CITY OF NAPERVILLE, ILLINOIS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Naperville

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2017

CITY OF NAPERVILLE, ILLINOIS

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

For the Year Ended
December 31, 2017

Prepared by:
The Finance Department

CITY OF NAPERVILLE, ILLINOIS
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INTRODUCTORY SECTION

CITY OF NAPERVILLE, ILLINOIS

Elected and Appointed Officers and Officials

For the fiscal year ended December 31, 2017

Mayor

Steve Chirico

Council

Becky Anderson
Rebecca Boyd-Obarski
Judith A. Brodhead
Kevin Coyne
Patty Gustin
Paul J. Hinterlong
John Krummen
Kevin Gallaher

City Manager
Douglas A. Krieger

Deputy City Manager
Marcie J. Schatz

City Clerk

Pamela Gallahue

Finance Director

Rachel Mayer

Chief of Police

Robert W. Marshall

Fire Chief

Mark J. Puknaitis

Director of Public Works

Richard E. Dublinski

Director of T.E.D. Business Group

William J. Novack

Director of Public Utilities – Electric

Mark J. Curran

Director of Public Utilities – Water

James E. Holzapfel

Director of Human Resources

James Sheehan

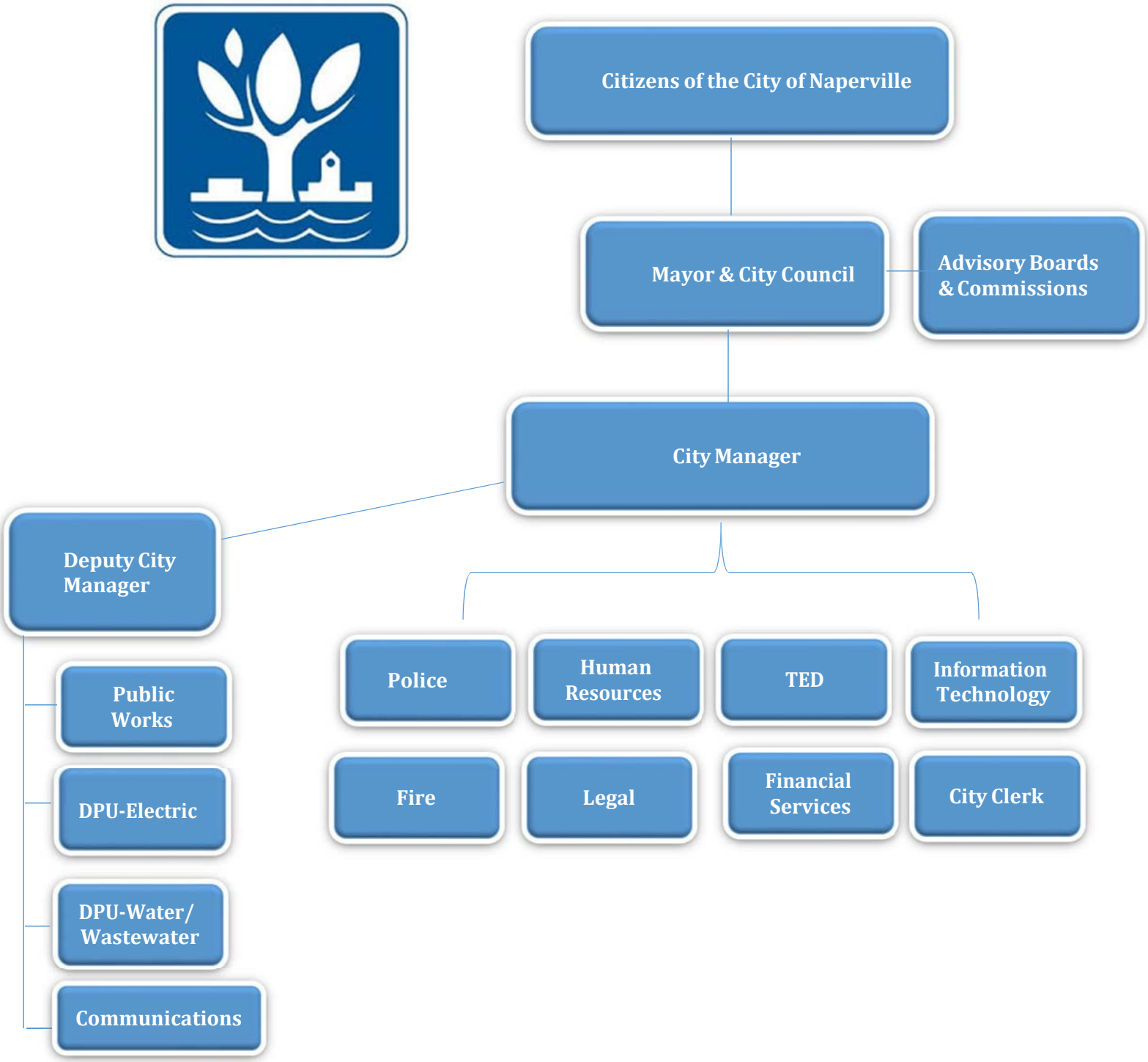
City Attorney

Michael DiSanto

Director of IT

Jeff Anderson

City of Naperville – Organizational Chart



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Naperville

Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morrill

Executive Director/CEO

June 21, 2018

To the Honorable Mayor,
Members of the City Council, and
Citizens of the City of Naperville:

We are pleased to submit the Comprehensive Annual Financial Report of the City of Naperville for the fiscal year ended December 31, 2017. State law and local ordinances require that we publish a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with auditing standards generally accepted in the United States by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the City of Naperville. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Naperville has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City of Naperville's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Naperville's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Naperville's basic financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants, with the goal of providing reasonable assurance that the basic financial statements of the City of Naperville for the fiscal year ended December 31, 2017 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Naperville's basic financial statements for the fiscal year ended December 31, 2017 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the basic financial statements of the City of Naperville was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements involving the administration of federal grants. These reports are available in the City of Naperville's separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Naperville's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Naperville, incorporated in 1857, is located in the northeastern part of the state, which is considered to be the top growth area in the state and one of the top growth areas in the country. The City of Naperville currently occupies a land area of 39.90 square miles and serves a population of 145,789. The City of Naperville is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which has occurred periodically when deemed appropriate by the City Council.

The City has operated under the Council-Manager form of government since 1969. Policymaking and legislative authority are vested in the City Council, which consists of a mayor and eight at-large members. The City Council sets policy for the City, passes ordinances, adopts resolutions and the annual budget, and approves all expenditures. Council members have been elected to four-year staggered terms with four council members elected every two years. However, in 2010 Naperville voters approved a referendum to establish a district election system for the selection of City Council members starting in 2015. Three years later, in April of 2013 the voters approved a referendum reversing the 2010 referendum and retaining the existing "at-large" system. With the expectation of a district system to be implemented in 2015, the four candidates elected to City Council on April 9, 2013 were elected to two-year terms. All eight City Council seats were up for election in 2015. The four Council candidates who received the most votes serve four-year terms and the other four served two-year terms. In 2017, the seats of the individuals who served two-year terms were up for election as a four-year term, and all Council terms are again staggered four-year terms with the completion of the 2017 election. The Mayor is elected to a four-year term, and was not impacted in any way by the districting process. Mayor and the Council members are elected at large, on a non-partisan basis.

The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing the directors of the City's departments.

The City includes all the funds of the primary government (i.e. the City of Naperville as legally defined), as well as all of its component units. Component units are legally separate entities for which the City is financially accountable. The City provides a full range of services including police and fire protection; refuse and recycling services; planning and development review; construction and maintenance of highways, streets and other infrastructure, as well as water, wastewater, and electric utilities.

The utility funds, providing electricity, water, and wastewater services, are reported as enterprise funds of the City. In addition, the Burlington Fund, which is the City's commuter parking fund, is treated as an enterprise fund, due to the business-like nature of its operations. Discretely presented component units are reported as a separate column in the basic financial statements to emphasize that these funds are legally separate from the primary government, and to differentiate their financial position, changes in financial position and cash flows from those of the primary government. The Naperville Public Library is reported as a discretely presented component unit.

The annual budget serves as the foundation for the City of Naperville's financial planning and control. All departments of the City of Naperville are required to submit requests for appropriation to the City Manager, who then uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the City Council for review, public hearings and adoption before the City's fiscal year end. In September 2015, the City Council approved the transition to a calendar year budget in 2016. This means the budget year now begins on January 1 and ends on December 31 of the same year. Previously, the City operated on a fiscal year basis, which began on May 1 and ended on April 30 of the following year. Each year, the budget is prepared by fund, and department (e.g., police, fire, public works, etc.). Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an annual budget has been adopted.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Naperville operates.

For the past 22 years, the City has maintained its AAA bond rating and managed its finances to support a consistently low property tax rate while providing high quality services to the community. As the City becomes more solidified as a maintenance versus growth community, new revenue streams brought in by development have waned. In addition, the City experienced depleted cash reserves and increased reliance on borrowing

for infrastructure maintenance projects. City Council and City staff have spent significant time exploring and planning how they envision the municipality operating both now and into the future. This exploration culminated in the adoption of a new mission statement and ends policies to support and guide the everyday operations of all City departments. Financial management was a significant component of the new ends policies which led staff to modify the philosophies that surround the budget process and financial state of the City. As part of planning for the future, the City Council established three financial principles as a guideline for long- term financial stability of the community.

In 2016, City Council developed and passed a financial strategy that put the City on a road to long-term financial stability. This strategy is rooted in financial principles that are designed to help accomplish the City's long- term financial goals. The principles were developed beginning in May 2015, and throughout the process members of the community, including residents, businesses, City Council and staff, provided valuable input regarding the City's current state, present opportunities and the impact of potential decisions on the City as a whole. The following three financial principles were formally adopted.

Principle 1

- The City will pass a structurally balanced operating budget annually

Principle 2

- The City commits to continuous improvement in the delivery of necessary and cost- effective services

Principle 3

- The City will actively seek to increase its reserves to twenty- five percent (25%) and reduce its debt by twenty- five percent (25%) in the next eight (8) years.

Principle 1 provides guidance on how City expenditures and revenues will be reviewed in the future. Principle 2 provides guidance on balancing the quality of service provided to the community against the revenues required to provide those services. Principle #3 provides guidance on the appropriate level of debt, the aggressiveness of the City's debt reduction plan and how debt policies shape future property tax levies and the City's AAA bond rating. These principles are meant to guide the City's financial planning and budgeting through the next several years, and all financial decisions will be consistently tested against these principles. These principles have already borne results. For example, when the City issued General Obligation bonds in 2017, the AAA credit rating was reaffirmed by both Moody's and Standard & Poor's, citing strong fiscal management as one of the driving factors.

Aside from internal factors impacting the City's financial state, the City continues to monitor the financial climate at the state and federal level. Balancing internal factors with the general state of the economy are factored into all City financial proposals. City staff continues to monitor the financial trends of the nation, state and region allowing for

proactive action to any significant changes in the City's financial climate. At the federal level, the City monitors those factors that directly impact Naperville, including changes in healthcare, marketplace fairness initiatives, and other legislation that could have potential impacts on City revenues and expenditures. The State of Illinois continues to be a significant external risk for the City's financial stability. The state has approved several proposals that directly impact the City's revenues. Aside from these proposals, the state's overall financial status impacts Naperville in a number of ways; including the potential for higher borrowing costs, less state support, and fiscal uncertainty regarding economic development. Staff continues to monitor activity at the federal and state level and plans conservatively based on potential financial impacts that could reach the City.

Overall the City has seen positive economic trends including both residential and commercial growth, increased real estate activity, above average employment, and consistent retail sales. These trends for the City's economic condition are encouraging and show Naperville has moved into a stable financial status. However, the City will stay its course of conservative planning so that it may be prepared to react to any financial volatility at the federal, state, or local level.

City staff analyzes its services on a regular basis by looking at comparable communities, evaluating outsourcing, and examining process improvements. In addition, staff evaluates themselves through community engagement and satisfaction survey data. There is a consistent commitment to proactive internal reviews that align with the philosophy of providing improved services at a lower cost. Finally, staff evaluates the appropriateness of the public sector providing a service versus the private sector. This continual analysis provides the ultimate benefit to our residents and community partners.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Naperville for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2016. This was the twenty-fourth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe that our current 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 also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated January 1, 2018. This was the twenty-sixth consecutive year that the City has received this prestigious award. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including policy documentation, financial planning, and organization.

The preparation of these reports would not have been possible without the efficient and dedicated services of the entire staff of the finance department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support in maintaining the highest standards of professionalism in the management of the City of Naperville's finances.

Respectfully submitted,

Douglas A. Krieger
City Manager

Rachel Mayer
Finance Director

FINANCIAL SECTION

SIKICH®

CERTIFIED PUBLIC ACCOUNTANTS & ADVISORS
Members of American Institute of Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor
Members of the City Council
City of Naperville
400 South Eagle Street
Naperville, Illinois 60540

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 Naperville, 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 did not audit the financial statements of the Firefighters' Pension Fund of the City which represents 43%, 44% and 25%, respectively, of the assets, fund balances/net position and revenue/additions of the aggregate remaining fund information of the City. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Firefighters' Pension Fund of the City is based on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits in *Government Auditing Standards*, issued by the Comptroller General of the United States. The Firefighters' Pension Fund was 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 of 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, based on our audit and the report of the other auditors, 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 Naperville, 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 other required supplementary information 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 and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We and the other auditors 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 and the audit of other auditors was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund 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 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 21, 2018 on our consideration of the City of Naperville, Illinois' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Naperville, Illinois' internal control over financial reporting and compliance.

Sikich LLP

Naperville, Illinois
June 21, 2018

BASIC FINANCIAL STATEMENTS

CITY OF NAPERVILLE, ILLINOIS

Management's Discussion and Analysis

The City of Naperville's (the City) Management's Discussion and Analysis (MD&A) is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position (its ability to address subsequent year's challenges), (d) identify material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Since the MD&A is designed to focus on the current fiscal year's activities, resulting changes and currently known facts, please read it in conjunction with the City's basic financial statements (beginning on page 4).

Financial Highlights

- The assets of the City exceeded its liabilities by $797.1 million (net position) for the fiscal year ended December 31, 2017.

- The City's total net position increased by $9.9 million. The governmental net position decreased by $700 thousand (or less than 1.00%) and the business-type net position increased by $10.6 million (or 2.40%).

- The City's governmental funds reported combined ending fund balances of $61.1 million. The General Fund accounted for $28.4 million or 46.51% of the total.

- The City issued $6.98 million in bonded debt during the current year and retired $15.23 million in bonded debt during the year.

Overview of the Financial Statements

This MD&A is intended to serve as an introduction to the basic financial statements. The City of Naperville's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements (see pages 4-6) are designed to provide readers with a broad overview of the City's finances, in a manner similar to private-sector business. The focus of the Statement of Net Position (the Unrestricted Net Position) is designed to be similar to bottom line results for the City and its governmental and business-type activities. This statement combines and consolidates governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting and economic resources measurement focus.

The Statement of Activities is focused on both the gross and net cost of various activities (including governmental and business-type), which are supported by the government's general taxes and other resources. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and /or subsidy to various business-type activities and/or the component unit.

The governmental activities reflect the City's basic services, including public safety, transportation, general government administration, physical environment, culture and recreation. Taxes on property, shared state sales, local utility and shared state income finance the majority of these services. The business-type activities reflect private sector-type operations (Electric, Water and Wastewater, and Burlington Commuter Parking), where the fee for service typically covers all or most of the cost of operation, including depreciation.

The government-wide financial statements include not only the City itself (known as the primary government), but also a legally separate unit, Naperville Public Library for which the City is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All 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 on balances of spendable resources available at the end of the fiscal year. Such information may be 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 21 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 Service Fund, which are considered to be major funds. Data from the other 19 governmental funds are combined into a single, aggregated presentation.

The City adopts an annual budget for its General Fund and most governmental funds. Budgetary comparison schedules have been disclosed to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 7-11 of this report.

Proprietary Funds. The City maintains two different types of proprietary 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 Electric Utility, Water and Wastewater Utility and Burlington Parking operations. 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 its self-insurance activities. Because these services predominantly benefit governmental functions, they have been allocated to the 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 Electric Utility, Water and Wastewater Utility and Burlington Commuter Parking operations. The Electric Utility Fund and the Water and Wastewater Utility both are considered to be major funds of the City.

The basic proprietary fund financial statements can be found on pages 12-16 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement 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 basic fiduciary fund financial statements can be found on pages 17-18 of this report.

Notes to the 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 the financial statements can be found on pages 19-70 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 budgetary comparison to actual for the General Fund, as well as the City's progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information can be found on pages 71-82 of this report.

Government-wide Financial Analysis

Statement of Net Position

The City's assets exceeded liabilities by $797 million for the fiscal year ended December 31, 2017. By far the largest portion of the City's net position ($828 million) reflects its investment in capital assets (e.g., land, infrastructures, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position ($18 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (deficit $49 million) may be used to meet the City's ongoing obligations to citizens and creditors.

The following table presents a condensed summary of Net Position as of December 31, 2017 and December 31, 2016:

	Net Position (in Millions)					
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and Other Assets	$ 113	106	55	43	168	149
Capital Assets	511	524	477	486	988	1,010
Total Assets	624	630	532	529	1,156	1,159
Deferred Outflows	18	29	5	6	23	35
Total Assets/Deferred Outflows	642	659	537	535	1,179	1,194
Long-Term Liabilities	196	231	47	63	243	294
Other Liabilities	32	32	29	30	61	62
Total Liabilities	228	263	76	93	304	356
Deferred Inflows	68	50	10	1	78	51
Total Liabilities/Deferred Inflows	296	313	86	94	382	407
Net Postion						
Net Investment in Capital Assets	412	425	416	422	828	847
Restricted	18	8	-	-	18	8
Unrestricted (Deficit)	(84)	(87)	35	19	(49)	(68)
Total Net Position	346	346	451	441	797	787

Normal Impacts

There are five basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation.

Net Results of Activities – which will impact (increase/decrease) current assets and unrestricted net position.

Borrowing for Capital – which will increase current assets and long-term debt.

Spending Borrowed Proceeds on New Capital – which will reduce current assets and increase capital assets. There is a second impact, an increase in invested in capital assets and an increase in related net debt which will not change net investment in capital assets.

Principal Payment on Debt –which will (a) reduce current assets and reduce long-term debt and (b) reduce unrestricted net position and increase net investment in capital assets.

Reduction of Capital Assets through Depreciation – which will reduce capital assets and net investment in capital assets.

Current Year Impacts

For the fiscal year ended December 31, 2017, the City reported positive balances in two of the three categories of net position for the governmental activities. For business-type activities, the City reported positive balances in all three categories of net position. The deficit net position for the governmental activities of $84 million for the fiscal year ended December 31, 2017 is the result of the net pension liabilities and related activity for the City's Illinois Municipal Retirement Fund, Police Pension Fund and Firefighters' Pension Fund.

During the current fiscal year, total unrestricted net position increased by $19 million. The governmental unrestricted net position increased by $3 million and the business-type unrestricted net position increased by $16 million.

The following table presents a condensed summary of Changes in Net Position as of December 31, 2017 and December 31, 2015:

	Change in Net Position (in Millions)					
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues						
Program Revenues						
Charges for Services	$ 26	24	213	208	239	232
Operating Grants/Contributions	2	7	-	-	2	7
Capital Grants/Contributions	4	4	6	5	10	9
General Revenues						
Property Taxes	34	33	-	-	34	33
Other Taxes	94	84	-	-	94	84
Other General Revenues	1	4	3	3	4	7
Total Revenues	161	156	222	216	383	372
Expenses						
General Government	15	15	-	-	15	15
Plysical Environment	11	10	-	-	11	10
Public Safety	75	78	-	-	75	78
Transportation	49	38	-	-	49	38
Culture and Recreation	8	7	-	-	8	7
Interest on Long-Term Debt	3	4	-	-	3	4
Electric	-	-	150	151	150	151
Water and Wastewater	-	-	61	57	61	57
Burlington Commuter Parking	-	-	1	2	1	2
Total Expenses	161	152	212	210	373	362
Change in Net Position Before Transfers	-	4	10	6	10	10
Transfers	-	-	-	-	-	-
Change in Net Position	-	4	10	6	10	10
Net Position	346	342	441	435	787	777
Net Position - Ending	346	346	451	441	797	787

Normal Impacts

Revenues

Economic Condition – which can reflect a declining, stable or growing economic environment and has a substantial impact on property, sales, income, utility tax revenues as well as public spending habits for building permits, elective user fees and volumes of consumption.

Increase/Decrease in the City Approved Rates – while certain tax rates are set by statute, the City has significant authority to impose and periodically increase/decrease rates (electric, water/wastewater, impact fees, building fees, ambulance fees, etc.)

Changing Patterns in Intergovernmental and Grant Revenue – (both recurring and non-recurring) – certain recurring revenue (state shared revenues, etc.) may experience significant changes periodically while non-recurring (or one-time) grants are less predictable and often distorting in their impact on year-to-year comparison.

Market Impact on Investment Income – the City's investment portfolio is managed utilizing investments of various maturities. Changes in market conditions will cause investment income to fluctuate due to the related appreciation or depreciation of these assets.

Expenses

Changes in Authorized Personnel – changes in service demand may cause the City to increase/decrease authorized staffing.

Salary Increase (annual adjustments and merit) – the ability to attract and retain human and intellectual resources requires the City to strive to approach a competitive salary range position in the marketplace.

Inflation – while overall inflation appears to be reasonably modest, the City is a major consumer of certain commodities such as supplies, fuels and parts. Some functions may experience unusual commodity-specific increases. (e.g., fuel prices)

Current Year Impacts

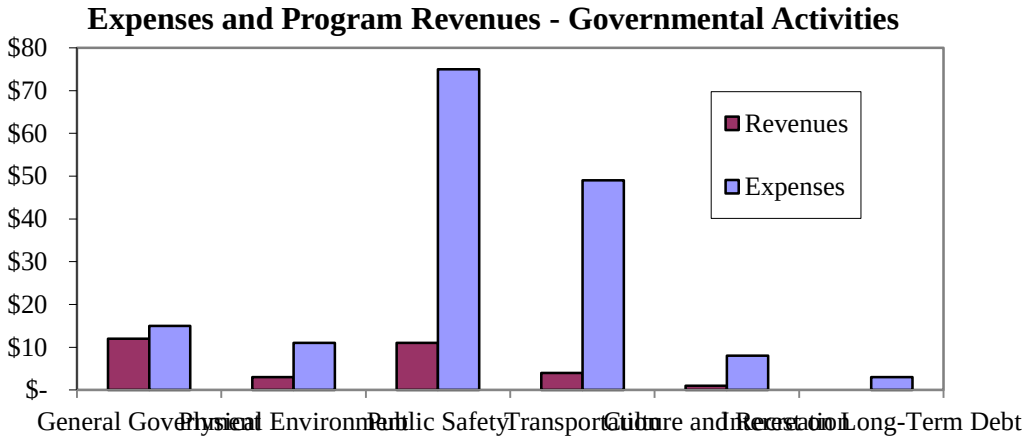
Governmental Activities. Governmental activities decreased the City's net position by $700 thousand.

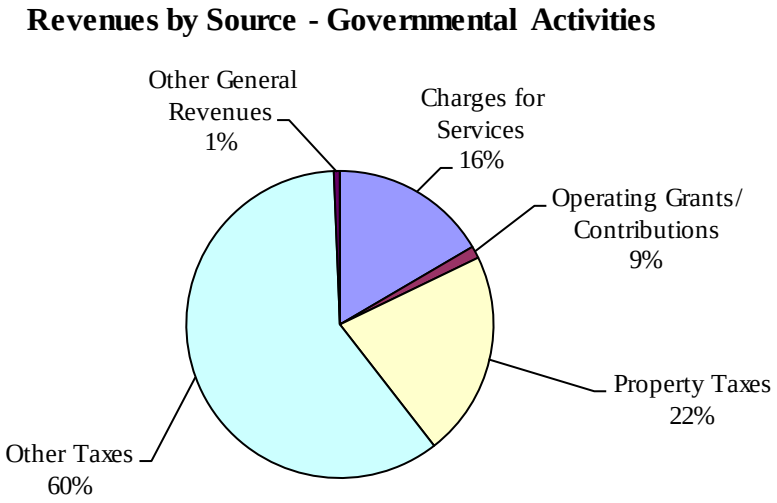
Revenue

Total revenues from governmental activities increased by $5 million from the prior year, which is due predominantly to the rebounding of certain state shared revenues, including sales tax and income tax. Also, the City reported a $2 million increase in charges for services.

Expenses

Total expenses increased by $9 million or 5.92% to $161 million, with the increase predominantly coming from the transportation function due to road maintenance projects that are not capitalized. The transportation function expenses increased $11 million, which was offset by a decrease in public safety expenses of $3 million.





Business-type activities. The net position for business-type activities increased by $10.6 million.

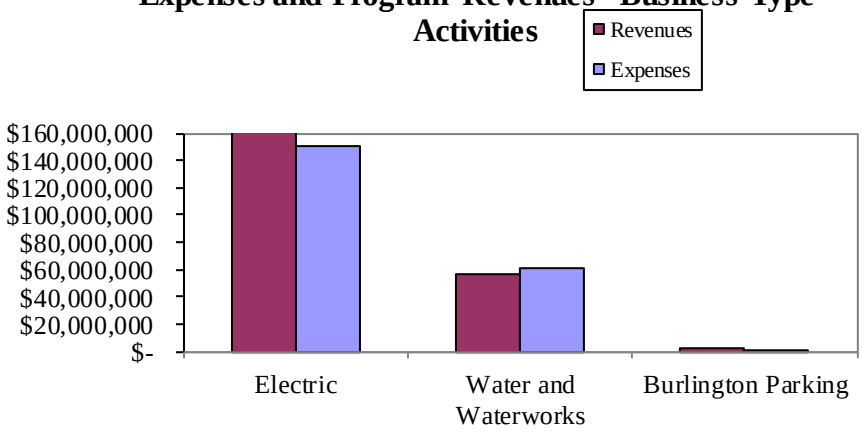
Revenue

Overall revenues from business type activities increased $6 million or 2.78% from the prior year with the majority of the increase coming from charges for services.

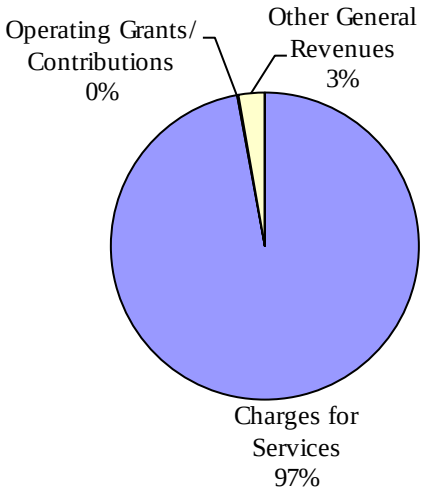
Expenses

Total expenses increased $2 million (or less than 1.00%). Electric and Burlington Commuter Parking both reported a $1 million decrease in expenses, while the water and wastewater function reported a $4 million increase in expenses

Expenses and Program Revenues - Business-Type Activities



Revenues by Source - Business-Type Activities



Financial Analysis of the City's Funds

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

Governmental Funds. The focus of the City's governmental funds, which includes the General Fund and 20 other funds, is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $61.1 million, an increase of $6.3 million in comparison with the prior fiscal year. Of the total fund balance amount, $27.9 million constitutes unassigned fund balance, the remainder of fund balance is for a variety of restricted, committed and assigned purposes and is not available for new spending.

