3,825	\$ 1,245	\$ 500	\$ 405	\$ 25
2020	6,465	3,626	1,310	434	562	12
2021	6,665	3,418	1,385	365	167	-
2022	6,870	3,201	1,470	291	167	-
2023	7,090	2,975	1,510	213	167	-
2024-2028	26,860	11,815	2,490	295	833	-
2029-2033	26,190	7,872	-	-	833	-
2034-2038	26,660	2,900	-	-	666	-
TOTAL	\$ 113,080	\$ 39,632	\$ 9,410	\$ 2,098	\$ 3,800	\$ 37

Year Ending December 31,	Illinois EPA Loans		Revenue and Alternate Revenue Source Bonds	
	Principal	Interest	Principal	Interest
2019	\$ 967	\$ 78	\$ 1,430	\$ 898
2020	989	56	1,050	857
2021	922	34	1,090	826
2022	830	14	1,120	793
2023	191	-	1,160	759
2024-2028	955	-	6,380	3,248
2029-2033	381	-	7,795	2,072
2034-2038	-	-	5,590	454
TOTAL	\$ 5,235	\$ 182	\$ 25,615	\$ 9,907

The bonds of several issues are subject to redemption and payment prior to their maturity, at the option of the City.

Current Refundings

On December 12, 2018, the City issued \$4,300,000 Tax Increment Revenue Refunding Bonds, Series 2018A to refund, through a current refunding, \$4,280,000 of the Tax Increment Revenue Bonds, Series 2008A. As a result of the refunding, the City achieved cash flow savings of \$573,838 and an economic gain of \$221,079. The refunded portion of the Series 2008A Bonds were called and paid from escrow on December 30, 2018.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

5. LONG-TERM DEBT (Continued)

Current Refundings (Continued)

On December 12, 2018, the City issued \$3,130,000 Tax Increment Revenue Refunding Bonds, Series 2018B to refund, through a current refunding, \$3,345,000 of the Tax Increment Revenue Bonds, Series 2008B. As a result of the refunding, the City achieved cash flow savings of \$263,295 and an economic gain of \$93,797. The refunded portion of the Series 2008B Bonds were called and paid from escrow on December 30, 2018.

Defeasance

During 2014, the City retired, through a defeasance, the remaining notes payable balance. The City placed in an irrevocable escrow during 2014, \$843,138, sufficient to pay the principal and interest payments as they come due through the year 2021. No economic or cash flow savings were achieved as a result of the defeasance.

6. REVENUE BONDS

The revenue bond ordinances require that all revenues derived from the operation of the Water and Sewer Fund be segregated in separate accounts, in the priority indicated by the order of the following:

Account	Amount	Nature of Authorized Expenditures
Operation and Maintenance	Sufficient amount to pay reasonable expenses for one month's operations	Expenses of operating, maintaining and repairing the system
Bond and Interest	Amount sufficient to pay the current bond and interest maturities	Paying principal and interest on bonds
Bond Reserve	\$30,000 per month until account aggregates an amount equal to bond and interest requirements for any succeeding fiscal year	Paying principal and interest on bonds when there are insufficient funds in the bond and interest account
Depreciation, Improvement and Extension	\$8,000 per month until the account aggregates a minimum of \$500,000	Cost of extraordinary maintenance, necessary replacement and improvement or extension of the system
Surplus Revenue	The amount remaining after payment into the above four accounts	Making up deficiencies in the aforementioned accounts, paying of junior lien bonds and for any other lawful corporate purpose

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

6. REVENUE BONDS (Continued)

The City has complied with all significant limitations, restrictions and bond covenants during the year ended December 31, 2018. The restricted assets and restricted net position for purposes other than bond proceeds and the expenses of operating, maintaining and repairing the system, is as follows:

RESTRICTED BOND ORDINANCE ACCOUNTS	
Bond and Interest Account	\$ 1,402,947
Bond Reserve Account	2,107,887
Depreciation, Improvement and Extension Account	<u>517,906</u>
TOTAL	<u><u>\$ 4,028,740</u></u>

The revenue bond ordinances require that all revenues derived from the operation of the Golf Operations Fund be segregated in separate accounts, in the priority indicated by the order of the following:

Account	Amount	Nature of Authorized Expenditures
Operation and Maintenance	Sufficient amount to pay reasonable expenses and operation of the system for the fiscal year	Expenses incurred in connection with the continued operation, use and maintenance of the system, other than capital improvements, necessary to keep the system in efficient and economical operating condition, including the payment of premiums for insurance hereinafter required to be carried, and generally for all expenses (except depreciation) which under good accounting practice are properly chargeable to, and are reasonable and necessary to, the efficient maintenance and operation of the system
Bond and Interest	Amount sufficient to pay the current bond and interest maturities	Paying principal and interest on bonds
Bond Reserve	\$20,000 per month until account aggregates an amount equal to bond and interest requirements for any succeeding fiscal year	Paying principal and interest on bonds when there are insufficient funds in the bond and interest account
Depreciation, Improvement and Extension	\$2,083 per month until account aggregates an amount equal to bond and interest requirements for any succeeding fiscal year	Cost of extraordinary maintenance, necessary replacement and improvement or extension of the system
Surplus Revenue	The amount remaining after payment into the above four accounts	Making up deficiencies in the aforementioned accounts, paying of junior lien bonds and for any other lawful corporate purpose

6. REVENUE BONDS (Continued)

The City has complied with all significant limitations, restrictions and bond covenants during the year ended December 31, 2018. The restricted assets and restricted net position for purposes other than bond proceeds and the expenses of operating, maintaining and repairing the system, is as follows:

RESTRICTED BOND ORDINANCE ACCOUNTS	
Bond and Interest Account	\$ 114
Bond Reserve Account	434,900
	<hr/>
TOTAL	\$ 435,014
	<hr/> <hr/>

7. DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. At December 31, 2018, the plan assets have been placed in trust for the benefit of employees. Accordingly, the plan assets are not reported in the City's financial statements.

8. INDUSTRIAL AND MORTGAGE REVENUE BONDS

On March 23, 1976, the City passed an ordinance enabling the City to provide financing for economic development projects, pollution control projects and hospital facilities by the issuance of industrial or mortgage revenue bonds. The bonds are secured solely by the property financed and are payable solely from the payments received on the underlying mortgage loans on the property. The City is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds outstanding are not reported as a liability in these financial statements. As of December 31, 2018, there were 16 series of bonds outstanding. The aggregate principal amount payable that can be substantiated for the series was \$14,134,540.

9. DEFINED BENEFIT PENSION PLANS

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an 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 also a single-employer pension plan. The benefits, benefit levels, employee contributions and employer contributions for all three plans are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly. The Police and Firefighters' Pension Plans both issue separate reports on the pension plans that include required supplementary information and trend information. These statements can be obtained from the Treasurer of the pension plans at 44 E. Downer Place, Aurora, Illinois 60507-2067 or at www.aurora-il.org. IMRF also issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report can be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at www.imrf.org.

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions

Illinois Municipal Retirement Fund

Plan Administration

All employees (other than those covered by the Police Pension Plan or 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.

Plan Membership

At December 31, 2017 (most recent information available), IMRF membership consisted of:

Inactive Employees or Their Beneficiaries	
Currently Receiving Benefits	539
Inactive Employees Entitled to but not yet Receiving Benefits	335
Active Employees	<u>579</u>
 TOTAL	 <u><u>1,453</u></u>

Benefits Provided

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011 are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. 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 members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Contributions

Participating members are required to contribute 4.50% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar year 2018 was 14.77% of covered payroll.

Actuarial Assumptions

The City's net pension liability was measured as of December 31, 2017 (most recent information available) and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of the same date using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2017
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Salary Increases	3.39% to 14.25%
Interest Rate	7.50%
Cost of Living Adjustments	3.50%
Asset Valuation Method	Market Value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for nondisabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. 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 the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was used to determine the total pension liability.

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2017	\$ 261,854,486	\$ 219,455,814	\$ 42,398,672
Changes for the Period			
Service Cost	4,500,576	-	4,500,576
Interest	19,347,631	-	19,347,631
Difference Between Expected and Actual Experience	4,886,358	-	4,886,358
Changes in Assumptions	(8,472,798)	-	(8,472,798)
Employer Contributions	-	6,674,256	(6,674,256)
Employee Contributions	-	2,021,702	(2,021,702)
Net Investment Income	-	38,382,694	(38,382,694)
Benefit Payments and Refunds	(12,272,713)	(12,272,713)	-
Administrative Expense	-	-	-
Other (Net Transfer)	-	(3,874,919)	3,874,919
Net Changes	7,989,054	30,931,020	(22,941,966)
BALANCES AT DECEMBER 31, 2017	\$ 269,843,540	\$ 250,386,834	\$ 19,456,706

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Changes in the Net Pension Liability (Continued)

The table presented on the previous page includes amounts for both the City and the Library. The City's collective share of the net pension liability at January 1, 2017, the employer contributions and the net pension liability at December 31, 2017 was \$37,404,108, \$5,949,432 and \$17,343,708, respectively. The Library's collective share of the net pension liability at January 1, 2017, the employer contributions and the net pension liability at December 31, 2017 was \$4,994,564, \$724,824 and \$2,112,998, respectively.

Changes in assumptions related to the discount rate were made since the prior measurement date.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2018, the City recognized pension expense of \$2,873,334. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 5,452,276	\$ 3,593,636
Changes in Assumption	1,108,194	7,197,105
Contributions made after the measurement date	5,888,075	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	10,657,270
TOTAL	\$ 12,448,545	\$ 21,448,011

\$5,888,075 reported as deferred outflows or resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ending December 31, 2019. The City's collective share of the contributions subsequent to measurement date was \$5,248,630. The Library's collective share of the contributions subsequent to measurement date was \$639,445.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

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

<u>Year Ending</u> <u>December 31,</u>	
2019	\$ (1,063,287)
2020	(3,441,506)
2021	(5,713,182)
2022	(4,669,566)
Thereafter	<u>-</u>
TOTAL	<u><u>\$ (14,887,541)</u></u>

The deferred outflows presented in the table above include amounts for both the City and the Library. The City's collective share of the deferred outflows and inflows of resources at December 31, 2018 was \$11,096,633 and \$19,118,757, respectively. The Library's collective share of the deferred outflows and inflows of resources at December 31, 2018 was \$1,351,912 and \$2,329,254, respectfully.

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 pension liability (asset) of the City calculated using the discount rate of 7.50% as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability (Asset)	\$ 53,868,154	\$ 19,456,706	\$ (8,965,880)

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund

Plan Administration

Police sworn personnel are covered by the Police Pension Fund. Although this is a single-employer pension plan, the defined benefits and employee and 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 Police Pension Fund is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the City's Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

The Police Pension Fund is accounted for with a flow of 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.

Plan Membership

At December 31, 2018, the measurement date, membership consisted of:

Inactive Plan Members Currently Receiving Benefits	218
Inactive Plan Members Entitled to but not yet Receiving Benefits	27
Active Plan Members	283
 TOTAL	 528

Benefits Provided

The Police Pension Fund provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to ½ 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 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Benefits Provided (Continued)

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% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten 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 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years of creditable service may retire at or after age 50 and receive a reduced benefit (i.e., ½% 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% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.91% of their base salary to the Police Pension Fund. 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 Police Pension Fund, 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 December 31, 2018, the City's contribution was 44.93% of covered payroll.

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Investment Policy

ILCS limits the Police Pension Fund’s investments to those allowable by ILCS and require the Police Pension Fund’s Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Police Pension Fund’s investment policy authorizes the Police Pension Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment-grade corporate bonds and The Illinois Funds. The Police Pension Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran’s loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds, corporate equity and corporate debt securities and real estate investment trusts. No changes to the investment policy were made during 2018.

The Police Pension Fund’s investment policy in accordance with ILCS establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	35%	2.10%
Domestic Equities	32%	5.60%
International Equities	16%	5.80%
Real Estate	10%	5.20%
Blended	5%	3.90%
Cash and Cash Equivalents	2%	0.40%

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Investment Policy (Continued)

ILCS limits the Police Pension Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

The long-term expected rate of return on the Police Pension Fund's investments was determined using an asset allocation study conducted by the Police Pension Fund's investment management consultant in September 2018 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Police Pension Fund's target asset allocation as of December 31, 2018 are listed on the previous page.

Investment Valuations

All investments in the plan are stated at fair value and are recorded as of the trade date. The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than market value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

Investment Concentrations

There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of the Police Pension Fund's investments.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Investment Rate of Return

For the year ended December 31, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (3.40)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Police Pension Fund's deposits may not be returned to them. The Police Pension Fund's investment policy requires all bank balances to be covered by federal depository insurance.

Interest Rate Risk

The following table presents the investments and maturities of the Police Pension Fund's debt securities as of December 31, 2018:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury Obligations	\$ 20,153,631	\$ 684,825	\$ 10,073,644	\$ 7,427,885	\$ 1,967,277
U.S. Agency Obligations	16,407,920	647,040	1,609,640	3,196,395	10,954,845
Foreign Bonds	2,970,099	529,171	2,409,316	31,612	-
State and Local Obligations	1,847,514	448,653	1,227,163	171,698	-
Corporate Bonds	30,963,558	959,483	18,681,562	7,591,295	3,731,218
TOTAL	\$ 72,342,722	\$ 3,269,172	\$ 34,001,325	\$ 18,418,885	\$ 16,653,340

The Police Pension Fund categorizes the fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs.

The City's Police Pension Fund has the following recurring fair value measurements as of December 31, 2018: the U.S. Treasury obligations, blended mutual funds domestic and international equity securities are valued using quoted prices (Level 1 inputs). The U.S. agency obligations are valued using institutional bond quotes (Level 2 inputs). The state and local obligations, foreign bonds and corporate bonds, are valued using on quoted matrix pricing models (Level 2 inputs). Real Estate Investment Trusts are measured based on the value of appraisals (Level 3 inputs).

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Interest Rate Risk (Continued)

In accordance with its investment policy, the Police Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Police Pension Fund.

Credit Risk

The Police Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government, securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government and investment-grade corporate bonds and municipal bonds rated at or above BBB- by Standard and Poor's, Baa3 by Moody's and BBB- by Fitch by at least two of the three rating agencies. Additionally, the U.S. agency obligations that consist of FHLMC securities are rated Aaa by a national rating agency. The Police Pension Fund's U.S. agency obligations consist of FHLMC, FNMA, GNMA and FFCB securities. For ratings that were available, these securities were rated Aaa by a national rating agency. The municipal bonds are rated Aa2 to Aaa. The foreign bonds are rated Baa3 to A1. The corporate bonds are rated Baa3 to Aaa.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Police Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Police Pension Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Police Pension Fund's agent separate from where the investment was purchased in the Police Pension Fund's name. Blended mutual funds are not subject to custodial credit risk.

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2018 using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2018
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Salary Increases	Service-Based
Investment Rate	6.50%
Cost of living adjustments Tier 1	3.00%
Cost of living adjustments Tier 2	1.25%
Asset Valuation Method	Market

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table (CHBCA), projected to the valuation date with Scale BB for Healthy Members and the RP-2000 Disabled Retiree, projected to the valuation date with the Scale BB for Disabled Members. The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated October 5, 2017.

Discount Rate

The discount rate used to measure the total pension liability was 6.12%. 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 the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Police Pension Fund's fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments of 6.50% was blended with the index rate of 4.10% (3.44% in 2017) for tax exempt general obligation municipal bonds rated AA or better at December 31, 2018 to arrive at a discount rate of 6.12% (5.93% in 2017) used to determine the total pension liability.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2018	\$ 441,977,187	\$ 219,485,287	\$ 222,491,900
Changes for the Period			
Service Cost	8,649,322	-	8,649,322
Interest	26,247,498	-	26,247,498
Difference Between Expected and Actual Experience	17,014,213	-	17,014,213
Changes in Assumptions	(3,734,280)	-	(3,734,280)
Employer Contributions	-	14,593,748	(14,593,748)
Employee Contributions	-	3,415,938	(3,415,938)
Net Investment Income	-	(7,356,253)	7,356,253
Benefit Payments and Refunds	(15,853,359)	(15,853,359)	-
Administrative Expense	-	(64,068)	64,068
Net Changes	32,323,394	(5,263,994)	37,587,388
BALANCES AT DECEMBER 31, 2018	\$ 474,300,581	\$ 214,221,293	\$ 260,079,288

There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates and discount rates.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2018, the Police Pension Fund recognized pension expense of \$28,139,980. At December 31, 2018, the Police Pension Fund reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 14,921,349	\$ 3,668,356
Changes in Assumption	22,797,965	3,111,900
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	<u>10,576,071</u>	<u>-</u>
TOTAL	<u>\$ 48,295,385</u>	<u>\$ 6,780,256</u>

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

<u>Year Ending December 31,</u>	
2019	\$ 10,929,571
2020	8,797,448
2021	8,629,332
2022	10,945,456
2023	<u>2,213,322</u>
TOTAL	<u>\$ 41,515,129</u>

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Police Pension Fund (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 pension liability of the City calculated using the discount rate of 6.12% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.12%) or 1 percentage point higher (7.12%) than the current rate:

	1% Decrease (5.12%)	Current Discount Rate (6.12%)	1% Increase (7.12%)
Net Pension Liability	\$ 337,266,265	\$ 260,079,288	\$ 197,974,987

Firefighters' Pension Fund

Plan Administration

Firefighter sworn personnel are covered by the Firefighters' Pension Fund, a single-employer defined benefit pension plan sponsored by the City. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-101) and may be amended only by the Illinois legislature. The City accounts for the Firefighters' Pension Plan as a pension trust fund.

The Firefighters' Pension Fund is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the City's Mayor, one member is elected by pension beneficiaries and two members are elected by active firefighter employees.

The Firefighters' Pension Fund is accounted for with a flow of 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.

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Plan Membership

At December 31, 2018, the measurement date, membership consisted of:

Inactive Plan Members Currently Receiving Benefits	187
Inactive Plan Members Entitled to but not yet Receiving Benefits	3
Active Plan Members	<u>204</u>
 TOTAL	 <u><u>394</u></u>

Benefits Provided

The Firefighters' Pension Fund provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten 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 covered employee who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten 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 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$106,800, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Benefits Provided (Continued)

receive a reduced benefit (i.e., ½% 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% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Employees are required by ILCS to contribute 9.455% of their base salary to the Firefighters' Pension Fund. 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 Firefighters' Pension Fund, 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 December 31, 2018, the City's contribution was 47.20% of covered payroll.

Investment Policy

ILCS limits the Firefighters' Pension Fund's investments to those allowable by ILCS and require the Firefighters' Pension Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Firefighters' Pension Fund's investment policy authorizes the Firefighters' Pension Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment-grade corporate bonds and The Illinois Funds. The Firefighters' Pension Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds, corporate equity and corporate debt securities and real estate investment trusts.

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Investment Policy (Continued)

The Firefighters' Pension Fund's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	35%	2.10%
Domestic Equities	32%	5.60%
International Equities	16%	5.80%
Real Estate	10%	5.20%
Blended	5%	3.90%
Cash and Cash Equivalents	2%	0.40%

ILCS limits the Firefighters' Pension Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund. The blended asset class is comprised of all other asset classes to allow for rebalancing the portfolio.

The long-term expected rate of return on the Firefighters' Pension Fund's investments was determined using an asset allocation study conducted by the Firefighters' Pension Fund's investment management consultant in July 2018 in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Firefighters' Pension Fund's target asset allocation as of December 31, 2018 are listed in the table above.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Concentrations

There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of the Firefighters' Pension Fund's investments.

Rate of Return

For the year ended December 31, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (3.40)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Firefighters' Pension Fund's deposits may not be returned to them. The Firefighters' Pension Fund's investment policy requires all bank balances to be covered by federal depository insurance.

Interest Rate Risk

The following table presents the investments and maturities of the Firefighters' Pension Fund's debt securities as of December 31, 2018:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury Obligations	\$ 15,385,533	\$ 456,550	\$ 7,541,421	\$ 5,893,896	\$ 1,493,666
U.S. Agency Obligations	13,027,268	698,267	1,230,150	2,499,178	8,599,673
Foreign Bonds	2,133,111	170,576	1,937,838	24,697	-
State and Local Obligations	1,487,217	363,921	981,897	141,399	-
Corporate Bonds	24,506,314	794,429	14,759,698	6,001,322	2,950,865
TOTAL	\$ 56,539,443	\$ 2,483,743	\$ 26,451,004	\$ 14,560,492	\$ 13,044,204

The City's Firefighters' Pension Fund has the following recurring fair value measurements as of December 31, 2018: the U.S. Treasury obligations are valued using quoted prices (Level 1 inputs). The U.S. agency obligations are valued using institutional bond quotes (Level 2 inputs). The state and local obligations, foreign bonds and corporate bonds, are valued based on quoted matrix pricing models (Level 2 inputs).

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Interest Rate Risk (Continued)

The Firefighters' Pension Fund also has domestic and international equity securities and blended mutual funds valued using quoted prices (Level 1 inputs), and real estate investment trusts, measured based on the value of appraisals (Level 3 inputs).

In accordance with its investment policy, the Firefighters' Pension Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Firefighters' Pension Fund.

Credit Risk

The Firefighters' Pension Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government, securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government and investment-grade corporate bonds and municipal bonds rated at or above BBB- by Standard and Poor's, Baa3 by Moody's and BBB- by Fitch by at least two of the three rating agencies. Additionally, the U.S. agency obligations that consist of FHLMC securities are rated Aaa by a national rating agency. The Firefighters' Pension Fund's U.S. agency obligations consist of FHLMC, FNMA, GNMA and FFCB securities. For ratings that were available, these securities were rated Aaa by a national rating agency. The municipal bonds are rated Aa3 to Aaa. The foreign bonds are rated Baa3 to Aa3. The corporate bonds are rated Ba2 to Aaa.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Firefighters' Pension Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Firefighters' Pension Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Firefighters' Pension Fund's agent separate from where the investment was purchased in the Firefighters' Pension Fund's name. The blended mutual funds are not subject to custodial credit risk.

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2018 using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2018
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Salary Increases	Service Based
Interest Rate	6.50%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Market

Mortality rates were based on the PubS-2010 Employee mortality, projected five years past the valuation date with Scale MP-2018 and PubS-2010 Disabled mortality, projected five years past the valuation date with Scale MP-2018.

Discount Rate

The discount rate used to measure the total pension liability was 6.12%. 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 actuarially determined contribution rates and the member rate. Based on those assumptions, the Firefighters' Pension Fund's fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments at 6.50% was blended with the index rate of 4.10% (3.44% in 2017) for tax exempt general obligation municipal bonds rated AA or better at December 31, 2018 to arrive at a discount rate of 6.12% (5.92% in 2017) used to determine the total pension liability.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (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 pension liability of the City calculated using the discount rate of 6.12% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.12%) or 1 percentage point higher (7.12%) than the current rate:

	1% Decrease (5.12%)	Current Discount Rate (6.12%)	1% Increase (7.12%)
Net Pension Liability	\$ 252,124,302	\$ 196,369,959	\$ 151,241,496

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2018	\$ 341,849,507	\$ 172,154,236	\$ 169,695,271
Changes for the Period			
Service cost	7,237,547	-	7,237,547
Interest	20,260,016	-	20,260,016
Difference Between Expected and Actual Experience	9,167,937	-	9,167,937
Changes in Assumptions	(2,063,587)	-	(2,063,587)
Employer Contributions	-	11,660,332	(11,660,332)
Employee Contributions	-	2,155,630	(2,155,630)
Net Investment Income	-	(5,797,990)	5,797,990
Benefit Payments and Refunds	(13,520,059)	(13,520,059)	-
Administrative Expense	-	(90,747)	90,747
Net Changes	21,081,854	(5,592,834)	26,674,688
BALANCES AT DECEMBER 31, 2018	\$ 362,931,361	\$ 166,561,402	\$ 196,369,959

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

9. DEFINED BENEFIT PENSION PLANS (Continued)

A. Plan Descriptions (Continued)

Firefighters' Pension Fund (Continued)

Changes in the Net Pension Liability (Continued)

There was a change with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates and discount rates.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2018, the Firefighters' Pension Fund recognized pension expense of \$22,910,274. At December 31, 2018, the Firefighters' Pension Fund reported deferred outflows of resources and deferred inflows of resources related to the fire pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 9,347,350	\$ 2,985,305
Changes in Assumption	15,905,468	1,768,788
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	8,011,543	-
TOTAL	\$ 33,264,361	\$ 4,754,093

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the firefighters' pension will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2019	\$ 8,674,287
2020	6,941,125
2021	5,529,864
2022	4,874,511
2023	1,475,574
Thereafter	1,014,907
TOTAL	\$ 28,510,268

10. RISK MANAGEMENT

The City is exposed to various risks of loss, including but not limited to, property and casualty, general and public officials' liability, workers' compensation and employee's health. The City uses a combination of purchased third party indemnity insurance and self-insurance with specific and aggregate stop-loss coverage to limit its exposure to losses. The coverage by area is as follows:

Property Insurance

The City has purchased third party indemnity coverage for property and casualty losses. The City is covered up to 90% of the replacement cash value for property, with a self-insured retention of \$50,000 per occurrence, which is the same coverage as the prior year.

Liability Insurance

The City is self-insured for general liability insurance up to \$2,000,000. The City has purchased specific stop-loss coverage for claims from \$2,000,000 to \$20,000,000, which is the same coverage as the prior year. The City has hired a third party administrator to review, process and pay claims as directed by the City's human resources director/risk manager.

Workers' Compensation

The City is self-insured for workers' compensation. In order to limit its exposure to losses, the City has purchased specific stop-loss coverage limiting its exposure to \$675,000 per occurrence, which is the same coverage as the prior year, with specific excess coverage providing insurance above \$675,000 per occurrence up to the statutory maximum. The City has hired a third party administrator to review, process and pay claims, as directed by the City's human resources director/risk manager. Claims incurred are charged to the City's Property and Casualty Insurance Fund.

A reconciliation of the claims liability for workers' compensation and general liability is as follows:

	Workers' Compensation		General Liability	
	2018	2017	2018	2017
CLAIMS PAYABLE, JANUARY 1	\$ 4,183,241	\$ 3,247,985	\$ 4,016,776	\$ 2,671,345
Add Claims Incurred and Claims Adjustment	1,841,776	2,943,349	1,187,598	2,838,290
Less Claims Paid	2,352,285	2,008,093	522,355	1,492,859
CLAIMS PAYABLE, DECEMBER 31	<u>\$ 3,672,732</u>	<u>\$ 4,183,241</u>	<u>\$ 4,682,019</u>	<u>\$ 4,016,776</u>

10. RISK MANAGEMENT (Continued)

Health Care and Insurance Benefits

The City is partially self-insured for health care benefits provided to its employees, retirees and their dependents. Such employees may elect to receive benefits under a Health Care Maintenance Organization (HMO) program or under the City's self-insurance program. The same coverage is offered to individuals who, upon termination, qualify for retirement. Such individuals reimburse the City a stipulated monthly premium charge and receive coverage. Under the HMO option, all covered health charges are the responsibility of the HMO, the City pays the premiums for this coverage in excess of the employee/retiree contribution.

For the self-insurance program the City has purchased stop-loss coverage to limit its exposure to losses from self-insured health insurance. The specific stop-loss coverage, on a policy year of January 1 to December 31, 2018, is \$325,000 per individual, which is the same coverage as the prior year, with an aggregate specific attachment of \$40,000. Therefore, claims in excess of \$325,000 per individual are aggregated until the amount reaches \$40,000, with excess amounts above this reimbursed by the aggregate specific carrier, up to \$2,000,000 per policy year.

	Health Insurance	
	2018	2017
CLAIMS PAYABLE, JANUARY 1	\$ 1,293,424	\$ 1,372,743
Add Claims Incurred	13,916,793	17,780,111
Less Claims Paid	14,311,206	17,859,430
	<u> </u>	<u> </u>
CLAIMS PAYABLE, DECEMBER 31	<u>\$ 899,011</u>	<u>\$ 1,293,424</u>

Life insurance benefits for each city employee are provided through insurance.

The insurance programs are funded through monthly charges to the various city funds and the terminated individuals and are accounted for in the Property and Casualty Insurance Fund and the Employee Health Insurance Fund. The excess of such charges over health care claims paid, premiums for insurance coverage in excess of self-insured amounts, premiums for group life insurance and charges for administration of the program, if any, is reported as an operating transfer.

Settled claims did not exceed the insurance coverage in the current year or the prior two fiscal years.

11. CONTINGENT LIABILITIES

A. Litigation

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the City. As disclosed in Note 10, a liability of \$4,682,019 has been accrued for probable losses on liability claims.

B. Grants

Amounts received and 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.

12. DEVELOPMENT ASSISTANCE

The City has entered into various agreements with private organizations to encourage economic development in the City. Some of these agreements provide for rebating a portion of property taxes and/or sales taxes to the private organizations if certain benchmarks of development are achieved. During the fiscal year ended December 31, 2018, approximately \$3,187,864 in property taxes and \$253,228 in sales taxes were rebated under these agreements. Approximately \$36,759,022 in property taxes and \$2,481,078 in sales taxes may be rebated if certain criteria are met in future years.

The City rebated 50% of its share of state-shared sales taxes generated by a major retail electronics anchor located in a shopping center to the developer of the shopping center. The rebate arrangement is intended to subsidize leasing costs and thereby retain the anchor. Due to provisions in the applicable agreement with the developer pertaining to confidentiality, the City is precluded from disclosing the amount of sales taxes rebated for the year.

13. TAX ABATEMENTS

The City rebates property, sales and hotel occupancy taxes to recruit, retain or improve local business facilities or their supporting public infrastructure under certain circumstances. The terms of these rebate arrangements are specified within written agreements with the businesses concerned.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

13. TAX ABATEMENTS (Continued)

For the fiscal year ended December 31, 2018, the City rebated 50% of its share of property taxes paid by a healthcare information technology and supply company for costs associated with (a) acquiring property for the construction of a 300,000 square-foot regional headquarters and distribution facility and (b) business relocation. The abatement for the year amounted to \$29,753. The rebate is subject to recapture, in whole or in part, if the company does not employ a minimum of 45 persons and maintain operations until January 1, 2020.

14. INDIVIDUAL FUND DISCLOSURES

The Section 108 Loan Fund, a nonmajor special revenue fund, had a deficit fund balance of \$14,269 as of December 31, 2018.

Due from/to other funds at December 31, 2018 consist of the following:

	<u>Due From</u>	<u>Due To</u>
General	\$ 12,637	\$ 37,909
Water and Sewer	150	-
Police Pension	17,794	-
Fire Pension	20,115	-
Nonmajor Governmental	<u>966,391</u>	<u>979,178</u>
TOTAL	<u>\$ 1,017,087</u>	<u>\$ 1,017,087</u>

The balances reflected in all significant due from/to other funds above are generally related to routine payroll and vendor payments involving charges to multiple city funds. The City expects that the obligations will be liquidated within one year.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. INDIVIDUAL FUND DISCLOSURES (Continued)

Interfund transfers during the year ended December 31, 2018 consisted of the following:

	<u>Transfer In</u>	<u>Transfer Out</u>
General	\$ 1,500,000	\$ 1,500,000
Debt Service	4,355,500	-
Nonmajor Governmental	2,590,100	8,895,600
Nonmajor Enterprise	450,000	-
Internal Service Funds	3,750,000	2,250,000
TOTAL	<u>\$ 12,645,600</u>	<u>\$ 12,645,600</u>

The purposes of significant interfund transfers are as follows:

- \$4,355,500 transferred to the Debt Service Fund from other funds. This amount relates to (a) transfers of \$1,000,000 from Gaming Tax Fund, (b) transfers of \$878,700 from Stormwater Management Fee Fund and (c) transfers of \$2,476,800 from Shape Fund for the payment of general obligation bond debt service. The transfer will not be repaid.
- \$2,590,100 transferred to nonmajor governmental funds from other funds. This amount relates to (a) transfers of \$803,200 to the TIF District #3 Fund and \$651,900 to the TIF District #6 Fund (both nonmajor special revenue funds) from the Gaming Tax Fund primarily to pay debt service on outstanding tax increment revenue bonds, (b) transfers of \$100,000 to the TIF District #6 Fund and \$210,000 to the SSA One Fund and (c) transfers totaling \$750,000 to the ward projects funds (nonmajor capital projects funds) from the Gaming Tax Fund and Capital Improvements Fund to provide resources for neighborhood capital projects. The transfers will not be repaid.
- \$450,000 transferred to nonmajor enterprise funds from nonmajor governmental funds. This amount relates to routine annual transfers for the payment of debt service on certain general obligation bonds.
- \$3,750,000 transferred to internal service funds from other funds. This amount relates to transfers of (a) \$1,000,000 to the Employee Compensated Benefits Fund from the General Fund, (b) \$500,000 to the Property and Casualty Insurance Fund from the General Fund, (c) \$1,500,000 to the Property and Casualty Insurance Fund from the Employee Health Insurance Fund and (d) \$750,000 to the Employee Compensated Benefits Fund from the Property and Casualty Insurance Fund. All of these transfers were undertaken to reallocate resources and maintain fund balances in internal service funds at appropriate levels. The transfers will not be repaid.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

14. INDIVIDUAL FUND DISCLOSURES (Continued)

Specific Purpose	Restricted Fund Balance						
	Debt Service	Working Cash	Public Safety	Streets and Transportation	Health and Welfare	Economic Development	Capital Projects
Debt Service Requirements	\$ 1,559,122	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Working Cash	-	454,066	-	-	-	-	-
Public Safety Initiatives	-	-	1,711,800	-	-	-	-
911 Capacity Management/Development	-	-	7,680,305	-	-	-	-
Fire Department	-	-	1,404,711	-	-	-	339,885
Police Enforcement	-	-	1,710,755	-	-	-	-
Street Maintenance and Construction	-	-	-	11,709,227	-	-	499,442
Special Service Areas	-	-	-	146,943	-	-	-
Street Maintenance Equipment	-	-	-	177,528	-	-	-
Sanitation	-	-	-	-	667,570	-	-
Urban Development	-	-	-	-	154,898	-	-
Stormwater Management Combined Sewer Management	-	-	-	-	3,393,809	-	-
TIF Redevelopment	-	-	-	-	4,089,764	-	-
Shodeen Project	-	-	-	-	-	10,207,416	-
Other Capital Purposes	-	-	-	-	-	1,584,786	-
Property Acquisition	-	-	-	-	-	-	4,748,948
TOTAL RESTRICTED	\$ 1,559,122	\$ 454,066	\$ 12,507,571	\$ 12,033,698	\$ 8,306,041	\$ 11,792,202	\$ 7,948,348

Specific Purpose	Assigned Fund Balance			
	Public Safety	Health and Welfare	Capital Projects	Tourism
Public Safety Initiatives	\$ 120,968	\$ -	\$ -	\$ -
Sanitation	-	136,594	-	-
Stormwater Management	-	499,233	-	-
Combined Sewer Management	-	69,245	-	-
Roadway and Building Projects	-	-	10,671,683	-
Ward Fund Capital Projects	-	-	4,000,044	-
Other Capital Purposes	-	-	5,580,360	-
Tourism	-	-	-	729,974
TOTAL ASSIGNED	\$ 120,968	\$ 705,072	\$ 20,252,087	\$ 729,974

15. INTERGOVERNMENTAL AGREEMENT

A. Fox Valley Park District

On September 30, 1989, the Fox Valley Park District (the Park District) entered into an agreement with the City to jointly construct three family aquatic centers for the joint use by the citizens of both governmental agencies. The agreement specifies that the City will finance all construction costs of the centers. The Park District will repay the City 50% of the construction costs on December 31 of each full year of operations at a minimum of \$200,000 per center per year exclusive of any accrued interest on indebtedness incurred by the City and exclusive of any interest on deferred payments from the Park District to the City.

All real estate and all other personal property at said centers shall be titled in the names of the City and the Park District, each to own an individual 50% interest. The Park District agreed to be fully responsible for all daily operations including management and administration of the family aquatic centers. In addition, the principal amount of the receivable to be paid by the Park District is recorded in the Debt Service Fund offset by unavailable revenue in the fund financial statements, but recognized as revenue in the government-wide financial statements. The receivable to be paid by the Park District each year is as follows:

Year Ending December 31,	Splash Country
2019	\$ 129,750
TOTAL RECEIVABLE	\$ 129,750

B. Fox Metro Water Reclamation District

On April 19, 2006, the Fox Metro Water Reclamation District (the District) entered into an agreement with the City to construct a new sanitary sewer system and other improvements in the downtown area. The agreement specifies that the City will finance all construction costs of the improvements. In return, the District will pay the City 50% of the debt service payments related to the 2006 Waterworks and Sewerage serial revenue bonds as well as additional amounts to be determined upon completion of the improvements.

15. INTERGOVERNMENTAL AGREEMENT (Continued)

B. Fox Metro Water Reclamation District (Continued)

The District shall own, operate and maintain the sanitary sewer improvements. The City shall own, operate and maintain the remaining improvements, which includes certain storm sewer, water main and duct improvements. The principal amount of the receivable to be paid by the District is recorded in the Water and Sewer Fund. The receivable to be paid by the District each year is as follows:

<u>Year Ending December 31,</u>	
2019	\$ 214,021
2020	224,136
2021	229,362
2022	239,870
2023	248,015
2024-2028	1,379,917
2029-2033	1,692,813
2034-2038	<u>1,213,967</u>
 TOTAL RECEIVABLE	 <u>\$ 5,442,101</u>

16. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Administration

In addition to providing the pension benefits described, the City provides postemployment health care and life insurance benefits (OPEB) for retired employees through a single-employer defined benefit plan (the plan). The benefits, benefit levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The OPEB plan issues a separate report that includes required supplementary information and trend information. This report can be obtained from the Treasurer of the plan at 44 E. Downer Place, Aurora, IL 60507-2067. The activity of the plan is reported in the City's Retiree Health Insurance Trust Fund.

Management of the plan is vested with the plan's Board of Trustees. The Board of Trustees consists of five members: the City's Chief Financial Officer/City Treasurer (ex-officio), the City's Assistant Director of Finance for Accounting and Financial Reporting (ex-officio), the City's Director of Human Resources (ex-officio) and two elected retiree plan participants.

16. OTHER POSTEMPLOYMENT BENEFITS

A. Plan Administration (Continued)

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.

B. Benefits Provided

The City provides postemployment health care and life insurance benefits to its retirees. To be eligible for benefits, an employee must qualify for retirement under one of the City's retirement plans. Elected officials are eligible for benefits if they qualify for retirement through IMRF.

All healthcare benefits are provided through the City's self-insured health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services; mental, nervous and substance abuse care; vision care; dental care and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the City's plan becomes secondary, which is a change in the current year. Until a retiree reaches age 65, \$5,000 of life insurance coverage is provided at no cost. The benefits and benefit levels are governed by the City and can be amended by the City through its personnel manual and union contracts.

