

COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the fiscal year ended
December 31, 2017

2017



CITY OF LIGHTS

CITY OF AURORA, ILLINOIS

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

For the Year Ended
December 31, 2017

Prepared by Finance Department

Stacey L. Hamling, MBA, CPA
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Assistant Director of Finance

Krista L. Heinke
Accounting Supervisor

CITY OF AURORA, ILLINOIS
TABLE OF CONTENTS

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Principal Officials	i
Organizational Chart	ii
Certificate of Achievement for Excellence in Financial Reporting.....	iii
Letter of Transmittal	iv-x
FINANCIAL SECTION	
INDEPENDENT AUDITOR’S REPORT	1-3
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management’s Discussion and Analysis.....	MD&A 1-15
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position.....	4-5
Statement of Activities	6-7
Fund Financial Statements	
Governmental Funds	
Balance Sheet	8-9
Reconciliation of Fund Balances of Governmental Funds to the Governmental Activities in the Statement of Net Position	10
Statement of Revenues, Expenditures and Changes in Fund Balances	11
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Governmental Activities in the Statement of Activities.....	12

CITY OF AURORA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Basic Financial Statements (Continued)

Fund Financial Statements (Continued)

Proprietary Funds

Statement of Net Position.....	13-14
Statement of Revenues, Expenses and Changes in Fund Net Position	15
Statement of Cash Flows	16-17

Fiduciary Funds

Statement of Fiduciary Net Position	18
Statement of Changes in Fiduciary Net Position	19

Notes to Financial Statements	20-89
-------------------------------------	-------

Required Supplementary Information

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	90
Schedule of Employer Contributions	
Illinois Municipal Retirement Fund	91
Police Pension Fund	92
Firefighters' Pension Fund	93
Retiree Health Insurance Trust Fund.....	94
Schedule of Changes in the Employer's Net Pension Liability and Related Ratios	
Illinois Municipal Retirement Fund	95
Police Pension Fund	96
Firefighters' Pension Fund	97
Schedule of Changes in the Employer's Net Other Postemployment Benefit Liability and Related Ratios	
Retiree Health Insurance Trust Fund.....	98

CITY OF AURORA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS (Continued)

Required Supplementary Information (Continued)

Schedule of Investment Returns	
Police Pension Fund	99
Firefighters' Pension Fund	100
Retiree Health Insurance Trust Fund.....	101
Notes to Required Supplementary Information	102

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

MAJOR GOVERNMENTAL FUNDS

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Debt Service Fund	103
---	-----

NONMAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet	104-105
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	106

Nonmajor Special Revenue Funds

Combining Balance Sheet	107-110
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	111-114
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Motor Fuel Tax Fund.....	115
SHAPE Fund	116
Sanitation Fund.....	117
Wireless 911 Surcharge Fund.....	118
Municipal Motor Fuel Tax Fund	119
Block Grant Fund	120
Section 108 Loan Fund.....	121
Foreign Fire Insurance Tax Fund	122
Asset Seizure Fund	123

CITY OF AURORA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

**COMBINING AND INDIVIDUAL FUND
 FINANCIAL STATEMENTS AND SCHEDULES (Continued)**

NONMAJOR GOVERNMENTAL FUNDS (Continued)

Nonmajor Special Revenue Funds (Continued)

**Schedule of Revenues, Expenditures and Changes
 in Fund Balance - Budget and Actual (Continued)**

Federal Asset Forfeiture Fund	124
State Asset Forfeitures Fund.....	125
Tax Increment Financing District #1 (Downtown) Fund	126
Tax Increment Financing District #3 (River City) Fund	127
Tax Increment Financing District #4 (Bell Gale) Fund.....	128
Tax Increment Financing District #5 (West River Area) Fund	129
Tax Increment Financing District #6 (East River Area) Fund	130
Tax Increment Financing District #7 (West Farnsworth Area) Fund.....	131
Tax Increment Financing District #8 (East Farnsworth Area) Fund	132
Special Service Areas Fund.....	133
Stormwater Management Fee Fund.....	134
Long-Term Control Plan Fee Fund.....	135

Nonmajor Capital Projects Funds

Combining Balance Sheet	136-137
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	138-139
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	
Capital Improvements Fund	140
2008B TIF Bond Project Fund	141
Gaming Tax Fund	142
2017 General Obligation Bond Project Fund	143
Fire Impact Fees Fund	144
Public Works Impact Fees Fund.....	145
Ward Projects Fund	146

Ward Projects Fund

Combining Balance Sheet	147-148
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance	149-150

CITY OF AURORA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

**COMBINING AND INDIVIDUAL FUND
 FINANCIAL STATEMENTS AND SCHEDULES (Continued)**

ENTERPRISE FUNDS

Combining Statement of Net Position.....	151
Combining Statement of Revenues, Expenses and Changes in Net Position	152
Combining Statement of Cash Flows.....	153-154
Schedule of Revenues and Expenditures - Budget and Actual	
Motor Vehicle Parking System Fund	155
Transportation Center Fund.....	156
Golf Operations Fund	157
Water and Sewer Fund	158-159
Airport Fund	160

INTERNAL SERVICE FUNDS

Combining Statement of Net Position	161
Combining Statement of Revenues, Expenses and Changes in Net Position	162
Combining Statement of Cash Flows.....	163-164
Schedule of Revenues, Expenses and Changes in Net Position - Budget and Actual	
Property and Casualty Insurance Fund.....	165
Employee Health Insurance Fund	166
Employee Compensated Benefits Fund.....	167

FIDUCIARY FUNDS

Combining Statement of Plan Net Position - Pension and Other Postemployment Benefit Trust Funds	168
Combining Statement of Changes in Plan Net Position - Pension and Other Postemployment Benefit Trust Funds	169
Schedule of Changes in Plan Net Position - Budget and Actual	
Police Pension Fund	170
Firefighters' Pension Fund	171
Retiree Health Insurance Trust Fund.....	172
Combining Statement of Changes in Assets and Liabilities - Agency Funds	173

CITY OF AURORA, ILLINOIS
TABLE OF CONTENTS (Continued)

Page(s)

FINANCIAL SECTION (Continued)

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES (Continued)

SUPPLEMENTARY FINANCIAL INFORMATION

Schedule of Insurance Coverage and Other Information	174
--	-----

STATISTICAL SECTION

Financial Trends

Net Position by Component	175-176
Change in Net Position.....	177-180
Fund Balances of Governmental Funds	181-182
Changes in Fund Balances of Governmental Funds	183-184

Revenue Capacity

Property Tax Assessed Valuations, Rates and Extensions	185-186
Assessed Value and Actual Value of Taxable Property	187
Property Tax Rates - Direct and Overlapping Governments	188-189
Principal Property Taxpayers	190
Property Tax Levies and Collections	191
Taxable Sales by Category	192
Direct and Overlapping Sales Tax Rates	193

Debt Capacity

Ratios of Outstanding Debt by Type.....	194
Ratios of General Bonded Debt Outstanding.....	195
Direct and Overlapping Governmental Activities Debt.....	196
Schedule of Legal Debt Margin	197
Pledged-Revenue Coverage	198

Demographic and Economic Information

Demographic and Economic Information.....	199
Principal Employers	200

Operating Information

Full-Time Equivalent Employees.....	201
Operating Indicators	202
Capital Asset Statistics	203

ADDITIONAL DISCLOSURES

Additional Disclosures Required by SEC Rule 15c2-12	204-254
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INTRODUCTORY SECTION

**CITY OF AURORA, ILLINOIS
PRINCIPAL OFFICIALS**

MAYOR

Richard C. Irvin

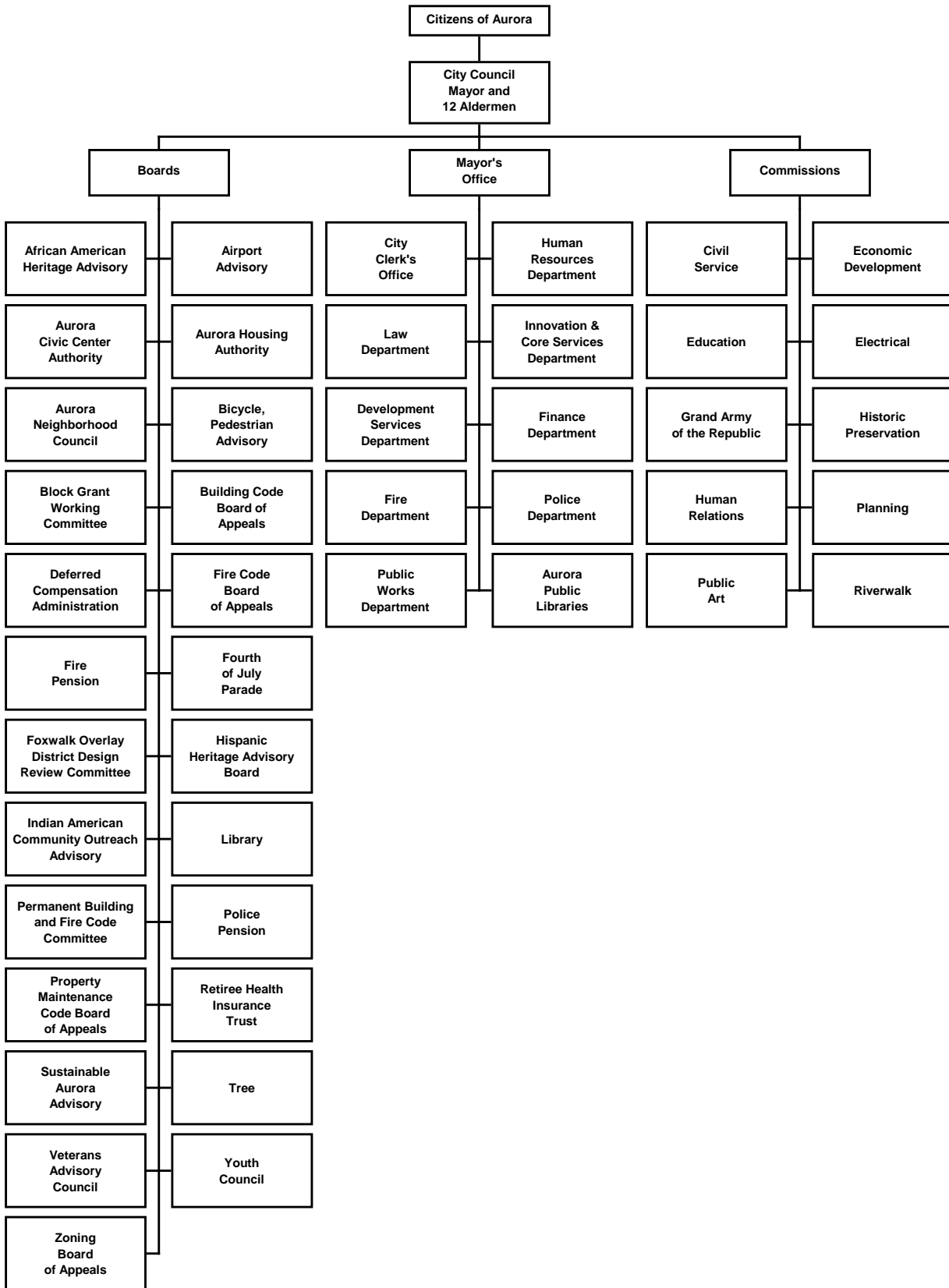
CITY COUNCIL

*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
Scheketa 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
Stacey L. Hamling, Interim Chief Finance Officer/City Treasurer
Adrienne M. Holloway, Chief Innovation Officer
Gary N. Krienitz, Fire Chief
Alisia I. Lewis, Director of Human Resources
Wendy A. McCambridge, City Clerk
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





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Aurora
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO



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 14, 2018

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, 2017, is submitted herewith. This report provides a broad view of the city's financial activities for the 2017 fiscal year and its financial position at December 31, 2017. 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, 2017. 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 \$3,470,093,810 in equalized assessed value (EAV) for the 2016 property tax levy (applicable to property taxes paid in 2017), \$610,843,140 or 17.6% was classified as commercial and \$349,764,410 or 10.0% 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 160 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 2017 included, but were not limited to:

- ***Continued Building Activity*** – Building permit activity continued at a strong pace, decreasing from \$4.2 million to \$3.5 million
- ***Paramount Theater Expansion***. The Paramount Theater continues to expand with a \$2.5 million grant from the Dunham Foundation to create the Paramount School of Performing Arts in the Downtown.
- ***Yorkshire Plaza Redevelopment***. 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.

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)

2017 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 2017 were:

- **Mayor's Youth Council.** Mayor Irvin created a youth council composed of all area (six) high schools.
- **Acquisition of the PNC Bank Building.** Development Services operations, covering Planning and Zoning, Building Permits and Property Maintenance will be moved in to 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 care coverage to a new carrier and funding system, saving the City approximately \$2.0 million annually and reducing the OPEB liability by nearly \$80 million.
- **Street Resurfacing.** Resurfaced 30.5 lane-miles of residential and 16.1 lane-miles of arterial streets. This annual resurfacing program has had a direct, positive impact upon Aurora's neighborhoods and transportation network.
- **"Transition Report".** Mayor Irvin released a comprehensive transition report representing new goals for the first change in administration in twelve years.
- **Fox River Pedestrian Bridge.** The City applied for (and received notice of approval in 2018) a grant to fund approximately \$10 million of a \$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 2017 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, 2016. This was the 19th 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 2017 fiscal year. This was the 18th 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
Sylvia Salinas, 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,



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, 2017, 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, 2017 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's 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 information is 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's basic financial statements for the year ended December 31, 2016, which are not presented with the accompanying financial statements. In our report dated June 16, 2017, 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's basic financial statements as a whole. The 2016 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 2016 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 2016 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 8, 2018 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 8, 2018

**GENERAL PURPOSE EXTERNAL
FINANCIAL STATEMENTS**

CITY OF AURORA, ILLINOIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2017

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, 2017. 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 x 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.

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 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 28 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 27 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 its General Fund. 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 89 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 90 through 103 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 104 through 173 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, 2017.

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, 2017 and 2016
(in millions)**

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total Primary Government</i>	
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
Current and Other Assets	\$ 243.8	\$ 219.4	\$ 24.3	\$ 25.7	\$ 268.1	\$ 245.1
Capital Assets	525.0	529.6	252.4	248.4	777.4	778.0
<i>Total Assets</i>	768.8	749.0	276.7	274.1	1,045.5	1,023.1
Deferred Outflows of Resources	184.7	182.4	14.1	15.6	198.8	198.0
<i>Total Assets and Deferred Outflows</i>	953.5	931.4	290.8	289.7	1,244.3	1,221.1
Long-Term Liabilities	883.2	899.5	66.6	76.0	949.8	975.5
Other Liabilities	45.7	37.4	7.1	7.6	52.8	45.0
<i>Total Liabilities</i>	928.9	936.9	73.7	83.6	1,002.6	1,020.5
Deferred Inflows of Resources	106.7	78.7	1.4	-	108.1	78.7
<i>Total Liabilities and Deferred Inflows</i>	1,035.6	1,015.6	75.1	83.6	1,110.7	1,099.2
Net Position:						
Net Investment in Capital Assets	399.2	407.7	227.3	221.0	626.5	628.7
Restricted	49.0	51.2	4.3	4.3	53.3	55.5
Unrestricted	(530.3)	(543.1)	(15.9)	(19.2)	(546.2)	(562.3)
<i>Total Net Position</i>	\$ (82.1)	\$ (84.2)	\$ 215.7	\$ 206.1	\$ 133.6	\$ 121.9

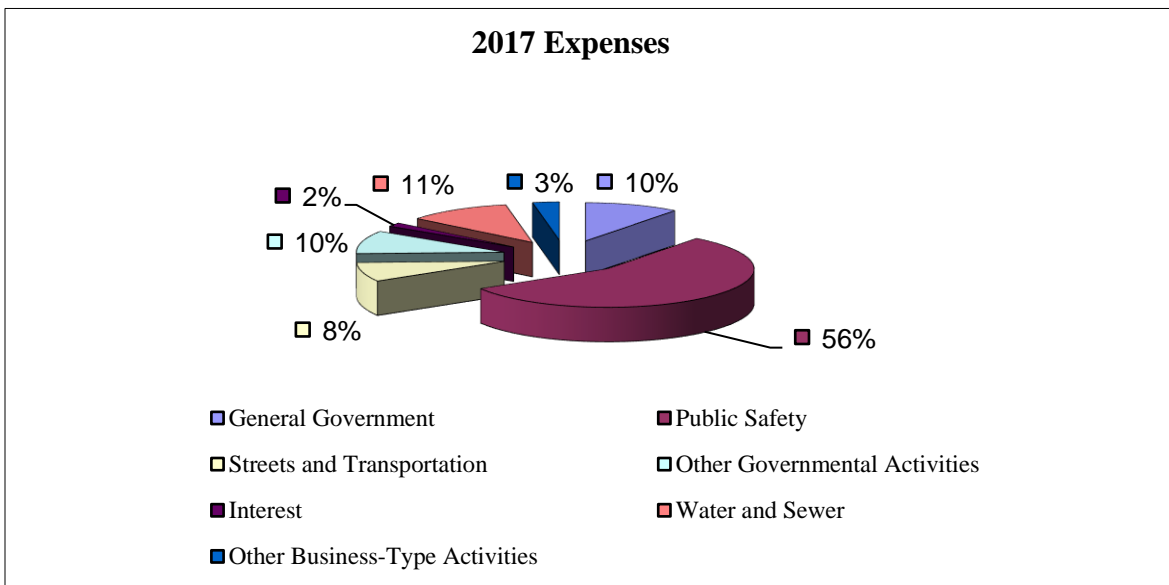
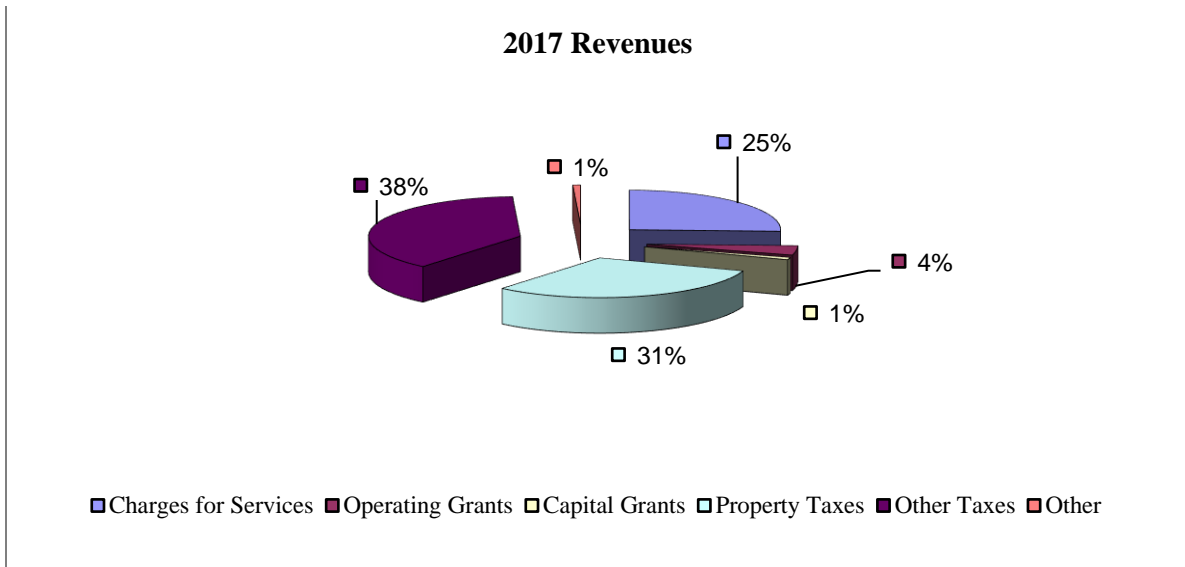
The City’s combined net position increased by \$11.7 million - from \$121.9 to \$133.6 million - during 2017. This change is the result of \$2.1 million and \$9.6 million increases in the net position of governmental activities and business-type activities, respectively. The change in net position was 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, 2017 and 2016
(in millions)

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total Primary Government</i>	
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
REVENUES						
Program Revenues:						
Charges for Services	\$ 25.9	\$ 27.0	\$ 38.9	\$ 37.7	\$ 64.8	\$ 64.7
Operating Grants and Contributions	6.9	9.4	0.1	0.2	7.0	9.6
Capital Grants and Contributions	2.6	2.0	0.1	0.3	2.7	2.3
General Revenues:						
Property Taxes	82.2	77.6	-	-	82.2	77.6
Other Taxes	93.1	95.8	0.3	0.4	93.4	96.2
Other	2.6	1.8	0.3	0.3	2.9	2.1
Total Revenues	213.3	213.6	39.7	38.9	253.0	252.5
EXPENSES						
General Government	17.8	30.3	-	-	17.8	30.3
Public Safety	131.5	163.3	-	-	131.5	163.3
Streets and Transportation	28.3	23.4	-	-	28.3	23.4
Health and Welfare	14.6	14.3	-	-	14.6	14.3
Culture and Recreation	4.8	8.1	-	-	4.8	8.1
Economic Development	4.3	5.9	-	-	4.3	5.9
Water and Sewer	-	-	28.4	33.1	28.4	33.1
Airport	-	-	2.3	2.3	2.3	2.3
Downtown Parking	-	-	1.3	1.7	1.3	1.7
Commuter Parking	-	-	2.2	2.8	2.2	2.8
Golf Operations	-	-	1.0	1.7	1.0	1.7
Interest on Long-Term Debt	4.8	4.7	-	-	4.8	4.7
Total Expenses	206.1	250.0	35.2	41.6	241.3	291.6
Excess (Deficiency) Before Transfers	7.2	(36.4)	4.5	(2.7)	11.7	(39.1)
Transfers	(5.1)	(2.8)	5.1	2.8	-	-
Change in Net Position	\$ 2.1	\$ (39.2)	\$ 9.6	\$ 0.1	\$ 11.7	\$ (39.1)
Net Position, December 31	\$ (82.1)	\$ (84.2)	\$ 215.7	\$ 206.1	\$ 133.6	\$ 121.9

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

For the fiscal year ended December 31, 2017, revenues totaled \$253.0 million. The City benefits from a highly diversified revenue base. Revenues from the City’s largest single source, property taxes, amounted to \$82.2 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 2016 and 2017, total property tax revenues rose by 5.9%.

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 2017, 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 2017, ROT revenues were \$22.3 million compared to \$22.6 million in 2016. Home-rule sales tax revenues dropped by 8.5% between the two years, decreasing from \$20.7 million to a total of \$18.9 million during 2017. 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 2016 and 2017, the City’s income tax revenues dropped from \$19.3 million to \$18.2 million – a \$1.1 million decrease or 5.6%. This decrease is attributable to a 10% reduction in tax distribution from the State of Illinois starting July 1, 2017.

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 \$7.0 million in both 2017 and 2016. 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.

Overall there was virtually no change in charges for services in 2017 compared to the prior year. Greater revenue was seen in business-type activities while there was a decrease in governmental activities. In governmental activities, the City saw a decrease in revenues from building and permit, plan review and inspection fees. Between 2016 and 2017, building and permit, plan review and inspection fee revenue decreased from \$4.5 to \$3.7 million. In business-type activities, the water and sewer fee revenue was approximately \$33.2 million in 2017, up from \$32.0 million in 2016. The revenue increase of 3.6% 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 decreased from \$9.6 in 2016 to \$7.0 million in 2017 (a 27.1% decrease). This decrease was related primarily to changes in funding 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 less active in 2017. Capital grants and contributions increased from \$2.3 to \$2.7 million (a 17.4% increase). The City received additional grant funding in 2017 from the Illinois Department of Commerce and Economic Opportunity and the Illinois Housing Development Authority for efficient lighting projects and abandoned and blighted property programs.

Aurora's expenses amounted to a total of \$241.3 million in 2017. This represents an decrease of 17.2% from the prior year.

Public safety costs comprise the greatest proportion of the City's total expenses. Between 2016 and 2017, public safety costs decreased by 19.5%, from \$163.3 to \$131.5 million. The decrease is attributable to personnel-related and other operating costs associated with the City's fire department and police department as well as the change in benefits to the retiree health plan. The prior year's expense figures reflect the impact of the settlement of collective bargaining agreements as well as higher overtime costs and employer's pension expenses.

Expenses for the streets and transportation fund rose from \$23.4 million in 2016 to \$28.3 million in 2017 (an increase of \$4.9 million or 20.9%). The difference resulted because street maintenance costs were higher in 2017 than in the prior years.

In the business-type activities, the expenses of the water and sewer function decreased from \$33.1 million in 2016 to \$28.4 million in 2017 – a \$4.7 million or 14.2% decrease. Lower personnel and benefit costs in 2017 account for the year-to-year change.

Transfers in 2017 were higher than the prior year. Due to the refunding of the City's debt obligations in the prior year the City's Safety, Health, and Public Enhancement Fund did not need to make a transfer to the Debt Service Fund for bond and interest payments as it had in previous years.

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

FINANCIAL ANALYSIS OF THE CITY’S FUNDS

At December 31, 2017, the governmental funds had combined fund balances of \$105.8 million. This reflects a \$17.0 million increase 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, 2017
(in millions)**

	<i>Original Budget</i>	<i>Amended Budget</i>	<i>Actual</i>
REVENUES			
Taxes	\$147.184	\$147.184	\$145.736
Licenses, Fees, and Permits	8.230	8.230	8.139
Other	8.879	8.879	10.336
Total Revenues	164.293	164.293	164.211
EXPENDITURES	168.665	168.365	161.660
TRANSFERS IN	1.500	1.500	1.500
TRANSFERS OUT	-	1.650	1.650
Change in Fund Balance	\$ (2.872)	\$ (4.222)	\$ 2.401

In 2017, the fund balance of the General Fund increased by about \$2.4 million, bringing the total fund balance at year-end to \$23.9 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 \$16.9 million. Thus, management deemed the General Fund balance to be at least minimally satisfactory at the end of 2017. 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 home-rule sales tax and food and beverage tax revenues were lower than expected. Revenues associated with licenses, fees, and permits were slightly more than the budgeted amount. This was primarily due to vacant property registration fees being higher 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 decreased \$2.2 million during 2017 from \$3.1 million in 2016 to \$.9 million in 2016. Principal and interest payments were slightly higher in 2017 than the previous but the change was primarily due to transfers in from other funds. In 2016 the Debt Service Fund received \$5.6 million from other funds compared to only \$1.6 million in 2017. The City has refunded several series of general obligation bonds over the past several years and has been generally paying down its debt, and as such transfers in for debt payments have not been as high as was needed in prior years.

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 increased \$1.7 million to \$2.4 million as no transfers to the Debt Service Fund were necessary in 2017. The fund balance of the Stormwater Management Fee Fund decreased by \$1.1 million to \$2.8 million as a result of a transfer to the Debt Service Fund for bond and interest costs associated with the repayment of related debt. Additionally the fund balance of the Long-Term Control Plan Fee Fund declined \$1.4 million to \$2.5 million as a result of capital outlay for various drainage projects. 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 of the non-major capital projects funds changed significantly during 2017 due to the issuance of \$16.5 million in bonds for various capital projects. The Gaming Tax Fund's balance increased by \$2.5 million due to lower expenditures in 2017 than in the prior year.

The Aurora City Council approved one budget amendment during the year. This budget amendment served mainly to provide authority for a) the purchase of \$450,000 in lighting supplies for a grant program funded by the Illinois Department of Commerce and Economic Opportunity b) allocation of \$4.2 million in additional funds from the United States Department of Housing and Urban Development through the Home Ownership and Maintenance Empowerment Program and Section 108 Loan Guarantees \$1.65 million of transfers from the General Fund to the Property and Casualty Insurance Fund for claims that were higher than expected and d) \$2.5 million of transfers from the Employee Health Insurance Fund to the Employee Compensated Benefits Fund 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, 2017, the City has provided a reconciliation on page 10 of this report. The most significant reconciling items include:

- \$525.0 million of capital assets are included in the assets of governmental activities. During 2017 and prior years, these costs were recorded as expenditures in the governmental funds.

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

- \$142.4 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 \$379.4 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 \$193.4 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, 2017.

Table 4
Capital Assets
As of December 31, 2017 and 2016
(in millions)

	<i>Governmental</i>		<i>Business-Type</i>		<i>Total</i>	
	<i>Activities</i>		<i>Activities</i>			
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
Land and Land Right of Way	\$ 133.2	\$ 132.2	\$ 25.9	\$ 25.9	\$ 159.1	\$ 158.1
Buildings and Land Improvements	148.8	145.9	145.9	145.9	294.7	291.8
Machinery, Vehicles, and Equipment	45.5	38.8	9.6	9.2	55.1	48.0
Works of Art	1.0	1.0	-	-	1.0	1.0
Infrastructure	389.7	379.0	192.0	181.6	581.7	560.6
Construction in Progress	26.1	36.1	18.5	18.4	44.6	54.5
Less:						
Accumulated Depreciation	(219.3)	(203.4)	(139.6)	(132.7)	(358.9)	(336.1)
Total	\$ 525.0	\$ 529.6	\$ 252.3	\$ 248.3	\$ 777.3	\$ 777.9

At year-end, the City’s investment in capital assets for both its governmental and business-type activities was \$777.3 million (net of accumulated depreciation).

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

Major capital asset events during 2017 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.
- Infrastructure recorded for governmental activities rose by \$10.7 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 governmental activities decreased by \$10.0 million due to the completion of fiber optic projects, certain street and bridge improvement projects and the acquisition of a new public safety enterprise resource platform.
- The construction of sanitary sewer lines in the community caused the infrastructure of business-type activities to increase by \$10.4 million.
- Ongoing combined sewer separation projects added \$.1 million to construction in progress of business-type activities. Most notably, the 2017 projects included work in the vicinity of East Galena Boulevard and East Downer Place.

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, 2017 and 2016
(in millions)**

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>	<i>2017</i>	<i>2016</i>
General Obligation Bonds	\$ 120.2	\$ 110.8	\$ -	\$ -	\$ 120.2	\$ 110.8
Revenue Bonds/Notes	10.9	11.9	27.0	28.3	37.9	40.2
Debt Certificates	4.2	1.7	-	-	4.2	1.7
Illinois EPA Loans	7.1	3.2	5.6	6.4	12.7	9.6
Compensated Absences	18.9	19.1	2.1	2.0	21.0	21.1
Insurance Claims Payable	9.0	6.6	-	-	9.0	6.6
Net Pension Liabilities *	421.7	430.1	7.9	9.3	429.6	439.4
Net Other Post-Employment Benefit Liability *	305.6	325.2	25.9	31.8	331.5	357.0
Unamortized Bond Premium	1.3	1.2	0.3	0.3	1.6	1.5
Total	\$ 898.9	\$ 909.8	\$ 68.8	\$ 78.1	\$ 967.7	\$ 987.9

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

As of December 31, 2017, the City had a total of \$967.7 million of long-term debt outstanding. Of this amount, \$120.2 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.

Also outstanding at the end of 2017 were \$37.9 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 \$6.5 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 \$429.6 million of long-term liabilities on government-wide statement of net position as of December 31, 2017.

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

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). As shown in Table 5 above, the recognition of net other post-employment benefit liabilities resulted in the placement of \$331.5 million of long-term liabilities on government-wide statement of net position as of December 31, 2016. 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 17.6% and 10.0%, respectively, of the City’s total 2016 EAV of \$3.5 billion. The 2012 – 2016 American Community Survey conducted by the United States Bureau of the Census found that 82.1% of residential properties had a value of \$100,000 or more. The median home value was \$168,100. 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 2016 accounted for only 7.0% 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 160 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 2018 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.

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

According to the American Community Survey, the estimated median annual income for Aurora households between 2012 and 2016 was \$63,967. This compares favorably with the statewide figure of \$59,196.

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.

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, 2017

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Unit Aurora Public Library
ASSETS				
Cash and Investments	\$ 142,005,317	\$ 7,817,532	\$ 149,822,849	\$ 4,494,463
Restricted Cash and Investments	-	4,300,766	4,300,766	-
Receivables (Net of Allowance Where Applicable)				
Property Taxes				
General and Pension Levies	75,680,550	-	75,680,550	10,629,946
Special Service Areas Levies	722,860	-	722,860	-
Other Taxes	15,676,397	-	15,676,397	-
Utility Customers	-	6,176,188	6,176,188	-
Loans Receivable	161,665	-	161,665	-
Interest	412,515	18,930	431,445	1,075
Miscellaneous	2,874,690	25,594	2,900,284	-
Pledge	-	-	-	1,722,733
Land Held for Resale	386,406	-	386,406	57,682
Inventory	-	313,424	313,424	-
Due from Other Governments	5,881,143	5,702,639	11,583,782	-
Internal Balances	(31)	31	-	-
Prepaid Items	62,492	-	62,492	1,388,345
Capital Assets				
Nondepreciable	160,235,857	44,408,804	204,644,661	3,378,686
Depreciable (Net of Accumulated Depreciation)	364,759,506	207,946,749	572,706,255	36,175,697
Total Assets	768,859,367	276,710,657	1,045,570,024	57,848,627
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized Loss on Refunding	612,736	7,423	620,159	132
Pension Items - IMRF	15,947,552	4,283,871	20,231,423	2,701,498
OPEB Items	115,560,269	9,837,618	125,397,887	18,309
Pension Items - Pension Trust Funds	52,570,503	-	52,570,503	-
Total Deferred Outflows of Resources	184,691,060	14,128,912	198,819,972	2,719,939
Total Assets and Deferred Outflows of Resources	953,550,427	290,839,569	1,244,389,996	60,568,566

(This statement is continued on the following page.)

CITY OF AURORA, ILLINOIS

STATEMENT OF NET POSITION (Continued)

December 31, 2017

	Primary Government			Component
	Governmental	Business-Type	Total	Unit
	Activities	Activities		Aurora Public Library
LIABILITIES				
Accounts Payable	\$ 10,176,828	\$ 2,611,675	\$ 12,788,503	\$ 235,095
Accrued Payroll	8,899,984	651,335	9,551,319	130,490
Retainage Payable	770,888	68,895	839,783	-
Accrued Interest Payable	-	98,959	98,959	-
Unearned Revenue	6,790,725	577,909	7,368,634	-
Due to Other Governments	1,065,335	4,569	1,069,904	-
Deposits Payable	2,346,907	840,048	3,186,955	-
Noncurrent Liabilities				
Due Within One Year	15,667,548	2,266,110	17,933,658	621,654
Due in More than One Year	883,187,191	66,562,889	949,750,080	24,745,027
Total Liabilities	928,905,406	73,682,389	1,002,587,795	25,732,266
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue	76,327,175	-	76,327,175	10,629,946
Unamortized Gain on Refunding	737,481	-	737,481	-
Pension Items - IMRF	4,253,825	1,142,671	5,396,496	720,593
OPEB Items	3,382,522	294,029	3,676,551	43,856
Pension Items - Pension Trust Funds	22,011,008	-	22,011,008	-
Total Deferred Inflows of Resources	106,712,011	1,436,700	108,148,711	11,394,395
Total Liabilities and Deferred Inflows of Resources	1,035,617,417	75,119,089	1,110,736,506	37,126,661
NET POSITION				
Net Investment in Capital Assets	399,174,599	227,313,783	626,488,382	20,038,127
Restricted Nonexpendable for				
Working Cash	446,786	-	446,786	-
Restricted Expendable for				
Debt Service	984,521	4,300,766	5,285,287	106,231
Capital Improvements	-	-	-	3,222,913
Public Safety	14,470,871	-	14,470,871	-
Streets and Transportation	11,602,498	-	11,602,498	-
Health and Welfare	5,445,635	-	5,445,635	-
Economic Development	16,100,578	-	16,100,578	-
Unrestricted	(530,292,478)	(15,894,069)	(546,186,547)	74,634
TOTAL NET POSITION	\$ (82,066,990)	\$ 215,720,480	\$ 133,653,490	\$ 23,441,905

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2017

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 17,737,787	\$ 3,606,185	\$ -	\$ 484,789
Public Safety	131,499,906	8,306,074	549,477	4,126
Streets and Transportation	28,331,470	717,274	5,325,411	1,619,208
Health and Welfare	14,626,569	12,897,740	810,549	250,299
Culture and Recreation	4,831,144	399,661	81,232	216,356
Economic Development	4,316,169	7,758	-	-
Interest	4,787,749	-	178,202	-
Total Governmental Activities	206,130,794	25,934,692	6,944,871	2,574,778
Business-Type Activities				
Water and Sewer	28,392,800	34,016,302	-	67,840
Airport	2,269,889	633,227	50,693	-
Downtown Parking	1,287,648	665,063	-	-
Commuter Parking	2,201,472	2,420,710	-	34,778
Golf Operations	1,009,680	1,123,125	-	-
Total Business-Type Activities	35,161,489	38,858,427	50,693	102,618
TOTAL PRIMARY GOVERNMENT	\$ 241,292,283	\$ 64,793,119	\$ 6,995,564	\$ 2,677,396
COMPONENT UNIT				
Aurora Public Library and Foundation	\$ 12,949,325	\$ 141,285	\$ 154,657	\$ 221,872

	Net (Expense) Revenue and Change in Net Position			
	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Aurora Public Library
	\$ (13,646,813)	\$ -	\$ (13,646,813)	\$ -
	(122,640,229)	-	(122,640,229)	-
	(20,669,577)	-	(20,669,577)	-
	(667,981)	-	(667,981)	-
	(4,133,895)	-	(4,133,895)	-
	(4,308,411)	-	(4,308,411)	-
	(4,609,547)	-	(4,609,547)	-
	(170,676,453)	-	(170,676,453)	-
	-	5,691,342	5,691,342	-
	-	(1,585,969)	(1,585,969)	-
	-	(622,585)	(622,585)	-
	-	254,016	254,016	-
	-	113,445	113,445	-
	-	3,850,249	3,850,249	-
	(170,676,453)	3,850,249	(166,826,204)	-
	-	-	-	(12,431,511)
General Revenues				
Taxes				
Property and Replacement	82,218,221	-	82,218,221	10,577,987
Sales	46,094,186	277,925	46,372,111	-
Utility	10,302,895	-	10,302,895	-
Income	18,176,859	-	18,176,859	-
Real Estate Transfer	2,891,464	-	2,891,464	-
Food and Beverage Tax	4,739,599	-	4,739,599	-
Gaming Tax	7,382,230	-	7,382,230	-
Hotel/Motel	541,994	-	541,994	-
Other	3,013,646	-	3,013,646	-
Investment Income	1,007,063	315,792	1,322,855	206,994
Miscellaneous	1,546,656	55,611	1,602,267	274,303
Transfers	(5,076,832)	5,076,832	-	-
Total	172,837,981	5,726,160	178,564,141	11,059,284
CHANGE IN NET POSITION	2,161,528	9,576,409	11,737,937	(1,372,227)
NET POSITION, JANUARY 1	(84,228,518)	206,144,071	121,915,553	24,814,132
NET POSITION, DECEMBER 31	\$ (82,066,990)	\$ 215,720,480	\$ 133,653,490	\$ 23,441,905

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

BALANCE SHEET

GOVERNMENTAL FUNDS

December 31, 2017

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	\$ 25,597,212	\$ 765,527	\$ 84,218,875	\$ 110,581,614
Receivables (Net of Allowance Where Applicable)				
Property Taxes				
General and Pension Levies	71,720,550	3,960,000	-	75,680,550
Special Service Areas Levies	-	-	722,860	722,860
Other Taxes	13,476,908	-	2,199,489	15,676,397
Loans Receivable	-	-	161,665	161,665
Interest	3,973	-	276,567	280,540
Miscellaneous	198,396	89,244	2,540,779	2,828,419
Land Held for Resale	-	-	386,406	386,406
Due from Other Governments	136,304	129,750	5,615,089	5,881,143
Due from Other Funds	10,058	-	774,994	785,052
Prepaid Items	17,713	-	1,700	19,413
Total Assets	111,161,114	4,944,521	96,898,424	213,004,059
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-
 TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	 \$ 111,161,114	 \$ 4,944,521	 \$ 96,898,424	 \$ 213,004,059

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 2,603,502	\$ -	\$ 7,499,543	\$ 10,103,045
Accrued Payroll	8,843,284	-	-	8,843,284
Retainage Payable	-	-	770,888	770,888
Deposits Payable	2,346,157	-	750	2,346,907
Unearned Revenue	766,718	-	6,024,007	6,790,725
Due to Other Funds	-	-	785,083	785,083
Due to Component Unit	-	-	-	-
Due to Other Governments	944,014	-	121,321	1,065,335
Total Liabilities	15,503,675	-	15,201,592	30,705,267
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	71,720,550	3,960,000	646,625	76,327,175
Unavailable Revenue - Other	-	129,750	-	129,750
Total Deferred Inflows of Resources	71,720,550	4,089,750	646,625	76,456,925
Total Liabilities and Deferred Inflows of Resources	87,224,225	4,089,750	15,848,217	107,162,192
FUND BALANCES				
Nonspendable				
Prepaid Items	17,713	-	1,700	19,413
Restricted				
Debt Service	-	854,771	-	854,771
Working Cash	-	-	446,786	446,786
Public Safety	-	-	14,470,871	14,470,871
Streets and Transportation	-	-	11,602,498	11,602,498
Health and Welfare	-	-	5,445,635	5,445,635
Economic Development	-	-	16,100,578	16,100,578
Capital Projects	-	-	11,940,741	11,940,741
Unrestricted				
Assigned				
Public Safety	-	-	95,429	95,429
Health and Welfare	-	-	541,589	541,589
Capital Projects	-	-	20,425,520	20,425,520
Tourism	781,563	-	-	781,563
Unassigned (Deficit)	23,137,613	-	(21,140)	23,116,473
Total Fund Balances	23,936,889	854,771	81,050,207	105,841,867
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 111,161,114	\$ 4,944,521	\$ 96,898,424	\$ 213,004,059