The following schedule presents the governmental funds summary of revenues for the years ended December 31, 2017 and December 31, 2016:

	12/31/2017	Percent of Total	12/31/2016	Amount of Increase (Decrease)	Percent of Increase (Decrease)
	(Amounts Expressed in Thousands)				
Revenues					
Taxes	$ 64,990	40.54%	62,981	2,009	3.19%
Intergovernmental	64,462	40.21%	64,630	(168)	-0.26%
Charges for Services	21,290	13.28%	18,741	2,549	13.60%
Net Investment Income	338	0.21%	(125)	463	370.40%
Fees	3,423	2.14%	3,247	176	5.42%
Licenses and Permits	3,006	1.88%	2,686	320	11.91%
Fines and Forfeits	1,473	0.92%	1,658	(185)	-11.16%
Contributions and Miscellaneous	1,312	0.82%	1,011	301	29.77%
Total Revenues	160,294	100.00%	154,829	5,465	3.53%

The largest dollar value in revenues came from taxes. Taxes include such items as utility tax, property tax (including pensions), hotel/motel tax, real estate transfer tax and food and beverage tax. Naperville's economic recovery has been visible since FY 2012 in all areas of tax receipts. Investment income reported a very positive result for the year, increasing $463 thousand, also an indicator of the rebound in the markets.

The main components of intergovernmental revenues are retail sales tax and income tax, as well as governmental grants. The City strives to obtain grant funding for eligible capital projects.

Expenditures:	12/31/17	Percent of total	12/31/16	Amount of increase (decrease)	Percent of increase (decrease)
		(Amounts expressed in thousands)			
Current:					
Public safety	$ 73,845	45.77%	$ 72,028	$ 1,817	2.52%
Transportation/ Physical Environment	34,690	21.50%	36,384	(1,694)	-4.66%
Culture and recreation	7,302	4.53%	6,652	650	9.77%
General government	12,482	7.74%	12,091	391	3.23%
Debt service:					
Principal	10,654	6.60%	6,920	3,734	53.96%
Interest, fees and issuance costs	3,306	2.05%	3,811	(505)	-13.25%
Capital outlay	19,060	11.82%	21,896	(2,836)	-12.95%
Total for all functions	$ 161,339	100.01%	$ 159,782	$ 1,557	0.97%

Expenditures increased less than 1.00% from the prior fiscal year, due to overall cost controlling measures throughout the year.

The City Council is committed to maintaining the City's infrastructure. Major capital projects during the reporting period included: continued Water Street District development, storm sewer lining, roadway, and bridge and parking lot maintenance.

Proprietary Funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Electric Utility – The Electric Utility recorded a net income before capital fees of $9.2 million for the fiscal year ended December 31, 2017, compared to a $4.9 million net income for the prior year.

On April 1, 2014, City Council passed Ordinance 14-030 to increase electric rates by 6% to all customers on May 1, 2014 and 7% on May 1, 2015. The City conducted a rate study in early FY16 for the three-year period beginning January 1, 2016. City Council approved annual rate increases of 8.3%, 2.4%, 2.4% beginning in 2016, and each subsequent January 1st for two years.

Kilowatt hour sales decreased by 75 million (or 5.37%) from 2016 to 2017. Purchased power expense for the twelve months ended December 31, 2017 is 80.56% of operating expense and fluctuates based on heating degree days, cooling degree days, rate for purchased electricity, and demand charges.

Water/Wastewater Utility – The Water/Wastewater Utility recorded a net loss before capital fees of $5.8 million for the fiscal year ended December 31, 2017, which is the same net loss for the year ended December 31, 2016.

The City completed a Water and Wastewater rate study during 2011 and as a result, the water and wastewater rate increases were implemented in January 2012 and January 2013. City Council voted to hold rates steady for January 2014 and January 2015 except for the wholesale water charges passed on to customers. It is important to note that Water Utility planned for net losses in FY2014, FY2015, FY2016; and FY2017 due to front loading the rate increase.

Retail water rates, passed through from the DuPage Water Commission to the City's customers, decreased 1.9% on May 1, 2015 for both residential and commercial customers compared to the prior period. On May 1, 2015, the water charge to customers decreased to $3.63 per 100 CCF from $3.70 per CCF. Other water charges for services and wastewater charges for services remained flat compared to the prior period. Overall, the City experienced an increase in gallons sold compared to 2016. Total gallons sold within the City increased in each of the previous four years.

Purchased water expense for the fiscal year ended December 31, 2017 is 53.31% of operating expense and fluctuates based on rainfall and the wholesale water rate set by the Du Page Water Commission. The purchased water rate (per 1000 gallons) decreased May 2016 to $4.80 (from $4.85) and increased May 2017 to $4.88.

Capital Assets and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2017, amounts to $988 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, furniture and fixtures, infrastructure, and IMEA participation right and other intangible assets. The City's investment in capital assets remained virtually unchanged from the prior year due to current year additions being offset by depreciation expense for the year.

	Capital Assets - Net of Depreciation (in Millions)					
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land and land improvements	$ 187	187	18	14	205	201
Buliding and building improvements	93	96	5	4	98	100
Machinery and equipment	12	11	3	3	15	14
Infrastructure	201	215	415	437	616	652
IMEA participation right	-	-	13	10	13	10
Construction in progress	18	15	23	24	41	39
Total	511	524	477	492	988	1,016

Additional information on the City's capital assets can be found in Note 4 to the financial statements.

Debt Administration

For the fiscal year ended December 31, 2017, the City had a total of $146.3 million of outstanding debt. These issues were all general obligation bonds. The City maintained its AAA rating on general obligation bond issues from both Standard and Poor's Rating Group and Moody's Investors Service.

Data as of December 31, 2017, is as follows:

	Amount	Ratio of Bonded Debt to Assessed Valuation	Bonded Debt Per Capita
General Obligation Bonded Debt	$ 146,255,000	2.19%	$ 1,003

	Long-Term Debt Outstanding (in Thousands)					
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
General Obligation Bonds	$ 100,268	103,943	45,986	50,557	146,254	154,500

Additional information on the City's long-term obligations can be found in Note 6 to the financial statements.

The City implemented Statement No. 45 of the Governmental Accounting Standards Board (Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions) effective May 1, 2008. The total actuarial accrued liability is $10.6 million. In FY 2017 the City contributed $540,649 towards the liability. For additional information please refer to Note 10 in the notes to the financial statements.

Economic Factors and Next Year's Budget and Rates

- The following three financial principles guide the City's budgetary process and financial management: 1) The City will pass a structurally balanced operating budget annually; 2) The City commits to continuous improvement in the delivery of necessary and cost-effective services; and 3) The City will actively seek to increase its services to twenty-five percent and reduce its debt by twenty-five percent in the next eight years.

- For the month of December 2017, the unemployment rate for the City was 5.0%. This is in-line with the state unemployment rate of 4.9% and slightly above the national unemployment rate of 4.1%.

- The number of total building permits dropped to just under 4,000 in calendar 2009 due to the recession. However, building activity appears to be recovering. There were 8,637 permits issued in 2017, which is up by 757 permits compared to 2016's total of 7,880 permits.

- Retail sales tax revenues continue to perform at a consistent rate and totaled $36.9 million for the fiscal year.

- The City is continuing to see increased activity in the real estate market; the City saw a 3% increase in residential, commercial and land sales from 2016 to 2017, with approximately 3,254 total real estate sales.

- Public safety pensions continue to place a significant burden on the City's finances. In 2016, public safety pension contributions totaled $11.7 million, and $12.8 million in 2017. This is a 9.4% increase from 2016, and these figures are expected to increase on an annual basis.

- With the challenges at the state level, the City is closely monitoring state shared revenues including, Income Tax revenues and Motor Fuel Tax revenues to determine the impact changes in these revenue streams will have on municipalities.

- On May 1, 2017 the City increased the garbage fee to residents per the solid waste contract with Waste Management.

- In January 2016, the City implemented a Home Rule Sales Tax of .5% to offset debt and increase reserves. In the calendar year 2017, the City received $9.1 million.

- The City Council is committed to maintain a low property tax rate; the 2016 tax levy rate for the City is $0.7004, which is the lowest rate compared to neighboring communities and the lowest it's been in the last 10 years.

- Starting June 2011, the City began purchasing all of its wholesale power through 2035 from the Illinois Municipal Electric Agency. A membership in the IMEA allows the City to take advantage of the economies of scale provided by this large buying group and to stabilize electric rates to its residents and businesses for years to come.

- As part of the rate structure implemented in 2016, the Electric Utility included a rolling six-month purchased power adjustment (PPA) to better match the cost of purchased power with the rates charged to customers on a monthly basis. The result of the PPA was an additional $878,000 in revenue.

All of these factors were considered in preparing the City's budget and financial plans.

Requests for Information

This financial report is designed to provide a general overview of the City of Naperville's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, 400 South Eagle Street, Naperville, Illinois 60540.

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF NET POSITION

December 31, 2017

	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Naperville Public Library
ASSETS				
Cash and investments	$ 60,446,630	$ 24,074,649	$ 84,521,279	$ 1,041,168
Receivables (net of allowance for uncollectable)	37,881,476	28,733,267	66,614,743	14,585,572
Due from other governments	13,245,800	192,807	13,438,607	110,140
Internal balances	804,281	(804,281)	-	-
Inventories	1,346	3,715,021	3,716,367	-
Capital assets (net of accumulated depreciation)				
Capital assets not depreciated	200,818,627	39,804,613	240,623,240	-
Capital assets depreciated, net	311,280,068	423,790,174	735,070,242	11,688,528
IMEA participation right	-	12,698,683	12,698,683	-
Total assets	624,478,228	532,204,933	1,156,683,161	27,425,408
DEFERRED OUTFLOWS OF RESOURCES				
Deferred items - IMRF	5,659,472	3,956,442	9,615,914	1,688,549
Deferred items - Police Pension	3,326,442	-	3,326,442	-
Deferred items - Firefighters' Pension	5,829,316	-	5,829,316	-
Unamortized refunding loss	2,886,313	1,223,933	4,110,246	-
Total deferred outflows of resources	17,701,543	5,180,375	22,881,918	1,688,549
Total assets and deferred outflows of resources	642,179,771	537,385,308	1,179,565,079	29,113,957
LIABILITIES				
Accounts payable and other current liabilities	12,345,753	22,014,084	34,359,837	756,657
Accrued interest payable	260,797	143,772	404,569	-
Due to other governments	388,826	817,261	1,206,087	-
Due to fiduciary funds	1,139,514	-	1,139,514	-
Unearned revenue	3,145,124	10,626	3,155,750	-
Long-term liabilities				
Due within one year	14,861,776	6,108,427	20,970,203	407,674
Due in more than one year	196,242,314	46,530,511	242,772,825	1,190,819
Total liabilities	228,384,104	75,624,681	304,008,785	2,355,150
DEFERRED INFLOWS OF RESOURCES				
Deferred items - IMRF	14,825,596	10,364,324	25,189,920	4,423,337
Deferred items - Police Pension	12,429,899	-	12,429,899	-
Deferred items - Firefighters' Pension	8,811,622	-	8,811,622	-
Deferred property taxes revenues	32,060,967	-	32,060,967	14,583,000
Total deferred inflows of resources	68,128,084	10,364,324	78,492,408	19,006,337
Total liabilities and deferred inflows of resources	296,512,188	85,989,005	382,501,193	21,361,487
NET POSITION				
Net investment in capital assets	411,982,476	416,692,268	828,674,744	11,688,528
Restricted for				
Debt service	3,605,400	-	3,605,400	-
Highways, streets, and parking facilities	1,382,937	-	1,382,937	-
Public safety	2,097,161	-	2,097,161	-
Capital projects	8,521,562	-	8,521,562	-
Culture and recreation	1,693,651	-	1,693,651	10,554
Unrestricted	(83,615,604)	34,704,035	(48,911,569)	(3,946,612)
TOTAL NET POSITION	$ 345,667,583	$ 451,396,303	$ 797,063,886	$ 7,752,470

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2017

		Program Revenues		
FUNCTIONS/PROGRAMS	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**
PRIMARY GOVERNMENT				
Governmental Activities				
General government	$ 15,249,911	$ 12,252,250	$ -	$ -
Physical environment	10,376,296	2,401,432	968,176	-
Public safety	74,934,312	10,448,215	898,954	-
Culture and recreation	8,366,361	537,984	-	-
Transportation	48,964,200	128,664	361,034	3,679,434
Interest on long-term debt	3,122,449	-	-	-
Total governmental activities	161,013,529	25,768,545	2,228,164	3,679,434
Business-Type Activities				
Electric	150,148,371	157,317,048	-	4,070,120
Water and wastewater	60,591,482	53,627,047	306,676	1,978,404
Burlington commuter parking	1,423,228	2,527,694	-	-
Total business-type activities	212,163,081	213,471,789	306,676	6,048,524
TOTAL PRIMARY GOVERNMENT	$ 373,176,610	$ 239,240,334	$ 2,534,840	$ 9,727,958
COMPONENT UNIT				
Naperville Public Library	$ 16,112,801	$ 435,931	$ 140,316	$ -

	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Naperville Public Library
	$ (2,997,661)	$ -	$ (2,997,661)	$ -
	(7,006,688)	-	(7,006,688)	-
	(63,587,143)	-	(63,587,143)	-
	(7,828,377)	-	(7,828,377)	-
	(44,795,068)	-	(44,795,068)	-
	(3,122,449)	-	(3,122,449)	-
	(129,337,386)	-	(129,337,386)	-
	-	11,238,797	11,238,797	-
	-	(4,679,355)	(4,679,355)	-
	-	1,104,466	1,104,466	-
	-	7,663,908	7,663,908	-
	(129,337,386)	7,663,908	(121,673,478)	
	-	-	-	(15,536,554)
General Revenues				
Property taxes	34,129,103	-	34,129,103	14,081,203
Utility taxes	15,398,673	-	15,398,673	-
Other taxes	15,461,701	-	15,461,701	135,171
Franchise fees	3,423,069	-	3,423,069	-
Intergovernmental - unrestricted				
Sales taxes	46,081,944	-	46,081,944	-
Income taxes	13,029,080	-	13,029,080	-
Net investment income	355,195	579,788	934,983	(32,322)
Miscellaneous	756,345	2,350,631	3,106,976	115,182
Total	128,635,110	2,930,419	131,565,529	14,299,234
CHANGE IN NET POSITION	(702,276)	10,594,327	9,892,051	(1,237,320)
NET POSITION, JANUARY 1	346,369,859	440,801,976	787,171,835	8,847,255
Prior period adjustment	-	-	-	142,535
NET POSITION, JANUARY 1, RESTATED	346,369,859	440,801,976	787,171,835	8,989,790
NET POSITION, DECEMBER 31	$ 345,667,583	$ 451,396,303	$ 797,063,886	$ 7,752,470

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

BALANCE SHEET
GOVERNMENTAL FUNDS

December 31, 2017

	General Fund	Debt Service Fund	Nonmajor	Total
ASSETS				
Cash and investments	$ 23,356,403	$ 1,061,740	$ 33,213,929	$ 57,632,072
Receivables				
Property taxes	18,823,569	8,710,670	4,526,728	32,060,967
Accrued interest	51,354	(80,684)	77,938	48,608
Accounts receivable	4,208,353	-	952,604	5,160,957
Customers				
Unbilled, estimated	698,404	-	-	698,404
Less allowance for doubtful accounts	(127,412)	-	-	(127,412)
Loans and installments	6,729	-	30,393	37,122
Due from other funds	869,983	-	-	869,983
Advances to other funds	521,153	-	-	521,153
Due from other governments	9,782,241	2,169,819	1,293,740	13,245,800
Inventory	1,346	-	-	1,346
TOTAL ASSETS	$ 58,192,123	$ 11,861,545	$ 40,095,332	$ 110,149,000

(This statement is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS

December 31, 2017

	General Fund	Debt Service Fund	Nonmajor	Total
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 4,114,681	$ -	$ 1,816,236	$ 5,930,917
Accrued wages and benefits	3,131,285	-	154,635	3,285,920
Due to other governmental agencies	265,137	-	123,689	388,826
Due to fiduciary funds	1,011,094	-	128,420	1,139,514
Due to other funds	-	-	65,702	65,702
Advances from other funds	-	-	521,153	521,153
Deposits	2,321,277	-	-	2,321,277
Contract retainage payable	-	-	200,300	200,300
Unearned grant revenues and others	112,000	-	3,033,124	3,145,124
Total liabilities	10,955,474	-	6,043,259	16,998,733
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	18,823,569	8,710,670	4,526,728	32,060,967
Total deferred inflows of resources	18,823,569	8,710,670	4,526,728	32,060,967
Total liabilities and deferred inflows of resources	29,779,043	8,710,670	10,569,987	49,059,700
FUND BALANCES				
Nonspendable				
Inventory	1,346	-	-	1,346
Loans	6,729	-	-	6,729
Advances	521,153	-	-	521,153
Restricted for				
Debt service	-	-	3,866,197	3,866,197
Highways, streets, and parking facilities	-	-	1,382,937	1,382,937
Public safety	-	-	2,097,161	2,097,161
Capital projects	-	-	10,866,557	10,866,557
Culture and recreation	-	-	1,693,651	1,693,651
Committed to				
Highways, streets, and parking facilities	-	-	858,121	858,121
Assigned to				
Debt service	-	3,150,875	-	3,150,875
Capital projects	-	-	9,303,837	9,303,837
Unassigned	27,883,852	-	(543,116)	27,340,736
Total fund balances	28,413,080	3,150,875	29,525,345	61,089,300
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 58,192,123	$ 11,861,545	$ 40,095,332	$ 110,149,000

See accompanying notes to financial statements.

CITY OF NAPERVILLE, 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		$ 61,089,300
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 funds. (See Note 4)		512,098,695
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.		
Deferred items - IMRF	$ (9,166,124)	
Deferred items - Police Pension	(9,103,457)	
Deferred items - Firefighters' Pension	(2,982,306)	
		(21,251,887)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities - both current and long-term are reported in the statement of net position.		
Accrued interest payable		(260,797)
Deferred loss on refunding		2,886,313
Net pension liability		
IMRF	(3,398,821)	
Police Pension	(41,533,464)	
Firefighters' Pension	(48,141,991)	
Compensated absences	(8,325,914)	
Net other postemployment benefit obligation	(2,405,340)	
General obligation debt	(105,347,527)	
Total long-term liabilities (See Note 6)		(209,153,057)
Internal service funds are used by management to charge the costs of self-insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		259,016
NET POSITION OF GOVERNMENTAL ACTIVITIES		$ 345,667,583

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2017

	General Fund	Debt Service Fund	Nonmajor	Total
REVENUES				
Property taxes	$ 20,890,668	$ 8,620,843	$ 4,617,592	$ 34,129,103
Utility tax	15,398,673	-	-	15,398,673
Other taxes	7,468,764	-	7,992,937	15,461,701
Licenses and permits	2,943,444	-	62,412	3,005,856
Fines and forfeits	1,419,028	-	53,545	1,472,573
Net investment income	134,196	(132,755)	336,917	338,358
Contributions	-	-	556,488	556,488
Intergovernmental	50,461,179	4,247,489	9,753,466	64,462,134
Charges for services	18,650,839	-	2,639,277	21,290,116
Fees	3,423,069	-	-	3,423,069
Miscellaneous revenues	424,525	-	331,820	756,345
Total revenues	121,214,385	12,735,577	26,344,454	160,294,416
EXPENDITURES				
Current				
General government	12,475,389	-	6,616	12,482,005
Physical environment	7,849,786	-	397,352	8,247,138
Public safety	71,651,890	-	2,193,422	73,845,312
Culture and recreation	65,097	-	7,236,684	7,301,781
Transportation	23,842,074	-	2,601,109	26,443,183
Capital outlay	-	-	19,059,612	19,059,612
Debt service				
Principal	-	10,155,746	498,338	10,654,084
Interest and fees	-	3,199,330	106,645	3,305,975
Total expenditures	115,884,236	13,355,076	32,099,778	161,339,090
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	5,330,149	(619,499)	(5,755,324)	(1,044,674)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	783,664	3,810,100	4,593,764
Transfers (out)	(3,775,000)	-	(818,764)	(4,593,764)
Sale of property	-	-	221,162	221,162
New bonds issued, at par	-	-	6,980,000	6,980,000
Premium on new bonds issued	-	-	179,109	179,109
Total other financing sources (uses)	(3,775,000)	783,664	10,371,607	7,380,271
NET CHANGE IN FUND BALANCES	1,555,149	164,165	4,616,283	6,335,597
FUND BALANCES, JANUARY 1	26,857,931	2,986,710	24,909,062	54,753,703
FUND BALANCES, DECEMBER 31	$ 28,413,080	$ 3,150,875	$ 29,525,345	$ 61,089,300

See accompanying notes to financial statements.

CITY OF NAPERVILLE, 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		$ 6,335,597
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlays	$ 9,731,131	
Disposals	-	
Depreciation (See Note 4)	(21,291,585)	
		(11,560,454)
Deferred outflows (inflows) of resources related to the pensions not reported in the funds.		
Change in deferred items - IMRF	(13,993,817)	
Change in deferred items - Police Pension	(6,389,359)	
Change in deferred items - Firefighters' Pension	(10,409,154)	
		(30,792,330)
The issuance of long-term debt (e.g., bond, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal repayments - G.O. bonds, SSA bonds, and notes payable	10,654,084	
New bond proceeds, principal	(6,980,000)	
Change in unamortized premium	243,022	
Change in loss on refunding	(249,181)	
		3,667,925
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Decrease in net pension liability		
IMRF	13,429,805	
Police Pension	8,531,728	
Firefighters' Pension	9,168,195	
Decrease in accrued interest payable	10,576	
Decrease in compensated absences (See Note 6)	603,978	
Increase in other post employment benefit obligation (See Note 6)	(323,605)	
		31,420,677
Internal service funds are used by management to charge the costs of information technology, fleet services, vehicle replacement and self-insurance to individual funds. The net revenue of certain activities of internal service funds are reported with governmental activities.		226,309
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		$ (702,276)

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

December 31, 2017

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service
	Electric Utility Fund	Water and Wastewater Utility Fund	Other Enterprise Fund	Total	Self-Insurance Fund
CURRENT ASSETS					
Cash and investments	$ 16,898,469	$ 3,460,160	$ 3,716,020	$ 24,074,649	$ 2,814,558
Receivables					
Accrued interest	41,003	8,481	8,803	58,287	5,552
Customers					
Billed	8,251,566	3,212,664	28,273	11,492,503	(2,722)
Unbilled, estimated	12,108,040	3,580,000	-	15,688,040	-
Less allowance for doubtful accounts	(323,830)	(84,275)	(5,706)	(413,811)	-
Installments receivable	1,536,128	-	-	1,536,128	-
Due from other governments	-	192,807	-	192,807	-
Other receivables	263,481	108,639	-	372,120	-
Inventory	2,685,969	1,029,052	-	3,715,021	-
Total current assets	41,460,826	11,507,528	3,747,390	56,715,744	2,817,388
NONCURRENT ASSETS					
Advances to other fund	-	8,301,140	-	8,301,140	-
Capital assets (net of accumulated depreciation)					
Capital assets not depreciated	10,696,478	18,182,304	10,925,831	39,804,613	-
Capital assets depreciated, net	215,638,410	206,261,147	1,890,617	423,790,174	-
Net capital assets	226,334,888	224,443,451	12,816,448	463,594,787	-
Intangible assets (net of accumulated depreciation)					
IMEA participation right	12,698,683	-	-	12,698,683	-
Total assets	280,494,397	244,252,119	16,563,838	541,310,354	2,817,388
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Items - IMRF	2,290,249	1,666,193	-	3,956,442	-
Unamortized refunding loss	826,358	397,575	-	1,223,933	-
Total deferred outflows of resources	3,116,607	2,063,768	-	5,180,375	-
Total assets and deferred outflows of resources	283,611,004	246,315,887	16,563,838	546,490,729	2,817,388

(This statement is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF NET POSITION (Continued)
PROPRIETARY FUNDS

December 31, 2017

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service
	Electric Utility Fund	Water and Wastewater Utility Fund	Other Enterprise Fund	Total	Self-Insurance Fund
CURRENT LIABILITIES					
Accounts payable	$ 10,506,978	$ 4,183,776	$ 107,641	$ 14,798,395	$ 600,850
Accrued wages and benefits payable	600,410	426,627	20,798	1,047,835	6,489
Accrued interest payable	65,867	77,905	-	143,772	-
Compensated absences - current portion	629,591	416,688	-	1,046,279	-
Deposits	6,002,551	143,863	440	6,146,854	-
Contract retainage payable	-	21,000	-	21,000	-
Claims and judgments	-	-	-	-	338,064
Due to other government	817,261	-	-	817,261	-
Due to other funds	-	804,281	-	804,281	-
Unearned revenue	-	-	10,626	10,626	-
General obligation bonds payable - current portion	3,121,250	1,940,898	-	5,062,148	-
Total current liabilities	21,743,908	8,015,038	139,505	29,898,451	945,403
NONCURRENT LIABILITIES					
Advances from other fund	8,301,140	-	-	8,301,140	-
General obligation bonds payable	21,642,606	21,421,698	-	43,064,304	-
Net pension liability - IMRF	1,375,419	1,000,640	-	2,376,059	-
Compensated absences	643,572	216,718	-	860,290	-
Claims and judgments	-	-	-	-	1,612,969
Other postemployment benefits obligation	121,405	108,453	-	229,858	-
Total noncurrent liabilities	32,084,142	22,747,509	-	54,831,651	1,612,969
Total liabilities	53,828,050	30,762,547	139,505	84,730,102	2,558,372
DEFERRED INFLOWS OF RESOURCES					
Deferred items - IMRF	5,999,553	4,364,771	-	10,364,324	-
Total deferred inflows of resources	5,999,553	4,364,771	-	10,364,324	-
Total liabilities and deferred inflows of resources	59,827,603	35,127,318	139,505	95,094,426	2,558,372
NET POSITION					
Net investment in capital assets	202,397,390	201,478,430	12,816,448	416,692,268	-
Unrestricted	21,386,011	9,710,139	3,607,885	34,704,035	259,016
TOTAL NET POSITION	$ 223,783,401	$ 211,188,569	$ 16,424,333	$ 451,396,303	$ 259,016