C. Membership

At December 31, 2018, membership consisted of:

Inactive Fund Members and Beneficiaries	
Currently Receiving Benefits Payments	573
Inactive Fund Members Entitled to	
but not yet Receiving Benefit Payments	-
Active Fund Members	<u>941</u>
 TOTAL	 <u>1,514</u>

16. OTHER POSTEMPLOYMENT BENEFITS (Continued)

D. Contributions

In conjunction with the preparation of the annual actuarial valuation for the Retiree Health Insurance Trust Fund, the Retiree Health Insurance Trust Fund's actuary calculates the City's actuarially determined contribution (ADC) for the City's fiscal year after the next. For example, the actuarial valuation as of December 31, 2018 included the ADC for the City's 2020 fiscal year. (The fiscal years of the Retiree Health Insurance Trust Fund and the City both coincide with the calendar year.) Historically, the City has sought to contribute to the Retiree Health Insurance Trust Fund a percentage of the ADC that is more than the anticipated cost of current year claims, but less than 100% of the ADC. The City includes its intended contribution in the annual city budget. The City is responsible for providing the resources to the Retiree Health Insurance Trust Fund necessary to pay the costs of benefits provided under the City's self-insured health plan as specified in collective bargaining agreements and employee compensation plans subject to certain Retiree Health Insurance Trust Fund member sharing of benefit-related costs.

Under the terms of the plan, pursuant to City policy and collective bargaining unit agreements, the retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly toward the cost of health insurance premiums. Retirees generally contribute 22% to 40% of the actuarially determined premium, with the City contributing the remainder of the cost. The City has begun to phase in higher premiums and service requirements for newly hired employees (hired after January 1, 2014). If these new requirements are not met, then a retiree is entitled to coverage but must pay 100% of the premium. At age 65, the medical premium is frozen and Medicare eligible retirees are provided a Medicare Supplement Plan. Retirees hired after January 1, 2014 with 20 years of service must pay 50% of the premium (100% if less than 20 years of service). Dental coverage is paid for by the employee/retiree at 100% of the premium. For certain disabled employees who qualify under the Public Safety Employee Benefits Act (PSEBA), the City is required to pay 100% of the cost of basic health insurance for retirees and their dependents for their lifetime. The City must contribute the amount beyond Retiree Health Insurance Trust Fund member payments necessary to fund the actuarial liability for OPEB. The City may change inactive Retiree Health Insurance Trust Fund member payment requirements through its collective bargaining agreements and employee compensation plans. For the year ended December 31, 2018, the City's contribution was 6.92% of covered payroll.

E. Deposits and Investments

Investment Policy

The cash and investments of the Retiree Health Insurance Trust Fund are held separately from those of the City and are under the control of the Retiree Health Insurance Trust Fund's Board of Trustees.

16. OTHER POSTEMPLOYMENT BENEFITS (Continued)

E. Deposits and Investments (Continued)

Investment Policy (Continued)

The Retiree Health Insurance Trust Fund categorizes the fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs.

The Retiree Health Insurance Trust Fund's trust document empowers the Board of Trustees to establish the Retiree Health Insurance Trust Fund's investment policy. The Board of Trustees operates under an investment policy that was originally approved on May 20, 2008 and amended on May 8, 2014. The Board of Trustees may amend the investment policy by a majority vote. No changes to the investment policy were made during 2018.

Under the terms of the investment policy, the Board of Trustees may invest the assets of the Retiree Health Insurance Trust Fund in stocks traded on major United States of America and non-United States of America exchanges, securities listed on the National Association of Securities Dealers Automated Quotations exchange, mutual funds, commingled funds and real estate investment trusts. Investment graded fixed income securities are also permissible investments. Investments in options, futures, commodities and nonmarketable illiquid investments are prohibited.

The investment policy calls for the following allocation of the Retiree Health Insurance Trust Fund's assets:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	45%	2.50%
Domestic Equities	40%	7.50%
International Equities	10%	8.50%
Real Estate	5%	4.50%
Cash and Cash Equivalents	0%	0.00%

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

16. OTHER POSTEMPLOYMENT BENEFITS (Continued)

E. Deposits and Investments (Continued)

Investment Policy (Continued)

The long-term expected real rates of return shown for the asset classes above are long-term expected returns after adjustment to eliminate inflation.

Custodial Credit Risk for Deposits

Custodial credit risk for deposits is the risk that in the event of a bank's failure, the Retiree Health Insurance Trust Fund's deposits may not be returned to them. The Retiree Health Insurance Trust Fund requires pledging of collateral with a fair value of 110% for all depository accounts, time deposit accounts, money market mutual funds or investments in certificates of deposits of financial institutions in excess of FDIC. The collateral is required to be held by an independent third party depository or the Federal Reserve Bank in the Retiree Health Insurance Trust Fund's name.

Interest Rate Risk

The following table presents the investments and maturities of the Retiree Health Insurance Trust Fund's investment in debt securities as of December 31, 2018:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury Obligations	\$ 3,365,673	\$ -	\$ 1,671,947	\$ 1,693,726	\$ -
U.S. Agency Obligations	6,260,007	-	3,306	162,159	6,094,542
State and Local Obligations	142,948	-	63,322	79,626	-
Mortgage Obligations	1,072,516	-	835,187	237,329	-
Foreign Bonds	1,253,859	307,804	746,522	199,533	-
Corporate Bonds	3,917,297	270,736	2,380,102	1,266,459	-
TOTAL	\$ 16,012,300	\$ 578,540	\$ 5,700,386	\$ 3,638,832	\$ 6,094,542

The City's Retiree Health Insurance Trust Fund has the following recurring fair value measurements as of December 31, 2018: the U.S. Treasury obligations are valued using trade platform data (Level 1 inputs). The U.S. agency obligations and foreign bonds are valued using multi-dimensional relational models (Level 2 inputs). The state and local obligations, foreign bonds and corporate bonds, are valued based on quoted matrix pricing models (Level 2 inputs). The mortgage obligations are valued using multi-dimensional spread tales (Level 2 inputs).

The City's Retiree Health Insurance Trust Fund also has Domestic and International Equity securities valued using quoted prices (Level 1 inputs) and Real Estate Investment Trusts, measured based on the value of appraisals (Level 3 inputs).

16. OTHER POSTEMPLOYMENT BENEFITS (Continued)

E. Deposits and Investments (Continued)

Interest Rate Risk (Continued)

In accordance with its investment policy, the Retiree Health Insurance Trust Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Retiree Health Insurance Trust Fund.

Credit Risk

The Retiree Health Insurance Trust Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government or money market mutual funds that are primarily invested in U.S. Treasury and agency obligations that are explicitly or implicitly guaranteed by the United States Government and investment-grade corporate bonds and municipal bonds rated at or above BBB- by Standard and Poor's, Baa3 by Moody's and BBB- by Fitch by at least two of the three rating agencies. Additionally, the U.S. agency obligations that consist of FHLMC securities are rated Aaa by a national rating agency. The Retiree Health Insurance Trust Fund's U.S. agency obligations consist of FHLMC and FNMA securities, which were rated N/A. The state and local government bonds are rated A1 to Aaa. The corporate bonds and foreign bonds are rated Baa3 to Aaa.

Custodial Credit Risk for Investments

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Retiree Health Insurance Trust Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Retiree Health Insurance Trust Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Retiree Health Insurance Trust Fund's agent separate from where the investment was purchased in the Retiree Health Insurance Trust Fund's name. The money market mutual funds are not subject to custodial credit risk.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The investment policy states that the plan's assets shall be diversified to reduce the risk of large losses. There are no significant investments (other than United States Government guaranteed obligations) in any one organization that represent 5% or more of plan's investments.

16. OTHER POSTEMPLOYMENT BENEFITS (Continued)

F. Net OPEB Liability

Rate of Return

For the year ended December 31, 2018, the annual money-weighted rate of return on Retiree Health Insurance Trust Fund investments, net of Retiree Health Insurance Trust Fund investment expense, was (1.38)%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

The City's net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date.

The total OPEB liability, after considering the sharing of benefit-related costs with inactive Retiree Health Insurance Trust Fund members, was determined by an actuarial valuation performed as of December 31, 2018 using the following actuarial methods and assumptions:

Actuarial Valuation Date	December 31, 2018
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.50%
Investment Rate of Return (Net of Fund Investment Expense, Including Inflation)	5.50%
Healthcare Cost Trend Rates	8.00% in Fiscal 2018, trending to 5.50% in Fiscal 2028, and an ultimate trend rate of 4.00% in 2074.
Asset Valuation Method	Market

16. OTHER POSTEMPLOYMENT BENEFITS (Continued)

F. Net OPEB Liability (Continued)

Rate of Return (Continued)

Mortality rates were based on the RP-2014 Blue Collar table for active and retired participants in the Illinois Municipal Retirement Fund. For participants in the City of Aurora Firefighters' Pension Plan and the City of Aurora Police Officers' Pension Plan, rates were updated to reflect the PubS-2010 tables.

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an actuarial experience study performed in 2017.

The long-term rate of return on Retiree Health Insurance Trust Fund investments was determined using a building block-block method in which best estimate ranges of expected future real rates of return (expected returns, net of 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 by the target asset allocation percentage and by adding expected inflation. Best estimates of the arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2018 are indicated on previous page.

G. Discount Rate

The discount rate used to measure the total OPEB liability was 4.21% (3.50% in 2017). 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 actuarially determined contribution rates and the member rate. Based on those assumptions, the Retiree Health Insurance Trust Fund's fiduciary net position was projected not to be available to make all projected future benefit payments of current Retiree Health Insurance Trust Fund members for more than 19 years after December 31, 2018. Therefore, the long-term expected rate of return on Retiree Health Insurance Trust Fund plan investments at 5.50% was blended with the index rate of 4.10% (3.44% in 2017) for tax exempt general obligation municipal bonds rated AA or better published in the bond buyer at December 31, 2018 to arrive at a discount rate of 4.21% (3.50% in 2017) used to determine the total OPEB liability.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

16. OTHER POSTEMPLOYMENT BENEFITS (Continued)

H. Changes in the Net OPEB Liability

	(a) Total OPEB Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net OPEB Liability
BALANCES AT JANUARY 1, 2018	\$ 371,160,102	\$ 39,695,300	\$ 331,464,802
Changes for the Period			
Service Cost	13,153,413	-	13,153,413
Interest	13,374,265	-	13,374,265
Changes of Benefit Terms	(143,567,450)	-	(143,567,450)
Difference Between Expected and Actual Experience	(8,993,129)	-	(8,993,129)
Changes in Assumptions	(22,328,382)	-	(22,328,382)
Employer Contributions	-	5,971,018	(5,971,018)
Employee Contributions	-	-	-
Net Investment Income	-	(601,745)	601,745
Benefit Payments and Refunds	(4,421,365)	(4,421,365)	-
Administrative Expense	-	(20,483)	20,483
Net Changes	(152,782,648)	927,425	(153,710,073)
BALANCES AT DECEMBER 31, 2018	\$ 218,377,454	\$ 40,622,725	\$ 177,754,729

In 2018, changes in assumptions related to the discount rate were made (4.21% to 3.50%) and changes to the healthcare trend rate to reflect recent healthcare trend rate surveys, blended with the long-term rates from the Getzen model published by the Society of Actuaries. In addition, a change in benefits was enacted for post-65 beneficiaries.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

16. OTHER POSTEMPLOYMENT BENEFITS (Continued)

I. Rate Sensitivity

The following is a sensitive analysis of the net OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the net OPEB liability of the City calculated using the discount rate of 4.21% as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.21%) or 1 percentage point higher (5.21%) than the current rate:

	1% Decrease (3.21%)	Current Discount Rate (4.21%)	1% Increase (5.21%)
Net OPEB Liability	\$ 213,189,095	\$ 177,754,729	\$ 149,430,744

The table below presents the net OPEB liability of the City calculated using the healthcare rate of 4% to 8% as well as what the City's net OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3% to 7%) or 1 percentage point higher (5% to 9%) than the current rate:

	1% Decrease (3% to 7%)	Current Healthcare Rate (4% to 8%)	1% Increase (5% to 9%)
Net OPEB Liability	\$ 139,686,427	\$ 177,754,729	\$ 227,509,316

J. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2018, the City recognized OPEB expense of (\$104,084,235). At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ -	\$ 9,560,682
Changes in Assumption	105,714,663	19,138,613
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	1,051,148	-
TOTAL	\$ 106,765,811	\$ 28,699,295

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

16. OTHER POSTEMPLOYMENT BENEFITS (Continued)

J. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

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

<u>Year Ending</u> <u>December 31,</u>	
2019	\$ 15,160,348
2020	15,160,350
2021	14,928,271
2022	15,486,483
2023	14,921,076
Thereafter	<u>2,409,988</u>
 TOTAL	 <u>\$ 78,066,516</u>

17. SUBSEQUENT EVENT

During 2017 and 2018, the City was in negotiations to purchase two hotel properties. The purchase of land is a confidential undertaking due to the need to keep information from increasing the price of a given property. As such, the City would not disclose such activities in any document that was not done under statute in executive session with the city council or via the City’s Law department. The City did purchase one hotel during 2018 and this purchase was clearly defined in the TIF #7 Fund. This purchase of the property at 2450 North Farnsworth Avenue was closed on September 11, 2018 for a total cost of \$3,600,000. The second hotel was also purchased from TIF #7. This purchase of this property located at 2380 North Farnsworth Avenue was closed on January 31, 2019 for a total cost of \$3,400,000.

18. COMPONENT UNIT - AURORA PUBLIC LIBRARY

A. Financial Information

Financial statements for the Aurora Public Library (the Library), including government-wide and fund financial statements, are available in the Library’s separately audited financial statements as of December 31, 2018, which can be obtained from the Library’s administrative offices located at 101 S. River Street, Aurora, Illinois 60505.

18. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

A. Financial Information (Continued)

The Library has determined that the Aurora Public Library Foundation meets the requirements of GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units, an amendment of GASB Statement 14*, which has resulted in the Aurora Public Library Foundation (the Foundation) being reported as a discretely presented component unit of the Library as it is legally separate from the Library. Separate financial statements for the Aurora Public Library Foundation are available by contacting the Foundation at, 101 S. River Street, Aurora, Illinois 60505.

B. Deposits and Investments

The Library categorizes the fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs.

Permitted Deposits and Investments - In accordance with the City's investment policy, the Library's monetary assets may be placed in all instruments permitted by the Illinois Public Funds Investment Act. This act permits deposits and investments 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 The Illinois Funds.

Investments in The Illinois Funds, a money market pool created by the Illinois State Legislature under the control of the Illinois State Treasurer, is reported at \$1 per share value, which equals the Library's fair value of the pool.

It is the policy of the Library to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Library and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objective of the policy is safety (preservation of capital and protection of investment principal), liquidity and yield.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

18. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

B. Deposits and Investments (Continued)

Library Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Library's deposits may not be returned to it. The City's investment policy requires pledging of collateral with a fair value of 110% of all bank balances in excess of federal depository insurance with collateral held by the City's agent in the City's name.

Library Investments

The following table presents the investments and maturities of the Library's debt securities as of December 31, 2018:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
State and Local Obligations	\$ 498,615	\$ 498,615	\$ -	\$ -	\$ -
U.S. Treasury Notes	499,970	499,970	-	-	-
TOTAL	\$ 998,585	\$ 998,585	\$ -	\$ -	\$ -

In accordance with the City's investment policy, the Library limits its exposure to interest rate risk by structuring the portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools. Unless matched to a specific cash flow, the Library does not directly invest in securities maturing more than three years from the date of purchase.

The Library limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. Treasury obligations and U.S. agency notes and state and local obligations rated in the highest three categories by national rating agencies. The state and local obligations are rated Aa1 to Aaa by Moody's.

The Library has the following recurring fair value measurements as of December 31, 2018: The U.S. Treasury notes and the state and local obligations are valued using quoted matrix pricing models (Level 2 inputs).

18. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

B. Deposits and Investments (Continued)

Library Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Library will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the City's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the City's agent in the City's name, separate from where the investment was purchased. The money market mutual funds are not subject to custodial credit risk.

Concentration of credit risk - the investment portfolio of the Library shall not exceed the diversification standards below:

Diversification by Instrument	Percent of Portfolio
Commercial Paper	10%
The Illinois Funds	50%

No financial institution shall hold more than 20% of the Library's total investment portfolio. Furthermore, the amount of monies deposited and/or invested in a financial institution shall not exceed 75% of the capital stock and surplus of such institution.

The City's investment policy does not specifically prohibit the use of or the investment in derivatives.

C. Receivables

Property taxes for 2018 attach as an enforceable lien on January 1, 2018, on property values assessed as of the same date. Taxes are levied by December of the same fiscal year (by passage of a tax levy ordinance), December 20 in the current fiscal year. Taxes levied in one year become due and payable in two installments, on or about June 1 and September 1 of the following year. The 2018 levy is intended to finance the 2019 fiscal year and, therefore, is reported as unavailable/deferred revenue at December 31, 2018.

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

18. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

D. Capital Assets

The following is a summary of the capital asset activity for the year ended December 31, 2018:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital Assets not Being Depreciated				
Land and Land Improvements	\$ 3,378,686	\$ -	\$ -	\$ 3,378,686
Construction in Progress	-	-	-	-
Total Capital Assets not Being Depreciated	<u>3,378,686</u>	-	-	<u>3,378,686</u>
Capital Assets Being Depreciated				
Buildings	40,044,879	-	-	40,044,879
Machinery and Equipment	1,797,811	-	-	1,797,811
Vehicles	210,059	-	-	210,059
Total Capital Assets Being Depreciated	<u>42,052,749</u>	-	-	<u>42,052,749</u>
Less Accumulated Depreciation for				
Buildings	5,102,895	800,898	-	5,903,793
Machinery and Equipment	564,100	166,333	-	730,433
Vehicles	210,057	-	-	210,057
Total Accumulated Depreciation	<u>5,877,052</u>	<u>967,231</u>	-	<u>6,844,283</u>
Total Capital Assets Being Depreciated, Net	<u>36,175,697</u>	<u>(967,231)</u>	-	<u>35,208,466</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 39,554,383</u>	<u>\$ (967,231)</u>	<u>\$ -</u>	<u>\$ 38,587,152</u>

Depreciation expense was charged to functions/programs of the governmental activities as follows:

GOVERNMENTAL ACTIVITIES	
Culture and Recreation	<u>\$ 967,231</u>
TOTAL DEPRECIATION EXPENSE -	
GOVERNMENTAL ACTIVITIES	<u>\$ 967,231</u>

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

18. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

E. Long-Term Debt

1. Bonds payable at December 31, 2018 are comprised of the following:

General Obligation Bonds

\$2,740,000 2011 Corporate Purpose refunding serial bonds, due in annual installments of \$95,000 to \$330,000 from December 30, 2012 to December 30, 2022, interest from 2% to 3%. While a general obligation of the City, the principal and interest is to be repaid with the Library's tax levy. \$ 855,000

\$19,200,000 2012A Corporate Purpose serial bonds, due in annual installments of \$145,000 to \$1,095,000 from December 30, 2013 to December 30, 2041, interest from 3% to 4%. While a general obligation of the City, the principal and interest is to be repaid with the Library's tax levy. 17,695,000

TOTAL \$ 18,550,000

2. Debt Service to Maturity

Annual debt service requirements to maturity are as follows:

Year Ending December 31,	Corporate Purpose Serial Bonds	
	Principal	Interest
2019	\$ 605,000	\$ 624,469
2020	620,000	606,319
2021	635,000	587,719
2022	650,000	568,669
2023	660,000	549,169
2024-2028	3,545,000	2,439,391
2029-2033	4,020,000	1,867,832
2034-2038	4,645,000	1,155,356
2039-2043	3,170,000	256,600
TOTAL	<u>\$ 18,550,000</u>	<u>\$ 8,655,524</u>

CITY OF AURORA, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

18. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

E. Long-Term Debt (Continued)

3. Changes in Long-Term Debt

Changes in long-term debt during the year ended December 31, 2018 is as follows:

	Balance January 1	Additions	Deletions	Balance December 31	Current Portion
General Obligation Bonds	\$ 19,145,000	\$ -	\$ 595,000	\$ 18,550,000	\$ 605,000
Compensated Absences	533,081	530,664	533,081	530,664	26,533
Net Pension Liability	4,994,564	-	2,881,567	2,112,997	-
Total Other					
Postemployment					
Benefit Liability	322,516	-	227,943	94,573	5,564
Unamortized Bond Premium	371,520	-	27,166	344,354	-
TOTAL	\$ 25,366,681	\$ 530,664	\$ 4,264,757	\$ 21,632,587	\$ 627,097

F. Endowment

The Foundation's endowment consists of donor-restricted endowment funds. As required by GAAP, net position associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. As of December 31, 2018, all endowment assets were permanently restricted.

The Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the historic dollar value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary.

The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. The endowment assets are invested in accordance with predetermined asset allocation and performance benchmarks.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation's spending policy provides that only the income from endowments may be used for the general purposes of the Foundation, with the Foundation withdrawing current income as it is needed.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GENERAL FUND

For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 72,754,600	\$ 72,754,600	\$ 72,718,135	\$ (36,465)
Other Taxes	85,595,000	85,595,000	83,236,577	(2,358,423)
Intergovernmental	964,300	964,300	1,096,804	132,504
Licenses, Fees and Permits	8,323,250	8,323,250	7,818,219	(505,031)
Charges for Services	5,049,968	5,120,968	6,065,140	944,172
Fines	3,459,850	3,459,850	3,815,826	355,976
Interest	6,100	6,100	511,263	505,163
Other	195,101	195,101	317,441	122,340
Total Revenues	176,348,169	176,419,169	175,579,405	(839,764)
EXPENDITURES				
Current				
General Government	28,583,084	28,887,184	25,788,179	(3,099,005)
Public Safety	123,225,160	124,371,560	124,367,664	(3,896)
Streets and Transportation	12,184,109	12,354,109	12,042,494	(311,615)
Health and Welfare	7,772,369	7,776,069	7,220,161	(555,908)
Culture and Recreation	4,649,356	4,646,556	4,493,270	(153,286)
Economic Development	1,016,027	1,016,027	1,073,811	57,784
Total Expenditures	177,430,105	179,051,505	174,985,579	(4,065,926)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,081,936)	(2,632,336)	593,826	3,226,162
OTHER FINANCING SOURCES (USES)				
Transfers In	1,500,000	1,500,000	1,500,000	-
Transfers (Out)	-	(1,000,000)	(1,500,000)	(500,000)
Total Other Financing Sources (Uses)	1,500,000	500,000	-	(500,000)
NET CHANGE IN FUND BALANCE	\$ 418,064	\$ (2,132,336)	593,826	\$ 2,726,162
FUND BALANCE, JANUARY 1			23,936,889	
FUND BALANCE, DECEMBER 31			\$ 24,530,715	

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS

ILLINOIS MUNICIPAL RETIREMENT FUND

Last Four Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2015	2016	2017	2018
Actuarially Determined Contribution	\$ 5,770,530	\$ 5,706,754	\$ 5,849,885	\$ 5,888,075
Contributions in Relation to the Actuarially Determined Contribution	<u>5,839,213</u>	<u>5,737,001</u>	<u>5,849,885</u>	<u>5,888,075</u>
CONTRIBUTION DEFICIENCY (Excess)	<u>\$ (68,683)</u>	<u>\$ (30,247)</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 43,782,477	\$ 42,524,247	\$ 43,852,214	\$ 45,187,974
Contributions as a Percentage of Covered Payroll	13.34%	13.49%	13.34%	13.03%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was at five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 3.75% to 14.50% compounded annually and postretirement benefit increases of 2.75% compounded annually.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS

POLICE PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Actuarially Determined Contribution	\$ 7,820,659	\$ 9,900,829	\$ 10,349,019	\$ 8,254,277	\$ 8,834,754	\$ 10,091,124	\$ 11,515,940	\$ 11,651,147	\$ 12,863,549	\$ 14,527,017
Contributions in Relation to the Actuarially Determined Contribution	7,821,000	9,901,400	10,364,821	8,270,619	8,858,531	10,092,419	11,571,764	11,672,490	12,961,109	14,593,748
CONTRIBUTION DEFICIENCY (Excess)	\$ (341)	\$ (571)	\$ (15,802)	\$ (16,342)	\$ (23,777)	\$ (1,295)	\$ (55,824)	\$ (21,343)	\$ (97,560)	\$ (66,731)
Covered Payroll	\$ 26,158,149	\$ 25,007,815	\$ 25,922,346	\$ 26,708,019	\$ 26,912,214	\$ 26,802,659	\$ 29,698,289	\$ 29,787,822	\$ 29,182,237	\$ 32,478,915
Contributions as a Percentage of Covered Payroll	29.90%	39.59%	39.98%	30.97%	32.92%	37.65%	38.96%	39.19%	44.41%	44.93%

Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was projected unit credit; the amortization method was level percentage of pay, 90% closed basis, the interest rate assumption was 6.75% and the amortization period was 24 years.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS

FIREFIGHTERS' PENSION FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Actuarially Determined Contribution	\$ 6,728,930	\$ 8,268,060	\$ 8,558,590	\$ 7,366,525	\$ 7,576,605	\$ 8,014,252	\$ 9,948,313	\$ 9,801,110	\$ 10,404,037	\$ 11,606,276
Contributions in Relation to the Actuarially Determined Contribution	6,729,000	8,268,900	8,574,474	7,380,005	7,597,704	8,014,740	9,996,199	9,811,122	10,491,826	11,660,332
CONTRIBUTION DEFICIENCY (Excess)	\$ (70)	\$ (840)	\$ (15,884)	\$ (13,480)	\$ (21,099)	\$ (488)	\$ (47,886)	\$ (10,012)	\$ (87,789)	\$ (54,056)
Covered Payroll	\$ 19,102,729	\$ 18,711,049	\$ 18,653,043	\$ 19,252,373	\$ 19,977,316	\$ 19,610,825	\$ 21,095,259	\$ 20,990,705	\$ 22,996,168	\$ 24,702,805
Contributions as a Percentage of Covered Payroll	35.23%	44.19%	45.97%	38.33%	38.03%	40.87%	47.39%	46.74%	45.62%	47.20%

Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was projected unit credit; the amortization method was level percentage of pay, 90% closed basis, the interest rate assumption was 6.75% and the amortization period was 24 years.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
RETIREE HEALTH INSURANCE TRUST FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Actuarially Determined Contribution	\$ 11,951,819	\$ 12,361,724	\$ 11,773,685	\$ 11,182,621	\$ 13,251,599	\$ 13,904,908	\$ 14,044,926	\$ 16,088,362	\$ 20,843,783	\$ 15,076,211
Contributions in Relation to the Actuarially Determined Contribution	6,911,969	4,548,786	4,580,046	5,380,735	6,116,378	7,437,793	8,058,388	8,959,041	1,366,830	5,971,018
CONTRIBUTION DEFICIENCY (Excess)	\$ 5,039,850	\$ 7,812,938	\$ 7,193,639	\$ 5,801,886	\$ 7,135,221	\$ 6,467,115	\$ 5,986,538	\$ 7,129,321	\$ 19,476,953	\$ 9,105,193
Covered Payroll	\$ 72,367,412	\$ 64,712,359	\$ 65,237,549	\$ 72,083,003	\$ 67,057,641	\$ 74,988,337	\$ 80,907,445	\$ 80,109,392	\$ 81,178,233	\$ 86,319,274
Contributions as a Percentage of Covered Payroll	9.55%	7.03%	7.02%	7.46%	9.12%	9.92%	9.96%	11.18%	1.68%	6.92%

Notes to Required Supplementary Information

Valuation Date: Actuarially determined contribution rates are calculated as of January 1 of the prior fiscal year.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level Percent of Pay, Open
Remaining Amortization period	30 Years
Asset Valuation Method	Market
Inflation	2.50%
Healthcare Cost Trend Rate	8.00% in Fiscal 2018, Trending to 5.50% in Fiscal 2027 and an Ultimate Trend Rate of 4.00% in 2073 (Changed from 8.75% in 2017)
Investment Rate of Return	5.50%
Retirement Age	Various
Mortality	Mortality rates were based on the RP-2014 Blue Collar table for active and retired participants in the Illinois Municipal Retirement Fund. For participants in the City of Aurora Firefighters' Pension Plan and the City of Aurora Police Officers' Pension Plan, rates were updated to reflect the PubS-2010 tables.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS

ILLINOIS MUNICIPAL RETIREMENT FUND

Last Four Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014*	2015**	2016***	2017****
TOTAL PENSION LIABILITY				
Service Cost	\$ 4,649,953	\$ 4,577,421	\$ 4,790,542	\$ 4,500,576
Interest	16,130,694	17,718,137	18,938,382	19,347,631
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	2,605,142	4,356,760	(6,628,674)	4,886,358
Changes of Assumptions	7,866,109	655,264	(1,304,599)	(8,472,798)
Benefit Payments, Including Refunds of Member Contributions	(9,389,805)	(10,020,632)	(10,823,208)	(12,272,713)
Net Change in Total Pension Liability	21,862,093	17,286,950	4,972,443	7,989,054
Total Pension Liability - Beginning	217,733,000	239,595,093	256,882,043	261,854,486
TOTAL PENSION LIABILITY - ENDING	\$ 239,595,093	\$ 256,882,043	\$ 261,854,486	\$ 269,843,540
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	\$ 5,692,841	\$ 5,839,213	\$ 6,299,510	\$ 6,674,256
Contributions - Member	1,937,587	1,970,212	1,966,698	2,021,702
Net Investment Income	12,140,218	1,043,357	14,345,136	38,382,694
Benefit Payments, Including Refunds of Member Contributions	(9,389,805)	(10,020,632)	(10,823,208)	(12,272,713)
Administrative Expense	(503,484)	191,902	(1,133,379)	(3,874,919)
Net Change in Plan Fiduciary Net Position	9,877,357	(975,948)	10,654,757	30,931,020
Plan Fiduciary Net Position - Beginning	199,899,648	209,777,005	208,801,057	219,455,814
PLAN FIDUCIARY NET POSITION - ENDING	\$ 209,777,005	\$ 208,801,057	\$ 219,455,814	\$ 250,386,834
EMPLOYER'S NET PENSION LIABILITY	\$ 29,818,088	\$ 48,080,986	\$ 42,398,672	\$ 19,456,706
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.60%	81.30%	83.80%	92.80%
Covered Payroll	\$ 40,915,057	\$ 43,782,477	\$ 42,524,247	\$ 43,852,214
Employer's Net Pension Liability as a Percentage of Covered-Employee Payroll	72.90%	109.80%	99.70%	44.40%

*Changes in assumptions related to investment rate of return and retirement age and mortality were made since the prior measurement date.

**Changes in assumptions related to retirement age and mortality were made since the prior measurement date.

***There were no benefit changes during the year. Changes in assumptions related to the discount rate were made since the prior measurement date.

****There were no benefit changes during the year. Changes in assumptions related to the mortality were made since the prior measurement date.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS

POLICE PENSION FUND

Last Five Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014*	2015**	2016***	2017****	2018*****
TOTAL PENSION LIABILITY					
Service Cost	\$ 7,426,768	\$ 8,690,520	\$ 9,025,121	\$ 9,303,596	\$ 8,649,322
Interest	20,900,924	22,094,899	23,271,224	25,690,744	26,247,498
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	(3,884,620)	1,733,291	(4,526,173)	(1,622,956)	17,014,213
Changes of Assumptions	12,703,751	3,625,322	24,285,746	11,050,031	(3,734,280)
Benefit Payments, Including Refunds of Member Contributions	(11,942,967)	(12,845,770)	(14,034,221)	(15,014,938)	(15,853,359)
Net Change in Total Pension Liability	25,203,856	23,298,262	38,021,697	29,406,477	32,323,394
Total Pension Liability - Beginning	326,046,895	351,250,751	374,549,013	412,570,710	441,977,187
TOTAL PENSION LIABILITY - ENDING	\$ 351,250,751	\$ 374,549,013	\$ 412,570,710	\$ 441,977,187	\$ 474,300,581
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$ 10,092,419	\$ 11,571,764	\$ 11,672,490	\$ 12,961,109	\$ 14,593,748
Contributions - Member	2,936,722	3,805,258	3,384,895	3,410,505	3,415,938
Net Investment Income	9,276,149	1,173,247	11,189,486	28,271,009	(7,356,252)
Benefit Payments, Including Refunds of Member Contributions	(11,942,967)	(12,845,770)	(14,034,221)	(15,014,938)	(15,853,359)
Administrative Expense	(81,875)	(50,958)	(36,510)	(48,376)	(64,068)
Net Change in Plan Fiduciary Net Position	10,280,448	3,653,541	12,176,140	29,579,309	(5,263,993)
Plan Fiduciary Net Position - Beginning	163,795,849	174,076,297	177,729,838	189,905,978	219,485,287
PLAN FIDUCIARY NET POSITION - ENDING	\$ 174,076,297	\$ 177,729,838	\$ 189,905,978	\$ 219,485,287	\$ 214,221,294
EMPLOYER'S NET PENSION LIABILITY	\$ 177,174,454	\$ 196,819,175	\$ 222,664,732	\$ 222,491,900	\$ 260,079,287
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	49.60%	47.50%	46.00%	49.70%	45.20%
Covered Payroll	\$ 26,802,659	\$ 29,698,289	\$ 29,787,822	\$ 29,182,237	\$ 32,478,915
Employer's Net Pension Liability as a Percentage of Covered Payroll	661.00%	662.70%	747.50%	762.40%	800.80%

*There were no assumption changes in 2014.

**There was a change in 2015 with respect to actuarial assumptions from the prior year to include assumed administrative expenses.

***There was a change in 2016 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates and discount rates.

****There was a change in 2017 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to retirement, termination, disability rates and discount rates.

*****There was a change in 2018 with respect to actuarial assumptions from the prior year that mortality rates were updated to reflect the PubS-2010 tables.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET PENSION LIABILITY AND RELATED RATIOS

FIREFIGHTERS' PENSION FUND

Last Five Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2014*	2015**	2016***	2017****	2018*****
TOTAL PENSION LIABILITY					
Service Cost	\$ 5,985,500	\$ 7,066,326	\$ 7,367,311	\$ 7,269,588	\$ 7,237,547
Interest	16,210,812	17,099,622	18,138,200	20,143,311	20,260,016
Changes of Benefit Terms	-	-	-	-	-
Differences Between Expected and Actual Experience	(2,446,652)	4,467,361	(403,202)	(3,897,188)	9,167,937
Changes of Assumptions	8,646,419	3,427,566	19,351,814	7,121,858	(2,063,587)
Benefit Payments, Including Refunds of Member Contributions	(10,244,211)	(11,093,294)	(12,155,895)	(12,821,164)	(13,520,059)
Net Change in Total Pension Liability	18,151,868	20,967,581	32,298,228	17,816,405	21,081,854
Total Pension Liability - Beginning	252,615,425	270,767,293	291,734,874	324,033,102	341,849,507
TOTAL PENSION LIABILITY - ENDING	\$ 270,767,293	\$ 291,734,874	\$ 324,033,102	\$ 341,849,507	\$ 362,931,361
PLAN FIDUCIARY NET POSITION					
Contributions - Employer	\$ 8,014,740	\$ 9,996,199	\$ 9,811,122	\$ 10,491,826	\$ 11,660,332
Contributions - Member	1,973,576	1,999,670	1,996,917	2,056,982	2,155,630
Net Investment Income	7,332,222	785,543	9,041,925	22,618,360	(5,797,989)
Benefit Payments, Including Refunds of Member Contributions	(10,244,211)	(11,093,294)	(12,155,895)	(12,821,164)	(13,520,059)
Administrative Expense	(56,162)	(53,898)	(63,922)	(51,872)	(90,747)
Net Change in Plan Fiduciary Net Position	7,020,165	1,634,220	8,630,147	22,294,132	(5,592,833)
Plan Fiduciary Net Position - Beginning	132,575,572	139,595,737	141,229,957	149,860,104	172,154,236
PLAN FIDUCIARY NET POSITION - ENDING	\$ 139,595,737	\$ 141,229,957	\$ 149,860,104	\$ 172,154,236	\$ 166,561,403
EMPLOYER'S NET PENSION LIABILITY	\$ 131,171,556	\$ 150,504,917	\$ 174,172,998	\$ 169,695,271	\$ 196,369,958
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	51.60%	48.40%	46.20%	50.40%	45.90%
Covered Payroll	\$ 19,610,825	\$ 21,095,259	\$ 20,990,705	\$ 22,996,168	\$ 24,702,805
Employer's Net Pension Liability as a Percentage of Covered Payroll	668.90%	713.50%	829.80%	737.90%	794.90%

*There were no assumption changes in 2014.

**There was a change in 2015 with respect to actuarial assumptions from the prior year to include assumed administrative expenses.

***There was a change in 2016 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to mortality rates and discount rates.

****There was a change in 2017 with respect to actuarial assumptions from the prior year to reflect revised expectations with respect to retirement, termination, disability rates and discount rates.

*****There was a change in 2018 with respect to actuarial assumptions from the prior year that mortality rates were updated to reflect the PubS-2010 tables.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF CHANGES IN THE EMPLOYER'S
NET OPEB LIABILITY AND RELATED RATIOS

RETIREE HEALTH INSURANCE TRUST FUND

Last Four Fiscal Years

MEASUREMENT DATE DECEMBER 31,	2015	2016	2017	2018
TOTAL OPEB LIABILITY				
Service Cost	\$ 6,878,917	\$ 7,193,971	\$ 11,871,127	\$ 13,153,413
Interest	11,356,166	11,900,898	17,130,792	13,374,265
Changes of Benefit Terms	-	-	(78,588,900)	(143,567,450)
Differences Between Expected and Actual Experience	-	(609,914)	(1,891,401)	(8,993,129)
Changes of Assumptions	-	128,236,586	32,871,596	(22,328,382)
Benefit Payments	(7,477,497)	(5,901,415)	(6,621,879)	(4,421,365)
Net Change in Total OPEB Liability	10,757,586	140,820,126	(25,228,665)	(152,782,648)
Total OPEB Liability - Beginning	244,811,055	255,568,641	396,388,767	371,160,102
TOTAL OPEB LIABILITY - ENDING	\$ 255,568,641	\$ 396,388,767	\$ 371,160,102	\$ 218,377,454
PLAN FIDUCIARY NET POSITION				
Contributions - Employer	\$ 8,058,388	\$ 8,959,041	\$ 1,366,830	\$ 5,971,018
Net Investment Income	831,424	1,627,422	5,618,924	(601,745)
Benefit Payments	(7,477,497)	(5,901,415)	(6,621,879)	(4,421,365)
Administrative Expense	(14,473)	(17,388)	(21,493)	(20,483)
Net Change in Plan Fiduciary Net Position	1,397,842	4,667,660	342,382	927,425
Plan Fiduciary Net Position - Beginning	33,287,416	34,685,258	39,352,918	39,695,300
PLAN FIDUCIARY NET POSITION - ENDING	\$ 34,685,258	\$ 39,352,918	\$ 39,695,300	\$ 40,622,725
EMPLOYER'S NET OPEB LIABILITY	\$ 220,883,383	\$ 357,035,849	\$ 331,464,802	\$ 177,754,729
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	13.60%	9.90%	10.70%	18.60%
Covered Payroll	\$ 80,907,445	\$ 80,109,392	\$ 81,178,233	\$ 86,319,274
Employer's Net OPEB Liability as a Percentage of Covered Payroll	273.00%	445.70%	408.30%	205.90%

In 2016, changes in assumptions related to the discount rate were made (4.58% to 4.23%) and changes to the healthcare trend rate to reflect recent healthcare trend rate surveys, blended with the long-term rates from the Getzen model published by the Society of Actuaries.

In 2017, changes in assumptions related to the discount rate were made (4.23% to 3.50%) and changes to the investment rate of returns. There was also a change in benefits related to post 65 retirees.