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, 2017

FUND BALANCES OF GOVERNMENTAL FUNDS	\$ 105,841,867
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	524,995,363
Other long-term receivables are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds	129,750
Premiums or discounts on long-term liabilities and gains and losses on debt refundings are capitalized and amortized at the government-wide level	
Premiums	(1,328,719)
Loss on refundings	612,736
Gain on refundings	(737,481)
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	(120,220,000)
Tax increment revenue bonds	(10,920,000)
Debt certificates	(4,185,000)
Illinois EPA loan	(7,066,686)
Compensated absences	(18,942,908)
Insurance claims payable	(8,962,826)
Less amounts included in internal service funds below	27,905,734
Net other postemployment benefits liability is shown as a liability on the statement of net position	(305,557,392)
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	112,177,747
Net pension liability for the Illinois Municipal Retirement Fund is shown as a liability on the statement of net position	(29,484,037)
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	11,693,727
Net pension liability for the Pension Trust Funds is shown as a liability on the statement of net position	(392,187,171)
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	30,559,495
The net position of the internal service funds is included in the governmental activities in the statement of net position	<u>3,608,811</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$ (82,066,990)</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, 2017

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property Taxes	\$ 69,433,540	\$ 4,037,479	\$ 5,089,737	\$ 78,560,756
Other Taxes	76,302,092	2,891,464	18,610,537	97,804,093
Intergovernmental	477,132	378,202	8,013,609	8,868,943
Licenses, Fees and Permits	8,138,732	-	135,692	8,274,424
Charges for Services	5,585,762	-	8,580,440	14,166,202
Fines and Forfeits	3,761,510	-	-	3,761,510
Investment Income	197,311	45,051	764,701	1,007,063
Other	315,026	-	144,384	459,410
Total Revenues	164,211,105	7,352,196	41,339,100	212,902,401
EXPENDITURES				
Current				
General Government	21,197,100	-	913,883	22,110,983
Public Safety	117,675,069	-	7,417,109	125,092,178
Streets and Transportation	10,520,251	-	8,300,598	18,820,849
Health and Welfare	7,746,640	-	5,890,353	13,636,993
Culture and Recreation	3,913,149	-	997,391	4,910,540
Economic Development	608,079	-	6,375,885	6,983,964
Capital Outlay	-	-	12,283,673	12,283,673
Debt Service				
Principal	-	7,090,000	1,695,729	8,785,729
Interest and Other Charges	-	4,022,348	874,697	4,897,045
Total Expenditures	161,660,288	11,112,348	44,749,318	217,521,954
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,550,817	(3,760,152)	(3,410,218)	(4,619,553)
OTHER FINANCING SOURCES (USES)				
Illinois EPA Loan Issued	-	-	4,043,507	4,043,507
Transfers In	1,500,000	1,551,400	2,545,200	5,596,600
Transfers (Out)	(1,650,000)	-	(6,046,600)	(7,696,600)
Issuance of Debt Certificate	-	-	3,000,000	3,000,000
Proceeds from Bond Issuance	-	-	16,500,000	16,500,000
Premium on Bond Issued	-	-	258,024	258,024
Total Other Financing Sources (Uses)	(150,000)	1,551,400	20,300,131	21,701,531
NET CHANGE IN FUND BALANCES	2,400,817	(2,208,752)	16,889,913	17,081,978
FUND BALANCES, JANUARY 1	21,536,072	3,063,523	64,160,294	88,759,889
FUND BALANCES, DECEMBER 31	\$ 23,936,889	\$ 854,771	\$ 81,050,207	\$ 105,841,867

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, 2017

NET CHANGE IN FUND BALANCES -	
TOTAL GOVERNMENTAL FUNDS	\$ 17,081,978
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	12,238,139
Sales of capital assets are reported as a proceed in governmental funds but as a gain (loss) from sale on the statement of activities	(211,765)
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	
General obligation bonds	(16,500,000)
Debt Certificates	(3,000,000)
Illinois EPA loans	(4,043,507)
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	8,785,729
Revenues in the statement of activities that are not available in governmental funds are not reported as revenue in governmental funds until received	(200,000)
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	(16,642,696)
Amortization of bond premiums	(87,816)
Amortization of gain or loss on refunding	(60,912)
The change in the net other postemployment benefit liability is reported only in the statement of activities	(19,663,800)
The change in deferred inflows and outflows of resources for other postemployment benefits is reported only in the statement of activities	48,937,372
The change in the net pension liability for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(3,763,964)
The change in deferred inflows and outflows of resources for the Illinois Municipal Retirement Fund is reported only in the statement of activities	(696,121)
The change in the net pension liability for the Pension Trust Funds is reported only in the statement of activities	4,650,559
The change in deferred inflows and outflows for the Pension Trust Fund is reported only in the statement of activities	(23,908,734)
The change in net position of internal service funds is reported with governmental activities	<u>(752,934)</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 2,161,528</u></u>

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

December 31, 2017

	Business-Type Activities				Governmental
	Major Funds			Total	Internal
	Water and Sewer Fund	Airport	Other Enterprise Funds	Total	Service Funds
CURRENT ASSETS					
Cash and Investments	\$ 5,644,975	\$ 466,655	\$ 1,705,902	\$ 7,817,532	\$ 31,423,703
Restricted Cash and Investments	3,976,051	-	324,715	4,300,766	-
Receivables					
Accounts (Net of Allowance)	5,947,653	53,195	175,340	6,176,188	-
Interest	10,507	3,000	5,423	18,930	131,975
Miscellaneous	-	25,594	-	25,594	46,271
Prepays	-	-	-	-	43,079
Due from Other Governments	206,584	-	51,188	257,772	-
Due from Other Funds	31	-	-	31	-
Inventory	313,424	-	-	313,424	-
Total Current Assets	16,099,225	548,444	2,262,568	18,910,237	31,645,028
NONCURRENT ASSETS					
Due from Other Governments	5,442,101	2,766	-	5,444,867	-
Capital Assets					
Nondepreciable	19,747,586	13,753,020	10,908,198	44,408,804	-
Depreciable (Net of Accumulated Depreciation)	174,631,501	20,499,246	12,816,002	207,946,749	-
Total Capital Assets	194,379,087	34,252,266	23,724,200	252,355,553	-
Total Noncurrent Assets	199,821,188	34,255,032	23,724,200	257,800,420	-
Total Assets	215,920,413	34,803,476	25,986,768	276,710,657	31,645,028
DEFERRED OUTFLOW OF RESOURCES					
Unamortized Loss on Refunding	-	-	7,423	7,423	-
Pension Items - IMRF	3,550,016	52,746	681,109	4,283,871	-
OPEB Items	8,176,950	-	1,660,668	9,837,618	-
Total Deferred Outflows of Resources	11,726,966	52,746	2,349,200	14,128,912	-
Total Assets and Deferred Outflows of Resources	227,647,379	34,856,222	28,335,968	290,839,569	31,645,028

(This statement is continued on the following page.)

CITY OF AURORA, ILLINOIS

STATEMENT OF NET POSITION (Continued)

PROPRIETARY FUNDS

December 31, 2017

	Business-Type Activities				Governmental
	Major Funds			Total	Internal
	Water and Sewer Fund	Airport	Other Enterprise Funds	Total	Service Funds
CURRENT LIABILITIES					
Accounts Payable	\$ 2,352,307	\$ 65,223	\$ 194,145	\$ 2,611,675	\$ 73,783
Accrued Payroll	539,741	4,606	106,988	651,335	56,700
Retainage Payable	68,895	-	-	68,895	-
Accrued Interest Payable	98,959	-	-	98,959	-
Other Unearned Revenue	460,686	3,516	113,707	577,909	-
Due to Other Governments	4,569	-	-	4,569	-
Deposits Payable	840,048	-	-	840,048	-
Claims Payable	-	-	-	-	5,945,574
Compensated Absences Payable	84,416	1,062	20,089	105,567	947,145
Illinois EPA Loan Payable, Due Within One Year	780,543	-	-	780,543	-
Bonds Payable, Due Within One Year	980,000	-	400,000	1,380,000	-
Total Current Liabilities	6,210,164	74,407	834,929	7,119,500	7,023,202
NONCURRENT LIABILITIES					
Compensated Absences Payable	1,603,894	20,180	381,668	2,005,742	17,995,763
Net Other Postemployment Benefits Liability	21,614,385	(96,669)	4,389,695	25,907,411	-
Net Pension Liability - IMRF	6,563,315	97,517	1,259,240	7,920,072	-
Claims Payable	-	-	-	-	3,017,252
Illinois EPA Loan Payable (Less Current Portion)	4,804,376	-	-	4,804,376	-
Bonds Payable (Less Current Portion)	25,507,942	-	417,346	25,925,288	-
Total Noncurrent Liabilities	60,093,912	21,028	6,447,949	66,562,889	21,013,015
Total Liabilities	66,304,076	95,435	7,282,878	73,682,389	28,036,217
DEFERRED INFLOW OF RESOURCES					
Pension Items - IMRF	946,925	14,069	181,677	1,142,671	-
OPEB Items	239,661	5,694	48,674	294,029	-
Total Deferred Inflows of Resources	1,186,586	19,763	230,351	1,436,700	-
Total Liabilities and Deferred Inflows of Resources	67,490,662	115,198	7,513,229	75,119,089	28,036,217
NET POSITION					
Net Investment in Capital Assets Restricted for Debt Service	170,147,240	34,252,266	22,914,277	227,313,783	-
Unrestricted (Deficit)	3,976,051	-	324,715	4,300,766	-
	(13,966,574)	488,758	(2,416,253)	(15,894,069)	3,608,811
TOTAL NET POSITION	\$ 160,156,717	\$ 34,741,024	\$ 20,822,739	\$ 215,720,480	\$ 3,608,811

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, 2017

	Business-Type Activities				Governmental
	Major Funds			Total	Activities
	Water and Sewer Fund	Airport	Other Enterprise Funds		Internal Service Funds
OPERATING REVENUES					
Charges for Services	\$ 34,016,302	\$ 633,227	\$ 4,208,898	\$ 38,858,427	\$ 26,497,911
Total Operating Revenues	34,016,302	633,227	4,208,898	38,858,427	26,497,911
OPERATING EXPENSES EXCLUDING DEPRECIATION					
Personnel Services	7,886,353	96,658	1,534,048	9,517,059	-
Materials and Supplies	6,013,697	140,295	570,752	6,724,744	-
Other Services and Charges	8,852,752	478,263	1,579,946	10,910,961	29,182,826
Miscellaneous	-	5,997	-	5,997	-
Total Operating Expenses Excluding Depreciation	22,752,802	721,213	3,684,746	27,158,761	29,182,826
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	11,263,500	(87,986)	524,152	11,699,666	(2,684,915)
Depreciation	4,614,431	1,548,676	784,003	6,947,110	-
OPERATING INCOME (LOSS)	6,649,069	(1,636,662)	(259,851)	4,752,556	(2,684,915)
NON-OPERATING REVENUES (EXPENSES)					
Sales Tax	-	92,642	185,283	277,925	-
Intergovernmental	-	50,693	-	50,693	-
Investment Income	293,017	4,175	18,600	315,792	281,981
Miscellaneous	-	-	989	989	-
Recovery of Cost	35,165	-	-	35,165	-
Sale of Asset	-	17,500	1,957	19,457	-
Interest Expense	(1,025,567)	-	(30,051)	(1,055,618)	-
Total Non-Operating Revenues (Expenses)	(697,385)	165,010	176,778	(355,597)	281,981
INCOME (LOSS) BEFORE TRANSFERS, CAPITAL GRANTS AND CONTRIBUTIONS	5,951,684	(1,471,652)	(83,073)	4,396,959	(2,402,934)
TRANSFERS					
Transfers In	-	-	450,000	450,000	4,150,000
Transfers (Out)	-	-	-	-	(2,500,000)
Total Transfers	-	-	450,000	450,000	1,650,000
CAPITAL GRANTS AND CONTRIBUTIONS	4,701,832	-	27,618	4,729,450	-
CHANGE IN NET POSITION	10,653,516	(1,471,652)	394,545	9,576,409	(752,934)
NET POSITION, JANUARY 1	149,503,201	36,212,676	20,428,194	206,144,071	4,361,745
NET POSITION, DECEMBER 31	\$ 160,156,717	\$ 34,741,024	\$ 20,822,739	\$ 215,720,480	\$ 3,608,811

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended December 31, 2017

	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	\$ 33,590,355	\$ 771,482	\$ 4,156,046	\$ 38,517,883	\$ 2,963,143
Receipts from Interfund Services	-	-	-	-	23,672,519
Payments to Suppliers	(13,134,107)	(616,224)	(2,072,378)	(15,822,709)	(24,306,159)
Overhead Payments to Other Funds	(2,317,130)	-	(163,036)	(2,480,166)	-
Payments to Employees/Retirees	(11,082,395)	(182,767)	(2,503,292)	(13,768,454)	(2,813,040)
Miscellaneous Revenues	-	-	989	989	-
Net Cash from Operating Activities	7,056,723	(27,509)	(581,671)	6,447,543	(483,537)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Recovery of Costs	35,165	-	-	35,165	-
Sales Taxes	-	92,642	159,097	251,739	-
Intergovernmental Income	202,853	47,927	50,818	301,598	-
Due from Other Funds	7,797	-	2,607	10,404	150
Transfers In	-	-	450,000	450,000	150,000
Transfers (Out)	-	-	-	-	1,500,000
Net Cash from Noncapital Financing Activities	245,815	140,569	662,522	1,048,906	1,650,150
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Property, Plant and Equipment					
Acquired or Constructed	(5,953,064)	(196,500)	(72,926)	(6,222,490)	-
Principal Paid on Bonds and Illinois EPA Loans	(1,720,160)	-	(390,000)	(2,110,160)	-
Proceeds from the Sale of Capital Assets	-	17,500	1,957	19,457	-
Interest and Fiscal Agents' Fees	(1,032,077)	-	(30,000)	(1,062,077)	-
Net Cash from Capital and Related Financing Activities	(8,705,301)	(179,000)	(490,969)	(9,375,270)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from Sale and Maturities on Investment Securities	5,885,000	225,000	1,440,000	7,550,000	12,495,000
Purchase of Investment Securities	-	(375,288)	(956,587)	(1,331,875)	(8,359,911)
Interest on Investments	337,503	(1,778)	32,458	368,183	397,004
Net Cash from Investing Activities	6,222,503	(152,066)	515,871	6,586,308	4,532,093
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,819,740	(218,006)	105,753	4,707,487	5,698,706
CASH AND CASH EQUIVALENTS, JANUARY 1	2,514,051	531,139	445,451	3,490,641	5,882,339
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 7,333,791	\$ 313,133	\$ 551,204	\$ 8,198,128	\$ 11,581,045

(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, 2017

	Business-Type Activities				Governmental
	Major Funds			Total	Activities
	Water and Sewer Fund	Airport	Other Enterprise Funds		Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 6,649,069	\$ (1,636,662)	\$ (259,851)	\$ 4,752,556	\$ (2,684,915)
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities					
Miscellaneous Income	-	-	989	989	-
Depreciation	4,614,431	1,548,676	784,003	6,947,110	-
(Increase) Decrease in					
Other Taxes	-	60,584	-	60,584	-
Accounts Receivable	(425,947)	77,446	47,624	(300,877)	137,751
Prepaid Expenses	-	-	-	-	34,464
Inventory	(126,698)	-	-	(126,698)	-
Deferred Outflows of Resources - Pension Items - IMRF	954,887	25,024	303,978	1,283,889	-
Deferred Outflows of Resources - OPEB	113,039	1,251	130,576	244,866	-
Increase (Decrease) in					
Accounts Payable	(472,652)	8,331	(84,716)	(549,037)	(94,518)
Accrued Payroll	50,021	(2,486)	3,476	51,011	(98,393)
Retainage Payable	-	-	-	-	-
Claims Payable	-	-	-	-	2,411,964
Other Unearned Revenue	26,493	225	(100,476)	(73,758)	-
Deposits	(11,931)	-	-	(11,931)	-
Compensated Absences	42,494	561	19,120	62,175	(189,890)
Deferred Inflows of Resources - IMRF	946,925	14,069	181,677	1,142,671	-
Deferred Inflows of Resources - OPEB	200,556	4,443	40,224	245,223	-
Net Pension Liability - IMRF	(956,552)	(32,302)	(385,130)	(1,373,984)	-
Net Other Postemployment Benefits Liability	(4,547,412)	(96,669)	(1,263,165)	(5,907,246)	-
NET CASH FROM OPERATING ACTIVITIES	\$ 7,056,723	\$ (27,509)	\$ (581,671)	\$ 6,447,543	\$ (483,537)
CASH AND INVESTMENTS					
Cash and Cash Equivalents	\$ 7,333,791	\$ 313,133	\$ 551,204	\$ 8,198,128	\$ 11,581,045
Investments	2,287,235	153,522	1,479,413	3,920,170	19,842,658
TOTAL CASH AND INVESTMENTS	\$ 9,621,026	\$ 466,655	\$ 2,030,617	\$ 12,118,298	\$ 31,423,703
NONCASH TRANSACTIONS					
Contributions of Capital Assets	\$ 4,701,832	\$ -	\$ 27,618	\$ 4,729,450	\$ -
Unrealized Gain (Loss) on Investments	(105,987)	-	(16,571)	(122,558)	(252,213)
TOTAL NONCASH TRANSACTIONS	\$ 4,595,845	\$ -	\$ 11,047	\$ 4,606,892	\$ (252,213)

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION

PENSION AND OPEB TRUST FUNDS

December 31, 2017

	Pension and OPEB	
	Trust Funds	Agency Funds
ASSETS		
Cash and Short-Term Investments	\$ 18,077,879	\$ 46,793
Investments, at Fair Value		
Fixed Income Securities	132,436,332	-
Domestic Equity Securities	148,321,282	-
International Equity Securities	74,464,462	-
Real Estate Investment Trusts	40,694,463	-
Blended Mutual Funds	16,913,304	-
Accrued Interest	879,765	-
Accounts Receivable	72,847	-
Pension Service Credit	149,475	-
Prepaid Expenses	54,955	-
Total Assets	<u>432,064,764</u>	<u>\$ 46,793</u>
LIABILITIES		
Accounts Payable	117,614	\$ -
Deposits Payable	73,612	-
Benefits Payable	530,615	-
Due to Others	-	46,793
Due to Primary Government	8,100	-
Total Liabilities	<u>729,941</u>	<u>\$ 46,793</u>
NET POSITION RESTRICTED FOR PENSION/OPEB BENEFITS		
	<u>\$ 431,334,823</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, 2017

ADDITIONS

Contributions	
Employer Contributions	\$ 24,819,765
Employee/Retiree Contributions	<u>5,467,487</u>
Total Contributions	<u>30,287,252</u>
Investment Income	
Net Appreciation in Fair Value of Investments	49,916,856
Interest	<u>7,584,996</u>
Total Investment Income	57,501,852
Less Investment Expense	<u>(993,559)</u>
Net Investment Income	<u>56,508,293</u>
Total Additions	<u>86,795,545</u>

DEDUCTIONS

Benefits	34,457,981
Administrative Expenses	<u>121,741</u>
Total Deductions	<u>34,579,722</u>

NET INCREASE 52,215,823

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

January 1	<u>379,119,000</u>
December 31	<u>\$ 431,334,823</u>

See accompanying notes to financial statements.

CITY OF AURORA, ILLINOIS

INDEX TO NOTES TO FINANCIAL STATEMENTS

December 31, 2017

Footnote Number	Description	Page Number(s)
1	Summary of Significant Accounting Policies	21-30
2	Property Taxes	30
3	Cash and Investments	31-33
4	Capital Assets	33-34
5	Long-Term Debt	35-39
6	Revenue Bonds	40-41
7	Deferred Compensation Plan	42
8	Industrial and Mortgage Revenue Bonds	42
9	Defined Benefit Pension Plans	42-65
10	Risk Management	66-67
11	Contingent Liabilities	68
12	Development Assistance	68
13	Tax Abatements	68-69
14	Individual Fund Disclosures	69-71
15	Intergovernmental Agreement	72-73
16	Other Postemployment Benefits	73-83
17	Component Unit - Aurora Public Library	83-89

CITY OF AURORA, ILLINOIS

NOTES TO FINANCIAL STATEMENTS

December 31, 2017

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, 2017 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Cash and Investments (Continued)

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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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:

Asset Class	Capitalization Threshold
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.

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, Software	5-15

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.”

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Long-Term Obligations (Continued)

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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Fund Balance/Net Position (Continued)

Restricted net position and restricted fund balance resulting from enabling legislation adopted by the City consists of \$2,325,858 restricted by the original ordinances to be used for public safety and \$5,372,303 restricted by the original ordinances to be used for health and welfare at December 31, 2017.

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.

2. PROPERTY TAXES

The City's property tax becomes a lien on real property on January 1 of the year it is levied. The 2017 levy was adopted December 19, 2017 and attached as an enforceable lien as of January 1, 2017. 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 2017 levy is intended to finance the 2018 fiscal year and, therefore, is reported as unavailable/deferred revenue at December 31, 2017.

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 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, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Government Agency Notes	\$ 15,869,832	\$ 1,197,984	\$ 14,671,848	\$ -	\$ -
U.S. Treasury Notes	1,033,203	1,033,203	-	-	-
State and Local Obligations	47,799,837	499,570	44,801,882	-	2,498,385
TOTAL	\$ 64,702,872	\$ 2,730,757	\$ 59,473,730	\$ -	\$ 2,498,385

The City has the following recurring fair value measurements as of December 31, 2017: 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 Baa3 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. 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%
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, 2017 was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital Assets not Being Depreciated				
Land	\$ 28,827,263	\$ 433,051	\$ 197,791	\$ 29,062,523
Land Right of Way	103,398,361	724,600		104,122,961
Works of Art	977,267	-	-	977,267
Construction in Progress	36,087,138	7,697,351	17,711,383	26,073,106
Total Capital Assets not Being Depreciated	169,290,029	8,855,002	17,909,174	160,235,857
Capital Assets Being Depreciated				
Buildings and Land Improvements	145,907,861	3,003,362	68,000	148,843,223
Machinery and Equipment	23,292,259	5,761,193	-	29,053,452
Vehicles	15,569,060	1,772,728	907,089	16,434,699
Infrastructure	378,995,083	10,755,028	-	389,750,111
Total Capital Assets Being Depreciated	563,764,263	21,292,311	975,089	584,081,485
Less Accumulated Depreciation for				
Buildings and Land Improvements	32,908,296	3,928,205	6,799	36,829,702
Machinery and Equipment	14,132,442	3,670,205	-	17,802,647
Vehicles	10,220,954	1,195,356	756,525	10,659,785
Infrastructure	146,180,915	7,848,930	-	154,029,845
Total Accumulated Depreciation	203,442,607	16,642,696	763,324	219,321,979
Total Capital Assets Being Depreciated, Net	360,321,656	4,649,615	211,765	364,759,506
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 529,611,685	\$ 13,504,617	\$ 18,120,939	\$ 524,995,363

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	\$ -	\$ -	\$ 25,922,036
Construction in Progress	18,438,861	47,907	-	18,486,768
Total Capital Assets not Being Depreciated	<u>44,360,897</u>	<u>47,907</u>	<u>-</u>	<u>44,408,804</u>
Capital Assets Being Depreciated				
Land Improvements	42,760,040	-	-	42,760,040
Building	103,116,724	-	-	103,116,724
Infrastructure	181,630,095	10,370,429	-	192,000,524
Machinery and Equipment	5,588,017	382,738	62,850	5,907,905
Vehicles	3,653,065	150,866	69,018	3,734,913
Total Capital Assets Being Depreciated	<u>336,747,941</u>	<u>10,904,033</u>	<u>131,868</u>	<u>347,520,106</u>
Less Accumulated Depreciation for				
Land Improvements	26,796,958	1,613,841	-	28,410,799
Building	40,381,498	2,036,425	-	42,417,923
Infrastructure	58,651,638	2,879,874	-	61,531,512
Machinery and Equipment	4,376,813	214,189	62,850	4,528,152
Vehicles	2,551,208	202,781	69,018	2,684,971
Total Accumulated Depreciation	<u>132,758,115</u>	<u>6,947,110</u>	<u>131,868</u>	<u>139,573,357</u>
Total Capital Assets Being Depreciated, Net	<u>203,989,826</u>	<u>3,956,923</u>	<u>-</u>	<u>207,946,749</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 248,350,723</u>	<u>\$ 4,004,830</u>	<u>\$ -</u>	<u>\$ 252,355,553</u>

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

GOVERNMENTAL ACTIVITIES

General Government	\$ 1,199,947
Public Safety	120,303
Streets and Transportation	6,085,405
Culture and Recreation	7,717,360
Economic Development	<u>1,519,681</u>

TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES \$ 16,642,696

BUSINESS-TYPE ACTIVITIES

Water and Sewer	\$ 4,614,431
Downtown Parking	409,169
Commuter Parking	138,434
Golf Operations	236,400
Airport	<u>1,548,676</u>

TOTAL DEPRECIATION EXPENSE - BUSINESS-TYPE ACTIVITIES \$ 6,947,110

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 2017 (in thousands of dollars):

	January 1	Additions	Reductions	December 31	Current Portion
GOVERNMENTAL ACTIVITIES					
General Obligation Bonds	\$ 110,810	\$ 16,500	\$ 7,090	\$ 120,220	\$ 7,140
Tax Increment Revenue Bonds/Notes	11,915	-	995	10,920	1,085
Debt Certificates	1,725	3,000	540	4,185	385
Illinois EPA Loan - Heathercrest Sanitary Sewer Rehabilitation	756	-	161	595	165
Illinois EPA Loan - Storm Sewer Construction**	2,428	4,044	-	6,472	-
Compensated Absences*	19,133	767	957	18,943	947
Insurance Claims Payable*	6,551	3,044	632	8,963	763
Net Pension Liability - Pension Trust*	396,838	-	4,651	392,187	-
Net Pension Liability - IMRF*	33,248	-	3,764	29,484	-
Net Other Postemployment Benefit Liability*	325,221	-	19,664	305,557	-
Unamortized Bond Premium	1,241	258	170	1,329	-
TOTAL GOVERNMENTAL ACTIVITIES	\$ 909,866	\$ 27,613	\$ 38,624	\$ 898,855	\$ 10,485

* 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	\$ 27,125	\$ -	\$ 940	\$ 26,185	\$ 980
Golf Course Revenue Bonds	1,200	-	390	810	400
Total Revenue Bonds	28,325	-	1,330	26,995	1,380
2000 Illinois EPA Loan	3,675	-	573	3,102	589
2009A Illinois EPA Loan	492	-	35	457	35
2009B Illinois EPA Loan	2,145	-	153	1,992	153
2010 Illinois EPA Loan	35	-	1	34	3
Compensated Absences	2,049	164	102	2,111	106
Net Pension Liability - IMRF	9,294	-	1,374	7,920	-
Net Other Postemployment Benefit Liability	31,815	-	5,908	25,907	-
Unamortized Bond Premium	332	-	22	310	-
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 78,162	\$ 164	\$ 9,498	\$ 68,828	\$ 2,266

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

5. LONG-TERM DEBT (Continued)

Bonds payable at December 31, 2017 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%.	\$ 8,100	\$ 1,040
\$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%.	2,905	380
\$6,320,000 2011 Corporate Purpose refunding serial bonds, due in annual installments of \$945,000 to \$1,135,000 from December 30, 2013 to December 30, 2018, interest from 2.00% to 3.00%.	1,020	1,020
\$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%.	4,270	570
\$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%.	9,390	60
\$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%.	5,950	1,130
\$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 3.00% to 4.00%.	65,395	2,260
\$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 3.000% to 3.250%.	16,500	680
TOTAL	<u>\$ 120,220</u>	<u>\$ 7,140</u>

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

5. LONG-TERM DEBT (Continued)

Tax Increment Revenue Bonds and Notes

	Total	Current Portion
\$6,660,000 2008A tax increment revenue bonds, due in annual installments of \$200,000 to \$610,000, through December 30, 2027, interest at 6.75%.	\$ 4,620	\$ 340
\$7,265,000 2008B tax increment revenue bonds, due in annual installments of \$335,000 to \$755,000, through December 30, 2023, interest at 6.50%.	3,895	550
\$3,700,000 2009 tax increment revenue notes, due in annual installments of \$120,000 to \$410,000, through December 30, 2024, interest at 7.00%.	2,405	195
TOTAL	\$ 10,920	\$ 1,085

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 3.00% to 4.00%.	\$ 26,185	\$ 980
TOTAL	\$ 26,185	\$ 980

	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%.	\$ 810	\$ 400
TOTAL	\$ 810	\$ 400

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 4.00%.	\$ 210	\$ 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 2.00% to 3.00%.	975	280
\$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>\$ 4,185</u></u>	<u><u>\$ 385</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%.	\$ 595	\$ 165
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%. Construction is not yet complete as of December 31, 2017; therefore, no repayment schedule has been determined.	6,472	-
\$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%.	3,102	589
\$685,871 Illinois EPA loan related to certain watermain replacements, due in semiannual installments to be determined, through January 2030, interest at 0%.	457	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%.	1,992	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>32</u>	<u>3</u>
TOTAL	<u><u>\$ 12,650</u></u>	<u><u>\$ 945</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, 2017, 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
2018	\$ 7,140	\$ 4,036	\$ 1,085	\$ 733	\$ 385	\$ 38
2019	6,280	3,825	1,255	661	405	25
2020	6,465	3,626	1,345	577	562	12
2021	6,665	3,418	1,440	487	167	-
2022	6,870	3,201	1,545	391	167	-
2023-2027	29,255	12,738	4,250	702	833	-
2028-2032	25,230	8,703	-	-	833	-
2033-2037	28,040	3,948	-	-	833	-
2038-2042	4,275	171	-	-	-	-
TOTAL	\$ 120,220	\$ 43,666	\$ 10,920	\$ 3,551	\$ 4,185	\$ 75

Year Ending December 31,	Illinois EPA Loans		Revenue and Alternate Revenue Source Bonds	
	Principal	Interest	Principal	Interest
2018	\$ 945	\$ 100	\$ 1,380	\$ 937
2019	967	78	1,430	898
2020	989	56	1,050	857
2021	922	34	1,090	826
2022	830	14	1,120	793
2023-2027	955	-	6,175	3,437
2028-2032	572	-	7,455	2,352
2033-2037	-	-	7,295	746
2038-2042	-	-	-	-
TOTAL	\$ 6,180	\$ 282	\$ 26,995	\$ 10,846

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

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.

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

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

The City has complied with all significant limitations, restrictions and bond covenants during the year ended December 31, 2017. 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	\$ 1,394,510
Bond Reserve Account	2,071,938
Depreciation, Improvement and Extension Account	<u>509,603</u>
 TOTAL	 <u><u>\$ 3,976,051</u></u>

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

6. REVENUE BONDS (Continued)

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

The City has complied with all significant limitations, restrictions and bond covenants during the year ended December 31, 2017. 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	\$ (104,730)
Bond Reserve Account	429,445

TOTAL	\$ 324,715

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, 2017, 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, 2017, there were 16 series of bonds outstanding. The aggregate principal amount payable that can be substantiated for the series was \$24,410,000.

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, 2016, (most recent information available) IMRF membership consisted of:

Inactive Employees or Their Beneficiaries	
Currently Receiving Benefits	513
Inactive Employees Entitled to but not yet Receiving Benefits	321
Active Employees	<u>591</u>
 TOTAL	 <u><u>1,425</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 2017 was 13.32% of covered payroll.

Actuarial Assumptions

The City's net pension liability was measured as of December 31, 2016 (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, 2016
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.75%
Salary Increases	3.75% to 14.50%
Interest Rate	7.50%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Market Value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). 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-2014 (base year 2012). 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-2014 (base year 2012). 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, 2016	\$ 256,882,043	\$ 208,801,057	\$ 48,080,986
Changes for the Period			
Service Cost	4,790,542	-	4,790,542
Interest	18,938,382	-	18,938,382
Difference Between Expected and Actual Experience	(6,628,674)	-	(6,628,674)
Changes in Assumptions	(1,304,599)	-	(1,304,599)
Employer Contributions	-	6,299,510	(6,299,510)
Employee Contributions	-	1,966,698	(1,966,698)
Net Investment Income	-	14,345,136	(14,345,136)
Benefit Payments and Refunds	(10,823,208)	(10,823,208)	-
Administrative Expense	-	-	-
Other (Net Transfer)	-	(1,133,379)	1,133,379
Net Changes	4,972,443	10,654,757	(5,682,314)
BALANCES AT DECEMBER 31, 2016	\$ 261,854,486	\$ 219,455,814	\$ 42,398,672

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, 2016, the employer contributions and the net pension liability at December 31, 2016 was \$42,542,057, \$5,557,428 and \$37,404,108, respectively. The Library's collective share of the net pension liability at January 1, 2016, the employer contributions and the net pension liability at December 31, 2016 was \$5,538,930, \$742,082 and \$4,994,564, 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, 2017, the City recognized pension expense of \$6,305,580. At December 31, 2017 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	\$ 3,267,935	\$ 5,111,155
Changes in Assumption	2,998,386	1,005,934
Contributions made after the measurement date	5,849,885	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	10,816,717	-
TOTAL	\$ 22,932,923	\$ 6,117,089

\$5,849,885 reported as deferred outflows or resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ended December 31, 2017. The City's collective share of the contributions subsequent to measurement date was \$5,160,769. The Library's collective share of the contributions subsequent to measurement date was \$689,116.

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>	
2018	\$ 5,344,059
2019	4,216,668
2020	1,838,449
2021	(433,227)
Thereafter	<u>-</u>
TOTAL	<u>\$ 10,965,949</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, 2017 was \$15,070,656 and \$5,396,496, respectively. The Library's collective share of the deferred outflows and inflows of resources at December 31, 2017 was \$2,012,382 and \$720,593, respectfully.

Discount Rate Sensitivity

The following is a sensitivity 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 7.50% 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 (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	\$ 77,620,860	\$ 42,398,672	\$ 13,442,914

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, 2017, the measurement date, membership consisted of:

Inactive Plan Members Currently Receiving Benefits	211
Inactive Plan Members Entitled to but not yet Receiving Benefits	17
Active Plan Members	281
 TOTAL	 509

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, 2017, the City's contribution was 44.41% 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 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 2017.

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%	2.00%
Domestic Equities	32%	5.60%
International Equities	16%	5.90%
Real Estate	10%	5.40%
Blended	5%	4.00%
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 2013 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, 2017 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. 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, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 14.97%. 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, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury Obligations	\$ 16,922,796	\$ 49,867	\$ 8,111,606	\$ 6,385,251	\$ 2,376,072
U.S. Agency Obligations	17,266,995	-	2,556,298	3,238,386	11,472,311
Foreign Bonds	3,018,350	-	2,103,506	914,844	-
State and Local Obligations	1,225,189	-	802,804	249,186	173,199
Corporate Bonds	26,543,645	-	11,460,263	10,377,539	4,705,843
TOTAL	\$ 64,976,975	\$ 49,867	\$ 25,034,477	\$ 21,165,206	\$ 18,727,425

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, 2017: the U.S. Treasury obligations, 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)

The 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 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, 2017 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	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, 2017 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 5.93%. 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 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 3.44% (3.78% in 2016) for tax exempt general obligation municipal bonds rated AA or better at December 31, 2017 to arrive at a discount rate of 5.93% (6.20% in 2016) 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, 2017	\$ 412,570,710	\$ 189,905,978	\$ 222,664,732
Changes for the Period			
Service Cost	9,303,596	-	9,303,596
Interest	25,690,744	-	25,690,744
Difference Between Expected and Actual Experience	(1,622,956)	-	(1,622,956)
Changes in Assumptions	11,050,031	-	11,050,031
Employer Contributions	-	12,961,109	(12,961,109)
Employee Contributions	-	3,410,505	(3,410,505)
Net Investment Income	-	28,271,009	(28,271,009)
Benefit Payments and Refunds	(15,014,938)	(15,014,938)	-
Administrative Expense	-	(48,376)	48,376
Net Changes	29,406,477	29,579,309	(172,832)
BALANCES AT DECEMBER 31, 2017	\$ 441,977,187	\$ 219,485,287	\$ 222,491,900

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, 2017, the Police Pension Fund recognized pension expense of \$23,147,493. At December 31, 2017, 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	\$ 990,452	\$ 4,585,445
Changes in Assumption	28,626,932	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	7,557,966
TOTAL	\$ 29,617,384	\$ 12,143,411

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>	
2018	\$ 4,378,090
2019	4,378,090
2020	2,245,967
2021	2,077,851
2022	4,393,975
Thereafter	-
TOTAL	\$ 17,473,973

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 5.93% 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 (4.93%) or 1 percentage point higher (6.93%) than the current rate:

	1% Decrease (4.93%)	Current Discount Rate (5.93%)	1% Increase (6.93%)
Net Pension Liability	\$ 294,614,715	\$ 222,491,900	\$ 164,449,361

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, 2017, the measurement date, membership consisted of:

Inactive Plan Members Currently Receiving Benefits	186
Inactive Plan Members Entitled to but not yet Receiving Benefits	4
Active Plan Members	<u>206</u>
 TOTAL	 <u><u>396</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, 2017, the City's contribution was 45.62% 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 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%	2.00%
Domestic Equities	32%	5.60%
International Equities	16%	5.90%
Real Estate	10%	5.40%
Blended	5%	4.00%
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 2014 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, 2017 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, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 15.22%. 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, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury Obligations	\$ 13,495,008	\$ 249,335	\$ 6,193,606	\$ 5,143,709	\$ 1,908,358
U.S. Agency Obligations	13,748,907	-	1,937,256	2,782,043	9,029,608
Foreign Bonds	2,502,700	-	1,768,367	734,333	-
State and Local Obligations	998,331	-	652,269	203,427	142,635
Corporate Bonds	20,984,515	-	8,872,703	8,358,084	3,753,728
TOTAL	\$ 51,729,461	\$ 249,335	\$ 19,424,201	\$ 17,221,596	\$ 14,834,329

The City's Firefighters' Pension Fund has the following recurring fair value measurements as of December 31, 2017: 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 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).

The City's Firefighters' Pension 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).

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 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 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, 2017 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	Service Based
Interest Rate	6.50%
Cost of Living Adjustments	3.00%
Asset Valuation Method	Market

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table, projected to the valuation date with Scale BB for Healthy Members and the RP-2000 Disabled Retired, projected to the valuation date with the Scale BB for Disabled Members. The actuarial assumptions used in the December 31, 2017 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 5.92%. 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 3.44% (3.78% in 2016) for tax exempt general obligation municipal bonds rated AA or better at December 31, 2017 to arrive at a discount rate of 5.92% (6.21% in 2016) 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 5.92% 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 (4.92%) or 1 percentage point higher (6.92%) than the current rate:

	1% Decrease (4.92%)	Current Discount Rate (5.92%)	1% Increase (6.92%)
Net Pension Liability	\$ 222,453,099	\$ 169,695,271	\$ 127,021,119

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	\$ 324,033,102	\$ 149,860,104	\$ 174,172,998
Changes for the Period			
Service cost	7,269,588	-	7,269,588
Interest	20,143,311	-	20,143,311
Difference Between Expected and Actual Experience	(3,897,188)	-	(3,897,188)
Changes in Assumptions	7,121,858	-	7,121,858
Employer Contributions	-	10,491,826	(10,491,826)
Employee Contributions	-	2,056,982	(2,056,982)
Net Investment Income	-	22,618,360	(22,618,360)
Benefit Payments and Refunds	(12,821,164)	(12,821,164)	-
Administrative Expense	-	(51,872)	51,872
Net Changes	17,816,405	22,294,132	(4,477,727)
BALANCES AT DECEMBER 31, 2017	\$ 341,849,507	\$ 172,154,236	\$ 169,695,271

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, 2017, the Firefighters' Pension Fund recognized pension expense of \$19,563,617. At December 31, 2017, 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	\$ 2,233,680	\$ 3,609,245
Changes in Assumption	20,719,439	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	6,258,352
TOTAL	\$ 22,953,119	\$ 9,867,597

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>	
2018	\$ 4,260,444
2019	4,260,443
2020	2,527,281
2021	1,116,020
2022	460,667
Thereafter	460,667
TOTAL	\$ 13,085,522

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:

	<u>Workers' Compensation</u>		<u>General Liability</u>	
	2017	2016	2017	2016
CLAIMS PAYABLE, JANUARY 1	\$ 3,247,985	\$ 4,303,708	\$ 2,671,345	\$ 6,391,272
Add Claims Incurred and Claims Adjustment	2,943,349	2,221,092	2,838,290	166,665
Less Claims Paid	2,008,093	3,276,815	1,492,859	3,886,592
CLAIMS PAYABLE, DECEMBER 31	<u>\$ 4,183,241</u>	<u>\$ 3,247,985</u>	<u>\$ 4,016,776</u>	<u>\$ 2,671,345</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, 2017, 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	
	2017	2016
CLAIMS PAYABLE, JANUARY 1	\$ 1,372,743	\$ 1,878,457
Add Claims Incurred	17,780,111	17,840,988
Less Claims Paid	17,859,430	18,346,702
CLAIMS PAYABLE, DECEMBER 31	<u>\$ 1,293,424</u>	<u>\$ 1,372,743</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 \$4,037,405 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, 2017, approximately \$576,978 in property taxes and \$328,128 in sales taxes were rebated under these agreements. Approximately \$39,473,488 in property taxes and \$3,078,583 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, 2017, 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 \$29,255. 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.