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS

For the Year Ended December 31, 2017

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service
	Electric Utility Fund	Water and Wastewater Utility Fund	Other Enterprise Fund	Total	Self-Insurance Fund
OPERATING REVENUES					
Charges for services	$ 157,317,048	$ 53,627,047	$ 2,526,596	$ 213,470,691	$ 19,132,715
Miscellaneous	1,816,816	533,815	-	2,350,631	-
Total operating revenues	159,133,864	54,160,862	2,526,596	215,821,322	19,132,715
OPERATING EXPENSES					
Purchased power	109,005,955	-	-	109,005,955	-
Purchased water	-	26,444,100	-	26,444,100	-
Operations	5,813,862	12,334,413	1,214,742	19,363,017	-
Distribution	6,567,000	3,815,778	-	10,382,778	-
Other operating expenses	13,418,665	7,007,596	-	20,426,261	18,923,243
Total operating expenses	134,805,482	49,601,887	1,214,742	185,622,111	18,923,243
OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION	24,328,382	4,558,975	1,311,854	30,199,211	209,472
Depreciation and amortization	(14,253,884)	(10,019,415)	(208,486)	(24,481,785)	-
OPERATING INCOME (LOSS)	10,074,498	(5,460,440)	1,103,368	5,717,426	209,472
NON-OPERATING REVENUES (EXPENSES)					
Net investment income	166,432	359,345	54,011	579,788	16,837
Operating grant/intergovernmental	-	306,676	-	306,676	-
Gain on disposal of capital assets	-	-	1,098	1,098	-
Interest expense	(1,089,005)	(970,180)	-	(2,059,185)	-
Total non-operating revenues (expenses)	(922,573)	(304,159)	55,109	(1,171,623)	16,837
NET INCOME (LOSS) BEFORE CAPITAL FEES	9,151,925	(5,764,599)	1,158,477	4,545,803	226,309
CAPITAL FEES	4,070,120	1,978,404	-	6,048,524	-
CHANGE IN NET POSITION	13,222,045	(3,786,195)	1,158,477	10,594,327	226,309
NET POSITION, JANUARY 1	210,561,356	214,974,764	15,265,856	440,801,976	32,707
NET POSITION, DECEMBER 31	$ 223,783,401	$ 211,188,569	$ 16,424,333	$ 451,396,303	$ 259,016

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended December 31, 2017

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service
	Electric Utility Fund	Water and Wastewater Utility Fund	Other Enterprise Fund	Total	Self-Insurance Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers and users	$ 160,738,743	$ 55,261,265	$ 2,504,029	$ 218,504,037	$ -
Receipts from interfund services provided	-	-	-	-	19,936,406
Payments to suppliers	(121,249,637)	(39,418,474)	(774,342)	(161,442,453)	(18,833,242)
Payments to employees	(15,172,183)	(11,113,545)	(546,713)	(26,832,441)	(188,469)
Net cash from operating activities	24,316,923	4,729,246	1,182,974	30,229,143	914,695
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Operating grant	-	435,637	-	435,637	-
Advances to other fund	(2,570,490)	-	-	(2,570,490)	-
Advances from other fund	-	2,570,490	-	2,570,490	-
Due to General Fund	(5,710,794)	-	-	(5,710,794)	-
Net cash from noncapital financing activities	(8,281,284)	3,006,127	-	(5,275,157)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Purchases of capital assets	(7,729,630)	(3,516,004)	(4,056,368)	(15,302,002)	-
Proceeds from sale of capital assets	-	-	1,098	1,098	-
Payments of bond principal	(2,702,519)	(1,868,398)	-	(4,570,917)	-
Payment of bond interest	(1,195,530)	(983,970)	-	(2,179,500)	-
Net cash from capital and related financing activities	(11,627,679)	(6,368,372)	(4,055,270)	(22,051,321)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Net interest received	152,459	355,174	59,041	566,674	16,170
Net cash from investing activities	152,459	355,174	59,041	566,674	16,170
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,560,419	1,722,175	(2,813,255)	3,469,339	930,865
CASH AND CASH EQUIVALENTS, JANUARY 1	12,338,050	1,737,985	6,529,275	20,605,310	1,883,693
CASH AND CASH EQUIVALENTS, DECEMBER 31	$ 16,898,469	$ 3,460,160	$ 3,716,020	$ 24,074,649	$ 2,814,558

(This statement is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF CASH FLOWS (Continued)
PROPRIETARY FUNDS

For the Year Ended December 31, 2017

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service
	Electric Utility Fund	Water and Wastewater Utility Fund	Other Enterprise Fund	Total	Self-Insurance Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES					
Operating income (loss)	$ 10,074,498	$ (5,460,440)	$ 1,103,368	$ 5,717,426	$ 209,472
Adjustments to reconcile operating income (loss) to net cash from operating activities					
Other non-operating revenues	4,070,120	1,978,404	-	6,048,524	-
Depreciation and amortization expense	14,253,884	10,019,415	208,486	24,481,785	-
(Increase) decrease in current assets	(2,465,676)	(879,797)	(22,567)	(3,368,040)	803,691
Increase (decrease) in current liabilities	(1,615,903)	(928,336)	(106,313)	(2,650,552)	(98,468)
Total adjustments	14,242,425	10,189,686	79,606	24,511,717	705,223
NET CASH FROM OPERATING ACTIVITIES	$ 24,316,923	$ 4,729,246	$ 1,182,974	$ 30,229,143	$ 914,695

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS

December 31, 2017

ASSETS	
Cash and short-term investments	$ 6,409,539
Receivables	
Interest receivable	1,109,897
Total receivables	1,109,897
Investments at fair value	
U.S. Treasury obligations	42,965,017
U.S. Government agencies	21,665,398
Municipal bonds	549,616
Corporate bonds	40,679,805
Annuities	28,610,063
Common stock	40,735,393
Mutual funds	155,321,470
Asset-backed securities	8,720,752
Negotiable certificates of deposit	527,817
Total investments	339,775,331
Due from municipality	1,139,514
Prepaid items	12,965
Total assets	348,447,246
LIABILITIES	
Accounts payable	66,410
NET POSITION RESTRICTED FOR PENSIONS	$ 348,380,836

See accompanying notes to financial statements.

CITY OF NAPERVILLE, ILLINOIS

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS

For the Year Ended December 31, 2017

ADDITIONS	
Contributions	
Employer	$ 14,016,007
Employee	3,625,714
Total contributions	17,641,721
Investment income	
Net appreciation in fair value of investments	31,964,289
Interest and dividends	9,128,015
Total investment income	41,092,304
Less investment expense	622,234
Net investment income	40,470,070
Total additions	58,111,791
DEDUCTIONS	
Benefits	14,312,249
Refunds of contributions	41,281
Administrative expense	192,931
Total deductions	14,546,461
NET INCREASE	43,565,330
NET POSITION RESTRICTED FOR PENSIONS	
January 1	304,815,506
December 31	$ 348,380,836

See accompanying notes to financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Naperville, Illinois (the City) was incorporated in 1857. The City is a home-rule community operating under a council-manager form of government. The City Council is comprised of the Mayor and eight council members. The City provides services to the community which includes: police, fire, electric utility, water and wastewater utility, community development, street maintenance, refuse and recycling, transportation planning, and general services. The following significant accounting policies apply to the City and its component unit, the Naperville Public Library.

a. Reporting Entity

The City follows accounting principles generally accepted in the United States of America established by the Governmental Accounting Standards Board. The financial reporting entity consists of the primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

1. Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or

2. Fiscal dependency on the primary government and there is a potential to provide specific financial benefits or to impose specific financial burdens.

The accompanying financial statements present the City of Naperville, Illinois (the primary government) and its component units. The financial data of the component unit is included in the City's reporting entity because of the significance of its operational or financial relationship with the City.

Blended Component Unit

A blended component unit is a legally separate entity from the City, but is so intertwined with the City that it is, in substance, the same as the City. The City of Naperville has no blended component units.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

a. Reporting Entity (Continued)

Discretely Presented Component Unit

A discretely presented component unit is an entity that is legally separate from the City, but for which the City is financially accountable, or whose relationship with the City is such that exclusion would cause the City's basic financial statements to be misleading or incomplete. The City's discretely presented component unit is reported in a separate column to emphasize that it is legally separate from the City.

Naperville Public Library (the Library) - The Library is governed by a nine-member Board of Trustees appointed by the City's Mayor. The Library is financially accountable to the City as the City's approval is needed for the levy of property taxes for Library operations and to issue bonded debt on behalf of the Library. Separately audited financial statements of the Library are not available.

b. Basis of Presentation

Government-Wide Financial Statements - The government-wide statement of net position and statement of activities report the overall financial activity of the City and its component units, excluding fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities of the City. Interfund services provided and used are not eliminated on these statements. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties. Additionally, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) fines, fees, and 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 contributions that are restricted to meeting the operational or capital requirement of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation (Continued)

Fund Financial Statements - The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category-governmental, proprietary, and fiduciary-are presented. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. Operating expenses include all expenses directly related to providing enterprise fund services. Incidental expenses are reported as non-operating expenses.

The City reports the following major governmental funds:

General Fund - This fund is the general operating fund of the City. The general fund should be used to account for and report all financial resources not accounted for and reported in another fund.

Debt Service Fund - This fund is funded by a property tax restricted to the payment of principal and interest on general obligation bonds in accordance with the bond ordinance authorizing the issuance of the bonds.

The City reports the following major proprietary funds:

Electric Utility Fund - This fund accounts for the City's electric transmission and distribution operations.

Water and Wastewater Utility Fund - This fund accounts for the City's water and sewerage operations. The City operates the sewerage treatment plant, sewerage pumping stations, and collection systems and the water distribution system.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

b. Basis of Presentation (Continued)

Additionally, the City reports the following fund types:

Internal Service Fund - This fund account for self-insurance services that are provided to other departments of the City on a cost-reimbursement basis.

Pension Trust Funds - These funds account for the accumulation of retirement and disability benefits for police and firefighters' pension plans.

c. Measurement Focus and Basis of Accounting

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Non-exchange transactions, in which the City receives value without directly giving equal value in exchange, include property tax revenue, grants, and other contributions. On an accrual basis, revenues from property taxes are recognized in the period for which the levy is intended to finance, which is the year after the taxes are levied. For example, the 2016 levy is recognized as revenue for the fiscal year ended December 31, 2017. Revenue from grants and other contributions are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been met. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

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. For this purpose, the City considers revenues, except for property taxes and income tax, to be available if they are collected within 90 days of the end of the current fiscal period. Revenues for property taxes are considered to be available if they are collected within 60 days of the end of the current fiscal year for the year intended to finance. Revenues for the income tax are considered to be available if they are collected within 90 days at the end of the current fiscal year unless they are further delayed by the State. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However,

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c. Measurement Focus and Basis of Accounting (Continued)

principal and interest on general long-term debt, claims and judgments are recorded only when payment is due. Compensated absences are recorded only when retirement or separation has occurred. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales tax, utilities taxes, motor fuel taxes, hotel/motel tax, food and beverage tax, E-911 surcharge, franchise taxes, ambulance fee, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports unavailable/unearned and deferred revenue on its financial statements. Unavailable/unearned and deferred revenues arise when a potential revenue does not meet both the measurable and available or earned criteria for recognition in the current period. Unavailable/unearned and deferred revenues also arise when the 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 liability or deferred inflow is removed from the financial statements and revenue is recognized.

d. Cash and Cash Equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

e. Investments

State statutes and the City's investment policy authorize the City to invest in obligations of the U.S. Treasury, agencies, and instrumentalities; state and local obligations; commercial paper rated AAA 1, 2, or 3; repurchase agreements; non-negotiable certificates of deposits; money market accounts; and pooled investment funds. The pension trust funds investment policies also allow them to hold deposits in any bank insured by the FDIC and to invest in common and preferred stocks, corporate bonds, convertible debt securities, mutual funds, insured separate accounts, and direct obligations of the U.S. Government including GNMA securities.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e. Investments (Continued)

The City's and pension trust fund investment policies also require collateral for all deposits unless FDIC coverage is available. The collateral must have a market value of not less than 100% of all deposits. Bank of America holds the collaterals in the names of the City of Naperville, the Naperville Police Pension Fund and the Firefighters' Pension Fund.

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

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the state to pool their funds for investment purposes. Investments in Illinois Funds are valued at Illinois Funds' share price, the price for which the investment could be sold.

Illinois Metropolitan Investment Fund (IMET) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from the participating members. Investments in IMET are valued at IMET's share price, the price for which the investment could be sold

f. Unbilled Receivables

Estimated sales for electric, water, and wastewater usage prior to December 31, 2017, which are unbilled at year end, are recognized as current year revenue and are included in unbilled receivables.

g. Interfund Transactions

The City has the following types of interfund transactions:

Loans - amounts provided with a requirement for repayment. If repayment is expected within one year, interfund loans are reported as interfund receivables (i.e., due from other funds) in lender funds and interfund payables (i.e., due to other funds) in borrower funds. If repayment is expected in more than one year, the amounts are reported as advances.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

g. Interfund Transactions (Continued)

Services Provided and Used - sales and purchases of goods and services between funds for a price approximating their external exchange value. Interfund services provided and used are reported as revenues in seller funds and expenditures or expenses in purchaser funds. Unpaid amounts are reported as interfund receivables and payables in the fund balance sheets or fund statements of net position.

Reimbursements - repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers - flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. In proprietary funds, transfers are reported after nonoperating revenues and expenses.

h. Inventory and Prepaid Items

Inventory, such as spare parts for electric, waterlines, and vehicles, is accounted for using the consumption method and is valued using a weighted average cost. Inventory reported in the governmental funds is not available for appropriation and therefore results in nonspendable fund balance.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method in both government-wide and fund financial statements.

i. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, traffic controls, drainage systems, and similar items), and IMEA participation right and other intangible assets, 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 initial, individual cost of more than $5,000 for buildings, building improvements, and equipment, and $25,000 for infrastructure with an estimated useful life in excess of two years. The capitalization threshold for the Library assets is $1,000 except for the IT related items which threshold is under $1,000. Purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their acquisition value on the date received.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Capital Assets (Continued)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized, whereas improvements extending the useful lives of the related capital assets are capitalized.

Capital assets of the City and its component unit (Naperville Public Library) are depreciated using the straight-line method over the following useful lives:

	Years
Building and building improvements	20-40
Equipment	3-12
Infrastructure	25-50
IMEA participation right	25

j. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated vacation and sick leave balances. Using the termination method, the City accrues the earned benefits to the extent it is probable that the benefits will result in termination cash payments. The general fund typically has been used to liquidate the governmental activities compensated absences.

Employees hired prior to June 9, 2001, are eligible to be covered under a traditional vacation and sick leave benefit plan. Vacation leave is tied to years of service, with a minimum of two weeks and a maximum of five weeks. Sick leave benefit days vary from 12 days per year for members of the Fraternal Order of Police Union to 15 days for all other union and non-union employees, except for sworn firefighters working 24-hour shifts. Firefighters earn seven shift days per year each January 1.

Employees hired between June 9, 2001 and July 1, 2011, and existing employees who made a one-time election to switch to a paid time off (PTO) program prior to June 9, 2001 are covered by a combination of PTO and sick leave benefits. PTO days are based upon years of service, with a minimum of 15 PTO days per year, while the amount of sick leave is fixed at ten days per year. Certain unions elected into the PTO plan, while others made it optional for employees hired after June 9, 2001. All sworn firefighters working shifts are not eligible to participate in the PTO plan. Under both plans, the maximum accrual of vacation or PTO is equal to 160% of annual accrued leave.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Compensated Absences (Continued)

Sick leave benefits can accumulate on an unlimited basis for employees in the traditional plan, but are limited to 120 days for those in the PTO plan. Upon retirement, the City cashes out up to 90 days of sick leave for employees as a retirement bonus. Members of the Fraternal Order of Police upon retirement can cash out up to 120 days. For sworn firefighters on shifts, they can cash out up to 42 shift days as a retirement bonus. Library employees may not accumulate sick time beyond one year.

Employees hired after July 1, 2011 are on a PTO plan that eliminates the distinction between vacation and sick leave. The PTO plan eliminates all future sick leave payouts. The plan provides fifteen (15) days of PTO accrued annually, and includes all time off with the exception of recognized holidays and funeral leave.

k. Deposits

The City receives deposits from contractors performing work in the City. These deposits are recorded within the General Fund.

l. Bond Premiums, Discounts, and Issuance Costs

In the government-wide and proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

m. Fund Balance/Net Position

Governmental funds equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance is reported 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. Committed

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Fund Balance/Net Position (Continued)

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 finance director through the approved fund balance policy of the City. Any residual fund balance of the General Fund and any deficits in other funds, if any, are reported as unassigned.

The City's flow of funds assumption prescribes 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 and then unassigned funds.

The City has a policy to maintain fund balance in the General Fund equal to 20% for the subsequent year's appropriations, net of interfund transfers as of December 31 each year. As noted in GASB S-54, fund balance policies in the General Fund are reported as unassigned but disclosed in the notes.

In the government-wide and proprietary fund financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net investment in capital assets, represents the City's investment in the book value of capital assets, less any outstanding debt that was issued to construct or acquire the capital asset. Unrestricted net position consists of net position that does not meet the definition of restricted or invested in capital assets, net of related debt. None of the restricted net position or restricted fund balance results from enabling legislation adopted by the City except for the fund balance of $8,944 in the Fair Share Assessment Fund and the fund balance of $584,971 in the Food and Beverage Tax Fund.

n. Property Taxes

Property taxes are levied each year on all taxable real property located in the City. The City must file its tax levy ordinance by the last Tuesday of December of each year. The owner of real property on January 1 (lien date) in any year is liable for taxes of that year. Property taxes are collected by the DuPage and Will County Collectors/Treasurers who remit to the City its share of the collection. Taxes levied for calendar year 2016 were due, payable, and collected in two installments in June and September 2017.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

n. Property Taxes (Continued)

Revenue for property taxes is recognized in the governmental funds in the year for which the taxes are intended to finance and the funds are available. Accordingly, the City recognized revenue during the fiscal year ended December 31, 2017 for collections from the calendar year 2016 levy if it was received by year end. Property taxes levied for calendar year 2017, which will be collected in fiscal year 2018 are recorded as receivables and unavailable revenue.

o. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net 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/expenditures) 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.

p. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect the reported amounts of assets and liabilities 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. DEPOSITS AND INVESTMENTS

The City maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed in the basic financial statements as "cash and investments."

a. Deposits

The City, Library, and pension funds' investment policies require all uninsured deposits with financial institutions, unless FDIC coverage is available, to be covered by collateral by up to 100%, with the collateral held by an independent third party acting as the City's agent and held in the name of the City, Library, and pension fund, respectively.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments

The following table presents the investments and durations of the debt securities of the City and Naperville Public Library as of December 31, 2017.

City and Library

Investment Type	Fair Value	Modified Duration (Years)
U.S. Treasury and agency securities	$ 57,332,421	7.65

The City has the following recurring fair value measurements as of December 31, 2017:

- U.S. Treasury securities of $32,518,101 are valued using quoted market prices (Level 1 inputs)
- U.S. agency securities of $24,814,320 are valued using significant other observable inputs (Level 2 inputs)

The relationship between the City, or the Police or Fire Pension Funds and the investment agent is a direct contractual relationship.

Police Pension

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1-5	6-10	More Than 10
U.S. Treasury obligations	$ 21,338,544	$ 2,597,971	$ 13,074,116	$ 5,666,457	$ -
U.S. agency obligations	10,984,513	13,427	2,259,073	2,790,323	5,921,690
Municipal bonds	274,808	-	72,146	202,662	-
Corporate bonds	24,440,888	1,411,778	7,229,915	12,631,623	3,167,572
Negotiable CD's	527,817	-	527,817	-	-
TOTAL	$ 57,566,570	$ 4,023,176	$ 23,163,067	$ 21,291,065	$ 9,089,262

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

Police Pension (Continued)

The Fund has the following recurring fair value measurements as of December 31, 2017:

		Fair Value Measurements Using		
Investment by Fair Value Level	December 31, 2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities				
U.S. Treasury obligations	$ 21,338,544	$ 21,338,544	$ -	$ -
U.S. agency obligations	10,984,513	-	10,984,513	-
Municipal bonds	274,808	-	274,808	-
Corporate bonds	24,440,888	-	24,440,888	-
Equity securities				
Annuity contract	14,443,075	-	-	14,443,075
Common stock	17,209,391	17,209,391	-	-
Equity mutual funds	80,605,833	80,605,833	-	-
Negotiable CD's	527,817	-	527,817	-
TOTAL INVESTMENTS MEASURED AT FAIR VALUE	$ 169,824,869	$ 119,153,768	$ 36,228,026	$ 14,443,075

Fire Pension

		Investment Maturities (in Years)			
Investment Type	Fair Value	Less Than 1	1-5	6-10	More Than 10
U.S. Treasury obligations	$ 21,626,473	$ 3,244,479	$ 14,941,220	$ 3,440,774	$ -
U.S. agency obligations	10,680,885	18,794	2,634,994	2,138,905	5,888,192
Municipal bonds	274,808	-	147,883	126,925	-
Corporate bonds	16,238,917	1,288,611	8,503,632	5,794,215	652,459
TOTAL	$ 48,821,083	$ 4,551,884	$ 26,227,729	$ 11,500,819	$ 6,540,651

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

Fire Pension (Continued)

The Fund has the following recurring fair value measurements as of December 31, 2017:

		Fair Value Measurements Using		
Investment by Fair Value Level	December 31, 2017	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt securities				
U.S. Treasury obligations	$ 21,626,473	$ 21,626,473	$ -	$ -
U.S. agency obligations	10,680,885	-	10,680,885	-
Municipal bonds	274,808	-	274,808	-
Corporate bonds	16,238,917	-	16,238,917	-
Equity securities				
Annuity contract	14,166,988	-	-	14,166,988
Common stock	23,526,002	23,526,002	-	-
Equity mutual funds	74,715,637	74,715,637	-	-
Asset-backed securities	8,720,752	-	8,720,752	-
TOTAL INVESTMENTS MEASURED AT FAIR VALUE	$ 169,950,462	$ 119,868,112	$ 35,915,362	$ 14,166,988

The investments in the securities of U.S. government agencies were all rated AAA by Standard & Poor's, and Aaa by Moody's Investors Services. The municipal bonds were rated AAA to AA by Standard & Poor's and Aaa to A3 by Moody's, while corporate bonds were either not rated or rated A to BBB- by Standard & Poor's and Aa1 to Baa3 by Moody's.

Interest Rate Risk - Interest rate risk is the risk that change in interest rates will adversely affect the fair value of an investment. In accordance with the City's investment policy, the City invests in mortgage-backed securities. These securities are reported at fair value and are based on the cash flows from interest and principal payments by the underlying mortgages. As a result, they are sensitive to prepayments by mortgagees, which may result from a decline in interest rates. For example, if interest rates decline and homeowners refinance mortgages, thereby prepaying the mortgages underlying these securities, the cash flow from interest payments is reduced and the value of these securities declines. Likewise, if homeowners pay on mortgages longer than anticipated, the cash flows are greater and the return on the initial investment would be higher than anticipated. The City invests in mortgage-backed securities to diversify the portfolio and to increase the return while minimizing the extent of risk.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

Through its investment policy, the City manages its exposure to fair value losses arising from increasing interest rates by limiting the weighted average duration to no more than four years. Interest rate risk for investments held by the Police and Firefighters' Pension Funds is managed by establishing investment parameters for the investment managers.

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 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 and the Police and Firefighters' Pension Funds investment policies require 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 or Police and Firefighters' Pension Fund's agent separate from where the investment was purchased.

Credit Risk - The City's investment and cash management policy, as well as the investment policies of the Police and Firefighters' Pension Funds, prescribe to the "prudent person" rule, which states "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The City and the Police and Firefighters' Pension Funds limits their 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 that are explicitly guaranteed by the United States Government. The Police and Fire Pension investment policies also allow investment grade corporate 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. However, the City's and the Police and Firefighters' Pension Funds' investment policies do not specifically limit the City and Police and Firefighters' Pension Funds to these types of investments.

Concentration of Credit Risk - The City's investment policy follows the requirements of the State of Illinois Public Funds Investment Act, which prescribes allowable investment vehicles. No single investment, except those guaranteed by the United States Government, may exceed 5% of the fund's total market value. The Police and Firefighters' Pension Funds each have separate investment policies, which establish criteria for allowable investments. Both funds follow the requirements of the Illinois Pension Code. There are no significant investments (other than U.S. Government guaranteed obligations) in any one organization that represent 5% or more of net position available for benefits except for the following investments:

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

Police Pension Fund

Investment	Amount
Vanguard Institutional Index Fund	$ 17,293,798
Vanguard Small Cap Fund	13,002,382
Vanguard Mid Cap Fund	13,022,476
DFA Emerg Mkts Core Equity	9,027,206
American Europacific Growth Fund	8,716,781
Principal Annuity Contract	14,443,075

Firefighter's Pension Fund

Investment	Amount
Vanguard Instl Index Fund	$ 17,299,280
Vanguard Mid Cap Fund	13,037,877
DFA International Small Cap	9,300,805
Dodge & Cox International Stock	8,735,343
American Europacific Growth Fund	8,689,745
Principal Annuity Contract	14,166,988

The Police Pension Fund's investment policy in accordance with Illinois Compiled Statutes (ILCS) establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Return
Fixed income	35%	2.10%
Domestic equities	35%	5.60%
International equities	15%	5.80%
Real estate	10%	5.20%
Global tactical	5%	3.90%

ILCS limit 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.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant 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 Fund's target asset allocation as of December 31, 2017 are listed in the table above.

For the fiscal year ended December 31, 2017, the annual money-weighted rate of return on police pension plan investments, net of pension plan investment expense, was 13.29%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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 Return
Fixed income	35%	2.1%
Domestic equities	35%	5.6%
International equities	15%	5.8%
Real estate	10%	5.2%
Global tactical	5%	3.9%
Cash and cash equivalents	0%	0.4%

ILCS limit 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.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant 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 Fund's target asset allocation as of December 31, 2017 are listed in the table above.