In 2018, changes in assumptions related to the discount rate were made (3.50% to 4.21%) and changes to the investment rate of returns.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS

POLICE PENSION FUND

Last Five Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018
Annual Money-Weighted Rate of Return, Net of Investment Expense	6.02%	1.35%	6.40%	14.97%	(3.40%)

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS

FIREFIGHTERS' PENSION FUND

Last Five Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2014	2015	2016	2017	2018
Annual Money-Weighted Rate of Return, Net of Investment Expense	5.89%	1.35%	6.53%	15.22%	(3.40%)

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS

RETIREE HEALTH INSURANCE TRUST FUND

Last Four Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2015	2016	2017	2018
Annual Money-Weighted Rate of Return, Net of Investment Expense	2.57%	4.63%	15.40%	(1.38%)

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2018

BUDGETS AND BUDGETARY ACCOUNTING

The City's budget represents departmental expenditures and estimated revenues authorized by the budget. The budget is adopted on the modified accrual basis of accounting and the current financial resources measurement focus, consistent with GAAP. The City follows these procedures in establishing the budgetary data reflected in the required supplementary information:

- The Mayor submits to the City Council a proposed budget for all funds except the Permanent Fund and Agency Funds. The budget includes proposed expenditures and the means of financing them.
- A public hearing is held to obtain citizen comments.
- Prior to December 31 the budget is legally enacted through passage of an ordinance.
- The Mayor may transfer budgeted amounts between departments within any fund. Transfers between objects within a department or within a fund without departmental segregation may be made by the Chief Financial Officer/City Treasurer. The legal level of budgetary control is the department level or, where no departmental segregation of a fund exists, the fund level. One budget amendment was approved by the City Council.
- All budgets lapse at year end.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

DEBT SERVICE FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018				2017 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Property Taxes	\$ 4,000,000	\$ 4,000,000	\$ 4,037,705	\$ 37,705	\$ 4,037,479
Other Taxes					
Real Estate Transfer Tax	3,000,000	3,000,000	3,104,624	104,624	2,891,464
Intergovernmental Revenue	301,800	301,800	290,540	(11,260)	378,202
Investment Income	5,000	5,000	96,111	91,111	45,051
Total Revenues	7,306,800	7,306,800	7,528,980	222,180	7,352,196
EXPENDITURES					
Debt Service					
Principal					
Series 2009A	1,040,000	1,040,000	1,040,000	-	1,010,000
Series 2009B	380,000	380,000	380,000	-	370,000
Series 2011	1,020,000	1,020,000	1,020,000	-	1,135,000
Series 2012B	570,000	570,000	570,000	-	555,000
Series 2012C	-	-	-	-	660,000
Series 2013	60,000	60,000	60,000	-	60,000
Series 2014	1,130,000	1,130,000	1,130,000	-	1,110,000
Series 2015C	2,260,000	2,260,000	2,260,000	-	2,190,000
Series 2017	680,000	680,000	680,000	-	-
Interest					
Series 2009A	381,800	381,800	381,744	(56)	424,669
Series 2009B	101,000	101,000	100,904	(96)	112,004
Series 2011	30,600	30,600	30,600	-	64,650
Series 2012B	93,400	93,400	93,394	(6)	104,494
Series 2012C	-	-	-	-	13,200
Series 2013	283,600	283,600	283,531	(69)	285,331
Series 2014	170,000	170,000	169,940	(60)	192,140
Series 2015A	245,300	245,300	245,294	(6)	245,294
Series 2015C	2,224,500	2,224,500	2,224,488	(12)	2,290,188
Series 2017	505,800	505,800	505,769	(31)	286,602
Other Charges	10,000	10,000	4,465	(5,535)	3,776
Total Expenditures	11,186,000	11,186,000	11,180,129	(5,871)	11,112,348
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,879,200)	(3,879,200)	(3,651,149)	228,051	(3,760,152)
OTHER FINANCING SOURCES (USES)					
Transfers In	4,355,500	4,355,500	4,355,500	-	1,551,400
Total Other Financing Sources (Uses)	4,355,500	4,355,500	4,355,500	-	1,551,400
NET CHANGE IN FUND BALANCE	\$ 476,300	\$ 476,300	704,351	\$ 228,051	(2,208,752)
FUND BALANCE, JANUARY 1			854,771		3,063,523
FUND BALANCE, DECEMBER 31			\$ 1,559,122		\$ 854,771

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Motor Fuel Tax Fund - to account for the activities related to street maintenance and construction. Financing is provided by the City's share of state gasoline taxes. State law restricts the use of these gasoline taxes for street-related purposes.

Safety, Health and Public Enhancement (SHAPE) Fund - to account for certain public safety initiatives. Financing is provided by a portion of the City's home rule sales tax revenues that are restricted for public safety initiatives by the enabling ordinance for the tax.

Sanitation Fund - to account for the expenditure of the City's environmental refuse disposal fee. The fee has been restricted to cover the cost of disposing of unbundled brush, leaves, natural Christmas trees and recyclables in the community.

Wireless 911 Surcharge Fund - to account for the expenditure of 911 surcharge fees restricted by the State of Illinois for the purpose of developing and maintaining the capacity to respond to calls for emergency assistance from wireless communication devices.

Municipal Motor Fuel Tax Fund - to account for the expenditures of a \$0.04 per gallon municipal motor fuel tax for the maintenance and improvement of streets and roadways.

Block Grant Fund - to account for the revenue and expenditures associated with the Community Development Block Grant (CDBG) program, the HOME Investment Partnerships Program (HOME) and the Emergency Solutions Grant Program (ESG). Grant monies are provided by the U.S. Department of Housing and Urban Development and are restricted for the development of urban communities by expanding economic opportunities and providing decent housing and a suitable living environment. The beneficiaries of the programs must be individuals with low or moderate incomes.

Section 108 Loan Fund - to account for transactions associated with the City's loan program pursuant to Section 108 of the Federal Housing and Community Development Act of 1974. Under this program, loans are made to businesses operating in a designated area of the City provided that the businesses commit to creating a minimally required number of jobs.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

Foreign Fire Insurance Tax Fund - to account for the expenditures of a 2% tax on premiums for fire insurance policies covering property in the City that are sold by insurance companies not incorporated in Illinois. Under state law, the City must annually appropriate foreign fire insurance tax monies to an administrative board comprised of members of its fire department to be used for the benefit of the department.

Asset Seizure Fund - to account for monies confiscated by the Aurora Police Department as the lead agency in state, drug-related criminal cases. Monies deposited in this fund must be remitted to the State of Illinois. Investment income earned in this fund must be expended in local law enforcement efforts.

Federal Asset Forfeitures Fund - to account for monies acquired through the outcome of federal criminal cases. Federal law requires that these monies be expended in local law enforcement efforts.

State Asset Forfeitures Fund - to account for monies acquired through the outcome of state drug-related criminal cases. State law requires that these monies be expended in local, drug-related law enforcement efforts.

TIF #1 Downtown Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #1 located in the downtown area.

TIF #3 River City Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #3 located in an area immediately south of the downtown.

TIF #4 Bell Gale Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #4 encompassing an industrial park on the near west side.

TIF #5 West River Area Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #5 located in the area northwest of the downtown.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

TIF #6 East River Area Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #6 located in the area northeast of the downtown.

TIF #7 West Farnsworth Area Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #7 located in the area northeast of the downtown.

TIF #8 East Farnsworth Area Fund - to account for incremental revenues restricted for redevelopment costs associated with the City's Tax Increment Financing District #8 located in the area northeast of the downtown.

Special Service Areas Fund - to account for revenues and expenditures associated with special service areas within the City. Financing is provided by special tax levies on properties within the special service areas (SSA). Revenues are restricted for projects in the SSAs concerned.

Stormwater Management Fee Fund - to account for resources to accomplish stormwater management projects. Financing is being provided by a bimonthly \$6.90 charge to each residential and business water and sewer service account that is restricted for stormwater management projects by the enabling ordinance for the fee.

Long-Term Control Plan Fee Fund - to account for resources for projects designed to manage overflows from combined sewers in accordance with federal law and the policies of the United States Environmental Protection Agency. Financing is being provided by a bimonthly \$5.85 charge to each residential and business water and sewer service account that is restricted for combined sewer overflow projects by the enabling ordinance for the fee.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

CAPITAL PROJECTS FUNDS

Capital Improvements Fund - to account for resources assigned to accomplish various capital projects in the City, especially roadway and building projects. Financing is being provided primarily by a portion of the City's 1.25% home rule sales tax.

2008B TIF Bond Project Fund - to account for the proceeds of tax increment revenue bonds issued in 2008 to provide resources for environmental remediation, infrastructure and other redevelopment costs associated with the Shodeen residential construction project in TIF District #3.

Gaming Tax Fund - to account for the expenditure of a \$1 admissions tax and 5% wagering tax collected at the Hollywood Riverboat Casino in Aurora that has been assigned by the City Council primarily for capital purposes.

2017 General Obligation Bond Project Fund - to account for the proceeds of general obligation bonds issued in 2017 to provide resources for a new fire station and fire vehicles as well as various other capital projects.

Fire Impact Fees Fund - to account for the expenditure of fees paid by developers that have been restricted for constructing and equipping new fire stations.

Public Works Impact Fees Fund - to account for the expenditure of fees paid by developers that have been restricted for the purchase of additional street maintenance equipment to serve new developments.

Ward Projects Fund - to account for various capital projects in the City's ten wards that are requested by "ward committees" comprised of residents of those wards. Projects include street improvements and the installation of sidewalks and streetlights, as well as other projects locally desired. A separate subfund exists to account for the projects of each ward. Financing is provided by operating transfers from the Capital Improvements Fund and the Gaming Tax Fund that have been assigned for this purpose.

CITY OF AURORA, ILLINOIS

COMBINING BALANCE SHEET

NONMAJOR GOVERNMENTAL FUNDS

December 31, 2018

	Special Revenue	Capital Projects	Permanent	Total Nonmajor Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	\$ 49,000,330	\$ 29,705,370	\$ 454,066	\$ 79,159,766
Receivables (Net of Allowance Where Applicable)				
Property Taxes				
Special Service Areas Levies	575,438	71,187	-	646,625
Other Taxes	-	1,350,610	-	1,350,610
Loans Receivable	42,387	86,097	-	128,484
Interest	83,873	46,141	-	130,014
Miscellaneous	2,071,354	240,604	-	2,311,958
Land Held for Resale	386,406	-	-	386,406
Due from Other Funds	-	966,392	-	966,392
Due from Other Governments	2,438,358	1,029,530	-	3,467,888
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	54,598,146	33,495,931	454,066	88,548,143
DEFERRED OUTFLOWS OF RESOURCES				
None	<hr/>	<hr/>	<hr/>	<hr/>
	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Deferred Outflows of Resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	\$ 54,598,146	\$ 33,495,931	\$ 454,066	\$ 88,548,143

	Special Revenue	Capital Projects	Permanent	Total Nonmajor Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 5,569,228	\$ 1,570,219	\$ -	\$ 7,139,447
Retainage Payable	319,415	112,461	-	431,876
Deposits Payable	-	750	-	750
Unearned Revenue	4,518,228	627,125	-	5,145,353
Due to Other Funds	779,081	200,098	-	979,179
Due to Other Governments	99,129	-	-	99,129
Total Liabilities	11,285,081	2,510,653	-	13,795,734
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	575,438	71,187	-	646,625
Total Deferred Inflows of Resources	575,438	71,187	-	646,625
Total Liabilities and Deferred Inflows of Resources	11,860,519	2,581,840	-	14,442,359
FUND BALANCES				
Restricted				
Working Cash	-	-	454,066	454,066
Public Safety	11,556,229	951,342	-	12,507,571
Streets and Transportation	11,856,170	177,528	-	12,033,698
Health and Welfare	8,306,041	-	-	8,306,041
Economic Development	10,207,416	1,584,786	-	11,792,202
Capital Projects	-	7,948,348	-	7,948,348
Unrestricted				
Assigned				
Public Safety	120,968	-	-	120,968
Health and Welfare	705,072	-	-	705,072
Capital Projects	-	20,252,087	-	20,252,087
Unassigned (Deficit)	(14,269)	-	-	(14,269)
Total Fund Balances	42,737,627	30,914,091	454,066	74,105,784
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 54,598,146	\$ 33,495,931	\$ 454,066	\$ 88,548,143

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2018

	Special Revenue	Capital Projects	Permanent	Total Nonmajor Governmental Funds
REVENUES				
Property Taxes	\$ 5,462,549	\$ -	\$ -	\$ 5,462,549
Other Taxes	6,116,615	9,278,006	-	15,394,621
Intergovernmental	8,829,594	1,361,364	-	10,190,958
Licenses, Fees and Permits	-	131,705	-	131,705
Charges for Services	8,465,475	132,162	-	8,597,637
Investment Income	928,420	592,810	7,280	1,528,510
Other	175	373,816	-	373,991
Total Revenues	29,802,828	11,869,863	7,280	41,679,971
EXPENDITURES				
Current				
General Government	-	738,687	-	738,687
Public Safety	3,585,466	1,128,087	-	4,713,553
Streets and Transportation	6,998,378	2,225,473	-	9,223,851
Health and Welfare	4,549,285	-	-	4,549,285
Culture and Recreation	-	793,791	-	793,791
Economic Development	8,484,601	1,564,497	-	10,049,098
Capital Outlay	2,438,257	7,075,392	-	9,513,649
Debt Service				
Principal	1,964,309	-	-	1,964,309
Interest	902,162	-	-	902,162
Total Expenditures	28,922,458	13,525,927	-	42,448,385
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	880,370	(1,656,064)	7,280	(768,414)
OTHER FINANCING SOURCES (USES)				
Illinois EPA Loan Issued	324,491	-	-	324,491
Transfers In	1,840,100	750,000	-	2,590,100
Transfers (Out)	(5,240,500)	(3,655,100)	-	(8,895,600)
Bonds Issued, at Par	7,430,000	-	-	7,430,000
Payment to Escrow Agent	(7,625,000)	-	-	(7,625,000)
Total Other Financing Sources (Uses)	(3,270,909)	(2,905,100)	-	(6,176,009)
NET CHANGE IN FUND BALANCES	(2,390,539)	(4,561,164)	7,280	(6,944,423)
FUND BALANCES, JANUARY 1	45,128,166	35,475,255	446,786	81,050,207
FUND BALANCES, DECEMBER 31	\$ 42,737,627	\$ 30,914,091	\$ 454,066	\$ 74,105,784

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2018

	Motor Fuel Tax	SHAPE	Sanitation	Wireless 911 Surcharge	Municipal Motor Fuel Tax
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
ASSETS					
Cash and Investments	\$ 13,093,911	\$ 810,223	\$ 380,345	\$ 7,223,311	\$ 589,249
Receivables					
Property Taxes, Net of Allowance					
Special Service Areas Levy	-	-	-	-	-
Loans Receivable	-	-	-	-	-
Interest	39,885	-	275	15,039	330
Other	-	-	423,544	566,414	160,606
Land Held for Resale	-	-	-	-	-
Due from Other Governments					
Federal and State Grants	409,434	-	-	-	-
Motor Fuel Tax Allotment	429,830	-	-	-	-
Sales Tax	-	1,061,762	-	-	-
Other	-	-	-	-	-
Total Assets	13,973,060	1,871,985	804,164	7,804,764	750,185
DEFERRED OUTFLOWS OF RESOURCES					
None	-	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 13,973,060	\$ 1,871,985	\$ 804,164	\$ 7,804,764	\$ 750,185
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 2,093,132	\$ 27,600	\$ -	\$ 82,446	\$ 9
Retainage Payable	10,000	11,617	-	-	-
Unearned Revenue	910,877	-	-	29,226	-
Due to Other Funds	-	-	-	12,787	-
Due to Other Governments	-	-	-	-	-
Total Liabilities	3,014,009	39,217	-	124,459	9
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	3,014,009	39,217	-	124,459	9
FUND BALANCES					
Restricted					
Public Safety	-	1,711,800	-	7,680,305	-
Streets and Transportation	10,959,051	-	-	-	750,176
Health and Welfare	-	-	667,570	-	-
Economic Development	-	-	-	-	-
Unrestricted					
Assigned					
Public Safety	-	120,968	-	-	-
Health and Welfare	-	-	136,594	-	-
Unassigned (Deficit)	-	-	-	-	-
Total Fund Balances (Deficit)	10,959,051	1,832,768	804,164	7,680,305	750,176
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 13,973,060	\$ 1,871,985	\$ 804,164	\$ 7,804,764	\$ 750,185

Block Grant	Section 108 Loan	Foreign Fire Insurance Tax	Asset Seizure	Federal Asset Forfeitures	State Asset Forfeitures	TIF #1 Downtown	TIF #3 River City
\$ (316,821)	\$ 1,595	\$ 464,839	\$ 130,423	\$ 2,862,005	\$ 474,247	\$ 695,535	\$ 1,365,823
-	-	-	-	-	-	-	-
-	42,387	-	-	-	-	-	-
-	-	-	-	2,083	833	-	-
-	-	-	-	-	7,203	-	-
-	-	-	-	-	-	-	-
536,902	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	430	-	-	-	-	-	-
220,081	44,412	464,839	130,423	2,864,088	482,283	695,535	1,365,823
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 220,081	\$ 44,412	\$ 464,839	\$ 130,423	\$ 2,864,088	\$ 482,283	\$ 695,535	\$ 1,365,823
\$ 65,183	\$ -	\$ 11,470	\$ 1,093	\$ 159,524	\$ 51,595	\$ 357,672	\$ 131,956
-	-	-	-	-	-	20,000	-
-	42,387	-	-	1,447,495	7,203	-	-
-	16,294	-	-	-	-	-	-
-	-	-	99,129	-	-	-	-
65,183	58,681	11,470	100,222	1,607,019	58,798	377,672	131,956
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
65,183	58,681	11,470	100,222	1,607,019	58,798	377,672	131,956
-	-	453,369	30,201	1,257,069	423,485	-	-
-	-	-	-	-	-	-	-
154,898	-	-	-	-	-	-	-
-	-	-	-	-	-	317,863	1,233,867
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	(14,269)	-	-	-	-	-	-
154,898	(14,269)	453,369	30,201	1,257,069	423,485	317,863	1,233,867
\$ 220,081	\$ 44,412	\$ 464,839	\$ 130,423	\$ 2,864,088	\$ 482,283	\$ 695,535	\$ 1,365,823

(This statement is continued on the following pages.)

CITY OF AURORA, ILLINOIS

COMBINING BALANCE SHEET (Continued)

NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2018

	TIF #4 Bell Gale	TIF #5 West River Area	TIF #6 East River Area	TIF #7 West Farnsworth Area
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	\$ 96,804	\$ 631,680	\$ 676,876	\$ 4,615,713
Receivables				
Property Taxes, Net of Allowance				
Special Service Areas Levy	-	-	-	-
Loans Receivable	-	-	-	-
Interest	-	-	-	-
Other	-	-	-	-
Land Held for Resale	-	-	-	386,406
Due from Other Governments				
Federal and State Grants	-	-	-	-
Motor Fuel Tax Allotment	-	-	-	-
Sales Tax	-	-	-	-
Other	-	-	-	-
Total Assets	<u>96,804</u>	<u>631,680</u>	<u>676,876</u>	<u>5,002,119</u>
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 96,804</u>	<u>\$ 631,680</u>	<u>\$ 676,876</u>	<u>\$ 5,002,119</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 50,165	\$ 40,624	\$ 56,797	\$ 367,586
Retainage Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	-	-
Total Liabilities	<u>50,165</u>	<u>40,624</u>	<u>56,797</u>	<u>367,586</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>50,165</u>	<u>40,624</u>	<u>56,797</u>	<u>367,586</u>
FUND BALANCES				
Restricted				
Public Safety	-	-	-	-
Streets and Transportation	-	-	-	-
Health and Welfare	-	-	-	-
Economic Development	46,639	591,056	620,079	4,634,533
Unrestricted				
Assigned				
Public Safety	-	-	-	-
Health and Welfare	-	-	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balances (Deficit)	<u>46,639</u>	<u>591,056</u>	<u>620,079</u>	<u>4,634,533</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 96,804</u>	<u>\$ 631,680</u>	<u>\$ 676,876</u>	<u>\$ 5,002,119</u>

TIF #8 East Farnsworth Area	Special Service Areas	Stormwater Management Fee	Long-Term Control Plan Fee	Total
\$ 5,542,773	\$ 170,943	\$ 5,723,249	\$ 3,767,607	\$ 49,000,330
-	575,438	-	-	575,438
-	-	-	-	42,387
2,281	-	15,022	8,125	83,873
-	-	494,956	418,631	2,071,354
-	-	-	-	386,406
-	-	-	-	946,336
-	-	-	-	429,830
-	-	-	-	1,061,762
-	-	-	-	430
5,545,054	746,381	6,233,227	4,194,363	54,598,146
-	-	-	-	-
-	-	-	-	-
\$ 5,545,054	\$ 746,381	\$ 6,233,227	\$ 4,194,363	\$ 54,598,146
\$ 2,031,675	\$ 24,000	\$ 6,743	\$ 9,958	\$ 5,569,228
-	-	252,402	25,396	319,415
-	-	2,081,040	-	4,518,228
750,000	-	-	-	779,081
-	-	-	-	99,129
2,781,675	24,000	2,340,185	35,354	11,285,081
-	575,438	-	-	575,438
-	575,438	-	-	575,438
2,781,675	599,438	2,340,185	35,354	11,860,519
-	-	-	-	11,556,229
-	146,943	-	-	11,856,170
-	-	3,393,809	4,089,764	8,306,041
2,763,379	-	-	-	10,207,416
-	-	-	-	120,968
-	-	499,233	69,245	705,072
-	-	-	-	(14,269)
2,763,379	146,943	3,893,042	4,159,009	42,737,627
\$ 5,545,054	\$ 746,381	\$ 6,233,227	\$ 4,194,363	\$ 54,598,146

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2018

	Motor Fuel Tax	SHAPE	Sanitation	Wireless 911 Surcharge
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other Taxes				
Sales Tax	-	3,876,348	-	-
Municipal Motor Fuel Tax	-	-	-	-
Foreign Fire Insurance Tax	-	-	-	-
Intergovernmental				
Federal and State Grants	385,011	-	-	-
Motor Fuel Tax Allotments	5,337,243	-	-	-
Charges for Services	-	-	2,205,669	1,206,483
Stormwater Management Fees	-	-	-	-
Long-Term Capital Planning Fee	-	-	-	-
Investment Income	236,579	25,539	7,294	132,331
Other	-	-	-	-
Total Revenues	5,958,833	3,901,887	2,212,963	1,338,814
EXPENDITURES				
Current				
Public Safety	-	2,013,606	-	596,191
Streets and Transportation	5,970,959	-	-	-
Health and Welfare	-	-	2,002,053	-
Economic Development	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	5,970,959	2,013,606	2,002,053	596,191
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(12,126)	1,888,281	210,910	742,623
OTHER FINANCING SOURCES (USES)				
Illinois EPA Loan Issued	-	-	-	-
Transfers In	-	-	-	-
Transfers (Out)	-	(2,476,800)	-	(1,500,000)
Bonds Issued, at Par	-	-	-	-
Payment to Escrow Agent	-	-	-	-
Total Other Financing Sources (Uses)	-	(2,476,800)	-	(1,500,000)
NET CHANGE IN FUND BALANCES	(12,126)	(588,519)	210,910	(757,377)
FUND BALANCES (DEFICIT), JANUARY 1	10,971,177	2,421,287	593,254	8,437,682
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 10,959,051	\$ 1,832,768	\$ 804,164	\$ 7,680,305

Municipal Motor Fuel Tax	Block Grant	Section 108 Loan	Foreign Fire Insurance Tax	Asset Seizure	Federal Asset Forfeitures	State Asset Forfeitures	TIF #1 Downtown
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,570,245
-	-	-	-	-	-	-	-
2,016,110	-	-	-	-	-	-	-
-	-	-	224,157	-	-	-	-
-	2,560,790	-	-	-	480,223	40,664	-
-	-	-	-	-	-	-	-
-	59,237	6,664	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
11,779	8,801	177	5,413	2,117	49,657	8,615	12,715
-	-	-	-	-	-	-	-
2,027,889	2,628,828	6,841	229,570	2,117	529,880	49,279	1,582,960
-	-	-	161,135	-	480,223	334,311	-
-	-	-	-	-	-	-	-
-	2,547,262	(30)	-	-	-	-	-
-	-	-	-	-	-	-	1,648,275
1,628,290	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,628,290	2,547,262	(30)	161,135	-	480,223	334,311	1,648,275
399,599	81,566	6,871	68,435	2,117	49,657	(285,032)	(65,315)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(385,000)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(385,000)
399,599	81,566	6,871	68,435	2,117	49,657	(285,032)	(450,315)
350,577	73,332	(21,140)	384,934	28,084	1,207,412	708,517	768,178
\$ 750,176	\$ 154,898	\$ (14,269)	\$ 453,369	\$ 30,201	\$ 1,257,069	\$ 423,485	\$ 317,863

(This statement is continued on the following pages.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES (Continued)

NONMAJOR SPECIAL REVENUE FUNDS

For the Year Ended December 31, 2018

	TIF #3	TIF #4	TIF #5	TIF #6
	River City	Bell Gale	West River	East River
			Area	Area
REVENUES				
Property Taxes	\$ 580,683	\$ 52,050	\$ 203,121	\$ 279,715
Other Taxes				
Sales Tax	-	-	-	-
Municipal Motor Fuel Tax	-	-	-	-
Foreign Fire Insurance Tax	-	-	-	-
Intergovernmental				
Federal and State Grants	-	-	-	-
Motor Fuel Tax Allotments	-	-	-	-
Charges for Services	-	-	-	-
Stormwater Management Fees	-	-	-	-
Long-Term Capital Planning Fee	-	-	-	-
Investment Income	34,239	1,123	9,680	16,879
Other	-	-	-	-
Total Revenues	614,922	53,173	212,801	296,594
EXPENDITURES				
Current				
Public Safety	-	-	-	-
Streets and Transportation	-	-	-	-
Health and Welfare	-	-	-	-
Economic Development	302,012	52,050	268,417	312,298
Capital Outlay	-	-	-	-
Debt Service				
Principal	845,000	-	-	470,000
Interest	428,568	-	-	322,600
Total Expenditures	1,575,580	52,050	268,417	1,104,898
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(960,658)	1,123	(55,616)	(808,304)
OTHER FINANCING SOURCES (USES)				
Illinois EPA Loan Issued	-	-	-	-
Transfers In	803,200	-	75,000	751,900
Transfers (Out)	-	-	-	-
Bonds Issued, at Par	3,130,000	-	-	4,300,000
Payment to Escrow Agent	(3,345,000)	-	-	(4,280,000)
Total Other Financing Sources (Uses)	588,200	-	75,000	771,900
NET CHANGE IN FUND BALANCES	(372,458)	1,123	19,384	(36,404)
FUND BALANCES (DEFICIT), JANUARY 1	1,606,325	45,516	571,672	656,483
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 1,233,867	\$ 46,639	\$ 591,056	\$ 620,079

TIF #7 West Farnsworth Area	TIF #8 East Farnsworth Area	Special Service Areas	Stormwater Management Fee	Long-Term Control Plan Fee	Total
\$ 175,858	\$ 2,031,675	\$ 569,202	\$ -	\$ -	\$ 5,462,549
-	-	-	-	-	3,876,348
-	-	-	-	-	2,016,110
-	-	-	-	-	224,157
-	-	25,663	-	-	3,492,351
-	-	-	-	-	5,337,243
-	-	-	-	-	3,478,053
-	-	-	2,698,012	-	2,698,012
-	-	-	-	2,289,410	2,289,410
123,428	80,383	5,482	102,837	53,352	928,420
-	-	175	-	-	175
299,286	2,112,058	600,522	2,800,849	2,342,762	29,802,828
-	-	-	-	-	3,585,466
-	-	357,050	670,369	-	6,998,378
-	-	-	-	-	4,549,285
3,841,684	2,059,865	-	-	-	8,484,601
-	-	-	-	809,967	2,438,257
-	-	385,000	164,829	99,480	1,964,309
-	-	37,650	14,059	99,285	902,162
3,841,684	2,059,865	779,700	849,257	1,008,732	28,922,458
(3,542,398)	52,193	(179,178)	1,951,592	1,334,030	880,370
-	-	-	-	324,491	324,491
-	-	210,000	-	-	1,840,100
-	-	-	(878,700)	-	(5,240,500)
-	-	-	-	-	7,430,000
-	-	-	-	-	(7,625,000)
-	-	210,000	(878,700)	324,491	(3,270,909)
(3,542,398)	52,193	30,822	1,072,892	1,658,521	(2,390,539)
8,176,931	2,711,186	116,121	2,820,150	2,500,488	45,128,166
\$ 4,634,533	\$ 2,763,379	\$ 146,943	\$ 3,893,042	\$ 4,159,009	\$ 42,737,627

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

MOTOR FUEL TAX FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Intergovernmental					
Federal and State Grants	\$ 2,451,800	\$ 2,451,800	\$ 385,011	\$ (2,066,789)	\$ 898,233
Motor Fuel Tax Allotments	5,304,000	5,304,000	5,337,243	33,243	5,323,238
Investment Income	20,000	20,000	236,579	216,579	110,742
Total Revenues	<u>7,775,800</u>	<u>7,775,800</u>	<u>5,958,833</u>	<u>(1,816,967)</u>	<u>6,332,213</u>
EXPENDITURES					
Current					
Streets and Transportation					
General Maintenance	6,975,000	6,995,000	5,232,661	(1,762,339)	3,618,985
Roadway/Bridge Projects	3,890,000	3,870,000	647,570	(3,222,430)	1,046,250
Other Services and Charges	410,000	410,000	90,728	(319,272)	-
Total Expenditures	<u>11,275,000</u>	<u>11,275,000</u>	<u>5,970,959</u>	<u>(5,304,041)</u>	<u>4,665,235</u>
NET CHANGE IN FUND BALANCE	<u>\$ (3,499,200)</u>	<u>\$ (3,499,200)</u>	(12,126)	<u>\$ 3,487,074</u>	1,666,978
FUND BALANCE, JANUARY 1			<u>10,971,177</u>		<u>9,304,199</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 10,959,051</u></u>		<u><u>\$ 10,971,177</u></u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

SHAPE FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Other Taxes					
Sales	\$ 3,900,000	\$ 3,900,000	\$ 3,876,348	\$ (23,652)	\$ 3,779,778
Investment Income	2,000	2,000	25,539	23,539	7,378
Total Revenues	<u>3,902,000</u>	<u>3,902,000</u>	<u>3,901,887</u>	<u>(113)</u>	<u>3,787,156</u>
EXPENDITURES					
Public Safety					
Materials and Supplies	486,700	477,500	166,795	(310,705)	555,240
Other Services and Charges	807,150	816,350	836,034	19,684	838,808
Capital Outlay	2,080,900	2,080,900	1,010,777	(1,070,123)	630,291
Total Expenditures	<u>3,374,750</u>	<u>3,374,750</u>	<u>2,013,606</u>	<u>(1,361,144)</u>	<u>2,024,339</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>527,250</u>	<u>527,250</u>	<u>1,888,281</u>	<u>1,361,031</u>	<u>1,762,817</u>
OTHER FINANCING SOURCES (USES)					
Transfers (Out)	<u>(2,476,800)</u>	<u>(2,476,800)</u>	<u>(2,476,800)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(2,476,800)</u>	<u>(2,476,800)</u>	<u>(2,476,800)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,949,550)</u>	<u>\$ (1,949,550)</u>	<u>(588,519)</u>	<u>\$ 1,361,031</u>	<u>1,762,817</u>
FUND BALANCE, JANUARY 1			<u>2,421,287</u>		<u>658,470</u>
FUND BALANCE, DECEMBER 31			<u>\$ 1,832,768</u>		<u>\$ 2,421,287</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

SANITATION FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Charges for Services	\$ 2,100,000	\$ 2,100,000	\$ 2,205,669	\$ 105,669	\$ 2,105,841
Investment Income	500	500	7,294	6,794	2,908
Total Revenues	2,100,500	2,100,500	2,212,963	112,463	2,108,749
EXPENDITURES					
Health and Welfare					
Other Services and Charges	2,100,000	2,100,000	2,002,053	(97,947)	2,123,858
NET CHANGE IN FUND BALANCE	\$ 500	\$ 500	210,910	\$ 210,410	(15,109)
FUND BALANCE, JANUARY 1			593,254		608,363
FUND BALANCE, DECEMBER 31			\$ 804,164		\$ 593,254

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

WIRELESS 911 SURCHARGE FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Charges for Services	\$ 1,288,000	\$ 1,288,000	\$ 1,206,483	\$ (81,517)	\$ 1,359,036
Investment Income	15,000	15,000	132,331	117,331	88,402
Total Revenues	1,303,000	1,303,000	1,338,814	35,814	1,447,438
EXPENDITURES					
Public Safety					
Materials and Supplies	3,645,690	3,645,690	481,267	(3,164,423)	256,689
Other Services and Charges	120,134	120,134	114,924	(5,210)	115,038
Total Expenditures	3,765,824	3,765,824	596,191	(3,169,633)	371,727
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,462,824)	(2,462,824)	742,623	3,205,447	1,075,711
OTHER FINANCING SOURCES (USES)					
Transfers (Out)	(1,500,000)	(1,500,000)	(1,500,000)	-	(1,500,000)
Total Other Financing Sources (Uses)	(1,500,000)	(1,500,000)	(1,500,000)	-	(1,500,000)
NET CHANGE IN FUND BALANCE	<u>\$ (3,962,824)</u>	<u>\$ (3,962,824)</u>	<u>(757,377)</u>	<u>\$ 3,205,447</u>	<u>(424,289)</u>
FUND BALANCE, JANUARY 1			<u>8,437,682</u>		<u>8,861,971</u>
FUND BALANCE, DECEMBER 31			<u>\$ 7,680,305</u>		<u>\$ 8,437,682</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

MUNICIPAL MOTOR FUEL TAX FUND

For the Year Ended December 31, 2018

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Other Taxes	\$ 2,000,000	\$ 2,000,000	\$ 2,016,110	\$ 16,110	\$ 1,988,570
Investment Income	-	-	11,779	11,779	685
Total Revenues	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,027,889</u>	<u>27,889</u>	<u>1,989,255</u>
EXPENDITURES					
Capital Outlay					
Street Improvement	1,750,000	1,750,000	1,628,290	(121,710)	1,915,868
NET CHANGE IN FUND BALANCE	<u>\$ 250,000</u>	<u>\$ 250,000</u>	399,599	<u>\$ 149,599</u>	73,387
FUND BALANCE, JANUARY 1			<u>350,577</u>		<u>277,190</u>
FUND BALANCE, DECEMBER 31			<u>\$ 750,176</u>		<u>\$ 350,577</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

BLOCK GRANT FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Intergovernmental					
Federal and State Grants	\$ 2,231,000	\$ 5,707,200	\$ 2,560,790	\$ (3,146,410)	\$ 775,653
Charges for Services					
Loan Payments	-	-	59,237	59,237	5,948
Investment Income	-	-	8,801	8,801	1,660
Total Revenues	<u>2,231,000</u>	<u>5,707,200</u>	<u>2,628,828</u>	<u>(3,078,372)</u>	<u>783,261</u>
EXPENDITURES					
Current					
Health and Welfare	2,231,000	5,707,300	2,547,262	(3,160,038)	766,359
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ (100)</u>	<u>81,566</u>	<u>\$ 81,666</u>	<u>16,902</u>
FUND BALANCE, JANUARY 1			<u>73,332</u>		<u>56,430</u>
FUND BALANCE, DECEMBER 31			<u>\$ 154,898</u>		<u>\$ 73,332</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

SECTION 108 LOAN FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018				2017 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Charges for Services					
Loan Payments	\$ 13,000	\$ 13,000	\$ 6,664	\$ (6,336)	\$ 65,362
Investment Income	-	-	177	177	490
Total Revenues	13,000	13,000	6,841	(6,159)	65,852
EXPENDITURES					
Current					
Health and Welfare	200	200	(30)	(230)	3,000,136
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	12,800	12,800	6,871	(5,929)	(2,934,284)
OTHER FINANCING SOURCES (USES)					
Issuance of Debt Certificate	-	-	-	-	3,000,000
Total Other Financing Sources (Uses)	-	-	-	-	3,000,000
NET CHANGE IN FUND BALANCE	\$ 12,800	\$ 12,800	6,871	\$ (5,929)	65,716
FUND BALANCE (DEFICIT), JANUARY 1			(21,140)		(86,856)
FUND BALANCE (DEFICIT), DECEMBER 31			\$ (14,269)		\$ (21,140)

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOREIGN FIRE INSURANCE TAX FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Other Taxes					
Foreign Fire Insurance Tax	\$ 180,000	\$ 180,000	\$ 224,157	\$ 44,157	\$ 216,443
Investment Income	1,000	1,000	5,413	4,413	3,902
Total Revenues	181,000	181,000	229,570	48,570	220,345
EXPENDITURES					
Current					
Public Safety	180,000	180,000	161,135	(18,865)	165,521
NET CHANGE IN FUND BALANCE	<u>\$ 1,000</u>	<u>\$ 1,000</u>	68,435	<u>\$ 67,435</u>	54,824
FUND BALANCE, JANUARY 1			<u>384,934</u>		<u>330,110</u>
FUND BALANCE, DECEMBER 31			<u>\$ 453,369</u>		<u>\$ 384,934</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

ASSET SEIZURE FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Investment Income	\$ -	\$ -	\$ 2,117	\$ 2,117	\$ 1,117
EXPENDITURES					
None	-	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	2,117	<u>\$ 2,117</u>	1,117
FUND BALANCE, JANUARY 1			<u>28,084</u>		<u>26,967</u>
FUND BALANCE, DECEMBER 31			<u>\$ 30,201</u>		<u>\$ 28,084</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

FEDERAL ASSET FORFEITURE FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Investment Income	\$ -	\$ -	\$ 49,657	\$ 49,657	\$ 26,862
Proceeds from Forfeited Assets	-	-	480,223	480,223	219,043
Total Revenues	-	-	529,880	529,880	245,905
EXPENDITURES					
Current					
Public Safety					
Materials and Supplies	-	-	2,485	2,485	-
Other Services and Charges	2,062,780	2,202,780	477,738	(1,725,042)	219,043
Total Expenditures	2,062,780	2,202,780	480,223	(1,722,557)	219,043
NET CHANGE IN FUND BALANCE	<u>\$ (2,062,780)</u>	<u>\$ (2,202,780)</u>	49,657	<u>\$ 2,252,437</u>	26,862
FUND BALANCE, JANUARY 1			<u>1,207,412</u>		<u>1,180,550</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 1,257,069</u></u>		<u><u>\$ 1,207,412</u></u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