For the fiscal year ended December 31, 2017, the City rebated \$150,000 of its share of property taxes paid by a healthcare provider for costs associated with transferring property. The abatement for the year amounted to \$150,000.

14. INDIVIDUAL FUND DISCLOSURES

The Section 108 Loan Fund, a nonmajor special revenue fund, had a deficit fund balance of \$21,140 as of December 31, 2017.

Due from/to other funds at December 31, 2017 consist of the following:

	Due From	Due To
General	\$ 18,157	\$ -
Water and Sewer	31	-
Police Pension	-	2,700
Fire Pension	-	2,700
Retiree Health	-	2,700
Nonmajor Governmental	774,994	785,082
Nonmajor Enterprise	-	-
Internal Service	-	-
TOTAL	\$ 793,182	\$ 793,182

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.

Contributions of capital assets in the amount of \$1,110,352 as reported in the Water and Sewer Fund was contributed from the Long-Term Control Plan Fee Fund. Accordingly, \$1,110,352 is reported as capital outlay on the statement of revenues, expenditures and changes in fund balances governmental funds, contributions on the statement of revenues, expenses and changes in fund net position proprietary funds and transfers within the total primary government on the statement of activities.

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

14. INDIVIDUAL FUND DISCLOSURES (Continued)

Interfund transfers during the year ended December 31, 2017 consisted of the following:

	Transfer In	Transfer Out
General	\$ 1,500,000	\$ 1,650,000
Debt Service	1,551,400	-
Nonmajor Governmental	2,545,200	6,046,600
Water and Sewer	-	-
Nonmajor Enterprise	450,000	-
Internal Service Funds	4,150,000	2,500,000
TOTAL	\$ 10,196,600	\$ 10,196,600

The purposes of significant interfund transfers are as follows:

- \$1,551,400 transferred to the Debt Service Fund from Stormwater Management Fee Fund for the payment of general obligation bond debt service. The transfer will not be repaid.
- \$2,545,200 transferred to nonmajor governmental funds from other funds. This amount relates to (a) transfers of \$807,000 to the TIF District #3 Fund and \$648,100 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 \$165,000 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.
- \$4,150,000 transferred to internal service funds from other funds. This amount relates to transfers of (a) \$150,000 to the Employee Compensated Benefits Fund from the General Fund, (b) \$1,500,000 to the Property and Casualty Insurance Fund from the General Fund and (c) \$2,500,000 to the Employee Health Insurance Fund from the Employee Compensated Benefits 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	\$ 854,771	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Working Cash	-	446,786	-	-	-	-	-
Public Safety Initiatives	-	-	2,325,858	-	-	-	-
911 Capacity Management/Development	-	-	8,437,682	-	-	-	-
Fire Department	-	-	1,763,318	-	-	-	461,651
Police Enforcement	-	-	1,944,013	-	-	-	-
Street Maintenance and Construction	-	-	-	11,321,754	-	-	571,122
Special Service Areas	-	-	-	116,121	-	-	-
Street Maintenance Equipment	-	-	-	164,623	-	-	-
Sanitation	-	-	-	-	463,954	-	-
Urban Development	-	-	-	-	73,332	-	-
Stormwater Management	-	-	-	-	2,423,754	-	-
Combined Sewer Management	-	-	-	-	2,484,595	-	-
TIF Redevelopment	-	-	-	-	-	14,536,291	-
Shodeen Project	-	-	-	-	-	1,564,287	-
Other Capital Purposes	-	-	-	-	-	-	7,407,968
Property Acquisition	-	-	-	-	-	-	3,500,000
TOTAL RESTRICTED	\$ 854,771	\$ 446,786	\$ 14,470,871	\$ 11,602,498	\$ 5,445,635	\$ 16,100,578	\$ 11,940,741

Specific Purpose	Assigned Fund Balance			
	Public Safety	Health and Welfare	Capital Projects	Tourism
Public Safety Initiatives	\$ 95,429	\$ -	\$ -	\$ -
Sanitation	-	129,300	-	-
Stormwater Management	-	396,396	-	-
Combined Sewer Management	-	15,893	-	-
Roadway and Building Projects	-	-	11,718,440	-
Ward Fund Capital Projects	-	-	3,860,307	-
Other Capital Purposes	-	-	4,846,773	-
Tourism	-	-	-	781,563
TOTAL ASSIGNED	\$ 95,429	\$ 541,589	\$ 20,425,520	\$ 781,563

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
2018	\$ 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:

Year Ending December 31,	
2018	\$ 206,584
2019	214,021
2020	224,136
2021	229,362
2022	239,870
2023-2027	1,331,942
2028-2032	1,620,278
2033-2037	<u>1,582,492</u>
TOTAL RECEIVABLE	<u>\$ 5,648,685</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 (Continued)

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, 2017, membership consisted of:

Inactive Fund Members and Beneficiaries	
Currently Receiving Benefits Payments	555
Inactive Fund Members Entitled to	
but not yet Receiving Benefit Payments	-
Active Fund Members	941
 TOTAL	 1,496

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, 2017 included the ADC for the City's 2019 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. 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. The City must contribute the amount beyond Fund member payments necessary to fund the actuarial liability for OPEB. The City may change inactive Fund member payment requirements through its collective bargaining agreements and employee compensation plans. For the year ended December 31, 2017, the City's contribution was 1.7% 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 2017.

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%

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

16. OTHER POSTEMPLOYMENT BENEFITS (Continued)

E. Deposits and Investments (Continued)

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, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury Obligations	\$ 2,980,261	\$ 704,595	\$ 943,838	\$ 1,331,828	\$ -
U.S. Agency Obligations	5,203,728	44,808	137,410	9,408	5,012,102
State and Local Obligations	64,005	-	-	64,005	-
Mortgage Obligations	1,088,078	-	394,646	546,247	147,185
Foreign Bonds	2,195,294	-	1,119,122	862,909	213,263
Corporate Bonds	4,198,530	159,933	719,158	3,319,439	-
TOTAL	\$ 15,729,896	\$ 909,336	\$ 3,314,174	\$ 6,133,836	\$ 5,372,550

The City’s Retiree Health Insurance Trust Fund has the following recurring fair value measurements as of December 31, 2017: 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 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).

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.

16. OTHER POSTEMPLOYMENT BENEFITS (Continued)

E. Deposits and Investments (Continued)

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 municipal bonds are rated Aa1. The corporate bonds are rated Baa1 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.

Rate of Return

For the year ended December 31, 2017, the annual money-weighted rate of return on Retiree Health Insurance Trust Fund investments, net of Retiree Health Insurance Trust Fund investment expense, was 15.40%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

16. OTHER POSTEMPLOYMENT BENEFITS (Continued)

F. Net OPEB Liability

Rate of Return (Continued)

The City's net OPEB liability was measured as of December 31, 2017, 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, 2017 using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2017
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	8.75% in Fiscal 2018, trending to 5.50% in Fiscal 2027, and an ultimate trend rate of 4.00% in 2073.
Asset Valuation Method	Market

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table projected to the valuation date with Scale AA for active and retired participants in the Illinois Municipal Retirement Fund. The RP-2000 Mortality Table with Blue Collar Adjustment, projected to the valuation date with Scale BB. The RP-2000 Disabled Mortality Table, projected to the valuation date with Scale BB.

16. OTHER POSTEMPLOYMENT BENEFITS (Continued)

F. Net OPEB Liability (Continued)

Rate of Return (Continued)

The actuarial assumptions used in the December 31, 2017 valuation were based on the results of an actuarial experience study dated October 5, 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, 2017 are indicated on previous page.

G. Discount Rate

The discount rate used to measure the total OPEB liability was 3.50%. 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 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, 2017. 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 3.44% (3.78% in 2016) for tax exempt general obligation municipal bonds rated AA or better published in the bond buyer at December 31, 2017 to arrive at a discount rate of 3.50% (4.23% in 2016) 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, 2017	\$ 396,388,767	\$ 39,352,918	\$ 357,035,849
Changes for the Period			
Service cost	11,871,127	-	11,871,127
Interest	17,130,792	-	17,130,792
Changes of benefit terms	(78,588,900)	-	(78,588,900)
Difference Between Expected and Actual Experience	(1,891,401)	-	(1,891,401)
Changes in Assumptions	32,871,596	-	32,871,596
Employer Contributions	-	1,366,830	(1,366,830)
Employee Contributions	-	-	-
Net Investment Income	-	5,618,924	(5,618,924)
Benefit Payments and Refunds	(6,621,879)	(6,621,879)	-
Administrative Expense	-	(21,493)	21,493
Net Changes	(25,228,665)	342,382	(25,571,047)
BALANCES AT DECEMBER 31, 2017	\$ 371,160,102	\$ 39,695,300	\$ 331,464,802

In 2017, changes in assumptions related to the discount rate were made (3.50% 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 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 3.50% 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 (2.50%) or 1 percentage point higher (4.50%) than the current rate:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
Net OPEB Liability	\$ 396,848,531	\$ 331,464,802	\$ 278,778,841

The table below presents the net OPEB liability of the City calculated using the healthcare rate of 4.00% to 8.75% 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 (3.00% to 7.75%) or 1 percentage point higher (5.00% to 9.75%) than the current rate:

	1% Decrease (3.00% to 7.75%)	Current Healthcare Rate (4.00% to 8.75%)	1% Increase (5.00% to 9.75%)
Net OPEB Liability	\$ 290,028,908	\$ 331,464,802	\$ 380,860,217

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

For the year ended December 31, 2017, the City recognized OPEB expense of \$33,323,901. At December 31, 2017, 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	\$ -	\$ 2,138,681
Changes in Assumption	125,396,636	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	1,536,619
TOTAL	\$ 125,396,636	\$ 3,675,300

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>	
2018	\$ 19,069,442
2019	19,069,442
2020	19,069,444
2021	18,837,365
2022	19,395,578
Thereafter	<u>26,280,065</u>
 TOTAL	 <u>\$ 121,721,336</u>

17. 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, 2017, which can be obtained from the Library's administrative offices located at 101 S. River Street, Aurora, Illinois 60505.

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.

17. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

B. Deposits and Investments (Continued)

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 Illinois Funds.

Investments in 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.

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, 2017:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
State and Local Obligations	\$ 997,340	\$ 997,340	\$ -	\$ -	\$ -
TOTAL	\$ 997,340	\$ 997,340	\$ -	\$ -	\$ -

17. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

B. Deposits and Investments (Continued)

Library Investments (Continued)

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, 2017: the state and local obligations are valued using quoted matrix pricing models (Level 2 inputs).

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%
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.

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

17. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

C. Receivables

Property taxes for 2017 attach as an enforceable lien on January 1, 2017, 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 2017 levy is intended to finance the 2018 fiscal year and, therefore, is reported as unavailable/deferred revenue at December 31, 2017.

D. Capital Assets

The following is a summary of the capital asset activity for the year ended December 31, 2017:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital Assets not Being Depreciated				
Land and Land Improvements	\$ 3,381,186	\$ -	\$ 2,500	\$ 3,378,686
Construction in Progress	458,401	-	458,401	-
Total Capital Assets not Being Depreciated	3,839,587	-	460,901	3,378,686
Capital Assets Being Depreciated				
Buildings	40,044,879	-	-	40,044,879
Machinery and Equipment	1,268,211	529,600	-	1,797,811
Vehicles	210,059	-	-	210,059
Total Capital Assets Being Depreciated	41,523,149	529,600	-	42,052,749
Less Accumulated Depreciation for				
Buildings	4,301,997	800,898	-	5,102,895
Machinery and Equipment	378,407	185,693	-	564,100
Vehicles	210,057	-	-	210,057
Total Accumulated Depreciation	4,890,461	986,591	-	5,877,052
Total Capital Assets Being Depreciated, Net	36,632,688	(456,991)	-	36,175,697
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	\$ 40,472,275	\$ (456,991)	\$ 460,901	\$ 39,554,383

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

17. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

D. Capital Assets (Continued)

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

GOVERNMENTAL ACTIVITIES	
Culture and Recreation	\$ 986,591
<hr/>	
TOTAL DEPRECIATION EXPENSE - GOVERNMENTAL ACTIVITIES	<u>\$ 986,591</u>

E. Long-Term Debt

1. Bonds payable at December 31, 2017 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 2.00% to 3.00%. While a general obligation of the City, the principal and interest is to be repaid with the Library's tax levy.	\$ 1,170,000
\$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 3.00% to 4.00%. While a general obligation of the City, the principal and interest is to be repaid with the Library's tax levy.	17,975,000
<hr/>	
TOTAL	<u>\$ 19,145,000</u>

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

17. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

E. Long-Term Debt (Continued)

2. Debt Service to Maturity

Annual debt service requirements to maturity are as follows:

Year Ending December 31,	Corporate Purpose Serial Bonds	
	Principal	Interest
2018	\$ 595,000	\$ 642,319
2019	605,000	624,469
2020	620,000	606,319
2021	635,000	587,719
2022	650,000	568,669
2023-2027	3,460,000	2,543,191
2028-2032	3,915,000	1,991,282
2033-2037	4,505,000	1,310,875
2038-2042	4,160,000	423,000
TOTAL	\$ 19,145,000	\$ 9,297,843

3. Changes in Long-Term Debt

Changes in long-term debt during the year ended December 31, 2017 is as follows:

	Balance January 1, Restated	Additions	Deletions	Balance December 31	Current Portion
General Obligation Bonds	\$ 19,725,000	\$ -	\$ 580,000	\$ 19,145,000	\$ 595,000
Compensated Absences	492,767	533,081	492,767	533,081	26,654
Net Pension Liability	5,538,929	-	544,365	4,994,564	-
Total Other					
Postemployment Benefit Liability	291,600	30,916	-	322,516	-
Unamortized Bond Premium	398,684	-	27,164	371,520	-
TOTAL	\$ 26,446,980	\$ 563,997	\$ 1,644,296	\$ 25,366,681	\$ 621,654

17. COMPONENT UNIT - AURORA PUBLIC LIBRARY (Continued)

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, 2017, 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, 2017

	Original Budget	Final Budget	Actual	Variance Over (Under)
REVENUES				
Property Taxes	\$ 69,184,400	\$ 69,184,400	\$ 69,433,540	\$ 249,140
Other Taxes	78,000,000	78,000,000	76,302,092	(1,697,908)
Intergovernmental	329,900	329,900	477,132	147,232
Licenses, Fees and Permits	8,230,000	8,230,000	8,138,732	(91,268)
Charges for Services	4,827,518	4,827,518	5,585,762	758,244
Fines	3,456,850	3,456,850	3,761,510	304,660
Interest	6,100	6,100	197,311	191,211
Other	258,446	258,446	315,026	56,580
Total Revenues	164,293,214	164,293,214	164,211,105	(82,109)
EXPENDITURES				
Current				
General Government	23,502,121	23,593,721	21,197,100	(2,396,621)
Public Safety	119,638,879	119,582,879	117,675,069	(1,907,810)
Streets and Transportation	12,177,592	11,849,592	10,520,251	(1,329,341)
Health and Welfare	7,896,201	7,915,101	7,746,640	(168,461)
Culture and Recreation	4,810,239	4,791,139	3,913,149	(877,990)
Economic Development	639,900	632,100	608,079	(24,021)
Total Expenditures	168,664,932	168,364,532	161,660,288	(6,704,244)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(4,371,718)	(4,071,318)	2,550,817	6,622,135
OTHER FINANCING SOURCES (USES)				
Transfers In	1,500,000	1,500,000	1,500,000	-
Transfers (Out)	-	(1,650,000)	(1,650,000)	-
Total Other Financing Sources (Uses)	1,500,000	(150,000)	(150,000)	-
NET CHANGE IN FUND BALANCE	\$ (2,871,718)	\$ (4,221,318)	2,400,817	\$ 6,622,135
FUND BALANCE, JANUARY 1			21,536,072	
FUND BALANCE, DECEMBER 31			\$ 23,936,889	

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS

ILLINOIS MUNICIPAL RETIREMENT FUND

Last Three Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2015	2016	2017
Actuarially Determined Contribution	\$ 5,770,530	\$ 5,706,754	\$ 5,849,885
Contributions in Relation to the Actuarially Determined Contribution	5,839,213	5,737,001	6,299,510
CONTRIBUTION DEFICIENCY (Excess)	\$ (68,683)	\$ (30,247)	\$ (449,625)
Covered-Employee Payroll	\$ 43,782,477	\$ 42,524,247	\$ 43,908,272
Contributions as a Percentage of Covered-Employee Payroll	13.34%	13.49%	14.35%

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 27 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 3.00% 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,	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Actuarially Determined Contribution	\$ 7,150,811	\$ 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
Contributions in Relation to the Actuarially Determined Contribution	7,152,523	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
CONTRIBUTION DEFICIENCY (Excess)	\$ (1,712)	\$ (341)	\$ (571)	\$ (15,802)	\$ (16,342)	\$ (23,777)	\$ (1,295)	\$ (55,824)	\$ (21,343)	\$ (97,560)
Covered-Employee Payroll	\$ 24,913,911	\$ 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
Contributions as a Percentage of Covered-Employee Payroll	28.71%	29.90%	39.59%	39.98%	30.97%	32.92%	37.65%	38.96%	39.19%	44.41%

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 6.50% and the amortization period was 25 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,	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Actuarially Determined Contribution	\$ 6,544,272	\$ 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
Contributions in Relation to the Actuarially Determined Contribution	6,570,934	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
CONTRIBUTION DEFICIENCY (Excess)	\$ (26,662)	\$ (70)	\$ (840)	\$ (15,884)	\$ (13,480)	\$ (21,099)	\$ (488)	\$ (47,886)	\$ (10,012)	\$ (87,789)
Covered-Employee Payroll	\$ 18,943,346	\$ 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
Contributions as a Percentage of Covered-Employee Payroll	34.69%	35.23%	44.19%	45.97%	38.33%	38.03%	40.87%	47.39%	46.74%	45.62%

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 6.50% and the amortization period was 25 years.

(See independent auditor's report.)

CITY OF AURORA

SCHEDULE OF EMPLOYER CONTRIBUTIONS

RETIREE HEALTH INSURANCE TRUST FUND

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Actuarially Determined Contribution	\$ 13,052,085	\$ 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
Contributions in Relation to the Actuarially Determined Contribution	6,810,269	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
CONTRIBUTION DEFICIENCY (Excess)	\$ 6,241,816	\$ 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
Covered-Employee Payroll	\$ 72,246,059	\$ 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
Contributions as a Percentage of Covered-Employee Payroll	9.43%	9.55%	7.03%	7.02%	7.46%	9.12%	9.92%	9.96%	11.18%	1.68%

Notes to Schedule

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% (changed from 3.00% in 2016)
Healthcare Cost Trend Rate	8.75% in fiscal year 2017, trending to 5.50% in fiscal year 2027 and an ultimate trend rate of 4.00% in 2073 (unchanged from 2016)
Investment Rate of Return	5.50% (changed from 7.70% in 2016)
Retirement Age	Various
Mortality	Mortality rates were based on the RP-2000 Combined Healthy Mortality Table projected to the valuation date with Scale AA for active and retired participants in the Illinois Municipal Retirement Fund. The RP-2000 Mortality Table with Blue Collar Adjustment, projected to the valuation date, was used for active and retired firefighters and police officers. The RP-2000 Disabled Mortality Table, projected to the valuation date.

(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 Three Fiscal Years

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

*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.

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 Four Fiscal Years

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

* 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, and disability rates and discount rates.

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 Four Fiscal Years

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

* 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, and disability rates and discount rates.

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

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

RETIREE HEALTH INSURANCE TRUST FUND

Last Three Fiscal Years

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

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.

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 Four Fiscal Years

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

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 Four Fiscal Years

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

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

SCHEDULE OF INVESTMENT RETURNS

RETIREE HEALTH INSURANCE TRUST FUND

Last Three Fiscal Years

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

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

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2017

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, 2017
(With Comparative Actual for 2016)

	2017				2016 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Property Taxes	\$ 4,000,000	\$ 4,000,000	\$ 4,037,479	\$ 37,479	\$ 4,037,186
Other Taxes					
Real Estate Transfer Tax	3,000,000	3,000,000	2,891,464	(108,536)	3,144,487
Intergovernmental Revenue	391,100	391,100	378,202	(12,898)	390,856
Investment Income	5,000	5,000	45,051	40,051	13,765
Other	-	-	-	-	991
Total Revenues	7,396,100	7,396,100	7,352,196	(43,904)	7,587,285
EXPENDITURES					
Debt Service					
Principal					
Series 2007	-	-	-	-	140,000
Series 2009A	1,010,000	1,010,000	1,010,000	-	985,000
Series 2009B	370,000	370,000	370,000	-	360,000
Series 2011	1,135,000	1,135,000	1,135,000	-	1,105,000
Series 2012B	555,000	555,000	555,000	-	540,000
Series 2012C	660,000	660,000	660,000	-	645,000
Series 2013	60,000	60,000	60,000	-	60,000
Series 2014	1,110,000	1,110,000	1,110,000	-	1,085,000
Series 2015C	2,190,000	2,190,000	2,190,000	-	1,600,000
Interest					
Series 2007	-	-	-	-	7,000
Series 2009A	424,700	424,700	424,669	(31)	464,069
Series 2009B	112,100	112,100	112,004	(96)	122,804
Series 2011	64,700	64,700	64,650	(50)	97,800
Series 2012B	104,500	104,500	104,494	(6)	115,294
Series 2012C	13,200	13,200	13,200	-	26,100
Series 2013	285,400	285,400	285,331	(69)	286,531
Series 2014	192,200	192,200	192,140	(60)	213,840
Series 2015A	245,300	245,300	245,294	(6)	245,294
Series 2015C	2,290,200	2,290,200	2,290,188	(12)	2,883,765
Series 2017	-	286,700	286,602	(98)	-
Other Charges	10,000	10,000	3,776	(6,224)	5,283
Total Expenditures	10,832,300	11,119,000	11,112,348	(6,652)	10,987,780
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,436,200)	(3,722,900)	(3,760,152)	(37,252)	(3,400,495)
OTHER FINANCING SOURCES (USES)					
Transfers In	1,551,400	1,551,400	1,551,400	-	5,569,000
Total Other Financing Sources (Uses)	1,551,400	1,551,400	1,551,400	-	5,569,000
NET CHANGE IN FUND BALANCE	\$ (1,884,800)	\$ (2,171,500)	(2,208,752)	\$ (37,252)	2,168,505
FUND BALANCE, JANUARY 1			3,063,523		895,018
FUND BALANCE, DECEMBER 31			\$ 854,771		\$ 3,063,523

(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 20% 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. 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 CDBG program 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 \$3.95 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, 2017

	Special Revenue	Capital Projects	Permanent	Total Nonmajor Governmental Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	\$ 49,510,114	\$ 34,261,975	\$ 446,786	\$ 84,218,875
Receivables (Net of Allowance Where Applicable)				
Property Taxes				
Special Service Areas Levies	651,673	71,187	-	722,860
Other Taxes	-	2,199,489	-	2,199,489
Loans Receivable	48,455	113,210	-	161,665
Interest	184,695	91,872	-	276,567
Miscellaneous	2,150,170	390,609	-	2,540,779
Land Held for Resale	386,406	-	-	386,406
Due from Other Funds	-	774,994	-	774,994
Due from Other Governments	5,390,103	224,986	-	5,615,089
Prepaid Items	-	1,700	-	1,700
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	58,321,616	38,130,022	446,786	96,898,424
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/>
	\$ 58,321,616	\$ 38,130,022	\$ 446,786	\$ 96,898,424

	Special Revenue	Capital Projects	Permanent	Total Nonmajor Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 6,204,465	\$ 1,295,078	\$ -	\$ 7,499,543
Retainage Payable	474,306	296,582	-	770,888
Deposits Payable	-	750	-	750
Unearned Revenue	5,032,837	991,170	-	6,024,007
Due to Other Funds	785,083	-	-	785,083
Due to Other Governments	121,321	-	-	121,321
Total Liabilities	12,618,012	2,583,580	-	15,201,592
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	13,193,450	2,654,767	-	15,848,217
FUND BALANCES				
Nonspendable				
Prepaid Items	-	1,700	-	1,700
Restricted				
Working Cash	-	-	446,786	446,786
Public Safety	13,092,487	1,378,384	-	14,470,871
Streets and Transportation	11,437,875	164,623	-	11,602,498
Health and Welfare	5,445,635	-	-	5,445,635
Economic Development	14,536,291	1,564,287	-	16,100,578
Capital Projects	-	11,940,741	-	11,940,741
Unrestricted				
Assigned				
Public Safety	95,429	-	-	95,429
Health and Welfare	541,589	-	-	541,589
Capital Projects	-	20,425,520	-	20,425,520
Unassigned (Deficit)	(21,140)	-	-	(21,140)
Total Fund Balances	45,128,166	35,475,255	446,786	81,050,207
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 58,321,616	\$ 38,130,022	\$ 446,786	\$ 96,898,424

(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, 2017

	Special Revenue	Capital Projects	Permanent	Total Nonmajor Governmental Funds
REVENUES				
Property Taxes	\$ 5,089,737	\$ -	\$ -	\$ 5,089,737
Other Taxes	5,984,791	12,625,746	-	18,610,537
Intergovernmental	7,258,242	755,367	-	8,013,609
Licenses, Fees and Permits	-	135,692	-	135,692
Charges for Services	8,439,337	141,103	-	8,580,440
Investment Income	477,983	283,743	2,975	764,701
Other	7,758	136,626	-	144,384
Total Revenues	27,257,848	14,078,277	2,975	41,339,100
EXPENDITURES				
Current				
General Government	-	913,883	-	913,883
Public Safety	2,871,766	4,545,343	-	7,417,109
Streets and Transportation	7,098,266	1,202,332	-	8,300,598
Health and Welfare	5,890,353	-	-	5,890,353
Culture and Recreation	-	997,391	-	997,391
Economic Development	5,437,601	938,284	-	6,375,885
Capital Outlay	6,793,745	5,489,928	-	12,283,673
Debt Service				
Principal	1,695,729	-	-	1,695,729
Interest	874,697	-	-	874,697
Total Expenditures	30,662,157	14,087,161	-	44,749,318
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,404,309)	(8,884)	2,975	(3,410,218)
OTHER FINANCING SOURCES (USES)				
Illinois EPA Loan Issued	4,043,507	-	-	4,043,507
Transfers In	1,795,200	750,000	-	2,545,200
Transfers (Out)	(3,391,400)	(2,655,200)	-	(6,046,600)
Issuance of Debt Certificate	3,000,000	-	-	3,000,000
Proceeds from Bond Issuance	-	16,500,000	-	16,500,000
Premium on Bond Issued	-	258,024	-	258,024
Total Other Financing Sources (Uses)	5,447,307	14,852,824	-	20,300,131
NET CHANGE IN FUND BALANCES	2,042,998	14,843,940	2,975	16,889,913
FUND BALANCES, JANUARY 1	43,085,168	20,631,315	443,811	64,160,294
FUND BALANCES, DECEMBER 31	\$ 45,128,166	\$ 35,475,255	\$ 446,786	\$ 81,050,207

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2017

	Motor Fuel Tax	SHAPE	Sanitation	Wireless 911 Surcharge	Municipal Motor Fuel Tax
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
ASSETS					
Cash and Investments	\$ 13,473,621	\$ 1,452,697	\$ 357,631	\$ 7,629,824	\$ 186,553
Receivables					
Property Taxes, Net of Allowance					
Special Service Areas Levy	-	-	-	-	-
Loans Receivable	-	-	-	-	-
Interest	61,286	-	952	35,948	-
Other	-	-	416,341	-	164,024
Land Held for Resale	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Due from Other Governments					
Federal and State Grants	320,081	-	-	-	-
Motor Fuel Tax Allotment	575,047	-	-	-	-
Sales Tax	-	1,044,240	-	-	-
Other	-	-	-	828,488	-
Total Assets	14,430,035	2,496,937	774,924	8,494,260	350,577
DEFERRED OUTFLOWS OF RESOURCES					
None	-	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 14,430,035	\$ 2,496,937	\$ 774,924	\$ 8,494,260	\$ 350,577
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 1,653,358	\$ 68,265	\$ 181,670	\$ 56,578	\$ -
Retainage Payable	10,000	7,385	-	-	-
Unearned Revenue	1,795,500	-	-	-	-
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	-	-	-	-
Total Liabilities	3,458,858	75,650	181,670	56,578	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	3,458,858	75,650	181,670	56,578	-
FUND BALANCES					
Restricted					
Public Safety	-	2,325,858	-	8,437,682	-
Streets and Transportation	10,971,177	-	-	-	350,577
Health and Welfare	-	-	463,954	-	-
Economic Development	-	-	-	-	-
Unrestricted					
Assigned					
Public Safety	-	95,429	-	-	-
Health and Welfare	-	-	129,300	-	-
Unassigned (Deficit)	-	-	-	-	-
Total Fund Balances (Deficit)	10,971,177	2,421,287	593,254	8,437,682	350,577
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 14,430,035	\$ 2,496,937	\$ 774,924	\$ 8,494,260	\$ 350,577

Block Grant	Section 108 Loan	Foreign Fire Insurance Tax	Asset Seizure	Federal Asset Forfeitures	State Asset Forfeitures	TIF #1 Downtown	TIF #3 River City
\$ -	\$ 1,176	\$ 388,933	\$ 150,498	\$ 2,361,481	\$ 714,135	\$ 1,473,553	\$ 1,641,680
-	-	-	-	-	-	-	-
-	48,455	-	-	-	-	-	-
-	-	725	-	3,985	4,533	18,319	-
7,549	-	-	-	-	6,424	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
290,334	-	-	-	-	-	-	-
-	-	-	-	-	-	75,945	-
-	178	-	-	-	-	-	-
297,883	49,809	389,658	150,498	2,365,466	725,092	1,567,817	1,641,680
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 297,883	\$ 49,809	\$ 389,658	\$ 150,498	\$ 2,365,466	\$ 725,092	\$ 1,567,817	\$ 1,641,680
\$ 211,962	\$ -	\$ 4,724	\$ 1,093	\$ 56,636	\$ 10,151	\$ 785,006	\$ 35,355
-	-	-	-	-	-	14,633	-
-	48,455	-	-	1,101,418	6,424	-	-
12,589	22,494	-	-	-	-	-	-
-	-	-	121,321	-	-	-	-
224,551	70,949	4,724	122,414	1,158,054	16,575	799,639	35,355
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
224,551	70,949	4,724	122,414	1,158,054	16,575	799,639	35,355
-	-	384,934	28,084	1,207,412	708,517	-	-
-	-	-	-	-	-	-	-
73,332	-	-	-	-	-	-	-
-	-	-	-	-	-	768,178	1,606,325
-	-	-	-	-	-	-	-
-	(21,140)	-	-	-	-	-	-
73,332	(21,140)	384,934	28,084	1,207,412	708,517	768,178	1,606,325
\$ 297,883	\$ 49,809	\$ 389,658	\$ 150,498	\$ 2,365,466	\$ 725,092	\$ 1,567,817	\$ 1,641,680

(This statement is continued on the following pages.)

CITY OF AURORA, ILLINOIS

COMBINING BALANCE SHEET (Continued)

NONMAJOR SPECIAL REVENUE FUNDS

December 31, 2017

	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	\$ 45,516	\$ 620,188	\$ 725,168	\$ 8,154,188
Receivables				
Property Taxes, Net of Allowance				
Special Service Areas Levy	-	-	-	-
Loans Receivable	-	-	-	-
Interest	-	106	6,848	21,085
Other	-	26,318	26,318	588,277
Land Held for Resale				386,406
Due from Other Funds	-	-	-	-
Due from Other Governments				
Federal and State Grants	-	-	-	-
Motor Fuel Tax Allotment	-	-	-	-
Sales Tax	-	-	-	-
Other	-	-	-	-
Total Assets	45,516	646,612	758,334	9,149,956
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 45,516	\$ 646,612	\$ 758,334	\$ 9,149,956
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	\$ 74,940	\$ 101,851	\$ 973,025
Retainage Payable	-	-	-	-
Unearned Revenue	-	-	-	-
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	-	-
Total Liabilities	-	74,940	101,851	973,025
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	-	74,940	101,851	973,025
FUND BALANCES				
Restricted				
Public Safety	-	-	-	-
Streets and Transportation	-	-	-	-
Health and Welfare	-	-	-	-
Economic Development	45,516	571,672	656,483	8,176,931
Unrestricted				
Assigned				
Public Safety	-	-	-	-
Health and Welfare	-	-	-	-
Unassigned (Deficit)	-	-	-	-
Total Fund Balances (Deficit)	45,516	571,672	656,483	8,176,931
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 45,516	\$ 646,612	\$ 758,334	\$ 9,149,956

TIF #8 East Farnsworth Area	Special Service Areas	Stormwater Management Fee	Long-Term Control Plan Fee	Total
\$ 3,629,920	\$ 40,111	\$ 4,853,484	\$ 1,609,757	\$ 49,510,114
-	651,673	-	-	651,673
-	-	-	-	48,455
13,000	-	17,908	-	184,695
-	-	496,624	418,295	2,150,170
-	-	-	-	386,406
-	-	-	-	-
-	-	-	-	610,415
-	-	-	-	575,047
-	-	-	-	1,120,185
-	-	-	2,255,790	3,084,456
3,642,920	691,784	5,368,016	4,283,842	58,321,616
-	-	-	-	-
-	-	-	-	-
\$ 3,642,920	\$ 691,784	\$ 5,368,016	\$ 4,283,842	\$ 58,321,616
\$ 181,734	\$ 225	\$ 78,550	\$ 1,729,342	\$ 6,204,465
-	-	388,276	54,012	474,306
-	-	2,081,040	-	5,032,837
750,000	-	-	-	785,083
-	-	-	-	121,321
931,734	225	2,547,866	1,783,354	12,618,012
-	575,438	-	-	575,438
-	575,438	-	-	575,438
931,734	575,663	2,547,866	1,783,354	13,193,450
-	-	-	-	13,092,487
-	116,121	-	-	11,437,875
-	-	2,423,754	2,484,595	5,445,635
2,711,186	-	-	-	14,536,291
-	-	-	-	95,429
-	-	396,396	15,893	541,589
-	-	-	-	(21,140)
2,711,186	116,121	2,820,150	2,500,488	45,128,166
\$ 3,642,920	\$ 691,784	\$ 5,368,016	\$ 4,283,842	\$ 58,321,616

(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, 2017

	Motor Fuel Tax	SHAPE	Sanitation	Wireless 911 Surcharge
REVENUES				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Other Taxes				
Sales Tax	-	3,779,778	-	-
Municipal Motor Fuel Tax	-	-	-	-
Foreign Fire Insurance Tax	-	-	-	-
Intergovernmental				
Federal and State Grants	898,233	-	-	(874)
Motor Fuel Tax Allotments	5,323,238	-	-	-
Charges for Services	-	-	2,105,841	1,359,036
Stormwater Management Fees	-	-	-	-
Long-Term Capital Planning Fee	-	-	-	-
Investment Income	110,742	7,378	2,908	88,402
Other	-	-	-	-
Total Revenues	6,332,213	3,787,156	2,108,749	1,446,564
EXPENDITURES				
Current				
Public Safety	-	2,024,339	-	370,853
Streets and Transportation	4,665,235	-	-	-
Health and Welfare	-	-	2,123,858	-
Economic Development	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Total Expenditures	4,665,235	2,024,339	2,123,858	370,853
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,666,978	1,762,817	(15,109)	1,075,711
OTHER FINANCING SOURCES (USES)				
Illinois EPA Loan Issued	-	-	-	-
Transfers In	-	-	-	-
Transfers (Out)	-	-	-	(1,500,000)
Issuance of Debt Certificate	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	(1,500,000)
NET CHANGE IN FUND BALANCES	1,666,978	1,762,817	(15,109)	(424,289)
FUND BALANCES (DEFICIT), JANUARY 1	9,304,199	658,470	608,363	8,861,971
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 10,971,177	\$ 2,421,287	\$ 593,254	\$ 8,437,682

Municipal Motor Fuel Tax	Block Grant	Section 108 Loan	Foreign Fire Insurance Tax	Asset Seizure	Federal Asset Forfeitures	State Asset Forfeitures	TIF #1 Downtown
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,528,387
-	-	-	-	-	-	-	-
1,988,570	-	-	-	-	-	-	-
-	-	-	216,443	-	-	-	-
-	775,653	-	-	-	219,043	42,949	-
-	-	-	-	-	-	-	-
-	5,948	65,362	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
685	1,660	490	3,902	1,117	26,862	8,052	20,607
-	-	-	-	-	-	-	-
1,989,255	783,261	65,852	220,345	1,117	245,905	51,001	1,548,994
-	-	-	165,521	-	219,043	92,010	-
-	-	-	-	-	-	-	-
-	766,359	3,000,136	-	-	-	-	-
-	-	-	-	-	-	-	1,777,620
1,915,868	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,915,868	766,359	3,000,136	165,521	-	219,043	92,010	1,777,620
73,387	16,902	(2,934,284)	54,824	1,117	26,862	(41,009)	(228,626)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(340,000)
-	-	3,000,000	-	-	-	-	-
-	-	3,000,000	-	-	-	-	(340,000)
73,387	16,902	65,716	54,824	1,117	26,862	(41,009)	(568,626)
277,190	56,430	(86,856)	330,110	26,967	1,180,550	749,526	1,336,804
\$ 350,577	\$ 73,332	\$ (21,140)	\$ 384,934	\$ 28,084	\$ 1,207,412	\$ 708,517	\$ 768,178

(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, 2017

	TIF #3	TIF #4	TIF #5	TIF #6
	River City	Bell Gale	West River	East River
			Area	Area
REVENUES				
Property Taxes	\$ 520,934	\$ 52,938	\$ 141,553	\$ 255,380
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	17,379	446	5,468	6,969
Other	-	-	-	7,758
Total Revenues	538,313	53,384	147,021	270,107
EXPENDITURES				
Current				
Public Safety	-	-	-	-
Streets and Transportation	-	-	-	-
Health and Welfare	-	-	-	-
Economic Development	431,329	13,830	303,669	259,927
Capital Outlay	-	-	-	-
Debt Service				
Principal	680,000	-	-	315,000
Interest	466,525	-	-	333,113
Total Expenditures	1,577,854	13,830	303,669	908,040
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,039,541)	39,554	(156,648)	(637,933)
OTHER FINANCING SOURCES (USES)				
Illinois EPA Loan Issued	-	-	-	-
Transfers In	807,000	-	75,000	748,200
Transfers (Out)	-	-	-	-
Proceeds from Bond Issuance	-	-	-	-
Total Other Financing Sources (Uses)	807,000	-	75,000	748,200
NET CHANGE IN FUND BALANCES	(232,541)	39,554	(81,648)	110,267
FUND BALANCES (DEFICIT), JANUARY 1	1,838,866	5,962	653,320	546,216
FUND BALANCES (DEFICIT), DECEMBER 31	\$ 1,606,325	\$ 45,516	\$ 571,672	\$ 656,483

TIF #7 West Farnsworth Area	TIF #8 East Farnsworth Area	Special Service Areas	Stormwater Management Fee	Long-Term Control Plan Fee	Total
\$ 161,361	\$ 1,717,421	\$ 711,763	\$ -	\$ -	\$ 5,089,737
-	-	-	-	-	3,779,778
-	-	-	-	-	1,988,570
-	-	-	-	-	216,443
-	-	-	-	-	1,935,004
-	-	-	-	-	5,323,238
-	-	-	-	-	3,536,187
-	-	-	2,661,094	-	2,661,094
-	-	-	-	2,242,056	2,242,056
78,836	37,166	2,495	50,416	6,003	477,983
-	-	-	-	-	7,758
240,197	1,754,587	714,258	2,711,510	2,248,059	27,257,848
-	-	-	-	-	2,871,766
-	-	292,950	2,140,081	-	7,098,266
-	-	-	-	-	5,890,353
599,061	2,052,165	-	-	-	5,437,601
-	-	-	-	4,877,877	6,793,745
-	-	540,000	160,729	-	1,695,729
-	-	56,900	18,159	-	874,697
599,061	2,052,165	889,850	2,318,969	4,877,877	30,662,157
(358,864)	(297,578)	(175,592)	392,541	(2,629,818)	(3,404,309)
-	-	-	-	4,043,507	4,043,507
-	-	165,000	-	-	1,795,200
-	-	-	(1,551,400)	-	(3,391,400)
-	-	-	-	-	3,000,000
-	-	165,000	(1,551,400)	4,043,507	5,447,307
(358,864)	(297,578)	(10,592)	(1,158,859)	1,413,689	2,042,998
8,535,795	3,008,764	126,713	3,979,009	1,086,799	43,085,168
\$ 8,176,931	\$ 2,711,186	\$ 116,121	\$ 2,820,150	\$ 2,500,488	\$ 45,128,166