For the fiscal year ended December 31, 2017, the annual money-weighted rate of return on the Firefighters' Pension Plan investments, net of pension plan investment expense, was 13.31%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

3. RECEIVABLES

a. Installment Loans

The outstanding loans that are not expected to be collected within one year of December 31, 2017 are as follows:

	Term	Due	Amount
DuPage Mayor and Manger Association	20 Years	02/01/2021	$ 6,510
CPAL - computer loan	Various	Various	219
Loan to the SSA 24 property owners	Various	Various	30,393
Electric loans	Various	Various	1,536,128

4. CAPITAL ASSETS

A summary of changes in capital assets of the City and Library for the fiscal year ended December 31, 2017 is as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated				
Land	$ 21,542,991	$ 74,956	$ -	$ 21,617,947
Land - infrastructure	161,526,935	-	-	161,526,935
Construction in progress	14,948,946	2,724,799	-	17,673,745
Total capital assets not being depreciated	198,018,872	2,799,755	-	200,818,627
Capital assets being depreciated				
Land improvements	5,456,271	-	-	5,456,271
Buildings	154,245,291	295,540	-	154,540,831
Equipment	53,369,721	2,925,356	60,880	56,234,197
Infrastructure	461,750,518	3,710,480	-	465,460,998
Total capital assets being depreciated	674,821,801	6,931,376	60,880	681,692,297
Less accumulated deprecation for				
Land improvements	1,528,989	361,525	-	1,890,514
Buildings	57,763,332	3,963,491	-	61,726,823
Equipment	42,133,297	2,102,545	60,880	44,174,962
Infrastructure	247,755,906	14,864,024	-	262,619,930
Total accumulated deprecation	349,181,524	21,291,585	60,880	370,412,229
Total capital assets being depreciated, net	325,640,277	(14,360,209)	-	311,280,068
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	$ 523,659,149	$ (11,560,454)	$ -	$ 512,098,695

Depreciation expense for governmental activities for the fiscal year ended December 31, 2017 was charged to functions as follows:

General government	$ 2,767,906
Physical environment	2,129,158
Public safety	1,916,243
Culture and recreation	1,064,580
Transportation	13,413,698
	$ 21,291,585

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES - ELECTRIC UTILITY				
Capital assets not being depreciated				
Land	$ 3,836,327	$ -	$ -	$ 3,836,327
Construction in progress	6,360,798	499,353	-	6,860,151
Total capital assets not being depreciated	10,197,125	499,353	-	10,696,478
Capital assets being depreciated				
Building and building improvements	7,642,944	64,152	-	7,707,096
Equipment	14,311,942	377,774	-	14,689,716
Infrastructure	410,886,438	3,334,099	-	414,220,537
Total capital assets being depreciated	432,841,324	3,776,025	-	436,617,349
Less accumulated deprecation for				
Building and building improvements	4,935,261	206,584	-	5,141,845
Equipment	13,585,626	176,840	-	13,762,466
Infrastructure	190,711,482	11,363,146	-	202,074,628
Total accumulated deprecation	209,232,369	11,746,570	-	220,978,939
Total capital assets being depreciated, net	223,608,955	(7,970,545)	-	215,638,410
BUSINESS-TYPE ACTIVITIES - ELECTRIC UTILITY CAPITAL ASSETS, NET	$ 233,806,080	$ (7,471,192)	$ -	$ 226,334,888

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES - WATER AND WASTEWATER UTILITY				
Capital assets not being depreciated				
Land	$ 2,565,671	$ -	$ -	$ 2,565,671
Construction in progress	14,643,118	973,515	-	15,616,633
Total capital assets not being depreciated	17,208,789	973,515	-	18,182,304
Capital assets being depreciated				
Equipment	10,687,648	753,102	-	11,440,750
Infrastructure	445,020,844	1,789,387	-	446,810,231
Total capital assets being depreciated	455,708,492	2,542,489	-	458,250,981
Less accumulated deprecation for				
Equipment	9,122,050	370,501	-	9,492,551
Infrastructure	232,848,369	9,648,914	-	242,497,283
Total accumulated deprecation	241,970,419	10,019,415	-	251,989,834
Total capital assets being depreciated, net	213,738,073	(7,476,926)	-	206,261,147
BUSINESS-TYPE ACTIVITIES - WATER AND WASTEWATER UTILITY CAPITAL ASSETS, NET	$ 230,946,862	$ (6,503,411)	$ -	$ 224,443,451

4. CAPITAL ASSETS (Continued)

	Beginning Balances	Increases	Decreases	Ending Balances
BUSINESS-TYPE ACTIVITIES - OTHER ENTERPRISE				
Capital assets not being depreciated				
Land	$ 7,520,323	$ 3,405,508	$ -	$ 10,925,831
Total capital assets not being depreciated	7,520,323	3,405,508	-	10,925,831
Capital assets being depreciated				
Building and building improvements	6,240,167	220,066	-	6,460,233
Machinery and equipment	990,053	430,794	-	1,420,847
Total capital assets being depreciated	7,230,220	650,860	-	7,881,080
Less accumulated deprecation for				
Building and building improvements	5,203,946	164,437	-	5,368,383
Machinery and equipment	578,031	44,049	-	622,080
Total accumulated deprecation	5,781,977	208,486	-	5,990,463
Total capital assets being depreciated, net	1,448,243	442,374	-	1,890,617
Total other enterprise net capital assets	8,968,566	3,847,882	-	12,816,448
BUSINESS-TYPE ACTIVITIES - OTHER ENTERPRISE CAPITAL ASSETS, NET	$ 473,721,508	$ (10,126,721)	$ -	$ 463,594,787

	Beginning Balances (Restated)	Increases	Decreases	Ending Balances
COMPONENT UNIT - NAPERVILLE PUBLIC LIBRARY				
Capital assets being depreciated				
Building and building improvements	$ 14,678,720	$ 2,137,858	$ -	$ 16,816,578
Machinery and equipment	2,779,707	372,434	917,742	2,234,499
Total capital assets being depreciated	17,458,427	2,510,292	917,742	19,050,977
Less accumulated deprecation for				
Building and building improvements	5,684,200	469,298	-	6,153,498
Machinery and equipment	1,815,028	146,068	752,145	1,208,951
Total accumulated deprecation	7,499,228	615,366	752,145	7,362,449
COMPONENT UNIT - NAPERVILLE PUBLIC LIBRARY CAPITAL ASSETS, NET	$ 9,959,199	$ 1,894,926	$ 165,597	$ 11,688,528

5. INTERFUND BALANCES AND ACTIVITY

a. Balances Due to/from Other Funds

Balances due to/from other funds at December 31, 2017 were as follows:

Receivable Fund	Payable Fund	Amount
General	Nonmajor Governmental	$ 65,702
General	Water and Wastewater Utility	804,281
Pension Trust funds	General	1,011,094
Pension Trust funds	Nonmajor Governmental	128,420
TOTAL		$ 2,009,497

Balances due to/from other funds are to cover cash accounts temporarily overdrawn at year end.

b. Advances

Advances at December 31, 2017 were as follows:

Receivable Fund	Payable Fund	Amount
General	SSA #25	$ 521,153
Water and Wastewater Utility	Electric Utility	8,301,140
TOTAL		$ 8,822,293

Interest on the outstanding interfund advance is charged at 2.7%. Semiannual repayments are made on October 31 and April 30 each year until repaid. All accrued interest and principal will be fully paid and the advance will be closed no later than December 31, 2020.

c. Transfers to/from Other Funds

Interfund transfers for the fiscal year ended December 31, 2017 were as follows:

Transfers In	Transfers Out	Amount
Debt Service	Food and Beverage Tax Fund	$ 783,664
Capital Projects	American Recovery and Reinvestment Act Federal Grants Fund	35,100
Road and Bridge	General	2,800,000
SSA #26	General	975,000
TOTAL		$ 4,593,764

5. INTERFUND BALANCES AND ACTIVITY

c. Transfers to/from Other Funds (Continued)

The purpose of significant transfers is as follows:

- $2,800,000 was transferred from the General Fund to the Road and Bridge Fund for projects. This transfer will not be repaid.

- $975,000 transferred from the General Fund to the Special Service Area #24 Fund for the City's subsidy of the downtown maintenance. This transfer will not be repaid.

As of December 31, 2017, the following funds had deficit fund balances:

Fund	Deficit
Community Development Block Grant Fund	$ 34,933
Test Track	20
Special Service Area #25	508,163

6. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term debt of the City for the fiscal year ended December 31, 2017:

Type of Debt	Beginning Balance	Additions	Deductions	Ending Balances	Amounts Due Within One Year
GOVERNMENTAL ACTIVITIES					
Net pension liability					
IMRF	$ 16,828,626	$ -	$ 13,429,805	$ 3,398,821	$ -
Police Pension	50,065,192	-	8,531,728	41,533,464	-
Firefighters' Pension	57,310,186	-	9,168,195	48,141,991	-
Compensated absences	8,929,892	3,343,167	3,947,145	8,325,914	3,910,860
Net other postemployment benefit obligation	2,081,735	323,605	-	2,405,340	-
General obligation bonds	103,942,579	6,980,000	10,654,084	100,268,495	10,612,852
Premium (discount)	5,322,054	179,109	422,131	5,079,032	-
Claims and judgements	2,131,777	13,043,922	13,224,666	1,951,033	338,064
TOTAL	$ 246,612,041	$ 23,869,803	$ 59,377,754	$ 211,104,090	$ 14,861,776

6. LONG-TERM OBLIGATIONS (Continued)

Type of Debt	Beginning Balance	Additions	Deductions	Ending Balances	Amounts Due Within One Year
BUSINESS-TYPE ACTIVITIES - ELECTRIC UTILITY					
Net pension liability - IMRF	$ 7,930,324	$ -	$ 6,554,905	$ 1,375,419	$ -
Compensated absences	1,812,324	217,623	756,784	1,273,163	629,591
Net other postemployment benefit obligation	127,248	-	5,843	121,405	-
General obligation bonds	25,796,819	-	2,702,519	23,094,300	3,121,250
Premium (discount)	1,840,712	-	171,156	1,669,556	-
Total electric utility	37,507,427	217,623	10,191,207	27,533,843	3,750,841
BUSINESS-TYPE ACTIVITIES - WATER AND WASTEWATER UTILITY					
Net pension liability - IMRF	5,088,969	-	4,088,329	1,000,640	-
Compensated absences	1,023,344	119,989	509,927	633,406	416,688
Net other postemployment benefit obligations	119,293	-	10,840	108,453	-
General obligation bonds	24,760,602	-	1,868,397	22,892,205	1,940,898
Premium (discount)	501,189	-	30,798	470,391	-
Total water and wastewater utility	31,493,397	119,989	6,508,291	25,105,095	2,357,586
TOTAL	$ 69,000,824	$ 337,612	$ 16,699,498	$ 52,638,938	$ 6,108,427
COMPONENT UNIT - NAPERVILLE PUBLIC LIBRARY					
Net pension liability - IMRF	$ 5,430,248	$ -	$ 4,416,182	$ 1,014,066	$ -
Compensated absences	410,771	419,098	407,674	422,195	407,674
Net other postemployment benefit obligation	168,574	-	6,342	162,232	-
TOTAL	$ 6,009,593	$ 419,098	$ 4,830,198	$ 1,598,493	$ 407,674

* The General Fund has typically been used in prior years to liquidate the compensated absences liability, the net pension liabilities and the other postemployment benefit obligation for governmental activities.

6. LONG-TERM OBLIGATIONS (Continued)

Long-term debt at December 31, 2017 consists of the following:

a. General Obligation Bonds

	Governmental Activities	Business-Type Activities	Total
March 2009, 2.05% - 4.75%, due serially through December 1, 2028	$ 1,890,000	$ 910,000	$ 2,800,000
April 2010, Series A, 4.65% - 5.25%, due serially through December 1, 2028	-	7,975,000	7,975,000
April 2010, Series B, 2.85% - 4.50%, due serially through December 1, 2023	10,632,795	3,892,205	14,525,000
April 2010, Series D, 2% - 4%, due serially through December 1, 2021	3,195,000	-	3,195,000
July 2011, 2.000% - 4.625%, due serially through December 1, 2029	-	12,500,000	12,500,000
September 2012, 2% - 4%, due serially through December 1, 2025	10,755,700	7,474,300	18,230,000
July 2013, 3% - 4%, due serially through December 1, 2031	4,820,000	-	4,820,000
May 2014, 2.0% - 3.5%, due serially through December 1, 2032	14,400,000	-	14,400,000
June 2016, 2.0% - 3.5%, due serially through December 1, 2035	47,595,000	13,235,000	60,830,000
November 2017, 3.0%, due serially through December 1, 2037	6,980,000	-	6,980,000
TOTAL	$ 100,268,495	$ 45,986,505	$ 146,255,000

6. LONG-TERM OBLIGATIONS (Continued)

a. General Obligation Bonds (Continued)

The annual requirements to amortize all short-and long-term general obligation bonds outstanding at December 31, 2017 are as follows:

Fiscal	Governmental Activities		Business-Type Activities	
Year	Principal	Interest	Principal	Interest
2018	$ 10,612,852	$ 3,099,827	$ 5,062,148	$ 1,321,055
2019	10,285,185	2,806,699	4,979,815	1,148,876
2020	10,098,435	2,503,176	4,241,565	996,749
2021	9,762,785	2,205,714	4,127,215	8,62,061
2022	8,902,385	1,899,902	3,902,615	327,023
2023-2027	32,271,853	5,708,668	19,713,147	3,093,995
2028-2032	13,400,000	2,035,100	3,960,000	232,050
2033-2036	4,480,000	370,475	-	-
2037-2041	455,000	13,650	-	-
TOTAL	$ 100,268,495	$ 20,643,211	$ 45,986,505	$ 8,381,809

b. Enterprise Fund Commitments

The City has issued the general obligation bonds to fund various Electric and Water/Wastewater capital projects. The proportionate share of the general obligation bond liabilities have been recorded in the respective enterprise funds. The current general obligation bonds issuance amounts were allocated as follows:

Bonds Series	Electric Utility	Water and Wastewater Utility	Governmental Activities	Total
G.O. 2009	$ 280,000	$ 630,000	$ 1,890,000	$ 2,800,000
G.O. 2010A	-	7,975,000	-	7,975,000
G.O. 2010B	-	3,892,205	10,632,795	14,525,000
G.O. 2011	7,250,000	5,250,000	-	12,500,000
G.O. 2012 Refunding	7,474,300	-	10,755,700	18,230,000
G.O. 2016	8,090,000	5,145,000	47,595,000	60,830,000

The general obligation bonds outstanding amount for the enterprise funds at December 31, 2017 is $45,986,505.

6. LONG-TERM OBLIGATIONS (Continued)

c. Defeased Debt

The City has defeased the General Obligation Bonds Series 2009 by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for defeased bonds are not included in the City's financial statements. Outstanding bonds for these issues are considered defeased. A total of $22,450,00 remains outstanding at December 31, 2017.

7. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City accounts for its risk financing activities in the Self-Insurance Fund (internal service fund). The Self-Insurance Fund pays all general liability, unemployment and workers' compensation, and auto and collision claims for which the City is held liable. The City has a $2.0 million retention limit for general, auto liability, and workers' compensation. In addition, the City carries a policy for excess coverage for general and auto liability of $10.0 million.

The City is self-insured for health and dental claims, which are also being accounted for in the Self-Insurance Fund. The City has $300,000 specific stop loss coverage for PPO and $200,000 for HMO health claims. The City has a $2.0 million retention limit for health and dental claims. The City utilizes a third-party administrator to process the claims. The City reimburses the administrator for the claims plus a processing fee.

The Self-Insurance Fund is supported by payments from the General Fund, Naper Settlement Fund, Electric, Water and Wastewater Utility Funds, Burlington Commuter Parking Fund, Information Technology Fund, Fleet Services Fund, and the Naperville Public Library (component unit) based upon an estimate of the annual claims and administration costs. In addition, the City has recognized a liability for claims, which were incurred but not reported at year end. At December 31, 2017, this liability totaled $338,064. The claims liability reported in the Self-Insurance Fund of $1,612,969 at December 31, 2017 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. There were no significant reductions in insurance coverage from the previous year.

7. RISK MANAGEMENT (Continued)

Changes in the Self-Insurance Fund's claims liability amount for the fiscal year ended December 31, 2017 and 2016 were:

	2017	2016
CLAIMS LIABILITY, BEGINNING OF YEAR	$ 2,131,777	$ 2,865,633
Incurred claims	13,043,922	13,956,140
Claim payments	(13,224,666)	(14,689,996)
CLAIMS LIABILITY, END OF YEAR	$ 1,951,033	$ 2,131,777

8. COMMITMENTS AND CONTINGENCIES

DuPage Water Commission

The City is a charter customer, along with 23 other municipalities, of the Du Page Water Commission (the Commission). The Commission is a Joint Action Agency empowered to finance, construct, acquire, and operate a water supply system to serve municipalities to obtain Lake Michigan water from the City of Chicago and distribute it to customers through a comprehensive distribution system. The City began receiving Lake Michigan water in March 1992. Pursuant to its agreement with the Commission, in January 1989, the City began making payments for its portion of certain commission costs in an amount set forth by the Commission. The City has also adjusted its water rates accordingly to cover such costs. The related costs and revenues have been recorded as operating expenses and revenues of the Water and Wastewater Utility (Enterprise) Fund. The Commission has capitalized all costs including financing components associated with the development of the water facility.

Illinois Municipal Electric Agency (IMEA)

The City is a member of the IMEA, a not-for-profit joint action power purchasing agency. The City had not, in the past, purchased power from IMEA. In June 2011, the City began purchasing all of its wholesale power through 2035 from the IMEA.

The City's Power Sales Contract includes a premium adjustment to IMEA to secure additional capacity and energy resources to add to its existing mix of resources in order to be able to service the City. The premium payments to be made to IMEA through 2025 is to offset the projected increase to the average power supply costs to IMEA's 29 existing participating members resulting in acquisition of the resources necessary to serve the City. The projected premium payments are approximately $59.2 million. The cumulative premium payments through December 31, 2017 are $30.6 million.

8. COMMITMENTS AND CONTINGENCIES (Continued)

Illinois Municipal Electric Agency (IMEA) (Continued)

The City's obligation is to purchase its full requirements for power and energy from the IMEA beginning June 1, 2011 and to pay a proportionate share of all IMEA costs.

Naperville Renewable Energy Program

The City participates in a Renewable Energy Program to make the choice for a clean energy future. This program enables customers to support clean energy resources such as wind and sun that protect our environment and make a difference for future generations. The program is comprised predominantly of unbundled wind "renewable energy certificates" ("RECs"), as well as a small volume of unbundled solar RECs. The current REC mix is 99% wind, 1% solar. On a dollar spent basis, the mix in fiscal year 2017 was 75% wind and 25% solar because the solar REC's are much more expensive. The program includes a strong local component, sourcing all of its RECs from Illinois projects. The local component is an integral part of the program, and the City will continue to source 100% of its renewable energy offering from Illinois-sited renewable energy facilities.

Prior to April 30, 2013, the program was managed by Community Energy and beginning May 1, 2013, the City brought the program management in-house. The City now holds primary responsibility for the program on behalf of its customers and has retained the services of Customized Energy Solutions to manage the program's administration and renewable offerings. During fiscal year 2017, the City collected $0.3 million and due to management efficiencies will make all funds, less minimum administration costs, available through grants to directly fund local community based renewable energy projects within the City. The fund balance of this subfund of the electric fund at December 31, 2017 is $1.4 million.

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 sales tax and hotel tax to the private organizations if certain benchmarks of development are achieved. During the year ended December 31, 2017, $623,696 in sales tax and $784,320 in hotel tax were rebated under these agreements. Estimated remaining $18.3 million will be payable throughout 23 years.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

The City contributes to three defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), a defined benefit agent multiple-employer public employee retirement system, the Police Pension Plan which is a single-employer pension plan, and the Firefighters' Pension Plan which is a single-employer pension plan. A separate report is issued for the Police Pension Plan and Firefighters' Pension Plan and may be obtained by writing to the City at 400 South Eagle Street, Naperville, Illinois 60540. IMRF issues a publicly available financial report that includes financial statements and required supplementary information for the plan as a whole, but not by individual employer. That report may be obtained online at www.imrf.org. The benefits, benefit levels, employee contributions, and employer contributions are governed by Illinois Compiled Statutes (ILCS) and can only be amended by the Illinois General Assembly.

a. Plan Descriptions

Illinois Municipal Retirement Fund (IMRF)

Plan Administration

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

Benefits Provided

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

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

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (IMRF) (Continued)

Benefits Provided (Continued)

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

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

Plan Membership

As of December 31, 2017, the following employees were covered by the benefit terms:

Inactive plan members currently receiving benefits	691
Inactive plan members entitled to but not yet receiving benefits	670
Active plan members	810
TOTAL	2,171

Contributions

As set by statute, the City's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The City's annual contribution rate for calendar year 2017 was 11.82% of covered payroll.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (IMRF) (Continued)

Net Pension Liability

The City's net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2017, using the following actuarial methods and assumptions:

Actuarial cost method	Entry-age normal
Asset valuation method	Market
Actuarial assumptions	
Interest rate	7.50%
Salary increases	3.39% to 14.25%
Cost of living adjustments	3.00%
Inflation	2.50%

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

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (IMRF) (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, 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 applied to all periods of projected benefit payments to determine the total pension liability.

Discount Rate Sensitivity

The following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	$ 45,649,915	$ 6,788,946	$ (25,212,177)

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (IMRF) (Continued)

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT DECEMBER 31, 2016	$ 306,525,860	$ 271,247,693	$ 35,278,167
Changes for the period			
Service cost	5,538,779	-	5,538,779
Interest	22,718,596	-	22,718,596
Difference between expected and actual experience	4,058,008	-	4,058,008
Changes in assumptions	(9,514,997)	-	(9,514,997)
Employer contributions	-	6,233,486	(6,233,486)
Employee contributions	-	2,431,700	(2,431,700)
Net investment income	-	46,307,985	(46,307,985)
Benefit payments and refunds	(12,761,262)	(12,761,262)	-
Other (net transfer)	-	(3,683,564)	3,683,564
BALANCES AT DECEMBER 31, 2017	$ 316,564,984	$ 309,776,038	$ 6,788,946

Assumptions related to salary increases were changed from 3.75% - 14.50% to 3.39% - 14.25%. Assumptions related to price inflation were changed from 2.75% to 2.50%. Additionally, Certain demographic assumptions were changed, which impacted mortality rates, and retirement rates.

	City	Library	Total
BEGINNING NET PENSION LIABILITY AT JANUARY 1, 2017	$ 29,847,919	$ 5,430,248	$ 35,278,167
EMPLOYER CONTRIBUTIONS - 2017	$ 5,302,389	$ 931,097	$ 6,233,486
ENDING NET PENSION LIABILITY AT DECEMBER 31, 2017	$ 5,774,880	$ 1,014,066	$ 6,788,946

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Illinois Municipal Retirement Fund (IMRF) (Continued)

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

For the fiscal year ended December 31, 2017, the City recognized pension expense of $5,251,129 and the Library recognized $922,312. At December 31, 2017, the City reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Difference between expected and actual experience	$ 3,203,728	$ (1,124,604)	$ 2,079,124
Changes in assumption	96,466	(7,483,737)	(7,387,271)
Net difference between projected and actual earnings on pension plan investments	8,004,269	(21,004,916)	(13,000,647)
TOTAL	$ 11,304,463	$ (29,613,257)	$ (18,308,794)

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

Fiscal Year	City Net Deferred Inflows of Resources	Library Net Deferred Inflows of Resources	Total
2018	$ (2,793,433)	$ (490,523)	$ (3,283,956)
2019	(2,957,812)	(519,390)	(3,477,202)
2020	(5,355,910)	(940,495)	(6,296,405)
2021	(4,466,851)	(784,380)	(5,251,231)
2022	-	-	-
Thereafter	-	-	-
TOTAL	$ (15,574,006)	$ (2,734,788)	$ (18,308,794)

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan

Plan Administration

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

Plan Membership

At December 31, 2017, the measurement date, membership consisted of the following:

Inactive plan members currently receiving benefits	89
Inactive plan members entitled to but not yet receiving benefits	6
Active plan members	165
TOTAL	260

Benefits Provided

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

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 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 2.5% 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 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.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Benefits Provided (Continued)

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 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 officer salary for the 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 2.5% of such a 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 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police office 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% of ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Covered employees are required to contribute 9.91% of their base salary to the Police Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. However, the City is funding using the entry age normal actuarial cost method to fund 100% of the past service cost by the year 2033. For the fiscal year ended December 31, 2017, the City's contribution was 36.99% of covered payroll.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2017, using the following actuarial methods and assumptions:

Actuarial cost method	Entry-age normal
Asset valuation method	Market
Actuarial assumptions	
Interest rate	7.00%
Salary increases	4.00% to 11.00%
Cost of living adjustments	3.00%
Inflation	2.50%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table with a blue collar adjustment. 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 September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 7%. 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 Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (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 as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net pension liability	$ 73,442,127	$ 41,533,464	$ 15,445,661

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT DECEMBER 31, 2016	$ 202,219,852	$ 152,154,660	$ 50,065,192
Changes for the period			
Service cost	4,277,831	-	4,277,831
Interest	14,216,220	-	14,216,220
Difference between expected and actual experience	1,578,661	-	1,578,661
Changes in assumptions	-	-	-
Employer contributions	-	6,677,807	(6,677,807)
Employee contributions	-	1,788,835	(1,788,835)
Net investment income	-	20,204,239	(20,204,239)
Benefit payments and refunds	(6,817,646)	(6,817,646)	-
Other (net transfer)	-	(66,441)	66,441
BALANCES AT DECEMBER 31, 2017	$ 215,474,918	$ 173,941,454	$ 41,533,464

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Police Pension Plan (Continued)

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

For the fiscal year ended December 31, 2017, the City recognized pension expense of $4,535,438. At December 31, 2017, the City reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Difference between expected and actual experience	$ 1,315,550	$ (8,147,917)	$ (6,832,367)
Changes in assumption	2,010,892	-	2,010,892
Net difference between projected and actual earnings on pension plan investments	-	(4,281,982)	(4,281,982)
TOTAL	$ 3,326,442	$ (12,429,899)	$ (9,103,457)

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

Fiscal Year	Net Deferred Outflows (Inflows) of Resources
2018	$ (1,530,008)
2019	(1,373,665)
2020	(3,409,402)
2021	(3,053,492)
2022	263,110
Thereafter	-
TOTAL	$ (9,103,457)

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan

Plan Administration

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

Plan Membership

At December 31, 2017, the measurement date, membership consisted of the following:

Inactive plan members currently receiving benefits	101
Inactive plan members entitled to but not yet receiving benefits	6
Active plan members	187
TOTAL	294

Benefits Provided

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

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of 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 2.5% 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 eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a firefighter who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3% of the original pension and 3% compounded annually thereafter.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Benefits Provided (Continued)

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 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 the 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 2.5% of such a 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 10 years may retire at or after age 50 and receive a reduced benefit (i.e., ½ percent for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1st after the police office 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% of ½ of the change in the Consumer Price Index for the proceeding calendar year.

Contributions

Covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute the remaining amounts necessary to finance the plan and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. However, the City is funding using the entry age normal actuarial cost method to fund 100% of the past service cost by the year 2033. For the fiscal year ended December 31, 2017, the City's contribution was 38.10% of covered payroll.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed, as of December 31, 2017, using the following actuarial methods and assumptions:

Actuarial cost method	Entry-age normal
Asset valuation method	Market
Actuarial assumptions	
Interest rate	7.00%
Salary increases	4.00% to 12.00%
Cost of living adjustments	3.00%
Inflation	2.50%

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table with a blue collar adjustment. 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 September 26, 2012.