STATE ASSET FORFEITURES FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Investment Income	\$ -	\$ -	\$ 8,615	\$ 8,615	\$ 8,052
Proceeds from Forfeited Assets	-	-	40,664	40,664	42,949
Total Revenues	-	-	49,279	49,279	51,001
EXPENDITURES					
Public Safety					
Materials and Supplies	150,000	308,000	275,669	(32,331)	6,869
Other Services and Charges	450,000	292,000	58,642	(233,358)	85,141
Total Expenditures	600,000	600,000	334,311	(265,689)	92,010
NET CHANGE IN FUND BALANCE	<u>\$ (600,000)</u>	<u>\$ (600,000)</u>	(285,032)	<u>\$ 314,968</u>	(41,009)
FUND BALANCE, JANUARY 1			<u>708,517</u>		<u>749,526</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 423,485</u></u>		<u><u>\$ 708,517</u></u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TAX INCREMENT FINANCING DISTRICT #1 (DOWNTOWN) FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Property Taxes	\$ 1,497,000	\$ 1,497,000	\$ 1,570,245	\$ 73,245	\$ 1,528,387
Investment Income	2,000	2,000	12,715	10,715	20,607
Total Revenues	1,499,000	1,499,000	1,582,960	83,960	1,548,994
EXPENDITURES					
Economic Development					
Redevelopment and Assistance	1,680,200	1,635,200	1,334,226	(300,974)	1,471,943
Surplus Distribution	300,000	300,000	314,049	14,049	305,677
Total Expenditures	1,980,200	1,935,200	1,648,275	(286,925)	1,777,620
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(481,200)	(436,200)	(65,315)	370,885	(228,626)
OTHER FINANCING SOURCES (USES)					
Transfers (Out)	(340,000)	(385,000)	(385,000)	-	(340,000)
Total Other Financing Sources (Uses)	(340,000)	(385,000)	(385,000)	-	(340,000)
NET CHANGE IN FUND BALANCE	<u>\$ (821,200)</u>	<u>\$ (821,200)</u>	(450,315)	<u>\$ 370,885</u>	(568,626)
FUND BALANCE, JANUARY 1			768,178		1,336,804
FUND BALANCE, DECEMBER 31			<u>\$ 317,863</u>		<u>\$ 768,178</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TAX INCREMENT FINANCING DISTRICT #3 (RIVER CITY) FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018				2017 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Property Taxes	\$ 500,000	\$ 500,000	\$ 580,683	\$ 80,683	\$ 520,934
Investment Income	3,000	3,000	34,239	31,239	17,379
Total Revenues	503,000	503,000	614,922	111,922	538,313
EXPENDITURES					
Economic Development					
Redevelopment and Assistance	98,500	197,500	269,097	71,597	414,425
Surplus Distribution	13,000	13,000	32,915	19,915	16,904
Debt Service					
Principal	745,000	745,000	845,000	100,000	680,000
Interest	421,600	421,600	428,568	6,968	466,525
Total Expenditures	1,278,100	1,377,100	1,575,580	198,480	1,577,854
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(775,100)	(874,100)	(960,658)	(86,558)	(1,039,541)
OTHER FINANCING SOURCES (USES)					
Transfers In	803,200	803,200	803,200	-	807,000
Bonds Issued, at Par	-	3,856,500	3,130,000	(726,500)	-
Payment to Escrow Agent	-	(3,856,500)	(3,345,000)	511,500	-
Total Other Financing Sources (Uses)	803,200	803,200	588,200	(215,000)	807,000
NET CHANGE IN FUND BALANCE	\$ 28,100	\$ (70,900)	(372,458)	\$ (301,558)	(232,541)
FUND BALANCE, JANUARY 1			<u>1,606,325</u>		<u>1,838,866</u>
FUND BALANCE, DECEMBER 31			<u>\$ 1,233,867</u>		<u>\$ 1,606,325</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TAX INCREMENT FINANCING DISTRICT #4 (BELL GALE) FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Property Taxes	\$ 53,000	\$ 53,000	\$ 52,050	\$ (950)	\$ 52,938
Investment Income	-	-	1,123	1,123	446
Total Revenues	53,000	53,000	53,173	173	53,384
EXPENDITURES					
Economic Development Redevelopment Assistance	53,000	53,000	52,050	(950)	13,830
NET CHANGE IN FUND BALANCE	\$ -	\$ -	1,123	\$ 1,123	39,554
FUND BALANCE, JANUARY 1			45,516		5,962
FUND BALANCE, DECEMBER 31			<u>\$ 46,639</u>		<u>\$ 45,516</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TAX INCREMENT FINANCING DISTRICT #5 (WEST RIVER AREA) FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018				2017 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Property Taxes	\$ 140,300	\$ 140,300	\$ 203,121	\$ 62,821	\$ 141,553
Investment Income	1,000	1,000	9,680	8,680	5,468
Total Revenues	141,300	141,300	212,801	71,501	147,021
EXPENDITURES					
Economic Development					
Redevelopment Assistance	388,000	388,000	227,793	(160,207)	275,362
Surplus Distribution	32,640	32,640	40,624	7,984	28,307
Total Expenditures	420,640	420,640	268,417	(152,223)	303,669
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(279,340)	(279,340)	(55,616)	223,724	(156,648)
OTHER FINANCING SOURCES (USES)					
Transfers In	75,000	75,000	75,000	-	75,000
Total Other Financing Sources (Uses)	75,000	75,000	75,000	-	75,000
NET CHANGE IN FUND BALANCE	\$ (204,340)	\$ (204,340)	19,384	\$ 223,724	(81,648)
FUND BALANCE, JANUARY 1			571,672		653,320
FUND BALANCE, DECEMBER 31			\$ 591,056		\$ 571,672

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

TAX INCREMENT FINANCING DISTRICT #6 (EAST RIVER AREA) FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Property Taxes	\$ 253,900	\$ 253,900	\$ 279,715	\$ 25,815	\$ 255,380
Other	-	-	-	-	7,758
Investment Income	4,000	4,000	16,879	12,879	6,969
Total Revenues	257,900	257,900	296,594	38,694	270,107
EXPENDITURES					
Economic Development					
Redevelopment and Assistance	335,400	335,400	256,355	(79,045)	208,851
Surplus Distribution	46,920	46,920	55,943	9,023	51,076
Debt Service					
Principal	340,000	340,000	470,000	130,000	315,000
Interest	311,900	311,900	322,600	10,700	333,113
Total Expenditures	1,034,220	1,034,220	1,104,898	70,678	908,040
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(776,320)	(776,320)	(808,304)	(31,984)	(637,933)
OTHER FINANCING SOURCES (USES)					
Transfers In	751,900	751,900	751,900	-	748,200
Bonds Issued, at Par	-	4,966,000	4,300,000	(666,000)	-
Payment to Escrow Agent	-	(4,966,000)	(4,280,000)	686,000	-
Total Other Financing Sources (Uses)	751,900	751,900	771,900	20,000	748,200
NET CHANGE IN FUND BALANCE	\$ (24,420)	\$ (24,420)	(36,404)	\$ (11,984)	110,267
FUND BALANCE, JANUARY 1			656,483		546,216
FUND BALANCE, DECEMBER 31			\$ 620,079		\$ 656,483

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

TAX INCREMENT FINANCING DISTRICT #7 (WEST FARNSWORTH AREA) FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Property Taxes	\$ 125,000	\$ 125,000	\$ 175,858	\$ 50,858	\$ 161,361
Investment Income	35,000	35,000	123,428	88,428	78,836
Total Revenues	160,000	160,000	299,286	139,286	240,197
EXPENDITURES					
Economic Development					
Redevelopment and Assistance	6,260,700	6,260,700	3,824,098	(2,436,602)	582,925
Surplus Distribution	-	-	17,586	17,586	16,136
Total Expenditures	6,260,700	6,260,700	3,841,684	(2,419,016)	599,061
NET CHANGE IN FUND BALANCE	<u>\$ (6,100,700)</u>	<u>\$ (6,100,700)</u>	(3,542,398)	<u>\$ 2,558,302</u>	(358,864)
FUND BALANCE, JANUARY 1			<u>8,176,931</u>		<u>8,535,795</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 4,634,533</u></u>		<u><u>\$ 8,176,931</u></u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

TAX INCREMENT FINANCING DISTRICT #8 (EAST FARNSWORTH AREA) FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Property Taxes	\$ 1,650,000	\$ 1,650,000	\$ 2,031,675	\$ 381,675	\$ 1,717,421
Investment Income	10,000	10,000	80,383	70,383	37,166
Total Revenues	1,660,000	1,660,000	2,112,058	452,058	1,754,587
EXPENDITURES					
Economic Development					
Redevelopment and Assistance	3,880,500	3,880,500	1,856,697	(2,023,803)	1,880,429
Surplus Distribution	-	-	203,168	203,168	171,736
Total Expenditures	3,880,500	3,880,500	2,059,865	(1,820,635)	2,052,165
NET CHANGE IN FUND BALANCE	<u>\$ (2,220,500)</u>	<u>\$ (2,220,500)</u>	52,193	<u>\$ 2,272,693</u>	(297,578)
FUND BALANCE, JANUARY 1			<u>2,711,186</u>		<u>3,008,764</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 2,763,379</u></u>		<u><u>\$ 2,711,186</u></u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

SPECIAL SERVICE AREAS FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018				2017 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Property Taxes	\$ 755,500	\$ 755,500	\$ 569,202	\$ (186,298)	\$ 711,763
Intergovernmental	-	-	25,663	25,663	-
Rental Income	-	-	175	175	-
Investment Income	1,000	1,000	5,482	4,482	2,495
Total Revenues	756,500	756,500	600,522	(155,978)	714,258
EXPENDITURES					
Current					
Streets and Transportation					
Other Services and Charges	359,600	404,600	357,050	(47,550)	292,950
Debt Service					
Principal	385,000	385,000	385,000	-	540,000
Interest	37,700	37,700	37,650	(50)	56,900
Total Expenditures	782,300	827,300	779,700	(47,600)	889,850
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(25,800)	(70,800)	(179,178)	(108,378)	(175,592)
OTHER FINANCING SOURCES (USES)					
Transfers In	165,000	165,000	210,000	45,000	165,000
Total Other Financing Sources (Uses)	165,000	165,000	210,000	45,000	165,000
NET CHANGE IN FUND BALANCE	\$ 139,200	\$ 94,200	30,822	\$ (63,378)	(10,592)
FUND BALANCE, JANUARY 1			<u>116,121</u>		<u>126,713</u>
FUND BALANCE, DECEMBER 31			<u>\$ 146,943</u>		<u>\$ 116,121</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

STORMWATER MANAGEMENT FEE FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Stormwater Management Fees	\$ 2,600,000	\$ 2,600,000	\$ 2,698,012	\$ 98,012	\$ 2,661,094
Investment Income	15,000	15,000	102,837	87,837	50,416
Total Revenues	2,615,000	2,615,000	2,800,849	185,849	2,711,510
EXPENDITURES					
Capital Projects					
Drainage/Sewer Projects	1,950,000	1,950,000	670,369	(1,279,631)	2,140,081
Debt Service					
Principal	160,700	160,700	164,829	4,129	160,729
Interest	18,200	18,200	14,059	(4,141)	18,159
Total Expenditures	2,128,900	2,128,900	849,257	(1,279,643)	2,318,969
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	486,100	486,100	1,951,592	1,465,492	392,541
OTHER FINANCING SOURCES (USES)					
Transfers (Out)	(878,700)	(878,700)	(878,700)	-	(1,551,400)
Total Other Financing Sources (Uses)	(878,700)	(878,700)	(878,700)	-	(1,551,400)
NET CHANGE IN FUND BALANCE	\$ (392,600)	\$ (392,600)	1,072,892	\$ 1,465,492	(1,158,859)
FUND BALANCE, JANUARY 1			2,820,150		3,979,009
FUND BALANCE, DECEMBER 31			\$ 3,893,042		\$ 2,820,150

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

LONG-TERM CONTROL PLAN FEE FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018				2017 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Long-Term Capital Planning Fee	\$ 2,230,000	\$ 2,230,000	\$ 2,289,410	\$ 59,410	\$ 2,242,056
Investment Income	5,000	5,000	53,352	48,352	6,003
Total Revenues	<u>2,235,000</u>	<u>2,235,000</u>	<u>2,342,762</u>	<u>107,762</u>	<u>2,248,059</u>
EXPENDITURES					
Capital Outlay					
Drainage/Sewer Projects	6,706,000	6,706,000	809,967	(5,896,033)	4,877,877
Debt Service					
Principal	146,000	146,000	99,480	(46,520)	-
Interest	300,000	300,000	99,285	(200,715)	-
Total Expenditures	<u>7,152,000</u>	<u>7,152,000</u>	<u>1,008,732</u>	<u>(6,143,268)</u>	<u>4,877,877</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(4,917,000)</u>	<u>(4,917,000)</u>	<u>1,334,030</u>	<u>6,251,030</u>	<u>(2,629,818)</u>
OTHER FINANCING SOURCES (USES)					
Illinois EPA Loan Issued	3,355,900	3,355,900	324,491	(3,031,409)	4,043,507
Total Other Financing Sources (Uses)	<u>3,355,900</u>	<u>3,355,900</u>	<u>324,491</u>	<u>(3,031,409)</u>	<u>4,043,507</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,561,100)</u>	<u>\$ (1,561,100)</u>	<u>1,658,521</u>	<u>\$ 3,219,621</u>	<u>1,413,689</u>
FUND BALANCE, JANUARY 1			<u>2,500,488</u>		<u>1,086,799</u>
FUND BALANCE, DECEMBER 31			<u>\$ 4,159,009</u>		<u>\$ 2,500,488</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING BALANCE SHEET

NONMAJOR CAPITAL PROJECTS FUNDS

December 31, 2018

	Capital Improvements Fund	2008B TIF Bond Project	Gaming Tax	2017 GO Bond Project
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	\$ 11,188,107	\$ 1,584,786	\$ 4,413,774	\$ 7,215,609
Receivables				
Property Tax	-	-	-	-
Other Taxes	544,493	-	806,117	-
Loan	-	-	57,500	-
Interest	25,108	-	-	13,426
Other	231,973	-	8,631	-
Due from Other Funds	-	-	766,294	200,000
Due from Other Governments	-	-	-	1,029,530
Total Assets	11,989,681	1,584,786	6,052,316	8,458,565
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 11,989,681	\$ 1,584,786	\$ 6,052,316	\$ 8,458,565
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 575,001	\$ -	\$ 464,736	\$ 367,145
Retainage Payable	39,453	-	-	73,008
Deposits Payable	-	-	750	-
Unearned Revenue	573,608	-	6,470	-
Due to Other Funds	200,000	-	-	-
Total Liabilities	1,388,062	-	471,956	440,153
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	1,388,062	-	471,956	440,153
FUND BALANCES				
Restricted				
Public Safety	-	-	-	-
Streets and Transportation	-	-	-	-
Economic Development	-	1,584,786	-	-
Capital Projects	-	-	-	7,948,348
Unrestricted				
Assigned	10,601,619	-	5,580,360	70,064
Total Fund Balances	10,601,619	1,584,786	5,580,360	8,018,412
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 11,989,681	\$ 1,584,786	\$ 6,052,316	\$ 8,458,565

	Fire Impact Fees	Public Works Impact Fees	Ward Projects	Total
\$	982,818	\$ 177,528	\$ 4,142,748	\$ 29,705,370
	-	-	71,187	71,187
	-	-	-	1,350,610
	13,975	1,321	13,301	86,097
	3,204	-	4,403	46,141
	-	-	-	240,604
	-	-	98	966,392
	-	-	-	1,029,530
	<u>999,997</u>	<u>178,849</u>	<u>4,231,737</u>	<u>33,495,931</u>
	-	-	-	-
	-	-	-	-
\$	<u>999,997</u>	\$ <u>178,849</u>	\$ <u>4,231,737</u>	\$ <u>33,495,931</u>
\$	34,680	\$ -	\$ 128,657	\$ 1,570,219
	-	-	-	112,461
	-	-	-	750
	13,975	1,321	31,751	627,125
	-	-	98	200,098
	<u>48,655</u>	<u>1,321</u>	<u>160,506</u>	<u>2,510,653</u>
	-	-	71,187	71,187
	-	-	71,187	71,187
	<u>48,655</u>	<u>1,321</u>	<u>231,693</u>	<u>2,581,840</u>
	951,342	-	-	951,342
	-	177,528	-	177,528
	-	-	-	1,584,786
	-	-	-	7,948,348
	-	-	4,000,044	20,252,087
	<u>951,342</u>	<u>177,528</u>	<u>4,000,044</u>	<u>30,914,091</u>
\$	<u>999,997</u>	\$ <u>178,849</u>	\$ <u>4,231,737</u>	\$ <u>33,495,931</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

NONMAJOR CAPITAL PROJECTS FUNDS

For the Year Ended December 31, 2018

	Capital Improvements Fund	2008B TIF Bond Project	Gaming Tax	2017 GO Bond Project
REVENUES				
Other Taxes				
Home Rule Sales	\$ 1,987,871	\$ -	\$ -	\$ -
Gaming Tax	-	-	7,290,135	-
Intergovernmental	131,834	-	-	1,229,530
Charges for Services	81,846	-	-	-
Licenses, Fees and Permits	26,007	-	-	-
Investment Income	222,515	20,499	77,204	178,441
Other	259,293	-	113,223	-
Total Revenues	2,709,366	20,499	7,480,562	1,407,971
EXPENDITURES				
Current				
General Government	-	-	738,687	-
Public Safety	-	-	-	580,815
Streets and Transportation	-	-	345,400	1,880,073
Culture and Recreation	-	-	793,791	-
Economic Development	-	-	1,564,497	-
Capital Outlay				
Roadway	1,768,713	-	-	74,958
Other	1,637,410	-	-	2,864,518
Total Expenditures	3,406,123	-	3,442,375	5,400,364
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(696,757)	20,499	4,038,187	(3,992,393)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers (Out)	(350,000)	-	(3,305,100)	-
Total Other Financing Sources (Uses)	(350,000)	-	(3,305,100)	-
NET CHANGE IN FUND BALANCES	(1,046,757)	20,499	733,087	(3,992,393)
FUND BALANCES, JANUARY 1	11,648,376	1,564,287	4,847,273	12,010,805
FUND BALANCES, DECEMBER 31	\$ 10,601,619	\$ 1,584,786	\$ 5,580,360	\$ 8,018,412

Fire Impact Fees	Public Works Impact Fees	Ward Projects	Total
\$ -	\$ -	\$ -	\$ 1,987,871
-	-	-	7,290,135
-	-	-	1,361,364
-	-	50,316	132,162
95,552	10,146	-	131,705
24,678	2,759	66,714	592,810
-	-	1,300	373,816
120,230	12,905	118,330	11,869,863
-	-	-	738,687
547,272	-	-	1,128,087
-	-	-	2,225,473
-	-	-	793,791
-	-	-	1,564,497
-	-	249,330	2,093,001
-	-	480,463	4,982,391
547,272	-	729,793	13,525,927
(427,042)	12,905	(611,463)	(1,656,064)
-	-	750,000	750,000
-	-	-	(3,655,100)
-	-	750,000	(2,905,100)
(427,042)	12,905	138,537	(4,561,164)
1,378,384	164,623	3,861,507	35,475,255
\$ 951,342	\$ 177,528	\$ 4,000,044	\$ 30,914,091

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

CAPITAL IMPROVEMENTS FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Other Taxes					
Home Rule Sales	\$ 2,000,000	\$ 2,000,000	\$ 1,987,871	\$ (12,129)	\$ 5,243,515
Intergovernmental	-	-	131,834	131,834	539,011
Charges for Services	-	-	81,846	81,846	73,235
Licenses, Fees and Permits	44,000	44,000	26,007	(17,993)	33,848
Investment Income	40,000	40,000	222,515	182,515	105,126
Other	-	100,100	259,293	159,193	8,100
Total Revenues	2,084,000	2,184,100	2,709,366	525,266	6,002,835
EXPENDITURES					
Capital Outlay					
Roadway	4,477,000	4,669,100	1,768,713	(2,900,387)	3,374,537
Building	-	-	-	-	500
Other Projects	(852,300)	(944,300)	1,637,410	2,581,710	470,113
Total Expenditures	3,624,700	3,724,800	3,406,123	(318,677)	3,845,150
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES					
	(1,540,700)	(1,540,700)	(696,757)	843,943	2,157,685
OTHER FINANCING SOURCES (USES)					
Transfer (Out)	(350,000)	(350,000)	(350,000)	-	(350,000)
Total Other Financing Sources (Uses)	(350,000)	(350,000)	(350,000)	-	(350,000)
NET CHANGE IN FUND BALANCE					
	\$ (1,890,700)	\$ (1,890,700)	(1,046,757)	\$ 843,943	1,807,685
FUND BALANCE, JANUARY 1					
			11,648,376		9,840,691
FUND BALANCE, DECEMBER 31					
			\$ 10,601,619		\$ 11,648,376

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

2008B TIF BOND PROJECT FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Investment Income	\$ 1,000	\$ 1,000	\$ 20,499	\$ 19,499	\$ 17,062
EXPENDITURES					
None	-	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ 1,000</u>	<u>\$ 1,000</u>	20,499	<u>\$ 19,499</u>	17,062
FUND BALANCE, JANUARY 1			<u>1,564,287</u>		<u>1,547,225</u>
FUND BALANCE, DECEMBER 31			<u>\$ 1,584,786</u>		<u>\$ 1,564,287</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

GAMING TAX FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Other Taxes					
Gaming Tax					
Admissions	\$ 1,000,000	\$ 1,000,000	\$ 938,382	\$ (61,618)	\$ 991,579
Wagering	5,800,000	5,800,000	5,846,023	46,023	6,047,648
Video	275,000	275,000	505,730	230,730	343,004
Charges for Services	31,800	31,800	-	(31,800)	-
Investment Income	25,000	25,000	77,204	52,204	29,815
Other	65,000	65,000	113,223	48,223	128,026
Total Revenues	7,196,800	7,196,800	7,480,562	283,762	7,540,072
EXPENDITURES					
Current					
General Government	990,100	1,025,100	738,687	(286,413)	710,427
Streets and Transportation	345,400	345,400	345,400	-	9,393
Culture and Recreation	924,308	924,308	793,791	(130,517)	997,391
Economic Development	2,644,000	2,609,000	1,564,497	(1,044,503)	938,284
Total Expenditures	4,903,808	4,903,808	3,442,375	(1,461,433)	2,655,495
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,292,992	2,292,992	4,038,187	1,745,195	4,884,577
OTHER FINANCING SOURCES (USES)					
Transfers (Out)	(3,305,100)	(3,305,100)	(3,305,100)	-	(2,305,200)
Total Other Financing Sources (Uses)	(3,305,100)	(3,305,100)	(3,305,100)	-	(2,305,200)
NET CHANGE IN FUND BALANCE	\$ (1,012,108)	\$ (1,012,108)	733,087	\$ 1,745,195	2,579,377
FUND BALANCE, JANUARY 1			4,847,273		2,267,896
FUND BALANCE, DECEMBER 31			\$ 5,580,360		\$ 4,847,273

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

2017 GENERAL OBLIGATION BOND PROJECT FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Intergovernmental	\$ 1,180,000	\$ 1,180,000	\$ 1,229,530	\$ 49,530	\$ 216,356
Investment Income	-	-	178,441	178,441	70,064
Total Revenues	1,180,000	1,180,000	1,407,971	227,971	286,420
EXPENDITURES					
Current					
General Government	260,000	260,000	-	(260,000)	203,456
Public Safety	920,700	920,700	580,815	(339,885)	2,706,207
Streets and Transportation	3,651,100	3,651,100	1,880,073	(1,771,027)	1,192,939
Roadway	574,400	574,400	74,958	(499,442)	193,878
Other Projects	5,239,500	5,489,500	2,864,518	(2,624,982)	737,159
Total Expenditures	10,645,700	10,895,700	5,400,364	(5,495,336)	5,033,639
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(9,465,700)	(9,715,700)	(3,992,393)	5,723,307	(4,747,219)
OTHER FINANCING SOURCES (USES)					
Proceeds from Issuance of Bond	-	-	-	-	16,500,000
Premium on Bond Issued	-	-	-	-	258,024
Total Other Financing Sources (Uses)	-	-	-	-	16,758,024
NET CHANGE IN FUND BALANCE	<u>\$ (9,465,700)</u>	<u>\$ (9,715,700)</u>	(3,992,393)	<u>\$ 5,723,307</u>	12,010,805
FUND BALANCE, JANUARY 1			12,010,805		-
FUND BALANCE, DECEMBER 31			<u>\$ 8,018,412</u>		<u>\$ 12,010,805</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FIRE IMPACT FEES FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018				2017 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Impact Fees	\$ 60,000	\$ 60,000	\$ 95,552	\$ 35,552	\$ 101,844
Investment Income	4,000	4,000	24,678	20,678	27,643
Total Revenues	64,000	64,000	120,230	56,230	129,487
EXPENDITURES					
Capital Outlay					
Public Safety	1,003,200	1,003,200	547,272	(455,928)	1,839,136
NET CHANGE IN FUND BALANCE	\$ (939,200)	\$ (939,200)	(427,042)	\$ 512,158	(1,709,649)
FUND BALANCE, JANUARY 1			1,378,384		3,088,033
FUND BALANCE, DECEMBER 31			\$ 951,342		\$ 1,378,384

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

PUBLIC WORKS IMPACT FEES FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018				2017 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Impact Fees	\$ -	\$ -	\$ 10,146	\$ 10,146	\$ -
Investment Income	1,000	1,000	2,759	1,759	1,069
Total Revenues	1,000	1,000	12,905	11,905	1,069
EXPENDITURES					
None	-	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ 1,000</u>	<u>\$ 1,000</u>	12,905	<u>\$ 11,905</u>	1,069
FUND BALANCE, JANUARY 1			<u>164,623</u>		<u>163,554</u>
FUND BALANCE, DECEMBER 31			<u>\$ 177,528</u>		<u>\$ 164,623</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

WARD PROJECTS FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Voluntary Assessments	\$ 73,075	\$ 73,075	\$ 50,316	\$ (22,759)	\$ 67,868
Investment Income	-	-	66,714	66,714	32,964
Donations	-	-	1,300	1,300	500
Total Revenues	73,075	73,075	118,330	45,255	101,332
EXPENDITURES					
Capital Projects					
Roadway	1,350,000	1,369,600	249,330	(1,120,270)	164,561
Other	1,037,250	1,017,650	480,463	(537,187)	549,180
Total Expenditures	2,387,250	2,387,250	729,793	(1,657,457)	713,741
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,314,175)	(2,314,175)	(611,463)	1,702,712	(612,409)
OTHER FINANCING SOURCES (USES)					
Transfers In	750,000	750,000	750,000	-	750,000
Total Other Financing Sources (Uses)	750,000	750,000	750,000	-	750,000
NET CHANGE IN FUND BALANCE	<u>\$ (1,564,175)</u>	<u>\$ (1,564,175)</u>	138,537	<u>\$ 1,702,712</u>	137,591
FUND BALANCE, JANUARY 1			<u>3,861,507</u>		<u>3,723,916</u>
FUND BALANCE, DECEMBER 31			<u>\$ 4,000,044</u>		<u>\$ 3,861,507</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING BALANCE SHEET

WARD PROJECTS FUND

December 31, 2018

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
ASSETS					
Cash and Investments	\$ 533,927	\$ 327,260	\$ 393,690	\$ 428,188	\$ 481,538
Receivable					
Property Taxes	12,712	16,528	-	17,927	-
Loan	-	11,379	-	-	-
Interest	1,127	-	333	319	319
Due From Other Funds	-	60	38	-	-
Total Assets	<u>547,766</u>	<u>355,227</u>	<u>394,061</u>	<u>446,434</u>	<u>481,857</u>
DEFERRED OUTFLOWS OF RESOURCES					
None	-	-	-	-	-
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 547,766</u>	<u>\$ 355,227</u>	<u>\$ 394,061</u>	<u>\$ 446,434</u>	<u>\$ 481,857</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 60,232	\$ 2,659	\$ 3,507	\$ 18	\$ 6,287
Due To Other Funds	-	-	-	-	60
Other Unearned Revenues	-	17,329	-	-	-
Total Liabilities	<u>60,232</u>	<u>19,988</u>	<u>3,507</u>	<u>18</u>	<u>6,347</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	12,712	16,528	-	17,927	-
Total Deferred Inflows of Resources	<u>12,712</u>	<u>16,528</u>	<u>-</u>	<u>17,927</u>	<u>-</u>
Total Liabilities and Deferred Inflows of Resources	<u>72,944</u>	<u>36,516</u>	<u>3,507</u>	<u>17,945</u>	<u>6,347</u>
FUND BALANCES					
Unrestricted					
Assigned for Capital Projects	474,822	318,711	390,554	428,489	475,510
Total Fund Balances	<u>474,822</u>	<u>318,711</u>	<u>390,554</u>	<u>428,489</u>	<u>475,510</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 547,766</u>	<u>\$ 355,227</u>	<u>\$ 394,061</u>	<u>\$ 446,434</u>	<u>\$ 481,857</u>

Ward 6	Ward 7	Ward 8	Ward 9	Ward 10	Total
\$ 413,421	\$ 119,155	\$ 484,161	\$ 807,782	\$ 153,626	\$ 4,142,748
22,906	1,114	-	-	-	71,187
1,922	-	-	-	-	13,301
418	-	1,568	319	-	4,403
-	-	-	-	-	98
<u>438,667</u>	<u>120,269</u>	<u>485,729</u>	<u>808,101</u>	<u>153,626</u>	<u>4,231,737</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 438,667</u>	<u>\$ 120,269</u>	<u>\$ 485,729</u>	<u>\$ 808,101</u>	<u>\$ 153,626</u>	<u>\$ 4,231,737</u>
\$ 660	\$ 315	\$ 36,830	\$ 7,966	\$ 10,183	\$ 128,657
-	38	-	-	-	98
14,422	-	-	-	-	31,751
<u>15,082</u>	<u>353</u>	<u>36,830</u>	<u>7,966</u>	<u>10,183</u>	<u>160,506</u>
22,906	1,114	-	-	-	71,187
<u>22,906</u>	<u>1,114</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>71,187</u>
37,988	1,467	36,830	7,966	10,183	231,693
400,679	118,802	448,899	800,135	143,443	4,000,044
<u>400,679</u>	<u>118,802</u>	<u>448,899</u>	<u>800,135</u>	<u>143,443</u>	<u>4,000,044</u>
\$ 438,667	\$ 120,269	\$ 485,729	\$ 808,101	\$ 153,626	\$ 4,231,737

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE**

WARD PROJECTS FUND

For the Year Ended December 31, 2018

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5
REVENUES					
Voluntary Assessments	\$ 12,856	\$ 2,887	\$ -	\$ 17,316	\$ -
Investment Income	8,518	5,345	6,491	6,428	7,442
Donations	-	-	-	-	-
Total Revenues	21,374	8,232	6,491	23,744	7,442
EXPENDITURES					
Capital Outlay					
Roadway	63,434	-	64,703	-	1,467
Other	28,751	79,416	28,226	22,065	44,010
Total Expenditures	92,185	79,416	92,929	22,065	45,477
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(70,811)	(71,184)	(86,438)	1,679	(38,035)
OTHER FINANCING SOURCES (USES)					
Transfers In	75,000	75,000	75,000	75,000	75,000
Total Other Financing Sources (Uses)	75,000	75,000	75,000	75,000	75,000
NET CHANGE IN FUND BALANCE	4,189	3,816	(11,438)	76,679	36,965
FUND BALANCE, JANUARY 1	470,633	314,895	401,992	351,810	438,545
FUND BALANCE, DECEMBER 31	\$ 474,822	\$ 318,711	\$ 390,554	\$ 428,489	\$ 475,510

Ward 6	Ward 7	Ward 8	Ward 9	Ward 10	Total
\$ 12,282	\$ 1,125	\$ 3,100	\$ -	\$ 750	\$ 50,316
7,074	1,848	8,046	13,315	2,207	66,714
-	-	-	1,300	-	1,300
19,356	2,973	11,146	14,615	2,957	118,330
-	5,866	68,491	32,985	12,384	249,330
87,985	79,044	24,679	46,253	40,034	480,463
87,985	84,910	93,170	79,238	52,418	729,793
(68,629)	(81,937)	(82,024)	(64,623)	(49,461)	(611,463)
75,000	75,000	75,000	75,000	75,000	750,000
75,000	75,000	75,000	75,000	75,000	750,000
6,371	(6,937)	(7,024)	10,377	25,539	138,537
394,308	125,739	455,923	789,758	117,904	3,861,507
\$ 400,679	\$ 118,802	\$ 448,899	\$ 800,135	\$ 143,443	\$ 4,000,044

(See independent auditor's report.)

NONMAJOR ENTERPRISE FUNDS

NONMAJOR ENTERPRISE FUNDS

Motor Vehicle Parking System Fund - to account for the provision of public parking services for a fee. All activities necessary to provide such services are accounted for in the fund including administration, operations, maintenance, financing and related debt service and billing and collection. Financial transactions related to the Stolp Island Parking Deck, 18 surface parking lots and metered on-street parking are recorded in this fund.

Transportation Center Fund - to account for the provision of commuter parking services for a fee. All activities necessary to provide such services are accounted for in the fund including administration, operations, maintenance, financing and related debt service and billing and collection. Financial transactions related to two surface commuter parking facilities, which are operated by the City along the Metra railroad tracks at Illinois Routes 25 and 59, are recorded in this fund.

Golf Operations Fund - to account for all aspects of the operations of the Phillips Park Golf Course which is owned and operated by the City.

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF NET POSITION

NONMAJOR ENTERPRISE FUNDS

December 31, 2018

	Motor Vehicle Parking System	Transportation Center	Golf Operations	Total
CURRENT ASSETS				
Cash and Investments	\$ 310,258	\$ 935,631	\$ 5,353,022	\$ 6,598,911
Restricted Cash and Investments	-	-	435,014	435,014
Receivables				
Accounts (Net of Allowance)	-	152,058	5,178	157,236
Interest	3,852	583	-	4,435
Due from Other Governments	27,225	-	-	27,225
Total Current Assets	341,335	1,088,272	5,793,214	7,222,821
CAPITAL ASSETS				
Nondepreciable	8,370,754	2,310,998	-	10,681,752
Depreciable (Net of Accumulated Depreciation)	8,833,109	1,448,074	1,569,256	11,850,439
Total Capital Assets	17,203,863	3,759,072	1,569,256	22,532,191
Total Assets	17,545,198	4,847,344	7,362,470	29,755,012
DEFERRED OUTFLOW OF RESOURCES				
Unamortized Loss on Refunding	-	-	2,474	2,474
Pension Items - IMRF	28,632	237,767	115,772	382,171
OPEB Items	487,135	517,890	424,231	1,429,256
Total Deferred Outflows of Resources	515,767	755,657	542,477	1,813,901
Total Assets and Deferred Outflows of Resources	18,060,965	5,603,001	7,904,947	31,568,913
CURRENT LIABILITIES				
Accounts Payable	53,437	84,616	9,702	147,755
Accrued Payroll	21,637	57,404	29,787	108,828
Other Unearned Revenue	3,210	84,605	31,798	119,613
Compensated Absences Payable	5,125	7,676	5,466	18,267
Bonds Payable, Due Within One Year	-	-	412,449	412,449
Total Current Liabilities	83,409	234,301	489,202	806,912
NONCURRENT LIABILITIES				
Compensated Absences Payable	97,371	145,842	103,847	347,060
Net Other Postemployment Benefits Liability	811,033	862,236	706,303	2,379,572
Net Pension Liability - IMRF	44,749	371,623	180,948	597,320
Total Noncurrent Liabilities	953,153	1,379,701	991,098	3,323,952
Total Liabilities	1,036,562	1,614,002	1,480,300	4,130,864
DEFERRED INFLOW OF RESOURCES				
Pension Items - IMRF	49,330	409,657	199,467	658,454
OPEB Items	130,945	139,212	114,036	384,193
Total Deferred Inflows of Resources	180,275	548,869	313,503	1,042,647
Total Liabilities and Deferred Inflows of Resources	1,216,837	2,162,871	1,793,803	5,173,511
NET POSITION				
Net Investment in Capital Assets	17,203,863	3,759,072	1,159,281	22,122,216
Restricted Per Debt Ordinance	-	-	435,014	435,014
Unrestricted (Deficit)	(359,735)	(318,942)	4,516,849	3,838,172
TOTAL NET POSITION	\$ 16,844,128	\$ 3,440,130	\$ 6,111,144	\$ 26,395,402

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2018

	Motor Vehicle Parking System	Transportation Center	Golf Operations	Total
OPERATING REVENUES				
Charges for Services	\$ 760,195	\$ 2,326,053	\$ 1,065,667	\$ 4,151,915
Total Operating Revenues	760,195	2,326,053	1,065,667	4,151,915
OPERATING EXPENSES EXCLUDING DEPRECIATION				
Personnel Services	(35,635)	836,060	329,315	1,129,740
Materials and Supplies	74,009	124,317	292,894	491,220
Other Services and Charges	479,668	1,015,002	142,646	1,637,316
Total Operating Expenses Excluding Depreciation	518,042	1,975,379	764,855	3,258,276
OPERATING INCOME BEFORE DEPRECIATION	242,153	350,674	300,812	893,639
Depreciation	402,355	138,434	231,884	772,673
OPERATING INCOME (LOSS)	(160,202)	212,240	68,928	120,966
NON-OPERATING REVENUES (EXPENSES)				
Sales Tax	99,394	-	-	99,394
Investment Income	9,409	14,061	33,614	57,084
Loss on Sale of Asset	-	-	(442,890)	(442,890)
Recovery of Cost	-	137	-	137
Interest Expense	-	-	(20,776)	(20,776)
Total Non-Operating Revenues (Expenses)	108,803	14,198	(430,052)	(307,051)
INCOME (LOSS) BEFORE TRANSFERS, CAPITAL GRANTS AND CONTRIBUTIONS	(51,399)	226,438	(361,124)	(186,085)
TRANSFERS				
Transfers In	-	-	450,000	450,000
Total Transfers	-	-	450,000	450,000
CAPITAL GRANTS AND CONTRIBUTIONS	-	15,040	-	15,040
SPECIAL ITEM				
Gain on Sale of Golf Course	-	-	5,293,708	5,293,708
CHANGE IN NET POSITION	(51,399)	241,478	5,382,584	5,572,663
NET POSITION, JANUARY 1	16,895,527	3,198,652	728,560	20,822,739
NET POSITION, DECEMBER 31	\$ 16,844,128	\$ 3,440,130	\$ 6,111,144	\$ 26,395,402

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS

NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2018

	Motor Vehicle Parking System	Transportation Center	Golf Operations	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 759,643	\$ 2,347,212	\$ 1,069,073	\$ 4,175,928
Payments to Suppliers	(593,332)	(979,355)	(440,093)	(2,012,780)
Overhead Payments to Other Funds	-	(162,146)	-	(162,146)
Payments to Employees	(567,110)	(1,234,173)	(692,444)	(2,493,727)
Net Cash from Operating Activities	(400,799)	(28,462)	(63,464)	(492,725)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Sales Taxes	123,357	-	-	123,357
Transfers In	-	-	450,000	450,000
Net Cash from Noncapital Financing Activities	123,357	-	450,000	573,357
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Property, Plant and Equipment Acquired or Constructed	-	(8,515)	-	(8,515)
Principal Paid on Bonds	-	-	(400,000)	(400,000)
Proceeds from the Sale of Capital Assets	-	-	5,293,708	5,293,708
Bond Interest and Fiscal Agents' Fees	-	-	(20,724)	(20,724)
Net Cash from Capital and Related Financing Activities	-	(8,515)	4,872,984	4,864,469
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from Sale and Maturities on Investment Securities	275,000	-	3,958,965	4,233,965
Purchase of Investment Securities	(94,319)	(8,629)	(3,701,179)	(3,804,127)
Interest on Investments	21,893	14,940	71,838	108,671
Net Cash from Investing Activities	202,574	6,311	329,624	538,509
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(74,868)	(30,666)	5,589,144	5,483,610
CASH AND CASH EQUIVALENTS, JANUARY 1	5,437	450,552	95,215	551,204
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ (69,431)	\$ 419,886	\$ 5,684,359	\$ 6,034,814