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Intergovernmental					
Federal and State Grants	\$ 2,640,000	\$ 2,640,000	\$ 898,233	\$ (1,741,767)	\$ 826,871
Motor Fuel Tax Allotments	5,464,000	5,464,000	5,323,238	(140,762)	5,319,142
Investment Income	20,000	20,000	110,742	90,742	74,990
Total Revenues	8,124,000	8,124,000	6,332,213	(1,791,787)	6,221,003
EXPENDITURES					
Current					
Streets and Transportation					
General Maintenance	8,186,500	8,186,500	3,618,985	(4,567,515)	3,693,864
Roadway/Bridge Projects	6,690,400	6,690,400	1,046,250	(5,644,150)	3,307,303
Total Expenditures	14,876,900	14,876,900	4,665,235	(10,211,665)	7,001,167
NET CHANGE IN FUND BALANCE	\$ (6,752,900)	\$ (6,752,900)	1,666,978	\$ 8,419,878	(780,164)
FUND BALANCE, JANUARY 1			9,304,199		10,084,363
FUND BALANCE, DECEMBER 31			\$ 10,971,177		\$ 9,304,199

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Other Taxes					
Sales	\$ 4,080,000	\$ 4,080,000	\$ 3,779,778	\$ (300,222)	\$ 4,132,579
Investment Income	2,000	2,000	7,378	5,378	163
Total Revenues	<u>4,082,000</u>	<u>4,082,000</u>	<u>3,787,156</u>	<u>(294,844)</u>	<u>4,132,742</u>
EXPENDITURES					
Public Safety					
Materials and Supplies	654,908	608,208	555,240	(52,968)	71,742
Other Services and Charges	918,950	955,250	838,808	(116,442)	453,026
Capital Outlay	1,077,500	1,087,900	630,291	(457,609)	1,441,840
Total Expenditures	<u>2,651,358</u>	<u>2,651,358</u>	<u>2,024,339</u>	<u>(627,019)</u>	<u>1,966,608</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,430,642</u>	<u>1,430,642</u>	<u>1,762,817</u>	<u>332,175</u>	<u>2,166,134</u>
OTHER FINANCING SOURCES (USES)					
Transfers (Out)	-	-	-	-	(2,542,800)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,542,800)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,430,642</u>	<u>\$ 1,430,642</u>	<u>1,762,817</u>	<u>\$ 332,175</u>	<u>(376,666)</u>
FUND BALANCE, JANUARY 1			<u>658,470</u>		<u>1,035,136</u>
FUND BALANCE, DECEMBER 31			<u>\$ 2,421,287</u>		<u>\$ 658,470</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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Charges for Services	\$ 2,100,000	\$ 2,100,000	\$ 2,105,841	\$ 5,841	\$ 2,077,150
Investment Income	500	500	2,908	2,408	2,558
Total Revenues	2,100,500	2,100,500	2,108,749	8,249	2,079,708
EXPENDITURES					
Health and Welfare					
Other Services and Charges	2,100,000	2,123,900	2,123,858	(42)	2,060,648
NET CHANGE IN FUND BALANCE	\$ 500	\$ (23,400)	(15,109)	\$ 8,291	19,060
FUND BALANCE, JANUARY 1			608,363		589,303
FUND BALANCE, DECEMBER 31			\$ 593,254		\$ 608,363

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Charges for Services	\$ 1,000,000	\$ 1,000,000	\$ 1,359,036	\$ 359,036	\$ 1,102,815
State and Federal Grants	-	-	(874)	(874)	843,975
Investment Income	15,000	15,000	88,402	73,402	62,198
Total Revenues	1,015,000	1,015,000	1,446,564	431,564	2,008,988
EXPENDITURES					
Public Safety					
Materials and Supplies	3,448,500	3,443,400	255,815	(3,187,585)	1,812,310
Other Services and Charges	110,000	115,100	115,038	(62)	111,577
Total Expenditures	3,558,500	3,558,500	370,853	(3,187,647)	1,923,887
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,543,500)	(2,543,500)	1,075,711	3,619,211	85,101
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>\$ (4,043,500)</u>	<u>\$ (4,043,500)</u>	(424,289)	<u>\$ 3,619,211</u>	(1,414,899)
FUND BALANCE, JANUARY 1			8,861,971		10,276,870
FUND BALANCE, DECEMBER 31			<u>\$ 8,437,682</u>		<u>\$ 8,861,971</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, 2017

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Other Taxes	\$ 2,000,000	\$ 2,000,000	\$ 1,988,570	\$ (11,430)	\$ 1,817,999
Investment Income	-	-	685	685	(809)
Total Revenues	2,000,000	2,000,000	1,989,255	(10,745)	1,817,190
EXPENDITURES					
Capital Outlay					
Street Improvement	2,000,000	2,000,000	1,915,868	(84,132)	1,540,000
NET CHANGE IN FUND BALANCE	\$ -	\$ -	73,387	\$ 73,387	277,190
FUND BALANCE, JANUARY 1			277,190		-
FUND BALANCE, DECEMBER 31			<u>\$ 350,577</u>		<u>\$ 277,190</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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Intergovernmental					
Federal and State Grants	\$ 3,073,000	\$ 4,319,900	\$ 775,653	\$ (3,544,247)	\$ 1,776,804
Charges for Services					
Loan Payments	-	-	5,948	5,948	19,160
Investment Income	-	-	1,660	1,660	90
Total Revenues	3,073,000	4,319,900	783,261	(3,536,639)	1,796,054
EXPENDITURES					
Current					
Health and Welfare	3,073,000	4,319,900	766,359	(3,553,541)	1,750,815
NET CHANGE IN FUND BALANCE	\$ -	\$ -	16,902	\$ 16,902	45,239
FUND BALANCE, JANUARY 1			56,430		11,191
FUND BALANCE, DECEMBER 31			\$ 73,332		\$ 56,430

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Charges for Services					
Loan Payments	\$ 26,300	\$ 26,300	\$ 65,362	\$ 39,062	\$ 25,364
Investment Income	-	-	490	490	12
Total Revenues	26,300	26,300	65,852	39,552	25,376
EXPENDITURES					
Current					
Health and Welfare	200	3,000,200	3,000,136	(64)	34
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	26,100	(2,973,900)	(2,934,284)	39,616	25,342
OTHER FINANCING SOURCES (USES)					
Issuance of Debt Certificate	-	3,000,000	3,000,000	-	-
Total Other Financing Sources (Uses)	-	3,000,000	3,000,000	-	-
NET CHANGE IN FUND BALANCE	\$ 26,100	\$ 26,100	65,716	\$ 39,616	25,342
FUND BALANCE (DEFICIT), JANUARY 1			(86,856)		(112,198)
FUND BALANCE (DEFICIT), DECEMBER 31			\$ (21,140)		\$ (86,856)

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Other Taxes					
Foreign Fire Insurance Tax	\$ 180,000	\$ 180,000	\$ 216,443	\$ 36,443	\$ 207,366
Investment Income	1,000	1,000	3,902	2,902	2,603
Total Revenues	181,000	181,000	220,345	39,345	209,969
EXPENDITURES					
Current					
Public Safety	180,000	180,000	165,521	(14,479)	367,614
NET CHANGE IN FUND BALANCE	\$ 1,000	\$ 1,000	54,824	\$ 53,824	(157,645)
FUND BALANCE, JANUARY 1			330,110		487,755
FUND BALANCE, DECEMBER 31			\$ 384,934		\$ 330,110

(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, 2017
(With Comparative Actual for 2016)

	2017				2016 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Investment Income	\$ -	\$ -	\$ 1,117	\$ 1,117	\$ 694
EXPENDITURES					
None	-	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	1,117	<u>\$ 1,117</u>	694
FUND BALANCE, JANUARY 1			<u>26,967</u>		<u>26,273</u>
FUND BALANCE, DECEMBER 31			<u>\$ 28,084</u>		<u>\$ 26,967</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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Investment Income	\$ -	\$ -	\$ 26,862	\$ 26,862	\$ 21,673
Proceeds from Forfeited Assets	-	-	219,043	219,043	1,552,803
Total Revenues	-	-	245,905	245,905	1,574,476
EXPENDITURES					
Current					
Public Safety					
Other Services and Charges	2,198,200	2,198,200	219,043	(1,979,157)	1,552,803
Total Expenditures	2,198,200	2,198,200	219,043	(1,979,157)	1,552,803
NET CHANGE IN FUND BALANCE	\$ (2,198,200)	\$ (2,198,200)	26,862	\$ 2,225,062	21,673
FUND BALANCE, JANUARY 1			1,180,550		1,158,877
FUND BALANCE, DECEMBER 31			\$ 1,207,412		\$ 1,180,550

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Investment Income	\$ -	\$ -	\$ 8,052	\$ 8,052	\$ 6,288
Proceeds from Forfeited Assets	-	-	42,949	42,949	102,495
Total Revenues	-	-	51,001	51,001	108,783
EXPENDITURES					
Public Safety					
Materials and Supplies	150,000	147,300	6,869	(140,431)	-
Other Services and Charges	450,000	452,700	85,141	(367,559)	100,592
Total Expenditures	600,000	600,000	92,010	(507,990)	100,592
NET CHANGE IN FUND BALANCE	\$ (600,000)	\$ (600,000)	(41,009)	\$ 558,991	8,191
FUND BALANCE, JANUARY 1			749,526		741,335
FUND BALANCE, DECEMBER 31			\$ 708,517		\$ 749,526

(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, 2017
(With Comparative Actual for 2016)

	2017				2016 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Property Taxes	\$ 1,562,000	\$ 1,562,000	\$ 1,528,387	\$ (33,613)	\$ 1,517,221
Intergovernmental	-	-	-	-	220,105
Investment Income	2,000	2,000	20,607	18,607	27,894
Other	-	-	-	-	10,695
Total Revenues	1,564,000	1,564,000	1,548,994	(15,006)	1,775,915
EXPENDITURES					
Economic Development					
Redevelopment and Assistance	1,664,200	1,664,200	1,471,943	(192,257)	1,779,758
Surplus Distribution	312,400	312,400	305,677	(6,723)	303,444
Total Expenditures	1,976,600	1,976,600	1,777,620	(198,980)	2,083,202
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(412,600)	(412,600)	(228,626)	183,974	(307,287)
OTHER FINANCING SOURCES (USES)					
Transfers (Out)	(340,000)	(340,000)	(340,000)	-	(1,490,000)
Total Other Financing Sources (Uses)	(340,000)	(340,000)	(340,000)	-	(1,490,000)
NET CHANGE IN FUND BALANCE	\$ (752,600)	\$ (752,600)	(568,626)	\$ 183,974	(1,797,287)
FUND BALANCE, JANUARY 1			1,336,804		3,134,091
FUND BALANCE, DECEMBER 31			\$ 768,178		\$ 1,336,804

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Property Taxes	\$ 500,000	\$ 500,000	\$ 520,934	\$ 20,934	\$ 493,397
Investment Income	3,000	3,000	17,379	14,379	13,953
Total Revenues	503,000	503,000	538,313	35,313	507,350
EXPENDITURES					
Economic Development					
Redevelopment and Assistance	98,500	427,000	414,425	(12,575)	87,675
Surplus Distribution	13,000	13,000	16,904	3,904	16,701
Debt Service					
Principal	680,000	680,000	680,000	-	625,000
Interest	466,600	466,600	466,525	(75)	507,850
Total Expenditures	1,258,100	1,586,600	1,577,854	(8,746)	1,237,226
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(755,100)	(1,083,600)	(1,039,541)	44,059	(729,876)
OTHER FINANCING SOURCES (USES)					
Transfers In	807,000	807,000	807,000	-	803,500
Total Other Financing Sources (Uses)	807,000	807,000	807,000	-	803,500
NET CHANGE IN FUND BALANCE	\$ 51,900	\$ (276,600)	(232,541)	\$ 44,059	73,624
FUND BALANCE, JANUARY 1			1,838,866		1,765,242
FUND BALANCE, DECEMBER 31			\$ 1,606,325		\$ 1,838,866

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Property Taxes	\$ 55,000	\$ 55,000	\$ 52,938	\$ (2,062)	\$ 50,926
Investment Income	-	-	446	446	48
Total Revenues	55,000	55,000	53,384	(1,616)	50,974
EXPENDITURES					
Economic Development Redevelopment Assistance	55,000	55,000	13,830	(41,170)	45,025
NET CHANGE IN FUND BALANCE	\$ -	\$ -	39,554	\$ 39,554	5,949
FUND BALANCE, JANUARY 1			5,962		13
FUND BALANCE, DECEMBER 31			\$ 45,516		\$ 5,962

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Property Taxes	\$ 163,200	\$ 163,200	\$ 141,553	\$ (21,647)	\$ 156,530
Intergovernmental	-	-	-	-	66,822
Investment Income	1,000	1,000	5,468	4,468	1,817
Total Revenues	164,200	164,200	147,021	(17,179)	225,169
EXPENDITURES					
Economic Development					
Redevelopment Assistance	361,000	361,000	275,362	(85,638)	651,560
Surplus Distribution	32,640	32,640	28,307	(4,333)	31,306
Total Expenditures	393,640	393,640	303,669	(89,971)	682,866
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(229,440)	(229,440)	(156,648)	72,792	(457,697)
OTHER FINANCING SOURCES (USES)					
Transfers In	75,000	75,000	75,000	-	650,000
Total Other Financing Sources (Uses)	75,000	75,000	75,000	-	650,000
NET CHANGE IN FUND BALANCE	\$ (154,440)	\$ (154,440)	(81,648)	\$ 72,792	192,303
FUND BALANCE, JANUARY 1			653,320		461,017
FUND BALANCE, DECEMBER 31			\$ 571,672		\$ 653,320

(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, 2017
(With Comparative Actual for 2016)

	2017				2016 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Property Taxes	\$ 234,600	\$ 234,600	\$ 255,380	\$ 20,780	\$ 236,994
Other	-	-	7,758	7,758	66,822
Investment Income	4,000	4,000	6,969	2,969	4,101
Total Revenues	238,600	238,600	270,107	31,507	307,917
EXPENDITURES					
Economic Development					
Redevelopment and Assistance	193,400	213,000	208,851	(4,149)	937,877
Surplus Distribution	46,920	46,920	51,076	4,156	47,399
Debt Service					
Principal	315,000	315,000	315,000	-	295,000
Interest	333,200	333,200	333,113	(87)	353,025
Total Expenditures	888,520	908,120	908,040	(80)	1,633,301
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(649,920)	(669,520)	(637,933)	31,587	(1,325,384)
OTHER FINANCING SOURCES (USES)					
Transfers In	748,200	748,200	748,200	-	1,323,100
Total Other Financing Sources (Uses)	748,200	748,200	748,200	-	1,323,100
NET CHANGE IN FUND BALANCE	\$ 98,280	\$ 78,680	110,267	\$ 31,587	(2,284)
FUND BALANCE, JANUARY 1			546,216		548,500
FUND BALANCE, DECEMBER 31			<u>\$ 656,483</u>		<u>\$ 546,216</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 #7 (WEST FARNSWORTH AREA) FUND

For the Year Ended December 31, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Property Taxes	\$ 125,000	\$ 125,000	\$ 161,361	\$ 36,361	\$ 116,502
Investment Income	35,000	35,000	78,836	43,836	64,399
Total Revenues	160,000	160,000	240,197	80,197	180,901
EXPENDITURES					
Economic Development					
Redevelopment and Assistance	7,920,700	7,920,700	582,925	(7,337,775)	579,370
Surplus Distribution	-	-	16,136	16,136	11,650
Total Expenditures	7,920,700	7,920,700	599,061	(7,321,639)	591,020
NET CHANGE IN FUND BALANCE	<u>\$ (7,760,700)</u>	<u>\$ (7,760,700)</u>	(358,864)	<u>\$ 7,401,836</u>	(410,119)
FUND BALANCE, JANUARY 1			8,535,795		8,945,914
FUND BALANCE, DECEMBER 31			<u>\$ 8,176,931</u>		<u>\$ 8,535,795</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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Property Taxes	\$ 1,650,000	\$ 1,650,000	\$ 1,717,421	\$ 67,421	\$ 99,983
Investment Income	10,000	10,000	37,166	27,166	29,340
Total Revenues	1,660,000	1,660,000	1,754,587	94,587	129,323
EXPENDITURES					
Economic Development					
Redevelopment and Assistance	3,380,500	3,380,500	1,880,429	(1,500,071)	60,779
Surplus Distribution	-	-	171,736	171,736	9,998
Total Expenditures	3,380,500	3,380,500	2,052,165	(1,328,335)	70,777
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,720,500)	(1,720,500)	(297,578)	1,422,922	58,546
OTHER FINANCING SOURCES (USES)					
Transfers (Out)	-	-	-	-	(750,000)
Total Other Financing Sources (Uses)	-	-	-	-	(750,000)
NET CHANGE IN FUND BALANCE	<u>\$ (1,720,500)</u>	<u>\$ (1,720,500)</u>	(297,578)	<u>\$ 1,422,922</u>	(691,454)
FUND BALANCE, JANUARY 1			<u>3,008,764</u>		<u>3,700,218</u>
FUND BALANCE, DECEMBER 31			<u>\$ 2,711,186</u>		<u>\$ 3,008,764</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, 2017
(With Comparative Actual for 2016)

	2017				2016 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Property Taxes	\$ 755,500	\$ 755,500	\$ 711,763	\$ (43,737)	\$ 1,302,843
Investment Income	1,000	1,000	2,495	1,495	1,029
Total Revenues	756,500	756,500	714,258	(42,242)	1,303,872
EXPENDITURES					
Current					
Streets and Transportation					
Other Services and Charges	359,600	359,800	292,950	(66,850)	328,847
Debt Service					
Principal	540,000	540,000	540,000	-	1,070,000
Interest	56,900	56,900	56,900	-	94,700
Total Expenditures	956,500	956,700	889,850	(66,850)	1,493,547
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(200,000)	(200,200)	(175,592)	24,608	(189,675)
OTHER FINANCING SOURCES (USES)					
Transfers In	165,000	165,000	165,000	-	165,000
Total Other Financing Sources (Uses)	165,000	165,000	165,000	-	165,000
NET CHANGE IN FUND BALANCE	\$ (35,000)	\$ (35,200)	(10,592)	\$ 24,608	(24,675)
FUND BALANCE, JANUARY 1			126,713		151,388
FUND BALANCE, DECEMBER 31			\$ 116,121		\$ 126,713

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Stormwater Management Fees	\$ 2,600,000	\$ 2,600,000	\$ 2,661,094	\$ 61,094	\$ 2,662,074
Investment Income	15,000	15,000	50,416	35,416	66,934
Total Revenues	2,615,000	2,615,000	2,711,510	96,510	2,729,008
EXPENDITURES					
Capital Projects					
Drainage/Sewer Projects	3,545,500	3,545,500	2,140,081	(1,405,419)	2,294,848
Debt Service					
Principal	160,700	160,700	160,729	29	156,730
Interest	18,200	18,200	18,159	(41)	22,157
Total Expenditures	3,724,400	3,724,400	2,318,969	(1,405,431)	2,473,735
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,109,400)	(1,109,400)	392,541	1,501,941	255,273
OTHER FINANCING SOURCES (USES)					
Transfers (Out)	(1,551,400)	(1,551,400)	(1,551,400)	-	(1,543,300)
Total Other Financing Sources (Uses)	(1,551,400)	(1,551,400)	(1,551,400)	-	(1,543,300)
NET CHANGE IN FUND BALANCE	\$ (2,660,800)	\$ (2,660,800)	(1,158,859)	\$ 1,501,941	(1,288,027)
FUND BALANCE, JANUARY 1			3,979,009		5,267,036
FUND BALANCE, DECEMBER 31			\$ 2,820,150		\$ 3,979,009

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Long-Term Capital Planning Fee	\$ 2,230,000	\$ 2,230,000	\$ 2,242,056	\$ 12,056	\$ 2,156,865
Investment Income	5,000	5,000	6,003	1,003	(556)
Total Revenues	2,235,000	2,235,000	2,248,059	13,059	2,156,309
EXPENDITURES					
Capital Outlay					
Drainage/Sewer Projects	8,869,500	8,869,500	4,877,877	(3,991,623)	2,491,064
Total Expenditures	8,869,500	8,869,500	4,877,877	(3,991,623)	2,491,064
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,634,500)	(6,634,500)	(2,629,818)	4,004,682	(334,755)
OTHER FINANCING SOURCES (USES)					
Illinois EPA Loan Issued	5,097,600	5,097,600	4,043,507	(1,054,093)	2,427,646
Transfers (Out)	-	-	-	-	(1,025,000)
Total Other Financing Sources (Uses)	5,097,600	5,097,600	4,043,507	(1,054,093)	1,402,646
NET CHANGE IN FUND BALANCE	<u>\$ (1,536,900)</u>	<u>\$ (1,536,900)</u>	1,413,689	<u>\$ 2,950,589</u>	1,067,891
FUND BALANCE, JANUARY 1			1,086,799		18,908
FUND BALANCE, DECEMBER 31			<u>\$ 2,500,488</u>		<u>\$ 1,086,799</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING BALANCE SHEET

NONMAJOR CAPITAL PROJECTS FUNDS

December 31, 2017

	Capital Improvements Fund	2008B TIF Bond Project	Gaming Tax	2017 GO Bond Project
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
ASSETS				
Cash and Investments	\$ 11,328,038	\$ 1,556,495	\$ 3,274,600	\$ 12,274,788
Receivables				
Property Tax	-	-	-	-
Other Taxes	1,448,628	-	750,861	-
Loan	-	-	87,500	-
Interest	25,419	7,792	-	32,477
Other	362,610	-	26,850	-
Due from Other Funds	-	-	774,994	-
Due from Other Governments	8,630	-	-	216,356
Prepaid Items	-	-	500	-
Total Assets	13,173,325	1,564,287	4,915,305	12,523,621
DEFERRED OUTFLOWS OF RESOURCES				
None	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 13,173,325	\$ 1,564,287	\$ 4,915,305	\$ 12,523,621
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 590,197	\$ -	\$ 48,432	\$ 399,451
Retainage Payable	1,991	-	-	113,365
Deposits Payable	-	-	750	-
Unearned Revenue	932,761	-	18,850	-
Due to Other Funds	-	-	-	-
Total Liabilities	1,524,949	-	68,032	512,816
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Taxes	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	1,524,949	-	68,032	512,816
FUND BALANCES				
Nonspendable				
Prepaid Items	-	-	500	-
Restricted				
Public Safety	-	-	-	-
Streets and Transportation	-	-	-	-
Economic Development	-	1,564,287	-	-
Capital Projects	-	-	-	11,940,741
Unrestricted				
Assigned	11,648,376	-	4,846,773	70,064
Total Fund Balances	11,648,376	1,564,287	4,847,273	12,010,805
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 13,173,325	\$ 1,564,287	\$ 4,915,305	\$ 12,523,621

Fire Impact Fees	Public Works Impact Fees	Ward Projects	Total
\$ 1,760,274	\$ 164,623	\$ 3,903,157	\$ 34,261,975
-	-	71,187	71,187
-	-	-	2,199,489
12,025	-	13,685	113,210
13,386	-	12,798	91,872
-	1,149	-	390,609
-	-	-	774,994
-	-	-	224,986
-	-	1,200	1,700
<u>1,785,685</u>	<u>165,772</u>	<u>4,002,027</u>	<u>38,130,022</u>
-	-	-	-
-	-	-	-
<u>\$ 1,785,685</u>	<u>\$ 165,772</u>	<u>\$ 4,002,027</u>	<u>\$ 38,130,022</u>
\$ 214,050	\$ -	\$ 42,948	\$ 1,295,078
181,226	-	-	296,582
-	-	-	750
12,025	1,149	26,385	991,170
-	-	-	-
<u>407,301</u>	<u>1,149</u>	<u>69,333</u>	<u>2,583,580</u>
-	-	71,187	71,187
-	-	71,187	71,187
<u>407,301</u>	<u>1,149</u>	<u>140,520</u>	<u>2,654,767</u>
-	-	1,200	1,700
1,378,384	-	-	1,378,384
-	164,623	-	164,623
-	-	-	1,564,287
-	-	-	11,940,741
-	-	3,860,307	20,425,520
<u>1,378,384</u>	<u>164,623</u>	<u>3,861,507</u>	<u>35,475,255</u>
<u>\$ 1,785,685</u>	<u>\$ 165,772</u>	<u>\$ 4,002,027</u>	<u>\$ 38,130,022</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, 2017

	Capital Improvements Fund	2008B TIF Bond Project	Gaming Tax	2017 GO Bond Project
REVENUES				
Other Taxes				
Home Rule Sales	\$ 5,243,515	\$ -	\$ -	\$ -
Gaming Tax	-	-	7,382,231	-
Intergovernmental	539,011	-	-	216,356
Charges for Services	73,235	-	-	-
Licenses, Fees and Permits	33,848	-	-	-
Sale of Assets	-	-	-	-
Investment Income	105,126	17,062	29,815	70,064
Other	8,100	-	128,026	-
Total Revenues	6,002,835	17,062	7,540,072	286,420
EXPENDITURES				
Current				
General Government	-	-	710,427	203,456
Public Safety	-	-	-	2,706,207
Streets and Transportation	-	-	9,393	1,192,939
Culture and Recreation	-	-	997,391	-
Economic Development	-	-	938,284	-
Capital Outlay				
Roadway	3,374,537	-	-	193,878
Building	500	-	-	-
Other	470,113	-	-	737,159
Total Expenditures	3,845,150	-	2,655,495	5,033,639
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,157,685	17,062	4,884,577	(4,747,219)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers (Out)	(350,000)	-	(2,305,200)	-
Proceeds from Bond Issuance	-	-	-	16,500,000
Premium on Bond Issued	-	-	-	258,024
Total Other Financing Sources (Uses)	(350,000)	-	(2,305,200)	16,758,024
NET CHANGE IN FUND BALANCES	1,807,685	17,062	2,579,377	12,010,805
FUND BALANCES, JANUARY 1	9,840,691	1,547,225	2,267,896	-
FUND BALANCES, DECEMBER 31	\$ 11,648,376	\$ 1,564,287	\$ 4,847,273	\$ 12,010,805

Fire Impact Fees	Public Works Impact Fees	Ward Projects	Total
\$ -	\$ -	\$ -	\$ 5,243,515
-	-	-	7,382,231
-	-	-	755,367
-	-	67,868	141,103
101,844	-	-	135,692
-	-	-	-
27,643	1,069	32,964	283,743
-	-	500	136,626
129,487	1,069	101,332	14,078,277
-	-	-	913,883
1,839,136	-	-	4,545,343
-	-	-	1,202,332
-	-	-	997,391
-	-	-	938,284
-	-	164,561	3,732,976
-	-	-	500
-	-	549,180	1,756,452
1,839,136	-	713,741	14,087,161
(1,709,649)	1,069	(612,409)	(8,884)
-	-	750,000	750,000
-	-	-	(2,655,200)
-	-	-	16,500,000
-	-	-	258,024
-	-	750,000	14,852,824
(1,709,649)	1,069	137,591	14,843,940
3,088,033	163,554	3,723,916	20,631,315
\$ 1,378,384	\$ 164,623	\$ 3,861,507	\$ 35,475,255

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Other Taxes					
Home Rule Sales	\$ 5,660,000	\$ 5,660,000	\$ 5,243,515	\$ (416,485)	\$ 6,171,755
Intergovernmental	-	450,000	539,011	89,011	5,535
Charges for Services	25,200	25,200	73,235	48,035	163,538
Licenses, Fees and Permits	49,000	49,000	33,848	(15,152)	42,917
Sale of Assets	-	-	-	-	47,000
Investment Income	40,000	40,000	105,126	65,126	65,021
Other	-	-	8,100	8,100	-
Total Revenues	5,774,200	6,224,200	6,002,835	(221,365)	6,495,766
EXPENDITURES					
Capital Outlay					
Roadway	6,166,874	6,584,774	3,374,537	(3,210,237)	4,350,290
Building	-	-	500	500	15,262
Other Projects	868,100	900,200	470,113	(430,087)	1,796,064
Total Expenditures	7,034,974	7,484,974	3,845,150	(3,639,824)	6,161,616
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,260,774)	(1,260,774)	2,157,685	3,418,459	334,150
OTHER FINANCING SOURCES (USES)					
Transfer in	-	-	-	-	1,025,000
Transfer (Out)	(350,000)	(350,000)	(350,000)	-	(832,900)
Total Other Financing Sources (Uses)	(350,000)	(350,000)	(350,000)	-	192,100
NET CHANGE IN FUND BALANCE	\$ (1,610,774)	\$ (1,610,774)	1,807,685	\$ 3,418,459	526,250
FUND BALANCE, JANUARY 1			9,840,691		9,314,441
FUND BALANCE, DECEMBER 31			\$ 11,648,376		\$ 9,840,691

(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, 2017
(With Comparative Actual for 2016)

	2017				2016 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Investment Income	\$ 1,000	\$ 1,000	\$ 17,062	\$ 16,062	\$ 5,467
EXPENDITURES					
None	-	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ 1,000</u>	<u>\$ 1,000</u>	17,062	<u>\$ 16,062</u>	5,467
FUND BALANCE, JANUARY 1			<u>1,547,225</u>		<u>1,541,758</u>
FUND BALANCE, DECEMBER 31			<u>\$ 1,564,287</u>		<u>\$ 1,547,225</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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Other Taxes					
Gaming Tax					
Admissions	\$ 1,000,000	\$ 1,000,000	\$ 991,579	\$ (8,421)	\$ 1,002,478
Wagering	5,950,000	5,950,000	6,047,648	97,648	6,025,958
Video	325,000	325,000	343,004	18,004	410,196
Charges for Services	32,500	32,500	-	(32,500)	-
Investment Income	25,000	25,000	29,815	4,815	6,755
Other	65,000	65,000	128,026	63,026	81,610
Total Revenues	7,397,500	7,397,500	7,540,072	142,572	7,526,997
EXPENDITURES					
Current					
General Government	678,000	843,000	710,427	(132,573)	555,122
Streets and Transportation	845,400	845,400	9,393	(836,007)	982,555
Culture and Recreation	1,901,850	1,861,850	997,391	(864,459)	2,378,948
Economic Development	2,106,900	1,981,900	938,284	(1,043,616)	967,626
Total Expenditures	5,532,150	5,532,150	2,655,495	(2,876,655)	4,884,251
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,865,350	1,865,350	4,884,577	3,019,227	2,642,746
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	750,000
Transfers (Out)	(2,305,200)	(2,305,200)	(2,305,200)	-	(2,301,600)
Total Other Financing Sources (Uses)	(2,305,200)	(2,305,200)	(2,305,200)	-	(1,551,600)
NET CHANGE IN FUND BALANCE	\$ (439,850)	\$ (439,850)	2,579,377	\$ 3,019,227	1,091,146
FUND BALANCE, JANUARY 1			2,267,896		1,176,750
FUND BALANCE, DECEMBER 31			\$ 4,847,273		\$ 2,267,896

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over Under
	Original Budget	Final Budget	Actual	
REVENUES				
Intergovernmental	\$ 400,000	\$ 400,000	\$ 216,356	\$ (183,644)
Investment Income	-	-	70,064	70,064
Total Revenues	400,000	400,000	286,420	(113,580)
EXPENDITURES				
Current				
General Government	260,000	260,000	203,456	(56,544)
Public Safety	3,244,100	3,244,100	2,706,207	(537,893)
Streets and Transportation	2,430,400	2,430,400	1,192,939	(1,237,461)
Roadway	765,000	765,000	193,878	(571,122)
Other Projects	4,712,500	4,712,500	737,159	(3,975,341)
Total Expenditures	11,412,000	11,412,000	5,033,639	(6,378,361)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(11,012,000)	(11,012,000)	(4,747,219)	6,264,781
OTHER FINANCING SOURCES (USES)				
Proceeds from Issuance of Bond	16,500,000	16,500,000	16,500,000	-
Premium on Bond Issued	-	-	258,024	258,024
Total Other Financing Sources (Uses)	16,500,000	16,500,000	16,758,024	258,024
NET CHANGE IN FUND BALANCE	\$ 5,488,000	\$ 5,488,000	12,010,805	\$ 6,522,805
FUND BALANCE, JANUARY 1			-	
FUND BALANCE, DECEMBER 31			\$ 12,010,805	

(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, 2017
(With Comparative Actual for 2016)

	2017				2016 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Impact Fees	\$ 60,000	\$ 60,000	\$ 101,844	\$ 41,844	\$ 98,060
Investment Income	4,000	4,000	27,643	23,643	20,806
Total Revenues	64,000	64,000	129,487	65,487	118,866
EXPENDITURES					
Capital Outlay					
Public Safety	2,300,000	2,300,000	1,839,136	(460,864)	-
NET CHANGE IN FUND BALANCE	<u>\$ (2,236,000)</u>	<u>\$ (2,236,000)</u>	(1,709,649)	<u>\$ 526,351</u>	118,866
FUND BALANCE, JANUARY 1			<u>3,088,033</u>		<u>2,969,167</u>
FUND BALANCE, DECEMBER 31			<u>\$ 1,378,384</u>		<u>\$ 3,088,033</u>

(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, 2017
(With Comparative Actual for 2016)

	2017				2016 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Impact Fees	\$ -	\$ -	\$ -	\$ -	\$ 2,074
Investment Income	1,000	1,000	1,069	69	(2,274)
Total Revenues	1,000	1,000	1,069	69	(200)
EXPENDITURES					
None	-	-	-	-	-
NET CHANGE IN FUND BALANCE	<u>\$ 1,000</u>	<u>\$ 1,000</u>	1,069	<u>\$ 69</u>	(200)
FUND BALANCE, JANUARY 1			<u>163,554</u>		<u>163,754</u>
FUND BALANCE, DECEMBER 31			<u>\$ 164,623</u>		<u>\$ 163,554</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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 12,500
Voluntary Assessments	73,075	73,075	67,868	(5,207)	69,010
Investment Income	-	-	32,964	32,964	20,517
Donations	-	-	500	500	1,032
Total Revenues	73,075	73,075	101,332	28,257	103,059
EXPENDITURES					
Capital Projects					
Roadway	1,493,500	1,385,200	164,561	(1,220,639)	284,399
Other	801,400	909,700	549,180	(360,520)	359,932
Total Expenditures	2,294,900	2,294,900	713,741	(1,581,159)	644,331
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,221,825)	(2,221,825)	(612,409)	1,609,416	(541,272)
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	\$ (1,471,825)	\$ (1,471,825)	137,591	\$ 1,609,416	208,728
FUND BALANCE, JANUARY 1			3,723,916		3,515,188
FUND BALANCE, DECEMBER 31			<u>\$ 3,861,507</u>		<u>\$ 3,723,916</u>

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING BALANCE SHEET

WARD PROJECTS FUND

December 31, 2017

	<u>Ward 1</u>	<u>Ward 2</u>	<u>Ward 3</u>	<u>Ward 4</u>	<u>Ward 5</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
ASSETS					
Cash and Investments	\$ 468,301	\$ 320,182	\$ 401,425	\$ 352,001	\$ 460,213
Receivable					
Property Taxes	12,712	16,528	-	17,927	-
Loan	-	11,379	-	-	-
Interest	2,336	502	567	319	631
Prepaid Items	-	-	-	-	-
Total Assets	483,349	348,591	401,992	370,247	460,844
DEFERRED OUTFLOWS OF RESOURCES					
None	-	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 483,349	\$ 348,591	\$ 401,992	\$ 370,247	\$ 460,844
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 4	\$ 5,589	\$ -	\$ 510	\$ 22,299
Other Unearned Revenues	-	11,579	-	-	-
Total Liabilities	4	17,168	-	510	22,299
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	12,712	16,528	-	17,927	-
Total Deferred Inflows of Resources	12,712	16,528	-	17,927	-
Total Liabilities and Deferred Inflows of Resources	12,716	33,696	-	18,437	22,299
FUND BALANCES					
Nonspendable					
Prepaid Items	-	-	-	-	-
Unrestricted					
Assigned for Capital Projects	470,633	314,895	401,992	351,810	438,545
Total Fund Balances	470,633	314,895	401,992	351,810	438,545
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 483,349	\$ 348,591	\$ 401,992	\$ 370,247	\$ 460,844

Ward 6	Ward 7	Ward 8	Ward 9	Ward 10	Total
\$ 407,175	\$ 128,739	\$ 460,749	\$ 786,860	\$ 117,512	\$ 3,903,157
22,906	1,114	-	-	-	71,187
2,306	-	-	-	-	13,685
486	-	524	7,433	-	12,798
-	-	800	-	400	1,200
432,873	129,853	462,073	794,293	117,912	4,002,027
-	-	-	-	-	-
-	-	-	-	-	-
\$ 432,873	\$ 129,853	\$ 462,073	\$ 794,293	\$ 117,912	\$ 4,002,027
\$ 853	\$ 3,000	\$ 6,150	\$ 4,535	\$ 8	\$ 42,948
14,806	-	-	-	-	26,385
15,659	3,000	6,150	4,535	8	69,333
22,906	1,114	-	-	-	71,187
22,906	1,114	-	-	-	71,187
38,565	4,114	6,150	4,535	8	140,520
-	-	800	-	400	1,200
394,308	125,739	455,123	789,758	117,504	3,860,307
394,308	125,739	455,923	789,758	117,904	3,861,507
\$ 432,873	\$ 129,853	\$ 462,073	\$ 794,293	\$ 117,912	\$ 4,002,027

(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, 2017

	Ward 1	Ward 2	Ward 3	Ward 4	Ward 5
REVENUES					
Voluntary Assessments	\$ 12,833	\$ 12,981	\$ -	\$ 16,348	\$ -
Investment Income	3,425	2,698	2,761	2,567	3,609
Donations	-	-	-	-	-
Total Revenues	16,258	15,679	2,761	18,915	3,609
EXPENDITURES					
Capital Outlay					
Roadway	10,399	1,629	-	11,263	11,844
Other	7,786	63,191	37,534	68,293	52,110
Total Expenditures	18,185	64,820	37,534	79,556	63,954
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,927)	(49,141)	(34,773)	(60,641)	(60,345)
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	73,073	25,859	40,227	14,359	14,655
FUND BALANCE, JANUARY 1	397,560	289,036	361,765	337,451	423,890
FUND BALANCE, DECEMBER 31	\$ 470,633	\$ 314,895	\$ 401,992	\$ 351,810	\$ 438,545

Ward 6	Ward 7	Ward 8	Ward 9	Ward 10	Total
\$ 21,681	\$ 1,125	\$ 2,900	\$ -	\$ -	\$ 67,868
3,869	912	4,978	7,260	885	32,964
-	-	-	500	-	500
25,550	2,037	7,878	7,760	885	101,332
-	-	90,739	7,814	30,873	164,561
127,048	83,261	18,261	37,760	53,936	549,180
127,048	83,261	109,000	45,574	84,809	713,741
(101,498)	(81,224)	(101,122)	(37,814)	(83,924)	(612,409)
75,000	75,000	75,000	75,000	75,000	750,000
75,000	75,000	75,000	75,000	75,000	750,000
(26,498)	(6,224)	(26,122)	37,186	(8,924)	137,591
420,806	131,963	482,045	752,572	126,828	3,723,916
\$ 394,308	\$ 125,739	\$ 455,923	\$ 789,758	\$ 117,904	\$ 3,861,507

(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, 2017

	Motor Vehicle Parking System	Transportation Center	Golf Operations	Total
CURRENT ASSETS				
Cash and Investments	\$ 577,639	\$ 958,410	\$ 169,853	\$ 1,705,902
Restricted Cash and Investments	-	-	324,715	324,715
Receivables				
Accounts (Net of Allowance)	(3)	173,368	1,975	175,340
Interest	4,507	583	333	5,423
Due from Other Governments	51,188	-	-	51,188
Total Current Assets	633,331	1,132,361	496,876	2,262,568
CAPITAL ASSETS				
Nondepreciable	8,370,754	2,287,444	250,000	10,908,198
Depreciable (Net of Accumulated Depreciation)	9,235,464	1,586,507	1,994,031	12,816,002
Total Capital Assets	17,606,218	3,873,951	2,244,031	23,724,200
Total Assets	18,239,549	5,006,312	2,740,907	25,986,768
DEFERRED OUTFLOW OF RESOURCES				
Unamortized Loss on Refunding	-	-	7,423	7,423
Pension Items - IMRF	84,852	371,513	224,744	681,109
OPEB Items	610,308	579,565	470,795	1,660,668
Total Deferred Outflows of Resources	695,160	951,078	702,962	2,349,200
Total Assets and Deferred Outflows of Resources	18,934,709	5,957,390	3,443,869	28,335,968
CURRENT LIABILITIES				
Accounts Payable	93,092	86,798	14,255	194,145
Accrued Payroll	21,416	60,349	25,223	106,988
Other Unearned Revenue	3,762	84,756	25,189	113,707
Compensated Absences Payable	5,514	9,596	4,979	20,089
Bonds Payable, Due Within One Year	-	-	400,000	400,000
Total Current Liabilities	123,784	241,499	469,646	834,929
NONCURRENT LIABILITIES				
Compensated Absences Payable	104,757	182,315	94,596	381,668
Net Other Postemployment Benefits Liability	1,613,246	1,531,982	1,244,467	4,389,695
Net Pension Liability - IMRF	156,874	686,858	415,508	1,259,240
Bonds Payable (Less Current Portion)	-	-	417,346	417,346
Total Noncurrent Liabilities	1,874,877	2,401,155	2,171,917	6,447,949
Total Liabilities	1,998,661	2,642,654	2,641,563	7,282,878
DEFERRED INFLOW OF RESOURCES				
Pension Items - IMRF	22,633	99,097	59,947	181,677
OPEB Items	17,888	16,987	13,799	48,674
Total Deferred Inflows of Resources	40,521	116,084	73,746	230,351
Total Liabilities and Deferred Inflows of Resources	2,039,182	2,758,738	2,715,309	7,513,229
NET POSITION				
Net Investment in Capital Assets	17,606,218	3,873,951	1,434,108	22,914,277
Restricted Per Debt Ordinance	-	-	324,715	324,715
Unrestricted (Deficit)	(710,691)	(675,299)	(1,030,263)	(2,416,253)
TOTAL NET POSITION	\$ 16,895,527	\$ 3,198,652	\$ 728,560	\$ 20,822,739