Discount Rate

The discount rate used to measure the total pension liability was 7%. 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 Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (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 as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Net pension liability	$ 81,285,305	$ 48,141,991	$ 21,105,079

Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT DECEMBER 31, 2016	$ 209,971,032	$ 152,660,846	$ 57,310,186
Changes for the period			
Service cost	5,414,018	-	5,414,018
Interest	14,813,198	-	14,813,198
Difference between expected and actual experience	(96,584)	-	(96,584)
Changes in assumptions	-	-	-
Employer contributions	-	7,338,200	(7,338,200)
Employee contributions	-	1,821,286	(1,821,286)
Contributions buy-back	15,593	15,593	-
Net investment income	-	20,265,831	(20,265,831)
Benefit payments and refunds	(7,535,884)	(7,535,884)	-
Other (net transfer)	-	(126,490)	129,490
BALANCES AT DECEMBER 31, 2017	$ 222,581,373	$ 174,439,382	$ 48,141,991

9. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (Continued)

a. Plan Descriptions (Continued)

Firefighters' Pension Plan (Continued)

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

For the fiscal year ended December 31, 2017, the City recognized pension expense of $8,579,159. At December 31, 2017, the City reported deferred outflows or resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Difference between expected and actual experience	$ 2,349,820	$ (4,548,414)	$ (2,198,594)
Changes in assumption	3,479,496	-	3,479,496
Net difference between projected and actual earnings on pension plan investments	-	(4,263,208)	(4,263,208)
TOTAL	$ 5,829,316	$ (8,811,622)	$ (2,982,306)

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

Fiscal Year	Net Deferred Outflows (Inflows) of Resources
2018	$ 792,733
2019	792,734
2020	(2,129,347)
2021	(2,082,120)
2022	(178,153)
Thereafter	(178,153)
TOTAL	$ (2,982,306)

10. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Descriptions

In addition to providing the pension benefits described, the City provides post-employment health care and life insurance benefits (OPEB) for retired employees through a single employer defined benefit plan. The benefits, benefit levels, employee contributions and any employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The plan does not issue a separate report. The actuarial valuation for the OPEB plan is performed every two years. The December 31, 2016 actuarial valuation is used for the following sections.

b. Benefits Provided

The City provides post-employment 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 or meet COBRA requirements.

All health care 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. Eligibility in City sponsored health care plans is discontinued upon eligibility for federally sponsored health care benefits. Retirees who are eligible for health care program participation are also eligible for participation in the life insurance program in the amount of $5,000.

c. Membership

At December 31, 2016, most recent available, membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	261
Active employees	1,200
TOTAL	1,461
Participating employers	1

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

d. Funding Policy

The City negotiates the contribution percentages between the City and employees through the union contracts and personnel policy. All retirees contribute 100% of the actuarially determined premium to the plan to cover the cost of providing the benefits to the retirees via the self-insured plan (pay as you go) which results in an implicit subsidy to the City as defined by the GASB Statement No. 45. Since the City is self-insured, this amount fluctuates on an annual basis. For the fiscal year ending December 31, 2017, retirees contributed $2,392,516 for premiums and the City contributed $540,649 toward the implicit subsidy. The City is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the plan until retirement. The general fund typically has been used to liquidate the governmental activities the net other postemployment benefit obligation.

e. Annual OPEB cost and Net OPEB Obligation

The City's annual OPEB cost (expense) was $841,229 while the ARC was $827,914 for the fiscal year ended December 31, 2017. The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for December 31, 2017 were as follows:

Fiscal Year	Annual OPEB Cost	Actual Contributions	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2015	$ 420,025	$ 295,349	70.32%	$ 2,312,088
2016	627,786	443,024	70.57%	2,496,850
2017	841,229	540,649	64.27%	2,797,430

The net OPEB obligation (NOPEBO) as of December 31, 2017, was calculated as follows:

Annual required contributions	$ 827,914
Interest on NOPEBO	99,873
Adjustment to ARC	(86,558)
Annual pension cost	841,229
Actual contribution	(540,649)
Change in NOPEBO	300,580
NOPEBO, beginning of year	2,496,850
NOPEBO, END OF YEAR	$ 2,797,430

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB cost and Net OPEB Obligation (Continued)

Governmental activities	$ 2,405,340
Business-type activities	229,858
Library discretely presented component unit	162,232
TOTAL	$ 2,797,430

f. Funded Status and Funding Progress

The funded status of the plan as of December 31, 2016, the date of the most recent actuarial valuation, was as follows:

Actuarial accrued liability (AAL)	$ 10,649,256
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	10,649,256
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	$ 82,729,832
UAAL as a percentage of covered payroll	12.87%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

g. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

10. OTHER POSTEMPLOYMENT BENEFITS (Continued)

g. Actuarial Methods and Assumptions (Continued)

In the December 31, 2016 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions included a 4.00% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 8.50% initially and 4.00% ultimately. Both rates include a 3.00% inflation assumption. The actuarial value of assets was not determined as the City has not advance funded its obligation. The plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at December 31, 2016, was 30 years.

11. DISCRETELY PRESENTED COMPONENT UNIT - NAPERVILLE PUBLIC LIBRARY

The following is summary fund financial information for the Naperville Public Library (the Library) for the fiscal year ended December 31, 2017:

Balance Sheet

		Special Revenue					
	General Operating	Building Reserve	Gift and Memorial	Endowment	Total	Adjustment	Statement of Net Position
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
ASSETS							
Cash and cash equivalents	$ 404,055	$ 600,406	$ 26,178	$ 10,529	$ 1,041,168	$ -	$ 1,041,168
Property taxes receivable, net of allowance for uncollectible accounts	14,583,000	-	-	-	14,583,000	-	14,583,000
Interest receivable	1,030	1,454	63	25	2,572	-	2,572
Due from other governments	110,140	-	-	-	110,140	-	110,140
Capital assets (net)							
Capital assets not depreciated	-	-	-	-	-	-	-
Capital assets depreciated, net	-	-	-	-	-	11,688,528	11,688,528
Total assets	15,098,225	601,860	26,241	10,554	15,736,880	11,688,528	27,425,408
DEFERRED OUTFLOWS OF RESOURCES							
Deferred items - IMRF	-	-	-	-	-	1,688,549	1,688,549
Total deferred outflows of resources	-	-	-	-	-	1,688,549	1,688,549
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 15,098,225	$ 601,860	$ 26,241	$ 10,554	$ 15,736,880	$ 13,377,077	$ 29,113,957

11. DISCRETELY PRESENTED COMPONENT UNIT - NAPERVILLE PUBLIC LIBRARY (Continued)

Balance Sheet (Continued)

		Special Revenue					
	General Operating	Building Reserve	Gift and Memorial	Endowment	Total	Adjustment	Statement of Net Position
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES/ NET POSITION							
LIABILITIES							
Accounts payable	$ 81,441	$ 254,837	$ 23	$ -	$ 336,301	$ -	$ 336,301
Accrued wages and benefits	420,356	-	-	-	420,356	-	420,356
Compensated absences	-	-	-	-	-	422,195	422,195
Net pension liability	-	-	-	-	-	1,014,066	1,014,066
Other postemployment benefits obligation	-	-	-	-	-	162,232	162,232
Total liabilities	501,797	254,837	23	-	756,657	1,598,493	2,355,150
DEFERRED INFLOWS OF RESOURCES							
Deferred items - IMRF	-	-	-	-	-	4,423,337	4,423,337
Unavailable/earned property tax revenue	14,583,000	-	-	-	14,583,000	-	14,583,000
Total deferred inflows of resources	14,583,000	-	-	-	14,583,000	4,423,337	19,006,337
FUND BALANCES/ NET POSITION							
Fund balances							
Restricted for culture and recreation	-	-	-	10,554	10,554	-	10,554
Committed for culture and recreation	-	347,023	26,218	-	373,241	(373,241)	-
Unassigned	13,428	-	-	-	13,428	(13,428)	-
Net position							
Invested in capital assets	-	-	-	-	-	11,688,528	11,688,528
Unrestricted	-	-	-	-	-	(3,946,612)	(3,946,612)
Total fund balances/ net position	13,428	347,023	26,218	10,554	397,223	7,355,247	7,752,470
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES/ NET POSITION	$ 15,098,225	$ 601,860	$ 26,241	$ 10,554	$ 15,736,880	$ 13,377,077	$ 29,113,957

11. DISCRETELY PRESENTED COMPONENT UNIT - NAPERVILLE PUBLIC LIBRARY (Continued)

Statement of Net Position

	General Operating	Special Revenue: Building Reserve	Special Revenue: Gift and Memorial	Special Revenue: Endowment	Total	Adjustment	Statement of Activities
REVENUES							
Property taxes	$ 14,081,203	$ -	$ -	$ -	$ 14,081,203	$ -	$ 14,081,203
Other taxes - personal property replacement tax	135,171	-	-	-	135,171	-	135,171
Fines and forfeits	348,356	-	-	-	348,356	-	348,356
Net investment income	(37,891)	5,113	331	125	(32,322)	-	(32,322)
Intergovernmental	-	24,247	300	-	24,547	-	24,547
Charges for services	4,091	-	-	-	4,091	-	4,091
Fees	83,484	-	-	-	83,484	-	83,484
Contribution	110,140	-	5,629	-	115,769	-	115,769
Miscellaneous	112,437	2,745	-	-	115,182	-	115,182
Total revenues	14,836,991	32,105	6,260	125	14,875,481	-	14,875,481
EXPENDITURES/EXPENSES							
Current							
Culture and recreation	15,267,331	2,684,503	8,812	-	17,960,646	(1,847,845)	16,112,801
Total expenditures/ expenses	15,267,331	2,684,503	8,812	-	17,960,646	(1,847,845)	16,112,801
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(430,340)	(2,652,398)	(2,552)	125	(3,085,165)	1,847,845	(1,237,320)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	2,750,000	-	-	2,750,000	(2,750,000)	-
Transfers (out)	(2,750,000)	-	-	-	(2,750,000)	2,750,000	-
Total other financing sources (uses)	(2,750,000)	2,750,000	-	-	-	-	-
NET CHANGE IN FUND BALANCES/NET POSITION	(3,180,340)	97,602	(2,552)	125	(3,085,165)	1,847,845	(1,237,320)
FUND BALANCES/ NET POSITION AT JANUARY 1, 2017	3,193,768	249,421	28,770	10,429	3,482,388	5,364,867	8,847,255
Prior period adjustment	-	-	-	-	-	142,535	142,535
FUND BALANCES/ NET POSITION AT JANUARY 1, 2017, RESTATED	3,193,768	249,421	28,770	10,429	3,482,388	5,507,402	8,989,790
FUND BALANCES/ NET POSITION AT DECEMBER 31, 2017	$ 13,428	$ 347,023	$ 26,218	$ 10,554	$ 397,223	$ 7,355,247	$ 7,752,470

12. PRIOR PERIOD ADJUSTMENT

A net position of the Discretely Presented Component Unit - Naperville Public Library has been restated in the amount of $142,535 to adjust for corrections to capital assets and accumulated depreciation as a result of capital asset inventory performed at December 31, 2017.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2017

	Budgeted Amount			Variance with Final Budget Positive
	Original	**Final**	**Actual**	**(Negative)**
REVENUES				
Property taxes	$ 20,747,437	$ 20,747,437	$ 20,890,668	$ 143,231
Utility tax	16,576,700	16,576,700	15,398,673	(1,178,027)
Other taxes	6,726,000	6,726,000	7,468,764	742,764
Licenses and permits	2,456,500	2,456,500	2,943,444	486,944
Fines	1,962,500	1,962,500	1,419,028	(543,472)
Net investment income	182,500	182,500	134,196	(48,304)
Intergovernmental	52,446,215	52,446,215	50,461,179	(1,985,036)
Charges for services	17,336,921	17,336,921	18,650,839	1,313,918
Franchise fees	3,238,350	3,238,350	3,423,069	184,719
Miscellaneous	455,500	455,500	424,525	(30,975)
Total revenues	122,128,623	122,128,623	121,214,385	(914,238)
EXPENDITURES				
Current				
General government	10,981,191	10,981,191	12,475,389	(1,494,198)
Physical environment	8,165,390	8,165,390	7,849,786	315,604
Public safety	74,272,019	74,272,019	71,651,890	2,620,129
Transportation	24,673,314	24,673,314	23,842,074	831,240
Culture and recreation	87,108	87,108	65,097	22,011
Total expenditures	118,179,022	118,179,022	115,884,236	2,294,786
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,949,601	3,949,601	5,330,149	1,380,548
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(3,775,000)	(3,775,000)	(3,775,000)	-
Total other financing sources (uses)	(3,775,000)	(3,775,000)	(3,775,000)	-
NET CHANGE IN FUND BALANCE	$ 174,601	$ 174,601	1,555,149	$ 1,380,548
FUND BALANCE, JANUARY 1			26,857,931	
FUND BALANCE, DECEMBER 31			$ 28,413,080	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION -
BUDGETARY COMPARISON SCHEDULE

December 31, 2017

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual budgets are adopted at the fund level for the Governmental and Proprietary Funds except for the Fair Share Assessment, Foreign Fire Insurance and Water Street TIF funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end. Several budget amendments were made during the current fiscal year.

The following funds had an excess of actual expenditures over budget for the fiscal year:

Fund	Excess
Food and Beverage Tax	$ 274,818
Downtown Parking	337,783

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

Last Three Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	**2015**	**2016**	**2017**
Actuarially determined contributions	$ 6,026,372	$ 6,217,283	$ 6,233,486
Contributions in relation to the actuarially determined contribution	6,026,372	6,217,283	6,233,486
CONTRIBUTION DEFICIENCY (Excess)	$ -	$ -	$ -
Covered-employee payroll	$ 51,417,441	$ 51,486,313	$ 52,718,201
Contributions as a percentage of covered-employee payroll	11.72%	12.08%	11.82%

Notes to the Required Supplementary Information

Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	26 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.75%
Salary Increases	3.75% - 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	MP-2014 (base year 2012)

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 NAPERVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE PENSION FUND

Last Four Fiscal Years

	April 30,	December 31,		
FISCAL YEAR ENDED	**2015**	**2015**	**2016**	**2017**
Actuarially determined contributions	$ 5,156,419	$ 4,809,036	$ 5,829,394	$ 6,538,474
Contributions in relation to the actuarially determined contribution	5,641,180	5,345,433	6,329,588	6,677,807
CONTRIBUTION DEFICIENCY (Excess)	$ (484,761)	$ (536,397)	$ (500,194)	$ (139,333)
Covered-employee payroll	$ 16,365,735	$ 16,683,031	$ 17,893,623	$ 18,050,807
Contributions as a percentage of covered-employee payroll	34.47%	32.04%	35.37%	36.99%

Notes to the Required Supplementary Information

Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	17 Years
Asset Valuation Method	Market Value
Inflation	2.5%
Salary Increases	5.0%
Investment Rate of Return	7.0%
Retirement Age	100% by age 70
Mortality	RP 2000 Mortality Table (CHBCA)

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.

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF EMPLOYER CONTRIBUTIONS
FIREFIGHTERS' PENSION FUND

Last Four Fiscal Years

	April 30,	December 31,		
FISCAL YEAR ENDED	**2015**	**2015**	**2016**	**2017**
Actuarially determined contributions	$ 5,183,001	$ 4,820,338	$ 5,871,947	$ 7,237,440
Contributions in relation to the actuarially determined contribution	5,670,039	5,355,723	6,415,496	7,338,200
CONTRIBUTION DEFICIENCY (Excess)	$ (487,038)	$ (535,385)	$ (543,549)	$ (100,760)
Covered-employee payroll	$ 17,165,868	$ 18,315,408	$ 18,576,954	$ 19,262,676
Contributions as a percentage of covered-employee payroll	33.03%	29.24%	34.53%	38.10%

Notes to the Required Supplementary Information

Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	17 Years
Asset Valuation Method	5-Year Smoothed Market
Inflation	2.5%
Salary Increases	5.0%
Investment Rate of Return	7.0%
Retirement Age	100% by age 70
Mortality	RP 2000 Mortality Table (CHBCA)

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.

CITY OF NAPERVILLE, 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,	2015	2016	2017
TOTAL PENSION LIABILITY			
Service cost	$ 5,623,110	$ 5,569,481	$ 5,538,779
Interest	20,562,051	21,744,892	22,718,596
Changes in benefit terms	-	-	-
Differences between expected and actual experience	626,724	(2,265,178)	4,058,008
Change of assumptions	358,132	(740,500)	(9,514,997)
Benefit payments, including refunds of member contributions	(10,515,189)	(11,410,419)	(12,761,262)
Net change in total pension liability	16,654,828	12,898,276	10,039,124
Total pension liability - beginning	276,972,756	293,627,584	306,525,860
TOTAL PENSION LIABILITY - ENDING	$ 293,627,584	$ 306,525,860	$ 316,564,984
PLAN FIDUCIARY NET POSITION			
Contributions - employer	$ 6,026,372	$ 6,217,283	$ 6,233,486
Contributions - members	2,325,703	2,364,110	2,431,700
Net investment income	1,278,894	17,659,805	46,307,985
Benefit payments, including refunds of member contributions	(10,515,189)	(11,410,419)	(12,761,262)
Other	(715,829)	1,156,632	(3,683,564)
Net change in plan fiduciary net position	(1,600,049)	15,987,411	38,528,345
Plan fiduciary net position - beginning	256,860,331	255,260,282	271,247,693
PLAN FIDUCIARY NET POSITION - ENDING	$ 255,260,282	$ 271,247,693	$ 309,776,038
EMPLOYER'S NET PENSION LIABILITY	$ 38,367,302	$ 35,278,167	$ 6,788,946
Plan fiduciary net position as a percentage of the total pension liability	86.93%	88.49%	97.86%
Covered-employee payroll	$ 51,417,441	$ 51,486,313	$ 52,718,201
Employer's net pension liability as a percentage of covered-employee payroll	74.62%	68.52%	12.88%

Measurement Date December 31, 2015 - There was a change with respect to actuarial assumptions. Certain demographic assumptions were changed, which impacted mortality rates, mortality improvement rates, retirement rates, disability rates and termination rates.

Measurement Date December 31, 2016 - There was a change with respect to actuarial assumptions. Changes in assumptions related to mortality were made since the prior measurement date. Additionally, the discount rate was changed from 7.48% to 7.50%.

Measurement Date December 31, 2017 - Assumptions related to salary increases were changed from 3.75% - 14.50% to 3.39% - 14.25%. Assumptions related to price inflation were changed from 2.75% to 2.50%. Additionally, Certain demographic assumptions were changed, which impacted mortality rates and retirement 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 NAPERVILLE, ILLINOIS

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

Last Four Fiscal Years

	April 30,	December 31,		
MEASUREMENT DATE	**2015**	**2015**	**2016**	**2017**
TOTAL PENSION LIABILITY				
Service cost	$ 3,442,284	$ 2,635,406	$ 4,113,967	$ 4,277,831
Interest	12,150,401	8,904,818	13,993,038	14,216,220
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	(2,006,971)	(1,398,497)	(11,518,319)	1,578,661
Change of assumptions	8,387,367	-	3,016,340	-
Benefit payments, including refunds of member contributions	(5,506,966)	(3,958,442)	(6,365,209)	(6,817,646)
Net change in total pension liability	16,466,115	6,183,285	3,239,817	13,255,066
Total pension liability - beginning	176,330,635	192,796,750	198,980,035	202,219,852
TOTAL PENSION LIABILITY - ENDING	$ 192,796,750	$ 198,980,035	$ 202,219,852	$ 215,474,918
PLAN FIDUCIARY NET POSITION				
Contributions - employer	$ 5,641,180	$ 5,345,433	$ 6,329,588	$ 6,677,807
Contributions - members	1,599,368	1,117,257	1,773,258	1,788,835
Contributions - other	8,066	2,237	21,704	-
Net investment income	8,726,002	(4,333,440)	11,562,097	20,204,239
Benefit payments, including refunds of member contributions	(5,506,966)	(3,950,028)	(6,386,913)	(6,817,646)
Administrative expense	(130,073)	(67,226)	(53,912)	(66,441)
Net change in plan fiduciary net position	10,337,577	(1,885,767)	13,245,822	21,786,794
Plan fiduciary net position - beginning	130,457,028	140,794,605	138,908,838	152,154,660
PLAN FIDUCIARY NET POSITION - ENDING	$ 140,794,605	$ 138,908,838	$ 152,154,660	$ 173,941,454
EMPLOYER'S NET PENSION LIABILITY	$ 52,002,145	$ 60,071,197	$ 50,065,192	$ 41,533,464
Plan fiduciary net position as a percentage of the total pension liability	73.03%	69.81%	75.24%	80.72%
Covered-employee payroll	$ 16,683,031	$ 16,683,031	$ 17,893,623	$ 18,050,807
Employer's net pension liability as a percentage of covered-employee payroll	311.71%	360.07%	279.79%	230.09%

Measurement Date April 30. 2015 - Changes made to mortality rate.

Measurement Date December 31, 2016, amounts reported as changes of assumptions resulted from the following assumption changes:

- For healthy lives, the mortality rates were updated from RP-2000 Combined Healthy Mortality with a blue collar adjustment to RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to the valuation date using Scale BB.
- For disabled lives, the mortality rates were updated from RP-2000 Disabled Retiree Mortality to RP-2000 Disabled Retiree Mortality, projected to the valuation date using Scale BB.
- The Salary Scale assumptions was changed from 5.00% to service based.

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 NAPERVILLE, ILLINOIS

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

Last Four Fiscal Years

	April 30,	December 31,		
MEASUREMENT DATE	**2015**	**2015**	**2016**	**2017**
TOTAL PENSION LIABILITY				
Service cost	$ 3,852,140	$ 3,038,367	$ 5,196,429	$ 5,414,018
Interest	11,857,616	8,558,822	14,032,562	14,813,198
Changes in benefit terms	-	-	-	-
Differences between expected and actual experience	(82,734)	5,414,803	(5,954,167)	(96,584)
Change of assumptions	2,920,299	-	4,639,327	-
Contributions buy-back	-	-	-	15,593
Benefit payments, including refunds of member contributions	(5,207,568)	(3,869,445)	(6,423,714)	(7,535,884)
Net change in total pension liability	13,339,753	13,142,547	11,490,437	12,610,341
Total pension liability - beginning	171,998,295	185,338,048	198,480,595	209,971,032
TOTAL PENSION LIABILITY - ENDING	$ 185,338,048	$ 198,480,595	$ 209,971,032	$ 222,581,373
PLAN FIDUCIARY NET POSITION				
Contributions - employer	$ 5,670,039	$ 5,355,723	$ 6,415,496	$ 7,338,200
Contributions - members	1,839,016	1,181,158	1,756,451	1,821,286
Contributions buy-back	-	-	-	15,593
Net investment income	7,705,014	(4,543,027)	11,586,944	20,265,831
Benefit payments, including refunds of member contributions	(5,207,568)	(3,869,445)	(6,423,714)	(7,535,884)
Administrative expense	(109,970)	(82,866)	(123,773)	(126,490)
Net change in plan fiduciary net position	9,896,531	(1,958,457)	13,211,404	21,778,536
Plan fiduciary net position - beginning	131,511,368	141,407,899	139,449,442	152,660,846
PLAN FIDUCIARY NET POSITION - ENDING	$ 141,407,899	$ 139,449,442	$ 152,660,846	$ 174,439,382
EMPLOYER'S NET PENSION LIABILITY	$ 43,930,149	$ 59,031,153	$ 57,310,186	$ 48,141,991
Plan fiduciary net position as a percentage of the total pension liability	76.30%	70.26%	72.71%	78.37%
Covered-employee payroll	$ 17,165,868	$ 18,315,408	$ 18,576,954	$ 19,262,676
Employer's net pension liability as a percentage of covered-employee payroll	255.92%	322.30%	308.50%	249.92%

Measurement Date April 30. 2015 - Changes made to mortality rate.

Measurement Date December 31, 2016, amounts reported as changes of assumptions resulted from the following assumption changes:

- For healthy lives, the mortality rates were updated from RP-2000 Combined Healthy Mortality with a blue collar adjustment to RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to the valuation date using Scale BB.
- For disabled lives, the mortality rates were updated from RP-2000 Disabled Retiree Mortality to RP-2000 Disabled Retiree Mortality, projected to the valuation date using Scale BB.
- The Salary Scale assumptions was changed from 5.00% to service based.

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 NAPERVILLE, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
POLICE PENSION FUND

Last Four Fiscal Years

	April 30,	December 31,		
FISCAL YEAR ENDED	**2015**	**2015**	**2016**	**2017**
Annual money-weighted rate of return, net of investment expense	6.60%	(3.10%)	8.41%	13.29%

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 NAPERVILLE, ILLINOIS

SCHEDULE OF INVESTMENT RETURNS
FIREFIGHTERS' PENSION FUND

Last Four Fiscal Years

	April 30,	December 31,		
FISCAL YEAR ENDED	**2015**	**2015**	**2016**	**2017**
Annual money-weighted rate of return, net of investment expense	6.00%	(3.20%)	8.32%	13.31%

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 NAPERVILLE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Six Fiscal Years

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL) Entry-Age	(b)-(a) Unfunded AAL (UAAL)	(a) / (b) Funded Ratio	(c) Covered Payroll	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/17	N/A	N/A	N/A	N/A	N/A	N/A
12/31/16	$ -	$ 10,649,256	$ 10,649,256	0.00%	$ 82,729,832	12.87%
12/31/2015*	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2015	N/A	N/A	N/A	N/A	N/A	N/A
4/30/2014	-	9,043,563	9,043,563	0.00%	88,717,698	10.19%
4/30/2013	-	8,302,543	8,302,543	0.00%	84,561,057	9.82%

*For the eight months ended.

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

Last Six Fiscal Years

Year Ended April 30	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
12/31/17	$ 540,649	$ 827,914	65.30%
12/31/16	443,024	615,455	71.98%
12/31/2015*	295,349	410,303	71.98%
4/30/2015	443,023	615,455	71.98%
4/30/2014	435,507	558,380	77.99%
4/30/2013	435,507	558,380	77.99%

*Eight months ended.

The City is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future.

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND

General Fund - This fund is the general operating fund of the City. The General Fund should be used to account for and report all financial resources not accounted for and reported in another fund.

DEBT SERVICE FUND

Debt Service Fund - This fund is funded by a property tax restricted for the payment of principal and interest on general obligation bonds in accordance with the bond ordinance authorizing the issuance of the bonds.

CITY OF NAPERVILLE, ILLINOIS

DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
TAXES				
Property taxes				
General	$ 7,951,523	$ 7,951,523	$ 8,001,670	$ 50,147
Police Pension	6,048,474	6,048,474	6,092,659	44,185
Firefighters' Pension	6,747,440	6,747,440	6,796,339	48,899
Total property taxes	20,747,437	20,747,437	20,890,668	143,231
Utility tax	16,576,700	16,576,700	15,398,673	(1,178,027)
Other taxes				
Auto rental tax	106,000	106,000	111,786	5,786
Real estate transfer tax	5,000,000	5,000,000	5,505,837	505,837
Hotel/motel tax	1,320,000	1,320,000	1,549,292	229,292
Charitable games tax	-	-	990	990
Personal property replacement tax	300,000	300,000	300,859	859
Total other taxes	6,726,000	6,726,000	7,468,764	742,764
Total taxes	44,050,137	44,050,137	43,758,105	(292,032)
LICENSES AND PERMITS				
Licenses				
Liquor	513,550	513,550	686,941	173,391
Business license	130,000	130,000	132,042	2,042
Scavenger	2,250	2,250	1,850	(400)
Total licenses	645,800	645,800	820,833	175,033
Permits				
Small permits	220,000	220,000	273,166	53,166
Inspection - electrical	100	100	50	(50)
Sale of permit pouches	-	-	1,800	1,800
Plan review - inspection storage	600	600	135	(465)
Single family (duplex) fees	525,000	525,000	679,987	154,987
1&2 Fam room addition fees	250,000	250,000	266,817	16,817
Multi-family new - fees	115,000	115,000	141,930	26,930
Commercial new fees	245,000	245,000	267,564	22,564
Commercial - simple occup	10,000	10,000	8,950	(1,050)
Commercial alteration	335,000	335,000	349,806	14,806
Demolitions	60,000	60,000	56,364	(3,636)
Fire alarm/sprinkler	50,000	50,000	76,042	26,042
Total permits	1,810,700	1,810,700	2,122,611	311,911
Total licenses and permits	2,456,500	2,456,500	2,943,444	486,944

(This schedule is continued on the following pages.)