(This statement is continued on the following page.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS (Continued)

NONMAJOR ENTERPRISE FUNDS

For the Year Ended December 31, 2018

	Motor Vehicle Parking System	Transportation Center	Golf Operations	Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (160,202)	\$ 212,240	\$ 68,928	\$ 120,966
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities				
Depreciation	402,355	138,434	231,884	772,673
(Increase) Decrease in				
Accounts Receivable	-	21,310	(3,203)	18,107
Deferred Outflows of Resources - Pension Items - IMRF	56,220	133,746	108,972	298,938
Deferred Outflows of Resources - OPEB	123,173	61,675	46,564	231,412
Increase (Decrease) in				
Accounts Payable	(39,655)	(2,182)	(4,553)	(46,390)
Accrued Payroll	221	(2,945)	4,564	1,840
Unearned Revenue	(552)	(151)	6,609	5,906
Compensated Absences	(7,775)	(38,393)	9,738	(36,430)
Deferred Inflows of Resources - IMRF	26,697	310,560	139,520	476,777
Deferred Inflows of Resources - OPEB	113,057	122,225	100,237	335,519
Net Pension Liability - IMRF	(112,125)	(315,235)	(234,560)	(661,920)
Net Other Postemployment Benefits Liability	(802,213)	(669,746)	(538,164)	(2,010,123)
NET CASH FROM OPERATING ACTIVITIES	\$ (400,799)	\$ (28,462)	\$ (63,464)	\$ (492,725)
CASH AND INVESTMENTS				
Cash and Cash Equivalents	\$ (69,431)	\$ 419,886	\$ 5,684,359	\$ 6,034,814
Investments	379,689	515,745	103,677	999,111
TOTAL CASH AND INVESTMENTS	\$ 310,258	\$ 935,631	\$ 5,788,036	\$ 7,033,925
NONCASH TRANSACTIONS				
Contributions	\$ -	\$ 15,040	\$ -	\$ 15,040
Unrealized Gain (Loss) on Investments	(14,893)	(2,675)	(2,934)	(20,502)
TOTAL NONCASH TRANSACTIONS	\$ (14,893)	\$ 12,365	\$ (2,934)	\$ (5,462)

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL

MOTOR VEHICLE PARKING SYSTEM FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Other Taxes					
Sales	\$ 100,000	\$ 100,000	\$ 99,394	\$ (606)	\$ 185,283
Charges for Services					
Fines	466,600	465,000	353,750	(111,250)	322,358
Fees	288,500	290,100	365,879	75,779	294,385
Commercial Space Rents	47,400	47,400	40,566	(6,834)	48,320
Investment Income	3,000	3,000	9,409	6,409	8,391
Miscellaneous	-	-	-	-	128
Total Revenues	905,500	905,500	868,998	(36,502)	858,865
EXPENDITURES					
Enforcement Division					
Personnel Services	-	-	-	-	266,120
Materials and Supplies	-	-	-	-	2,171
Other Services and Charges	-	-	-	-	69,221
Total Enforcement Division	-	-	-	-	337,512
Central Services Division					
Other Services and Charges	72,800	68,500	28,946	(39,554)	-
Total Central Services Division	72,800	68,500	28,946	(39,554)	-
Revenue and Collection Division					
Personnel Services	338,960	338,960	337,978	(982)	207,885
Materials and Supplies	14,500	14,500	9,623	(4,877)	10,067
Other Services and Charges	179,596	179,596	136,294	(43,302)	76,774
Total Revenue and Collection Division	533,056	533,056	483,895	(49,161)	294,726
Maintenance Division					
Personnel Services	237,135	237,135	221,578	(15,557)	196,040
Materials and Supplies	91,000	75,100	64,386	(10,714)	69,619
Other Services and Charges	319,714	339,914	314,428	(25,486)	361,798
Total Maintenance Division	647,849	652,149	600,392	(51,757)	627,457
Total Expenditures	1,253,705	1,253,705	1,113,233	(140,472)	1,259,695
NET INCOME (LOSS) - BUDGET BASIS	\$ (348,205)	\$ (348,205)	\$ (244,235)	\$ 103,970	\$ (400,830)

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL

TRANSPORTATION CENTER FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Charges for Services					
Parking Fees	\$ 2,019,700	\$ 2,019,700	\$ 2,231,299	\$ 211,599	\$ 2,297,042
Fines	134,000	134,000	74,579	(59,421)	93,078
Commercial Space Rents	18,400	18,400	20,175	1,775	30,590
Recovery of Cost	-	-	137	137	-
Investment Income	2,000	2,000	14,061	12,061	7,179
Total Revenues	2,174,100	2,174,100	2,340,251	166,151	2,427,889
EXPENDITURES					
Transportation Center - Route 25					
Personnel Services	706,307	706,307	766,776	60,469	762,759
Materials and Supplies	121,400	126,400	78,594	(47,806)	74,623
Other Services and Charges	467,489	467,489	320,086	(147,403)	376,832
Total Transportation Center - Route 25	1,295,196	1,300,196	1,165,456	(134,740)	1,214,214
Transportation Center - Route 59					
Personnel Services	389,330	389,330	426,059	36,729	413,038
Materials and Supplies	79,700	79,700	45,723	(33,977)	47,193
Other Services and Charges	616,529	671,729	694,809	23,080	516,389
Capital Outlay	477,100	416,900	107	(416,793)	35,778
Total Transportation Center - Route 59	1,562,659	1,557,659	1,166,698	(390,961)	1,012,398
Total Expenditures	2,857,855	2,857,855	2,332,154	(525,701)	2,226,612
NET INCOME (LOSS) - BUDGET BASIS	\$ (683,755)	\$ (683,755)	\$ 8,097	\$ 691,852	\$ 201,277

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL

GOLF OPERATIONS FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Charges for Services					
Fees	\$ 1,155,550	\$ 1,155,550	\$ 1,065,667	\$ (89,883)	\$ 1,122,330
Rental Income	-	-	-	-	795
Investment Income	-	-	33,614	33,614	3,030
Proceeds from Sale of Capital Asset	-	-	-	-	1,957
Total Revenues	1,155,550	1,155,550	1,099,281	(56,269)	1,128,112
EXPENDITURES					
Phillips Park					
Personnel Services	657,923	688,623	706,746	18,123	650,044
Materials and Supplies	291,850	300,950	287,681	(13,269)	358,625
Other Services and Charges	178,286	138,486	129,491	(8,995)	179,539
Total Phillips Park	1,128,059	1,128,059	1,123,918	(4,141)	1,188,208
Fox Valley					
Materials and Supplies	13,500	13,500	5,213	(8,287)	8,454
Other Services and Charges	16,700	16,700	13,155	(3,545)	16,253
Loss on Sale of Capital Asset	-	-	442,890	442,890	-
Total Fox Valley	30,200	30,200	461,258	431,058	24,707
Debt Service					
Interest	20,250	20,250	20,301	51	30,051
Principal	400,000	400,000	400,000	-	390,000
Other Charges	1,000	1,000	475	(525)	-
Total Debt Service	421,250	421,250	420,776	(474)	420,051
Total Expenditures	1,579,509	1,579,509	2,005,952	426,443	1,632,966
INCOME (LOSS) BEFORE TRANSFERS	(423,959)	(423,959)	(906,671)	(482,712)	(504,854)
TRANSFERS					
Transfers In	450,000	450,000	450,000	-	450,000
Total Transfers	450,000	450,000	450,000	-	450,000
SPECIAL ITEM					
Proceeds from Sale of Golf Course	-	-	5,293,708	5,293,708	-
NET INCOME (LOSS) - BUDGET BASIS	\$ 26,041	\$ 26,041	\$ 4,837,037	\$ 4,810,996	\$ (54,854)

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL

WATER AND SEWER FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Charges for Services					
Water Billings	\$ 32,770,000	\$ 32,770,000	\$ 35,012,619	\$ 2,242,619	\$ 33,214,771
Permits and Fees	426,796	426,796	515,534	88,738	480,725
Recovery of Cost	19,000	19,000	38,815	19,815	35,165
Other Sales and Services	267,900	267,900	287,987	20,087	320,806
Investment Income	603,300	603,300	394,659	(208,641)	293,017
Total Revenues	34,086,996	34,086,996	36,249,614	2,162,618	34,344,484
EXPENDITURES					
Management Information Systems					
Personnel Services	89,049	89,049	85,528	(3,521)	85,226
Total Management Information Systems	89,049	89,049	85,528	(3,521)	85,226
Meter Reading and Billing					
Personnel Services	1,319,953	1,323,253	1,317,975	(5,278)	1,247,730
Materials and Supplies	60,300	58,800	55,970	(2,830)	1,218,118
Other Services and Charges	514,256	515,756	464,002	(51,754)	1,019,030
Total Meter Reading and Billing	1,894,509	1,897,809	1,837,947	(59,862)	3,484,878
Water and Sewer Production					
Personnel Services	4,551,105	4,551,105	4,422,941	(128,164)	4,336,917
Materials and Supplies	3,617,620	3,638,120	3,206,685	(431,435)	3,225,684
Other Services and Charges	5,128,417	5,317,917	4,195,201	(1,122,716)	4,329,373
Capital Outlay	11,707,800	11,494,500	2,669,725	(8,824,775)	2,308,939
Total Water and Sewer Production	25,004,942	25,001,642	14,494,552	(10,507,090)	14,200,913
Meter Service and Maintenance					
Personnel Services	434,552	434,552	431,938	(2,614)	410,893
Materials and Supplies	1,020,600	1,020,600	906,616	(113,984)	826,231
Other Services and Charges	50,000	50,000	36,151	(13,849)	29,103
Total Meter Service and Maintenance	1,505,152	1,505,152	1,374,705	(130,447)	1,266,227
Water and Sewer Maintenance					
Personnel Services	5,131,235	5,131,235	5,414,215	282,980	5,094,144
Materials and Supplies	863,950	1,070,450	972,977	(97,473)	674,695
Other Services and Charges	4,279,225	4,097,225	3,451,571	(645,654)	3,475,246
Capital Outlay	6,133,700	6,109,200	1,909,871	(4,199,329)	3,713,094
Total Water and Sewer Maintenance	16,408,110	16,408,110	11,748,634	(4,659,476)	12,957,179
Debt Service					
Principal and Interest	2,764,750	2,764,750	2,740,930	(23,820)	2,729,352
Total Expenditures	47,666,512	47,666,512	32,282,296	(15,384,216)	34,723,775
NET INCOME (LOSS) - BUDGET BASIS	\$ (13,579,516)	\$ (13,579,516)	\$ 3,967,318	\$ 17,546,834	\$ (379,291)

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

**SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL**

AIRPORT FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Other Taxes	\$ 350,000	\$ 350,000	\$ 347,877	\$ (2,123)	\$ 92,642
Charges for Services	789,338	789,338	756,475	(32,863)	633,227
Intergovernmental	1,123,200	1,123,200	172,715	(950,485)	50,693
Investment Income	1,000	1,000	14,854	13,854	4,175
Total Revenues	2,263,538	2,263,538	1,291,921	(971,617)	780,737
EXPENDITURES					
Personnel Services	273,942	200,942	473,035	272,093	180,842
Materials and Supplies	508,900	514,400	143,740	(370,660)	140,295
Other Services and Charges	481,300	580,300	552,063	(28,237)	478,263
Capital Outlay	1,003,000	971,500	556,871	(414,629)	184,997
Total Expenditures	2,267,142	2,267,142	1,725,709	(541,433)	984,397
NET INCOME (LOSS) - BUDGET BASIS	\$ (3,604)	\$ (3,604)	\$ (433,788)	\$ (430,184)	\$ (203,660)

(See independent auditor's report.)

INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

Property and Casualty Insurance Fund - to account for the City's property, general liability and workers' compensation insurance programs. The general liability and workers' compensation programs are essentially self-insured; however, commercial excess insurance is in place. Financing is provided through charges to the City's operating divisions and departments.

Employee Health Insurance Fund - to account for the City's employee health insurance program. The City offers two medical plans and a dental plan to its employees. Financing is provided through charges to the City's operating divisions and departments as well as employee contributions.

Employee Compensated Benefits Fund - to account for the City's accrued liabilities for severance, sick leave and vacation pay earned by employees whose compensation is paid through governmental funds. Financing is provided through charges to the City's operating divisions and departments.

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF NET POSITION

INTERNAL SERVICE FUNDS

December 31, 2018

	Property and Casualty Insurance	Employee Health Insurance	Employee Compensated Benefits	Total
CURRENT ASSETS				
Cash and Investments	\$ 12,249,120	\$ 2,727,204	\$ 20,159,400	\$ 35,135,724
Receivables				
Interest	32,083	7,376	70,476	109,935
Miscellaneous	-	69,063	-	69,063
Prepaid Items	8,616	-	-	8,616
Total Current Assets	12,289,819	2,803,643	20,229,876	35,323,338
CURRENT LIABILITIES				
Accounts Payable	137,808	17,057	-	154,865
Accrued Payroll	10,987	-	34,544	45,531
Claims Payable	5,186,422	520,433	-	5,706,855
Compensated Absences	-	-	980,227	980,227
Total Current Liabilities	5,335,217	537,490	1,014,771	6,887,478
NONCURRENT LIABILITIES				
Compensated Absences	-	-	18,624,306	18,624,306
Claims Payable	3,168,329	-	-	3,168,329
Total Noncurrent Liabilities	3,168,329	-	18,624,306	21,792,635
Total Liabilities	8,503,546	537,490	19,639,077	28,680,113
NET POSITION				
Unrestricted	3,786,273	2,266,153	590,799	6,643,225
TOTAL NET POSITION	\$ 3,786,273	\$ 2,266,153	\$ 590,799	\$ 6,643,225

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2018

	Property and Casualty Insurance	Employee Health Insurance	Employee Compensated Benefits	Total
OPERATING REVENUES				
Charges for Services	\$ 5,939,804	\$ 19,870,578	\$ 997,596	\$ 26,807,978
Total Operating Revenues	5,939,804	19,870,578	997,596	26,807,978
OPERATING EXPENSES				
Other Services and Charges	4,698,128	18,102,910	3,001,772	25,802,810
Total Operating Expenses	4,698,128	18,102,910	3,001,772	25,802,810
OPERATING INCOME (LOSS)	1,241,676	1,767,668	(2,004,176)	1,005,168
NON-OPERATING REVENUES (EXPENSES)				
Investment Income	155,547	28,849	344,850	529,246
Total Non-Operating Revenues (Expenses)	155,547	28,849	344,850	529,246
INCOME (LOSS) BEFORE TRANSFERS	1,397,223	1,796,517	(1,659,326)	1,534,414
TRANSFERS				
Transfers In	2,000,000	-	1,750,000	3,750,000
Transfers (Out)	(750,000)	(1,500,000)	-	(2,250,000)
Total Transfers	1,250,000	(1,500,000)	1,750,000	1,500,000
CHANGE IN NET POSITION	2,647,223	296,517	90,674	3,034,414
NET POSITION, JANUARY 1	1,139,050	1,969,636	500,125	3,608,811
NET POSITION, DECEMBER 31	\$ 3,786,273	\$ 2,266,153	\$ 590,799	\$ 6,643,225

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2018

	Property and Casualty Insurance	Employee Health Insurance	Employee Compensated Benefits	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ -	\$ 2,898,991	\$ -	\$ 2,898,991
Receipts from Interfund Service Transactions	5,939,804	16,948,795	997,596	23,886,195
Payments to Suppliers	(4,387,550)	(18,374,598)	-	(22,762,148)
Payments to Employees	-	-	(2,362,303)	(2,362,303)
Net Cash from Operating Activities	<u>1,552,254</u>	<u>1,473,188</u>	<u>(1,364,707)</u>	<u>1,660,735</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers In	2,000,000	-	1,750,000	3,750,000
Transfers (Out)	(750,000)	(1,500,000)	-	(2,250,000)
Net Cash from Noncapital Financing Activities	<u>1,250,000</u>	<u>(1,500,000)</u>	<u>1,750,000</u>	<u>1,500,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
None	-	-	-	-
Net Cash from Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from Sale and Maturities on Investment Securities	4,000,000	500,000	8,390,000	12,890,000
Purchase of Investment Securities	(4,630,288)	(2,139,950)	(6,334,146)	(13,104,384)
Interest on Investments	82,778	35,763	165,739	284,280
Net Cash from Investing Activities	<u>(547,510)</u>	<u>(1,604,187)</u>	<u>2,221,593</u>	<u>69,896</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,254,744	(1,630,999)	2,606,886	3,230,631
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>3,392,414</u>	<u>2,229,132</u>	<u>5,959,499</u>	<u>11,581,045</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 5,647,158</u></u>	<u><u>\$ 598,133</u></u>	<u><u>\$ 8,566,385</u></u>	<u><u>\$ 14,811,676</u></u>

(This statement is continued on the following page.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS (Continued)

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2018

	Property and Casualty Insurance	Employee Health Insurance	Employee Compensated Benefits	Total
RECONCILIATION OF OPERATING (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating (Loss)	\$ 1,241,676	\$ 1,767,668	\$ (2,004,176)	\$ 1,005,168
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities				
(Increase) Decrease in				
Miscellaneous Receivables	-	(22,792)	-	(22,792)
Prepaid Items	34,463	-	-	34,463
Increase (Decrease) in				
Accounts Payable	110,394	(29,312)	-	81,082
Accrued Payroll	10,987	-	(22,156)	(11,169)
Retainage Payable	-	-	-	-
Compensated Absences	-	-	661,625	661,625
Claims Payable	154,734	(242,376)	-	(87,642)
NET CASH FROM OPERATING ACTIVITIES	\$ 1,552,254	\$ 1,473,188	\$ (1,364,707)	\$ 1,660,735
CASH AND INVESTMENTS				
Cash and Cash Equivalents	\$ 5,647,158	\$ 598,133	\$ 8,566,385	\$ 14,811,676
Investments	6,601,962	2,129,071	11,593,015	20,324,048
CASH AND INVESTMENTS	\$ 12,249,120	\$ 2,727,204	\$ 20,159,400	\$ 35,135,724
NONCASH TRANSACTIONS				
Unrealized Gain (Loss) on Investments	\$ 2,196	\$ 34,937	\$ (83,622)	\$ (46,489)
TOTAL NONCASH TRANSACTIONS	\$ 2,196	\$ 34,937	\$ (83,622)	\$ (46,489)

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL

PROPERTY AND CASUALTY INSURANCE FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Charges for Services	\$ 5,824,500	\$ 5,824,500	\$ 5,939,804	\$ 115,304	\$ 6,172,519
Total Revenues	5,824,500	5,824,500	5,939,804	115,304	6,172,519
EXPENSES					
Other Services and Charges	5,824,500	6,074,500	4,698,128	(1,376,372)	8,589,046
Total Expenses	5,824,500	6,074,500	4,698,128	(1,376,372)	8,589,046
OPERATING INCOME (LOSS)	-	(250,000)	1,241,676	1,491,676	(2,416,527)
NON-OPERATING REVENUES (EXPENSES)					
Investment Income	40,000	40,000	155,547	115,547	69,846
Total Non-Operating Revenues (Expenses)	40,000	40,000	155,547	115,547	69,846
INCOME (LOSS) BEFORE TRANSFERS	40,000	(210,000)	1,397,223	1,607,223	(2,346,681)
TRANSFERS					
Transfers In	-	1,500,000	2,000,000	500,000	1,500,000
Transfers (Out)	-	-	(750,000)	(750,000)	-
Total Transfers	-	1,500,000	1,250,000	(250,000)	1,500,000
CHANGE IN NET POSITION	\$ 40,000	\$ 1,290,000	2,647,223	\$ 1,357,223	(846,681)
NET POSITION, JANUARY 1			1,139,050		1,985,731
NET POSITION, DECEMBER 31			\$ 3,786,273		\$ 1,139,050

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL

EMPLOYEE HEALTH INSURANCE FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Charges for Services	\$ 19,914,958	\$ 19,914,958	\$ 19,870,578	\$ (44,380)	\$ 20,325,392
Total Revenues	19,914,958	19,914,958	19,870,578	(44,380)	20,325,392
EXPENSES					
Other Services and Charges	19,671,829	19,671,829	18,102,910	(1,568,919)	18,060,083
Total Expenses	19,671,829	19,671,829	18,102,910	(1,568,919)	18,060,083
OPERATING INCOME	243,129	243,129	1,767,668	1,524,539	2,265,309
NON-OPERATING REVENUES (EXPENSES)					
Investment Income	5,000	5,000	28,849	23,849	24,772
Total Non-Operating Revenues (Expenses)	5,000	5,000	28,849	23,849	24,772
INCOME BEFORE TRANSFERS	248,129	248,129	1,796,517	1,548,388	2,290,081
TRANSFERS					
Transfers (Out)	-	(1,500,000)	(1,500,000)	-	(2,500,000)
Total Transfers	-	(1,500,000)	(1,500,000)	-	(2,500,000)
CHANGE IN NET POSITION	\$ 248,129	\$ (1,251,871)	296,517	\$ 1,548,388	(209,919)
NET POSITION, JANUARY 1			1,969,636		2,179,555
NET POSITION, DECEMBER 31			\$ 2,266,153		\$ 1,969,636

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL

EMPLOYEE COMPENSATED BENEFITS FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018				2017 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Charges for Services	\$ 850,000	\$ 850,000	\$ 997,596	\$ 147,596	\$ -
Total Revenues	850,000	850,000	997,596	147,596	-
EXPENSES					
Other Services and Charges	1,000,000	3,001,800	3,001,772	(28)	2,533,697
Total Expenses	1,000,000	3,001,800	3,001,772	(28)	2,533,697
OPERATING INCOME (LOSS)	(150,000)	(2,151,800)	(2,004,176)	147,624	(2,533,697)
NON-OPERATING REVENUES (EXPENSES)					
Investment Income	150,000	150,000	344,850	194,850	187,363
Total Non-Operating Revenues (Expenses)	150,000	150,000	344,850	194,850	187,363
INCOME (LOSS) BEFORE TRANSFERS	-	(2,001,800)	(1,659,326)	342,474	(2,346,334)
TRANSFERS					
Transfers In	-	1,000,000	1,750,000	750,000	2,650,000
Total Transfers	-	1,000,000	1,750,000	750,000	2,650,000
CHANGE IN NET POSITION	\$ -	\$ (1,001,800)	90,674	\$ 1,092,474	303,666
NET POSITION, JANUARY 1			500,125		196,459
NET POSITION, DECEMBER 31			\$ 590,799		\$ 500,125

(See independent auditor's report.)

FIDUCIARY FUNDS

FIDUCIARY FUNDS

Police Pension Fund - to account for the resources necessary to provide retirement and disability benefits to sworn personnel of the Aurora Police Department. Revenues are provided by city contributions (made possible primarily by a property tax levy), employee payroll withholdings and investment income.

Firefighters' Pension Fund - to account for the resources necessary to provide retirement and disability benefits to sworn personnel of the Aurora Fire Department. Revenues are provided by city contributions (made possible primarily by a property tax levy), employee payroll withholdings and investment income.

Retiree Health Insurance Trust Fund - to account for the City's retiree health insurance program. The City offers a medical plan and a dental plan to its eligible retirees. Financing is provided through charges to the City's operating divisions and departments, retiree contributions and investment income.

Section 125 Medical Fund - to account for employee payroll deductions pursuant to Section 125 of the Internal Revenue Code for the reimbursement of qualified medical expenses.

Section 125 Dependent Care Fund - to account for employee payroll deductions pursuant to Section 125 of the Internal Revenue Code for the reimbursement of qualified dependent care expenses.

Police Charitable Fund - To account for donations received by a group of police officers of the Aurora Police Department that are dedicated to charitable causes in the community.

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF PLAN NET POSITION

PENSION AND OTHER POSTEMPLOYMENT BENEFIT TRUST FUNDS

December 31, 2018

	Pension Trust		Other	Total
	Police Pension	Firefighters' Pension	Postemployment	
			Benefit Retiree Health Insurance Trust	
ASSETS				
Cash and Short-Term Investments	\$ 11,724,409	\$ 7,648,305	\$ 4,573,143	\$ 23,945,857
Investments, at Fair Value				
Fixed Income Securities	72,342,722	56,539,443	16,012,300	144,894,465
Domestic Equity Securities	63,700,720	49,917,783	16,082,992	129,701,495
International Equity Securities	33,449,314	26,176,642	2,872,783	62,498,739
Real Estate Investment Trusts	23,698,739	18,846,831	1,401,318	43,946,888
Blended Mutual Funds	8,866,891	7,141,102	-	16,007,993
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)				
Accounts Receivable	-	-	65,022	65,022
Accrued Interest	542,859	427,171	89,819	1,059,849
Pension Service Credit	96,156	-	-	96,156
Prepaid Expenses	5,808	5,808	3,872	15,488
Due from the Primary Government	17,794	20,115	-	37,909
Total Assets	214,445,412	166,723,200	41,101,249	422,269,861
LIABILITIES				
Accounts Payable	224,119	161,798	17,208	403,125
Deposits Payable	-	-	82,738	82,738
Benefits Payable	-	-	378,578	378,578
Total Liabilities	224,119	161,798	478,524	864,441
NET POSITION RESTRICTED FOR PENSION/OPEB BENEFITS	\$ 214,221,293	\$ 166,561,402	\$ 40,622,725	\$ 421,405,420

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF CHANGES IN PLAN NET POSITION

PENSION AND OTHER POSTEMPLOYMENT BENEFIT TRUST FUNDS

For the Year Ended December 31, 2018

	Pension Trust		Other	Total
	Police Pension	Firefighters' Pension	Postemployment Benefit	
			Retiree Health Insurance Trust	
ADDITIONS				
Contributions				
Employer Contributions	\$ 14,593,748	\$ 11,660,332	\$ 5,971,018	\$ 32,225,098
Employee Contributions	3,415,938	2,155,630	-	5,571,568
Total Contributions	18,009,686	13,815,962	5,971,018	37,796,666
Investment Income				
Net Depreciation in Fair Value of Investments	(11,385,954)	(8,926,726)	(1,188,611)	(21,501,291)
Interest	4,538,795	3,550,043	683,714	8,772,552
Total Investment Income	(6,847,159)	(5,376,683)	(504,897)	(12,728,739)
Less Investment Expense	(509,094)	(421,307)	(96,848)	(1,027,249)
Net Investment Income	(7,356,253)	(5,797,990)	(601,745)	(13,755,988)
Total Additions	10,653,433	8,017,972	5,369,273	24,040,678
DEDUCTIONS				
Pension Benefits	15,853,359	13,520,059	-	29,373,418
Health Insurance Benefits	-	-	7,403,682	7,403,682
Less Retiree Contributions	-	-	(2,982,317)	(2,982,317)
Administrative Expenses	64,068	90,747	20,483	175,298
Total Deductions	15,917,427	13,610,806	4,441,848	33,970,081
NET INCREASE (DECREASE)	(5,263,994)	(5,592,834)	927,425	(9,929,403)
NET POSITION RESTRICTED FOR PENSION/OPEB BENEFITS				
January 1	219,485,287	172,154,236	39,695,300	431,334,823
December 31	\$ 214,221,293	\$ 166,561,402	\$ 40,622,725	\$ 421,405,420

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF CHANGES IN PLAN NET POSITION -
BUDGET AND ACTUAL

POLICE PENSION FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
ADDITIONS					
Contributions					
Employer Contributions	\$ 14,527,100	\$ 14,527,100	\$ 14,593,748	\$ 66,648	\$ 12,961,109
Employee Contributions	3,100,000	3,100,000	3,415,938	315,938	3,410,505
Total Contributions	17,627,100	17,627,100	18,009,686	382,586	16,371,614
Investment Income					
Net Appreciation (Depreciation) in Fair Value of Investments	-	-	(11,385,954)	(11,385,954)	24,882,121
Interest	12,000,000	12,000,000	4,538,795	(7,461,205)	3,887,880
Total Investment Income	12,000,000	12,000,000	(6,847,159)	(18,847,159)	28,770,001
Less Investment Expense	(550,000)	(550,000)	(509,094)	40,906	(498,992)
Net Investment Income	11,450,000	11,450,000	(7,356,253)	(18,806,253)	28,271,009
Total Additions	29,077,100	29,077,100	10,653,433	(18,423,667)	44,642,623
DEDUCTIONS					
Pension Benefits	16,315,000	16,315,000	15,853,359	(461,641)	15,014,938
Administrative Expenses	99,400	99,400	64,068	(35,332)	48,376
Total Deductions	16,414,400	16,414,400	15,917,427	(496,973)	15,063,314
NET INCREASE (DECREASE)	\$ 12,662,700	\$ 12,662,700	(5,263,994)	\$ (17,926,694)	29,579,309
NET POSITION RESTRICTED FOR PENSION BENEFITS					
January 1			219,485,287		189,905,978
December 31			\$ 214,221,293		\$ 219,485,287

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF CHANGES IN PLAN NET POSITION -
BUDGET AND ACTUAL

FIREFIGHTERS' PENSION FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018				2017 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
ADDITIONS					
Contributions					
Employer Contributions	\$ 11,606,300	\$ 11,606,300	\$ 11,660,332	\$ 54,032	\$ 10,491,826
Employee Contributions	2,150,000	2,150,000	2,155,630	5,630	2,056,982
Total Contributions	13,756,300	13,756,300	13,815,962	59,662	12,548,808
Investment Income					
Net Appreciation (Depreciation) in Fair Value of Investments	-	-	(8,926,726)	(8,926,726)	19,947,266
Interest	9,500,000	9,500,000	3,550,043	(5,949,957)	3,084,812
Total Investment Income	9,500,000	9,500,000	(5,376,683)	(14,876,683)	23,032,078
Less Investment Expense	(450,000)	(450,000)	(421,307)	28,693	(413,718)
Net Investment Income	9,050,000	9,050,000	(5,797,990)	(14,847,990)	22,618,360
Total Additions	22,806,300	22,806,300	8,017,972	(14,788,328)	35,167,168
DEDUCTIONS					
Pension Benefits	13,592,000	13,592,000	13,520,059	(71,941)	12,821,164
Administrative Expenses	79,500	79,500	90,747	11,247	51,872
Total Deductions	13,671,500	13,671,500	13,610,806	(60,694)	12,873,036
NET INCREASE (DECREASE)	\$ 9,134,800	\$ 9,134,800	(5,592,834)	\$ (14,727,634)	22,294,132
NET POSITION RESTRICTED FOR PENSION BENEFITS					
January 1			172,154,236		149,860,104
December 31			\$ 166,561,402		\$ 172,154,236

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF CHANGES IN PLAN NET POSITION -
BUDGET AND ACTUAL

RETIREE HEALTH INSURANCE TRUST FUND

For the Year Ended December 31, 2018
(With Comparative Actual for 2017)

	2018			Variance Over (Under)	2017 Actual
	Original Budget	Final Budget	Actual		
ADDITIONS					
Contributions					
Employer Contributions	\$ 5,971,018	\$ 5,971,018	\$ 5,971,018	\$ -	\$ 1,366,830
Total Contributions	5,971,018	5,971,018	5,971,018	-	1,366,830
Investment Income					
Net Appreciation (Depreciation) in Fair Value of Investments	-	-	(1,188,611)	(1,188,611)	5,087,469
Interest	1,000,000	1,000,000	683,714	(316,286)	612,304
Total Investment Income	1,000,000	1,000,000	(504,897)	(1,504,897)	5,699,773
Less Investment Expense	(104,100)	(104,100)	(96,848)	7,252	(80,849)
Net Investment Income	895,900	895,900	(601,745)	(1,497,645)	5,618,924
Total Additions	6,866,918	6,866,918	5,369,273	(1,497,645)	6,985,754
DEDUCTIONS					
Health Insurance Benefits	10,267,095	10,267,095	7,403,682	(2,863,413)	9,433,304
Less Retiree Contributions	(3,452,724)	(3,452,724)	(2,982,317)	470,407	(2,811,425)
Administrative Expenses	46,000	46,000	20,483	(25,517)	21,493
Total Deductions	6,860,371	6,860,371	4,441,848	(2,418,523)	6,643,372
NET INCREASE	\$ 6,547	\$ 6,547	927,425	\$ 920,878	342,382
NET POSITION RESTRICTED FOR OPEB BENEFITS					
January 1			39,695,300		39,352,918
December 31			\$ 40,622,725		\$ 39,695,300

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUNDS

For the Year Ended December 31, 2018

	Balances				Balances
	January 1	Additions	Deductions		December 31
All Funds					
ASSETS					
Cash and Investments	\$ 46,828	\$ 307,900	\$ 285,190		\$ 69,538
TOTAL ASSETS	\$ 46,828	\$ 307,900	\$ 285,190		\$ 69,538
LIABILITIES					
Due to Others	\$ 46,828	\$ 294,381	\$ 278,312		\$ 69,538
TOTAL LIABILITIES	\$ 46,828	\$ 294,381	\$ 278,312		\$ 69,538
1. Section 125 Medical Fund					
ASSETS					
Cash and Investments	\$ 34,174	\$ 257,418	\$ 247,397		\$ 44,195
TOTAL ASSETS	\$ 34,174	\$ 257,418	\$ 247,397		\$ 44,195
LIABILITIES					
Due to Others	\$ 34,174	\$ 257,418	\$ 247,397		\$ 44,195
TOTAL LIABILITIES	\$ 34,174	\$ 257,418	\$ 247,397		\$ 44,195
2. Section 125 Dependent Care Fund					
ASSETS					
Cash and Investments	\$ 10,071	\$ 36,963	\$ 30,915		\$ 16,119
TOTAL ASSETS	\$ 10,071	\$ 36,963	\$ 30,915		\$ 16,119
LIABILITIES					
Due to Others	\$ 10,071	\$ 36,963	\$ 30,915		\$ 16,119
TOTAL LIABILITIES	\$ 10,071	\$ 36,963	\$ 30,915		\$ 16,119
3. Police Charitable Fund					
ASSETS					
Cash and Investments	\$ 2,583	\$ 13,519	\$ 6,878		\$ 9,224
TOTAL ASSETS	\$ 2,583	\$ 13,519	\$ 6,878		\$ 9,224
LIABILITIES					
Due to Others	\$ 2,583	\$ 13,519	\$ 6,878		\$ 9,224
TOTAL LIABILITIES	\$ 2,583	\$ 13,519	\$ 6,878		\$ 9,224

(See independent auditor's report.)

SUPPLEMENTARY FINANCIAL INFORMATION

CITY OF AURORA, ILLINOIS

SCHEDULE OF INSURANCE COVERAGE AND OTHER INFORMATION

December 31, 2018

Company	Policy/Contract Number	Expiration Date	Coverage	Deductible/ Self-Insured Retention	Liability Limits
Chubb Group of Insurance Companies	3527-61-84	12/31/2018	Property and Inland Marine	\$50,000	\$305,784,486
AIG Risk Cyber Liability	065209072	12/31/2018	Internet Liability	\$25,000	\$1,000,000
Hanover Insurance Company	IHCA20678604	12/31/2018	Fine Arts/City Statutes	\$1,000	\$955,000
Safety National Casualty Corporation	SP4058161	12/31/2018	Excess Worker's Compensation	\$675,000	Statutory
Allied World Assurance Co. (AWAC)	5111007001	12/31/2018	Excess General Liability	\$2,000,000	\$10,000,000
Star Stone National Insurance Company	11639D163ALI	12/31/2018	Excess General Liability	\$12,000,000	\$15,000,000
Endurance American Insurance Company	EXC30000033202	12/31/2018	Excess Liability	\$25,000,000	\$10,000,000
Global Aerospace	11000279	11/1/2019	Airport Liability	None	\$15,000,000
Allied World Assurance Company	031013889	3/30/2019	Commercial Pollution Legal Liability	\$250,000	\$10,000,000
Lloyds	LIQ/225258	2/14/2019	Golf Course Liquor Liability	N/A	\$1,000,000
Cincinnati Specialty Underwriters	CSU0056746	4/4/2019	Special Events Liability	\$1,000	\$1,000,000
Travelers Caslty and Indemnity	106434737	12/31/2018	Crime Liability	\$10,000	\$600,000
Cigna	3339410	12/31/2019	Medical Stop-Loss	\$325,000 per individual	None
HMO Illinois	B56441	12/31/2019	Health Maintenance Organization	N/A	None
Aetna	467140	12/31/2019	Medicare Advantage Plan	N/A	None

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT
CONSOLIDATED YEAR END FINANCIAL REPORT

For the Year Ended December 31, 2018

CSFA Number	Program Name	State	Federal	Other	Total
422-11-0970	Open Space Land Acquisition & Development	\$ 400,000	\$ -	\$ 400,000	\$ 800,000
494-00-0967	High-Growth Cities Program	271,886	-	-	271,886
494-00-1003	Congestion Mitigation and Air Quality Improvement Program	-	431,104	-	431,104
494-00-1005	Local Federal Bridge Program	-	4,798	-	4,798
494-00-1488	Motor Fuel Tax Program	181,139	238,272	-	419,411
494-42-0495	Local Surface Transportation Program	-	92,637	-	92,637
494-60-0327	Airport Improvement Program	94,118	78,596	-	172,714
503-00-0360	Promotion of the Arts - Partnership Agreements	-	1,345	-	1,345
532-60-0377	USEPA Capitalization Grants for Clean Water State Revolving Funds	-	218,460	106,031	324,491
588-40-0450	Emergency Management Performance Grants	-	131,576	-	131,576
	Other grant programs and activities	-	3,548,955	986,358	4,535,313
	All other costs not allocated	-	-	168,790,976	168,790,976
	TOTALS	<u>\$ 947,143</u>	<u>\$ 4,745,743</u>	<u>\$ 170,283,365</u>	<u>\$ 175,976,251</u>

(See independent auditor's report.)

STATISTICAL SECTION

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have been changed over time.	174-183
Revenue Capacity These schedules contain information to help the readers assess the performance of property tax and sales tax revenues, two of the City's most significant revenue sources.	184-192
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	193-197
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	198-199
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	200-202

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

CITY OF AURORA, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	\$ 373,628,698	\$ 403,827,533	\$ 400,801,028	\$ 418,850,676
Restricted	38,849,472	44,627,526	57,475,378	60,415,848
Unrestricted	(20,413,554)	(24,627,343)	(31,885,608)	(43,572,795)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 392,064,616	\$ 423,827,716	\$ 426,390,798	\$ 435,693,729
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	\$ 160,616,931	\$ 158,416,912	\$ 159,199,865	\$ 160,897,280
Restricted	10,697,755	3,493,569	3,220,687	3,184,371
Unrestricted	2,423,720	16,923,646	21,320,976	24,765,720
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 173,738,406	\$ 178,834,127	\$ 183,741,528	\$ 188,847,371
PRIMARY GOVERNMENT				
Net Investment in Capital Assets	\$ 534,245,629	\$ 562,244,445	\$ 560,000,893	\$ 579,747,956
Restricted	49,547,227	48,121,095	60,696,065	63,600,219
Unrestricted	(17,989,834)	(7,703,697)	(10,564,632)	(18,807,075)
TOTAL PRIMARY GOVERNMENT	\$ 565,803,022	\$ 602,661,843	\$ 610,132,326	\$ 624,541,100

*Beginning in 2014, the Airport Fund is accounted for in an Enterprise Fund.