(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, 2017

	Motor Vehicle Parking System	Transportation Center	Golf Operations	Total
OPERATING REVENUES				
Charges for Services	\$ 665,063	\$ 2,420,710	\$ 1,123,125	\$ 4,208,898
Total Operating Revenues	665,063	2,420,710	1,123,125	4,208,898
OPERATING EXPENSES EXCLUDING DEPRECIATION				
Personnel Services	288,829	1,012,223	232,996	1,534,048
Materials and Supplies	81,857	121,816	367,079	570,752
Other Services and Charges	507,793	928,999	143,154	1,579,946
Total Operating Expenses Excluding Depreciation	878,479	2,063,038	743,229	3,684,746
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(213,416)	357,672	379,896	524,152
Depreciation	409,169	138,434	236,400	784,003
OPERATING INCOME (LOSS)	(622,585)	219,238	143,496	(259,851)
NON-OPERATING REVENUES (EXPENSES)				
Sales Tax	185,283	-	-	185,283
Intergovernmental	-	-	-	-
Investment Income	8,391	7,179	3,030	18,600
Miscellaneous	128	-	861	989
Sale of Asset	-	-	1,957	1,957
Interest Expense	-	-	(30,051)	(30,051)
Total Non-Operating Revenues (Expenses)	193,802	7,179	(24,203)	176,778
INCOME (LOSS) BEFORE TRANSFERS, CAPITAL GRANTS AND CONTRIBUTIONS	(428,783)	226,417	119,293	(83,073)
TRANSFERS				
Transfers In	-	-	450,000	450,000
Total Transfers	-	-	450,000	450,000
CAPITAL GRANTS AND CONTRIBUTIONS	-	27,618	-	27,618
CHANGE IN NET POSITION	(428,783)	254,035	569,293	394,545
NET POSITION, JANUARY 1	17,324,310	2,944,617	159,267	20,428,194
NET POSITION, DECEMBER 31	\$ 16,895,527	\$ 3,198,652	\$ 728,560	\$ 20,822,739

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Year Ended December 31, 2017

	Motor Vehicle Parking System	Transportation Center	Golf Operations	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 666,330	\$ 2,363,434	\$ 1,126,282	\$ 4,156,046
Payments to Suppliers	(549,772)	(1,010,053)	(512,553)	(2,072,378)
Overhead Payments to Other Funds	-	(163,036)	-	(163,036)
Payments to Employees	(667,061)	(1,160,833)	(675,398)	(2,503,292)
Miscellaneous Revenues	128	-	861	989
Net Cash from Operating Activities	(550,375)	29,512	(60,808)	(581,671)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Sales Taxes	159,097	-	-	159,097
Intergovernmental	-	50,818	-	50,818
Due from Other Funds	633	1,750	224	2,607
Transfers In	-	-	450,000	450,000
Net Cash from Noncapital Financing Activities	159,730	52,568	450,224	662,522
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Property, Plant and Equipment Acquired or Constructed	-	(20,288)	(52,638)	(72,926)
Principal Paid on Bonds	-	-	(390,000)	(390,000)
Proceeds from the Sale of Capital Assets	-	-	1,957	1,957
Bond Interest and Fiscal Agents' Fees	-	-	(30,000)	(30,000)
Net Cash from Capital and Related Financing Activities	-	(20,288)	(470,681)	(490,969)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from Sale and Maturities on Investment Securities	540,000	500,000	400,000	1,440,000
Purchase of Investment Securities	(197,734)	(363,829)	(395,024)	(956,587)
Interest on Investments	15,844	12,440	4,174	32,458
Net Cash from Investing Activities	358,110	148,611	9,150	515,871
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(32,535)	210,403	(72,115)	105,753
CASH AND CASH EQUIVALENTS, JANUARY 1	37,972	240,149	167,330	445,451
CASH AND CASH EQUIVALENTS, DECEMBER 31	\$ 5,437	\$ 450,552	\$ 95,215	\$ 551,204

(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, 2017

	<u>Motor Vehicle</u>	<u>Transportation</u>	<u>Golf</u>	
	<u>Parking System</u>	<u>Center</u>	<u>Operations</u>	<u>Total</u>
RECONCILIATION OF OPERATING INCOME				
(LOSS) TO NET CASH FLOWS FROM				
OPERATING ACTIVITIES				
Operating Income (Loss)	\$ (622,585)	\$ 219,238	\$ 143,496	\$ (259,851)
Adjustments to Reconcile Operating Income				
(Loss) to Net Cash from Operating Activities				
Miscellaneous Income	128	-	861	989
Depreciation	409,169	138,434	236,400	784,003
(Increase) Decrease in				
Accounts Receivable	631	47,090	(97)	47,624
Deferred Outflows of Resources - Pension Items - IMRF	105,252	40,380	158,346	303,978
Deferred Outflows of Resources - OPEB	23,544	9,062	97,970	130,576
Increase (Decrease) in				
Accounts Payable	39,878	(122,274)	(2,320)	(84,716)
Accrued Payroll	(263)	5,264	(1,525)	3,476
Unearned Revenue	636	(104,366)	3,254	(100,476)
Compensated Absences	3,248	9,701	6,171	19,120
Deferred Inflows of Resources - IMRF	22,633	99,097	59,947	181,677
Deferred Inflows of Resources - OPEB	14,898	14,210	11,116	40,224
Net Pension Liability - IMRF	(160,460)	(700)	(223,970)	(385,130)
Net Other Postemployment Benefits Liability	(387,084)	(325,624)	(550,457)	(1,263,165)
NET CASH FROM OPERATING ACTIVITIES	<u>\$ (550,375)</u>	<u>\$ 29,512</u>	<u>\$ (60,808)</u>	<u>\$ (581,671)</u>
CASH AND INVESTMENTS				
Cash and Cash Equivalents	\$ 5,437	\$ 450,552	\$ 95,215	\$ 551,204
Investments	572,202	507,858	399,353	1,479,413
TOTAL CASH AND INVESTMENTS	<u>\$ 577,639</u>	<u>\$ 958,410</u>	<u>\$ 494,568</u>	<u>\$ 2,030,617</u>
NONCASH TRANSACTIONS				
Contributions	\$ -	\$ 27,618	\$ -	\$ 27,618
Unrealized Gain (Loss) on Investments	(14,893)	(2,675)	997	(16,571)
TOTAL NONCASH TRANSACTIONS	<u>\$ (14,893)</u>	<u>\$ 24,943</u>	<u>\$ 997</u>	<u>\$ 11,047</u>

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Other Taxes					
Sales	\$ 200,000	\$ 200,000	\$ 185,283	\$ (14,717)	\$ 97,116
Charges for Services					
Fines	465,000	465,000	322,358	(142,642)	426,972
Fees	290,100	290,100	294,385	4,285	294,119
Commercial Space Rents	47,400	47,400	48,320	920	98,019
Investment Income	3,000	3,000	8,391	5,391	7,498
Miscellaneous	-	-	128	128	2,113
Total Revenues	1,005,500	1,005,500	858,865	(146,635)	925,837
EXPENDITURES					
Enforcement Division					
Personnel Services	270,171	270,171	266,120	(4,051)	146,834
Materials and Supplies	3,100	3,100	2,171	(929)	2,128
Other Services and Charges	71,624	71,624	69,221	(2,403)	71,461
Total Enforcement Division	344,895	344,895	337,512	(7,383)	220,423
Revenue and Collection Division					
Personnel Services	227,956	227,956	207,885	(20,071)	200,696
Materials and Supplies	11,600	14,500	10,067	(4,433)	21,608
Other Services and Charges	144,320	142,920	76,774	(66,146)	89,212
Total Revenue and Collection Division	383,876	385,376	294,726	(90,650)	311,516
Maintenance Division					
Personnel Services	217,627	217,627	196,040	(21,587)	192,657
Materials and Supplies	96,300	99,300	69,619	(29,681)	72,736
Other Services and Charges	428,884	424,384	361,798	(62,586)	328,016
Total Maintenance Division	742,811	741,311	627,457	(113,854)	593,409
Total Expenditures	1,471,582	1,471,582	1,259,695	(211,887)	1,125,348
NET INCOME (LOSS) - BUDGET BASIS	\$ (466,082)	\$ (466,082)	\$ (400,830)	\$ 65,252	\$ (199,511)

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Charges for Services					
Parking Fees	\$ 2,025,700	\$ 2,025,700	\$ 2,297,042	\$ 271,342	\$ 2,064,220
Fines	139,000	139,000	93,078	(45,922)	122,769
Commercial Space Rents	25,500	25,500	30,590	5,090	21,227
Intergovernmental	-	-	-	-	195,249
Investment Income	2,000	2,000	7,179	5,179	5,587
Total Revenues	2,192,200	2,192,200	2,427,889	235,689	2,409,052
EXPENDITURES					
Transportation Center - Route 25					
Personnel Services	699,443	700,943	762,759	61,816	756,065
Materials and Supplies	129,800	116,000	74,623	(41,377)	102,738
Other Services and Charges	373,246	400,746	376,832	(23,914)	371,370
Total Transportation Center - Route 25	1,202,489	1,217,689	1,214,214	(3,475)	1,230,173
Transportation Center - Route 59					
Personnel Services	397,759	397,759	413,038	15,279	390,371
Materials and Supplies	79,900	78,700	47,193	(31,507)	62,077
Other Services and Charges	562,538	548,538	516,389	(32,149)	581,946
Capital Outlay	519,400	519,400	35,778	(483,622)	192,875
Total Transportation Center - Route 59	1,559,597	1,544,397	1,012,398	(531,999)	1,227,269
Total Expenditures	2,762,086	2,762,086	2,226,612	(535,474)	2,457,442
NET INCOME (LOSS) - BUDGET BASIS	\$ (569,886)	\$ (569,886)	\$ 201,277	\$ 771,163	\$ (48,390)

(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, 2017
(With Comparative Actual for 2016)

	2017				2016 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Charges for Services					
Fees	\$ 1,172,150	\$ 1,172,150	\$ 1,122,330	\$ (49,820)	\$ 1,135,432
Rental Income	6,400	6,400	795	(5,605)	5,201
Investment Income	-	-	3,030	3,030	5,293
Miscellaneous Income	-	-	861	861	-
Proceeds from Sale of Capital Asset	-	-	1,957	1,957	-
Total Revenues	1,178,550	1,178,550	1,128,973	(49,577)	1,145,926
EXPENDITURES					
Phillips Park					
Personnel Services	768,207	756,207	650,044	(106,163)	666,525
Materials and Supplies	316,700	379,300	358,625	(20,675)	335,356
Other Services and Charges	233,446	190,846	179,539	(11,307)	175,152
Total Phillips Park	1,318,353	1,326,353	1,188,208	(138,145)	1,177,033
Fox Valley					
Personnel Services	-	-	-	-	-
Materials and Supplies	22,600	14,600	8,454	(6,146)	12,822
Other Services and Charges	16,700	16,700	16,253	(447)	16,485
Total Fox Valley	39,300	31,300	24,707	(6,593)	29,307
Debt Service					
Interest	30,000	30,000	30,051	51	39,676
Principal	390,000	390,000	390,000	-	385,000
Other Charges	1,000	1,000	-	(1,000)	475
Total Debt Service	421,000	421,000	420,051	(949)	425,151
Total Expenditures	1,778,653	1,778,653	1,632,966	(145,687)	1,631,491
INCOME (LOSS) BEFORE TRANSFERS	(600,103)	(600,103)	(503,993)	96,110	(485,565)
TRANSFERS					
Transfers In	450,000	450,000	450,000	-	450,000
Total Transfers	450,000	450,000	450,000	-	450,000
NET INCOME (LOSS) - BUDGET BASIS	\$ (150,103)	\$ (150,103)	\$ (53,993)	\$ 96,110	\$ (35,565)

(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, 2017
(With Comparative Actual for 2016)

	2017				2016 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
REVENUES					
Charges for Services					
Water Billings	\$ 32,620,000	\$ 32,620,000	\$ 33,214,771	\$ 594,771	\$ 32,056,377
Permits and Fees	431,780	431,780	480,725	48,945	474,888
Recovery of Cost	18,500	18,500	35,165	16,665	33,288
Other Sales and Services	199,700	199,700	320,806	121,106	292,788
Investment Income	603,300	603,300	293,017	(310,283)	267,182
Total Revenues	33,873,280	33,873,280	34,344,484	471,204	33,124,523
EXPENDITURES					
Management Information Systems					
Personnel Services	86,012	86,012	85,226	(786)	-
Total Management Information Systems	86,012	86,012	85,226	(786)	-
Meter Reading and Billing					
Personnel Services	1,341,924	1,341,924	1,247,730	(94,194)	1,242,704
Materials and Supplies	1,105,100	1,432,600	1,218,118	(214,482)	1,399,028
Other Services and Charges	1,438,844	1,111,344	1,019,030	(92,314)	1,128,964
Total Meter Reading and Billing	3,885,868	3,885,868	3,484,878	(400,990)	3,770,696
Water and Sewer Production					
Personnel Services	4,560,589	4,560,589	4,336,917	(223,672)	4,174,626
Materials and Supplies	3,595,866	3,552,066	3,225,684	(326,382)	3,438,908
Other Services and Charges	5,536,936	5,580,736	4,329,373	(1,251,363)	3,512,873
Capital Outlay	11,739,900	11,589,000	2,308,939	(9,280,061)	3,765,200
Total Water and Sewer Production	25,433,291	25,282,391	14,200,913	(11,081,478)	14,891,607
Meter Service and Maintenance					
Personnel Services	413,597	413,597	410,893	(2,704)	393,533
Materials and Supplies	976,200	974,700	826,231	(148,469)	875,815
Other Services and Charges	32,900	34,900	29,103	(5,797)	44,141
Total Meter Service and Maintenance	1,422,697	1,423,197	1,266,227	(156,970)	1,313,489
Water and Sewer Maintenance					
Personnel Services	5,068,440	5,068,440	5,094,144	25,704	4,958,708
Materials and Supplies	739,700	815,200	674,695	(140,505)	595,830
Other Services and Charges	3,830,729	3,754,729	3,475,246	(279,483)	3,599,975
Capital Outlay	5,348,400	5,499,300	3,713,094	(1,786,206)	3,621,157
Total Water and Sewer Maintenance	14,987,269	15,137,669	12,957,179	(2,180,490)	12,775,670
Debt Service					
Principal and Interest	2,753,000	2,753,000	2,729,352	(23,648)	2,726,846
Total Expenditures	48,568,137	48,568,137	34,723,775	(13,844,362)	35,478,308

(This schedule is continued on the following page.)

CITY OF AURORA, ILLINOIS

SCHEDULE OF REVENUES AND EXPENDITURES -
BUDGET AND ACTUAL (Continued)

WATER AND SEWER FUND

For the Year Ended December 31, 2017
(With Comparative Actual for 2016)

	2017				2016
	Original Budget	Final Budget	Actual	Variance Over (Under)	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (14,694,857)	\$ (14,694,857)	\$ (379,291)	\$ 14,315,566	\$ (2,353,785)
OTHER FINANCING SOURCES (USES)					
Transfers (Out)	-	-	-	-	(1,000,000)
Total Other Financing Sources (Uses)	-	-	-	-	(1,000,000)
NET INCOME (LOSS) - BUDGET BASIS	<u>\$ (14,694,857)</u>	<u>\$ (14,694,857)</u>	<u>\$ (379,291)</u>	<u>\$ 14,315,566</u>	<u>\$ (3,353,785)</u>

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Other Taxes	\$ 100,000	\$ 100,000	\$ 92,642	\$ (7,358)	\$ 334,739
Charges for Services	751,900	751,900	633,227	(118,673)	702,774
Intergovernmental	410,400	410,400	50,693	(359,707)	-
Investment Income	1,000	1,000	4,175	3,175	2,278
Total Revenues	1,263,300	1,263,300	780,737	(482,563)	1,039,791
EXPENDITURES					
Personnel Services	260,416	260,416	180,842	(79,574)	154,714
Materials and Supplies	573,900	573,900	140,295	(433,605)	84,022
Other Services and Charges	481,900	492,800	478,263	(14,537)	481,011
Capital Outlay	202,000	191,100	184,997	(6,103)	28,517
Total Expenditures	1,518,216	1,518,216	984,397	(533,819)	748,264
NET INCOME (LOSS) - BUDGET BASIS	\$ (254,916)	\$ (254,916)	\$ (203,660)	\$ 51,256	\$ 291,527

(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, 2017

	Property and Casualty Insurance	Employee Health Insurance	Employee Compensated Benefits	Total
CURRENT ASSETS				
Cash and Investments	\$ 9,289,066	\$ 2,731,158	\$ 19,403,479	\$ 31,423,703
Receivables				
Interest	34,336	1,385	96,254	131,975
Miscellaneous	-	46,271	-	46,271
Prepaid Items	43,079	-	-	43,079
Total Current Assets	9,366,481	2,778,814	19,499,733	31,645,028
CURRENT LIABILITIES				
Accounts Payable	27,414	46,369	-	73,783
Accrued Payroll	-	-	56,700	56,700
Claims Payable	5,182,765	762,809	-	5,945,574
Compensated Absences	-	-	947,145	947,145
Total Current Liabilities	5,210,179	809,178	1,003,845	7,023,202
NONCURRENT LIABILITIES				
Compensated Absences	-	-	17,995,763	17,995,763
Claims Payable	3,017,252	-	-	3,017,252
Total Noncurrent Liabilities	3,017,252	-	17,995,763	21,013,015
Total Liabilities	8,227,431	809,178	18,999,608	28,036,217
NET POSITION				
Unrestricted	1,139,050	1,969,636	500,125	3,608,811
TOTAL NET POSITION	\$ 1,139,050	\$ 1,969,636	\$ 500,125	\$ 3,608,811

(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, 2017

	Property and Casualty Insurance	Employee Health Insurance	Employee Compensated Benefits	Total
OPERATING REVENUES				
Charges for Services	\$ 6,172,519	\$ 20,325,392	\$ -	\$ 26,497,911
Total Operating Revenues	6,172,519	20,325,392	-	26,497,911
OPERATING EXPENSES				
Other Services and Charges	8,589,046	18,060,083	2,533,697	29,182,826
Total Operating Expenses	8,589,046	18,060,083	2,533,697	29,182,826
OPERATING INCOME (LOSS)	(2,416,527)	2,265,309	(2,533,697)	(2,684,915)
NON-OPERATING REVENUES (EXPENSES)				
Investment Income	69,846	24,772	187,363	281,981
Total Non-Operating Revenues (Expenses)	69,846	24,772	187,363	281,981
INCOME (LOSS) BEFORE TRANSFERS	(2,346,681)	2,290,081	(2,346,334)	(2,402,934)
TRANSFERS				
Transfers In	1,500,000	-	2,650,000	4,150,000
Transfers (Out)	-	(2,500,000)	-	(2,500,000)
Total Transfers	1,500,000	(2,500,000)	2,650,000	1,650,000
CHANGE IN NET POSITION	(846,681)	(209,919)	303,666	(752,934)
NET POSITION, JANUARY 1	1,985,731	2,179,555	196,459	4,361,745
NET POSITION, DECEMBER 31	\$ 1,139,050	\$ 1,969,636	\$ 500,125	\$ 3,608,811

(See independent auditor's report.)

CITY OF AURORA, ILLINOIS

COMBINING STATEMENT OF CASH FLOWS

INTERNAL SERVICE FUNDS

For the Year Ended December 31, 2017

	Property and Casualty Insurance	Employee Health Insurance	Employee Compensated Benefits	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ -	\$ 2,963,143	\$ -	\$ 2,963,143
Receipts from Interfund Service Transactions	6,172,519	17,500,000	-	23,672,519
Payments to Suppliers	(6,368,603)	(17,937,556)	-	(24,306,159)
Payments to Employees/Retirees	-	-	(2,813,040)	(2,813,040)
Net Cash from Operating Activities	<u>(196,084)</u>	<u>2,525,587</u>	<u>(2,813,040)</u>	<u>(483,537)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Due to/from Other Funds	150	-	-	150
Transfers In	-	(2,500,000)	2,650,000	150,000
Transfers (Out)	1,500,000	-	-	1,500,000
Net Cash from Noncapital Financing Activities	<u>1,500,150</u>	<u>(2,500,000)</u>	<u>2,650,000</u>	<u>1,650,150</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	6,260,000	1,000,000	5,235,000	12,495,000
Purchase of Investment Securities	(5,410,770)	973,163	(3,922,304)	(8,359,911)
Interest on Investments	60,979	47,550	288,475	397,004
Net Cash from Investing Activities	<u>910,209</u>	<u>2,020,713</u>	<u>1,601,171</u>	<u>4,532,093</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,214,275	2,046,300	1,438,131	5,698,706
CASH AND CASH EQUIVALENTS, JANUARY 1	<u>1,178,139</u>	<u>182,832</u>	<u>4,521,368</u>	<u>5,882,339</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31	<u><u>\$ 3,392,414</u></u>	<u><u>\$ 2,229,132</u></u>	<u><u>\$ 5,959,499</u></u>	<u><u>\$ 11,581,045</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, 2017

	<u>Property and Casualty Insurance</u>	<u>Employee Health Insurance</u>	<u>Employee Compensated Benefits</u>	<u>Total</u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating (Loss)	\$ (2,416,527)	\$ 2,265,309	\$ (2,533,697)	\$ (2,684,915)
Adjustments to Reconcile Operating Income (Loss) to Net Cash from Operating Activities				
(Increase) Decrease in				
Miscellaneous Receivables	-	137,751	-	137,751
Prepaid Items	34,464	-	-	34,464
Increase (Decrease) in				
Accounts Payable	(85,768)	(8,750)	-	(94,518)
Accrued Payroll	(8,940)	-	(89,453)	(98,393)
Retainage Payable	-	-	-	-
Compensated Absences	-	-	(189,890)	(189,890)
Claims Payable	2,280,687	131,277	-	2,411,964
NET CASH FROM OPERATING ACTIVITIES	<u>\$ (196,084)</u>	<u>\$ 2,525,587</u>	<u>\$ (2,813,040)</u>	<u>\$ (483,537)</u>
CASH AND INVESTMENTS				
Cash and Cash Equivalents	\$ 3,392,414	\$ 2,229,132	\$ 5,959,499	\$ 11,581,045
Investments	5,896,652	502,026	13,443,980	19,842,658
CASH AND INVESTMENTS	<u>\$ 9,289,066</u>	<u>\$ 2,731,158</u>	<u>\$ 19,403,479</u>	<u>\$ 31,423,703</u>
NONCASH TRANSACTIONS				
Unrealized Gain (Loss) on Investments	\$ (69,554)	\$ (4,940)	\$ (177,719)	\$ (252,213)
TOTAL NONCASH TRANSACTIONS	<u>\$ (69,554)</u>	<u>\$ (4,940)</u>	<u>\$ (177,719)</u>	<u>\$ (252,213)</u>

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Charges for Services	\$ 6,082,000	\$ 6,082,000	\$ 6,172,519	\$ 90,519	\$ 5,976,941
Total Revenues	6,082,000	6,082,000	6,172,519	90,519	5,976,941
EXPENSES					
Other Services and Charges	6,082,000	6,611,500	8,589,046	1,977,546	3,759,950
Total Expenses	6,082,000	6,611,500	8,589,046	1,977,546	3,759,950
OPERATING INCOME (LOSS)	-	(529,500)	(2,416,527)	(1,887,027)	2,216,991
NON-OPERATING REVENUES (EXPENSES)					
Investment Income	40,000	40,000	69,846	29,846	101,318
Total Non-Operating Revenues (Expenses)	40,000	40,000	69,846	29,846	101,318
INCOME (LOSS) BEFORE TRANSFERS	40,000	(489,500)	(2,346,681)	(1,857,181)	2,318,309
TRANSFERS					
Transfers In	-	1,500,000	1,500,000	-	-
Transfers (Out)	(1,000,000)	(1,000,000)	-	1,000,000	(1,476,000)
Total Transfers	(1,000,000)	500,000	1,500,000	1,000,000	(1,476,000)
CHANGE IN NET POSITION	\$ (960,000)	\$ 10,500	(846,681)	\$ (857,181)	842,309
NET POSITION, JANUARY 1			1,985,731		1,143,422
NET POSITION, DECEMBER 31			<u>\$ 1,139,050</u>		<u>\$ 1,985,731</u>

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Charges for Services	\$ 20,437,996	\$ 20,437,996	\$ 20,325,392	\$ (112,604)	\$ 18,503,065
Total Revenues	20,437,996	20,437,996	20,325,392	(112,604)	18,503,065
EXPENSES					
Other Services and Charges	20,287,016	20,287,016	18,060,083	(2,226,933)	17,935,846
Total Expenses	20,287,016	20,287,016	18,060,083	(2,226,933)	17,935,846
OPERATING INCOME	150,980	150,980	2,265,309	2,114,329	567,219
NON-OPERATING REVENUES (EXPENSES)					
Investment Income	5,000	5,000	24,772	19,772	12,306
Total Non-Operating Revenues (Expenses)	5,000	5,000	24,772	19,772	12,306
INCOME BEFORE TRANSFERS	155,980	155,980	2,290,081	2,134,101	579,525
TRANSFERS					
Transfers In	-	-	-	-	1,726,000
Transfers (Out)	(1,000,000)	(3,500,000)	(2,500,000)	1,000,000	(1,000,000)
Total Transfers	(1,000,000)	(3,500,000)	(2,500,000)	1,000,000	726,000
CHANGE IN NET POSITION	\$ (844,020)	\$ (3,344,020)	(209,919)	\$ 3,134,101	1,305,525
NET POSITION, JANUARY 1			2,179,555		874,030
NET POSITION, DECEMBER 31			\$ 1,969,636		\$ 2,179,555

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
REVENUES					
Charges for Services	\$ -	\$ -	\$ -	\$ -	\$ 1,265,000
Total Revenues	-	-	-	-	1,265,000
EXPENSES					
Other Services and Charges	1,650,000	2,533,700	2,533,697	(3)	2,570,519
Total Expenses	1,650,000	2,533,700	2,533,697	(3)	2,570,519
OPERATING INCOME (LOSS)	(1,650,000)	(2,533,700)	(2,533,697)	3	(1,305,519)
NON-OPERATING REVENUES (EXPENSES)					
Investment Income	150,000	150,000	187,363	37,363	133,724
Total Non-Operating Revenues (Expenses)	150,000	150,000	187,363	37,363	133,724
INCOME (LOSS) BEFORE TRANSFERS	(1,500,000)	(2,383,700)	(2,346,334)	37,366	(1,171,795)
TRANSFERS					
Transfers In	-	2,650,000	2,650,000	-	1,475,000
Transfers (Out)	-	-	-	-	(250,000)
Total Transfers	-	2,650,000	2,650,000	-	1,225,000
CHANGE IN NET POSITION	<u>\$ (1,500,000)</u>	<u>\$ 266,300</u>	303,666	<u>\$ 37,366</u>	53,205
NET POSITION, JANUARY 1			<u>196,459</u>		<u>143,254</u>
NET POSITION, DECEMBER 31			<u>\$ 500,125</u>		<u>\$ 196,459</u>

(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, 2017

	Pension Trust		Other Postemployment Benefit	Total
	Police Pension	Firefighters' Pension	Retiree Health Insurance	
ASSETS				
Cash and Short-Term Investments	\$ 10,068,647	\$ 4,662,595	\$ 3,346,637	\$ 18,077,879
Investments, at Fair Value				
Fixed Income Securities	64,976,975	51,729,461	15,729,896	132,436,332
Domestic Equity Securities	73,047,935	58,727,815	16,545,532	148,321,282
International Equity Securities	39,529,315	31,719,498	3,215,649	74,464,462
Real Estate Investment Trusts	21,933,323	17,442,853	1,318,287	40,694,463
Blended Mutual Funds	9,368,346	7,544,958	-	16,913,304
Receivables (Net, Where Applicable, of Allowances for Uncollectibles)				
Accounts Receivable	-	-	72,847	72,847
Accrued Interest	439,250	352,288	88,227	879,765
Pension Service Credit	149,475	-	-	149,475
Prepaid Expenses	23,609	24,123	7,223	54,955
Total Assets	219,536,875	172,203,591	40,324,298	432,064,764
LIABILITIES				
Accounts Payable	48,888	46,655	22,071	117,614
Deposits Payable	-	-	73,612	73,612
Benefits Payable	-	-	530,615	530,615
Due to the Primary Government	2,700	2,700	2,700	8,100
Total Liabilities	51,588	49,355	628,998	729,941
NET POSITION RESTRICTED FOR PENSION/OPEB BENEFITS				
	\$ 219,485,287	\$ 172,154,236	\$ 39,695,300	\$ 431,334,823

(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, 2017

	Pension Trust		Other Postemployment Benefit	Total
	Police Pension	Firefighters' Pension	Retiree Health Insurance Trust	
ADDITIONS				
Contributions				
Employer Contributions	\$ 12,961,109	\$ 10,491,826	\$ 1,366,830	\$ 24,819,765
Employee Contributions	3,410,505	2,056,982	-	5,467,487
Total Contributions	16,371,614	12,548,808	1,366,830	30,287,252
Investment Income				
Net Appreciation in Fair Value of Investments	24,882,121	19,947,266	5,087,469	49,916,856
Interest	3,887,880	3,084,812	612,304	7,584,996
Total Investment Income	28,770,001	23,032,078	5,699,773	57,501,852
Less Investment Expense	(498,992)	(413,718)	(80,849)	(993,559)
Net Investment Income	28,271,009	22,618,360	5,618,924	56,508,293
Total Additions	44,642,623	35,167,168	6,985,754	86,795,545
DEDUCTIONS				
Pension Benefits	15,014,938	12,821,164	-	27,836,102
Health Insurance Benefits	-	-	9,433,304	9,433,304
Less: Retiree Contributions	-	-	(2,811,425)	(2,811,425)
Administrative Expenses	48,376	51,872	21,493	121,741
Total Deductions	15,063,314	12,873,036	6,643,372	34,579,722
NET INCREASE	29,579,309	22,294,132	342,382	52,215,823
NET POSITION RESTRICTED FOR PENSION/OPEB BENEFITS				
January 1	189,905,978	149,860,104	39,352,918	379,119,000
December 31	\$ 219,485,287	\$ 172,154,236	\$ 39,695,300	\$ 431,334,823

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
ADDITIONS					
Contributions					
Employer Contributions	\$ 12,863,600	\$ 12,863,600	\$ 12,961,109	\$ 97,509	\$ 11,672,490
Employee Contributions	3,100,000	3,100,000	3,410,505	310,505	3,384,895
Total Contributions	15,963,600	15,963,600	16,371,614	408,014	15,057,385
Investment Income					
Net Appreciation in Fair Value of Investments	-	-	24,882,121	24,882,121	8,258,993
Interest	12,000,000	12,000,000	3,887,880	(8,112,120)	3,444,412
Total Investment Income	12,000,000	12,000,000	28,770,001	16,770,001	11,703,405
Less Investment Expense	(550,000)	(550,000)	(498,992)	51,008	(513,919)
Net Investment Income	11,450,000	11,450,000	28,271,009	16,821,009	11,189,486
Total Additions	27,413,600	27,413,600	44,642,623	17,229,023	26,246,871
DEDUCTIONS					
Pension Benefits	15,270,000	15,270,000	15,014,938	(255,062)	14,034,221
Administrative Expenses	99,300	99,300	48,376	(50,924)	36,510
Total Deductions	15,369,300	15,369,300	15,063,314	(305,986)	14,070,731
NET INCREASE	\$ 12,044,300	\$ 12,044,300	29,579,309	\$ 17,535,009	12,176,140
NET POSITION RESTRICTED FOR PENSION BENEFITS					
January 1			189,905,978		177,729,838
December 31			\$ 219,485,287		\$ 189,905,978

(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, 2017
(With Comparative Actual for 2016)

	2017				2016 Actual
	Original Budget	Final Budget	Actual	Variance Over (Under)	
ADDITIONS					
Contributions					
Employer Contributions	\$ 10,404,100	\$ 10,404,100	\$ 10,491,826	\$ 87,726	\$ 9,811,122
Employee Contributions	2,150,000	2,150,000	2,056,982	(93,018)	1,996,917
Total Contributions	12,554,100	12,554,100	12,548,808	(5,292)	11,808,039
Investment Income					
Net Appreciation in Fair Value of Investments	-	-	19,947,266	19,947,266	6,724,718
Interest	9,500,000	9,500,000	3,084,812	(6,415,188)	2,741,882
Total Investment Income	9,500,000	9,500,000	23,032,078	13,532,078	9,466,600
Less Investment Expense	(450,000)	(450,000)	(413,718)	36,282	(424,675)
Net Investment Income	9,050,000	9,050,000	22,618,360	13,568,360	9,041,925
Total Additions	21,604,100	21,604,100	35,167,168	13,563,068	20,849,964
DEDUCTIONS					
Pension Benefits	12,830,000	12,830,000	12,821,164	(8,836)	12,155,895
Administrative Expenses	79,400	79,400	51,872	(27,528)	63,922
Total Deductions	12,909,400	12,909,400	12,873,036	(36,364)	12,219,817
NET INCREASE	\$ 8,694,700	\$ 8,694,700	22,294,132	\$ 13,599,432	8,630,147
NET POSITION RESTRICTED FOR PENSION BENEFITS					
January 1			149,860,104		141,229,957
December 31			\$ 172,154,236		\$ 149,860,104

(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, 2017
(With Comparative Actual for 2016)

	2017			Variance Over (Under)	2016 Actual
	Original Budget	Final Budget	Actual		
ADDITIONS					
Contributions					
Employer Contributions	\$ 1,366,830	\$ 1,366,830	\$ 1,366,830	\$ -	\$ 8,959,041
Total Contributions	1,366,830	1,366,830	1,366,830	-	8,959,041
Investment Income					
Net Appreciation in Fair Value of Investments	-	-	5,087,469	5,087,469	1,120,659
Interest	1,000,000	1,000,000	612,304	(387,696)	607,140
Total Investment Income	1,000,000	1,000,000	5,699,773	4,699,773	1,727,799
Less Investment Expense	(108,100)	(108,100)	(80,849)	27,251	(100,377)
Net Investment Income	891,900	891,900	5,618,924	4,727,024	1,627,422
Total Additions	2,258,730	2,258,730	6,985,754	4,727,024	10,586,463
DEDUCTIONS					
Health Insurance Benefits	10,118,657	10,118,657	9,433,304	(685,353)	8,310,188
Less: Retiree Contributions	(2,598,453)	(2,598,453)	(2,811,425)	(212,972)	(2,408,773)
Administrative Expenses	42,000	42,000	21,493	(20,507)	17,388
Total Deductions	7,562,204	7,562,204	6,643,372	(918,832)	5,918,803
NET INCREASE	\$ (5,303,474)	\$ (5,303,474)	342,382	\$ 5,645,856	4,667,660
NET POSITION RESTRICTED FOR OPEB BENEFITS					
January 1			39,352,918		34,685,258
December 31			\$ 39,695,300		\$ 39,352,918

(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, 2017

	Balances				Balances
	January 1	Additions	Deductions		December 31
All Funds					
ASSETS					
Cash and Investments	\$ 33,958	\$ 275,607	\$ 262,772		\$ 46,793
TOTAL ASSETS	\$ 33,958	\$ 275,607	\$ 262,772		\$ 46,793
LIABILITIES					
Due to Others	\$ 33,958	\$ 275,185	\$ 262,522		\$ 46,793
TOTAL LIABILITIES	\$ 33,958	\$ 275,185	\$ 262,522		\$ 46,793
1. Section 125 Medical Fund					
ASSETS					
Cash and Investments	\$ 23,404	\$ 245,327	\$ 234,558		\$ 34,173
TOTAL ASSETS	\$ 23,404	\$ 245,327	\$ 234,558		\$ 34,173
LIABILITIES					
Due to Others	\$ 23,404	\$ 245,327	\$ 234,558		\$ 34,173
TOTAL LIABILITIES	\$ 23,404	\$ 245,327	\$ 234,558		\$ 34,173
2. Section 125 Dependent Care Fund					
ASSETS					
Cash and Investments	\$ 8,143	\$ 29,858	\$ 27,964		\$ 10,037
TOTAL ASSETS	\$ 8,143	\$ 29,858	\$ 27,964		\$ 10,037
LIABILITIES					
Due to Others	\$ 8,143	\$ 29,858	\$ 27,964		\$ 10,037
TOTAL LIABILITIES	\$ 8,143	\$ 29,858	\$ 27,964		\$ 10,037
3. Police Charitable Fund					
ASSETS					
Cash and Investments	\$ 2,411	\$ 422	\$ 250		\$ 2,583
TOTAL ASSETS	\$ 2,411	\$ 422	\$ 250		\$ 2,583
LIABILITIES					
Due to Others	\$ 2,411	\$ 422	\$ 250		\$ 2,583
TOTAL LIABILITIES	\$ 2,411	\$ 422	\$ 250		\$ 2,583

(See independent auditor's report.)