CITY OF NAPERVILLE, ILLINOIS

DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
FINES				
Police fines	$ 1,500,000	$ 1,500,000	$ 934,405	$ (565,595)
Police - false alarms	83,000	83,000	88,968	5,968
Fire - false alarms	1,000	1,000	800	(200)
Fines - court - enforcement	100,000	100,000	108,050	8,050
Parking fines	190,000	190,000	196,841	6,841
Alcohol and tobacco fines	13,000	13,000	3,475	(9,525)
Animal fines	5,500	5,500	7,415	1,915
DUI fines	70,000	70,000	79,074	9,074
Total fines	1,962,500	1,962,500	1,419,028	(543,472)
NET INVESTMENT INCOME	182,500	182,500	134,196	(48,304)
INTERGOVERNMENTAL REVENUE				
Sales and use tax	37,374,415	37,374,415	36,949,324	(425,091)
State income tax	14,540,000	14,540,000	13,029,080	(1,510,920)
FEMA	-	-	-	-
Secret services	10,000	10,000	11,500	1,500
IEMA - Citizen corps	-	-	-	-
Federal grants	46,000	46,000	22,195	(23,805)
ILEAS	22,000	22,000	18,960	(3,040)
Click it or ticket	50,000	50,000	49,084	(916)
TED - ride DuPage grant	140,000	140,000	128,736	(11,264)
Tobacco grant	8,800	8,800	-	(8,800)
Police training grant	-	-	14,661	14,661
MABAS/ITTF Deploy drill	60,000	60,000	47,269	(12,731)
IDOT-TED - traffic signal energy	40,000	40,000	35,371	(4,629)
DuPage County HHW project	100,000	100,000	100,000	-
Kane County HHW service	10,000	10,000	10,000	-
Will County	25,000	25,000	24,999	(1)
Aurora HHW contribution	20,000	20,000	20,000	-
Total intergovernmental revenue	52,446,215	52,446,215	50,461,179	(1,985,036)
CHARGES FOR SERVICES				
P.U.D. filing fees	100,000	100,000	136,824	36,824
Annexation fees	4,000	4,000	5,986	1,986
Residential engineering fee	130,000	130,000	194,490	64,490
Commercial engineering fee	60,000	60,000	51,123	(8,877)
Plat review fees - easement	4,500	4,500	8,280	3,780
Plat review fees - right of ways	-	-	24,929	24,929
Sale of printed material	-	-	10	10
Accident reports	18,000	18,000	16,895	(1,105)
Photo lab	200	200	61	(139)
Police ranging services	-	-	5	5

(This schedule is continued on the following pages.)

CITY OF NAPERVILLE, ILLINOIS

DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
CHARGES FOR SERVICES (Continued)				
Meeting room fees	$ -	$ -	$ 14,740	$ 14,740
Ambulance report	2,500	2,500	4,716	2,216
Bail bond fees	72,000	72,000	40,405	(31,595)
Administrative tow fee	200,000	200,000	127,869	(72,131)
Clerk fees	10,400	10,400	11,072	672
Right of ways - other	20,000	20,000	23,280	3,280
Mowing services	28,000	28,000	36,910	8,910
Landscape services	220,000	220,000	210,032	(9,968)
Voluntary cart program	186,000	186,000	135,528	(50,472)
Cart delivery charge	7,000	7,000	8,090	1,090
DPW - services for DPU	70,000	70,000	57,031	(12,969)
N.F.P.D. - contract	1,090,000	1,090,000	1,098,206	8,206
Elevator inspections	85,000	85,000	79,039	(5,961)
Ambulance fees	3,800,000	3,800,000	5,232,628	1,432,628
Fire service fees	250,000	250,000	156,705	(93,295)
Police services	380,890	380,890	410,794	29,904
Billable police services	203,556	203,556	247,729	44,173
Billable fire services	182,767	182,767	119,225	(63,542)
Fire reimbursements	-	-	25,964	25,964
Billable TED service	1,533	1,533	13,202	11,669
Fire alarm monitoring	726,106	726,106	696,427	(29,679)
Billable DPW services	112,732	112,732	125,302	12,570
Garbage collection fee	6,338,613	6,338,613	6,292,031	(46,582)
Recycling Cart program	-	-	20	20
Charges for services	-	-	88,622	88,622
Other charges for services	3,033,124	3,033,124	2,956,669	(76,455)
Total charges for services	17,336,921	17,336,921	18,650,839	1,313,918
FRANCHISE FEES				
Rent income	62,050	62,050	62,057	7
WideOpenWest - cable franchise fee	650,000	650,000	594,877	(55,123)
WideOpenWest - 1% support fee	135,000	135,000	118,975	(16,025)
Comcast - cable franchise fee	1,450,000	1,450,000	1,618,523	168,523
Comcast - 1% support fee	295,000	295,000	323,705	28,705
Rents and royalties	131,500	131,500	293,795	162,295
Lease revenue	4,800	4,800	619	(4,181)
AT&T - cable franchise fee	425,000	425,000	342,098	(82,902)
AT&T - 1% support fee	85,000	85,000	68,420	(16,580)
Total franchise fees	3,238,350	3,238,350	3,423,069	184,719

(This schedule is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

DETAILED SCHEDULE OF REVENUES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
MISCELLANEOUS				
Late payment charge	$ 35,000	$ 35,000	$ 43,698	$ 8,698
Sale of surplus property	-	-	43,616	43,616
DPW - disposal/scrap	5,000	5,000	6,706	1,706
Nonrefundable bid deposit	-	-	25	25
Bad debt recovery	40,000	40,000	(7,635)	(47,635)
Cashier over/short	-	-	(131)	(131)
Damage to city property	20,000	20,000	37,573	17,573
Miscellaneous non revenues	3,500	3,500	5,615	2,115
NSF check charge	20,000	20,000	24,727	4,727
Information technology	-	-	8,251	8,251
Miscellaneous revenues	332,000	332,000	262,080	(69,920)
Total miscellaneous	455,500	455,500	424,525	(30,975)
TOTAL REVENUES	$ 122,128,623	$ 122,128,623	$ 121,214,385	$ (914,238)

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
GENERAL FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
GENERAL GOVERNMENT				
Legislative				
Mayor and City Council				
Salaries	$ 229,562	$ 229,562	$ 227,557	$ 2,005
Employee benefits	65,841	65,841	64,128	1,713
Other purchased services	35,000	35,000	1,408	33,592
Supplies	2,450	2,450	1,208	1,242
Internal services	1,444	1,444	1,440	4
Total Mayor and City Council	334,297	334,297	295,741	38,556
Alcohol and Tobacco Commission				
Other professional services	2,000	2,000	2,879	(879)
Other purchased services	3,000	3,000	57	2,943
Supplies	18,250	18,250	11,372	6,878
Total Alcohol and Tobacco Commission	23,250	23,250	14,308	8,942
Legal				
Legal department				
Salaries	804,382	804,382	690,459	113,923
Employee benefits	246,785	246,785	224,657	22,128
Other professional services	30,000	30,000	8,782	21,218
Other purchased services	42,100	42,100	25,274	16,826
Purchase property service	2,500	2,500	-	2,500
Supplies	45,500	45,500	33,539	11,961
Internal services	2,152	2,152	2,148	4
Total legal	1,173,419	1,173,419	984,859	188,560
Executive				
City Manager's Office				
Salaries	408,704	408,704	433,138	(24,434)
Employee benefits	109,478	109,478	119,315	(9,837)
Other professional services	44,164	44,164	64,514	(20,350)
Other purchased services	50,959	50,959	67,704	(16,745)
Supplies	1,800	1,800	673	1,127
Internal services	3,130	3,130	3,132	(2)
Total City Manager's Office	618,235	618,235	688,476	(70,241)
Sister Cities Commission				
Other purchased services	3,350	3,350	3,331	19
Total Sister Cities Commission	3,350	3,350	3,331	19

(This schedule is continued on the following pages.)

CITY OF NAPERVILLE, ILLINOIS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
GENERAL GOVERNMENT (Continued)				
Executive (Continued)				
Board of Fire and Police				
Salaries	$ 61,534	$ 61,534	$ 63,132	$ (1,598)
Employee benefits	25,697	25,697	25,718	(21)
Other professional services	82,641	82,641	66,991	15,650
Other purchased services	21,900	21,900	23,273	(1,373)
Supplies	1,700	1,700	2,245	(545)
Total Board of Fire and Police	193,472	193,472	181,359	12,113
Communications				
Salaries	260,954	260,954	242,703	18,251
Employee benefits	70,721	70,721	62,306	8,415
Technical services	99,740	99,740	56,228	43,512
Other professional services	55,500	55,500	59,652	(4,152)
Other purchased services	20,182	20,182	9,084	11,098
Purchased property	500	500	-	500
Supplies	6,700	6,700	475	6,225
Total communications	514,297	514,297	430,448	83,849
Human resources				
Salaries	574,014	574,014	542,720	31,294
Employee benefits	244,740	244,740	219,719	25,021
Technical services	11,441	11,441	1,523	9,918
Other professional services	122,022	122,022	63,778	58,244
Other purchased services	69,737	69,737	59,098	10,639
Supplies	23,613	23,613	21,493	2,120
Internal services	1,181	1,181	1,752	(571)
Total human resources	1,046,748	1,046,748	910,083	136,665
City clerk				
City Clerk's Office				
Salaries	493,312	493,312	450,971	42,341
Employee benefits	160,794	160,794	142,474	18,320
Other professional services	13,210	13,210	6,525	6,685
Purchased property	3,151	3,151	2,347	804
Other purchased services	87,750	87,750	16,899	70,851
Supplies	4,500	4,500	5,752	(1,252)
Property	-	-	7,767	(7,767)
Internal services	1,223	1,223	1,224	(1)
Other	7,000	7,000	8,511	(1,511)
Total City Clerk's Office	770,940	770,940	642,470	128,470

(This schedule is continued on the following pages.)

CITY OF NAPERVILLE, ILLINOIS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
GENERAL GOVERNMENT (Continued)				
City clerk (Continued)				
Reproduction micrographics service				
Salaries	$ -	$ -	$ 2,302	$ (2,302)
Employee benefits	-	-	230	(230)
Property	-	-	78	(78)
Total reproduction micrographics service	-	-	2,610	(2,610)
Information technology				
Salaries	1,396,830	1,396,830	1,330,680	66,150
Employee benefits	604,726	604,726	590,079	14,647
Technical services	1,602,179	1,602,179	1,827,579	(225,400)
Purchased property	11,800	11,800	654	11,146
Other professional services	314,000	314,000	408,497	(94,497)
Other purchased services	765,679	765,679	745,878	19,801
Supplies	645,807	645,807	578,469	67,338
Property	457,000	457,000	252,695	204,305
Internal services	(802,808)	(802,808)	(802,812)	4
Total information technology	4,995,213	4,995,213	4,931,719	63,494
Financial administration				
Administration				
Salaries	417,930	417,930	392,347	25,583
Employee benefits	143,983	143,983	130,474	13,509
Technical services	178,657	178,657	317,539	(138,882)
Other professional services	229,798	229,798	267,967	(38,169)
Purchased property	2,000	2,000	176	1,824
Other purchased services	21,998	21,998	16,757	5,241
Supplies	29,670	29,670	15,572	14,098
Property	-	-	19,012	(19,012)
Internal services	4,856	4,856	4,860	(4)
Total administration	1,028,892	1,028,892	1,164,704	(135,812)
Billing and collection				
Salaries	78,182	78,182	43,247	34,935
Employee benefits	23,063	23,063	15,346	7,717
Technical services	6,250	6,250	5,807	443
Other professional services	-	-	14,608	(14,608)
Purchased property	500	500	-	500
Property	-	-	1,612	(1,612)
Other purchased services	-	-	13,811	(13,811)
Total billing and collection	107,995	107,995	94,431	13,564

(This schedule is continued on the following pages.)

CITY OF NAPERVILLE, ILLINOIS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
GENERAL GOVERNMENT (Continued)				
Financial administration (Continued)				
Procurement services				
Salaries	$ 295,802	$ 295,802	$ 300,397	$ (4,595)
Employee benefits	123,172	123,172	123,691	(519)
Other purchased services	4,000	4,000	1,575	2,425
Supplies	-	-	37	(37)
Professional services	25,000	25,000	-	25,000
Total procurement services	447,974	447,974	425,700	22,274
Procurement services				
Salaries	125	125	1,189	(1,064)
Employee benefits	10	10	-	10
Total procurement services	135	135	1,189	(1,054)
General services	(277,026)	(277,026)	1,703,961	(1,980,987)
Total general government	10,981,191	10,981,191	12,475,389	(1,494,198)
PHYSICAL ENVIRONMENT				
Development review team				
Salaries	1,599,801	1,599,801	1,594,632	5,169
Employee benefits	551,248	551,248	544,672	6,576
Technical services	35,950	35,950	27,710	8,240
Total development review team	2,186,999	2,186,999	2,167,014	19,985
Special projects team				
Salaries	1,193,758	1,193,758	1,127,138	66,620
Employee benefits	474,477	474,477	400,340	74,137
Technical services	18,000	18,000	8,245	9,755
Other purchased services	66,815	66,815	60,494	6,321
Supplies	75,150	75,150	55,081	20,069
Property	2,000	2,000	1,993	7
Internal services	35,253	35,253	35,256	(3)
Total special projects team	1,865,453	1,865,453	1,688,547	176,906
Planning				
Salaries	327,602	327,602	338,038	(10,436)
Employee benefits	78,124	78,124	87,315	(9,191)
Other professional services	30,000	30,000	28,919	1,081
Total planning	435,726	435,726	454,272	(18,546)

(This schedule is continued on the following pages.)

CITY OF NAPERVILLE, ILLINOIS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
PHYSICAL ENVIRONMENT (Continued)				
Public buildings				
Salaries	$ 1,063,170	$ 1,063,170	$ 1,115,793	$ (52,623)
Employee benefits	391,065	391,065	403,565	(12,500)
Technical services	238,146	238,146	205,982	32,164
Other professional services	20,000	20,000	20,733	(733)
Purchased property	500,200	500,200	426,096	74,104
Other purchased services	5,546	5,546	4,676	870
Supplies	1,222,085	1,222,085	1,233,969	(11,884)
Property	237,000	237,000	129,139	107,861
Total public buildings	3,677,212	3,677,212	3,539,953	137,259
Total physical environment	8,165,390	8,165,390	7,849,786	315,604
PUBLIC SAFETY				
Police				
Office of Chief of Police				
Salaries	1,579,274	1,579,274	1,364,812	214,462
Employee benefits	802,232	802,232	730,539	71,693
Other professional services	168,960	168,960	143,701	25,259
Purchased property services	19,700	19,700	19,194	506
Other purchased services	82,840	82,840	76,575	6,265
Supplies	105,100	105,100	82,694	22,406
Property	8,100	8,100	11,202	(3,102)
Other services and charges	4,000	4,000	4,000	-
Total Office of Chief of Police	2,770,206	2,770,206	2,432,717	337,489
Administrative services				
Salaries	582,644	582,644	658,074	(75,430)
Employee benefits	66,494	66,494	74,528	(8,034)
Other professional services	10,000	10,000	12,848	(2,848)
Purchased property services	6,781	6,781	5,143	1,638
Other purchased services	187,320	187,320	198,801	(11,481)
Supplies	248,583	248,583	222,414	26,169
Internal services	6,153,465	6,153,465	6,277,615	(124,150)
Total administrative services	7,255,287	7,255,287	7,449,423	(194,136)
Patrol				
Salaries	14,431,878	14,431,878	13,665,146	766,732
Employee benefits	2,191,053	2,191,053	2,136,712	54,341
Other professional services	13,700	13,700	12,250	1,450
Purchased property	9,500	9,500	2,789	6,711
Supplies	92,952	92,952	101,535	(8,583)
Property	40,400	40,400	33,205	7,195
Total patrol	16,779,483	16,779,483	15,951,637	827,846

(This schedule is continued on the following pages.)

CITY OF NAPERVILLE, ILLINOIS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
PUBLIC SAFETY (Continued)				
Police (Continued)				
Investigations				
Salaries	$ 7,397,038	$ 7,397,038	$ 7,449,116	$ (52,078)
Employee benefits	1,298,865	1,298,865	1,266,932	31,933
Other professional services	117,889	117,889	130,503	(12,614)
Purchased property services	13,175	13,175	6,654	6,521
Other purchased services	2,500	2,500	2,015	485
Supplies	122,350	122,350	152,047	(29,697)
Total investigations	8,951,817	8,951,817	9,007,267	(55,450)
Communications				
Salaries	2,428,741	2,428,741	2,253,642	175,099
Employee benefits	804,652	804,652	737,519	67,133
Technical services	11,800	11,800	10,564	1,236
Other professional services	8,522	8,522	500	8,022
Purchased property services	532,928	532,928	510,374	22,554
Other purchased services	66,374	66,374	61,027	5,347
Supplies	37,902	37,902	27,659	10,243
Total communications	3,890,919	3,890,919	3,601,285	289,634
Fire				
Fire administration				
Salaries	1,736,535	1,736,535	1,633,136	103,399
Employee benefits	655,011	655,011	629,515	25,496
Technical services	40,316	40,316	29,373	10,943
Other professional services	431,300	431,300	440,902	(9,602)
Purchased property services	22,000	22,000	38,426	(16,426)
Other purchased services	86,340	86,340	64,667	21,673
Supplies	172,650	172,650	103,908	68,742
Internal services	6,791,646	6,791,646	6,760,579	31,067
Total fire administration	9,935,798	9,935,798	9,700,506	235,292
Operations division				
Salaries	20,425,627	20,425,627	19,564,477	861,150
Employee benefits	2,987,487	2,987,487	2,951,377	36,110
Technical services	105,795	105,795	108,864	(3,069)
Other professional services	146,000	146,000	95,645	50,355
Purchased property services	158,200	158,200	57,081	101,119
Other purchased services	80,750	80,750	70,112	10,638
Supplies	744,650	744,650	656,853	87,797
Property	40,000	40,000	4,646	35,354
Total operations division	24,688,509	24,688,509	23,509,055	1,179,454
Total public safety	74,272,019	74,272,019	71,651,890	2,620,129

(This schedule is continued on the following pages.)

CITY OF NAPERVILLE, ILLINOIS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
TRANSPORTATION				
Public works				
Administration				
Salaries	$ 613,600	$ 613,600	$ 621,555	$ (7,955)
Employee benefits	344,413	344,413	343,965	448
Technical services	6,717	6,717	6,954	(237)
Professional services	8,725	8,725	2,870	5,855
Other purchased services	50,455	50,455	44,123	6,332
Supplies	15,915	15,915	6,705	9,210
Internal services	59,388	59,388	59,388	-
Total administration	1,099,213	1,099,213	1,085,560	13,653
Strategic services				
Salaries	387,402	387,402	479,833	(92,431)
Employee benefits	108,144	108,144	122,311	(14,167)
Technical services	343,085	343,085	319,545	23,540
Other professional services	3,800	3,800	5,255	(1,455)
Purchased property services	6,758,494	6,758,494	7,068,064	(309,570)
Other purchased services	13,000	13,000	11,410	1,590
Supplies	201,265	201,265	155,310	45,955
Internal services	150,000	150,000	150,000	-
Total strategic services	7,965,190	7,965,190	8,311,728	(346,538)
Operations and maintenance				
Salaries	4,583,484	4,583,484	4,426,064	157,420
Employee benefits	1,625,122	1,625,122	1,585,019	40,103
Technical services	1,658,540	1,658,540	1,225,683	432,857
Other professional services	7,500	7,500	3,299	4,201
Purchased property services	265,175	265,175	215,630	49,545
Other purchased services	50,980	50,980	32,811	18,169
Supplies	1,429,675	1,429,675	1,233,450	196,225
Property	-	-	132	(132)
Total operations and maintenance	9,620,476	9,620,476	8,722,088	898,388
Fleet services				
Salaries	1,087,694	1,087,694	1,221,389	(133,695)
Employee benefits	385,074	385,074	421,593	(36,519)
Technical services	28,820	28,820	14,803	14,017
Purchased property services	417,000	417,000	450,471	(33,471)
Other purchased services	33,030	33,030	29,135	3,895
Supplies	2,121,475	2,121,475	1,709,035	412,440
Property	-	-	32,243	(32,243)
Other services and charges	5,500	5,500	9,300	(3,800)
Total fleet services	4,078,593	4,078,593	3,887,969	190,624

(This schedule is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

DETAILED SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
GENERAL FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
TRANSPORTATION (Continued)				
Transportation and engineering				
Administration				
Salaries	$ 774,624	$ 774,624	$ 853,299	$ (78,675)
Employee benefits	225,693	225,693	271,588	(45,895)
Technical services	5,000	5,000	-	5,000
Other professional services	64,000	64,000	25,832	38,168
Purchased property services	9,320	9,320	1,605	7,715
Other purchased services	335,025	335,025	262,542	72,483
Supplies	175,705	175,705	154,994	20,711
Other	320,475	320,475	264,869	55,606
Total administration	1,909,842	1,909,842	1,834,729	75,113
Total transportation	24,673,314	24,673,314	23,842,074	831,240
CULTURE AND RECREATION				
Carillon				
Supplies	-	-	198	(198)
Total Carillon	-	-	198	(198)
Riverwalk				
Salaries	27,456	27,456	27,590	(134)
Employee benefits	5,322	5,322	5,345	(23)
Technical services	52,000	52,000	31,498	20,502
Other purchased services	2,060	2,060	238	1,822
Supplies	270	270	228	42
Total Riverwalk	87,108	87,108	64,899	22,209
Total culture and recreation	87,108	87,108	65,097	22,011
TOTAL EXPENDITURES	$ 118,179,022	$ 118,179,022	$ 115,884,236	$ 2,294,786

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Property taxes	$ 8,759,076	$ 8,759,076	$ 8,620,843	$ (138,233)
Intergovernmental revenues				
Sales tax	4,055,000	4,055,000	4,083,516	28,516
Other	-	-	163,973	163,973
Net investment income	-	-	(132,755)	(132,755)
Total revenues	12,814,076	12,814,076	12,735,577	(78,499)
EXPENDITURES				
Debt service				
Principal	10,155,746	10,155,746	10,155,746	-
Interest and fees	3,199,330	3,199,330	3,199,330	-
Total expenditures	13,355,076	13,355,076	13,355,076	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(541,000)	(541,000)	(619,499)	(78,499)
OTHER FINANCING SOURCES (USES)				
Transfers in	541,000	541,000	783,664	242,664
Total other financing sources (uses)	541,000	541,000	783,664	242,664
NET CHANGE IN FUND BALANCE	$ -	$ -	164,165	$ 164,165
FUND BALANCE, JANUARY 1			2,986,710	
FUND BALANCE, DECEMBER 31			$ 3,150,875	

(See independent auditor's report.)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for the proceeds of specific revenue sources (other than special assessments or for major capital projects) that are legally restricted or committed to expenditures for specific purposes.

Motor Fuel Tax Fund - to account for the state allotments approved by the Illinois Department of Transportation and 75% of the local motor fuel tax and restricted to fund the street maintenance and various improvements projects.

Community Development Block Grant Fund - to account for the Community Development Block Grant approved by the Federal government and restricted to fund the Housing and Urban Development (HUD) projects.

Fair Share Assessment Fund - to account for street maintenance and improvement projects financed and restricted by the impact fees ordinance. All projects require the advance approval of the Transportation Management Advisory Committee and City Council. In 2009, the Council rescinded the impact fees ordinance. No impact fees revenue has been received since FY 2010.

Road and Bridge Fund - to account for the accumulation of 25% of the local motor fuel tax and the City's share of the four Townships' roadway funds, restricted for the street maintenance.

Naper Settlement Fund - to account for a property tax, one primary revenue source, levied and restricted for the operation and maintenance of the Naper Settlement Museum. In addition, there are donations, fees and interest earnings assigned to supplement the Settlement's program. The Settlement is administered by a Board of Directors, appointed by Council. The City Council approves the annual budget and property tax levy.

Foreign Fire Insurance Tax Fund - to account for state allotment of charges assessed to insurance companies who insure out of state organizations that do business in the State of Illinois and is restricted for fire department related purposes.

E-911 Surcharge Fund - to account for the receipt of E911 surcharges restricted to fund the operation of the E-911 system.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

Food and Beverage Tax Fund - to account for the accumulation of 75% of the Food and Beverage tax, restricted to fund the social and artistic events and entities, providing cultural experiences for the Naperville community and its visitors.

Special Service Area #24 Fund - to account for the cost-sharing paid by property owners and the City, restricted to fund the maintenance and support services for enhancing downtown Naperville including improvements to the Chicago Avenue parking deck.

Test Track Fund - to account for the car dealership contributions restricted to fund the auto test rack maintenance.

Water Street TIF Fund - to account for the receipt and disbursement of Water Street TIF, a financing mechanism for the Water Street Redevelopment Project and to account for the 2014 G.O. bond proceeds of $6,220,000 to be restrictedly used for the Water Street Improvements. The eligible costs are restricted to the Water Street redevelopment project and may include, but not limited to, water storm, sanitary sewer, the service of public facilities and spaces pursuant to the Act, and road improvements.

Drug Forfeiture Fund - to account for the accumulation of funds seized by the City's authorities and restricted by the State and Federal governments for drug prevention expenditures.

American Recovery and Reinvestment Act Federal Grants Fund - to account for the receipt and disbursement of Energy Efficiency Conservation Block Program and Police Technology grants, restricted and approved by the Federal government under the American Recovery and Reinvestment Act.

Special Service Area #25 Fund - to account for the cost-sharing paid by property owners and the City, restricted to fund the traffic signal for enhancing south Naperville at Lacrosse St. and Rt. 59.

NONMAJOR GOVERNMENTAL FUNDS (Continued)

DEBT SERVICE FUNDS

The following Debt Service Funds are established to account for the restricted resources required for the payment of principal and interest on the City's general obligation debts. The debt service funds are legal in nature. They are established in accordance with the City's ordinances.

Special Service Area #21 Fund - to establish a financing mechanism for repayment of a proportionate share of the cost to design and construct a parking deck on Van Buren Street.

Special Service Area #23 Fund - to establish a financing mechanism to collect a portion of the debt service for the Van Buren parking deck expansion. The City ceased to levy SSA #23 in December 2012 and will not levy it until December 2014.

Downtown Parking Fund - to account for the collection of the Downtown Food and Beverage Tax in repayment of one-third of the debt service for the acquisition of the Van Buren parking deck expansion.

CAPITAL PROJECTS FUNDS

Capital Projects Fund - to account for major capital improvement projects (CIP's) on an as needed basis. Yearly transfers from the other funds are done for funding of CIP projects.