**The City implemented GASB Statement No. 68 in 2015.

***The City implemented GASB Statement No. 75 in 2016.

Data Source

Audited Financial Statements

2013	2014*	2015**	2016***	2017	2018
\$ 432,100,779	\$ 397,680,473	\$ 403,321,914	\$ 407,653,041	\$ 399,174,599	\$ 401,626,704
57,318,045	56,299,322	54,444,574	51,237,607	49,050,889	46,652,700
(42,710,953)	(53,656,368)	(407,644,624)	(543,119,166)	(530,292,478)	(448,615,807)
\$ 446,707,871	\$ 400,323,427	\$ 50,121,864	\$ (84,228,518)	\$ (82,066,990)	\$ (336,403)
\$ 162,851,832	\$ 205,419,092	\$ 214,001,819	\$ 220,999,533	\$ 227,313,783	\$ 226,037,151
3,300,203	4,361,135	4,395,905	4,342,503	4,300,766	5,094,880
23,387,074	17,106,722	6,523,481	(19,197,965)	(15,894,069)	(408,882)
\$ 189,539,109	\$ 226,886,949	\$ 224,921,205	\$ 206,144,071	\$ 215,720,480	\$ 230,723,149
\$ 594,952,611	\$ 603,099,565	\$ 617,323,733	\$ 628,652,574	\$ 626,488,382	\$ 627,663,855
60,618,248	60,660,457	58,840,479	55,580,110	53,351,655	51,747,580
(19,323,879)	(36,549,646)	(401,121,143)	(562,317,131)	(546,186,547)	(449,024,689)
\$ 636,246,980	\$ 627,210,376	\$ 275,043,069	\$ 121,915,553	\$ 133,653,490	\$ 230,386,746

CITY OF AURORA, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012
EXPENSES				
Governmental Activities				
General Government	\$ 21,683,280	\$ 21,123,216	\$ 20,510,561	\$ 20,588,032
Public Safety	108,896,449	110,218,850	108,555,389	112,902,507
Streets and Transportation	34,839,503	30,275,204	28,208,054	29,621,587
Health and Welfare	11,420,275	11,499,524	12,712,638	12,825,038
Culture and Recreation	9,207,127	6,173,800	5,790,323	5,589,522
Sanitation*	1,842,287	-	-	-
Economic Development	21,809,306	11,858,643	12,854,342	14,673,809
Interest	9,193,424	9,355,114	8,940,572	8,250,302
Total Governmental Activities Expenses	<u>218,891,651</u>	<u>200,504,351</u>	<u>197,571,879</u>	<u>204,450,797</u>
BUSINESS-TYPE ACTIVITIES				
Water and Sewer	28,292,478	30,386,150	25,715,582	27,923,402
Airport	-	-	-	-
Downtown Parking	1,547,246	1,522,662	1,386,368	1,427,840
Commuter Parking	2,325,390	1,946,223	2,168,700	1,934,761
Golf Operations	2,127,103	2,323,672	2,038,860	2,222,436
Total Business-Type Activities Expenses	<u>34,292,217</u>	<u>36,178,707</u>	<u>31,309,510</u>	<u>33,508,439</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 253,183,868</u>	<u>\$ 236,683,058</u>	<u>\$ 228,881,389</u>	<u>\$ 237,959,236</u>
PROGRAM REVENUES				
Governmental Activities				
Charges for Services				
General Government	\$ 2,244,848	\$ 4,450,187	\$ 4,151,453	\$ 4,510,988
Public Safety	5,866,096	7,084,591	5,420,708	6,352,306
Streets and Transportation	3,304,190	1,545,250	1,501,823	581,212
Health and Welfare	4,919,505	7,813,819	8,184,103	9,233,448
Culture and Recreations	824,936	224,095	55,649	70,773
Sanitation*	1,664,787	-	-	-
Economic Development	16,181	-	32,800	-
Operating Grants and Contributions	6,560,358	17,819,932	11,433,555	11,445,052
Capital Grants and Contributions	11,906,735	20,966,577	9,492,188	20,308,026
Total Governmental Activities Program Revenues	<u>37,307,636</u>	<u>59,904,451</u>	<u>40,272,279</u>	<u>52,501,805</u>
Business-Type Activities				
Charges for Services				
Water and Sewer	25,888,333	27,138,306	27,110,225	30,113,165
Airport	-	-	-	-
Downtown Parking	885,576	981,493	871,841	807,228
Commuter Parking	2,056,431	2,077,473	2,066,686	2,024,724
Golf Operations	1,888,659	1,899,338	1,719,595	1,820,546
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	3,901,175	15,060,750	4,468,842	4,173,659
Total Business-Type Activities Program Revenues	<u>34,620,174</u>	<u>47,157,360</u>	<u>36,237,189</u>	<u>38,939,322</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 71,927,810</u>	<u>\$ 107,061,811</u>	<u>\$ 76,509,468</u>	<u>\$ 91,441,127</u>
NET (EXPENSE) REVENUE				
Governmental Activities	\$ (181,584,015)	\$ (140,599,900)	\$ (157,299,600)	\$ (151,948,992)
Business-Type Activities	<u>327,957</u>	<u>10,978,653</u>	<u>4,927,679</u>	<u>5,430,883</u>
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	<u>\$ (181,256,058)</u>	<u>\$ (129,621,247)</u>	<u>\$ (152,371,921)</u>	<u>\$ (146,518,109)</u>

2013	2014**	2015***	2016****	2017	2018
\$ 17,779,539	\$ 21,893,478	\$ 23,186,372	\$ 30,347,523	\$ 17,737,787	\$ 18,718,491
117,562,548	121,507,980	143,584,098	163,293,002	131,499,906	70,316,127
32,098,007	33,709,791	30,913,021	23,423,486	28,331,470	21,991,553
11,163,548	10,879,629	11,376,491	14,252,881	14,626,569	8,653,775
6,667,817	6,963,595	6,870,093	8,052,677	4,831,144	6,810,003
-	-	-	-	-	-
9,321,544	5,931,240	7,230,835	5,880,557	4,316,169	11,377,518
7,674,763	6,802,956	8,130,590	4,736,870	4,787,749	4,861,905
202,267,766	207,688,669	231,291,500	249,986,996	206,130,794	142,729,372
29,229,635	32,475,416	30,934,529	33,090,467	28,392,800	26,125,647
-	2,434,443	2,475,000	2,306,605	2,269,889	3,069,507
1,559,715	1,412,253	1,509,333	1,710,443	1,287,648	920,397
2,416,040	2,479,959	2,315,249	2,798,933	2,201,472	2,113,813
1,959,642	1,946,967	1,890,578	1,673,551	1,009,680	1,017,515
35,165,032	40,749,038	39,124,689	41,579,999	35,161,489	33,246,879
\$ 237,432,798	\$ 248,437,707	\$ 270,416,189	\$ 291,566,995	\$ 241,292,283	\$ 175,976,251
\$ 4,969,924	\$ 3,900,227	\$ 3,897,599	\$ 4,105,726	\$ 3,606,185	\$ 3,594,384
5,767,649	6,432,703	6,784,891	7,945,596	8,306,074	8,459,057
1,521,201	829,730	1,149,390	896,360	717,274	918,899
10,604,976	11,850,549	13,649,579	13,646,374	12,897,740	12,899,904
289,587	272,395	333,638	411,617	399,661	336,757
-	-	-	-	-	-
67,778	315,434	7,263	10,695	7,758	1,689
8,931,304	9,709,903	7,088,313	9,343,676	6,944,871	9,879,382
6,164,015	4,385,529	3,761,983	2,010,873	2,574,778	1,997,728
38,316,434	37,696,470	36,672,656	38,370,917	35,454,341	38,087,800
29,421,826	30,241,878	31,478,260	32,824,053	34,016,302	35,816,140
-	834,746	769,187	702,774	633,227	756,475
704,014	874,708	871,969	819,110	665,063	760,195
2,025,025	2,241,649	2,230,958	2,208,216	2,420,710	2,326,053
1,798,129	1,624,876	1,617,708	1,140,633	1,123,125	1,065,667
-	87,692	84,388	195,249	50,693	172,715
1,820,135	1,518,717	649,174	283,425	102,618	695,502
35,769,129	37,424,266	37,701,644	38,173,460	39,011,738	41,592,747
\$ 74,085,563	\$ 75,120,736	\$ 74,374,300	\$ 76,544,377	\$ 74,466,079	\$ 79,680,547
\$ (163,951,332)	\$ (169,992,199)	\$ (194,618,844)	\$ (211,616,079)	\$ (170,676,453)	\$ (104,641,572)
604,097	(3,324,772)	(1,423,045)	(3,406,539)	3,850,249	8,345,868
\$ (163,347,235)	\$ (173,316,971)	\$ (196,041,889)	\$ (215,022,618)	\$ (166,826,204)	\$ (96,295,704)

CITY OF AURORA, ILLINOIS

CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 82,845,255	\$ 85,791,335	\$ 82,425,418	\$ 79,226,198
Sales	36,434,096	38,657,829	40,911,661	41,957,531
Utility	10,362,550	10,125,801	10,231,247	10,163,505
Income	13,385,104	12,960,748	14,334,299	17,388,869
Real Estate Transfer	1,260,381	1,352,542	1,396,683	1,921,008
Food and Beverage	3,419,497	3,554,765	3,728,894	4,002,735
Gaming	11,809,475	10,624,299	10,241,111	9,044,541
Hotel/Motel	373,696	393,253	436,624	463,512
Other	855,881	913,533	905,063	1,019,382
Investment Income	1,375,305	294,340	405,583	197,271
Miscellaneous	1,008,521	1,160,863	1,003,328	1,306,832
Special Item	-	-	(6,957,229)	(4,973,299)
Transfers	865,000	550,000	800,000	725,000
Total Governmental Activities	163,994,761	166,379,308	159,862,682	162,443,085
Business-Type Activities				
Sales	-	350,000	369,103	444,665
Investment Income	407,201	284,011	385,939	316,187
Miscellaneous	9,454	16,749	24,680	9,629
Special Item	-	-	-	-
Transfers	(865,000)	(550,000)	(800,000)	(725,000)
Total Business-Type Activities	(448,345)	100,760	(20,278)	45,481
TOTAL PRIMARY GOVERNMENT	\$ 163,546,416	\$ 166,480,068	\$ 159,842,404	\$ 162,488,566
CHANGE IN NET POSITION				
Governmental Activities	\$ (17,589,982)	\$ 7,913,690	\$ 2,563,082	\$ 10,494,093
Business-Type Activities	(120,388)	5,410,605	4,907,401	5,476,364
TOTAL PRIMARY GOVERNMENT	\$ (17,710,370)	\$ 13,324,295	\$ 7,470,483	\$ 15,970,457

*Sanitation is combined with health and welfare beginning in 2010.

**Beginning in 2014, the Airport Fund is accounted for in an Enterprise Fund.

***The City implemented GASB Statement No 68 in 2015.

****The City implemented GASB Statement No 75 in 2016.

Data Source

Audited Financial Statements

2013	2014**	2015***	2016****	2017	2018
\$ 82,621,758	\$ 73,083,389	\$ 76,732,296	\$ 77,571,783	\$ 82,218,221	\$ 85,304,883
45,082,386	44,761,546	44,975,558	47,654,497	46,094,186	46,685,525
9,971,372	9,964,564	10,450,537	10,045,361	10,302,895	13,374,124
18,855,886	18,947,605	21,057,086	19,264,287	18,176,859	18,952,010
2,099,460	2,032,012	2,414,294	3,144,487	2,891,464	3,104,624
4,088,119	4,157,669	4,610,988	4,806,070	4,739,599	4,979,496
8,446,142	7,697,121	7,429,116	7,438,631	7,382,230	7,290,134
468,229	504,670	531,391	569,604	541,994	541,092
929,250	973,241	1,068,073	2,856,724	3,013,646	3,072,687
214,515	172,504	337,939	564,824	1,007,063	2,135,884
1,538,357	1,213,372	1,455,786	1,281,160	1,546,656	1,381,700
-	-	-	-	-	-
650,000	(39,899,938)	(4,176,392)	(2,765,373)	(5,076,832)	(450,000)
174,965,474	123,607,755	166,886,672	172,432,055	172,837,981	186,372,159
395,564	391,499	659,995	431,855	277,925	447,271
335,770	359,242	363,021	287,838	315,792	466,597
6,307	21,933	21,727	14,641	55,611	(775)
-	-	-	-	-	5,293,708
(650,000)	39,899,938	4,176,392	2,765,373	5,076,832	450,000
87,641	40,672,612	5,221,135	3,499,707	5,726,160	6,656,801
\$ 175,053,115	\$ 164,280,367	\$ 172,107,807	\$ 175,931,762	\$ 178,564,141	\$ 193,028,960
\$ 11,014,142	\$ (46,384,444)	\$ (27,732,172)	\$ (39,184,024)	\$ 2,161,528	\$ 81,730,587
691,738	37,347,840	3,798,090	93,168	9,576,409	15,002,669
\$ 11,705,880	\$ (9,036,604)	\$ (23,934,082)	\$ (39,090,856)	\$ 11,737,937	\$ 96,733,256

CITY OF AURORA, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011*	2012
GENERAL FUND				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	19,947,232	19,913,245	-	-
Nonspendable	-	-	-	-
Assigned	-	-	1,260,361	-
Unassigned	-	-	19,723,887	21,212,281
TOTAL GENERAL FUND	\$ 19,947,232	\$ 19,913,245	\$ 20,984,248	\$ 21,212,281
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	\$ 39,157,274	\$ 48,837,828	\$ -	\$ -
Unreserved, Designated	900,000	1,300,000	-	-
Unreserved, Undesignated, Reported in				
Special Revenue Funds	10,041,877	8,743,728	-	-
Capital Project Funds	48,799,237	33,234,868	-	-
Nonspendable	-	-	2,000,500	15,695
Restricted	-	-	60,770,045	63,742,737
Assigned	-	-	33,775,570	34,757,696
Unassigned	-	-	-	(3,214,051)
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 98,898,388	\$ 92,116,424	\$ 96,546,115	\$ 95,302,077

*The City implemented GASB Statement No 54 for the fiscal year ended December 31, 2011.

Data Source

Audited Financial Statements

	2013	2014	2015	2016	2017	2018
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-
	-	-	276,689	10,970	17,713	15,432
	-	-	249,425	3,777,523	781,563	729,974
	22,456,211	22,847,083	22,377,462	17,747,579	23,137,613	23,785,309
\$	22,456,211	\$ 22,847,083	\$ 22,903,576	\$ 21,536,072	\$ 23,936,889	\$ 24,530,715
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	408,713	2,100	1,400	1,125	1,700	-
	59,936,109	56,299,322	53,914,824	50,907,857	60,861,880	54,601,048
	30,269,416	28,095,518	14,506,193	16,401,691	21,062,538	21,078,127
	(2,975)	(137,680)	(112,198)	(86,856)	(21,140)	(14,269)
\$	90,611,263	\$ 84,259,260	\$ 68,310,219	\$ 67,223,817	\$ 81,904,978	\$ 75,664,906

CITY OF AURORA, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2009	2010*	2011	2012
REVENUES				
Taxes	\$ 161,315,332	\$ 165,012,636	\$ 165,292,674	\$ 165,598,242
Intergovernmental	8,782,615	14,148,838	19,565,678	22,965,776
Licenses, Fees and Permits	4,713,540	5,726,038	5,857,587	7,024,561
Charges for Services	10,166,406	10,279,022	10,249,588	12,072,241
Fines and Forfeitures	1,845,006	2,684,866	2,108,039	2,535,273
Donations	-	-	-	37,000
Development Participation	1,166,870	1,081,870	1,103,520	95
Investment Income	1,375,305	294,340	405,583	197,271
Other	2,776,712	9,896,717	1,403,515	512,573
Total Revenues	192,141,786	209,124,327	205,986,184	210,943,032
EXPENDITURES				
General Government	17,433,098	18,444,801	17,365,565	17,517,640
Public Safety	100,548,524	105,741,979	99,632,098	103,519,376
Streets and Transportation	22,878,788	21,522,421	18,716,990	17,657,957
Health and Welfare	9,247,109	12,721,781	11,964,561	11,591,967
Culture and Recreation	9,250,282	6,395,066	5,212,305	5,689,181
Sanitation*	1,836,671	-	-	-
Economic Development	18,611,206	7,578,841	10,473,647	14,642,624
Capital Outlay	61,118,211	25,573,227	15,560,385	24,522,214
Debt Service				
Principal	12,496,393	13,739,745	13,578,182	26,321,707
Interest	9,295,739	9,631,417	8,850,427	8,608,563
Total Expenditures	262,716,021	221,349,278	201,354,160	230,071,229
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(70,574,235)	(12,224,951)	4,632,024	(19,128,197)
OTHER FINANCING SOURCES (USES)				
Transfers In	14,555,207	16,312,309	13,479,000	28,766,400
Transfers (Out)	(13,690,207)	(15,762,309)	(12,679,000)	(28,041,400)
Illinois EPA Loan Issued	-	-	-	-
Refunding Bonds Issued	5,590,000	-	6,320,000	13,165,000
Premium on Refunding Bonds	77,717	-	388,670	466,855
Payment to Escrow Agent	-	-	-	-
Notes Refunded	(5,429,847)	-	-	-
Issuance of Debt Certificate	-	-	-	-
Bonds Issued	15,460,000	-	-	-
Premium on Bonds Issued	-	-	-	-
Discount on Bonds Issued	(13,416)	-	-	-
Notes Issued	10,073,847	4,859,000	(6,640,000)	-
Discount on Notes Issued	(277,500)	-	-	-
Sale of Capital Assets	-	-	-	2,978,132
Total Other Financing Sources (Uses)	26,345,801	5,409,000	868,670	17,334,987
NET CHANGE IN FUND BALANCES	\$ (44,228,434)	\$ (6,815,951)	\$ 5,500,694	\$ (1,793,210)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	10.57%	11.55%	11.60%	16.51%

*Sanitation is combined with health and welfare beginning in 2010.

Data Source

Audited Financial Statements

	2013	2014	2015	2016	2017	2018
\$	172,981,081	\$ 162,689,033	\$ 170,840,800	\$ 174,846,029	\$ 176,364,849	\$ 183,954,211
	12,084,115	12,366,173	8,722,836	11,601,312	8,868,943	11,578,302
	7,613,017	8,298,108	9,695,172	8,937,807	8,274,424	7,949,924
	12,317,430	12,972,414	13,207,143	13,908,713	14,166,202	14,662,777
	2,361,090	2,421,422	2,506,580	3,553,477	3,761,510	3,815,826
	-	-	-	-	-	-
	-	-	-	-	-	-
	214,515	172,504	337,939	564,824	1,007,063	2,135,884
	689,374	742,203	449,064	356,183	459,410	691,432
	208,260,622	199,661,857	205,759,534	213,768,345	212,902,401	224,788,356
	17,605,251	21,264,291	22,632,332	22,723,428	22,110,983	26,526,866
	109,202,021	111,385,992	120,213,601	125,190,522	125,092,178	129,081,217
	19,896,216	20,754,796	20,598,924	21,768,752	18,820,849	21,266,345
	10,998,437	11,946,768	10,875,334	11,244,611	13,636,993	11,769,446
	6,098,355	5,492,609	5,473,917	6,574,448	4,910,540	5,287,061
	-	-	-	-	-	-
	11,973,139	6,063,941	7,374,268	6,273,883	6,983,964	11,122,909
	13,989,906	11,547,081	16,986,317	10,837,011	12,283,673	9,513,649
	15,950,322	10,799,030	11,032,831	8,666,730	8,785,729	9,104,309
	8,054,990	7,205,915	9,026,002	5,445,512	4,897,045	4,942,291
	213,768,637	206,460,423	224,213,526	218,724,897	217,521,954	228,614,093
	(5,508,015)	(6,798,566)	(18,453,992)	(4,956,552)	(4,619,553)	(3,825,737)
	11,914,900	10,579,400	10,967,700	12,510,600	5,596,600	8,445,600
	(11,264,900)	(9,953,791)	(11,042,700)	(12,435,600)	(7,696,600)	(10,395,600)
	-	-	-	2,427,646	4,043,507	324,491
	9,565,000	9,150,000	75,875,000	-	-	-
	283,694	140,871	801,169	-	-	-
	(9,684,828)	(9,079,045)	(74,039,725)	-	-	-
	-	-	-	-	-	-
	-	-	-	-	3,000,000	7,430,000
	-	-	-	-	16,500,000	(7,625,000)
	-	-	-	-	258,024	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	1,247,265	-	-	-	-	-
	2,061,131	837,435	2,561,444	2,502,646	21,701,531	(1,820,509)
\$	(3,446,884)	\$ (5,961,131)	\$ (15,892,548)	\$ (2,453,906)	\$ 17,081,978	\$ (5,646,246)
	12.00%	9.02%	9.02%	6.95%	6.67%	6.56%

CITY OF AURORA, ILLINOIS

PROPERTY TAX ASSESSED VALUATIONS, RATES AND EXTENSIONS

Last Ten Tax Levy Years

Tax Levy Year	2008		2009		2010		2011		2012	
ASSESSED VALUATION										
Kane County Portion		\$ 2,001,714,381		\$ 1,959,260,286		\$ 1,809,362,652		\$ 1,625,951,658		\$ 1,416,825,772
DuPage County Portion		1,790,478,973		1,808,716,577		1,728,074,480		1,606,824,629		1,495,257,879
Kendall County Portion		131,450,428		130,434,946		120,944,577		112,030,593		100,884,689
Will County Portion		<u>297,202,743</u>		<u>288,656,587</u>		<u>280,760,031</u>		<u>253,727,625</u>		<u>238,531,534</u>
TOTAL ASSESSED VALUATION		<u>\$ 4,220,846,525</u>		<u>\$ 4,187,068,396</u>		<u>\$ 3,939,141,740</u>		<u>\$ 3,598,534,505</u>		<u>\$ 3,251,499,874</u>
	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount
TAX EXTENSIONS										
General Fund	1.2206	\$ 51,519,179	1.1430	\$ 47,856,152	1.0725	\$ 42,247,295	1.1612	\$ 41,786,226	1.2906	\$ 41,962,956
IMRF	-	-	-	-	0.0692	2,725,128	0.0760	2,733,834	0.1019	3,312,890
Debt Service Fund	0.0948	4,000,936	0.0964	4,036,167	0.1025	4,036,776	0.1122	4,036,582	0.2654	8,629,359
Police Pension Fund	0.1605	6,774,108	0.2282	9,553,275	0.2590	10,200,475	0.2240	8,062,193	0.2253	7,325,313
Firefighters' Pension Fund	0.1450	6,119,516	0.1889	7,908,878	0.2127	8,377,739	0.1984	7,139,746	0.1247	4,053,211
City Levy	1.6209	68,413,739	1.6565	69,354,472	1.7159	67,587,413	1.7718	63,758,581	2.0079	65,283,729
Library General Fund	0.2353	9,931,402	0.2450	10,258,239	0.2450	9,650,897	0.2446	8,800,678	0.2450	7,966,175
Library Debt Service Fund	0.0091	382,467	0.0092	386,973	0.0098	385,489	0.0053	190,525	0.0404	1,313,469
Library Levy	0.2444	10,313,869	0.2542	10,645,212	0.2548	10,036,386	0.2499	8,991,203	0.2854	9,279,644
TOTAL TAX EXTENSIONS	1.8653	\$ 78,727,608	1.9107	\$ 79,999,684	1.9707	\$ 77,623,799	2.0217	\$ 72,749,784	2.2933	\$ 74,563,373

CITY OF AURORA, ILLINOIS

PROPERTY TAX ASSESSED VALUATIONS, RATES AND EXTENSIONS (Continued)

Last Ten Tax Levy Years

Tax Levy Year	2013		2014		2015		2016		2017	
ASSESSED VALUATION										
Kane County Portion		\$ 1,350,468,842		\$ 1,339,193,214		\$ 1,412,877,349		\$ 1,562,830,126		\$ 1,683,269,869
DuPage County Portion		1,416,350,221		1,418,161,405		1,476,673,449		1,570,352,343		1,671,526,578
Kendall County Portion		95,066,680		94,389,348		99,141,396		105,785,442		114,055,357
Will County Portion		<u>206,853,323</u>		<u>207,011,914</u>		<u>221,702,220</u>		<u>231,125,899</u>		<u>236,783,940</u>
TOTAL ASSESSED VALUATION		<u>\$ 3,068,739,066</u>		<u>\$ 3,058,755,881</u>		<u>\$ 3,210,394,414</u>		<u>\$ 3,470,093,810</u>		<u>\$ 3,705,635,744</u>
	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount
TAX EXTENSIONS										
General Fund	1.3388	\$ 41,083,245	1.3437	\$ 41,101,388	1.3227	\$ 42,465,427	1.2260	\$ 42,542,646	1.1477	\$ 42,528,705
IMRF	0.1076	3,301,547	0.1144	3,499,251	0.1029	3,304,777	0.1028	3,568,820	0.1086	4,025,491
Debt Service Fund	0.1315	4,036,275	0.3681	11,259,069	0.1255	4,028,243	0.1163	4,037,404	0.1090	4,037,670
Police Pension Fund	0.3205	9,834,908	0.3153	9,642,744	0.3531	11,336,924	0.3649	12,661,698	0.3860	14,303,873
Firefighters' Pension Fund	0.2512	7,708,176	0.1320	4,037,615	0.2950	9,469,127	0.2926	10,153,424	0.3058	11,332,668
City Levy	2.1496	65,964,151	2.2735	69,540,067	2.1992	70,604,499	2.1026	72,963,993	2.0571	76,228,407
Library General Fund	0.2450	7,518,411	0.2450	7,494,171	0.2545	8,169,642	0.2550	8,848,739	0.2550	9,449,371
Library Debt Service Fund	0.0416	1,275,324	0.0414	1,265,366	0.0391	1,256,658	0.0361	1,252,846	0.0337	1,249,828
Library Levy	0.2866	8,793,735	0.2864	8,759,537	0.2936	9,426,300	0.2911	10,101,585	0.2887	10,699,199
TOTAL TAX EXTENSIONS	<u>2.4362</u>	<u>\$ 74,757,886</u>	<u>2.5599</u>	<u>\$ 78,299,604</u>	<u>2.4928</u>	<u>\$ 80,030,799</u>	<u>2.3937</u>	<u>\$ 83,065,578</u>	<u>2.3458</u>	<u>\$ 86,927,606</u>

* Property tax rates are per \$100 of assessed valuation.

Note: 2018 information is not available.

Data Source

City Records

CITY OF AURORA, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Commercial Property	Industrial Property	Rural Property	Railroad Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Estimated Actual Taxable Value
2008	\$ 3,250,613,934	\$ 664,325,891	\$ 303,808,658	\$ 1,244,196	\$ 853,846	\$ 4,220,846,525	1.6209	\$ 12,662,539,575	33.333%
2009	3,215,060,697	652,132,768	317,484,799	1,367,617	1,022,515	4,187,068,396	1.6565	12,561,205,188	33.333%
2010	3,017,867,140	616,823,178	301,946,177	1,397,339	1,107,906	3,939,141,740	1.7159	11,817,425,220	33.333%
2011	2,730,761,797	582,824,054	282,100,080	1,514,150	1,334,424	3,598,534,505	1.7718	10,795,603,515	33.333%
2012	2,420,269,205	559,731,771	268,945,014	1,134,056	1,419,828	3,251,499,874	2.0079	9,754,499,622	33.333%
2013	2,205,595,578	560,005,657	300,493,295	1,098,966	1,545,570	3,068,739,066	2.1496	9,206,217,198	33.333%
2014	2,183,952,527	558,958,227	313,164,349	1,114,992	1,565,786	3,058,755,881	2.2735	9,176,267,643	33.333%
2015	2,301,415,654	577,999,166	328,234,450	1,112,153	1,633,531	3,210,394,954	2.1992	9,631,184,862	33.333%
2016	2,506,462,747	610,843,140	349,764,410	1,174,434	1,849,079	3,470,093,810	2.1026	10,410,281,430	33.333%
2017	2,694,000,605	641,341,282	367,032,495	1,213,907	2,047,455	3,705,635,744	2.0571	11,116,907,232	33.333%

Note: Property is assessed at 33% of actual value.

Data Sources

Office of the Clerks of Kane, DuPage, Kendall and Will Counties

CITY OF AURORA, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Tax Levy Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
TAX RATES*										
County										
Kane	0.5268	0.5395	0.5931	0.6599	0.7046	0.7662	0.7810	0.7422	0.6454	0.5683
DuPage	0.2763	0.2771	0.2980	0.3187	0.3471	0.3697	0.3748	0.3593	0.3362	0.3055
Kendall	0.6690	0.6678	0.7438	0.8203	0.8941	0.9649	0.9911	0.9696	0.9232	0.8840
Will	0.6387	0.6543	0.6841	0.7244	0.7767	0.8186	0.8410	0.8295	0.8091	0.7881
Township										
Aurora	0.2141	0.2190	0.2428	0.2742	0.3141	0.3621	0.3743	0.3562	0.3265	0.3124
Sugar Grove	0.2383	0.2403	0.2510	0.2615	0.2737	0.2836	0.2861	0.4050	0.2649	0.2555
Batavia	0.1160	0.1174	0.1245	0.1334	0.1433	0.1496	0.1537	0.1483	0.1428	0.1426
Naperville	0.0796	0.0789	0.0855	0.0894	0.0812	0.0900	0.0660	0.0738	0.0785	0.0769
Winfield	0.1957	0.1977	0.2139	0.2363	0.2645	0.2973	0.3155	0.3116	0.2907	0.2708
Oswego	0.2456	0.2405	0.2594	0.2671	0.2808	0.2979	0.3071	0.2931	0.2772	0.2638
Wheatland	0.0646	0.0752	0.0805	0.0831	0.0872	0.0518	0.0806	0.0769	0.0737	0.0738
Airport Authority - DuPage	0.0160	0.0148	0.0158	0.0169	0.0168	0.0178	0.0196	0.0188	0.0176	0.0166
Park District										
Fox Valley	0.4014	0.4122	0.4803	0.5286	0.5863	0.6280	0.6307	0.5999	0.5590	0.5322
Batavia	0.4425	0.4521	0.4529	0.4875	0.5092	0.5528	0.5765	0.5707	0.5540	0.5560
Sugar Grove	0.1408	0.1463	0.1603	0.1756	0.1999	0.2196	0.2223	0.2139	0.2046	0.1996
Oswego	0.3880	0.3594	0.3830	0.4117	0.4203	0.4872	0.5103	0.4973	0.4764	0.4668
Junior College District										
#502 - DuPage	0.1858	0.2127	0.2349	0.2495	0.2681	0.2956	0.2975	0.2786	0.2626	0.2431
#516 - Waubensee	0.3995	0.4043	0.4070	0.4710	0.5312	0.5807	0.5954	0.5875	0.5607	0.5533
School District										
#101 - Batavia	4.6986	4.6986	4.9034	5.7833	6.0860	6.3725	6.5706	6.4042	6.1728	6.1198
#129 - West Aurora	4.1225	4.1835	4.2740	5.1603	5.8896	6.6667	6.8578	6.5898	6.1478	5.9882
#131 - East Aurora	3.7528	3.8794	4.0041	4.9160	5.9645	6.9014	7.5965	6.7277	6.0474	5.5032
#204 - Indian Prairie	4.4858	4.4987	4.8927	5.2200	5.7047	5.9601	6.0210	5.8505	5.6004	5.4967
#302 - Kaneland	4.8854	5.0024	5.3897	5.9619	6.7184	7.3723	7.5877	7.4668	7.2069	7.0921
#308 - Oswego	5.0600	5.0600	5.8377	6.6573	7.3678	7.8803	7.9213	7.3608	6.9848	6.9526

Tax Levy Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
TAX RATES* (Continued)										
City of Aurora										
General Fund	1.1519	1.0725	1.0725	1.1612	1.2906	1.3388	1.3437	1.3227	1.2260	1.1477
IMRF Fund	-	-	0.0692	0.0760	0.1019	0.1076	0.1144	0.1029	0.1028	0.1086
Debt Service	0.0948	0.0964	0.1025	0.1122	0.2654	0.1315	0.3681	0.1255	0.1163	0.1090
Police Pension	0.1605	0.2282	0.2590	0.2240	0.2253	0.3205	0.3153	0.3531	0.3649	0.3860
Firefighters' Pension	0.1450	0.1889	0.2127	0.1984	0.1247	0.2512	0.1320	0.2950	0.2926	0.3058
Total City of Aurora	1.5522	1.5860	1.7159	1.7718	2.0079	2.1496	2.2735	2.1992	2.1026	2.0571
City of Aurora Public Library	0.2444	0.2542	0.2545	0.2503	0.2853	0.2866	0.2864	0.2942	0.2911	0.2887
Total City and Library	1.7966	1.8402	1.9704	2.0221	2.2932	2.4362	2.5599	2.4934	2.3937	2.3458
Total Combined Tax Rates										
Within School District #101	7.6415	7.6705	7.9961	9.0623	9.7416	10.2962	10.6506	10.3705	9.9057	10.2536
Within School District #129	7.5648	7.6691	7.9653	9.1087	10.3022	11.4308	11.7891	11.3640	10.6234	10.2917
Within School District #131	7.1951	7.3650	7.9918	8.8644	10.3771	11.6654	12.5278	11.5019	10.5230	9.8067
Within School District #204	7.2854	7.4001	7.9642	8.4430	9.2872	9.7879	9.9634	9.6730	9.2463	9.0265
Within School District #302	8.3755	8.5334	9.1158	9.9267	11.1234	12.0929	12.4656	12.1952	11.6513	11.3677
Within School District #308	8.5023	8.5456	9.7372	9.5738	12.2643	12.8269	13.1208	12.4400	11.3538	11.0650

* Property tax rates are per \$100 of assessed valuation.

Notes:

- (a) Rates vary throughout the City because of overlapping boundaries for counties, townships, fire districts, sanitary districts, school districts, etc.
- (b) Tax rates for the year listed are used for the extension and collection in the subsequent year.
- (c) Special service area rates excluded.

Data Sources

Offices of the Clerks of Kane, DuPage, Kendall and Will Counties.

CITY OF AURORA, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
Simon/Chelsea Chicago Development, LLC	\$ 66,785,228	1	27.98%	\$ 35,501,782	2	17.54%
Liberty Illinois LP	35,352,177	2	14.81%	32,362,224	3	15.99%
Fox Valley Mall LLC	32,330,090	3	13.54%			
Chicago Premium Outlets Expansion LLC	19,952,167	4	8.36%			
TGM Chesapeake Inc.	19,461,190	5	8.15%			
JVM Aventine Apartments	18,083,160	6	7.58%			
Aurora Industrial Holding Company LLC	14,761,014	7	6.18%	22,559,937	4	11.14%
SSIL Orchard Village LLC	13,623,600	8	5.71%			
MFREVF - Kirkland Crossing, LLC	10,346,276	9	4.33%			
Toyota Motor Sales, U.S.A., Inc.	8,023,142	10	3.36%	19,714,858	5	9.74%
Westfield Shoppingtown	-		-	36,151,130	1	17.86%
AIMCO	-		-	14,753,800	6	7.29%
Amlis at Oakhurst LLC	-		-	12,655,050	7	6.25%
Reliant Energy Aurora LP	-		-	10,503,530	8	5.19%
Cabot Microelectronics	-		-	9,183,210	9	4.54%
Meijer Stores	-		-	9,036,550	10	4.46%
	<u>\$ 238,718,044</u>		<u>100.00%</u>	<u>\$ 202,422,071</u>		<u>100.00%</u>

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

Data Sources

DuPage and Kane Counties. Kendall and Will Counties have been excluded since they consist of approximately 10% of the City's 2017 EAV.

CITY OF AURORA, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Tax Levy Years

Tax Levy Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund	\$ 47,556,427	\$ 42,182,005	\$ 41,505,979	\$ 41,840,847	\$ 40,882,441	\$ 41,260,272	\$ 42,384,404	\$ 42,378,615	\$ 42,357,690	(a)
IMRF Fund	-	2,718,541	2,716,740	3,295,978	3,285,977	3,490,291	3,304,836	3,560,417	4,014,290	(a)
Debt Service	4,000,113	4,026,985	3,999,237	4,000,000	4,017,198	4,027,238	4,037,078	4,037,404	4,037,670	(a)
Police Pension Fund	9,666,169	10,155,128	8,023,285	8,556,600	9,792,070	11,089,768	11,388,868	12,661,698	14,303,873	(a)
Firefighters' Pension Fund	8,003,348	8,341,708	7,106,024	7,262,200	7,675,355	9,494,401	9,490,583	10,153,424	11,332,668	(a)
City Collections	69,226,057	67,424,366	63,351,266	64,955,625	65,653,041	69,361,970	70,605,769	72,791,559	76,046,191	(a)
Library General Fund	10,243,781	9,627,454	8,780,838	7,931,574	7,481,236	7,474,683	8,167,192	8,824,967	9,423,383	(a)
Library Debt Service	381,470	384,552	188,476	1,301,208	1,269,014	1,262,073	1,259,277	1,252,846	1,249,828	(a)
Library Collections	10,625,251	10,012,007	8,969,314	9,232,782	8,750,251	8,736,756	9,426,469	10,077,813	10,673,211	(a)
Total Collections within the Fiscal Year of the Levy	79,851,308	77,436,373	72,320,580	74,188,407	74,403,292	78,098,726	80,032,237	82,869,372	86,719,402	(a)
Collections in Subsequent Years	22,942	1,270	14,996	7,109	5,068	1,450	3,617	1,440	631	(a)
TOTAL COLLECTIONS TO DATE	\$ 79,874,250	\$ 77,437,643	\$ 72,335,576	\$ 74,195,516	\$ 74,408,360	\$ 78,100,176	\$ 80,035,854	\$ 82,870,812	\$ 86,720,033	(a)
LEVY AS EXTENDED	\$ 79,999,685	\$ 77,623,800	\$ 72,749,784	\$ 74,563,372	\$ 74,757,886	\$ 78,299,604	\$ 80,203,259	\$ 83,065,578	\$ 86,927,606	(a)
PERCENT COLLECTED	99.8%	99.8%	99.4%	99.5%	99.5%	99.7%	99.8%	99.8%	99.8%	(a)

(a) 2018 property taxes will not be collected until 2019.