SUPPLEMENTARY FINANCIAL INFORMATION

CITY OF AURORA, ILLINOIS

SCHEDULE OF INSURANCE COVERAGE AND OTHER INFORMATION

December 31, 2017

Company	Policy/Contract Number	Expiration Date	Coverage	Deductible/ Self-Insured Retention	Liability Limits
Chubb Group of Insurance Companies	3527-61-84	12/31/2017	Property and Inland Marine	\$50,000	\$287,521
Chubb Group of Insurance Companies	6804-7728	12/31/2017	Internet Liability	\$10,000	\$1,000,000
Hanover Insurance Company	IHCA20678603	12/31/2017	Fine Arts/City Statutes	\$1,000	\$955,000
Safety National Casualty Corporation	SP4056218	12/31/2017	Excess Worker's Compensation	\$675,000	Statutory
National Casualty	PGO000238	12/31/2017	Excess General Liability	\$2,000,000	\$10,000,000
Star Stone National Insurance Company	11639D163ALI	12/31/2017	Excess General Liability	\$12,000,000	\$10,000,000
Global Aerospace	11000279	11/1/2019	Airport Liability	None	\$15,000,000
Allied World Assurance Company	5110-0070-00	12/31/2017	Commercial Pollution Legal Liability	\$250,000	\$10,000,000
Lloyds	LIQ/225258	2/14/2018	Golf Course Liquor Liability	N/A	\$1,000,000
Cigna	3339410	12/31/2017	Medical Stop-Loss	\$325,000 per individual	None
HMO Illinois	B56441	12/31/2017	Health Maintenance Organization	N/A	None
Cincinnati Insurance Company	6755089	4/30/2018	City Treasurer's Bond	None	\$2,000,000
Third-Party Administrators:					
Broadspire	78138000	12/31/2019	Worker's Compensation Claims Administration	N/A	N/A
Broadspire	77333600	12/31/2019	General Liability Claims Administration	N/A	N/A
Cigna	3339410	12/31/2018	Medical Claims Administration	N/A	N/A

(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.	175-184
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.	185-193
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.	194-198
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.	199-200
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.	201-203

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	2008	2009	2010	2011
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	\$ 360,690,801	\$ 373,628,698	\$ 403,827,533	\$ 400,801,028
Restricted	54,123,598	38,849,472	44,627,526	57,475,378
Unrestricted	(7,818,447)	(20,413,554)	(24,627,343)	(31,885,608)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 406,995,952	\$ 392,064,616	\$ 423,827,716	\$ 426,390,798
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	\$ 160,610,126	\$ 160,616,931	\$ 158,416,912	\$ 159,199,865
Restricted	11,212,593	10,697,755	3,493,569	3,220,687
Unrestricted	5,740,245	2,423,720	16,923,646	21,320,976
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 177,562,964	\$ 173,738,406	\$ 178,834,127	\$ 183,741,528
PRIMARY GOVERNMENT				
Net Investment in Capital Assets	\$ 521,300,927	\$ 534,245,629	\$ 562,244,445	\$ 560,000,893
Restricted	65,336,191	49,547,227	48,121,095	60,696,065
Unrestricted	(2,078,202)	(17,989,834)	(7,703,697)	(10,564,632)
TOTAL PRIMARY GOVERNMENT	\$ 584,558,916	\$ 565,803,022	\$ 602,661,843	\$ 610,132,326

* 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

2012	2013	2014*	2015**	2016***	2017
\$ 418,850,676	\$ 432,100,779	\$ 397,680,473	\$ 403,321,914	\$ 407,653,041	\$ 399,174,599
60,415,848	57,318,045	56,299,322	54,444,574	51,237,607	49,050,889
(43,572,795)	(42,710,953)	(53,656,368)	(407,644,624)	(543,119,166)	(530,292,478)
\$ 435,693,729	\$ 446,707,871	\$ 400,323,427	\$ 50,121,864	\$ (84,228,518)	\$ (82,066,990)
\$ 160,897,280	\$ 162,851,832	\$ 205,419,092	\$ 214,001,819	\$ 220,999,533	\$ 227,313,783
3,184,371	3,300,203	4,361,135	4,395,905	4,342,503	4,300,766
24,765,720	23,387,074	17,106,722	6,523,481	(19,197,965)	(15,894,069)
\$ 188,847,371	\$ 189,539,109	\$ 226,886,949	\$ 224,921,205	\$ 206,144,071	\$ 215,720,480
\$ 579,747,956	\$ 594,952,611	\$ 603,099,565	\$ 617,323,733	\$ 628,652,574	\$ 626,488,382
63,600,219	60,618,248	60,660,457	58,840,479	55,580,110	53,351,655
(18,807,075)	(19,323,879)	(36,549,646)	(401,121,143)	(562,317,131)	(546,186,547)
\$ 624,541,100	\$ 636,246,980	\$ 627,210,376	\$ 275,043,069	\$ 121,915,553	\$ 133,653,490

CITY OF AURORA, ILLINOIS

CHANGE IN NET POSITION

Last Ten Fiscal Years

Fiscal Year	2008	2009	2010	2011
EXPENSES				
Governmental Activities				
General Government	\$ 17,480,753	\$ 21,683,280	\$ 21,123,216	\$ 20,510,561
Public Safety	100,760,039	108,896,449	110,218,850	108,555,389
Streets and Transportation	41,693,763	34,839,503	30,275,204	28,208,054
Health and Welfare	10,928,357	11,420,275	11,499,524	12,712,638
Culture and Recreation	12,275,406	9,207,127	6,173,800	5,790,323
Sanitation*	1,932,966	1,842,287	-	-
Economic Development	13,491,204	21,809,306	11,858,643	12,854,342
Interest	6,863,786	9,193,424	9,355,114	8,940,572
Total Governmental Activities Expenses	<u>205,426,274</u>	<u>218,891,651</u>	<u>200,504,351</u>	<u>197,571,879</u>
BUSINESS-TYPE ACTIVITIES				
Water and Sewer	33,357,399	28,292,478	30,386,150	25,715,582
Airport	-	-	-	-
Downtown Parking	1,562,606	1,547,246	1,522,662	1,386,368
Commuter Parking	2,393,208	2,325,390	1,946,223	2,168,700
Golf Operations	2,089,119	2,127,103	2,323,672	2,038,860
Total Business-Type Activities Expenses	<u>39,402,332</u>	<u>34,292,217</u>	<u>36,178,707</u>	<u>31,309,510</u>
TOTAL PRIMARY GOVERNMENT EXPENSES	<u>\$ 244,828,606</u>	<u>\$ 253,183,868</u>	<u>\$ 236,683,058</u>	<u>\$ 228,881,389</u>
PROGRAM REVENUES				
Governmental Activities				
Charges for Services				
General Government	\$ 2,158,763	\$ 2,244,848	\$ 4,450,187	\$ 4,151,453
Public Safety	6,938,123	5,866,096	7,084,591	5,420,708
Streets and Transportation	2,528,895	3,304,190	1,545,250	1,501,823
Health and Welfare	6,684,421	4,919,505	7,813,819	8,184,103
Culture and Recreations	2,009,957	824,936	224,095	55,649
Sanitation*	1,841,889	1,664,787	-	-
Economic Development	102,128	16,181	-	32,800
Operating Grants and Contributions	6,279,254	6,560,358	17,819,932	11,433,555
Capital Grants and Contributions	29,994,985	11,906,735	20,966,577	9,492,188
Total Governmental Activities Program Revenues	<u>58,538,415</u>	<u>37,307,636</u>	<u>59,904,451</u>	<u>40,272,279</u>
Business-Type Activities				
Charges for Services				
Water and Sewer	26,542,326	25,888,333	27,138,306	27,110,225
Airport	-	-	-	-
Downtown Parking	1,028,216	885,576	981,493	871,841
Commuter Parking	1,942,726	2,056,431	2,077,473	2,066,686
Golf Operations	1,896,302	1,888,659	1,899,338	1,719,595
Operating Grants and Contributions	-	-	-	-
Capital Grants and Contributions	6,293,270	3,901,175	15,060,750	4,468,842
Total Business-Type Activities Program Revenues	<u>37,702,840</u>	<u>34,620,174</u>	<u>47,157,360</u>	<u>36,237,189</u>
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	<u>\$ 96,241,255</u>	<u>\$ 71,927,810</u>	<u>\$ 107,061,811</u>	<u>\$ 76,509,468</u>
NET (EXPENSE) REVENUE				
Governmental Activities	\$ (146,887,859)	\$ (181,584,015)	\$ (140,599,900)	\$ (157,299,600)
Business-Type Activities	(1,699,492)	327,957	10,978,653	4,927,679
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	<u>\$ (148,587,351)</u>	<u>\$ (181,256,058)</u>	<u>\$ (129,621,247)</u>	<u>\$ (152,371,921)</u>

2012	2013	2014**	2015***	2016****	2017
\$ 20,588,032	\$ 17,779,539	\$ 21,893,478	\$ 23,186,372	\$ 30,347,523	\$ 17,737,787
112,902,507	117,562,548	121,507,980	143,584,098	163,293,002	131,499,906
29,621,587	32,098,007	33,709,791	30,913,021	23,423,486	28,331,470
12,825,038	11,163,548	10,879,629	11,376,491	14,252,881	14,626,569
5,589,522	6,667,817	6,963,595	6,870,093	8,052,677	4,831,144
-	-	-	-	-	-
14,673,809	9,321,544	5,931,240	7,230,835	5,880,557	4,316,169
8,250,302	7,674,763	6,802,956	8,130,590	4,736,870	4,787,749
204,450,797	202,267,766	207,688,669	231,291,500	249,986,996	206,130,794
27,923,402	29,229,635	32,475,416	30,934,529	33,090,467	28,392,800
-	-	2,434,443	2,475,000	2,306,605	2,269,889
1,427,840	1,559,715	1,412,253	1,509,333	1,710,443	1,287,648
1,934,761	2,416,040	2,479,959	2,315,249	2,798,933	2,201,472
2,222,436	1,959,642	1,946,967	1,890,578	1,673,551	1,009,680
33,508,439	35,165,032	40,749,038	39,124,689	41,579,999	35,161,489
\$ 237,959,236	\$ 237,432,798	\$ 248,437,707	\$ 270,416,189	\$ 291,566,995	\$ 241,292,283
\$ 4,510,988	\$ 4,969,924	\$ 3,900,227	\$ 3,897,599	\$ 4,105,726	\$ 3,606,185
6,352,306	5,767,649	6,432,703	6,784,891	7,945,596	8,306,074
581,212	1,521,201	829,730	1,149,390	896,360	717,274
9,233,448	10,604,976	11,850,549	13,649,579	13,646,374	12,897,740
70,773	289,587	272,395	333,638	411,617	399,661
-	-	-	-	-	-
-	67,778	315,434	7,263	10,695	7,758
11,445,052	8,931,304	9,709,903	7,088,313	9,343,676	6,944,871
20,308,026	6,164,015	4,385,529	3,761,983	2,010,873	2,574,778
52,501,805	38,316,434	37,696,470	36,672,656	38,370,917	35,454,341
30,113,165	29,421,826	30,241,878	31,478,260	32,824,053	34,016,302
-	-	834,746	769,187	702,774	633,227
807,228	704,014	874,708	871,969	819,110	665,063
2,024,724	2,025,025	2,241,649	2,230,958	2,208,216	2,420,710
1,820,546	1,798,129	1,624,876	1,617,708	1,140,633	1,123,125
-	-	87,692	84,388	195,249	50,693
4,173,659	1,820,135	1,518,717	649,174	283,425	102,618
38,939,322	35,769,129	37,424,266	37,701,644	38,173,460	39,011,738
\$ 91,441,127	\$ 74,085,563	\$ 75,120,736	\$ 74,374,300	\$ 76,544,377	\$ 74,466,079
\$ (151,948,992)	\$ (163,951,332)	\$ (169,992,199)	\$ (194,618,844)	\$ (211,616,079)	\$ (170,676,453)
5,430,883	604,097	(3,324,772)	(1,423,045)	(3,406,539)	3,850,249
\$ (146,518,109)	\$ (163,347,235)	\$ (173,316,971)	\$ (196,041,889)	\$ (215,022,618)	\$ (166,826,204)

CITY OF AURORA, ILLINOIS
CHANGE IN NET POSITION (Continued)

Last Ten Fiscal Years

Fiscal Year	2008	2009	2010	2011
GENERAL REVENUES AND OTHER				
CHANGES IN NET POSITION				
Governmental Activities				
Taxes				
Property	\$ 79,201,939	\$ 82,845,255	\$ 85,791,335	\$ 82,425,418
Sales	39,760,622	36,434,096	38,657,829	40,911,661
Utility	10,756,816	10,362,550	10,125,801	10,231,247
Income	15,589,361	13,385,104	12,960,748	14,334,299
Real Estate Transfer	1,805,490	1,260,381	1,352,542	1,396,683
Food and Beverage	3,616,354	3,419,497	3,554,765	3,728,894
Gaming	12,729,676	11,809,475	10,624,299	10,241,111
Hotel/Motel	417,698	373,696	393,253	436,624
Other	830,184	855,881	913,533	905,063
Investment Income	4,114,618	1,375,305	294,340	405,583
Miscellaneous	1,593,393	1,008,521	1,160,863	1,003,328
Special Item	-	-	-	(6,957,229)
Transfers	1,000,000	865,000	550,000	800,000
Total Governmental Activities	171,416,151	163,994,761	166,379,308	159,862,682
Business-Type Activities				
Sales	-	-	350,000	369,103
Investment Income	1,317,575	407,201	284,011	385,939
Miscellaneous	935	9,454	16,749	24,680
Transfers	(1,000,000)	(865,000)	(550,000)	(800,000)
Total Business-Type Activities	318,510	(448,345)	100,760	(20,278)
TOTAL PRIMARY GOVERNMENT	\$ 171,734,661	\$ 163,546,416	\$ 166,480,068	\$ 159,842,404
CHANGE IN NET POSITION				
Governmental Activities	\$ 24,528,292	\$ (17,589,254)	\$ 25,779,408	\$ 2,563,082
Business-Type Activities	(1,380,982)	(120,388)	11,079,413	4,907,401
TOTAL PRIMARY GOVERNMENT	\$ 23,147,310	\$ (17,709,642)	\$ 36,858,821	\$ 7,470,483

*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

2012	2013	2014**	2015***	2016****	2017
\$ 79,226,198	\$ 82,621,758	\$ 73,083,389	\$ 76,732,296	\$ 77,571,783	\$ 82,218,221
41,957,531	45,082,386	44,761,546	44,975,558	47,654,497	46,094,186
10,163,505	9,971,372	9,964,564	10,450,537	10,045,361	10,302,895
17,388,869	18,855,886	18,947,605	21,057,086	19,264,287	18,176,859
1,921,008	2,099,460	2,032,012	2,414,294	3,144,487	2,891,464
4,002,735	4,088,119	4,157,669	4,610,988	4,806,070	4,739,599
9,044,541	8,446,142	7,697,121	7,429,116	7,438,631	7,382,230
463,512	468,229	504,670	531,391	569,604	541,994
1,019,382	929,250	973,241	1,068,073	2,856,724	3,013,646
197,271	214,515	172,504	337,939	564,824	1,007,063
1,306,832	1,538,357	1,213,372	1,455,786	1,281,160	1,546,656
(4,973,299)	-	-	-	-	-
725,000	650,000	(39,899,938)	(4,176,392)	(2,765,373)	(5,076,832)
162,443,085	174,965,474	123,607,755	166,886,672	172,432,055	172,837,981
444,665	395,564	391,499	659,995	431,855	277,925
316,187	335,770	359,242	363,021	287,838	315,792
9,629	6,307	21,933	21,727	14,641	55,611
(725,000)	(650,000)	39,899,938	4,176,392	2,765,373	5,076,832
45,481	87,641	40,672,612	5,221,135	3,499,707	5,726,160
\$ 162,488,566	\$ 175,053,115	\$ 164,280,367	\$ 172,107,807	\$ 175,931,762	\$ 178,564,141
\$ 10,494,093	\$ 11,014,142	\$ (46,384,444)	\$ (27,732,172)	\$ (39,184,024)	\$ 2,161,528
5,476,364	691,738	37,347,840	3,798,090	93,168	9,576,409
\$ 15,970,457	\$ 11,705,880	\$ (9,036,604)	\$ (23,934,082)	\$ (39,090,856)	\$ 11,737,937

CITY OF AURORA, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2008	2009	2010	2011*
GENERAL FUND				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	19,412,483	19,947,232	19,913,245	-
Nonspendable	-	-	-	-
Assigned	-	-	-	1,260,361
Unassigned	-	-	-	19,723,887
TOTAL GENERAL FUND	\$ 19,412,483	\$ 19,947,232	\$ 19,913,245	\$ 20,984,248
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	\$ 47,711,763	\$ 39,157,274	\$ 48,837,828	\$ -
Unreserved, Designated	500,000	900,000	1,300,000	-
Unreserved, Undesignated, Reported in				
Special Revenue Funds	15,033,828	10,041,877	8,743,728	-
Capital Project Funds	80,415,980	48,799,237	33,234,868	-
Nonspendable	-	-	-	2,000,500
Restricted	-	-	-	60,770,045
Assigned	-	-	-	33,775,570
Unassigned	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	\$ 143,661,571	\$ 98,898,388	\$ 92,116,424	\$ 96,546,115

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

Data Source

Audited Financial Statements

	2012	2013	2014	2015	2016	2017
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-
	-	-	-	276,689	10,970	17,713
	-	-	-	249,425	3,777,523	781,563
	21,212,281	22,456,211	22,847,083	22,377,462	17,747,579	23,137,613
\$	21,212,281	\$ 22,456,211	\$ 22,847,083	\$ 22,903,576	\$ 21,536,072	\$ 23,936,889
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	15,695	408,713	2,100	1,400	1,125	1,700
	63,742,737	59,936,109	56,299,322	53,914,824	50,907,857	60,861,880
	34,757,696	30,269,416	28,095,518	14,506,193	16,401,691	21,062,538
	(3,214,051)	(2,975)	(137,680)	(112,198)	(86,856)	(21,140)
\$	95,302,077	\$ 90,611,263	\$ 84,259,260	\$ 68,310,219	\$ 67,223,817	\$ 81,904,978

CITY OF AURORA, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years

Fiscal Year	2008	2009	2010*	2011
REVENUES				
Taxes	\$ 165,527,716	\$ 161,315,332	\$ 165,012,636	\$ 165,292,674
Intergovernmental	7,512,307	8,782,615	14,148,838	19,565,678
Licenses, Fees and Permits	6,627,311	4,713,540	5,726,038	5,857,587
Charges for Services	11,834,405	10,166,406	10,279,022	10,249,588
Fines and Forfeitures	1,793,375	1,845,006	2,684,866	2,108,039
Donations	-	-	-	-
Development Participation	1,136,920	1,166,870	1,081,870	1,103,520
Investment Income	4,114,618	1,375,305	294,340	405,583
Other	1,332,743	2,776,712	9,896,717	1,403,515
Total Revenues	199,879,395	192,141,786	209,124,327	205,986,184
EXPENDITURES				
General Government	17,283,122	17,433,098	18,444,801	17,365,565
Public Safety	93,549,898	100,548,524	105,741,979	99,632,098
Streets and Transportation	27,070,426	22,878,788	21,522,421	18,716,990
Health and Welfare	8,927,903	9,247,109	12,721,781	11,964,561
Culture and Recreation	12,140,445	9,250,282	6,395,066	5,212,305
Sanitation*	1,921,667	1,836,671	-	-
Economic Development	11,512,332	18,611,206	7,578,841	10,473,647
Capital Outlay	56,314,148	61,118,211	25,573,227	15,560,385
Debt Service				
Principal	9,453,124	12,496,393	13,739,745	13,578,182
Interest	6,583,217	9,295,739	9,631,417	8,850,427
Total Expenditures	244,756,282	262,716,021	221,349,278	201,354,160
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(44,876,887)	(70,574,235)	(12,224,951)	4,632,024
OTHER FINANCING SOURCES (USES)				
Transfers In	9,233,876	14,555,207	16,312,309	13,479,000
Transfers (Out)	(8,233,876)	(13,690,207)	(15,762,309)	(12,679,000)
Illinois EPA Loan Issued	-	-	-	-
Refunding Bonds Issued	-	5,590,000	-	6,320,000
Premium on Refunding Bonds	-	77,717	-	388,670
Payment to Escrow Agent	-	-	-	-
Notes Refunded	-	(5,429,847)	-	-
Issuance of Debt Certificate	-	-	-	-
Bonds Issued	99,425,000	15,460,000	-	-
Premium on Bonds Issued	1,056,278	-	-	-
Discount on Bonds Issued	(106,683)	(13,416)	-	-
Proceeds from Section 108 Loans	-	-	-	-
Notes Issued	2,500,000	10,073,847	4,859,000	(6,640,000)
Discount on Notes Issued	-	(277,500)	-	-
Sale of Capital Assets	-	-	-	-
Total Other Financing Sources (Uses)	103,874,595	26,345,801	5,409,000	868,670
NET CHANGE IN FUND BALANCES	\$ 58,997,708	\$ (44,228,434)	\$ (6,815,951)	\$ 5,500,694
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES				
	8.34%	10.57%	11.55%	11.60%

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

Data Source

Audited Financial Statements

	2012	2013	2014	2015	2016	2017
\$	165,598,242	\$ 172,981,081	\$ 162,689,033	\$ 170,840,800	\$ 174,846,029	\$ 176,364,849
	22,965,776	12,084,115	12,366,173	8,722,836	11,601,312	8,868,943
	7,024,561	7,613,017	8,298,108	9,695,172	8,937,807	8,274,424
	12,072,241	12,317,430	12,972,414	13,207,143	13,908,713	14,166,202
	2,535,273	2,361,090	2,421,422	2,506,580	3,553,477	3,761,510
	37,000	-	-	-	-	-
	95	-	-	-	-	-
	197,271	214,515	172,504	337,939	564,824	1,007,063
	512,573	689,374	742,203	449,064	356,183	459,410
	210,943,032	208,260,622	199,661,857	205,759,534	213,768,345	212,902,401
	17,517,640	17,605,251	21,264,291	22,632,332	22,723,428	22,110,983
	103,519,376	109,202,021	111,385,992	120,213,601	125,190,522	125,092,178
	17,657,957	19,896,216	20,754,796	20,598,924	21,768,752	18,820,849
	11,591,967	10,998,437	11,946,768	10,875,334	11,244,611	13,636,993
	5,689,181	6,098,355	5,492,609	5,473,917	6,574,448	4,910,540
	-	-	-	-	-	-
	14,642,624	11,973,139	6,063,941	7,374,268	6,273,883	6,983,964
	24,522,214	13,989,906	11,547,081	16,986,317	10,837,011	12,283,673
	26,321,707	15,950,322	10,799,030	11,032,831	8,666,730	8,785,729
	8,608,563	8,054,990	7,205,915	9,026,002	5,445,512	4,897,045
	230,071,229	213,768,637	206,460,423	224,213,526	218,724,897	217,521,954
	(19,128,197)	(5,508,015)	(6,798,566)	(18,453,992)	(4,956,552)	(4,619,553)
	28,766,400	11,914,900	10,579,400	10,967,700	12,510,600	5,596,600
	(28,041,400)	(11,264,900)	(9,953,791)	(11,042,700)	(12,435,600)	(7,696,600)
	-	-	-	-	2,427,646	4,043,507
	13,165,000	9,565,000	9,150,000	75,875,000	-	-
	466,855	283,694	140,871	801,169	-	-
	-	(9,684,828)	(9,079,045)	(74,039,725)	-	-
	-	-	-	-	-	-
	-	-	-	-	-	3,000,000
	-	-	-	-	-	16,500,000
	-	-	-	-	-	258,024
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	2,978,132	1,247,265	-	-	-	-
	17,334,987	2,061,131	837,435	2,561,444	2,502,646	21,701,531
\$	(1,793,210)	\$ (3,446,884)	\$ (5,961,131)	\$ (15,892,548)	\$ (2,453,906)	\$ 17,081,978
	16.51%	12.00%	9.02%	9.02%	6.95%	6.67%

CITY OF AURORA, ILLINOIS

PROPERTY TAX ASSESSED VALUATIONS, RATES AND EXTENSIONS

Last Ten Tax Levy Years

Tax Levy Year	2007		2008		2009		2010		2011	
ASSESSED VALUATION										
Kane County Portion	\$	1,907,177,864	\$	2,001,714,381	\$	1,959,260,286	\$	1,809,362,652	\$	1,625,951,658
DuPage County Portion		1,679,678,537		1,790,478,973		1,808,716,577		1,728,074,480		1,606,824,629
Kendall County Portion		123,477,670		131,450,428		130,434,946		120,944,577		112,030,593
Will County Portion		303,237,198		297,202,743		288,656,587		280,760,031		253,727,625
TOTAL ASSESSED VALUATION	\$	4,013,571,269	\$	4,220,846,525	\$	4,187,068,396	\$	3,939,141,740	\$	3,598,534,505
	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount
TAX EXTENSIONS										
General Fund	1.2395	\$ 49,746,723	1.2206	\$ 51,519,179	1.1430	\$ 47,856,152	1.0725	\$ 42,247,295	1.1612	\$ 41,786,226
IMRF	-	-	-	-	-	-	0.0692	2,725,128	0.0760	2,733,834
Debt Service Fund	0.1009	4,047,728	0.0948	4,000,936	0.0964	4,036,167	0.1025	4,036,776	0.1122	4,036,582
Police Pension Fund	0.1684	6,759,198	0.1605	6,774,108	0.2282	9,553,275	0.2590	10,200,475	0.2240	8,062,193
Firefighters' Pension Fund	0.1521	6,103,299	0.1450	6,119,516	0.1889	7,908,878	0.2127	8,377,739	0.1984	7,139,746
City Levy	1.6609	66,656,948	1.6209	68,413,739	1.6565	69,354,472	1.7159	67,587,413	1.7718	63,758,581
Library General Fund	0.2450	9,833,422	0.2353	9,931,402	0.2450	10,258,239	0.2450	9,650,897	0.2446	8,800,678
Library Debt Service Fund	0.0096	387,226	0.0091	382,467	0.0092	386,973	0.0098	385,489	0.0053	190,525
Library Levy	0.2546	10,220,648	0.2444	10,313,869	0.2542	10,645,212	0.2548	10,036,386	0.2499	8,991,203
TOTAL TAX EXTENSIONS	1.9155	\$ 76,877,596	1.8653	\$ 78,727,608	1.9107	\$ 79,999,684	1.9707	\$ 77,623,799	2.0217	\$ 72,749,784

CITY OF AURORA, ILLINOIS

PROPERTY TAX ASSESSED VALUATIONS, RATES AND EXTENSIONS (Continued)

Last Ten Tax Levy Years

Tax Levy Year	2012		2013		2014		2015		2016	
ASSESSED VALUATION										
Kane County Portion	\$	1,416,825,772	\$	1,350,468,842	\$	1,339,193,214	\$	1,412,877,349	\$	1,562,830,126
DuPage County Portion		1,495,257,879		1,416,350,221		1,418,161,405		1,476,673,449		1,570,352,343
Kendall County Portion		100,884,689		95,066,680		94,389,348		99,141,396		105,785,442
Will County Portion		<u>238,531,534</u>		<u>206,853,323</u>		<u>207,011,914</u>		<u>221,702,220</u>		<u>231,125,899</u>
TOTAL ASSESSED VALUATION	\$	<u>3,251,499,874</u>	\$	<u>3,068,739,066</u>	\$	<u>3,058,755,881</u>	\$	<u>3,210,394,414</u>	\$	<u>3,470,093,810</u>
	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount	Rate*	Amount
TAX EXTENSIONS										
General Fund	1.2906	\$ 41,962,956	1.3388	\$ 41,083,245	1.3437	\$ 41,101,388	1.3227	\$ 42,465,427	1.2260	\$ 42,542,646
IMRF	0.1019	3,312,890	0.1076	3,301,547	0.1144	3,499,251	0.1029	3,304,777	0.1028	3,568,820
Debt Service Fund	0.2654	8,629,359	0.1315	4,036,275	0.3681	11,259,069	0.1255	4,028,243	0.1163	4,037,404
Police Pension Fund	0.2253	7,325,313	0.3205	9,834,908	0.3153	9,642,744	0.3531	11,336,924	0.3649	12,661,698
Firefighters' Pension Fund	0.1247	4,053,211	0.2512	7,708,176	0.1320	4,037,615	0.2950	9,469,127	0.2926	10,153,424
City Levy	<u>2.0079</u>	<u>65,283,729</u>	<u>2.1496</u>	<u>65,964,151</u>	<u>2.2735</u>	<u>69,540,067</u>	<u>2.1992</u>	<u>70,604,499</u>	<u>2.1026</u>	<u>72,963,993</u>
Library General Fund	0.2450	7,966,175	0.2450	7,518,411	0.2450	7,494,171	0.2545	8,169,642	0.2550	8,848,739
Library Debt Service Fund	0.0404	1,313,469	0.0416	1,275,324	0.0414	1,265,366	0.0391	1,256,658	0.0361	1,252,846
Library Levy	<u>0.2854</u>	<u>9,279,644</u>	<u>0.2866</u>	<u>8,793,735</u>	<u>0.2864</u>	<u>8,759,537</u>	<u>0.2936</u>	<u>9,426,300</u>	<u>0.2911</u>	<u>10,101,585</u>
TOTAL TAX EXTENSIONS	<u>2.2933</u>	<u>\$ 74,563,373</u>	<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>

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

Note: 2017 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
2007	\$ 3,119,661,075	\$ 610,906,155	\$ 281,084,086	\$ 1,170,473	\$ 749,480	\$ 4,013,571,269	\$ 1.6609	\$ 12,040,713,807	33.333%
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%

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	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
TAX RATES*										
County										
Kane	0.5296	0.5268	0.5395	0.5931	0.6599	0.7046	0.7662	0.7810	0.7422	0.6454
DuPage	0.2838	0.2763	0.2771	0.2980	0.3187	0.3471	0.3697	0.3748	0.3593	0.3362
Kendall	0.6887	0.6690	0.6678	0.7438	0.8203	0.8941	0.9649	0.9911	0.9696	0.9232
Will	0.6367	0.6387	0.6543	0.6841	0.7244	0.7767	0.8186	0.8410	0.8295	0.8091
Township										
Aurora	0.2139	0.2141	0.2190	0.2428	0.2742	0.3141	0.3621	0.3743	0.3562	0.3265
Sugar Grove	0.2617	0.2383	0.2403	0.2510	0.2615	0.2737	0.2836	0.2861	0.4050	0.2649
Batavia	0.1156	0.1160	0.1174	0.1245	0.1334	0.1433	0.1496	0.1537	0.1483	0.1428
Naperville	0.0802	0.0796	0.0789	0.0855	0.0894	0.0812	0.0900	0.0660	0.0738	0.0785
Winfield	0.1980	0.1957	0.1977	0.2139	0.2363	0.2645	0.2973	0.3155	0.3116	0.2907
Oswego	0.2421	0.2456	0.2405	0.2594	0.2671	0.2808	0.2979	0.3071	0.2931	0.2772
Wheatland	0.0715	0.0646	0.0752	0.0805	0.0831	0.0872	0.0518	0.0806	0.0769	0.0737
Airport Authority - DuPage	0.0170	0.0160	0.0148	0.0158	0.0169	0.0168	0.0178	0.0196	0.0188	0.0176
Park District										
Fox Valley	0.4037	0.4014	0.4122	0.4803	0.5286	0.5863	0.6280	0.6307	0.5999	0.5590
Batavia	0.4389	0.4425	0.4521	0.4529	0.4875	0.5092	0.5528	0.5765	0.5707	0.5540
Sugar Grove	0.1398	0.1408	0.1463	0.1603	0.1756	0.1999	0.2196	0.2223	0.2139	0.2046
Oswego	0.3896	0.3880	0.3594	0.3830	0.4117	0.4203	0.4872	0.5103	0.4973	0.4764
Junior College District										
#502 - DuPage	0.1888	0.1858	0.2127	0.2349	0.2495	0.2681	0.2956	0.2975	0.2786	0.2626
#516 - Waubensee	0.3950	0.3995	0.4043	0.4070	0.4710	0.5312	0.5807	0.5954	0.5875	0.5607
School District										
#101 - Batavia	4.6989	4.6986	4.6986	4.9034	5.7833	6.0860	6.3725	6.5706	6.4042	6.1728
#129 - West Aurora	4.1252	4.1225	4.1835	4.2740	5.1603	5.8896	6.6667	6.8578	6.5898	6.1478
#131 - East Aurora	3.4242	3.7528	3.8794	4.0041	4.9160	5.9645	6.9014	7.5965	6.7277	6.0474
#204 - Indian Prairie	4.4930	4.4858	4.4987	4.8927	5.2200	5.7047	5.9601	6.0210	5.8505	5.6004
#302 - Kaneland	4.8411	4.8854	5.0024	5.3897	5.9619	6.7184	7.3723	7.5877	7.4668	7.2069
#308 - Oswego	5.0600	5.0600	5.0600	5.8377	6.6573	7.3678	7.8803	7.9213	7.3608	6.9848

Tax Levy Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
TAX RATES* (Continued)										
City of Aurora										
General Fund	1.1718	1.1519	1.0725	1.0725	1.1612	1.2906	1.3388	1.3437	1.3227	1.2260
IMRF Fund	-	-	-	0.0692	0.0760	0.1019	0.1076	0.1144	0.1029	0.1028
Debt Service	0.1009	0.0948	0.0964	0.1025	0.1122	0.2654	0.1315	0.3681	0.1255	0.1163
Police Pension	0.1684	0.1605	0.2282	0.2590	0.2240	0.2253	0.3205	0.3153	0.3531	0.3649
Firefighters' Pension	0.1521	0.1450	0.1889	0.2127	0.1984	0.1247	0.2512	0.1320	0.2950	0.2926
Total City of Aurora	1.5932	1.5522	1.5860	1.7159	1.7718	2.0079	2.1496	2.2735	2.1992	2.1026
City of Aurora Public Library	0.2546	0.2444	0.2542	0.2545	0.2503	0.2853	0.2866	0.2864	0.2942	0.2911
Total City and Library	1.8478	1.7966	1.8402	1.9704	2.0221	2.2932	2.4362	2.5599	2.4934	2.3937
Total Combined Tax Rates										
Within School District #101	7.6545	7.6415	7.6705	7.9961	9.0623	9.7416	10.2962	10.6506	10.3705	9.9057
Within School District #129	7.5828	7.5648	7.6691	7.9653	9.1087	10.3022	11.4308	11.7891	11.3640	10.6234
Within School District #131	6.8818	7.1951	7.3650	7.9918	8.8644	10.3771	11.6654	12.5278	11.5019	10.5230
Within School District #204	7.3672	7.2854	7.4001	7.9642	8.4430	9.2872	9.7879	9.9634	9.6730	9.2463
Within School District #302	8.3693	8.3755	8.5334	9.1158	9.9267	11.1234	12.0929	12.4656	12.1952	11.6513
Within School District #308	8.5176	8.5023	8.5456	9.7372	9.5738	12.2643	12.8269	13.1208	12.4400	11.3538

* 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	2017			2008		
	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	\$ 57,499,545	1	22.74%	\$ 30,986,125	2	15.85%
Liberty Illinois LP	36,939,840	2	14.61%	25,376,132	4	12.98%
Fox Valley Mall LLC	34,847,470	3	13.78%			0.00%
Toyota Motor Sales, U.S.A., Inc.	30,633,173	4	12.11%	17,199,520	5	8.80%
TGM Chesapeake Inc.	18,534,470	5	7.33%			0.00%
Aurora Industrial Holding Company LLC	18,077,767	6	7.15%	26,082,641	3	13.34%
Chicago Premium Outlets Expansion LLC	17,394,928	7	6.88%			0.00%
JVM Aventine Apartments	16,439,240	8	6.50%			0.00%
SSIL Fox Valley LLC	12,458,750	9	4.93%			0.00%
MFREVF-Kirkland Crossing, LLC	10,044,928	10	3.97%			0.00%
Westfield Shoppingtown	-		-	34,449,900	1	17.62%
Amlis at Oakhurst LLC	-		-	16,001,194	6	8.19%
AIMCO	-		-	13,944,990	7	7.13%
Real Estate Tax Advisors	-		-	12,223,030	8	6.25%
Reliant Energy Aurora LP	-		-	9,798,070	9	5.01%
Meijer Stores	-		-	9,428,541	10	4.82%
	<u>\$ 252,870,111</u>		<u>100.00%</u>	<u>\$ 195,490,143</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 2016 EAV.

CITY OF AURORA, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Tax Levy Years

Tax Levy Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund	\$ 50,971,321	\$ 47,556,427	\$ 42,182,005	\$ 41,505,979	\$ 41,840,847	\$ 40,882,441	\$ 41,260,272	\$ 42,384,404	\$ 42,378,615	(a)
IMRF Fund	-	-	2,718,541	2,716,740	3,295,978	3,285,977	3,490,291	3,304,836	3,560,417	(a)
Debt Service	4,000,000	4,000,113	4,026,985	3,999,237	4,000,000	4,017,198	4,027,238	4,037,078	4,037,404	(a)
Police Pension Fund	6,863,286	9,666,169	10,155,128	8,023,285	8,556,600	9,792,070	11,089,768	11,388,868	12,661,698	(a)
Firefighters' Pension Fund	6,201,607	8,003,348	8,341,708	7,106,024	7,262,200	7,675,355	9,494,401	9,490,583	10,153,424	(a)
City Collections	68,036,214	69,226,057	67,424,366	63,351,266	64,955,625	65,653,041	69,361,970	70,605,769	72,791,559	(a)
Library General Fund	9,941,520	10,243,781	9,627,454	8,780,838	7,931,574	7,481,236	7,474,683	8,167,192	8,824,967	(a)
Library Debt Service	380,627	381,470	384,552	188,476	1,301,208	1,269,014	1,262,073	1,259,277	1,252,846	(a)
Library Collections	10,322,147	10,625,251	10,012,007	8,969,314	9,232,782	8,750,251	8,736,756	9,426,469	10,077,813	(a)
Total Collections within the Fiscal Year of the Levy	78,358,361	79,851,308	77,436,373	72,320,580	74,188,407	74,403,292	78,098,726	80,032,237	82,869,372	(a)
Collections in Subsequent Years	305,674	22,942	1,270	14,996	7,109	5,068	1,450	3,617	1,440	(a)
TOTAL COLLECTIONS TO DATE	\$ 78,664,035	\$ 79,874,250	\$ 77,437,643	\$ 72,335,576	\$ 74,195,516	\$ 74,408,360	\$ 78,100,176	\$ 80,035,854	\$ 82,870,812	(a)
LEVY AS EXTENDED	\$ 78,727,308	\$ 79,999,685	\$ 77,623,800	\$ 72,749,784	\$ 74,563,372	\$ 74,757,886	\$ 78,299,604	\$ 80,203,259	\$ 83,065,578	(a)
PERCENT COLLECTED	99.9%	99.8%	99.8%	99.4%	99.5%	99.5%	99.7%	99.8%	99.8%	(a)

(a) 2017 property taxes will not be collected until 2018.

Data Source

City Records

CITY OF AURORA, ILLINOIS

TAXABLE SALES BY CATEGORY

Last Ten Fiscal Years

Fiscal Year	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Merchandise	\$ 4,578,604	\$ 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 (a)
Food	2,733,792	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
Drinking and Eating Places	4,010,502	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 (b)
Apparel	5,261,501	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
Furniture, H.H. and Radio	2,477,460	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 (b)
Lumber, Building Hardware	1,314,431	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 (a)
Automobile and Filling Stations	5,124,620	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 (b)
Drugs and Miscellaneous Retail	5,389,246	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
Agriculture and All Others	5,238,603	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
Manufacturers	1,116,480	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
TOTAL	\$ 37,245,239	\$ 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
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	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
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				
2008	\$ 167,920	\$ 21,135	\$ 9,485	\$ 5,825	\$ 1,906	-	\$ 36,400	\$ 7,708	\$ 250,379	6.79%	\$ 1.47	
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	

* See the schedule of Demographic and Economic Information on page 199 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
2008	\$ 167,920	\$ 5,150	\$ 162,770	4.06%	\$ 0.95
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

* See the schedule of Assessed Value and Actual Value of Taxable Property on page 187 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, 2017

Governmental Unit	Gross Debt	Percentage Debt Applicable to the City (1)	The City's Share of Debt
City of Aurora	\$ 121,549,000	100.00%	\$ 121,549,000
School District #101	66,510,000	18.09%	12,031,659
School District #129	124,743,000	49.51%	61,760,259
School District #131	124,299,524	89.88%	111,720,412
School District #200	148,740,000	0.08%	118,992
School District #204	222,285,000	31.10%	69,130,635
School District #302	89,046,717	3.65%	3,250,205
School District #308	314,683,712	1.17%	3,681,799
Community College #502	265,480,000	3.88%	10,300,624
Community College #516	62,810,000	17.82%	11,192,742
Kane County	39,335,000	12.08%	4,751,668
Kane County Forest Preserve District	122,205,000	12.08%	14,762,364
DuPage County	262,078,337	4.34%	11,374,200
DuPage County Forest Preserve District	126,497,595	4.34%	5,489,996
Batavia Library District	1,395,000	3.24%	45,198
Batavia Park District	350,000	7.50%	26,250
Fox Valley Park District	37,120,000	72.14%	26,778,368
Naperville Park District	22,385,000	2.00%	447,700
Total Overlapping Debt	2,029,963,885		346,863,072
TOTAL DIRECT AND OVERLAPPING DEBT	\$ 2,151,512,885		\$ 468,412,072

(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, 2017

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 constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts."

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

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	
2008	\$ 27,774	\$ 23,491	\$ 4,283	\$ 550	\$ 1,467	\$ 2.12	\$ 1,917	\$ 1,611	\$ 306	\$ 200	\$ 240	\$ 0.70
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

Note: Details of the City's outstanding debt can be found in the notes to financial statements.

Water Charges and Other includes investment earnings.

Golf Charges and Other includes investment earnings.

Operating Expenses do not include interest, depreciation or intergovernmental expense.

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
2008	170,490 *	N/A	30	59,514	\$ 3,688,305	\$ 23,453	6.6%
2009	171,782	N/A	30	51,034	4,582,113	26,674	10.8%
2010	197,899	N/A	30	47,432	5,848,114	29,551	10.1%
2011	197,899	N/A	31	50,183	5,848,114	29,551	9.5%
2012	197,899	N/A	31	44,809	5,848,114	29,551	8.6%
2013	197,899	N/A	31	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%

* 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

2017				2008			
Employer	Employees	Rank	Percent of Total City Population	Employer	Employees	Rank	Percent of Total City Population
Caterpillar, Inc.	2,300	1	1.14%	Caterpillar, Inc.	3,000	1	1.76%
Rush Copley Medical Center	2,000	2	0.99%	Hollywood Casino	1,600	2	0.94%
School District 129	1,650 (a)	3	0.82%	Rush Copley Medical Center	1,400	3	0.82%
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	0.68%
City of Aurora	1,280	6	0.64%	Dreyer Medical Clinic	1,000	6	0.59%
Dreyer Medical Clinic	1,200	7	0.60%	School District 131	950 (a)	7	0.56%
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.	<u>760</u>	10	<u>0.38%</u>	Farmers Insurance Group	520	10	0.31%
				Hipp Temporary Skills	<u>500</u>	11	<u>0.29%</u>
TOTAL	<u>14,020</u>		<u>6.97%</u>		<u>13,068</u>		<u>7.66%</u>

(a) Administrative office and majority of school sites located in the City. Limited number of school sites located in adjacent areas.

Data Sources

2017 Illinois Manufacturers Directory, 2017 Illinois Services Directory and telephone survey.

2008 Illinois Manufacturers Directory, 2008 Illinois Services Directory and telephone survey.

CITY OF AURORA, ILLINOIS
FULL-TIME EQUIVALENT EMPLOYEES
 Last Ten Fiscal Years

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Executive	66	65	45	37	37	38	38	39	39	38
Law	-	-	5	5	5	5	4	4	4	4
Administrative Services	-	-	40	39	39	37	33	40	40	38
Community Services and Outreach	67	68	64	21	22	18	19	20	20	21
Development Services	-	-	51	50	52	52	27	29	29	29
Community Development	50	48	-	-	-	-	-	-	-	-
Neighborhood Standards	44	45	-	-	-	-	43	44	44	44
Finance	39	39	27	26	26	29	28	28	28	28
Information Technology	27	25	-	-	-	-	-	-	-	-
Public Safety										
Police										
Officers	301	302	301	289	289	289	289	289	289	289
Civilians	109	110	102	100	88	89	89	88	89	93
Fire										
Firefighters and Officers	207	207	205	195	195	195	195	196	195	208
Civilians	6	6	5	5	5	5	5	6	7	7
Public Works										
Administration	4	4	-	-	-	-	2	2	2	2
Public Property	65	64	-	-	-	-	-	-	-	-
Electrical Maintenance	-	-	-	-	-	-	6	5	4	4
Engineering	28	26	-	-	-	-	20	22	22	22
Parks and Recreation	26	26	-	-	-	-	-	-	-	-
Youth Services	-	-	-	-	-	-	-	-	-	-
Operations Department (a)	-	-	124	117	116	114	-	-	-	-
Public Properties (b)	-	-	-	-	-	-	73	74	74	74
Other City Funds	158	155	147	136	134	135	132	135	128	128
Library	116	118	118	120	119	120	122	122	129	114
TOTAL FULL-TIME EQUIVALENT EMPLOYEES	1,313	1,308	1,234	1,140	1,127	1,126	1,125	1,139	1,141	1,142

Note: Blanks in certain function/program categories constitutes reclassification of departments.