Bond Project Fund - to account for the proceeds of $11,120,000 to be restricted for the capital improvements, including upgrades and repairs to capital equipment, municipal buildings/lots and Information Technology items; construction of traffic signals and streets including upgrading intersections; stormwater management programs; citywide LED street lighting conversion; Emerald Ash Borer tree removal and replacement; reconstruction/rehabilitation of bridges; and Riverwalk improvements.

CITY OF NAPERVILLE, ILLINOIS

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2017

	Special Revenue Funds					
	Motor Fuel Tax Fund	Community Development Block Grant Fund	Fair Share Assessment Fund	Road and Bridge Fund	Naper Settlement Fund	Foreign Fire Insurance Tax Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
ASSETS						
Cash and investments	$ 692,320	$ 62,461	$ 8,922	$ 426,405	$ 1,228,116	$ 538,290
Receivables						
Property taxes	-	-	-	-	2,898,272	-
Interest	1,669	-	22	1,074	2,983	-
Accounts receivable						
Less allowance for doubtful accounts	-	-	-	234,700	-	-
Loans and installments	-	-	-	-	-	-
Due from other governments	313,445	71,692	-	-	-	-
Total assets	1,007,434	134,153	8,944	662,179	4,129,371	538,290
DEFERRED OUTFLOWS OF RESOURCES						
None	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 1,007,434	$ 134,153	$ 8,944	$ 662,179	$ 4,129,371	$ 538,290
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ 194,296	$ 71,692	$ -	$ 12,250	$ 31,316	$ -
Accrued wages and benefits	-	-	-	25,190	90,633	-
Due to other governments	-	97,394	-	-	-	-
Due to fiduciary funds	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Contract retainage payable	63,884	-	-	-	-	-
Unearned grant revenues and others	-	-	-	-	470	-
Total liabilities	258,180	169,086	-	37,440	122,419	-
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue-property taxes	-	-	-	-	2,898,272	-
Total deferred inflows of resources	-	-	-	-	2,898,272	-
Total liabilities and deferred inflows of resources	258,180	169,086	-	37,440	3,020,691	-
FUND BALANCES						
Restricted for						
Debt service	-	-	-	-	-	-
Highways, streets, and parking facilities	749,254	-	8,944	624,739	-	-
Public safety	-	-	-	-	-	538,290
Capital projects	-	-	-	-	-	-
Culture and recreation	-	-	-	-	1,108,680	-
Committed to						
Highways, streets, and parking facilities	-	-	-	-	-	-
Assigned to						
Capital projects	-	-	-	-	-	-
Unassigned	-	(34,933)	-	-	-	-
Total fund balances (deficit)	749,254	(34,933)	8,944	624,739	1,108,680	538,290
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 1,007,434	$ 134,153	$ 8,944	$ 662,179	$ 4,129,371	$ 538,290

Special Revenue Funds								
E-911 Surcharge Fund	Food and Beverage Tax Fund	Special Service Area #24 Fund	Test Track Fund	Water Street TIF Fund	Drug Forfeiture Fund	American Recovery and Reinvestment Act Federal Grants Fund	Special Service Area #25 Fund	Total Special Revenue Funds
$ 255	$ 518,013	$ 881,806	$ 31,750	$ 5,167,321	$ 750,761	$ -	$ 12,959	$ 10,319,379
-	-	1,013,351	-	248,166	-	-	68,000	4,227,789
-	966	2,026	-	12,109	1,809	-	31	22,689
64,000	405,783	-	35,407	-	-	-	-	739,890
-	-	30,393	-	-	-	-	-	30,393
771,693	-	-	-	-	-	-	-	1,156,830
835,948	924,762	1,927,576	67,157	5,427,596	752,570	-	80,990	16,496,970
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
$ 835,948	$ 924,762	$ 1,927,576	$ 67,157	$ 5,427,596	$ 752,570	$ -	$ 80,990	$ 16,496,970
$ -	$ 205,843	$ 22,820	$ 1,475	$ -	$ 3,352	$ -	$ -	$ 543,044
-	5,528	33,284	-	-	-	-	-	154,635
-	-	-	-	-	26,295	-	-	123,689
-	128,420	-	-	-	-	-	-	128,420
-	-	-	65,702	-	-	-	-	65,702
-	-	-	-	-	-	-	521,153	521,153
-	-	-	-	-	-	-	-	63,884
-	-	-	-	-	-	-	-	470
-	339,791	56,104	67,177	-	29,647	-	521,153	1,600,997
-	-	1,013,351	-	248,166	-	-	68,000	4,227,789
-	-	1,013,351	-	248,166	-	-	68,000	4,227,789
-	339,791	1,069,455	67,177	248,166	29,647	-	589,153	5,828,786
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	1,382,937
835,948	-	-	-	-	722,923	-	-	2,097,161
-	-	-	-	5,179,430	-	-	-	5,179,430
-	584,971	-	-	-	-	-	-	1,693,651
-	-	858,121	-	-	-	-	-	858,121
-	-	-	-	-	-	-	-	-
-	-	-	(20)	-	-	-	(508,163)	(543,116)
835,948	584,971	858,121	(20)	5,179,430	722,923	-	(508,163)	10,668,184
$ 835,948	$ 924,762	$ 1,927,576	$ 67,157	$ 5,427,596	$ 752,570	$ -	$ 80,990	$ 16,496,970

(This statement is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2017

	Debt Service Funds			Capital Projects Funds		
	Special Service Areas Funds		Downtown Parking Fund	Capital Projects Fund	Bond Project Fund	Total Nonmajor Governmental Funds
	#21	#23				
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
ASSETS						
Cash and investments	$ 822,561	$ 93,834	$ 2,740,902	$ 12,935,912	$ 6,301,341	$ 33,213,929
Receivables						
Property taxes	200,000	98,939	-	-	-	4,526,728
Interest	1,994	227	6,638	31,237	15,153	77,938
Accounts receivable						
Less allowance for doubtful accounts	-	-	201,547	11,167	-	952,604
Loans and installments	-	-	-	-	-	30,393
Due from other governments	-	-	-	136,910	-	1,293,740
Total assets	1,024,555	193,000	2,949,087	13,115,226	6,316,494	40,095,332
DEFERRED OUTFLOWS OF RESOURCES						
None	-	-	-	-	-	-
Total deferred outflows of resources	-	-	-	-	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 1,024,555	$ 193,000	$ 2,949,087	$ 13,115,226	$ 6,316,494	$ 40,095,332
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts payable	$ -	$ -	$ 1,506	$ 642,319	$ 629,367	$ 1,816,236
Accrued wages and benefits	-	-	-	-	-	154,635
Due to other governments	-	-	-	-	-	123,689
Due to fiduciary funds	-	-	-	-	-	128,420
Due to other funds	-	-	-	-	-	65,702
Advances from other funds	-	-	-	-	-	521,153
Contract retainage payable	-	-	-	136,416	-	200,300
Unearned grant revenues and others	-	-	-	3,032,654	-	3,033,124
Total liabilities	-	-	1,506	3,811,389	629,367	6,043,259
DEFERRED INFLOWS OF BALANCES						
Unavailable revenue - property taxes	200,000	98,939	-	-	-	4,526,728
Total deferred inflows of resources	200,000	98,939	-	-	-	4,526,728
Total liabilities and deferred inflows of resources	200,000	98,939	1,506	3,811,389	629,367	10,569,987
FUND BALANCES						
Restricted for						
Debt service	824,555	94,061	2,947,581	-	-	3,866,197
Highways, streets, and parking facilities	-	-	-	-	-	1,382,937
Public safety	-	-	-	-	-	2,097,161
Capital projects	-	-	-	-	5,687,127	10,866,557
Culture and recreation	-	-	-	-	-	1,693,651
Committed to						
Highways, streets, and parking facilities	-	-	-	-	-	858,121
Assigned to						
Capital projects	-	-	-	9,303,837	-	9,303,837
Unassigned	-	-	-	-	-	(543,116)
Total fund balances (deficit)	824,555	94,061	2,947,581	9,303,837	5,687,127	29,525,345
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 1,024,555	$ 193,000	$ 2,949,087	$ 13,115,226	$ 6,316,494	$ 40,095,332

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2017

	Special Revenue Funds					
	Motor Fuel Tax Fund	**Community Development Block Grant Fund**	**Fair Share Assessment Fund**	**Road and Bridge Fund**	**Naper Settlement Fund**	**Foreign Fire Insurance Tax Fund**
REVENUES						
Property taxes	$ -	$ -	$ -	$ 323,268	$ 2,948,397	$ -
Other taxes	-	-	-	2,734,625	-	-
Licenses and permits	-	-	-	62,412	-	-
Fines and forfeits	-	-	-	-	-	-
Net investment income (loss)	2,167	-	5,378	38,490	(3,547)	663
Contributions	-	-	-	-	-	-
Intergovernmental	3,679,434	350,433	-	-	-	250,941
Charges for services	-	-	-	-	537,985	-
Miscellaneous	58,255	-	-	1,122	-	-
Total revenues	3,739,856	350,433	5,378	3,159,917	3,482,835	251,604
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Physical environment	-	397,352	-	-	-	-
Public safety	-	-	-	-	-	269,758
Culture and recreation	-	-	-	-	3,514,521	-
Transportation	-	-	-	748,367	-	-
Capital outlay	3,333,534	-	523,750	4,919,136	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Total expenditures	3,333,534	397,352	523,750	5,667,503	3,514,521	269,758
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	406,322	(46,919)	(518,372)	(2,507,586)	(31,686)	(18,154)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	2,800,000	-	-
Transfers (out)	-	-	-	-	-	-
Sale of property	-	-	-	-	-	-
New bonds issued	-	-	-	-	-	-
Premium on bonds issued	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	2,800,000	-	-
NET CHANGE IN FUND BALANCES	406,322	(46,919)	(518,372)	292,414	(31,686)	(18,154)
FUND BALANCES (DEFICIT), JANUARY 1	342,932	11,986	527,316	332,325	1,140,366	556,444
FUND BALANCES (DEFICIT), DECEMBER 31	$ 749,254	$ (34,933)	$ 8,944	$ 624,739	$ 1,108,680	$ 538,290

Special Revenue Funds							
E-911 Surcharge Fund	Food and Beverage Tax Fund	Special Service Area #24 Fund	Test Track Fund	Water Street TIF Fund	Drug Forfeiture Fund	American Recovery and Reinvestment Act Federal Grants Fund	Special Service Area #25 Fund
$ -	$ -	$ 941,579	$ -	$ 57,809	$ -	$ -	$ 68,019
-	4,392,496	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	53,545	-	-	-	-	-
130	18,577	23,449	-	25,927	9,263	-	(12)
-	-	-	29,225	167,835	-	-	-
-	-	-	-	-	165,239	-	-
2,088,585	-	12,707	-	-	-	-	-
-	8,508	14,790	-	-	1,173	-	-
2,088,715	4,419,581	1,046,070	29,225	251,571	175,675	-	68,007
-	-	-	-	6,616	-	-	-
-	-	-	-	-	-	-	-
1,766,620	-	-	-	-	157,044	-	-
-	3,722,163	-	-	-	-	-	-
-	-	1,815,244	37,498	-	-	-	-
-	-	-	-	227,313	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,766,620	3,722,163	1,815,244	37,498	233,929	157,044	-	-
322,095	697,418	(769,174)	(8,273)	17,642	18,631	-	68,007
-	-	975,000	-	-	-	-	-
-	(783,664)	-	-	-	-	(35,100)	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	(783,664)	975,000	-	-	-	(35,100)	-
322,095	(86,246)	205,826	(8,273)	17,642	18,631	(35,100)	68,007
513,853	671,217	652,295	8,253	5,161,788	704,292	35,100	(576,170)
$ 835,948	$ 584,971	$ 858,121	$ (20)	$ 5,179,430	$ 722,923	$ -	$ (508,163)

(This statement is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended December 31, 2017

	Debt Service Funds			Capital Projects Funds		
	Special Service Area Funds		Downtown Parking Fund	Capital Projects Fund	Bond Project Fund	Total Nonmajor Governmental Funds
	#21	#23				
REVENUES						
Property taxes	$ 201,759	$ 76,761	$ -	$ -	$ -	$ 4,617,592
Other taxes	-	-	865,816	-	-	7,992,937
Licenses and permits	-	-	-	-	-	62,412
Fines and forfeits	-	-	-	-	-	53,545
Net investment income (loss)	10,647	2,287	22,412	132,746	48,340	336,917
Contributions	-	-	-	359,428	-	556,488
Intergovernmental	-	-	460,076	4,847,343	-	9,753,466
Charges for services	-	-	-	-	-	2,639,277
Miscellaneous	-	-	-	247,972	-	331,820
Total revenues	212,406	79,048	1,348,304	5,587,489	48,340	26,344,454
EXPENDITURES						
Current						
General government	-	-	-	-	-	6,616
Physical environment	-	-	-	-	-	397,352
Public safety	-	-	-	-	-	2,193,422
Culture and recreation	-	-	-	-	-	7,236,684
Transportation	-	-	-	-	-	2,601,109
Capital outlay	-	-	337,783	5,629,785	4,088,311	19,059,612
Debt service						
Principal	179,263	-	319,075	-	-	498,338
Interest	45,382	-	61,263	-	-	106,645
Total expenditures	224,645	-	718,121	5,629,785	4,088,311	32,099,778
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(12,239)	79,048	630,183	(42,296)	(4,039,971)	(5,755,324)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	35,100	-	3,810,100
Transfers out	-	-	-	-	-	(818,764)
Sale of property	-	-	-	221,162	-	221,162
New bonds issued	-	-	-	-	6,980,000	6,980,000
Premium on bonds issued	-	-	-	-	179,109	179,109
Total other financing sources (uses)	-	-	-	256,262	7,159,109	10,371,607
NET CHANGE IN FUND BALANCES	(12,239)	79,048	630,183	213,966	3,119,138	4,616,283
FUND BALANCES (DEFICIT), JANUARY 1	836,794	15,013	2,317,398	9,089,871	2,567,989	24,909,062
FUND BALANCES (DEFICIT), DECEMBER 31	$ 824,555	$ 94,061	$ 2,947,581	$ 9,303,837	$ 5,687,127	$ 29,525,345

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Net investment income	$ 11,000	$ 11,000	$ 2,167	$ (8,833)
Intergovernmental revenue - allotments from state and grants	3,775,000	3,775,000	3,679,434	(95,566)
Miscellaneous	-	-	58,255	58,255
Total revenues	3,786,000	3,786,000	3,739,856	(46,144)
EXPENDITURES				
Capital outlay	3,775,000	3,775,000	3,333,534	441,466
Total expenditures	3,775,000	3,775,000	3,333,534	441,466
NET CHANGE IN FUND BALANCE	$ 11,000	$ 11,000	406,322	$ 395,322
FUND BALANCE, JANUARY 1			342,932	
FUND BALANCE, DECEMBER 31			$ 749,254	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
REVENUES				
Intergovernmental - federal grant	$ 459,468	$ 459,468	$ 350,433	$ (109,035)
Total revenues	459,468	459,468	350,433	(109,035)
EXPENDITURES				
Physical environment				
Outside agencies	459,468	459,468	397,352	62,116
Total expenditures	459,468	459,468	397,352	62,116
NET CHANGE IN FUND BALANCE	$ -	$ -	(46,919)	$ (46,919)
FUND BALANCE, JANUARY 1			11,986	
FUND BALANCE (DEFICIT), DECEMBER 31			$ (34,933)	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Property tax	$ 315,000	$ 315,000	$ 323,268	$ 8,268
Other taxes				
Local gasoline	2,645,000	2,645,000	2,699,392	54,392
Personal property replacement tax	35,000	35,000	35,233	233
Licenses and permits	60,000	60,000	62,412	2,412
Net investment income	-	-	38,490	38,490
Miscellaneous	-	-	1,122	1,122
Total revenues	3,055,000	3,055,000	3,159,917	104,917
EXPENDITURES				
Transportation				
Salaries	508,526	508,526	552,387	(43,861)
Employee benefits	195,332	195,332	195,980	(648)
Capital outlay	5,147,500	5,147,500	4,919,136	228,364
Total expenditures	5,851,358	5,851,358	5,667,503	183,855
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,796,358)	(2,796,358)	(2,507,586)	288,772
OTHER FINANCING SOURCES (USES)				
Transfers in	2,800,000	2,800,000	2,800,000	-
Total other financing sources (uses)	2,800,000	2,800,000	2,800,000	-
NET CHANGE IN FUND BALANCES	$ 3,642	$ 3,642	292,414	$ 288,772
FUND BALANCE, JANUARY 1			332,325	
FUND BALANCE, DECEMBER 31			$ 624,739	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Property taxes	$ 2,927,272	$ 2,927,272	$ 2,948,397	$ 21,125
Net investment income	5,600	5,600	(3,547)	(9,147)
Charges for services				
School services and programs	185,000	185,000	189,715	4,715
Museum tours	10,000	10,000	11,150	1,150
Public program revenue	72,000	72,000	76,123	4,123
Gate admissions	52,000	52,000	49,605	(2,395)
Settlement - weddings	100,000	100,000	96,797	(3,203)
Settlement - other	70,470	70,470	73,473	3,003
Settlement - MCOM	-	-	41,122	41,122
Contributions	481,294	481,294	-	(481,294)
Total revenues	3,903,636	3,903,636	3,482,835	(420,801)
EXPENDITURES				
Culture and recreation				
Settlement administration				
Salaries	560,857	560,857	484,804	76,053
Employee benefits	218,699	218,699	169,825	48,874
Technical services	31,851	31,851	21,568	10,283
Other professional services	57,917	57,917	1,976	55,941
Other purchased services	30,379	30,379	25,088	5,291
Supplies	33,680	33,680	19,907	13,773
Internal services	77,635	77,635	108,288	(30,653)
Visitor services				
Salaries	577,429	577,429	643,946	(66,517)
Employee benefits	202,265	202,265	179,141	23,124
Technical services	12,500	12,500	17,170	(4,670)
Other professional services	6,050	6,050	3,445	2,605
Other purchased services	1,700	1,700	2,921	(1,221)
Supplies	21,800	21,800	22,411	(611)
Building and grounds				
Salaries	255,164	255,164	187,866	67,298
Employee benefits	124,910	124,910	79,284	45,626
Technical services	99,392	99,392	161,442	(62,050)
Purchase property services	167,380	167,380	159,567	7,813

(This schedule is continued on the following page.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (Continued)
NAPER SETTLEMENT FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)				
Culture and recreation (Continued)				
Building and grounds (Continued)				
Other purchased services	$ 495	$ 495	$ -	$ 495
Supplies	167,411	167,411	155,538	11,873
Property	110,000	110,000	157,799	(47,799)
Internal services	280	280	276	4
Development				
Salaries	450,617	450,617	253,520	197,097
Employee benefits	151,306	151,306	79,553	71,753
Other purchased services	-	-	70	(70)
Artifact and preservation				
Salaries	249,682	249,682	241,708	7,974
Employee benefits	97,288	97,288	78,929	18,359
Technical services	6,800	6,800	7,621	(821)
Other purchased services	-	-	200	(200)
Supplies	4,523	4,523	4,346	177
Public relations/marketing				
Salaries	162,326	162,326	89,770	72,556
Employee benefits	53,125	53,125	37,861	15,264
Technical services	12,475	12,475	15,761	(3,286)
Other purchased services	139,218	139,218	102,870	36,348
Supplies	3,095	3,095	50	3,045
Total expenditures	4,088,249	4,088,249	3,514,521	573,728
NET CHANGE IN FUND BALANCE	$ (184,613)	$ (184,613)	(31,686)	$ 152,927
FUND BALANCE, JANUARY 1			1,140,366	
FUND BALANCE, DECEMBER 31			$ 1,108,680	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
E-911 SURCHARGE FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Net investment income	$ -	$ -	$ 130	$ 130
Charges for services	1,825,464	1,825,464	2,088,585	263,121
Total revenues	1,825,464	1,825,464	2,088,715	263,251
EXPENDITURES				
Public safety				
Internal services	1,825,464	1,825,464	1,766,620	58,844
Total expenditures	1,825,464	1,825,464	1,766,620	58,844
NET CHANGE IN FUND BALANCE	$ -	$ -	322,095	$ 322,095
FUND BALANCE, JANUARY 1			513,853	
FUND BALANCE, DECEMBER 31			$ 835,948	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Food and beverage tax	$ 3,988,500	$ 3,988,500	$ 4,392,496	$ 403,996
Net investment income	8,750	8,750	18,577	9,827
Miscellaneous	8,000	8,000	8,508	508
Total revenues	4,005,250	4,005,250	4,419,581	414,331
EXPENDITURES				
Culture and recreation				
Salaries	568,972	568,972	590,823	(21,851)
Employee benefits	1,014,369	1,014,369	1,046,666	(32,297)
Other purchased services	292,711	292,711	298,964	(6,253)
Supplies	4,815	4,815	35,079	(30,264)
Outside agencies	1,554,364	1,554,364	1,750,631	(196,267)
Internal services	12,114	12,114	-	12,114
Total expenditures	3,447,345	3,447,345	3,722,163	(274,818)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	557,905	557,905	697,418	139,513
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(541,000)	(541,000)	(783,664)	(242,664)
Total other financing sources (uses)	(541,000)	(541,000)	(783,664)	(242,664)
NET CHANGE IN FUND BALANCE	$ 16,905	$ 16,905	(86,246)	$ (103,151)
FUND BALANCE, JANUARY 1			671,217	
FUND BALANCE, DECEMBER 31			$ 584,971	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA #24 FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Property taxes	$ 933,590	$ 933,590	$ 941,579	$ 7,989
Fines	70,000	70,000	53,545	(16,455)
Net investment income	-	-	23,449	23,449
Charges for services	11,500	11,500	12,707	1,207
Miscellaneous	100,000	100,000	14,790	(85,210)
Total revenues	1,115,090	1,115,090	1,046,070	(69,020)
EXPENDITURES				
Transportation				
Salaries	568,509	568,509	534,591	33,918
Employee benefits	166,142	166,142	147,270	18,872
Professional	907,553	907,553	755,938	151,615
Other purchased services	226,742	226,742	169,951	56,791
Supplies	262,100	262,100	203,077	59,023
Property	584,875	584,875	1	584,874
Internal services	6,626	6,626	4,416	2,210
Total expenditures	2,722,547	2,722,547	1,815,244	907,303
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,607,457)	(1,607,457)	(769,174)	838,283
OTHER FINANCING SOURCES (USES)				
Transfers in	951,279	951,279	975,000	23,721
Total other financing sources (uses)	951,279	951,279	975,000	23,721
NET CHANGE IN FUND BALANCE	$ (656,178)	$ (656,178)	205,826	$ 862,004
FUND BALANCE, JANUARY 1			652,295	
FUND BALANCE, DECEMBER 31			$ 858,121	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Contributions	$ 55,015	$ 55,015	$ 29,225	$ (25,790)
Total revenues	55,015	55,015	29,225	(25,790)
EXPENDITURES				
Transportation				
Technical services	14,000	14,000	1,591	12,409
Purchase property services	16,395	16,395	15,118	1,277
Other purchased services	3,620	3,620	3,208	412
Supplies	21,000	21,000	17,581	3,419
Total expenditures	55,015	55,015	37,498	17,517
NET CHANGE IN FUND BALANCE	$ -	$ -	(8,273)	$ (8,273)
FUND BALANCE, JANUARY 1			8,253	
FUND BALANCE (DEFICIT), DECEMBER 31			$ (20)	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Net investment income	$ 7,050	$ 7,050	$ 9,263	$ 2,213
Intergovernmental	281,500	281,500	165,239	(116,261)
Miscellaneous	-	-	1,173	1,173
Total revenues	288,550	288,550	175,675	(112,875)
EXPENDITURES				
Public Safety				
Professional services	55,000	55,000	21,517	33,483
Other purchased services	73,000	73,000	17,935	55,065
Supplies	119,000	119,000	48,896	70,104
Property	-	-	60,650	(60,650)
Internal services	25,000	25,000	7,377	17,623
Outside agencies	9,500	9,500	669	8,831
Total expenditures	281,500	281,500	157,044	124,456
NET CHANGE IN FUND BALANCE	$ 7,050	$ 7,050	18,631	$ 11,581
FUND BALANCE, JANUARY 1			704,292	
FUND BALANCE, DECEMBER 31			$ 722,923	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
AMERICAN RECOVERY AND REINVESTMENT ACT FEDERAL GRANTS FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget- Positive (Negative)
REVENUES				
None	$ -	$ -	$ -	$ -
Total revenues	-	-	-	-
EXPENDITURES				
None	-	-	-	-
Total expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers (out)	-	-	(35,100)	(35,100)
Total other financing sources (uses)	-	-	(35,100)	(35,100)
NET CHANGE IN FUND BALANCE	$ -	$ -	(35,100)	$ (35,100)
FUND BALANCE, JANUARY 1			35,100	
FUND BALANCE, DECEMBER 31			$ -	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA #25 FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Property taxes	$ 68,000	$ 68,000	$ 68,019	$ 19
Net investment income (loss)	-	-	(12)	(12)
Total revenues	68,000	68,000	68,007	(7)
EXPENDITURES				
None	-	-	-	-
Total expenditures	-	-	-	-
NET CHANGE IN FUND BALANCE	$ 68,000	$ 68,000	68,007	$ (7)
FUND BALANCE (DEFICIT), JANUARY 1			(576,170)	
FUND BALANCE (DEFICIT), DECEMBER 31			$ (508,163)	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA #21 FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Property taxes	$ 200,000	$ 200,000	$ 201,759	$ 1,759
Net investment income	-	-	10,647	10,647
Miscellaneous	15,000	15,000	-	(15,000)
Total revenues	215,000	215,000	212,406	(2,594)
EXPENDITURES				
Debt service				
Principal	179,263	179,263	179,263	-
Interest	45,382	45,382	45,382	-
Total expenditures	224,645	224,645	224,645	-
NET CHANGE IN FUND BALANCE	$ (9,645)	$ (9,645)	(12,239)	$ (2,594)
FUND BALANCE, JANUARY 1			836,794	
FUND BALANCE, DECEMBER 31			$ 824,555	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SPECIAL SERVICE AREA #23 FUND

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Property taxes	$ 103,585	$ 103,585	$ 76,761	$ (26,824)
Net investment income	-	-	2,287	2,287
Total revenues	103,585	103,585	79,048	(24,537)
EXPENDITURES				
None	-	-	-	-
Total expenditures	-	-	-	-
NET CHANGE IN FUND BALANCE	$ 103,585	$ 103,585	79,048	$ (24,537)
FUND BALANCE, JANUARY 1			15,013	
FUND BALANCE, DECEMBER 31			$ 94,061	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Other taxes				
Food and beverage tax	$ 925,000	$ 925,000	$ 865,816	$ (59,184)
Net investment income	25,000	25,000	22,412	(2,588)
Intergovernmental				
Sales tax	384,000	384,000	460,076	76,076
Miscellaneous	25,000	25,000	-	(25,000)
Total revenues	1,359,000	1,359,000	1,348,304	(10,696)
EXPENDITURES				
Capital outlay	-	-	337,783	(337,783)
Debt service				
Principal	319,075	319,075	319,075	-
Interest	61,263	61,263	61,263	-
Total expenditures	380,338	380,338	718,121	(337,783)
NET CHANGE IN FUND BALANCE	$ 978,662	$ 978,662	630,183	$ (348,479)
FUND BALANCE, JANUARY 1			2,317,398	
FUND BALANCE, DECEMBER 31			$ 2,947,581	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Net investment income	$ -	$ -	$ 132,746	$ 132,746
Contributions	2,997,000	2,997,000	359,428	(2,637,572)
Intergovernmental				
Sales taxes	4,088,500	4,088,500	4,589,029	500,529
Grants	2,827,534	2,827,534	258,314	(2,569,220)
Miscellaneous	100,000	100,000	247,972	147,972
Total revenues	10,013,034	10,013,034	5,587,489	(4,425,545)
EXPENDITURES				
Capital outlay	13,364,251	13,364,251	5,629,785	7,734,466
Total expenditures	13,364,251	13,364,251	5,629,785	7,734,466
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,351,217)	(3,351,217)	(42,296)	3,308,921
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	35,100	35,100
Sale of property	-	-	221,162	221,162
Total other financing sources (uses)	-	-	256,262	256,262
NET CHANGE IN FUND BALANCE	$ (3,351,217)	$ (3,351,217)	213,966	$ 3,565,183
FUND BALANCE, JANUARY 1			9,089,871	
FUND BALANCE, DECEMBER 31			$ 9,303,837	

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

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

For the Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Net investment income	$ -	$ -	$ 48,340	$ 48,340
Total revenues	-	-	48,340	48,340
EXPENDITURES				
Capital outlay	7,720,005	7,720,005	4,088,311	3,631,694
Total expenditures	7,720,005	7,720,005	4,088,311	3,631,694
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,720,005)	(7,720,005)	(4,039,971)	3,680,034
OTHER FINANCING SOURCES (USES)				
New bonds issued	7,720,005	7,720,005	6,980,000	(740,005)
Premium on bonds issued	-	-	179,109	179,109
Total other financing sources (uses)	7,720,005	7,720,005	7,159,109	(560,896)
NET CHANGE IN FUND BALANCE	$ -	$ -	3,119,138	$ 3,119,138
FUND BALANCE, JANUARY 1			2,567,989	
FUND BALANCE, DECEMBER 31			$ 5,687,127	

(See independent auditor's report.)