Data Source

City Records

CITY OF AURORA, ILLINOIS

TAXABLE SALES BY CATEGORY

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Merchandise	\$ 4,285,819	\$ 4,405,522	\$ 4,022,235	\$ 4,488,595	\$ 4,334,305	\$ 5,080,740	\$ 4,880,428	\$ 4,602,563	\$ 4,060,726	\$ 3,908,254 (a)
Food	2,549,515	2,600,531	2,705,129	2,709,986	2,673,783	2,969,341	3,534,373	3,211,138	3,401,519	3,654,130
Drinking and Eating Places	3,768,676	3,876,977	4,203,064	4,416,494	4,530,186	4,616,609	4,958,680	5,058,528	5,097,306	5,340,870 (b)
Apparel	5,563,392	6,299,977	7,225,649	7,393,788	7,046,141	6,353,017	6,576,843	7,042,977	6,767,606	6,648,732
Furniture, H.H. and Radio	2,150,787	2,414,031	2,206,865	2,145,549	2,300,360	2,338,952	2,343,814	2,541,752	2,511,327	2,465,573 (b)
Lumber, Building Hardware	1,112,428	1,085,156	1,046,601	923,296	1,049,225	1,109,130	1,094,611	1,138,407	1,274,133	1,267,599 (a)
Automobile and Filling Stations	4,751,067	5,443,285	5,706,600	5,785,355	5,784,962	5,041,240	4,756,312	4,581,789	4,935,820	5,266,781 (b)
Drugs and Miscellaneous Retail	5,241,543	5,626,786	6,021,825	6,255,034	6,730,057	6,940,202	5,856,291	6,312,981	6,580,656	4,140,552
Agriculture and All Others	3,964,160	3,861,097	4,251,063	4,148,186	6,410,112	5,539,426	5,886,119	5,266,691	6,027,889	3,975,491
Manufacturers	997,547	1,022,239	1,008,757	969,660	1,146,718	1,243,351	1,277,188	3,441,267	1,202,291	984,160
TOTAL	\$ 34,384,934	\$ 36,635,601	\$ 38,397,788	\$ 39,235,943	\$ 42,005,849	\$ 41,232,008	\$ 41,164,659	\$ 43,198,093	\$ 41,859,273	\$ 37,652,140
City's direct sales tax rate (c)	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%	2.25%

Notes:

- (a) Does not include Kendall or Will County, as there are less than four taxpayers in this category.
- (b) Does not include Kendall County, as there are less than four taxpayers in this category.
- (c) Includes the State-shared portion of the sales tax.

Data Sources

City Records
Illinois Department of Revenue

CITY OF AURORA, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
DIRECT										
City of Aurora	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%
OVERLAPPING (a)										
State of Illinois	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Regional Transportation Authority	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
County Portion	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
City of Aurora	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Total Overlapping	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%	7.00%
TOTAL SALES TAX RATE	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%	8.25%

(a) The City is located within four counties - Kane, DuPage, Will and Kendall. Kendall County does not incur the Regional Transportation Authority tax; however, they do incur a County Public Safety tax rate of 1%.

Data Source

Illinois Department of Revenue

CITY OF AURORA, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE
(In Thousands of Dollars)

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities							Business-Type Activities		Total Primary Government	Percentage of Personal Income*	Per Capita*
	General Obligation Bonds	Tax Increment Bonds/Notes	Installment Contracts/Debt Certificates	Notes Payable	Illinois EPA Loans	Developer Agreements	Revenue Bonds	Illinois EPA Loans				
2009	\$ 178,420	\$ 23,110	\$ 8,405	\$ 6,290	\$ 1,775	\$ -	\$ 35,630	\$ 8,251	\$ 261,881	5.72%	1.32	
2010	168,815	20,715	7,640	10,598	1,640	-	34,825	10,681	254,914	4.36%	1.29	
2011	156,905	18,960	6,800	8,140	1,502	-	33,995	9,932	236,234	4.04%	1.19	
2012	148,914	17,190	2,720	6,018	1,360	-	32,770	9,245	218,217	3.73%	1.10	
2013	136,417	14,585	4,835	1,356	1,215	-	31,747	8,545	198,700	3.40%	1.00	
2014	127,495	13,695	3,805	-	1,066	-	30,652	7,829	184,542	3.56%	0.93	
2015	118,800	12,835	2,795	-	913	-	29,973	7,097	172,413	3.28%	0.87	
2016	112,051	11,915	1,725	-	3,184	-	28,657	6,347	163,879	3.06%	0.82	
2017	121,549	10,920	4,185	-	7,067	-	27,305	5,585	176,611	3.25%	0.88	
2018	114,273	9,410	3,800	-	7,127	-	25,904	4,805	165,319	2.89%	0.82	

* See the schedule of Demographic and Economic Information on page 198 for personal income and population data.

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

CITY OF AURORA, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
(In Thousands of Dollars)

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amounts Available In Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2009	178,420	771	177,649	4.21%	1.03
2010	168,815	2,135	166,680	3.98%	0.84
2011	156,905	1,531	155,374	3.94%	0.79
2012	148,914	1,824	147,090	4.09%	0.74
2013	136,417	1,893	135,279	3.74%	0.68
2014	127,495	1,138	124,431	4.13%	0.64
2015	118,800	895	117,905	3.88%	0.60
2016	112,051	3,064	108,987	3.39%	0.54
2017	121,549	855	120,694	3.48%	0.60
2018	114,273	1,559	112,714	3.04%	0.56

* See the schedule of Assessed Value and Actual Value of Taxable Property on page 186 for property value data.

Note: Details of the City's outstanding debt can be found in the notes to financial statements. General obligation bonds represents only the primary government.

CITY OF AURORA, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2018

Governmental Unit	Gross Debt	Percentage Debt Applicable to the City (1)	The City's Share of Debt
City of Aurora	\$ 134,610,000	100.00%	\$ 134,610,000
School District #101	59,810,000	18.69%	11,180,766
School District #129	142,803,000	51.47%	73,497,301
School District #131	120,244,721	86.53%	104,053,507
School District #200	135,320,000	0.39%	523,875
School District #204	188,745,000	31.42%	59,302,897
School District #302	83,459,430	3.63%	3,032,158
School District #308	309,466,053	1.22%	3,788,072
Community College #502	227,460,000	3.91%	8,893,818
Community College #516	58,005,000	18.26%	10,592,983
Kane County	88,525,000	12.33%	10,913,592
Kane County Forest Preserve District	154,575,000	12.33%	19,056,408
DuPage County	160,900,000	4.37%	7,031,708
DuPage County Forest Preserve District	111,117,382	4.37%	4,856,091
Batavia Library District	705,000	2.98%	20,978
Batavia Park District	-	7.29%	-
Fox Valley Park District	34,385,000	72.50%	24,928,964
Naperville Park District	20,310,000	1.99%	403,966
Total Overlapping Debt	1,895,830,586		342,077,082
TOTAL DIRECT AND OVERLAPPING DEBT	\$ 2,030,440,586		\$ 476,687,082

(1) Percentages are based on 2016 EAVs, the latest available.

Data Sources

DuPage and Kane Counties. Kendall and Will Counties have been excluded since they are approximately 10% of the City's 2016 EAV.

CITY OF AURORA, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2018

The City is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

"The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property....(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent....indebtedness which is outstanding on the effective date (July 1, 1971) of this

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

CITY OF AURORA, ILLINOIS

PLEDGED-REVENUE COVERAGE
(In Thousands of Dollars)

Last Ten Fiscal Years

Fiscal Year	Water Revenue Bonds						Golf Revenue Bonds					
	Water Charges and Other	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage	Golf Charges and Other	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest					Principal	Interest	
2009	\$ 26,285	\$ 22,504	\$ 3,781	\$ 570	\$ 1,663	\$ 1.69	\$ 1,890	\$ 1,661	\$ 229	\$ 200	\$ 228	\$ 0.54
2010	27,418	24,372	3,046	605	1,627	1.36	1,901	1,870	31	205	215	0.07
2011	27,492	19,924	7,568	625	1,589	3.42	1,720	1,597	123	250	204	0.27
2012	30,426	22,151	8,275	660	1,550	3.74	1,821	1,799	22	540	190	0.03
2013	29,422	23,426	5,996	695	1,346	2.94	1,798	1,657	141	355	69	0.33
2014	30,242	26,202	4,040	725	1,321	1.97	1,625	1,655	(30)	365	58	(0.07)
2015	31,478	25,043	6,435	760	710	4.38	1,618	1,607	10	375	49	0.02
2016	33,091	27,604	5,487	910	1,069	2.77	1,141	1,400	(259)	385	40	(0.61)
2017	34,309	22,753	11,556	940	1,026	5.88	1,126	743	383	390	30	0.91
2018	36,211	19,178	17,033	980	980	8.69	1,099	765	334	400	21	0.79

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

CITY OF AURORA, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	(a) Population	(b) Effective Buying Income	(a) Median Age	(c) Elementary and Secondary School Enrollment	(a) Personal Income (in thousands)	(a) Per Capita Personal Income	(d) Unemployment Rate
2009	171,782	N/A	30.0	51,034	\$ 4,582,113	\$ 26,674	10.8%
2010	197,899	N/A	30.0	47,432	5,848,114	29,551	10.1%
2011	197,899	N/A	31.0	50,183	5,848,114	29,551	9.5%
2012	197,899	N/A	31.0	44,809	5,848,114	29,551	8.6%
2013	197,899	N/A	31.0	40,715	5,163,383	26,091	9.1%
2014	197,899	N/A	31.5	45,333	5,189,110	26,221	6.9%
2015	197,899	N/A	31.4	44,993	5,249,667	26,527	5.8%
2016	200,661 *	N/A	31.7	45,160	5,358,251	26,703	5.1%
2017	201,110 *	N/A	32.0	44,515	5,427,758	26,989	4.7%
2018	200,965 *	N/A	32.8	44,039	5,724,086	28,483	4.0%

* Estimated

N/A - information not available

(a) U.S. Department of Commerce, Bureau of the Census.

(b) "Sales and Marketing Management" (private publication). "Effective buying income" (EBI) is defined as money income less personal tax and certain nontax payments, such as Social Security contributions. EBI is a measure of median household disposable/after-tax income.

(c) Private school and public school district administration offices.

(d) Bureau of Labor Statistics.

CITY OF AURORA, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2018				2009			
Employer	Employees	Rank	Percent of Total City Population	Employer	Employees	Rank	Percent of Total City Population
Caterpillar, Inc.	2,300 (b)	1	1.14%	Caterpillar, Inc.	3,000	1	1.75%
Rush Copley Medical Center	2,200	2	1.09%	Hollywood Casino	1,600	2	0.93%
School District 129	1,650 (a)	3	0.82%	Rush Copley Medical Center	1,400	3	0.81%
School District 131	1,320 (a)	4	0.66%	School District 204	1,200 (a)	4	0.70%
Presence Mercy Center	1,300	5	0.65%	School District 129	1,153 (a)	5	0.67%
City of Aurora	1,280	6	0.64%	Dreyer Medical Clinic	1,000	6	0.58%
Dreyer Medical Clinic	1,200	7	0.60%	School District 131	950 (a)	7	0.55%
School District 204	1,200 (a)	8	0.60%	Provena Mercy Center	945	8	0.55%
Hollywood Casino	1,010	9	0.50%	Metropolitan Insurance Cos.	800	9	0.47%
MetLife, Inc.	800	10	0.40%	Farmers Insurance Group	520	10	0.30%
Old Second Bancorp, Inc.	500	11	0.25%	Hipp Temporary Skills	500	11	0.29%
TOTAL	14,760		7.35%		13,068		7.60%

(a) Administrative office and majority of school sites located in the City. Limited number of school sites located in adjacent areas.

(b) Caterpillar, Inc. is expected to fully move its machine production plant by the end of 2018. Approximately 800 employees will be affected.

Data Sources

2018 Illinois Manufacturers Directory, 2018 Illinois Services Directory and telephone survey.

2009 Illinois Manufacturers Directory, 2009 Illinois Services Directory and telephone survey.

CITY OF AURORA, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Executive	65	45	37	37	38	38	39	39	38	51
Law	-	5	5	5	5	4	4	4	4	5
Administrative Services	-	40	39	39	37	33	40	40	38	-
Community Services and Outreach	68	64	21	22	18	19	20	20	21	44
Development Services	-	51	50	52	52	27	29	29	29	67
Community Development	48	-	-	-	-	-	-	-	-	-
Neighborhood Standards	45	-	-	-	-	43	44	44	44	-
Finance	39	27	26	26	29	28	28	28	28	29
Information Technology	25	-	-	-	-	-	-	-	-	-
Public Safety										
Police										
Officers	302	301	289	289	289	289	289	289	289	297
Civilians	110	102	100	88	89	89	88	89	93	93
Fire										
Firefighters and Officers	207	205	195	195	195	195	196	195	204	206
Civilians	6	5	5	5	5	5	6	7	11	11
Public Works										
Administration	4	-	-	-	-	2	2	2	2	-
Public Property	64	-	-	-	-	-	-	-	-	-
Electrical Maintenance	-	-	-	-	-	6	5	4	4	-
Engineering	26	-	-	-	-	20	22	22	22	-
Parks and Recreation	26	-	-	-	-	-	-	-	-	-
Operations Department	-	124	117	116	114	-	-	-	-	-
Public Properties	-	-	-	-	-	73	74	74	74	110
Other City Funds	155	147	136	134	135	132	135	128	128	128
Library	118	118	120	119	120	122	122	129	114	115
TOTAL FULL-TIME EQUIVALENT EMPLOYEES	1,308	1,234	1,140	1,127	1,126	1,125	1,139	1,141	1,142	1,154

Note: Blanks in certain function/program categories constitutes reclassification of departments.

Data Source

City Budget Office

CITY OF AURORA, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Public Safety										
Police										
Physical Arrests	12,073	9,668	8,463	9,515	9,179	8,117	7,164	7,153	6,523	6,692
Citations Issued	25,768	17,511	13,718	21,630	21,839	18,428	17,894	15,934	15,204	15,639
Fire										
Ambulance Calls	11,596	11,504	11,768	12,307	12,256	13,309	13,800	14,523	14,666	15,502
Fires Calls	3,943	3,600	3,349	3,625	3,516	4,066	3,782	3,847	3,706	3,703
Public Works										
Quality Street Repairs (Lane Miles)	7	8	6	-	59	47	48	47	51	52
Pothole Repairs	27,600	24,000	23,000	7,840	5,429	6,379	5,563	3,878	4,208	3,828
Building and Permits										
Residential Construction (Number of Units)	54	86	67	74	158	101	95	156	129	121
Commercial Construction (Number of Units)	13	13	7	27	22	14	22	7	13	22
Library										
Number of Books (a)	537,245	565,000	546,174	464,569	445,343	466,596	467,935	550,000	573,329	549,717
Number of Registered Borrowers	67,854	65,296	66,964	65,535	104,791	122,875	121,076	122,405	116,031	114,197
Municipal Water Distribution System										
Number of Consumer Accounts	48,235	48,406	48,375	48,483	48,544	48,604	48,793	48,901	49,048	49,148
Total Annual Billed (Gallons)	4,464/MM	4,315/MM	4,390/MM	4,603/MM	4,302/MM	4,188/MM	4,176/MM	4,143MM	4,035/MM	4,127/MM
Total Annual Pumpage (Gallons)	5,927/MM	5,684/MM	6,024/MM	6,346/MM	5,940/MM	5,905/MM	5,745/MM	6,073/MM	6,151/MM	6,120/MM
Daily Average Pumpage (Gallons)	16,239/M	15,573/M	16,504/M	17,386/M	16,274/M	16,178/M	15,740/M	16,639/M	16,851/M	16,766/M
Daily Average Per Capita Pumpage (Gallons)	102	79	83	88	82	81	80	83	84	83
Daily Pumpage Capacity (Gallons)	40,500/M	40,500/M	40,500/M	40,500/M	40,500/M	40,500/M	40,500/M	40,500/M	40,500/M	40,500/M

(a) Total number of books includes total audio collection as of 2018.

Data Source

Various City departments

CITY OF AURORA, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Public Safety										
Police										
Stations	2	2	2	1	1	1	1	1	1	1
Area Patrols	3	3	3	3	3	3	3	3	3	3
Fire										
Fire Stations	9	9	9	9	9	9	9	9	9	9
Fire Engines (a)	17	17	17	17	17	19	18	18	18	17
Public Works										
Streets (Center Line Miles)	578	578	578	574	574	573	573	573	580	581
Water										
Watermain (Miles)	-	755	757	661	666	671	671	763	763	768
Daily Storage Capacity (Gallons)	23,760/M	23,760/M	23,760/M	23,760/M	23,760/M	23,760/M	23,760/M	23,760/M	17,500/M	17,500/M
Wastewater										
Sanitary Sewers (Miles)	499	493	496	488	490	505	505	548	499	499
Storm Sewers (Miles)	655	682	702	706	712	480	480	480	476	477

(a) The fire engine total includes the following vehicle types: pumper truck, ladder truck and emergency one custom pumper truck.

Data Source

Various City departments

**ADDITIONAL DISCLOSURES REQUIRED BY
SEC RULE 15c2-12**

2018 DISCLOSURE
Relating to
CITY OF AURORA
KANE, DUPAGE, KENDALL & WILL COUNTIES, ILLINOIS

\$4,760,000 Refunding Debt Certificates, Series 2006
\$15,460,000 Taxable General Obligation Bonds, Series 2009A
\$5,590,000 General Obligation Bonds, Series 2009B
\$9,660,000 General Obligation Refunding Bonds, Series 2011
\$19,200,000 General Obligation Library Bonds, Series 2012A
\$6,905,000 General Obligation Refunding Bonds, Series 2012B
\$3,095,000 Refunding Debt Certificates, Series 2012D
\$9,565,000 General Obligation Refunding Bonds, Series 2013
\$9,150,000 General Obligation Refunding Bonds, Series 2014
\$6,690,000 General Obligation Refunding Bonds, Series 2015A
\$69,185,000 General Obligation Refunding Bonds, Series 2015C
and
\$ 16,500,000 General Obligation Bonds, Series 2017
as described in the summaries of the Undertakings in the

OFFICIAL STATEMENTS DATED

December 19, 2006

August 5, 2009

October 21, 2011

August 30, 2012

October 4, 2013

August 26, 2014

March 10, 2015

September 22, 2015

and

May 23, 2017

Respectively

Retail Activity

1% Retailers' Occupation, Service Occupation, and Use Taxes (1)

Fiscal Year Ending December 31	State Sales Tax Distribution (2)	Annual Percent Change + (-)
2007	22,027,898	-2.89% (3)
2008	21,667,726	-1.64%
2009	19,778,567	-8.72%
2010	21,111,296	6.74%
2011	22,585,797	6.98%
2012	23,515,202	4.11%
2013	26,131,417	11.13%
2014	25,818,960	-1.20%
2015	26,065,090	0.95%
2016	27,369,717	5.01%
2017	27,425,298	0.20%
2018	27,685,031	0.95%
Growth from 2007 to 2018		25.68%

Notes: (1) Source: the City.

(2) Tax distributions are based on records of the Illinois Department of Revenue relating to the 1% municipal portion of the Retailers' Occupation, Service Occupation and Use Tax, collected on behalf of the City. The municipal 1% includes tax receipts from the sale of food and drugs which are not taxed by the State.

(3) The 2007 percentage is based on a 2006 sales tax of \$22,683,925

PROPERTY ASSESSMENT AND TAX INFORMATION

City Equalized Assessed Valuation (1)

Property Class	2013	2014	2015	2016	2017
Residential	\$ 2,205,595,578	\$ 2,183,952,527	\$ 2,301,415,654	\$ 2,506,462,747	\$ 2,694,000,605
Farm	1,098,966	1,114,992	893,545	1,174,284	1,213,907
Commercial	560,005,657	558,958,227	577,999,166	610,843,140	641,341,282
Industrial	300,493,295	313,164,349	328,234,450	349,764,560	367,032,495
Railroad	1,545,570	1,565,786	1,852,139	1,849,079	2,047,455
Total	<u>3,068,739,066</u>	<u>3,058,755,881</u>	<u>3,210,394,954</u>	<u>3,470,093,810</u>	<u>3,705,635,744</u>
Total by County					
Kane County	1,350,468,842	1,339,193,214	1,412,877,349	1,562,830,126	1,683,269,869
DuPage County	1,416,350,221	1,418,161,405	1,476,693,449	1,570,352,343	1,671,526,578
Kendall County	95,066,680	94,389,348	99,141,936	105,785,442	114,055,357
Will County	206,853,323	207,011,914	221,702,220	231,125,899	236,783,940
Total	<u>3,068,739,066</u>	<u>3,058,755,881</u>	<u>3,210,414,954</u>	<u>3,470,093,810</u>	<u>3,705,635,744</u>
Percent Change (2)	-5.62%	-0.33%	4.96%	8.09%	6.79%

Notes: (1) Source: Offices of the Kane, DuPage, Kendall and Will County Clerks.

(2) Percentage change is based on 2012 EAV of \$3,251,499,874.

Kane County Representative Tax Rates (1)
(Per \$100 EAV)

	2013	2014	2015	2016	2017
The City:					
General	\$ 1.3328	\$ 1.3374	\$ 1.3187	\$ 1.2199	\$ 1.1425
I.M.R.F.	0.1071	0.1138	0.1027	0.1023	0.1081
Police Pension	0.3190	0.3664	0.3531	0.3630	0.3842
Firefighters' Pension	0.2500	0.3138	0.2942	0.2912	0.3044
Bonds and Interest	0.1317	0.1321	0.1258	0.1164	0.1090
Library	0.2866	0.2864	0.2942	0.2911	0.2887
Prior Period Adjustment	-	-	(0.0004)	0.0001	0.0003
Total City Rates (2)	<u>\$ 2.4272</u>	<u>\$ 2.5499</u>	<u>\$ 2.4883</u>	<u>\$ 2.3840</u>	<u>\$ 2.3372</u>
Kane County	0.4623	0.4684	0.4479	0.4201	0.4025
Kane County Forest Preserve	0.3039	0.3126	0.2944	0.2253	0.1658
Aurora Township	0.2517	0.2602	0.2478	0.2261	0.2163
Aurora Township Road Funds	0.1104	0.1141	0.1084	0.1004	0.0961
Fox Valley Park District	0.6280	0.6307	0.5999	0.5590	0.5322
Unit School District 129	6.6667	6.8578	6.5898	6.1478	5.9882
Community College-District 516	0.5807	0.5954	0.5875	0.5607	0.5533
Total Tax Rates (3)	<u>\$ 11.4309</u>	<u>\$ 11.7891</u>	<u>\$ 11.3640</u>	<u>\$ 10.6234</u>	<u>\$ 10.2917</u>

- Notes: (1) Source: Kane County Clerk's Office and the City.
(2) The City is a home-rule municipality and, based on the 1970 Illinois Constitution, has no statutory tax rate limits.
(3) Representative tax rates for other government units are from Aurora Township tax code 5, which represents the largest portion of the City's 2017 EAV in Kane County.

DuPage County Representative Tax Rates (1)
(Per \$100 EAV)

	2013	2014	2015	2016	2017
The City:					
General	\$ 1.3462	\$ 1.3506	\$ 1.3317	\$ 1.2333	\$ 1.1540
Bond & Interest	0.1317	0.1321	0.1259	0.1165	0.1091
I.M.R.F.	0.1082	0.1150	0.1037	0.1035	0.1093
Police Pension	0.3223	0.3700	0.3566	0.3671	0.3882
Firefighters' Pension	0.2526	0.3169	0.2972	0.2943	0.3076
Library	0.2866	0.2864	0.2943	0.2912	0.2888
Total City Rates (2)	<u>\$ 2.4476</u>	<u>\$ 2.5710</u>	<u>\$ 2.5094</u>	<u>\$ 2.4059</u>	<u>\$ 2.3570</u>
DuPage County	0.2040	0.2057	0.1971	0.1848	0.1749
DuPage County Forest Preserve	0.1657	0.1691	0.1622	0.1514	0.1306
Naperville Township	0.0515	0.0413	0.0452	0.0435	0.0426
Naperville Township Road Funds	0.0385	0.0247	0.0286	0.0350	0.0343
Fox Valley Park District	0.6249	0.6331	0.6014	0.5627	0.5307
Unit School District 204	5.9601	6.0210	5.8505	5.6004	5.4967
Community College-District 502	0.2956	0.2975	0.2786	0.2626	0.2431
Total Tax Rates (3)	<u>\$ 9.7879</u>	<u>\$ 9.9634</u>	<u>\$ 9.6730</u>	<u>\$ 9.2463</u>	<u>\$ 9.0099</u>

- Notes: (1) Source: DuPage County Clerk and the City.
(2) The City is a home-rule municipality and based on the 1970 Illinois Constitution has no statutory tax rate limits.
(3) Representative tax rates for other government units are from Naperville Township tax code 7045, which represents the largest portion of the City's 2017 EAV in DuPage County.

Will County Representative Tax Rates (1)
(Per \$100 EAV)

	2013	2014	2015	2016	2017
The City:					
Total City Rates (2)	\$2.4205	\$2.5646	\$2.4937	\$2.3876	\$2.3397
Will County	0.5994	0.6210	0.6140	0.6121	0.5986
Will County Building Commission	0.0222	0.0223	0.0218	0.0026	0.0000
Will County Forest Preserve	0.1970	0.1977	0.1937	0.1944	0.1895
Wheatland Township	0.0000	0.0274	0.0245	0.0232	0.0232
Wheatland Township Road & Bridge	0.0518	0.0419	0.0476	0.0458	0.0458
City of Aurora SSA 34-X	0.4823	0.4654	0.4418	0.0000	0.0000
Fox Valley Park District	0.6242	0.6312	0.5983	0.5600	0.5292
School District 308-U	7.8604	7.9505	7.4166	6.9636	6.7920
Community College District 516	0.5691	0.5988	0.5880	0.5645	0.5470
Total Rates	<u>\$12.8269</u>	<u>\$13.1208</u>	<u>\$12.4400</u>	<u>\$11.3538</u>	<u>\$11.0650</u>

- Notes: (1) Source: Will County Clerk's Office and the City.
(2) The City is a home-rule municipality and, based on the 1970 Illinois Constitution, has no statutory tax rate limits.
(3) Representative tax rates for other government units are from Wheatland Township tax code 0751, which represents the largest portion of the City's 2017 EAV in Will County.

City Tax Extensions and Collections
(Includes Road and Bridge Levy, Excludes Library)

Levy Year	Coll. Year	Taxes Extended (1)	Current Collections		Total Collections	
			Amount (2)	Percent	Amount (3)	Percent
2007	2008	67,328,337	67,176,454	99.77%	67,179,966	99.78%
2008	2009	69,106,548	68,721,377	99.44%	69,183,939	100.11%
2009	2010	70,028,262	69,894,824	99.81%	69,917,907	99.84%
2010	2011	68,267,554	68,101,873	99.76%	68,130,999	99.80%
2011	2012	64,434,095	64,036,650	99.38%	64,037,326	99.38%
2012	2013	65,940,316	65,608,129	99.50%	65,718,026	99.66%
2013	2014	66,594,981	66,279,363	99.53%	66,280,564	99.53%
2014	2015	70,140,051	69,958,740	99.74%	69,958,740	99.74%
2015	2016	71,349,052	70,609,386	98.96%	71,193,238	99.78%
2016	2017	73,653,612	73,469,705	99.75%	73,471,019	99.75%
2017	2018	76,939,318	76,759,547	99.77%	76,760,111	99.77%

- Notes: (1) "Taxes Extended" have been adjusted for abatements and Township Road and Bridge.
(2) "Current Collections" in both Kane and DuPage Counties include taxes paid under protest.
(3) "Total Collections" include back taxes, penalties, etc.

Principal City Taxpayers (1)

Kane	Simon/Chelsea Chicago Development, LLC	Shopping Center	\$ 66,785,228
DuPage/Kane	Liberty Illinois LP	Real Estate	35,352,177
DuPage	Fox Valley Mall LLC	Shopping Center	32,330,090
Kane	Chicago Premium Outlets Expansion LLC	Outlet Mall	19,952,167
DuPage	TGM Chesapeake Inc. (3)	Apartments	19,461,190
DuPage	JVM Aventine Aprtments (4)	Residential Property	18,083,160
Kane	Aurora Industrial Holding Company, LLC	Real Estate	14,761,014
Kane	SSIL Orchard Village LLC	Apartments	13,623,600
DuPage	MFREVF Kirkland Crossing, LLC	Real Estate	10,346,276
Kane	Toyota Motor Sales, U.S.A., Inc.	Automotive	8,023,142
	Total		\$ 238,718,044

Ten Largest Taxpayers as Percent of City's 2017 EAV (\$3,705,635,744) 6.44%

- Notes: (1) Source: DuPage and Kane Counties. Kendall and Will Counties have been excluded since they consist of approximately 10% of the City's 2016 EAV.
- (2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked. The 2016 EAV is the most current available.
- (3) Previously AIMCO.
- (4) Previously AMFP II Oakhurst North.

House Building Permits Issued – Special Service Area 34

Year	Permits
2009	1
2010	0
2011	0
2012	0
2013	0
2014	0
2015	0
2016	25
2017	0
2018	0

Special Service Area Number 34 Valuation (1)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Total Equalized Assessed Valuation	\$243,205,136	\$242,806,963	\$260,020,392	\$170,419,015	\$108,669,435

Note: (1) Source: Kendall and Will Counties.

DEBT INFORMATION

General Obligation Debt Summary – By Issue (1,2)
(Principal Only)

<u>Issue</u>	<u>Outstanding Principal</u>
Series 2009A (3)	\$ 7,060,000
Series 2009B (3)	2,525,000
Series 2011 (4)	855,000
Series 2012A (4)	17,695,000
Series 2012B (3)	3,700,000
Series 2013 (3)	9,330,000
Series 2014 (3)	4,820,000
Series 2015A (3)	6,690,000
Series 2015C (3) (4)	63,135,000
Series 2017 (3)	15,820,000
Subtotal	<u>131,630,000</u>
Less self-supporting debt	<u>(56,510,000)</u>
Total property tax supported debt	<u>\$ 75,120,000</u>

Notes: (1) Source: the City.

(2) As of December 31, 2018.

(3) Expected to be abated, in whole or in part, by the application of real estate transfer taxes, home-rule sales taxes, gaming taxes, stormwater management fees, water and sewer service fees, developer contributions, and other sources.

(4) A portion, \$56,570,000, of Series 2015C is property tax supported. All of Series 2011 and 2012A is property tax supported.

City General Obligation Bonds (1)
(Principal Only)

Due Dec. 30	Series 2009A (2)	Series 2009B (2)	Series 2011 (2)	Series 2012A	Series 2012B(2)
2019	1,075,000	395,000	330,000	275,000	580,000
2020	1,110,000	405,000 (3)	330,000	290,000	595,000
2021	1,150,000	420,000 (3)	95,000 (5)	540,000	605,000
2022	1,195,000	420,000 (4)	100,000 (5)	550,000	625,000 (5)
2023	1,240,000	440,000 (4)	-	660,000	640,000 (5)
2024	1,290,000	445,000 (4)	-	675,000	655,000
2025	-	-	-	690,000	-
2026	-	-	-	710,000	-
2027	-	-	-	725,000	-
2028	-	-	-	745,000	-
2029	-	-	-	760,000	-
2030	-	-	-	780,000	-
2031	-	-	-	805,000	-
2032	-	-	-	825,000	-
2033	-	-	-	850,000	-
2034	-	-	-	875,000	-
2035	-	-	-	900,000	-
2036	-	-	-	925,000	-
2037	-	-	-	955,000	-
2038	-	-	-	990,000	-
2039	-	-	-	1,020,000	-
2040	-	-	-	1,055,000	-
2041	-	-	-	1,095,000	-
	<u>\$ 7,060,000</u>	<u>\$ 2,525,000</u>	<u>\$ 855,000</u>	<u>\$ 17,695,000</u>	<u>\$ 3,700,000</u>

Due Dec. 30	Series 2013 (2)	Series 2014	Series 2015A	Series 2015C	Series 2017	Total Debt	Amount	Percent
2019	1,210,000	-	-	2,325,000	695,000	6,885,000	6,885,000	5.23%
2020	1,250,000	-	-	2,395,000	710,000	7,085,000	13,970,000	10.61%
2021	1,285,000	-	-	2,480,000	725,000	7,300,000	21,270,000	16.16%
2022	1,330,000	-	-	2,560,000	740,000	7,520,000	28,790,000	21.87%
2023	1,375,000	-	-	2,640,000	755,000	7,750,000	36,540,000	27.76%
2024	1,415,000	-	-	2,715,000	775,000	7,970,000	44,510,000	33.81%
2025	1,465,000	-	-	2,785,000	795,000	5,735,000	50,245,000	38.17%
2026	-	1,580,000	-	2,860,000	820,000	5,970,000	56,215,000	42.71%
2027	-	775,000	-	2,945,000	845,000	5,290,000	61,505,000	46.73%
2028	-	800,000	-	3,025,000	870,000	5,440,000	66,945,000	50.86%
2029	-	820,000	-	3,110,000	895,000	5,585,000	72,530,000	55.10%
2030	-	845,000	-	3,200,000	925,000	5,750,000	78,280,000	59.47%
2031	-	-	1,015,000	3,305,000	955,000	6,080,000	84,360,000	64.09%
2032	-	-	1,055,000	3,420,000	990,000	6,290,000	90,650,000	68.87%
2033	-	-	1,085,000	3,545,000	1,025,000	6,505,000	97,155,000	73.81%
2034	-	-	1,130,000	3,675,000	1,060,000	6,740,000	103,895,000	78.93%
2035	-	-	1,180,000	3,810,000	1,100,000	6,990,000	110,885,000	84.24%
2036	-	-	1,225,000	3,955,000	1,140,000	7,245,000	118,130,000	89.74%
2037	-	-	-	4,110,000	-	5,065,000	123,195,000	93.59%
2038	-	-	-	4,275,000	-	5,265,000	128,460,000	97.59%
2039	-	-	-	-	-	1,020,000	129,480,000	98.37%
2040	-	-	-	-	-	1,055,000	130,535,000	99.17%
2041	-	-	-	-	-	1,095,000	131,630,000	100.00%
	<u>\$ 9,330,000</u>	<u>\$ 4,820,000</u>	<u>\$ 6,690,000</u>	<u>\$ 63,135,000</u>	<u>\$ 15,820,000</u>	<u>\$ 131,630,000</u>		

- Notes: (1) Source: the City.
(2) Expected to be abated, in whole or in part, by the application of real estate transfer taxes, home-rule sales taxes, gaming taxes, stormwater management fees, water and sewer fees, developer contribution, and other sources.
(3) Term due December 30, 2021.
(4) Term due December 30, 2024.
(5) Term due December 30, 2022.

Detailed Overlapping Bonded Debt (1)

	Outstanding Debt	Applicable to City	
		Percent (2)	Amount
Schools:			
School District Number 101	\$ 59,810,000	18.69%	\$ 11,180,766
School District Number 129	142,803,000	51.47%	73,497,301
School District Number 131	120,244,721	86.53%	104,053,507
School District Number 200	135,320,000	0.39%	523,875
School District Number 204	188,745,000	31.42%	59,302,897
School District Number 302	83,459,430	3.63%	3,032,158
School District Number 308	309,466,053	1.22%	3,788,072
Community College Number 502	227,460,000	3.91%	8,893,818
Community College Number 516	58,005,000	18.26%	10,592,983
Total Schools:			<u>\$ 274,865,377</u>
Other:			
DuPage County	\$ 160,900,000	4.37%	\$ 7,031,708
Kane County	88,525,000	12.33%	10,913,592
DuPage County Forest Preserve District	111,117,382	4.37%	4,856,091
Kane County Forest Preserve District	154,575,000	12.33%	19,056,408
Batavia Library District	705,000	2.98%	20,978
Fox Valley Park District	34,385,000	72.50%	24,928,964
Naperville Park District	20,310,000	1.99%	403,966
Total Other			<u>\$ 67,211,707</u>
Total Schools and Other Overlapping Bonded Debt:			<u><u>\$ 342,077,084</u></u>

- Notes: (1) Source: DuPage and Kane Counties. Kendall and Will Counties have been excluded since they consist of approximately 10% of the City's 2017 EAV. Includes alternate revenue source bonds.
(2) Percentages are based on 2017 EAV, the most recent available.

Statement of Bonded Indebtedness (1)

	Amount Applicable	Ratio To		Per Capita (2010 Pop. 197,899)
		Equalized Assessed	Estimated Actual	
City EAV of Taxable Property, 2016	\$ 3,705,635,744	100.00%	33.33%	\$ 18,724.88
Estimated Actual Value, 2016	\$ 11,116,907,232	300.00%	100.00%	\$ 56,174.65
Direct Bonded Debt (2)	\$ 134,422,000	3.63%	1.21%	\$ 679.25
Paid From Non-Property Tax Sources	(56,510,000)	-1.52%	-0.51%	(285.55)
Net Direct Debt (2)	\$ 77,912,000	2.11%	0.70%	\$ 393.70
Overlapping Bonded Debt:				
Schools	\$ 274,865,377	7.42%	2.47%	\$ 1,388.92
Other	67,211,707	1.81%	0.60%	339.63
Total Overlapping Bonded Debt	\$ 342,077,084	9.23%	3.07%	\$ 1,728.55
Total Direct and Overlapping Bonded Debt (2)	\$ 419,989,084	11.34%	3.77%	\$ 2,122.25

Notes: (1) Source: Kane and DuPage County Clerks.
(2) Does not include water and sewer revenue bonds and the debt certificates. Includes the Bonds and excludes the Refunded Bonds.