- (a) New department for 2010
- (b) New departments for 2014

Data Source

City Budget Office

CITY OF AURORA, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public Safety										
Police										
Physical Arrests	11,730	12,073	9,668	8,463	9,515	9,179	8,117	7,164	7,153	6,523
Citations Issued	27,147	25,768	17,511	13,718	21,630	21,839	18,428	17,894	15,934	15,204
Fire										
Ambulance Calls	11,849	11,596	11,504	11,768	12,307	12,256	13,309	13,800	14,523	14,666
Fires Calls	4,487	3,943	3,600	3,349	3,625	3,516	4,066	3,782	3,847	3,706
Public Works										
Quality Street Repairs (Lane Miles)	5	7	8	6	-	59	47	48	47	51
Pothole Repairs	30,000	27,600	24,000	23,000	7,840	5,429	6,379	5,563	3,878	4,208
Building and Permits										
Residential Construction (Number of Units)	156	54	86	67	74	158	101	95	156	129
Commercial Construction (Number of Units)	44	13	13	7	27	22	14	22	7	13
Library										
Number of Books (a)	449,820	537,245	565,000	546,174	464,569	445,343	466,596	467,935	550,000	573,329
Number of Registered Borrowers	64,086	67,854	65,296	66,964	65,535	104,791	122,875	121,076	122,405	116,031
Municipal Water Distribution System										
Number of Consumer Accounts	48,161	48,235	48,406	48,375	48,483	48,544	48,604	48,793	48,901	49,048
Total Annual Billed (Gallons)	4,464/MM	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
Total Annual Pumpage (Gallons)	6,106/MM	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
Daily Average Pumpage (Gallons)	16,728/M	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
Daily Average Per Capita Pumpage (Gallons)	102	102	79	83	88	82	81	80	83	84
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 2017.

Data Source

Various City departments

CITY OF AURORA, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public Safety										
Police										
Stations	2	2	2	2	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	17	19	18	18	18
Public Works										
Streets (Center Line Miles)	578	578	578	578	574	574	573	573	573	580
Water										
Watermain (Miles)	-	-	755	757	661	666	671	671	763	763
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	23,760/M	17,500/M
Wastewater										
Sanitary Sewers (Miles)	489	499	493	496	488	490	505	505	548	499
Storm Sewers (Miles)	613	655	682	702	706	712	480	480	480	476

(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**

2016 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
2017	390,000	\$ 1,870,000	69.78%
2018	400,000	2,270,000	84.70%
2019	410,000	2,680,000	100.00%
Total	\$ 1,200,000		

Debt Service Coverage

Calendar Year	Series 2012	Net Revenue	Debt Service Coverage
		Available for Debt Service(2)	
2017	420,000	421,047	1.00 x
2018	420,250	647,392	1.54 x
2019	420,250	647,392	1.54 x
Total	\$ 1,260,500		

Notes: (1) Source: the City.
(2) Based on projections from the City.

FINANCIAL INFORMATION

Golf Course Fund Statement of Net Position

	2012	2013	2014	2015	2016
ASSETS AND DEFERRED OUTFLOWS:					
Current Assets:					
Cash and Investments	\$ 110,444	\$ 200,722	\$ 197,749	\$ 204,386	\$ 142,324
Accounts Receivable, Net of Allowance	11,923	11,680	2,713	3,033	3,256
Due from Other Funds	-	12,215	78	-	-
Total Current Assets	122,367	224,617	200,540	207,419	145,580
Restricted Assets:					
Cash and Investments	421,909	423,196	425,000	429,642	429,658
Noncurrent Assets:					
Deferred Charges	-	-	-	-	-
Capital Assets					
Net of Accumulated Depreciation	3,362,864	3,129,096	2,895,328	2,661,561	2,427,973
Deferred Outflows:					
Unamortized Loss on Refunding	32,165	27,216	22,268	17,319	12,371
Pension Items- IMRF	-	-	-	303,787	383,090
OPEB-Items	-	-	-	-	568,765
Total Assets and Deferred Outflows	3,939,305	3,804,125	3,543,136	3,619,728	3,967,437
LIABILITIES:					
Current Liabilities:					
Accounts Payable	24,765	32,188	19,442	35,463	16,575
Accrued Payroll	33,025	33,407	24,658	27,408	26,748
Accrued Interest Payable	-	-	-	-	-
Other Unearned Revenue	59,276	53,208	25,654	23,493	21,935
Compensated Absences Payable	4,644	4,239	4,146	4,930	4,670
Revenue Bonds Payable, Due Within One Year	355,000	365,000	375,000	385,000	390,000
Total Current Liabilities	476,710	488,042	448,900	476,294	459,928
Non-Current Liabilities:					
Compensated Absences Payable	88,246	80,542	78,777	93,675	88,734
Net Other Post-Employment Benefits Obligation	557,292	599,749	632,674	663,315	1,794,924
IMRF Net Pension Liability	-	-	-	639,478	639,478
Revenue Bonds Payable, Due After One Year	2,356,833	1,986,932	1,607,038	1,217,141	882,243
Total Liabilities	3,479,081	3,155,265	2,767,389	3,089,903	3,865,307
Deferred Inflows:					
OPEB-Items	-	-	-	-	2,683
Total Deferred Inflows	-	-	-	-	2,683
Net Position:					
Net Investment in Capital Assets	651,031	804,376	935,558	1,076,739	1,227,921
Restricted	421,909	423,196	425,000	429,642	429,658
Unrestricted	(612,716)	(578,716)	(584,811)	(973,556)	(1,498,312)
Total Net Position	\$ 460,224	\$ 648,856	\$ 775,747	\$ 532,825	\$ 159,267

Golf Course Fund
Revenues, Expenses, and Change in Net Position

	2012	2013	2014	2015	2016
OPERATING REVENUES:					
Charges for Services	\$ 1,820,143	\$ 1,791,827	\$ 1,618,850	\$ 1,617,708	\$ 1,140,633
Other	403	6,302	6,026	-	-
Total Operating Revenues	<u>1,820,546</u>	<u>1,798,129</u>	<u>1,624,876</u>	<u>1,617,708</u>	<u>1,140,633</u>
OPERATING EXPENSES:					
Personnel Services	958,591	927,635	914,807	897,798	859,817
Material and Supplies	451,824	437,789	499,056	467,515	348,178
Other Services and Charges	388,517	291,516	240,645	241,971	191,637
Total Operating Expenses	<u>1,798,932</u>	<u>1,656,940</u>	<u>1,654,508</u>	<u>1,607,284</u>	<u>1,399,632</u>
Operating Income(Loss) Before Depreciation	21,614	141,189	(29,632)	10,424	(258,999)
Depreciation	(233,768)	(233,768)	(233,768)	(233,768)	(233,768)
Operating Income (Loss)	<u>(212,154)</u>	<u>(92,579)</u>	<u>(263,400)</u>	<u>(223,344)</u>	<u>(492,767)</u>
NONOPERATING REVENUES (EXPENSES):					
Investment Income	658	145	(1,018)	1,528	5,293
Bond Interest	(189,736)	(68,934)	(58,691)	(49,526)	(40,151)
Other	-	-	-	-	-
Total Nonoperating Revenues (Expenses)	<u>(189,078)</u>	<u>(68,789)</u>	<u>(59,709)</u>	<u>(47,998)</u>	<u>(34,858)</u>
Income (Loss) Before Transfers	(401,232)	(161,368)	(323,109)	(271,342)	(527,625)
TRANSFERS:					
Transfers In	275,000	350,000	450,000	425,000	450,000
Total Transfers	<u>275,000</u>	<u>350,000</u>	<u>450,000</u>	<u>425,000</u>	<u>450,000</u>
Change in Net Position	<u>\$ (126,232)</u>	<u>\$ 188,632</u>	<u>\$ 126,891</u>	<u>\$ 153,658</u>	<u>\$ (77,625)</u>

Golf Course Fund
Projected Revenues and Expenditures

	2017	2018	2019
Operating Revenues	\$ 1,779,700	\$ 1,829,532	\$ 1,880,759
Operating Expenses	1,358,653	1,399,113	1,441,086
Operating Income	421,047	430,419	439,673

2016 DISCLOSURE

Relating to

**CITY OF AURORA
KANE, DUPAGE, KENDALL & WILL COUNTIES, ILLINOIS**

\$6,660,000

**Tax Increment Revenue Bonds, Series 2008A
and**

\$7,265,000

Tax Increment Revenue Bonds, Series 2008B

as described in the summaries of the Undertakings in the

OFFICIAL STATEMENT DATED

September 12, 2008

EQUALIZED ASSESSED VALUATION AND PROPERTY TAX RATES

Historic Redevelopment Project Area Equalized Assessed Valuation TIF No. 3 (River City)

	Levy Year				
	2006	2007	2008	2009	2009
Property Class:					
Residential	\$ 167,028	\$ 181,220	\$ 192,321	\$ 192,987	\$ 192,987
Commercial	2,040,187	1,875,389	1,558,499	1,576,609	1,337,919
Industrial	357,592	364,289	743,516	749,634	613,521
Railroad	31,173	35,099	2,953,833	2,953,833	2,953,833
Sub-Total	<u>2,595,980</u>	<u>2,455,997</u>	<u>5,448,169</u>	<u>5,473,063</u>	<u>5,098,260</u>
Increment	<u>1,498,429</u>	<u>2,045,828</u>	<u>5,443,286</u>	<u>10,672,189</u>	<u>10,423,342</u>
Total	<u>\$ 4,094,409</u>	<u>\$ 4,501,825</u>	<u>\$ 10,891,455</u>	<u>\$ 16,145,252</u>	<u>\$ 15,521,602</u>
Total City EAV	\$ 3,791,995,386	\$ 4,110,963,474	\$ 4,345,627,949	\$ 4,333,218,090	\$ 4,063,919,608
Project Area %**	0.11%	0.11%	0.25%	0.37%	0.38%

	Levy Year				
	2011	2012	2013	2014	2015
Property Class:					
Residential	\$ 192,987	\$ 192,987	\$ 192,987	\$ 192,987	\$ 192,987
Commercial	1,376,396	1,417,447	1,397,762	952,486	962,954
Industrial	557,816	535,559	490,532	613,146	630,398
Railroad	2,953,833	2,953,833	2,953,833	2,953,833	2,953,833
Sub-Total	<u>5,081,032</u>	<u>5,099,826</u>	<u>5,035,114</u>	<u>4,712,452</u>	<u>4,740,172</u>
Increment	<u>7,712,110</u>	<u>6,857,221</u>	<u>5,554,050</u>	<u>4,437,054</u>	<u>4,306,304</u>
Total	<u>\$ 12,793,142</u>	<u>\$ 11,957,047</u>	<u>\$ 10,589,164</u>	<u>\$ 9,149,506</u>	<u>\$ 9,046,476</u>
Total City EAV	\$ 3,717,477,186	\$ 3,372,389,546	\$ 3,091,431,442	\$ 3,082,534,723	\$ 3,210,394,954
Project Area %**	0.34%	0.35%	0.34%	0.30%	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	Levy Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Kane County	\$ 0.3452	\$ 0.3322	\$ 0.3336	\$ 0.3398	\$ 0.3730	\$ 0.3990	\$ 0.4336	\$ 0.4623	\$ 0.4684	\$ 0.4479
Kane County Forest Preserve District	0.1747	0.1974	0.1932	0.1997	0.2201	0.2609	0.2710	0.3039	0.3126	0.2944
Aurora Township	0.1501	0.1449	0.1450	0.1486	0.1664	0.1882	0.2162	0.2517	0.2602	0.2478
Aurora Township Road District	0.0715	0.0690	0.0691	0.0703	0.0764	0.0860	0.0979	0.1104	0.1141	0.1084
Fox Valley Park District	0.3746	0.4037	0.4014	0.4122	0.4803	0.5286	0.5863	0.6280	0.6307	0.5999
City of Aurora	1.6697	1.6607	1.6558	1.6565	1.7134	1.7644	1.9913	2.1406	2.2635	2.1941
City of Aurora Library	0.2553	0.2546	0.2448	0.2542	0.2548	0.2503	0.2853	0.2867	0.2864	0.2942
Community College District Number 516	0.3984	0.3950	0.3995	0.4043	0.4070	0.4710	0.5312	0.5807	0.5954	0.5875
Unit School District Number 129	3.5635	4.1252	4.1225	4.1835	4.2740	5.1603	5.8896	6.6667	6.8578	6.5898
Special Service Area 1	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Special Service Area 16	-	-	-	-	-	-	-	-	-	-
Total Rates	\$ 8.0030	\$ 8.5827	\$ 8.5649	\$ 8.6691	\$ 8.9654	\$ 10.1087	\$ 11.3024	\$ 12.4310	\$ 12.7891	\$ 12.3640
Unit School District 131	\$ 3.5631	\$ 3.4242	\$ 3.7528	\$ 3.8794	\$ 4.3004	\$ 4.9160	\$ 5.9645	\$ 6.9014	\$ 7.5965	\$ 6.7277

Source: Kane County Clerk and City.

**Historic Redevelopment Project Area Equalized Assessed Valuation
TIF No. 6 (East River Area)**

	Levy Year				
	2007	2008	2009	2010	2011
Property Class:					
Residential	\$ 373,985	\$ 373,985	\$ 332,776	\$ 300,738	\$ 295,254
Commercial	7,492,209	6,187,805	6,062,447	5,930,607	4,464,975
Industrial	4,147,419	5,334,191	5,318,626	5,026,353	4,720,727
Railroad	514,339	12,013,613	12,013,613	12,013,613	12,013,613
Subtotal	12,527,952	23,909,594	23,727,462	23,271,311	21,494,569
Increment	798,452	3,256,245	4,701,850	4,080,803	2,879,346
Total	<u>\$ 13,326,404</u>	<u>\$ 27,165,839</u>	<u>\$ 28,429,312</u>	<u>\$ 27,352,114</u>	<u>\$ 24,373,915</u>
Total City EAV	\$4,110,963,474	\$4,345,627,949	\$4,333,218,090	\$4,063,919,608	\$3,717,477,186
Redevelopment Project Area %	0.32%	0.63%	0.66%	0.67%	0.66%

	Levy Year			
	2012	2013	2014	2015
Property Class:				
Residential	\$ 247,226	\$ 219,716	\$ 213,227	\$ 224,320
Commercial	4,549,670	4,116,897	4,013,551	3,905,128
Industrial	4,287,150	4,099,420	4,018,115	4,149,629
Railroad	12,013,613	12,013,613	12,013,613	12,013,613
Subtotal	21,097,659	20,449,646	20,258,506	20,292,690
Increment	2,787,599	1,620,726	1,911,103	2,053,668
Total	<u>\$ 23,885,258</u>	<u>\$ 22,070,372</u>	<u>\$ 22,169,609</u>	<u>\$ 22,346,358</u>
Total City EAV	\$3,372,389,546	\$3,091,431,442	\$3,082,534,723	\$3,210,394,954
Redevelopment Project Area %	0.71%	0.71%	0.72%	0.70%

Property Tax Rates of Taxing Districts in the Redevelopment Project Area
TIF No. 6 (East River City)
(per \$100 equalized assessed valuation)

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Taxing District:									
Kane County	\$ 0.3322	\$ 0.3336	\$ 0.3398	\$ 0.3730	\$ 0.3990	\$ 0.4336	\$ 0.4623	\$ 0.4684	\$ 0.4479
Kane County Forest Preserve	0.1974	0.1932	0.1997	0.2201	0.2609	0.2710	0.3039	0.3126	0.2944
Aurora Township	0.1449	0.1450	0.1486	0.1664	0.1882	0.2162	0.2517	0.2602	0.2478
Aurora Township Road District	0.0690	0.0691	0.0703	0.0764	0.0860	0.0979	0.1104	0.1141	0.1084
Fox Valley Park District	0.4037	0.4014	0.4122	0.4803	0.5286	0.5863	0.6280	0.6307	0.5999
City of Aurora	1.6607	1.6558	1.6565	1.7134	1.7644	1.9913	2.1406	2.2635	2.1941
City of Aurora Library	0.2546	0.2448	0.2542	0.2548	0.2503	0.2853	0.2867	0.2864	0.2942
Community College District 516	0.3950	0.3995	0.4043	0.4070	0.4710	0.5312	0.5807	0.5954	0.5875
Unit School District 129	4.1252	4.1225	4.1835	4.2740	5.1603	5.8896	6.6667	6.8578	6.5898
Total	\$ 7.5827	\$ 7.5649	\$ 7.6691	\$ 7.9654	\$ 9.1087	\$ 10.3024	\$ 11.4310	\$ 11.7891	\$ 11.3640
Unit School District 131	\$ 3.4242	\$ 3.7528	\$ 3.8794	\$ 4.3004	\$ 4.9160	\$ 5.9645	\$ 6.9014	\$ 7.5965	\$ 6.7277

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
	Total	\$ 1,848,597

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
	Total	2,171,386

**Principal City Taxpayers (1)
TIF No. 3 (River City)**

<u>Taxpayer Name</u>	<u>2015 EAV (2)</u>	<u>% of Total TIF</u>
Centrue Bank	\$ 788,402	8.72%
Shodeen Family Property Company LLC	332,948	3.68%
First of America Bank-Illinois	313,302	3.46%
Trust	198,838	2.20%
PNB Real Estate LLC	178,668	1.98%
Aurora Retail Holdings LLC	149,064	1.65%
Fitzpatrick Properties LLC	147,448	1.63%
Rising Star Investments LLC	134,970	1.49%
Individual	127,043	1.40%
FB Properties LLC	124,011	1.37%
Total	<u>\$ 2,494,694</u>	<u>27.58%</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)**

<u>Taxpayer Name</u>	<u>2015 EAV (2)</u>	<u>% of Total TIF</u>
Indian Trail Plaza, LLC	\$ 984,791	4.41%
Indian Trail Business Center Partners	981,978	4.39%
Square Peg Real Estate LLC	386,170	1.73%
Kane County Teachers Credit Union	362,804	1.62%
Berkheimer Properties LLC	328,645	1.47%
Individual	303,329	1.36%
Trust	293,267	1.31%
MJW-Aurora Properties	275,334	1.23%
Browning Ferris of Illinois, Inc.	261,736	1.17%
GC Real Estate LLC	256,386	1.15%
Total	<u>\$ 4,434,440</u>	<u>19.84%</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
	<u>\$ 221,279,836</u>	<u>\$ 47,352,663</u>	<u>\$ 268,632,499</u>

Notes: (a) Partial year of casino operations.
(b) Prior-period adjustment recognized in 1995 due to GASB Statement No. 22.

2016 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

	2012	2013	2014	2015	2016
ASSETS AND DEFERRED OUTFLOWS:					
Current Assets:					
Cash and Investments	\$ 20,654,100	\$ 21,579,952	\$ 15,754,632	\$ 10,689,387	\$ 6,784,443
Accounts Receivable, Less Allowance	5,236,624	5,242,034	5,184,918	5,627,016	5,772,835
Inventory/Other	252,816	634,441	374,626	115,235	186,727
Total Current Assets	26,143,540	27,456,427	21,314,176	16,431,638	12,744,005
Restricted Assets:					
Cash and Investments	1,573,940	1,494,918	3,936,135	3,966,263	3,912,845
Noncurrent Assets:					
Deferred Charges	-	-	-	-	-
Due From Other Governments	6,501,718	6,348,155	6,020,124	5,845,497	5,648,685
Other Post-Employment Benefits Asset	1,976,175	1,821,881	1,803,515	1,662,898	8,289,989
Capital Assets Less					
Accumulated Depreciation	172,162,419	171,210,836	173,928,008	182,453,927	188,338,622
Deferred Outflows:					
Pension Items - IMRF	-	-	-	3,607,636	4,504,903
Total Assets and Deferred Outflows	208,357,792	208,332,217	207,001,958	213,967,859	223,439,049
LIABILITIES:					
Current Liabilities:					
Accounts Payable	\$ 1,140,012	\$ 1,445,205	\$ 3,006,632	\$ 3,493,297	\$ 2,816,515
Accrued Payroll/Other	1,292,943	1,390,201	1,501,979	1,091,529	1,190,040
Illinois E.P.A. Loans Payable	701,384	716,316	731,685	747,503	763,785
Revenue Bonds Payable, Due Within One Year	695,000	725,000	760,000	910,000	940,000
Total Current Liabilities	3,829,339	4,276,722	6,000,296	6,242,329	5,710,340
Noncurrent Liabilities:					
Deposits	645,821	738,420	731,356	854,917	851,979
Compensated Absences	1,393,281	1,422,967	1,276,519	1,550,020	1,563,525
Net Other Postemployment Benefits Liability	-	-	-	-	26,161,797
IMRF Net Pension Liability	-	-	-	7,519,867	7,519,867
Illinois EPA Loans Payable	8,544,207	7,827,891	7,096,206	6,348,703	5,584,918
Revenue Bonds Payable, Due After One Year	29,395,000	28,670,000	27,910,000	27,460,693	26,504,317
Total Liabilities	43,807,648	42,936,000	43,014,377	49,976,529	73,896,743
Deferred Inflow of Resources					
OPEB Items	-	-	-	-	39,105
Total Deferred Inflow of Resources	-	-	-	-	39,105
NET POSITION:					
Net Investment in Capital Assets	138,458,221	140,413,173	144,732,167	154,456,602	162,187,304
Restricted	2,762,462	2,877,007	3,936,135	3,966,263	3,912,845
Unrestricted	23,329,461	22,106,037	15,319,279	5,568,465	(16,596,948)
Total Net Position	\$ 164,550,144	\$ 165,396,217	\$ 163,987,581	\$ 163,991,330	\$ 149,503,201

WATERWORKS AND SEWERAGE FUND
Revenue and Expenses

	2012	2013	2014	2015	2016
OPERATING REVENUES:					
Charges for Services	\$ 29,441,473	\$ 28,601,224	\$ 29,554,221	\$ 30,644,121	\$ 32,056,377
Fees (1)	351,390	536,057	451,830	572,593	474,888
Other Sales and Services	320,302	284,545	235,827	261,546	292,788
Total Operating Revenues	30,113,165	29,421,826	30,241,878	31,478,260	32,824,053
OPERATING EXPENSES:					
Personnel Services	9,587,640	9,910,327	9,865,777	10,158,483	13,375,978
Material & Supplies	3,970,865	4,563,222	5,073,599	6,152,198	6,309,581
Other Services and Charges	7,213,052	6,904,558	7,614,174	8,623,247	8,285,953
Intergovernmental	-	-	-	-	-
Miscellaneous	1,379,429	2,047,769	3,648,738	108,863	(367,800)
Provision for Depreciation	4,140,698	4,227,119	4,295,416	4,493,381	4,417,413
Total Operating Expenses	26,291,684	27,652,995	30,497,704	29,536,172	32,021,125
Operating Income	3,821,481	1,768,831	(255,826)	1,942,088	802,928
NON-OPERATING REVENUES (EXPENSES):					
Recovery of Costs	9,629	6,307	16,911	18,527	33,288
Investment Income	312,578	334,582	359,069	353,647	267,182
Intergovernmental	(90,879)	(74,307)	-	-	-
Debt Interest	(1,549,519)	(1,508,036)	(1,465,445)	(1,398,357)	(1,069,342)
Other	8,680	5,703	(512,267)	-	-
Total Non-Operating Revenues (Expenses)	(1,309,511)	(1,235,751)	(1,601,732)	(1,026,183)	(768,872)
Income (Loss) Before Transfers and Contributions	2,511,970	533,080	(1,857,558)	915,905	34,056
Transfers Out	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Contributions	4,173,659	1,312,993	1,448,922	4,751,392	2,547,951
Change in Net Position	\$ 5,685,629	\$ 846,073	\$ (1,408,636)	\$ 4,667,297	\$ 1,582,007

Waterworks and Sewerage Fund
Historical Coverage

	2012	2013	2014	2015	2016
Operating Income	\$ 3,821,481	\$ 1,768,831	\$ (255,826)	\$ 1,942,088	\$ 802,928
Investment Income	312,578	334,582	359,069	353,647	267,182
Depreciation	4,140,698	4,227,119	4,295,416	4,493,381	4,417,413
Net Revenue Available for Debt Service	\$ 8,274,757	\$ 6,330,532	\$ 4,398,659	\$ 6,789,116	\$ 5,487,523
Actual Revenue Bonds Debt Service Coverage	\$ 2,035,081 4.07x	\$ 2,043,681 3.10x	\$ 2,045,881 2.15x	\$ 2,035,044 3.34x	\$ 1,882,650 2.91x

Notes: (1) Fees primarily represent connection and extension fees.

**Waterworks and Sewerage Fund
Revenue and Expenditures**

	Budget 2017
OPERATING REVENUES:	
Charges for Service	\$ 32,535,000
Fees (1)	464,500
Other Sales and Services	275,480
Total Operating Revenues	33,274,980
OPERATING EXPENSES:	
Personnel Services	11,464,662
Materials and Supplies	6,419,366
Other Services and Charges	10,648,809
Provision for Depreciation	-
Total Operating Expenses	27,534,068
Operating Income	5,740,912
NON-OPERATING REVENUES (EXPENSES):	
Contributions from Other Governments	403,300
Investment Income	200,000
Capital Outlay	(17,288,300)
Debt Principal	(1,703,900)
Debt Interest	(1,048,100)
Total Non-Operating Revenues (Expenses)	(19,437,000)
Net Income Before Transfers	(13,696,088)
Transfers Out	-
Net Income	\$ (13,696,088)

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
2017	\$ 572,703	\$ 940,000	\$ 1,512,703	\$ 2,979,125	9.23%
2018	589,461	980,000	1,569,461	4,548,586	14.10%
2019	606,709	1,020,000	1,626,709	6,175,295	19.14%
2020	624,462	1,050,000	1,674,462	7,849,757	24.33%
2021	642,734	1,090,000	1,732,734	9,582,491	29.70%
2022	638,826	1,120,000	1,758,826	11,341,317	35.15%
2023	-	1,160,000	1,160,000	12,501,317	38.74%
2024	-	1,190,000	1,190,000	13,691,317	42.43%
2025	-	1,230,000	1,230,000	14,921,317	46.24%
2026	-	1,280,000	1,280,000	16,201,317	50.21%
2027	-	1,315,000	1,315,000	17,516,317	54.29%
2028	-	1,365,000	1,365,000	18,881,317	58.52%
2029	-	1,425,000	1,425,000	20,306,317	62.93%
2030	-	1,485,000	1,485,000	21,791,317	67.54%
2031	-	1,555,000	1,555,000	23,346,317	72.36%
2032	-	1,625,000	1,625,000	24,971,317	77.39%
2033	-	1,705,000	1,705,000	26,676,317	82.68%
2034	-	1,780,000	1,780,000	28,456,317	88.19%
2035	-	1,865,000	1,865,000	30,321,317	93.97%
2036	-	1,945,000	1,945,000	32,266,317	100.00%
Total	<u>\$ 3,674,895</u>	<u>\$ 27,125,000</u>	<u>\$ 30,799,895</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
2017	5,940,912	675,329	1,885,350	\$ 2,560,679	2.32 x	3,200,849	\$ 2,740,063
2018	6,330,532	675,329	1,897,150	\$ 2,572,479	2.46 x	3,215,599	3,114,933
2019	6,330,532	675,329	1,907,750	\$ 2,583,079	2.45 x	3,228,849	3,101,683
2020	6,330,532	675,329	1,907,150	\$ 2,582,479	2.45 x	3,228,099	3,102,433
2021	6,330,532	675,329	1,915,650	\$ 2,590,979	2.44 x	3,238,724	3,091,808
2022	6,330,532	652,614	1,912,950	\$ 2,565,564	2.47 x	3,206,955	3,123,577
2023	6,330,532	-	1,919,350	\$ 1,919,350	3.30 x	2,399,188	3,931,345
2024	6,330,532	-	1,914,550	\$ 1,914,550	3.31 x	2,393,188	3,937,345
2025	6,330,532	-	1,918,850	\$ 1,918,850	3.30 x	2,398,563	3,931,970
2026	6,330,532	-	1,931,950	\$ 1,931,950	3.28 x	2,414,938	3,915,595
2027	6,330,532	-	1,926,950	\$ 1,926,950	3.29 x	2,408,688	3,921,845
2028	6,330,532	-	1,935,856	\$ 1,935,856	3.27 x	2,419,820	3,910,712
2029	6,330,532	-	1,951,494	\$ 1,951,494	3.24 x	2,439,368	3,891,165
2030	6,330,532	-	1,963,400	\$ 1,963,400	3.22 x	2,439,367	3,891,165
2031	6,330,532	-	1,974,000	\$ 1,974,000	3.21 x	2,467,500	3,863,032
2032	6,330,532	-	1,981,800	\$ 1,981,800	3.19 x	2,477,250	3,853,282
2033	6,330,532	-	1,996,800	\$ 1,996,800	3.17 x	2,496,000	3,834,532
2034	6,330,532	-	2,003,600	\$ 2,003,600	3.16 x	2,504,500	3,826,032
2035	6,330,532	-	2,017,400	\$ 2,017,400	3.14 x	2,521,750	3,808,782
2036	6,330,532	-	2,022,800	\$ 2,022,800	3.13 x	2,528,500	3,802,032
	Total:	<u>\$ 4,029,259</u>	<u>\$ 38,884,800</u>	<u>\$ 42,914,059</u>			

- Notes: (1) Source: the City.
(2) Mandatory coverage based on bond ordinance rate covenant for 125% of debt service.

2017 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	27,192,016	-0.65%
Growth from 2007 to 2017		23.44%

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	2012	2013	2014	2015	2016
Residential	\$ 2,420,269,205	\$ 2,205,595,578	\$ 2,183,952,527	\$ 2,301,415,654	\$ 2,506,462,747
Farm	1,134,056	1,098,966	1,114,992	893,545	1,174,284
Commercial	559,731,771	560,005,657	558,958,227	577,999,166	610,843,140
Industrial	268,945,014	300,493,295	313,164,349	328,234,450	349,764,560
Railroad	1,419,828	1,545,570	1,565,786	1,852,139	1,849,079
Total	<u>3,251,499,874</u>	<u>3,068,739,066</u>	<u>3,058,755,881</u>	<u>3,210,394,954</u>	<u>3,470,093,810</u>
Total by County					
Kane County	1,416,825,772	1,350,468,842	1,339,193,214	1,412,877,349	1,562,830,126
DuPage County	1,495,257,879	1,416,350,221	1,418,161,405	1,476,693,449	1,570,352,343
Kendall County	100,884,689	95,066,680	94,389,348	99,141,936	105,785,442
Will County	238,531,534	206,853,323	207,011,914	221,702,220	231,125,899
Total	<u>3,251,499,874</u>	<u>3,068,739,066</u>	<u>3,058,755,881</u>	<u>3,210,414,954</u>	<u>3,470,093,810</u>
Percent Change (2)	-17.46%	-5.62%	-0.33%	4.96%	8.09%

Notes: (1) Source: Offices of the Kane, DuPage, Kendall and Will County Clerks.

(2) Percentage change is based on 2011 EAV of \$3,598,534,505.

Kane County Representative Tax Rates (1)
(Per \$100 EAV)

	2012	2013	2014	2015	2016
The City:					
General	\$ 1.2794	\$ 1.3328	\$ 1.3374	\$ 1.3187	\$ 1.2199
I.M.R.F.	0.1011	0.1071	0.1138	0.1027	0.1023
Police Pension	0.2632	0.3190	0.3664	0.3531	0.3630
Firefighters' Pension	0.2233	0.2500	0.3138	0.2942	0.2912
Bonds and Interest	0.1243	0.1317	0.1321	0.1258	0.1164
Library	0.2853	0.2866	0.2864	0.2942	0.2911
Prior Period Adjustment	-	-	-	(0.0004)	0.0001
Total City Rates (2)	<u>\$ 2.2766</u>	<u>\$ 2.4272</u>	<u>\$ 2.5499</u>	<u>\$ 2.4883</u>	<u>\$ 2.3840</u>
Kane County	0.4336	0.4623	0.4684	0.4479	0.4201
Kane County Forest Preserve	0.2710	0.3039	0.3126	0.2944	0.2253
Aurora Township	0.2162	0.2517	0.2602	0.2478	0.2261
Aurora Township Road Funds	0.0979	0.1104	0.1141	0.1084	0.1004
Fox Valley Park District	0.5863	0.6280	0.6307	0.5999	0.5590
Unit School District 129	5.8896	6.6667	6.8578	6.5898	6.1478
Community College-District 516	0.5312	0.5807	0.5954	0.5875	0.5607
Total Tax Rates (3)	<u>\$ 10.3024</u>	<u>\$ 11.4309</u>	<u>\$ 11.7891</u>	<u>\$ 11.3640</u>	<u>\$ 10.6234</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 2016 EAV in Kane County.

DuPage County Representative Tax Rates (1)
(Per \$100 EAV)

	2012	2013	2014	2015	2016
The City:					
General	\$ 1.2923	\$ 1.3462	\$ 1.3506	\$ 1.3317	\$ 1.2333
Bond & Interest	0.1243	0.1317	0.1321	0.1259	0.1165
I.M.R.F.	0.1021	0.1082	0.1150	0.1037	0.1035
Police Pension	0.2658	0.3223	0.3700	0.3566	0.3671
Firefighters' Pension	0.2256	0.2526	0.3169	0.2972	0.2943
Library	0.2855	0.2866	0.2864	0.2943	0.2912
Total City Rates (2)	<u>\$ 2.2956</u>	<u>\$ 2.4476</u>	<u>\$ 2.5710</u>	<u>\$ 2.5094</u>	<u>\$ 2.4059</u>
DuPage County	0.1929	0.2040	0.2057	0.1971	0.1848
DuPage County Forest Preserve	0.1542	0.1657	0.1691	0.1622	0.1514
Naperville Township	0.0379	0.0515	0.0413	0.0452	0.0435
Naperville Township Road Funds	0.0433	0.0385	0.0247	0.0286	0.0350
Fox Valley Park District	0.5905	0.6249	0.6331	0.6014	0.5627
Unit School District 204	5.7047	5.9601	6.0210	5.8505	5.6004
Community College-District 502	0.2681	0.2956	0.2975	0.2786	0.2626
Total Tax Rates (3)	<u>\$ 9.2872</u>	<u>\$ 9.7879</u>	<u>\$ 9.9634</u>	<u>\$ 9.6730</u>	<u>\$ 9.2463</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 2016 EAV in DuPage County.

Will County Representative Tax Rates (1)
(Per \$100 EAV)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
The City:					
Total City Rates (2)	\$2.3849	\$2.4205	\$2.5646	\$2.4937	\$2.3876
Will County	0.5696	0.5994	0.6210	0.6140	0.6121
Will County Building Commission	0.0212	0.0222	0.0223	0.0218	0.0026
Will County Forest Preserve	0.1859	0.1970	0.1977	0.1937	0.1944
Wheatland Township	0.0344	0.0000	0.0274	0.0245	0.0232
Wheatland Township Road & Bridge	0.0528	0.0518	0.0419	0.0476	0.0458
City of Aurora SSA 34-X	0.4421	0.4823	0.4654	0.4418	0.0000
Fox Valley Park District	0.6247	0.6242	0.6312	0.5983	0.5600
School District 308-U	7.3758	7.8604	7.9505	7.4166	6.9636
Community College District 516	0.5729	0.5691	0.5988	0.5880	0.5645
Total Rates	<u>\$12.2643</u>	<u>\$12.8269</u>	<u>\$13.1208</u>	<u>\$12.4400</u>	<u>\$11.3538</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 2016 EAV in Will County.

City Tax Extensions and Collections
(Includes Road and Bridge Levy, Excludes Library)

<u>Year</u>	<u>Year</u>	<u>Extended (1)</u>	<u>Amount (2)</u>	<u>Percent</u>	<u>Amount (3)</u>	<u>Percent</u>
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%

- 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)

<u>County</u>	<u>Taxpayer Name</u>	<u>Business/Service</u>	<u>2016 EAV (2)</u>
Kane	Simon/Chelsea Chicago Development, LLC	Shopping Center	\$ 57,499,545
DuPage/Kane	Liberty Illinois LP	Real Estate	36,939,840
DuPage	Fox Valley Mall LLC	Shopping Center	34,847,470
Kane	Toyota Motor Sales, U.S.A., Inc.	Automotive	30,633,173
DuPage	TGM Chesapeake Inc. (3)	Apartments	18,534,470
Kane	Aurora Industrial Holding Company, LLC	Real Estate	18,077,767
Kane	Chicago Premium Outlets Expansion LLC	Outlet Mall	17,394,928
DuPage	JVM Aventine Aprtments (4)	Residential Property	16,439,240
Kane	Fox Valley Villages, LLC	Apartments	12,458,750
DuPage	MFREVF Kirkland Crossing, LLC	Real Estate	10,044,928
	Total		<u>\$ 252,870,111</u>

Ten Largest Taxpayers as Percent of City's 2016 EAV (\$3,470,093,810)

7.29%

- 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

<u>Year</u>	<u>Permits</u>
2009	1
2010	0
2011	0
2012	0
2013	0
2014	0
2015	0
2016	25
2017	0

Special Service Area Number 34 Valuation (1)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Total Equalized Assessed Valuation	\$273,682,014	\$243,205,136	\$242,806,963	\$260,020,392	\$140,515,014

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)	\$ 8,100,000
Series 2009B (3)	2,905,000
Series 2011 (3) (4)	2,190,000
Series 2012A (4)	17,975,000
Series 2012B (3)	4,270,000
Series 2013 (3)	9,390,000
Series 2014 (3)	5,950,000
Series 2015A (3)	6,690,000
Series 2015C (3) (4)	65,395,000
Series 2017 (3) (4)	<u>16,500,000</u>
Subtotal	139,365,000
Less self-supporting debt	<u>(61,635,000)</u>
Total property tax supported debt	<u>\$ 77,730,000</u>

- Notes: (1) Source: the City.
(2) As of December 31, 2017.
(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, \$58,585,000, of Series 2015C is property tax supported. A portion, \$1,170,000, of Series 2011 is property tax supported. All of Series 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)
2018	1,040,000	380,000	1,335,000	280,000	570,000
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>\$ 8,100,000</u>	<u>\$ 2,905,000</u>	<u>\$ 2,190,000</u>	<u>\$ 17,975,000</u>	<u>\$ 4,270,000</u>

Due Dec. 30	Series 2013 (2)	Series 2014	Series 2015A	Series 2015C	Series 2017	Total Debt	Amount	Percent
2018	\$ 60,000	\$ 1,130,000	\$ -	\$ 2,260,000	\$ 680,000	\$ 7,735,000	\$ 7,735,000	5.55%
2019	1,210,000	-	-	2,325,000	695,000	6,885,000	14,620,000	10.49%
2020	1,250,000	-	-	2,395,000	710,000	7,085,000	21,705,000	15.57%
2021	1,285,000	-	-	2,480,000	725,000	7,300,000	29,005,000	20.81%
2022	1,330,000	-	-	2,560,000	740,000	7,520,000	36,525,000	26.21%
2023	1,375,000	-	-	2,640,000	755,000	7,750,000	44,275,000	31.77%
2024	1,415,000	-	-	2,715,000	775,000	7,970,000	52,245,000	37.49%
2025	1,465,000	-	-	2,785,000	795,000	5,735,000	57,980,000	41.60%
2026	-	1,580,000	-	2,860,000	820,000	5,970,000	63,950,000	45.89%
2027	-	775,000	-	2,945,000	845,000	5,290,000	69,240,000	49.68%
2028	-	800,000	-	3,025,000	870,000	5,440,000	74,680,000	53.59%
2029	-	820,000	-	3,110,000	895,000	5,585,000	80,265,000	57.59%
2030	-	845,000	-	3,200,000	925,000	5,750,000	86,015,000	61.72%
2031	-	-	1,015,000	3,305,000	955,000	6,080,000	92,095,000	66.08%
2032	-	-	1,055,000	3,420,000	990,000	6,290,000	98,385,000	70.60%
2033	-	-	1,085,000	3,545,000	1,025,000	6,505,000	104,890,000	75.26%
2034	-	-	1,130,000	3,675,000	1,060,000	6,740,000	111,630,000	80.10%
2035	-	-	1,180,000	3,810,000	1,100,000	6,990,000	118,620,000	85.11%
2036	-	-	1,225,000	3,955,000	1,140,000	7,245,000	125,865,000	90.31%
2037	-	-	-	4,110,000	-	5,065,000	130,930,000	93.95%
2038	-	-	-	4,275,000	-	5,265,000	136,195,000	97.73%
2039	-	-	-	-	-	1,020,000	137,215,000	98.46%
2040	-	-	-	-	-	1,055,000	138,270,000	99.21%
2041	-	-	-	-	-	1,095,000	139,365,000	100.00%
	<u>\$ 9,390,000</u>	<u>\$ 5,950,000</u>	<u>\$ 6,690,000</u>	<u>\$ 65,395,000</u>	<u>\$ 16,500,000</u>	<u>\$ 139,365,000</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)
(As of May 9, 2017)

	Outstanding Debt	Applicable to City	
		Percent (2)	Amount
Schools:			
School District Number 101	\$ 66,510,000	18.09%	\$ 12,031,659
School District Number 129	124,743,000	49.51%	61,760,259
School District Number 131	124,299,524	89.88%	111,720,412
School District Number 200	148,740,000	0.08%	118,992
School District Number 204	222,285,000	31.10%	69,130,635
School District Number 302	89,046,717	3.65%	3,250,205
School District Number 308	314,683,712	1.17%	3,681,799
Community College Number 502	265,480,000	3.88%	10,300,624
Community College Number 516	62,810,000	17.82%	11,192,742
Total Schools:			<u>\$ 283,187,327</u>
Other:			
DuPage County	\$ 262,078,337	4.34%	\$ 11,374,200
Kane County	39,335,000	12.08%	4,751,668
DuPage County Forest Preserve District	126,497,595	4.34%	5,489,996
Kane County Forest Preserve District	122,205,000	12.08%	14,762,364
Batavia Library District	1,395,000	3.24%	45,198
Batavia Park District	350,000	7.50%	26,250
Fox Valley Park District	37,120,000	72.14%	26,778,368
Naperville Park District	22,385,000	2.00%	447,700
Total Other			<u>\$ 63,675,744</u>
Total Schools and Other Overlapping Bonded Debt:			<u><u>\$ 346,863,071</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 2016 EAV. Includes alternate revenue source bonds.