**Special Service Area 34
Installment Contract and Debt Certificates (1)
(Principal Only)**

Calendar Year	Series 2006 Due Dec. 30	Series 2012D Due Dec. 30	Total Debt	Cumulative Principal to be Retired	
				Amount	Percent
2019	105,000	300,000	405,000	1,330,000	77.10%
2020	-	395,000	395,000	1,725,000	100.00%
Total	\$ 105,000	\$ 695,000	\$ 800,000		

FINANCIAL INFORMATION

Statement of Net Position Government Activities

Statement of Activities

Investment in Capital Assets, Net of Related Debt	397,680,473	403,321,914	407,653,041	399,174,599	401,626,704
Restricted For:					
Working Cash	442,743	442,911	443,811	446,786	454,066
Economic Development	19,862,299	20,096,753	17,472,952	16,100,578	11,792,202
Streets and Transportation	11,790,674	10,399,505	9,871,656	11,602,498	12,033,698
Public Safety	15,295,108	16,607,525	14,807,576	14,470,871	12,507,571
Health and Welfare	7,770,615	5,473,112	5,248,339	5,445,635	8,306,041
Debt Service	1,137,883	1,424,768	3,393,273	984,521	1,559,122
Unrestricted	(53,656,366)	(407,644,624)	(543,119,166)	(530,292,478)	(448,615,807)
Total Net Position	\$ 400,323,429	\$ 50,121,864	\$ (84,228,518)	\$ (82,066,990)	\$ (336,403)

Governmental Activities

	2014	2015	2016	2017	2018
Governmental Activities:					
Net Function (Expense) Revenue:					
General Government	\$ (17,993,251)	\$ (19,288,765)	\$ (26,241,797)	\$ (13,646,813)	\$ (14,985,367)
Public Safety	(114,496,052)	(136,483,888)	(152,618,872)	(122,640,229)	(60,597,412)
Streets and Transportation	(23,448,120)	(21,143,666)	(16,360,629)	(20,669,577)	(14,533,714)
Health and Welfare	3,346,113	3,882,337	1,276,459	(667,981)	6,956,692
Culture and Recreation	(6,648,228)	(6,429,777)	(7,255,364)	(4,133,895)	(5,404,827)
Economic Development	(4,164,140)	(7,223,572)	(5,869,862)	(4,308,411)	(11,375,829)
Interest	(6,588,519)	(7,931,513)	(4,546,014)	(4,609,547)	(4,701,115)
Total Governmental Activities	<u>(169,992,197)</u>	<u>(194,618,844)</u>	<u>(211,616,079)</u>	<u>(170,676,453)</u>	<u>(104,641,572)</u>
General Revenues:					
Taxes:					
Property and Replacement	73,083,389	76,732,296	77,571,783	82,218,221	85,304,883
Sales	44,761,546	44,975,558	47,654,497	46,094,186	46,685,525
Utility	9,964,564	10,450,537	10,045,361	10,302,895	13,374,124
Income	18,947,605	21,057,086	19,264,287	18,176,859	18,952,010
Real Estate Transfer	2,032,012	2,414,294	3,144,487	2,891,464	3,104,624
Food and Beverage	4,157,669	4,610,988	4,806,070	4,739,599	4,979,496
Gaming	7,697,121	7,429,116	7,438,631	7,382,230	7,290,134
Hotel/Motel	504,670	531,391	569,604	541,994	541,092
Other	973,241	1,068,073	2,856,724	3,013,646	3,072,687
Investment Income	172,504	337,939	564,824	1,007,063	2,135,884
Miscellaneous	1,213,372	1,455,786	1,281,160	1,546,656	1,381,700
Special Item	-	-	-	-	-
Transfers	(39,899,938)	(4,176,392)	(2,765,373)	(5,076,832)	(450,000)
Total General Revenues	<u>123,607,755</u>	<u>166,886,672</u>	<u>172,432,055</u>	<u>172,837,981</u>	<u>186,372,159</u>
Change in Position	11,014,143	(27,732,172)	(39,184,024)	2,161,528	81,730,587
Net Position, Beginning	446,707,872	400,323,430	50,121,864	(84,228,518)	(82,066,990)
Prior Period Adjustment	-	-	-	-	-
Change in Accounting Principle	-	(322,469,394)	(95,166,358)	-	-
Net Position, Ending	<u>\$ 457,722,015</u>	<u>\$ 50,121,864</u>	<u>\$ (84,228,518)</u>	<u>\$ (82,066,990)</u>	<u>\$ (336,403)</u>

**General Fund
Balance Sheet**

	2014	2015	2016	2017	2018
Assets:					
Cash and Investments	\$ 19,741,308	\$ 18,695,661	\$ 16,935,512	\$ 25,597,212	\$ 27,195,774
Receivables:					
Property Taxes	65,186,451	66,334,851	68,486,814	71,720,550	72,648,180
Due From Other Governments	171,119	113,700	186,571	136,304	162,129
Other Taxes	15,508,053	17,091,089	16,092,595	13,476,908	14,887,033
Other Receivables	103,865	8,908	186,920	202,369	1,205,865
Due from Other Funds	830,076	1,570,000	1,866,976	10,058	12,637
Prepaid Items	-	276,689	10,970	17,713	15,432
Total Assets	<u>\$ 101,540,872</u>	<u>\$ 104,090,898</u>	<u>\$ 103,766,358</u>	<u>\$ 111,161,114</u>	<u>\$ 116,127,050</u>
Liabilities and Equity:					
Liabilities:					
Accounts Payable	\$ 1,890,885	\$ 2,245,992	\$ 2,496,000	\$ 2,603,502	\$ 3,701,122
Accrued Payroll	7,915,807	7,123,310	7,957,287	8,843,284	10,393,581
Deposits Payable	1,626,062	1,540,547	1,701,200	2,346,157	2,181,361
Due to Other Governments	1,362,933	3,261,559	891,619	944,014	1,107,934
Due to Component Unit	-	-	939	-	30,889
Unearned Revenue	582,695	681,063	696,427	766,718	1,495,359
Due to Other Funds	25,864	-	-	-	37,909
Deferred Inflows:					
Unavailable Revenue - Property Taxes	65,186,451	66,334,851	68,486,814	71,720,550	72,648,180
Fund Balances:					
Nonspendable	-	276,689	10,970	17,713	15,432
Assigned	-	249,425	3,777,523	781,563	729,974
Unassigned	22,950,175	22,377,462	17,747,579	23,137,613	23,785,309
Total Liabilities, Deferred Inflows, and Fund Equity	<u>\$ 101,540,872</u>	<u>\$ 104,090,898</u>	<u>\$ 103,766,358</u>	<u>\$ 111,161,114</u>	<u>\$ 116,127,050</u>

**General Fund
Revenues and Expenditures**

	2014	2015	2016	2017	2018
Revenues:					
Property Tax	\$ 62,264,653	\$ 65,921,856	\$ 67,157,953	\$ 69,433,540	\$ 72,718,135
Replacement Tax	3,958,986	3,698,254	3,695,650	4,457,717	3,528,702
Sales Tax	35,426,356	39,326,550	37,350,163	37,070,893	40,821,307
State Income Tax	18,947,605	21,057,086	19,264,287	18,176,859	18,952,010
Utility Tax	9,964,564	10,450,537	10,045,361	10,302,895	13,374,124
Food and Beverage Tax	4,157,669	4,610,988	4,806,070	4,739,599	4,979,496
Other Taxes	504,670	531,391	569,604	569,604	1,580,938
Other Governmental Sources	511,203	506,460	416,582	477,132	1,096,804
Licenses, Permits, Fees and Fines	10,604,461	12,963,678	13,380,774	12,884,767	11,634,045
Charges for Services	4,907,681	5,319,186	5,632,737	5,585,762	6,065,140
Investment Income	5,547	7,116	54,448	197,311	511,263
All Other	232,372	195,574	214,855	315,026	317,441
Total Revenues	<u>151,485,767</u>	<u>164,588,676</u>	<u>162,588,484</u>	<u>164,211,105</u>	<u>175,579,405</u>
Expenditures:					
General Government	19,489,420	20,762,604	22,168,306	21,197,100	25,788,179
Public Safety	108,030,855	118,999,245	119,279,018	117,675,069	124,367,664
Streets and Transportation	11,850,292	11,638,212	11,161,335	10,520,251	12,042,494
Health and Welfare	6,789,206	7,532,405	7,433,114	7,746,640	7,220,161
Culture and Recreation	4,072,789	4,165,134	4,195,500	3,913,149	4,493,270
Economic Development	862,333	784,583	743,715	608,079	1,073,811
Other	-	-	-	-	-
Total Expenditures	<u>151,094,895</u>	<u>163,882,183</u>	<u>164,980,988</u>	<u>161,660,288</u>	<u>174,985,579</u>
Excess of Revenues Over/(Under) Expenditures	390,872	706,493	(2,392,504)	2,550,817	593,826
Other Financing Sources:					
Transfers In	-	-	2,500,000	1,500,000	1,500,000
Transfers Out	-	(650,000)	(1,475,000)	(1,650,000)	(1,500,000)
Total Other Financing Sources	<u>-</u>	<u>(650,000)</u>	<u>(1,475,000)</u>	<u>(150,000)</u>	<u>-</u>
Net Change in Fund Balance	390,872	56,493	(1,367,504)	2,400,817	593,826
Fund Balance-January 1	22,456,211	22,847,083	22,903,576	21,536,072	23,936,889
Fund Balance - December 31	<u>\$ 22,847,083</u>	<u>\$ 22,903,576</u>	<u>\$ 21,536,072</u>	<u>\$ 23,936,889</u>	<u>\$ 24,530,715</u>

**General Fund
Budget Financial Information**

	Budget Twelve Months Ending 12/31/19
Revenues:	
Property Tax	\$ 73,388,700
Replacement Tax	2,923,000
Sales Tax	42,134,000
State Income Tax	18,800,000
Utility Tax	14,477,000
Food and Beverage Tax	6,163,000
Other Taxes	2,638,500
Other Governmental Sources	2,536,500
Licenses, Permits, Fees and Fines	6,199,500
Charges for Services	7,863,350
Investment Income	279,601
All Other	4,194,850
Total Revenues	181,598,001
Expenditures:	
General Government	21,683,991
Public Safety	126,552,138
Streets and Transportation	18,748,259
Health and Welfare	7,304,920
Culture and Recreation	7,020,111
Economic Development	1,203,628
Total Expenditures	182,513,047
Excess of Revenues Over (Under) Expenditures	\$ (915,046)

OTHER TAXES

<u>Year</u>	<u>Home Rule Sales Tax</u>	<u>Real Estate Transfer Tax</u>
2009	16,615,628	1,263,351
2010	17,840,671	1,352,542
2011	18,641,583	1,396,683
2012	18,841,729	1,921,008
2013	19,295,817	2,099,460
2014	19,285,653	2,032,012
2015	19,526,474	2,414,294
2016	20,662,897	3,144,487
2017	18,898,888	2,891,464
2018	19,182,952	3,111,140

<u>Year</u>	<u>Transfer into the Debt Service Fund</u>
2009	7,067,731
2010	13,653,491
2011	11,490,500
2012	10,939,800
2013	9,583,800
2014	7,324,900
2015	7,222,300
2016	5,569,000
2017	1,551,400
2018	4,355,500

<u>Year</u>	<u>Admission Tax</u>		<u>Wagering Tax</u>		<u>Total Amount</u>	<u>Percent Change</u>
	<u>Amount</u>	<u>Daily Average</u>	<u>Amount</u>	<u>Daily Average</u>		
2009	\$ 1,599,896	\$ 4,371	\$ 10,121,078	\$ 27,653	\$ 11,720,974	X
2010	1,488,021	4,077	9,058,663	24,818	10,546,684	-10.02%
2011	1,498,609	4,106	8,670,975	23,756	10,169,584	-3.58%
2012	1,374,454	3,766	7,594,424	20,807	8,968,878	-11.81%
2013	1,256,773	3,434	7,093,608	19,381	8,350,381	-6.90%
2014	1,097,301	3,006	6,343,818	17,380	7,441,119	-10.89%
2015	1,041,390	2,853	6,062,241	16,609	7,103,631	-4.54%
2016	1,002,478	2,747	6,025,958	16,509	7,028,436	-1.06%
2017	991,579	2,717	6,047,648	16,569	7,039,227	0.15%
2018	938,382	2,571	5,846,023	16,017	6,784,405	-3.62%

<u>Year</u>	<u>Utility Tax Telecommunications</u>	<u>Utility Tax Gas</u>	<u>Utility Tax Electric</u>
	2009	6,554,209	818,532
2010	6,185,475	754,043	3,340,916
2011	6,202,311	800,618	3,380,119
2012	6,218,307	682,790	3,419,400
2013	5,864,429	855,301	3,414,078
2014	5,768,993	939,721	3,420,699
2015	6,424,305	814,711	3,373,805
2016	6,006,907	738,659	3,455,619
2017	6,378,926	781,553	3,305,042
2018	5,915,651	1,674,290	5,953,969

2018 DISCLOSURE

Relating to

**CITY OF AURORA
KANE, DUPAGE, KENDALL & WILL COUNTIES, ILLINOIS**

\$2,680,000

Golf Course Revenue Refunding Bonds, Series 2012

as described in the summary of the Undertakings in the

OFFICIAL STATEMENT DATED

November 27, 2012

GOLF COURSE REVENUE DEBT INFORMATION

Golf Course Revenue Bonded Debt (Principal Only)

Calendar Year	Series 2012	Cumulative Principal Retired	
		Amount	Percent
2019	410,000	2,680,000	100.00%
Total	\$ 410,000		

Debt Service Coverage

Calendar Year	Series 2012	Net Revenue Available for Debt Service(2)	Debt Service Coverage
2019	420,250	647,392	1.54 x
Total	\$ 420,250		

Notes: (1) Source: the City.
(2) Based on projections from the City.

FINANCIAL INFORMATION

Golf Course Fund Statement of Net Position

	2014	2015	2016	2017	2018
ASSETS AND DEFERRED OUTFLOWS:					
Current Assets:					
Cash and Investments	\$ 197,749	\$ 204,386	\$ 142,324	\$ 169,853	\$ 5,353,022
Accounts Receivable, Net of Allowance	2,713	3,033	3,256	2,308	5,178
Due from Other Funds	78	-	-	-	-
Total Current Assets	<u>200,540</u>	<u>207,419</u>	<u>145,580</u>	<u>172,161</u>	<u>5,358,200</u>
Restricted Assets:					
Cash and Investments	425,000	429,642	429,658	324,715	435,014
Noncurrent Assets:					
Deferred Charges	-	-	-	-	-
Capital Assets					
Net of Accumulated Depreciation	2,895,328	2,661,561	2,427,973	2,244,031	1,569,256
Deferred Outflows:					
Unamortized Loss on Refunding	22,268	17,319	12,371	7,423	2,474
Pension Items- IMRF	-	303,787	383,090	224,744	115,772
OPEB-Items	-	-	568,765	470,795	424,231
Total Assets and Deferred Outflows	<u>3,543,136</u>	<u>3,619,728</u>	<u>3,967,437</u>	<u>3,443,869</u>	<u>7,904,947</u>
LIABILITIES:					
Current Liabilities:					
Accounts Payable	19,442	35,463	16,575	14,255	9,702
Accrued Payroll	24,658	27,408	26,748	25,223	29,787
Other Unearned Revenue	25,654	23,493	21,935	25,189	31,798
Compensated Absences Payable	4,146	4,930	4,670	4,979	5,466
Revenue Bonds Payable, Due Within One Year	375,000	385,000	390,000	400,000	412,449
Total Current Liabilities	<u>448,900</u>	<u>476,294</u>	<u>459,928</u>	<u>469,646</u>	<u>489,202</u>
Non-Current Liabilities:					
Compensated Absences Payable	78,777	93,675	88,734	94,596	103,847
Net Other Post-Employment Benefits Obligation	632,674	663,315	1,794,924	1,244,467	706,303
IMRF Net Pension Liability	-	639,478	639,478	415,508	180,948
Revenue Bonds Payable, Due After One Year	1,607,038	1,217,141	882,243	417,346	-
Total Liabilities	<u>2,767,389</u>	<u>3,089,903</u>	<u>3,865,307</u>	<u>2,641,563</u>	<u>1,480,300</u>
Deferred Inflows:					
Pension Items-IMRF	-	-	-	22,633	199,467
OPEB-Items	-	-	2,683	13,799	114,036
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>2,683</u>	<u>36,432</u>	<u>313,503</u>
Net Position:					
Net Investment in Capital Assets	935,558	1,076,739	1,227,921	1,434,108	1,159,281
Restricted	425,000	429,642	429,658	324,715	435,014
Unrestricted	(584,811)	(973,556)	(1,498,312)	(1,030,263)	4,516,849
Total Net Position	<u>\$ 775,747</u>	<u>\$ 532,825</u>	<u>\$ 159,267</u>	<u>\$ 728,560</u>	<u>\$ 6,111,144</u>

Golf Course Fund
Revenues, Expenses, and Change in Net Position

	2014	2015	2016	2017	2018
OPERATING REVENUES:					
Charges for Services	\$ 1,618,850	\$ 1,617,708	\$ 1,140,633	\$ 1,123,125	\$ 1,065,667
Other	6,026	-	-	-	-
Total Operating Revenues	<u>1,624,876</u>	<u>1,617,708</u>	<u>1,140,633</u>	<u>1,123,125</u>	<u>1,065,667</u>
OPERATING EXPENSES:					
Personnel Services	914,807	897,798	859,817	232,996	329,315
Material and Supplies	499,056	467,515	348,178	367,079	292,894
Other Services and Charges	240,645	241,971	191,637	143,154	142,646
Total Operating Expenses	<u>1,654,508</u>	<u>1,607,284</u>	<u>1,399,632</u>	<u>743,229</u>	<u>764,855</u>
Operating Income(Loss) Before Depreciation	(29,632)	10,424	(258,999)	379,896	300,812
Depreciation	<u>(233,768)</u>	<u>(233,768)</u>	<u>(233,768)</u>	<u>(236,400)</u>	<u>(231,884)</u>
Operating Income (Loss)	<u>(263,400)</u>	<u>(223,344)</u>	<u>(492,767)</u>	<u>143,496</u>	<u>68,928</u>
NONOPERATING REVENUES (EXPENSES):					
Investment Income	(1,018)	1,528	5,293	3,030	33,614
Bond Interest	(58,691)	(49,526)	(40,151)	(30,051)	(20,776)
Other	-	-	-	2,818	(442,890)
Total Nonoperating Revenues (Expenses)	<u>(59,709)</u>	<u>(47,998)</u>	<u>(34,858)</u>	<u>(24,203)</u>	<u>(430,052)</u>
Income (Loss) Before Transfers	(323,109)	(271,342)	(527,625)	119,293	(361,124)
TRANSFERS:					
Transfers In	450,000	425,000	450,000	450,000	450,000
Total Transfers	<u>450,000</u>	<u>425,000</u>	<u>450,000</u>	<u>450,000</u>	<u>450,000</u>
Gain on Sale of Golf Course					5,293,708
Change in Net Position	<u>\$ 126,891</u>	<u>\$ 153,658</u>	<u>\$ (77,625)</u>	<u>\$ 569,293</u>	<u>\$ 5,382,584</u>

Golf Course Fund
Projected Revenues and Expenditures

	2019	2020	2021
Operating Revenues	\$ 1,637,661	\$ 1,670,414	\$ 1,703,822
Operating Expenses	1,595,304	1,209,010	1,233,190
Operating Income	42,357	461,404	470,632

2018 DISCLOSURE

Relating to

**CITY OF AURORA
KANE, DUPAGE, KENDALL & WILL COUNTIES, ILLINOIS**

**\$4,300,000 Tax Increment Revenue Bonds, Series 2018A
and**

\$3,130,000 Tax Increment Revenue Bonds, Series 2018B

as described in the summaries of the Undertakings in the

OFFICIAL STATEMENT DATED

November 27, 2018

EQUALIZED ASSESSED VALUATION AND PROPERTY TAX RATES

**Historic Redevelopment Project Area Equalized Assessed Valuation
TIF No. 3 (River City)**

	Levy Year				
	2013	2014	2015	2016	2017
Property Class:					
Residential	\$ 192,987	\$ 192,987	\$ 192,987	\$ 192,987	\$ 192,987
Commercial	1,397,762	952,486	962,954	984,402	1,022,977
Industrial	490,532	613,146	630,398	642,800	673,466
Railroad	2,953,833	2,953,833	2,953,833	2,953,833	2,953,833
Sub-Total	5,035,114	4,712,452	4,740,172	4,774,022	4,843,263
Increment	5,554,050	4,437,054	4,306,304	4,903,095	5,619,988
Total	<u>\$ 10,589,164</u>	<u>\$ 9,149,506</u>	<u>\$ 9,046,476</u>	<u>\$ 9,677,117</u>	<u>\$ 10,463,251</u>
Total City EAV	\$ 3,068,739,066	\$ 3,058,755,881	\$ 3,210,394,954	\$ 3,470,093,810	\$ 3,705,635,744
Project Area %**	0.35%	0.30%	0.28%	0.28%	0.28%

**Property Tax Rates of Taxing Districts in the Redevelopment Project Area
TIF No. 3 (River City)
(Per \$100 equalized assessed valuation)**

Taxing Districts	2013	2014	2015	2016	2017
Kane County	\$ 0.4623	\$ 0.4684	\$ 0.4479	\$ 0.4201	\$ 0.4025
Kane County Forest Preserve District	0.3039	0.3126	0.2944	0.2253	0.1658
Aurora Township	0.2517	0.2602	0.2478	0.2261	0.2163
Aurora Township Road District	0.1104	0.1141	0.1084	0.1004	0.0961
Fox Valley Park District	0.6280	0.6307	0.5999	0.5590	0.5322
City of Aurora	2.1406	2.2635	2.1941	2.0930	2.0485
City of Aurora Library	0.2867	0.2864	0.2942	0.2911	0.2887
Community College District Number 516	0.5807	0.5954	0.5875	0.5607	0.5533
Unit School District Number 129	6.6667	6.8578	6.5898	6.1478	5.9882
Special Service Area 1	1.0000	1.0000	1.0000	1.0000	1.0000
Special Service Area 16	-	-	-	-	-
Total Rates	<u>\$ 12.4310</u>	<u>\$ 12.7891</u>	<u>\$ 12.3640</u>	<u>\$ 11.6234</u>	<u>\$ 11.2916</u>
Unit School District 131	\$ 6.9014	\$ 7.5965	\$ 6.7277	\$ 6.0474	\$ 5.5032

Source: Kane County Clerk and City.

**Historic Redevelopment Project Area Equalized Assessed Valuation
TIF No. 6 (East River Area)**

	2013	2014	2015	2016	2017
Property Class:					
Residential	\$ 219,716	\$ 213,227	\$ 224,320	\$ 249,670	\$ 275,928
Commercial	4,116,897	4,013,551	3,905,128	3,958,418	3,877,570
Industrial	4,099,420	4,018,115	4,149,629	4,241,623	4,412,749
Railroad	12,013,613	12,013,613	12,013,613	12,013,613	12,013,613
Subtotal	20,449,646	20,258,506	20,292,690	20,463,324	20,579,860
Increment	1,620,726	1,911,103	2,053,668	2,411,617	2,761,682
Total	<u>\$ 22,070,372</u>	<u>\$ 22,169,609</u>	<u>\$ 22,346,358</u>	<u>\$ 22,874,941</u>	<u>\$ 23,341,542</u>
Total City EAV	\$3,068,739,066	\$ 3,058,755,881	\$ 3,210,394,954	\$ 3,470,093,810	\$ 3,705,635,744
Redevelopment Project Area %	0.72%	0.72%	0.70%	0.66%	0.63%

**Property Tax Rates of Taxing Districts in the Redevelopment Project Area
TIF No. 6 (East River City)
(per \$100 equalized assessed valuation)**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Taxing District:					
Kane County	\$ 0.4623	\$ 0.4684	\$ 0.4479	\$ 0.4201	\$ 0.4025
Kane County Forest Preserve	0.3039	0.3126	0.2944	0.2253	0.1658
Aurora Township	0.2517	0.2602	0.2478	0.2261	0.2163
Aurora Township Road District	0.1104	0.1141	0.1084	0.1004	0.0961
Fox Valley Park District	0.6280	0.6307	0.5999	0.5590	0.5322
City of Aurora	2.1406	2.2635	2.1941	2.0930	2.0485
City of Aurora Library	0.2867	0.2864	0.2942	0.2911	0.2887
Community College District 516	0.5807	0.5954	0.5875	0.5607	0.5533
Unit School District 129	6.6667	6.8578	6.5898	6.1478	5.9882
Total	<u><u>\$ 11.4310</u></u>	<u><u>\$ 11.7891</u></u>	<u><u>\$ 11.3640</u></u>	<u><u>\$ 10.6234</u></u>	<u><u>\$ 10.2916</u></u>
 Unit School District 131	 \$ 6.9014	 \$ 7.5965	 \$ 6.7277	 \$ 6.0474	 \$ 5.5032

TIF No. 3 Pledged Tax Collections

Levy Year	Collection Year	Amount Collected
2001	2002	\$ 30,496
2002	2003	44,165
2003	2004	62,925
2004	2005	81,118
2005	2006	102,229
2006	2007	115,195
2007	2008	150,977
2008	2009	202,061
2009	2010	196,253
2010	2011	161,375
2011	2012	164,709
2012	2013	223,339
2013	2014	132,326
2014	2015	97,920
2015	2016	83,509
2016	2017	84,518
2017	2018	159,366
Total		\$ 2,092,481

Note: Per the bond ordinance, pledged taxes include incremental property taxes less payments to overlapping taxing districts and certain developers as required by previously executed agreements.

TIF No. 6 Pledged Tax Collections

Levy Year	Collection Year	Amount Collected
2007	2008	\$ 93,517
2008	2009	231,090
2009	2010	346,569
2010	2011	318,258
2011	2012	254,730
2012	2013	286,756
2013	2014	184,234
2014	2015	219,238
2015	2016	236,994
2016	2017	255,380
2017	2018	279,715
Total		2,706,481

Principal City Taxpayers (1)
TIF No. 3 (River City)

Taxpayer Name	2017 EAV (2)	% of Total TIF
TSFPC ILLC	\$ 451,688	4.32%
Centrue Bank	430,362	4.11%
First of America Bank-Illinois	363,279	3.47%
Fitzpatrick Properties LLC	355,360	3.40%
PNB Real Estate LLC	225,257	2.15%
Trust	201,237	1.92%
Project Canvas	200,535	1.92%
Rising Star Investments LLC	183,106	1.75%
Individual	138,604	1.32%
Individual	120,016	1.15%
Total	<u>\$ 2,669,444</u>	<u>25.51%</u>

- Notes: (1) Source: The City and Kane County Clerk.
(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

Principal City Taxpayers (1)
TIF No. 6 (East River Area)

Taxpayer Name	2017 EAV (2)	% of Total TIF
Indian Trail Business Center Partners	\$ 1,054,365	4.52%
Indian Trail Plaza, LLC	992,964	4.25%
Square Peg Real Estate LLC	441,740	1.89%
Kane County Teachers Credit Union	387,946	1.66%
Trust	356,011	1.53%
MJW-Aurora Properties	342,693	1.47%
Berkheimer Properties LLC	323,274	1.38%
Heartland Recycling-Aurora CCDD LLC	320,479	1.37%
Groot Inc.	318,070	1.36%
GC Real Estate LLC	294,817	1.26%
Total	<u>\$ 4,832,359</u>	<u>20.69%</u>

- Notes: (1) Source: The City and Kane County Clerk.
(2) Every effort has been made to seek out and report the largest taxpayers. However, many of the taxpayers listed contain multiple parcels, and it is possible that some parcels and their valuations have been overlooked.

**Historic Receipts from the Riverboat Casino
Admissions Tax and Gaming Taxes**

Year	Wagering Tax	Admissions Tax	Total
1993 (a)	\$ 1,539,843	\$ 494,331	\$ 2,034,174
1994	6,978,479	2,292,129	9,270,608
PPA (b)	1,673,471	560,970	2,234,441
1995	7,289,108	2,723,083	10,012,191
1996	7,845,852	3,180,239	11,026,091
1997	7,691,908	3,608,393	11,300,301
1998	7,833,137	3,281,429	11,114,566
1999	9,557,323	3,074,115	12,631,438
2000	10,869,464	2,661,334	13,530,798
2001	11,611,763	2,307,698	13,919,461
2002	13,620,684	2,638,509	16,259,193
2003	12,336,493	1,917,304	14,253,797
2004	11,474,679	1,448,717	12,923,396
2005	12,058,237	1,547,775	13,606,012
2006	13,291,402	1,814,179	15,105,581
2007	13,633,600	1,815,777	15,449,377
2008	11,004,578	1,627,759	12,632,337
2009	10,121,078	1,599,896	11,720,974
2010	9,058,663	1,488,021	10,546,684
2011	8,670,025	1,498,609	10,168,634
2012	7,594,424	1,374,454	8,968,878
2013	7,093,608	1,256,773	8,350,381
2014	6,343,818	1,097,301	7,441,119
2015	6,062,241	1,041,390	7,103,631
2016	6,025,958	1,002,478	7,028,436
2017	6,047,648	991,579	7,039,227
2018	5,846,023	938,382	6,784,405
	<u>\$ 233,173,507</u>	<u>\$ 49,282,624</u>	<u>\$ 282,456,131</u>

Notes: (a) Partial year of casino operations.
(b) Prior-period adjustment recognized in 1995 due to GASB Statement No. 22.

2018 DISCLOSURE

Relating to

**CITY OF AURORA
KANE, DUPAGE, KENDALL & WILL COUNTIES, ILLINOIS**

\$28,035,000

Waterworks and Sewerage Revenue Bonds, Series 2015B

as described in the summaries of the Undertakings in the

OFFICIAL STATEMENT DATED

May 12, 2015

WATERWORKS AND SEWERAGE SYSTEM FINANCIAL INFORMATION

**Waterworks and Sewerage Fund
Statement of Net Position**

	2014	2015	2016	2017	2018
ASSETS AND DEFERRED OUTFLOWS:					
Current Assets:					
Cash and Investments	\$ 15,754,632	\$ 10,689,387	\$ 6,784,443	\$ 5,644,975	\$ 9,035,139
Accounts Receivable, Less Allowance	5,184,918	5,627,016	5,772,835	6,164,775	6,602,082
Inventory/Other	374,626	115,235	186,727	313,424	274,604
Total Current Assets	<u>21,314,176</u>	<u>16,431,638</u>	<u>12,744,005</u>	<u>12,123,174</u>	<u>15,911,825</u>
Restricted Assets:					
Cash and Investments	3,936,135	3,966,263	3,912,845	3,976,051	4,028,740
Noncurrent Assets:					
Deferred Charges	-	-	-	-	-
Due From Other Governments	6,020,124	5,845,497	5,648,685	5,442,101	5,228,080
Other Post-Employment Benefits Asset	1,803,515	1,662,898	8,289,989	8,176,950	7,767,972
Capital Assets Less					
Accumulated Depreciation	173,928,008	182,453,927	188,338,622	194,379,087	193,763,783
Deferred Outflows:					
Pension Items - IMRF	-	3,607,636	4,504,903	3,550,016	2,052,766
Total Assets and Deferred Outflows	<u>207,001,958</u>	<u>213,967,859</u>	<u>223,439,049</u>	<u>227,647,379</u>	<u>228,753,166</u>
LIABILITIES:					
Current Liabilities:					
Accounts Payable	\$ 3,006,632	\$ 3,493,297	\$ 2,816,515	\$ 2,352,307	\$ 2,089,997
Accrued Payroll/Other	1,501,979	1,091,529	1,190,040	1,257,266	1,239,422
Illinois E.P.A. Loans Payable	731,685	747,503	763,785	780,543	797,791
Revenue Bonds Payable, Due Within One Year	760,000	910,000	940,000	980,000	1,020,000
Total Current Liabilities	<u>6,000,296</u>	<u>6,242,329</u>	<u>5,710,340</u>	<u>5,370,116</u>	<u>5,147,210</u>
Noncurrent Liabilities:					
Deposits	731,356	854,917	851,979	840,048	815,085
Compensated Absences	1,276,519	1,550,020	1,563,525	1,603,894	1,585,386
Net Other Postemployment Benefits Liability	-	-	26,161,797	21,614,385	12,932,921
IMRF Net Pension Liability	-	7,519,867	7,519,867	6,563,315	3,208,412
Illinois EPA Loans Payable	7,096,206	6,348,703	5,584,918	4,804,376	4,006,585
Revenue Bonds Payable, Due After One Year	27,910,000	27,460,693	26,504,317	25,507,942	24,471,567
Total Liabilities	<u>43,014,377</u>	<u>49,976,529</u>	<u>73,896,743</u>	<u>66,304,076</u>	<u>52,167,166</u>
Deferred Inflow of Resources					
Pension Items-IMRF	-	-	-	946,925	3,536,777
OPEB Items	-	-	39,105	239,661	2,088,077
Total Deferred Inflow of Resources	<u>-</u>	<u>-</u>	<u>39,105</u>	<u>1,186,586</u>	<u>5,624,854</u>
NET POSITION:					
Net Investment in Capital Assets	144,732,167	154,456,602	162,187,304	170,147,240	171,510,714
Restricted	3,936,135	3,966,263	3,912,845	3,976,051	4,028,740
Unrestricted	15,319,279	5,568,465	(16,596,948)	(13,966,574)	(4,578,308)
Total Net Position	<u>\$ 163,987,581</u>	<u>\$ 163,991,330</u>	<u>\$ 149,503,201</u>	<u>\$ 160,156,717</u>	<u>\$ 170,961,146</u>

WATERWORKS AND SEWERAGE FUND
Revenue and Expenses

	2014	2015	2016	2017	2018
OPERATING REVENUES:					
Charges for Services	\$ 29,554,221	\$ 30,644,121	\$ 32,056,377	\$ 33,214,771	\$ 35,012,619
Fees (1)	451,830	572,593	474,888	480,725	515,533
Other Sales and Services	235,827	261,546	292,788	320,806	287,988
Total Operating Revenues	<u>30,241,878</u>	<u>31,478,260</u>	<u>32,824,053</u>	<u>34,016,302</u>	<u>35,816,140</u>
OPERATING EXPENSES:					
Personnel Services	9,865,777	10,158,483	13,375,978	7,886,353	5,980,726
Material & Supplies	5,073,599	6,152,198	5,941,781	6,013,697	5,045,242
Other Services and Charges	7,614,174	8,623,247	8,285,953	8,852,752	8,146,925
Miscellaneous	3,648,738	108,863	-	-	-
Provision for Depreciation	4,295,416	4,493,381	4,417,413	4,614,431	5,972,367
Total Operating Expenses	<u>30,497,704</u>	<u>29,536,172</u>	<u>32,021,125</u>	<u>27,367,233</u>	<u>25,145,260</u>
Operating Income	(255,826)	1,942,088	802,928	6,649,069	10,670,880
NON-OPERATING REVENUES (EXPENSES):					
Recovery of Costs	16,911	18,527	33,288	35,165	38,815
Investment Income	359,069	353,647	267,182	293,017	394,659
Debt Interest	(1,465,445)	(1,398,357)	(1,069,342)	(1,025,567)	(980,387)
Other	(512,267)	-	-	-	-
Total Non-Operating Revenues (Expenses)	<u>(1,601,732)</u>	<u>(1,026,183)</u>	<u>(768,872)</u>	<u>(697,385)</u>	<u>(546,913)</u>
Income (Loss) Before Transfers and Contributions	(1,857,558)	915,905	34,056	5,951,684	10,123,967
Transfers Out	(1,000,000)	(1,000,000)	(1,000,000)	-	-
Contributions	1,448,922	4,751,392	2,547,951	4,701,832	680,462
Change in Net Position	<u>\$ (1,408,636)</u>	<u>\$ 4,667,297</u>	<u>\$ 1,582,007</u>	<u>\$ 10,653,516</u>	<u>\$ 10,804,429</u>

Waterworks and Sewerage Fund
Historical Coverage

	2014	2015	2016	2017	2018
Operating Income	\$ (255,826)	\$ 1,942,088	\$ 802,928	\$ 6,649,069	\$ 10,670,880
Investment Income	359,069	353,647	267,182	293,017	394,659
Depreciation	4,295,416	4,493,381	4,417,413	4,614,431	5,972,367
Net Revenue Available for Debt Service	<u>\$ 4,398,659</u>	<u>\$ 6,789,116</u>	<u>\$ 5,487,523</u>	<u>\$ 11,556,517</u>	<u>\$ 17,037,906</u>
Actual Revenue Bonds Debt Service Coverage	\$ 2,045,881 2.15x	\$ 2,035,044 3.34x	\$ 1,882,650 2.91x	\$ 1,885,350 6.13x	\$ 1,897,150 8.98x

Notes: (1) Fees primarily represent connection and extension fees.

**Waterworks and Sewerage Fund
Revenue and Expenditures**

	Budget 2019
OPERATING REVENUES:	
Charges for Service	\$ 35,725,000
Fees (1)	445,600
Other Sales and Services	359,300
Total Operating Revenues	36,529,900
OPERATING EXPENSES:	
Personnel Services	11,308,153
Materials and Supplies	5,806,472
Other Services and Charges	10,101,284
Provision for Depreciation	-
Total Operating Expenses	27,215,909
Operating Income	9,313,991
NON-OPERATING REVENUES (EXPENSES):	
Contributions from Other Governments	404,600
Investment Income	32,500
Sale of Assets	6,000,000
Capital Outlay	(12,781,000)
Debt Principal	(1,800,700)
Debt Interest	(973,700)
Total Non-Operating Revenues (Expenses)	(9,118,300)
Net Income Before Transfers	195,691
Transfers Out	(4,500,000)
Net Income	\$ (4,304,309)

Note: (1) Fees primarily represent connection and extension fees.

**Waterworks and Sewerage Bonds
and Illinois Environmental Protection Agency Loans
(Principal Only)**

Year	2000 IEPA	Series 2015B	Total Outstanding	Cumulative Retirement	
	Loan	Bonds	Debt	Principal	Percent
2019	606,709	1,020,000	1,626,709	1,626,709	5.87%
2020	624,462	1,050,000	1,674,462	3,301,171	11.91%
2021	642,734	1,090,000	1,732,734	5,033,905	18.16%
2022	638,826	1,120,000	1,758,826	6,792,731	24.51%
2023	-	1,160,000	1,160,000	7,952,731	28.69%
2024	-	1,190,000	1,190,000	9,142,731	32.99%
2025	-	1,230,000	1,230,000	10,372,731	37.42%
2026	-	1,280,000	1,280,000	11,652,731	42.04%
2027	-	1,315,000	1,315,000	12,967,731	46.78%
2028	-	1,365,000	1,365,000	14,332,731	51.71%
2029	-	1,425,000	1,425,000	15,757,731	56.85%
2030	-	1,485,000	1,485,000	17,242,731	62.21%
2031	-	1,555,000	1,555,000	18,797,731	67.82%
2032	-	1,625,000	1,625,000	20,422,731	73.68%
2033	-	1,705,000	1,705,000	22,127,731	79.83%
2034	-	1,780,000	1,780,000	23,907,731	86.25%
2035	-	1,865,000	1,865,000	25,772,731	92.98%
2036	-	1,945,000	1,945,000	27,717,731	100.00%
Total	<u>\$ 2,512,731</u>	<u>\$ 25,205,000</u>	<u>\$ 27,717,731</u>		

**Waterworks and Sewerage Revenue Bonds, Series 2006
Projected Debt Service Coverage**

Year	Net Revenue Available for Debt Service (1)	2000 IEPA Loan	Series 2015B	Total Debt Service	Coverage	Mandatory Coverage (2)	Remaining Revenue Available
2019	6,011,000	675,329	1,907,750	\$ 2,583,079	2.33 x	3,228,849	2,782,151
2020	6,011,000	675,329	1,907,150	\$ 2,582,479	2.33 x	3,228,099	2,782,901
2021	6,011,000	652,614	1,915,650	\$ 2,568,264	2.34 x	3,210,330	2,800,670
2022	6,011,000	652,614	1,912,950	\$ 2,565,564	2.34 x	3,206,955	2,804,045
2023	6,011,000	-	1,919,350	\$ 1,919,350	3.13 x	2,399,188	3,611,813
2024	6,011,000	-	1,914,550	\$ 1,914,550	3.14 x	2,393,188	3,617,813
2025	6,011,000	-	1,918,850	\$ 1,918,850	3.13 x	2,398,563	3,612,438
2026	6,011,000	-	1,931,950	\$ 1,931,950	3.11 x	2,414,938	3,596,063
2027	6,011,000	-	1,926,950	\$ 1,926,950	3.12 x	2,408,688	3,602,313
2028	6,011,000	-	1,935,856	\$ 1,935,856	3.11 x	2,419,820	3,591,180
2029	6,011,000	-	1,951,494	\$ 1,951,494	3.08 x	2,439,368	3,571,633
2030	6,011,000	-	1,963,400	\$ 1,963,400	3.06 x	2,454,250	3,556,750
2031	6,011,000	-	1,974,000	\$ 1,974,000	3.05 x	2,439,367	3,571,633
2032	6,011,000	-	1,981,800	\$ 1,981,800	3.03 x	2,477,250	3,533,750
2033	6,011,000	-	1,996,800	\$ 1,996,800	3.01 x	2,496,000	3,515,000
2034	6,011,000	-	2,003,600	\$ 2,003,600	3.00 x	2,504,500	3,506,500
2035	6,011,000	-	2,017,400	\$ 2,017,400	2.98 x	2,521,750	3,489,250
2036	6,011,000	-	2,022,800	\$ 2,022,800	2.97 x	2,528,500	3,482,500
	Total:	<u>\$ 2,655,886</u>	<u>\$ 35,102,300</u>	<u>\$ 37,758,186</u>			

- Notes: (1) Source: the City.
(2) Mandatory coverage based on bond ordinance rate covenant for 125% of debt service.