(2) Percentages are based on 2016 EAV, the most recent available.

Statement of Bonded Indebtedness (1)
(As of May 9, 2017)

	Amount Applicable	Ratio To		Per Capita (2010 Pop. 197,899)
		Equalized Assessed	Estimated Actual	
City EAV of Taxable Property, 2016	\$ 3,470,093,810	100.00%	33.33%	\$ 17,534.67
Estimated Actual Value, 2016	\$ 10,410,281,430	300.00%	100.00%	\$ 52,604.01
Direct Bonded Debt (2)	\$ 147,035,000	4.24%	1.41%	\$ 742.98
Paid From Non-Property Tax Sources	(56,995,000)	-1.64%	-0.55%	(288.00)
Net Direct Debt (2)	\$ 90,040,000	2.60%	0.86%	\$ 454.98
Overlapping Bonded Debt:				
Schools	\$ 283,187,327	8.16%	2.72%	\$ 1,430.97
Other	63,675,744	1.83%	0.61%	321.76
Total Overlapping Bonded Debt (3)	\$ 346,863,071	9.99%	3.33%	\$ 1,752.73
Total Direct and Overlapping Bonded Debt (2)	\$ 436,903,071	12.59%	4.19%	\$ 2,207.71

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.
(3) As of May 9, 2017.

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
2018	105,000	280,000	\$ 385,000	\$ 925,000	53.62%
2019	105,000	300,000	405,000	1,330,000	77.10%
2020	-	395,000	395,000	1,725,000	100.00%
Total	\$ 210,000	\$ 975,000	\$ 1,185,000		

FINANCIAL INFORMATION

**Statement of Net Position
Government Activities**

Statement of Activities

	2013	2014	2015	2016	2017
Assets and Deferred Outflows:					
Cash and Investments	\$ 145,155,575	\$ 139,214,270	\$ 128,319,319	\$ 119,791,210	\$ 142,005,317
Receivables, Net of Allowance:					
Property Taxes:					
General and Pension Levies	65,760,856	69,146,451	70,294,851	72,446,814	75,680,550
Special Service Area Levies	1,415,321	1,355,461	1,375,409	794,477	722,860
Other Taxes	17,872,477	17,377,167	18,371,272	17,686,886	15,676,397
Loans Receivable	1,470,363	804,523	305,733	245,079	161,665
Rental Fees	679,877	-	-	-	-
Miscellaneous	2,341,865	3,166,006	2,954,317	2,448,186	3,287,205
Deferred Charges/Prepaid Expenses	-	-	-	-	-
Due From Other Governments	4,899,239	4,993,476	4,110,062	5,498,095	5,881,143
Internal Balances	-	-	-	(10,434)	(31)
Due to/from Other Funds	(347,949)	(78)	-	-	-
Property Held for Resale	80,187	-	-	386,406	386,406
Prepaid Items	70,720	34,002	278,089	89,638	62,492
Restricted Assets:					
Restricted Cash and Investments	-	-	-	-	-
Capital Assets:					
Non-Depreciable	182,869,764	158,502,639	163,596,501	169,290,029	160,235,857
Depreciable (Net of Accumulated Depreciation)	391,705,405	372,335,302	364,666,206	360,321,656	364,759,506
Deferred Outflows:					
Unamortized Loss of Refunding	927,244	913,740	2,251	709,623	612,736
Pension Items	-	-	42,586,859	181,655,676	184,078,324
Total Assets and Deferred Outflows	<u>814,900,944</u>	<u>767,842,959</u>	<u>796,860,869</u>	<u>931,353,341</u>	<u>953,550,427</u>
Liabilities and Deferred Inflows:					
Accounts Payable	8,275,893	7,757,642	10,145,430	10,837,575	10,176,828
Accrued Payroll	8,962,516	7,919,456	7,177,247	8,112,380	8,899,984
Retainage Payable	297,651	379,953	417,815	562,036	770,888
Accrued Interest Payable	43,944	30,702	545,577	-	-
Other Unearned Revenue	7,766,698	7,177,004	6,825,345	4,760,091	6,790,725
Due to Fiduciary Funds	-	1,142	-	-	-
Due to Other Governments	1,082,984	1,806,988	3,629,314	1,025,046	1,065,335
Due to Component Unit	234,211	1,218	491,674	939	-
Deposits Payable	1,306,775	1,626,062	1,540,547	1,702,050	2,346,907
Noncurrent Liabilities:					
Due Within One Year	12,948,214	12,835,685	10,389,791	10,373,901	15,667,548
Due in More Than One Year	260,208,263	257,481,861	633,906,100	899,491,493	883,187,191
Deferred Inflows:					
Deferred Property Taxes	67,065,923	70,501,817	71,670,165	73,241,196	76,327,175
Unamortized Gain on Refunding	-	-	-	773,456	737,481
OPEB Items	-	-	-	486,120	3,382,522
Pension Items - Pension Trust Funds	-	-	-	4,215,576	22,011,008
Total Liabilities and Deferred Inflows	<u>368,193,072</u>	<u>367,519,530</u>	<u>746,739,005</u>	<u>1,015,581,859</u>	<u>1,031,363,592</u>
Net Position:					
Investment in Capital Assets, Net of Related Debt	432,100,779	397,680,473	403,321,914	407,653,041	399,174,599
Restricted For:					
Working Cash	442,684	442,743	442,911	443,811	446,786
Economic Development	19,828,416	19,862,299	20,096,753	17,472,952	16,100,578
Streets and Transportation	11,272,072	11,790,674	10,399,505	9,871,656	11,602,498
Public Safety	16,516,084	15,295,108	16,607,525	14,807,576	14,470,871
Health and Welfare	7,365,804	7,770,615	5,473,112	5,248,339	5,445,635
Debt Service	1,892,986	1,137,883	1,424,768	3,393,273	984,521
Unrestricted	<u>(42,710,953)</u>	<u>(53,656,366)</u>	<u>(407,644,624)</u>	<u>(543,119,166)</u>	<u>(530,292,478)</u>

Governmental Activities

	2013	2014	2015	2016	2017
Governmental Activities:					
Net Function (Expense) Revenue:					
General Government	\$ (12,809,615)	\$ (17,993,251)	\$ (19,288,765)	\$ (26,241,797)	\$ (13,646,813)
Public Safety	(110,725,451)	(114,496,052)	(136,483,888)	(152,618,872)	(122,640,229)
Streets and Transportation	(19,226,337)	(23,448,120)	(21,143,666)	(16,360,629)	(20,669,577)
Health and Welfare	1,707,593	3,346,113	3,882,337	1,276,459	(667,981)
Culture and Recreation	(6,187,256)	(6,648,228)	(6,429,777)	(7,255,364)	(4,133,895)
Economic Development	(9,253,766)	(4,164,140)	(7,223,572)	(5,869,862)	(4,308,411)
Interest	(7,456,500)	(6,588,519)	(7,931,513)	(4,546,014)	(4,609,547)
Total Governmental Activities	<u>(163,951,332)</u>	<u>(169,992,197)</u>	<u>(194,618,844)</u>	<u>(211,616,079)</u>	<u>(170,676,453)</u>
General Revenues:					
Taxes:					
Property and Replacement	82,621,758	73,083,389	76,732,296	77,571,783	82,218,221
Sales	45,082,386	44,761,546	44,975,558	47,654,497	46,094,186
Utility	9,971,372	9,964,564	10,450,537	10,045,361	10,302,895
Income	18,855,886	18,947,605	21,057,086	19,264,287	18,176,859
Real Estate Transfer	2,099,460	2,032,012	2,414,294	3,144,487	2,891,464
Food and Beverage	4,088,119	4,157,669	4,610,988	4,806,070	4,739,599
Gaming	8,446,142	7,697,121	7,429,116	7,438,631	7,382,230
Hotel/Motel	468,229	504,670	531,391	569,604	541,994
Other	929,250	973,241	1,068,073	2,856,724	3,013,646
Investment Income	214,516	172,504	337,939	564,824	1,007,063
Miscellaneous	1,538,357	1,213,372	1,455,786	1,281,160	1,546,656
Special Item	-	-	-	-	-
Transfers	650,000	(39,899,938)	(4,176,392)	(2,765,373)	(5,076,832)
Total General Revenues	<u>174,965,475</u>	<u>123,607,755</u>	<u>166,886,672</u>	<u>172,432,055</u>	<u>172,837,981</u>
Change in Position	11,014,143	11,014,143	(27,732,172)	(39,184,024)	2,161,528
Net Position, Beginning	435,693,729	446,707,872	400,323,430	50,121,864	(84,228,518)
Prior Period Adjustment	-	-	-	-	-
Change in Accounting Principle	-	-	(322,469,394)	(95,166,358)	-
Net Position, Ending	<u>\$ 446,707,872</u>	<u>\$ 457,722,015</u>	<u>\$ 50,121,864</u>	<u>\$ (84,228,518)</u>	<u>\$ (82,066,990)</u>

**General Fund
Balance Sheet**

	2013	2014	2015	2016	2017
Assets:					
Cash and Investments	\$ 20,418,396	\$ 19,741,308	\$ 18,695,661	\$ 16,935,512	\$ 25,597,212
Receivables:					
Property Taxes	61,800,856	65,186,451	66,334,851	68,486,814	71,720,550
Due From Other Governments	400,649	171,119	113,700	186,571	136,304
Other Taxes	16,337,685	15,508,053	17,091,089	16,092,595	13,476,908
Other Receivables	85,711	103,865	8,908	186,920	202,369
Due from Other Funds	157,972	830,076	1,570,000	1,866,976	10,058
Prepaid Items	-	-	276,689	10,970	17,713
Total Assets	<u>\$ 99,201,269</u>	<u>\$ 101,540,872</u>	<u>\$ 104,090,898</u>	<u>\$ 103,766,358</u>	<u>\$ 111,161,114</u>
Liabilities and Equity:					
Liabilities:					
Accounts Payable	\$ 2,615,293	\$ 1,890,885	\$ 2,245,992	\$ 2,496,000	\$ 2,603,502
Accrued Payroll	8,914,371	7,915,807	7,123,310	7,957,287	8,843,284
Deposits Payable	1,306,775	1,626,062	1,540,547	1,701,200	2,346,157
Due to Other Governments	1,001,541	1,362,933	3,261,559	891,619	944,014
Due to Component Unit	-	-	-	939	-
Unearned Revenue	559,967	582,695	681,063	696,427	766,718
Due to Other Funds	656,152	25,864	-	-	-
Deferred Inflows:					
Unavailable Revenue - Property Taxes	61,690,959	65,186,451	66,334,851	68,486,814	71,720,550
Fund Balances:					
Nonspendable	-	-	276,689	10,970	17,713
Assigned	-	-	249,425	3,777,523	781,563
Unassigned	22,456,211	22,950,175	22,377,462	17,747,579	23,137,613
Total Liabilities, Deferred Inflows, and Fund Equity	<u>\$ 99,201,269</u>	<u>\$ 101,540,872</u>	<u>\$ 104,090,898</u>	<u>\$ 103,766,358</u>	<u>\$ 111,161,114</u>

**General Fund
Revenues and Expenditures**

	2013	2014	2015	2016	2017
Revenues:					
Property Tax	\$ 61,723,877	\$ 62,264,653	\$ 65,921,856	\$ 67,157,953	\$ 69,433,540
Replacement Tax	3,812,680	3,958,986	3,698,254	3,695,650	4,457,717
Sales Tax	31,146,555	35,426,356	39,326,550	37,350,163	37,070,893
State Income Tax	18,855,886	18,947,605	21,057,086	19,264,287	18,176,859
Utility Tax	9,971,372	9,964,564	10,450,537	10,045,361	10,302,895
Food and Beverage Tax	4,088,119	4,157,669	4,610,988	4,806,070	4,739,599
Other Taxes	468,229	504,670	531,391	569,604	569,604
Other Governmental Sources	1,415,090	511,203	506,460	416,582	477,132
Licenses, Permits, Fees and Fines	9,852,715	10,604,461	12,963,678	13,380,774	12,884,767
Charges for Services	4,104,128	4,907,681	5,319,186	5,632,737	5,585,762
Investment Income	10,119	5,547	7,116	54,448	197,311
All Other	226,277	232,372	195,574	214,855	315,026
Total Revenues	<u>145,675,047</u>	<u>151,485,767</u>	<u>164,588,676</u>	<u>162,588,484</u>	<u>164,211,105</u>
Expenditures:					
General Government	16,914,037	19,489,420	20,762,604	22,168,306	21,197,100
Public Safety	104,165,954	108,030,855	118,999,245	119,279,018	117,675,069
Streets and Transportation	11,164,360	11,850,292	11,638,212	11,161,335	10,520,251
Health and Welfare	6,608,499	6,789,206	7,532,405	7,433,114	7,746,640
Culture and Recreation	4,110,732	4,072,789	4,165,134	4,195,500	3,913,149
Economic Development	1,467,535	862,333	784,583	743,715	608,079
Other	-	-	-	-	-
Total Expenditures	<u>144,431,117</u>	<u>151,094,895</u>	<u>163,882,183</u>	<u>164,980,988</u>	<u>161,660,288</u>
Excess of Revenues Over/(Under) Expenditures	1,243,930	390,872	706,493	(2,392,504)	2,550,817
Other Financing Sources:					
Transfers In	-	-	-	2,500,000	1,500,000
Transfers Out	-	-	(650,000)	(1,475,000)	(1,650,000)
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>(650,000)</u>	<u>(1,475,000)</u>	<u>(150,000)</u>
Net Change in Fund Balance	1,243,930	390,872	56,493	(1,367,504)	2,400,817
Fund Balance-January 1	21,212,281	22,456,211	22,847,083	22,903,576	21,536,072
Fund Balance - December 31	<u>\$ 22,456,211</u>	<u>\$ 22,847,083</u>	<u>\$ 22,903,576</u>	<u>\$ 21,536,072</u>	<u>\$ 23,936,889</u>

**General Fund
Budget Financial Information**

	Budget Twelve Months Ending 12/31/18
Revenues:	
Property Tax	\$ 72,754,600
Replacement Tax	3,700,000
Sales Tax	40,874,000
State Income Tax	20,000,000
Utility Tax	14,240,000
Food and Beverage Tax	6,163,000
Other Taxes	93,000
Other Governmental Sources	866,300
Licenses, Permits, Fees and Fines	9,443,350
Charges for Services	7,531,218
Investment Income	5,600
All Other	1,759,401
Total Revenues	177,430,469
 Expenditures:	
General Government	26,449,002
Public Safety	123,225,160
Streets and Transportation	12,974,685
Health and Welfare	7,606,523
Culture and Recreation	6,315,612
Economic Development	841,027
Total Expenditures	177,412,009
Excess of Revenues Over (Under) Expenditures	\$ 18,460

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

<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

<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%

<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

2017 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
2018	400,000	2,270,000	84.70%
2019	410,000	2,680,000	100.00%
Total	\$ 810,000		

Debt Service Coverage

Calendar Year	Series 2012	Net Revenue Available for Debt Service(2)	Debt Service
			Coverage
2018	420,250	647,392	1.54 x
2019	420,250	647,392	1.54 x
Total	\$ 840,500		

Notes: (1) Source: the City.
(2) Based on projections from the City.

FINANCIAL INFORMATION

Golf Course Fund Statement of Net Position

	2013	2014	2015	2016	2017
ASSETS AND DEFERRED OUTFLOWS:					
Current Assets:					
Cash and Investments	\$ 200,722	\$ 197,749	\$ 204,386	\$ 142,324	\$ 169,853
Accounts Receivable, Net of Allowance	11,680	2,713	3,033	3,256	2,308
Due from Other Funds	12,215	78	-	-	-
Total Current Assets	<u>224,617</u>	<u>200,540</u>	<u>207,419</u>	<u>145,580</u>	<u>172,161</u>
Restricted Assets:					
Cash and Investments	423,196	425,000	429,642	429,658	324,715
Noncurrent Assets:					
Deferred Charges	-	-	-	-	-
Capital Assets					
Net of Accumulated Depreciation	3,129,096	2,895,328	2,661,561	2,427,973	2,244,031
Deferred Outflows:					
Unamortized Loss on Refunding	27,216	22,268	17,319	12,371	7,423
Pension Items- IMRF	-	-	303,787	383,090	224,744
OPEB-Items	-	-	-	568,765	470,795
Total Assets and Deferred Outflows	<u>3,804,125</u>	<u>3,543,136</u>	<u>3,619,728</u>	<u>3,967,437</u>	<u>3,443,869</u>
LIABILITIES:					
Current Liabilities:					
Accounts Payable	32,188	19,442	35,463	16,575	14,255
Accrued Payroll	33,407	24,658	27,408	26,748	25,223
Accrued Interest Payable	-	-	-	-	-
Other Unearned Revenue	53,208	25,654	23,493	21,935	25,189
Compensated Absences Payable	4,239	4,146	4,930	4,670	4,979
Revenue Bonds Payable, Due Within One Year	365,000	375,000	385,000	390,000	400,000
Total Current Liabilities	<u>488,042</u>	<u>448,900</u>	<u>476,294</u>	<u>459,928</u>	<u>469,646</u>
Non-Current Liabilities:					
Compensated Absences Payable	80,542	78,777	93,675	88,734	94,596
Net Other Post-Employment Benefits Obligation	599,749	632,674	663,315	1,794,924	1,244,467
IMRF Net Pension Liability	-	-	639,478	639,478	415,508
Revenue Bonds Payable, Due After One Year	1,986,932	1,607,038	1,217,141	882,243	417,346
Total Liabilities	<u>3,155,265</u>	<u>2,767,389</u>	<u>3,089,903</u>	<u>3,865,307</u>	<u>2,641,563</u>
Deferred Inflows:					
Pension Items-IMRF	-	-	-	-	22,633
OPEB-Items	-	-	-	2,683	13,799
Total Deferred Inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,683</u>	<u>36,432</u>
Net Position:					
Net Investment in Capital Assets	804,376	935,558	1,076,739	1,227,921	1,434,108
Restricted	423,196	425,000	429,642	429,658	324,715
Unrestricted	(578,716)	(584,811)	(973,556)	(1,498,312)	(1,030,263)
Total Net Position	<u>\$ 648,856</u>	<u>\$ 775,747</u>	<u>\$ 532,825</u>	<u>\$ 159,267</u>	<u>\$ 728,560</u>

Golf Course Fund
Revenues, Expenses, and Change in Net Position

	2013	2014	2015	2016	2017
OPERATING REVENUES:					
Charges for Services	\$ 1,791,827	\$ 1,618,850	\$ 1,617,708	\$ 1,140,633	\$ 1,123,125
Other	6,302	6,026	-	-	-
Total Operating Revenues	<u>1,798,129</u>	<u>1,624,876</u>	<u>1,617,708</u>	<u>1,140,633</u>	<u>1,123,125</u>
OPERATING EXPENSES:					
Personnel Services	927,635	914,807	897,798	859,817	232,996
Material and Supplies	437,789	499,056	467,515	348,178	367,079
Other Services and Charges	291,516	240,645	241,971	191,637	143,154
Total Operating Expenses	<u>1,656,940</u>	<u>1,654,508</u>	<u>1,607,284</u>	<u>1,399,632</u>	<u>743,229</u>
Operating Income(Loss) Before Depreciation	141,189	(29,632)	10,424	(258,999)	379,896
Depreciation	(233,768)	(233,768)	(233,768)	(233,768)	(236,400)
Operating Income (Loss)	<u>(92,579)</u>	<u>(263,400)</u>	<u>(223,344)</u>	<u>(492,767)</u>	<u>143,496</u>
NONOPERATING REVENUES (EXPENSES):					
Investment Income	145	(1,018)	1,528	5,293	3,030
Bond Interest	(68,934)	(58,691)	(49,526)	(40,151)	(30,051)
Other	-	-	-	-	2,818
Total Nonoperating Revenues (Expenses)	<u>(68,789)</u>	<u>(59,709)</u>	<u>(47,998)</u>	<u>(34,858)</u>	<u>(24,203)</u>
Income (Loss) Before Transfers	(161,368)	(323,109)	(271,342)	(527,625)	119,293
TRANSFERS:					
Transfers In	350,000	450,000	425,000	450,000	450,000
Total Transfers	<u>350,000</u>	<u>450,000</u>	<u>425,000</u>	<u>450,000</u>	<u>450,000</u>
Change in Net Position	<u>\$ 188,632</u>	<u>\$ 126,891</u>	<u>\$ 153,658</u>	<u>\$ (77,625)</u>	<u>\$ 569,293</u>

Golf Course Fund
Projected Revenues and Expenditures

	2018	2019	2020
Operating Revenues	\$ 1,605,550	\$ 1,637,661	\$ 1,670,414
Operating Expenses	1,579,509	1,595,304	1,209,010
Operating Income	26,041	42,357	461,404

2017 DISCLOSURE

Relating to

**CITY OF AURORA
KANE, DUPAGE, KENDALL & WILL COUNTIES, ILLINOIS**

\$6,660,000

**Tax Increment Revenue Bonds, Series 2008A
and**

\$7,265,000

Tax Increment Revenue Bonds, Series 2008B

as described in the summaries of the Undertakings in the

OFFICIAL STATEMENT DATED

September 12, 2008

EQUALIZED ASSESSED VALUATION AND PROPERTY TAX RATES

Historic Redevelopment Project Area Equalized Assessed Valuation TIF No. 3 (River City)

	Levy Year				
	2007	2008	2009	2010	2011
Property Class:					
Residential	\$ 181,220	\$ 192,321	\$ 192,987	\$ 192,987	\$ 192,987
Commercial	1,875,389	1,558,499	1,576,609	1,337,919	1,376,396
Industrial	364,289	743,516	749,634	613,521	557,816
Railroad	35,099	2,953,833	2,953,833	2,953,833	2,953,833
Sub-Total	<u>2,455,997</u>	<u>5,448,169</u>	<u>5,473,063</u>	<u>5,098,260</u>	<u>5,081,032</u>
Increment	<u>2,045,828</u>	<u>5,443,286</u>	<u>10,672,189</u>	<u>10,423,342</u>	<u>7,712,110</u>
Total	<u><u>\$ 4,501,825</u></u>	<u><u>\$ 10,891,455</u></u>	<u><u>\$ 16,145,252</u></u>	<u><u>\$ 15,521,602</u></u>	<u><u>\$ 12,793,142</u></u>
Total City EAV	\$ 4,110,963,474	\$ 4,345,627,949	\$ 4,333,218,090	\$ 4,063,919,608	\$ 3,717,477,186
Project Area %**	0.11%	0.25%	0.37%	0.38%	0.34%

	Levy Year				
	2012	2013	2014	2015	2016
Property Class:					
Residential	\$ 192,987	\$ 192,987	\$ 192,987	\$ 192,987	\$ 192,987
Commercial	1,417,447	1,397,762	952,486	962,954	984,402
Industrial	535,559	490,532	613,146	630,398	642,800
Railroad	2,953,833	2,953,833	2,953,833	2,953,833	2,953,833
Sub-Total	<u>5,099,826</u>	<u>5,035,114</u>	<u>4,712,452</u>	<u>4,740,172</u>	<u>4,774,022</u>
Increment	<u>6,857,221</u>	<u>5,554,050</u>	<u>4,437,054</u>	<u>4,306,304</u>	<u>4,903,095</u>
Total	<u><u>\$ 11,957,047</u></u>	<u><u>\$ 10,589,164</u></u>	<u><u>\$ 9,149,506</u></u>	<u><u>\$ 9,046,476</u></u>	<u><u>\$ 9,677,117</u></u>
Total City EAV	\$ 3,372,389,546	\$ 3,091,431,442	\$ 3,082,534,723	\$ 3,210,394,954	\$ 3,470,093,810
Project Area %**	0.35%	0.34%	0.30%	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	Levy Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Kane County	\$ 0.3322	\$ 0.3336	\$ 0.3398	\$ 0.3730	\$ 0.3990	\$ 0.4336	\$ 0.4623	\$ 0.4684	\$ 0.4479	\$ 0.4201
Kane County Forest Preserve District	0.1974	0.1932	0.1997	0.2201	0.2609	0.2710	0.3039	0.3126	0.2944	0.2253
Aurora Township	0.1449	0.1450	0.1486	0.1664	0.1882	0.2162	0.2517	0.2602	0.2478	0.2261
Aurora Township Road District	0.0690	0.0691	0.0703	0.0764	0.0860	0.0979	0.1104	0.1141	0.1084	0.1004
Fox Valley Park District	0.4037	0.4014	0.4122	0.4803	0.5286	0.5863	0.6280	0.6307	0.5999	0.5590
City of Aurora	1.6607	1.6558	1.6565	1.7134	1.7644	1.9913	2.1406	2.2635	2.1941	2.0930
City of Aurora Library	0.2546	0.2448	0.2542	0.2548	0.2503	0.2853	0.2867	0.2864	0.2942	0.2911
Community College District Number 516	0.3950	0.3995	0.4043	0.4070	0.4710	0.5312	0.5807	0.5954	0.5875	0.5607
Unit School District Number 129	4.1252	4.1225	4.1835	4.2740	5.1603	5.8896	6.6667	6.8578	6.5898	6.1478
Special Service Area 1	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Special Service Area 16	-	-	-	-	-	-	-	-	-	-
Total Rates	\$ 8.5827	\$ 8.5649	\$ 8.6691	\$ 8.9654	\$ 10.1087	\$ 11.3024	\$ 12.4310	\$ 12.7891	\$ 12.3640	\$ 11.6234
Unit School District 131	\$ 3.4242	\$ 3.7528	\$ 3.8794	\$ 4.3004	\$ 4.9160	\$ 5.9645	\$ 6.9014	\$ 7.5965	\$ 6.7277	\$ 6.0474

Source: Kane County Clerk and City.

**Historic Redevelopment Project Area Equalized Assessed Valuation
TIF No. 6 (East River Area)**

	Levy Year				
	2007	2008	2009	2010	2011
Property Class:					
Residential	\$ 373,985	\$ 373,985	\$ 332,776	\$ 300,738	\$ 295,254
Commercial	7,492,209	6,187,805	6,062,447	5,930,607	4,464,975
Industrial	4,147,419	5,334,191	5,318,626	5,026,353	4,720,727
Railroad	514,339	12,013,613	12,013,613	12,013,613	12,013,613
Subtotal	12,527,952	23,909,594	23,727,462	23,271,311	21,494,569
Increment	798,452	3,256,245	4,701,850	4,080,803	2,879,346
Total	<u>\$ 13,326,404</u>	<u>\$ 27,165,839</u>	<u>\$ 28,429,312</u>	<u>\$ 27,352,114</u>	<u>\$ 24,373,915</u>
Total City EAV	\$4,110,963,474	\$4,345,627,949	\$4,333,218,090	\$4,063,919,608	\$3,717,477,186
Redevelopment Project Area %	0.32%	0.63%	0.66%	0.67%	0.66%
	Levy Year				
	2013	2013	2014	2015	2016
Property Class:					
Residential	\$ 247,226	\$ 219,716	\$ 213,227	\$ 224,320	\$ 249,670
Commercial	4,549,670	4,116,897	4,013,551	3,905,128	3,958,418
Industrial	4,287,150	4,099,420	4,018,115	4,149,629	4,241,623
Railroad	12,013,613	12,013,613	12,013,613	12,013,613	12,013,613
Subtotal	21,097,659	20,449,646	20,258,506	20,292,690	20,463,324
Increment	2,787,599	1,620,726	1,911,103	2,053,668	2,411,617
Total	<u>\$ 23,885,258</u>	<u>\$ 22,070,372</u>	<u>\$ 22,169,609</u>	<u>\$ 22,346,358</u>	<u>\$ 22,874,941</u>
Total City EAV	\$3,372,389,546	\$3,091,431,442	\$3,082,534,723	\$3,210,394,954	\$3,470,093,810
Redevelopment Project Area %	0.71%	0.71%	0.72%	0.70%	0.66%

Property Tax Rates of Taxing Districts in the Redevelopment Project Area
TIF No. 6 (East River City)
(per \$100 equalized assessed valuation)

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Taxing District:									
Kane County	\$ 0.3336	\$ 0.3398	\$ 0.3730	\$ 0.3990	\$ 0.4336	\$ 0.4623	\$ 0.4684	\$ 0.4479	\$ 0.4201
Kane County Forest Preserve	0.1932	0.1997	0.2201	0.2609	0.2710	0.3039	0.3126	0.2944	0.2253
Aurora Township	0.1450	0.1486	0.1664	0.1882	0.2162	0.2517	0.2602	0.2478	0.2261
Aurora Township Road District	0.0691	0.0703	0.0764	0.0860	0.0979	0.1104	0.1141	0.1084	0.1004
Fox Valley Park District	0.4014	0.4122	0.4803	0.5286	0.5863	0.6280	0.6307	0.5999	0.5590
City of Aurora	1.6558	1.6565	1.7134	1.7644	1.9913	2.1406	2.2635	2.1941	2.0930
City of Aurora Library	0.2448	0.2542	0.2548	0.2503	0.2853	0.2867	0.2864	0.2942	0.2911
Community College District 516	0.3995	0.4043	0.4070	0.4710	0.5312	0.5807	0.5954	0.5875	0.5607
Unit School District 129	4.1225	4.1835	4.2740	5.1603	5.8896	6.6667	6.8578	6.5898	6.1478
Total	\$ 7.5649	7.6691	\$ 7.9654	\$ 9.1087	\$ 10.3024	\$ 11.4310	\$ 11.7891	\$ 11.3640	\$ 10.6234
Unit School District 131	\$ 3.7528	\$ 3.8794	\$ 4.3004	\$ 4.9160	\$ 5.9645	\$ 6.9014	\$ 7.5965	\$ 6.7277	\$ 6.0474

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
	Total	\$ 1,933,115

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
	Total	2,426,766

Principal City Taxpayers (1)
TIF No. 3 (River City)

Taxpayer Name	2016 EAV (2)	% of Total TIF
Centrue Bank	\$ 607,841	6.28%
TSFPC 1LLC	387,185	4.00%
First of America Bank-Illinois	312,400	3.23%
Fitzpatrick Properties LLC	227,499	2.35%
PNB Real Estate LLC	206,946	2.14%
Trust	197,015	2.04%
Aurora Retail Holdings LLC	163,670	1.69%
Rising Star Investments LLC	156,957	1.62%
Individual	139,419	1.44%
Individual	120,992	1.25%
Total	<u>\$ 2,519,924</u>	<u>26.04%</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	2016 EAV (2)	% of Total TIF
Indian Trail Business Center Partners	\$ 1,032,463	4.51%
Indian Trail Plaza, LLC	961,770	4.20%
Square Peg Real Estate LLC	421,888	1.84%
Kane County Teachers Credit Union	408,876	1.79%
Berkheimer Properties LLC	318,136	1.39%
Trust	309,823	1.35%
MJW-Aurora Properties	301,156	1.32%
Individual	288,387	1.26%
Browning Ferris of Illinois, Inc.	288,374	1.26%
Heartland Recycling-Aurora CCDD LLC	274,712	1.20%
Total	<u>\$ 4,605,585</u>	<u>20.12%</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
	<u>\$ 227,327,484</u>	<u>\$ 48,344,242</u>	<u>\$ 275,671,726</u>

Notes: (a) Partial year of casino operations.
(b) Prior-period adjustment recognized in 1995 due to GASB Statement No. 22.

2017 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**

	2013	2014	2015	2016	2017
ASSETS AND DEFERRED OUTFLOWS:					
Current Assets:					
Cash and Investments	\$ 21,579,952	\$ 15,754,632	\$ 10,689,387	\$ 6,784,443	\$ 5,644,975
Accounts Receivable, Less Allowance	5,242,034	5,184,918	5,627,016	5,772,835	6,164,775
Inventory/Other	634,441	374,626	115,235	186,727	313,424
Total Current Assets	<u>27,456,427</u>	<u>21,314,176</u>	<u>16,431,638</u>	<u>12,744,005</u>	<u>12,123,174</u>
Restricted Assets:					
Cash and Investments	1,494,918	3,936,135	3,966,263	3,912,845	3,976,051
Noncurrent Assets:					
Deferred Charges	-	-	-	-	-
Due From Other Governments	6,348,155	6,020,124	5,845,497	5,648,685	5,442,101
Other Post-Employment Benefits Asset	1,821,881	1,803,515	1,662,898	8,289,989	8,176,950
Capital Assets Less					
Accumulated Depreciation	171,210,836	173,928,008	182,453,927	188,338,622	194,379,087
Deferred Outflows:					
Pension Items - IMRF	-	-	3,607,636	4,504,903	3,550,016
Total Assets and Deferred Outflows	<u>208,332,217</u>	<u>207,001,958</u>	<u>213,967,859</u>	<u>223,439,049</u>	<u>227,647,379</u>
LIABILITIES:					
Current Liabilities:					
Accounts Payable	\$ 1,445,205	\$ 3,006,632	\$ 3,493,297	\$ 2,816,515	\$ 2,352,307
Accrued Payroll/Other	1,390,201	1,501,979	1,091,529	1,190,040	1,257,266
Illinois E.P.A. Loans Payable	716,316	731,685	747,503	763,785	780,543
Revenue Bonds Payable, Due Within One Year	725,000	760,000	910,000	940,000	980,000
Total Current Liabilities	<u>4,276,722</u>	<u>6,000,296</u>	<u>6,242,329</u>	<u>5,710,340</u>	<u>5,370,116</u>
Noncurrent Liabilities:					
Deposits	738,420	731,356	854,917	851,979	840,048
Compensated Absences	1,422,967	1,276,519	1,550,020	1,563,525	1,603,894
Net Other Postemployment Benefits Liability	-	-	-	26,161,797	21,614,385
IMRF Net Pension Liability	-	-	7,519,867	7,519,867	6,563,315
Illinois EPA Loans Payable	7,827,891	7,096,206	6,348,703	5,584,918	4,804,376
Revenue Bonds Payable, Due After One Year	28,670,000	27,910,000	27,460,693	26,504,317	25,507,942
Total Liabilities	<u>42,936,000</u>	<u>43,014,377</u>	<u>49,976,529</u>	<u>73,896,743</u>	<u>66,304,076</u>
Deferred Inflow of Resources					
Pension Items-IMRF	-	-	-	-	946,925
OPEB Items	-	-	-	39,105	239,661
Total Deferred Inflow of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,105</u>	<u>1,186,586</u>
NET POSITION:					
Net Investment in Capital Assets	140,413,173	144,732,167	154,456,602	162,187,304	170,147,240
Restricted	2,877,007	3,936,135	3,966,263	3,912,845	3,976,051
Unrestricted	22,106,037	15,319,279	5,568,465	(16,596,948)	(13,966,574)
Total Net Position	<u>\$ 165,396,217</u>	<u>\$ 163,987,581</u>	<u>\$ 163,991,330</u>	<u>\$ 149,503,201</u>	<u>\$ 160,156,717</u>

WATERWORKS AND SEWERAGE FUND
Revenue and Expenses

	2013	2014	2015	2016	2017
OPERATING REVENUES:					
Charges for Services	\$ 28,601,224	\$ 29,554,221	\$ 30,644,121	\$ 32,056,377	\$ 33,214,771
Fees (1)	536,057	451,830	572,593	474,888	480,725
Other Sales and Services	284,545	235,827	261,546	292,788	320,806
Total Operating Revenues	<u>29,421,826</u>	<u>30,241,878</u>	<u>31,478,260</u>	<u>32,824,053</u>	<u>34,016,302</u>
OPERATING EXPENSES:					
Personnel Services	9,910,327	9,865,777	10,158,483	13,375,978	7,886,353
Material & Supplies	4,563,222	5,073,599	6,152,198	5,941,781	6,013,697
Other Services and Charges	6,904,558	7,614,174	8,623,247	8,285,953	8,852,752
Intergovernmental	-	-	-	-	-
Miscellaneous	2,047,769	3,648,738	108,863	-	-
Provision for Depreciation	4,227,119	4,295,416	4,493,381	4,417,413	4,614,431
Total Operating Expenses	<u>27,652,995</u>	<u>30,497,704</u>	<u>29,536,172</u>	<u>32,021,125</u>	<u>27,367,233</u>
Operating Income	1,768,831	(255,826)	1,942,088	802,928	6,649,069
NON-OPERATING REVENUES (EXPENSES):					
Recovery of Costs	6,307	16,911	18,527	33,288	35,165
Investment Income	334,582	359,069	353,647	267,182	293,017
Intergovernmental	(74,307)	-	-	-	-
Debt Interest	(1,508,036)	(1,465,445)	(1,398,357)	(1,069,342)	(1,025,567)
Other	5,703	(512,267)	-	-	-
Total Non-Operating Revenues (Expenses)	<u>(1,235,751)</u>	<u>(1,601,732)</u>	<u>(1,026,183)</u>	<u>(768,872)</u>	<u>(697,385)</u>
Income (Loss) Before Transfers and Contributions	533,080	(1,857,558)	915,905	34,056	5,951,684
Transfers Out	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	-
Contributions	1,312,993	1,448,922	4,751,392	2,547,951	4,701,832
Change in Net Position	<u>\$ 846,073</u>	<u>\$ (1,408,636)</u>	<u>\$ 4,667,297</u>	<u>\$ 1,582,007</u>	<u>\$ 10,653,516</u>

Waterworks and Sewerage Fund
Historical Coverage

	2013	2014	2015	2016	2017
Operating Income	\$ 1,768,831	\$ (255,826)	\$ 1,942,088	\$ 802,928	\$ 6,649,069
Investment Income	334,582	359,069	353,647	267,182	293,017
Depreciation	4,227,119	4,295,416	4,493,381	4,417,413	4,614,431
Net Revenue Available for Debt Service	<u>\$ 6,330,532</u>	<u>\$ 4,398,659</u>	<u>\$ 6,789,116</u>	<u>\$ 5,487,523</u>	<u>\$ 11,556,517</u>
Actual Revenue Bonds Debt Service Coverage	\$ 2,043,681 3.10x	\$ 2,045,881 2.15x	\$ 2,035,044 3.34x	\$ 1,882,650 2.91x	\$ 1,885,350 6.13x

Notes: (1) Fees primarily represent connection and extension fees.

**Waterworks and Sewerage Fund
Revenue and Expenditures**

	Budget 2018
OPERATING REVENUES:	
Charges for Service	\$ 32,685,000
Fees (1)	459,500
Other Sales and Services	344,196
Total Operating Revenues	33,488,696
OPERATING EXPENSES:	
Personnel Services	11,519,994
Materials and Supplies	5,564,970
Other Services and Charges	9,981,298
Provision for Depreciation	-
Total Operating Expenses	27,066,262
Operating Income	6,422,434
NON-OPERATING REVENUES (EXPENSES):	
Contributions from Other Governments	403,300
Investment Income	200,000
Capital Outlay	(17,841,500)
Debt Principal	(1,760,700)
Debt Interest	(1,003,050)
Total Non-Operating Revenues (Expenses)	(20,001,950)
Net Income Before Transfers	(13,579,516)
Transfers Out	-
Net Income	\$ (13,579,516)

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
2018	589,461	980,000	1,569,461	1,569,461	5.36%
2019	606,709	1,020,000	1,626,709	3,196,170	10.91%
2020	624,462	1,050,000	1,674,462	4,870,632	16.63%
2021	642,734	1,090,000	1,732,734	6,603,366	22.55%
2022	638,826	1,120,000	1,758,826	8,362,192	28.55%
2023	-	1,160,000	1,160,000	9,522,192	32.51%
2024	-	1,190,000	1,190,000	10,712,192	36.58%
2025	-	1,230,000	1,230,000	11,942,192	40.78%
2026	-	1,280,000	1,280,000	13,222,192	45.15%
2027	-	1,315,000	1,315,000	14,537,192	49.64%
2028	-	1,365,000	1,365,000	15,902,192	54.30%
2029	-	1,425,000	1,425,000	17,327,192	59.16%
2030	-	1,485,000	1,485,000	18,812,192	64.23%
2031	-	1,555,000	1,555,000	20,367,192	69.54%
2032	-	1,625,000	1,625,000	21,992,192	75.09%
2033	-	1,705,000	1,705,000	23,697,192	80.91%
2034	-	1,780,000	1,780,000	25,477,192	86.99%
2035	-	1,865,000	1,865,000	27,342,192	93.36%
2036	-	1,945,000	1,945,000	29,287,192	100.00%
Total	\$ 3,102,192	\$ 26,185,000	\$ 29,287,192		

**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
2018	6,622,434	675,329	1,897,150	\$ 2,572,479	2.57 x	3,215,599	\$ 3,406,835
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>\$ 3,331,215</u>	<u>\$ 36,999,450</u>	<u>\$ 40,330,665</u>			

- Notes: (1) Source: the City.
(2) Mandatory coverage based on bond ordinance rate covenant for 125% of debt service.