FIDUCIARY FUNDS

PENSION TRUST FUNDS

Police and Firefighters' Pension Trust Funds - to account for the accumulation of retirement and disability benefits as required by state statute. Resources are contributed by employees at rates fixed by law and by the City determined by an actuarial study.

CITY OF NAPERVILLE, ILLINOIS

COMBINING STATEMENT OF FIDUCIARY NET POSITION
PENSION TRUST FUNDS

December 31, 2017

	Police Pension	Firefighters' Pension	Total
ASSETS			
Cash and short-term investments	$ 3,136,523	$ 3,273,016	$ 6,409,539
Receivables			
Interest receivable	555,743	554,154	1,109,897
Investments at fair value			
U.S. Treasury obligations	21,338,544	21,626,473	42,965,017
U.S. Government agencies	10,984,513	10,680,885	21,665,398
Municipal bonds	274,808	274,808	549,616
Corporate bonds	24,440,888	16,238,917	40,679,805
Annuities	14,443,075	14,166,988	28,610,063
Common stock	17,209,391	23,526,002	40,735,393
Mutual funds	80,605,833	74,715,637	155,321,470
Asset-backed securities	-	8,720,752	8,720,752
Negotiable certificates of deposit	527,817	-	527,817
Total investments	169,824,869	169,950,462	339,775,331
Due from municipality	478,673	660,841	1,139,514
Prepaid items	11,920	1,045	12,965
Total assets	174,007,728	174,439,518	348,447,246
LIABILITIES			
Accounts payable	66,274	136	66,410
NET POSITION RESTRICTED FOR PENSIONS	$ 173,941,454	$ 174,439,382	$ 348,380,836

(See independent auditor's report.)

CITY OF NAPERVILLE, ILLINOIS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS

For the Year Ended December 31, 2017

	Police Pension	Firefighters' Pension	Total
ADDITIONS			
Contributions			
Employer	$ 6,677,807	$ 7,338,200	$ 14,016,007
Employee	1,788,835	1,836,879	3,625,714
Total contributions	8,466,642	9,175,079	17,641,721
Investment income			
Net appreciation in fair value of investments	16,365,432	15,598,857	31,964,289
Interest and dividends	4,111,282	5,016,733	9,128,015
Total investment income	20,476,714	20,615,590	41,092,304
Less investment expense	272,475	349,759	622,234
Net investment income	20,204,239	20,265,831	40,470,070
Total additions	28,670,881	29,440,910	58,111,791
DEDUCTIONS			
Benefits	6,807,712	7,504,537	14,312,249
Refunds of contributions	9,934	31,347	41,281
Administrative expense	66,441	126,490	192,931
Total deductions	6,884,087	7,662,374	14,546,461
NET INCREASE	21,786,794	21,778,536	43,565,330
NET POSITION RESTRICTED FOR PENSIONS			
January 1	152,154,660	152,660,846	304,815,506
December 1	$ 173,941,454	$ 174,439,382	$ 348,380,836

(See independent auditor's report.)

STATISTICAL SECTION (UNAUDITED)

STATISTICAL SECTION (Unaudited)

This part of the City of Naperville, 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.

Contents	Page(s)
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	121-130
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	131-137
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.	138-143
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.	144-145
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.	146-148

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

CITY OF NAPERVILLE, ILLINOIS

NET POSITION BY COMPONENT

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	2009	2010	2011	2012
GOVERNMENTAL ACTIVITIES				
Net Investment in Capital Assets	$ 450,286	$ 446,437	$ 446,569	$ 427,459
Restricted	10,484	7,063	5,129	6,031
Unrestricted	21,009	18,818	31,009	40,417
TOTAL GOVERNMENTAL ACTIVITIES	$ 481,779	$ 472,318	$ 482,707	$ 473,907
BUSINESS-TYPE ACTIVITIES				
Net Investment in Capital Assets	$ 450,479	$ 447,279	$ 443,008	$ 439,216
Restricted	5,331	5,285	-	-
Unrestricted	7,293	4,157	13,890	19,899
TOTAL BUSINESS-TYPE ACTIVITIES	$ 463,103	$ 456,721	$ 456,898	$ 459,115
PRIMARY GOVERNMENT				
Net Investment in Capital Assets	$ 900,765	$ 893,716	$ 889,577	$ 866,675
Restricted	15,815	12,348	5,129	6,031
Unrestricted	28,302	22,975	44,899	60,316
TOTAL PRIMARY GOVERNMENT	$ 944,882	$ 929,039	$ 939,605	$ 933,022

*The City changed its fiscal year end from April 30 to December 31 as of December 31, 2015.
**The City implemented GASB Statement No. 68 as of December 31, 2015.

Data Source

Audited Financial Statements

2013	2014	2015	2015*/**	2016	2017
$ 419,148	$ 412,387	$ 409,027	$ 420,617	$ 425,260	$ 411,982
6,787	8,042	9,623	9,635	7,993	17,301
41,836	38,904	30,529	(87,728)	(86,883)	(83,615)
$ 467,771	$ 459,333	$ 449,179	$ 342,524	$ 346,370	$ 345,668
$ 432,913	$ 437,827	$ 442,720	$ 426,461	$ 422,141	$ 416,692
-	-	-	-	-	-
27,522	11,846	6,674	8,693	18,661	34,704
$ 460,435	$ 449,673	$ 449,394	$ 435,154	$ 440,802	$ 451,396
$ 852,061	$ 850,214	$ 851,747	$ 847,078	$ 847,401	$ 828,674
6,787	8,042	9,623	9,635	7,993	17,301
69,358	50,750	37,203	(79,035)	(68,222)	(48,911)
$ 928,206	$ 909,006	$ 898,573	$ 777,678	$ 787,172	$ 797,064

CITY OF NAPERVILLE, ILLINOIS

CHANGES IN NET POSITION

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	2009	2010	2011	2012
EXPENSES				
Governmental activities				
General government	$ 9,654	$ 6,983	$ 5,129	$ 6,742
Physical environment	10,142	9,457	8,147	8,514
Public safety	64,461	64,190	65,495	66,165
Culture and recreation	8,075	8,677	10,370	8,531
Transportation	49,588	46,711	46,240	51,352
Interest on long-term debt	3,643	4,172	4,465	4,593
Total governmental activities expenses	145,563	140,190	139,846	145,897
Business-type activities				
Electric	128,724	125,021	133,761	136,090
Water and wastewater	37,047	37,372	40,692	40,724
Burlington commuter parking	1,759	1,568	1,764	1,309
Total business-type activities expenses	167,530	163,961	176,217	178,123
TOTAL PRIMARY GOVERNMENT EXPENSES	$ 313,093	$ 304,151	$ 316,063	$ 324,020
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	$ 1,332	$ 1,131	$ 3,027	$ 1,539
Physical environment	1,493	1,171	1,104	1,414
Public safety	8,498	8,518	9,801	8,416
Culture and recreation	551	520	494	910
Transportation	920	667	689	1,491
Operating grants and contributions				
General government				
Physical environment	145	545	1,544	572
Public safety	1,560	1,366	1,727	1,703
Culture and recreation	427	83	67	16
Transportation	3,861	3,877	4,763	4,746
Interest on long-term debt	-	-	309	285
Capital grants and contributions				
Transportation	8,328	8,046	9,366	2,869
Total governmental activities program revenues	27,115	25,924	32,891	23,961
Business-type activities				
Charges for services				
Electric	126,359	123,939	135,435	131,064
Water and wastewater	26,701	27,383	29,716	38,659
Burlington commuter parking	2,161	2,291	2,265	2,185
Operating grants and contributions				
Electric	31	37	5	-
Water and wastewater	-	25	210	176
Burlington commuter parking	-	100	21	65
Capital grants and contributions				
Electric	2,703	1,828	5,503	3,943
Water and wastewater	3,351	1,800	1,096	1,356
Total business-type activities program revenues	161,306	157,403	174,251	177,448
TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES	$ 188,421	$ 183,327	$ 207,142	$ 201,409

2013	2014	2015	2015*	2016	2017
$ 7,986	$ 8,901	$ 8,925	$ 11,331	$ 14,918	$ 15,250
9,455	8,608	8,381	6,784	9,996	10,376
65,017	67,578	70,241	63,792	78,039	74,934
8,426	9,779	8,687	4,846	7,516	8,366
47,120	49,587	56,446	25,941	37,830	48,964
4,161	3,782	4,288	2,512	3,524	3,122
142,165	148,235	156,968	115,206	151,823	161,012
145,585	152,352	144,954	103,759	151,588	150,148
46,037	50,981	51,287	41,990	56,926	60,591
2,033	1,559	2,061	905	1,770	1,423
193,655	204,892	198,302	146,654	210,284	212,162
$ 335,820	$ 353,127	$ 355,270	$ 261,860	$ 362,107	$ 373,174
$ 1,609	$ 1,517	$ 1,245	$ 4,133	$ 13,151	$ 12,252
1,746	2,000	2,099	1,357	2,215	2,401
7,700	7,788	7,875	5,021	8,081	10,448
855	832	883	301	467	538
1,467	1,677	2,478	164	195	129
1,422	610	540	1,003	1,737	968
1,932	1,808	2,316	1,731	1,185	899
87	171	-	-	-	-
4,405	4,489	5,013	-	38	361
209	192	297	-	-	-
1,086	3,012	12,118	2,541	3,736	3,679
22,518	24,096	34,864	16,251	30,805	31,675
134,580	134,089	135,708	96,128	155,122	157,317
47,518	47,313	48,201	35,071	51,004	53,627
2,191	2,257	2,211	1,473	2,298	2,528
82	17	-	-	(18)	-
336	230	234	235	224	307
-	-	-	-	-	-
7,957	5,612	2,230	2,226	3,157	4,070
1,879	5,074	4,537	931	1,778	1,978
194,543	194,592	193,121	136,064	213,565	219,827
$ 217,061	$ 218,688	$ 227,985	$ 152,315	$ 244,370	$ 251,502

CITY OF NAPERVILLE, ILLINOIS

CHANGES IN NET POSITION (Continued)

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	2009	2010	2011	2012
NET (EXPENSE) REVENUE				
Governmental activities	$ (118,448)	$ (114,266)	$ (106,955)	$ (121,936)
Business-type activities	(6,224)	(6,558)	(1,966)	(675)
TOTAL PRIMARY GOVERNMENT NET (EXPENSE) REVENUE	$ (124,672)	$ (120,824)	$ (108,921)	$ (122,611)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property	$ 34,360	$ 37,818	$ 39,464	$ 38,479
Utility	17,585	16,422	16,390	16,580
Sales and use	26,981	26,041	28,600	30,610
State income	12,532	11,482	11,271	11,581
Other	8,704	8,742	10,592	10,677
Franchise fees	1,714	1,790	2,020	2,141
Net investment income (loss)	4,634	2,572	2,766	3,130
Miscellaneous	-	-	-	-
Transfers	(41)	(62)	(61)	(62)
Total governmental activities	106,469	104,805	111,042	113,136
Business-type activities				
Net investment income (loss)	783	114	451	825
DWC refund	-	-	-	-
Miscellaneous revenues	-	-	-	-
Transfers	41	62	61	62
Total business-type activities	824	176	512	887
TOTAL PRIMARY GOVERNMENT	$ 107,293	$ 104,981	$ 111,554	$ 114,023
CHANGE IN NET POSITION				
Governmental activities	$ (11,979)	$ (9,461)	$ 4,087	$ (8,800)
Business-type activities	(5,400)	(6,382)	(1,454)	212
TOTAL PRIMARY GOVERNMENT CHANGE IN NET POSITION	$ (17,379)	$ (15,843)	$ 2,633	$ (8,588)

*The City changed its fiscal year end from April 30 to December 31 as of December 31, 2015.

Data Source

Audited Financial Statements

2013	2014	2015	2015*	2016	2017
$ (119,647)	$ (124,139)	$ (122,104)	$ (98,955)	$ (121,018)	$ (129,337)
888	(10,300)	(5,181)	(10,590)	3,281	7,665
$ (118,759)	$ (134,439)	$ (127,285)	$ (109,545)	$ (117,737)	$ (121,672)
$ 36,227	$ 33,639	$ 33,169	$ 34,849	$ 33,355	$ 34,129
16,604	16,993	16,123	10,108	15,137	15,399
32,263	34,498	35,580	25,189	44,355	46,082
12,784	13,823	13,892	9,925	13,809	13,029
12,006	13,391	13,300	9,820	14,489	15,462
2,437	2,455	2,538	2,162	3,230	3,423
1,190	(293)	1,925	198	(109)	355
-	-	-	609	597	756
-	-	(4,577)	-	-	-
113,511	114,506	111,950	92,860	124,863	128,635
432	(462)	282	137	310	580
-	-	-	-	-	-
-	-	-	1,189	2,057	2,351
-	-	4,577	-	-	-
432	(462)	4,859	1,326	2,367	2,931
$ 113,943	$ 114,044	$ 116,809	$ 94,186	$ 127,230	$ 131,566
$ (6,136)	$ (9,633)	$ (10,154)	$ (6,095)	$ 3,845	$ (702)
1,320	(10,762)	(322)	(9,264)	5,648	10,596
$ (4,816)	$ (20,395)	$ (10,476)	$ (15,359)	$ 9,493	$ 9,894

CITY OF NAPERVILLE, ILLINOIS

FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	2009	2010*	2011	2012
GENERAL FUND				
Reserved	$ 201	$ -	$ -	$ -
Unreserved	20,249	-	-	-
Nonspendable	-	170	149	122
Assigned	-	-	-	-
Unassigned	-	22,768	22,782	27,037
TOTAL GENERAL FUND	$ 20,450	$ 22,938	$ 22,931	$ 27,159
ALL OTHER GOVERNMENTAL FUNDS				
Reserved	$ 38,855	$ -	$ -	$ -
Unreserved, reported in				
Special Revenue Funds	1,009	-	-	-
Capital Project Funds	(256)	-	-	-
Nonspendable	-	-	86	54
Restricted	-	33,199	16,775	7,819
Committed	-	1,158	3,546	4,563
Assigned	-	1,465	1,596	5,002
Unassigned (deficit)	-	-	-	-
TOTAL ALL OTHER GOVERNMENTAL FUNDS	$ 39,608	$ 35,822	$ 22,003	$ 17,438

*Statement No. 54 of the Governmental Accounting Standards Board was implemented at April 30, 2010.
**The City changed its fiscal year end from April 30 to December 31 as of December 31, 2015.

Data Source

Audited Financial Statements

2013	2014	2015	2015**	2016	2017
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
158	75	343	13	32	529
6,000	-	-	-	-	-
25,573	25,513	28,961	28,358	26,826	27,884
$ 31,731	$ 25,588	$ 29,304	$ 28,370	$ 26,858	$ 28,413
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	-
75	62	39	38	35	-
6,825	10,895	21,619	8,772	15,723	19,906
3,860	2,459	1,717	1,268	638	858
3,278	5,033	5,115	5,780	12,076	12,455
(55)	(190)	(543)	(763)	(576)	(543)
$ 13,983	$ 18,259	$ 27,947	$ 15,095	$ 27,896	$ 32,676

CITY OF NAPERVILLE, ILLINOIS

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	2009	2010	2011	2012
REVENUES				
Taxes	$ 100,162	$ 100,505	$ 106,317	$ 107,927
Licenses and permits	2,097	1,733	1,652	1,926
Fines and forfeitures	2,890	3,258	3,137	2,554
Investment income	3,165	1,996	2,051	2,155
Intergovernmental	10,354	8,528	12,766	9,164
Charges for services	6,518	6,100	7,582	7,870
Fees	3,165	2,255	2,602	2,893
Contributions	48	46	53	58
Miscellaneous	789	563	2,165	1,012
Total revenues	129,188	124,984	138,325	135,559
EXPENDITURES				
General government	8,127	6,007	5,943	5,126
Physical environment	9,814	9,408	8,151	8,414
Public safety	61,054	61,668	64,006	64,069
Culture and recreation	7,299	7,815	7,660	7,571
Transportation	22,983	21,026	21,946	21,080
Capital outlay	48,805	29,978	32,956	14,624
Debt service				
Principal	5,580	5,614	5,444	6,087
Interest	3,005	3,833	4,329	4,527
Other charges	193	214	-	-
Total expenditures	166,860	145,563	150,435	131,498
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(37,672)	(20,579)	(12,110)	4,061
OTHER FINANCING SOURCES (USES)				
Transfers in	2,101	4,555	6,350	4,448
Transfers (out)	(1,573)	(7,852)	(6,066)	(9,665)
Sale of capital assets	-	-	-	819
Payment to refunded bond escrow agent	(6,233)	(8,588)	-	-
Bonds issued, at par	39,405	28,585	-	-
Refunding bonds issued	-	-	-	-
Premium on bonds issued	209	581	-	-
Total other financing sources (uses)	33,909	17,281	284	(4,398)
NET CHANGE IN FUND BALANCES	$ (3,763)	$ (3,298)	$ (11,826)	$ (337)
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	6.66%	7.48%	7.51%	8.16%

*The City changed its fiscal year end from April 30 to December 31 as of December 31, 2015.
**At December 31, 2015, sales and income taxes were moved from the "Taxes" category to the "Intergovernmental" category.

Data Source

Audited Financial Statements.

2013	2014	2015	2015*/**	2016	2017
$ 109,884	$ 112,344	$ 112,064	$ 54,777	$ 63,391	$ 64,990
2,319	2,480	2,548	1,421	2,685	3,006
1,718	1,709	1,770	1,162	1,659	1,473
855	(98)	1,603	201	(125)	338
8,177	6,737	8,762	40,368	64,221	64,462
7,894	8,348	9,242	9,138	18,741	21,290
3,311	2,822	3,009	2,173	3,247	3,423
106	1,890	1,875	280	413	556
1,209	908	628	609	597	756
135,473	137,140	141,501	110,129	154,829	160,294
6,165	6,967	7,241	7,737	12,091	12,482
9,082	8,633	8,371	5,655	8,269	8,247
63,090	71,862	70,040	50,462	72,028	73,845
7,275	8,165	7,142	4,422	6,652	7,302
21,072	24,317	26,916	17,879	28,115	26,443
16,067	16,997	22,250	24,743	21,896	19,060
12,010	5,648	6,841	9,448	6,920	10,654
3,880	3,766	4,031	4,027	3,811	3,306
126	127	205	-	-	-
138,767	146,482	153,037	124,373	159,782	161,339
(3,294)	(9,342)	(11,536)	(14,244)	(4,953)	(1,045)
5,573	7,129	10,200	8,950	5,089	4,594
(5,224)	(6,779)	(3,504)	(8,950)	(5,089)	(4,594)
200	-	515	-	769	221
(16,550)	-	-	-	(35,679)	-
-	5,620	17,340	-	14,334	6,980
17,963	-	-	-	33,900	-
2,449	310	389	-	2,919	179
4,411	6,280	24,940	-	16,243	7,380
$ 1,117	$ (3,062)	$ 13,404	$ (14,244)	$ 11,290	$ 6,335
11.89%	6.68%	7.63%	13.67%	7.85%	10.09%

CITY OF NAPERVILLE, ILLINOIS

GOVERNMENTAL FUNDS TAX REVENUE BY SOURCE

Last Ten Fiscal Years
(amounts expressed in thousands)

	Intergovernmental Taxes			Taxes				
Fiscal Year	Sales and Use Tax	State Income Tax	Total Intergovernmental Taxes	Property Tax	Utility Tax	Other Tax	Total Taxes	Total
2009	$ 26,981	$ 12,532	$ 39,513	$ 34,360	$ 17,585	$ 8,704	$ 60,649	$ 100,162
2010	26,041	11,482	37,523	37,818	16,422	8,742	62,982	100,505
2011	28,600	11,271	39,871	39,464	16,390	10,592	66,446	106,317
2012	30,610	11,581	42,191	38,479	16,580	10,677	65,736	107,927
2013	32,263	12,784	45,047	36,227	16,604	12,006	64,837	109,884
2014	34,498	13,823	48,321	33,639	16,993	13,391	64,023	112,344
2015	35,580	13,892	49,472	33,169	16,123	13,300	62,592	112,064
2015*	25,189	9,925	35,114	34,849	10,108	9,820	54,777	89,891
2016	44,355	13,809	58,164	33,355	15,137	14,489	62,981	121,145
2017	46,082	13,029	59,111	34,129	15,399	15,462	64,990	124,101

*The City changed its fiscal year end from April 30 to December 31 as of December 31, 2015.

Data Source

Audited Financial Statements

CITY OF NAPERVILLE, ILLINOIS

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Levy Years

Levy Year	Residential Property	Farm Property	Commercial and Industrial Property	Railroad Property	Total Taxable Assessed Value	Direct Tax Rate	Estimated Actual Taxable Value	Percent of Assessed Value
2007	$ 5,312,341,984	$ 100,648	$ 1,304,566,827	$ 1,225,143	$ 6,618,234,602	$ 0.7166	$ 19,854,703,806	33.333%
2008	5,611,215,473	508,876	1,398,092,647	1,465,280	7,011,282,276	0.7167	21,033,846,828	33.333%
2009	5,787,763,209	150,465	1,315,446,717	1,753,540	7,105,113,931	0.7166	21,315,341,793	33.333%
2010	5,486,898,369	228,129	1,229,589,941	2,023,287	6,718,739,726	0.7390	20,156,219,178	33.333%
2011	5,256,081,268	314,912	1,170,708,392	2,364,303	6,429,468,875	0.7515	19,288,406,625	33.333%
2012	4,964,302,585	334,456	1,105,830,624	2,509,329	6,072,976,994	0.7756	18,218,930,982	33.333%
2013	4,866,627,723	315,592	1,056,949,654	2,706,677	5,926,599,646	0.7828	17,779,798,938	33.333%
2014	4,917,955,140	215,985	1,071,651,247	2,731,565	5,992,553,937	0.8082	17,977,661,811	33.333%
2015	5,056,340,567	190,521	1,219,286,607	2,838,480	6,278,656,175	0.7392	18,835,968,525	33.333%
2016	5,384,396,867	130,047	1,279,947,209	3,194,886	6,667,669,009	0.7004	20,003,007,027	33.333%

Note: Property in the City is reassessed each year. Property is assessed at 33% of actual value.

Data Source

Office of the County Clerk

CITY OF NAPERVILLE, ILLINOIS

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

Last Ten Levy Years

Levy Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
CITY DIRECT RATES										
General Corporate	0.1949	0.2139	0.1963	0.1882	0.1381	0.1457	0.1009	0.0803	0.1060	0.0789
Naperville Public Library	0.2231	0.1989	0.1828	0.1872	0.2076	0.2374	0.2465	0.2481	0.2288	0.2119
Police Pension	0.0488	0.0528	0.0667	0.0652	0.0679	0.0787	0.0879	0.0845	0.0938	0.0917
Firefighters' Pension	0.0489	0.0513	0.0647	0.0706	0.0737	0.0820	0.0884	0.0846	0.0945	0.1023
Bond and interest - general obligation bond	0.1162	0.1192	0.1274	0.1472	0.1799	0.1403	0.1631	0.2153	0.1249	0.1297
Illinois Municipal Retirement	0.0383	0.0380	0.0395	0.0391	0.0409	0.0444	0.0461	0.0460	0.0441	0.0415
Naper Settlement	0.0464	0.0426	0.0392	0.0415	0.0434	0.0471	0.0499	0.0494	0.0471	0.0444
Total direct rates	0.7166	0.7167	0.7166	0.7390	0.7515	0.7756	0.7828	0.8082	0.7392	0.7004
OVERLAPPING RATES										
Naperville Park District	0.2481	0.2480	0.2574	0.2798	0.2969	0.3148	0.3358	0.3397	0.3317	0.3195
Unit School #203	3.9292	3.8593	3.9502	4.2265	4.5400	4.9909	5.3862	5.4756	5.3549	5.0547
Unit School #204	4.4930	4.3995	4.4987	4.8927	5.2200	5.7047	5.9498	6.0149	5.8505	5.6004
College of DuPage #502	0.1888	0.1845	0.2127	0.2349	0.2495	0.2681	0.2956	0.2975	0.2786	0.2626
DuPage Forest Preserve	0.1187	0.1206	0.1217	0.1321	0.1414	0.1542	0.1657	0.1691	0.1622	0.1514
DuPage Airport Authority	0.0170	0.0160	0.0148	0.0158	0.0169	0.0168	0.0178	0.0196	0.0188	0.0176
DuPage County	0.1651	0.1557	0.1554	0.1659	0.1773	0.1929	0.2040	0.2057	0.1971	0.1848
Will County	0.4826	0.4751	0.4833	0.5274	0.5351	0.5696	0.5994	0.6210	0.6408	0.6182
Lisle Township	0.0410	0.0406	0.0408	0.0445	0.0480	0.0261	0.0548	0.0561	0.0553	0.0528
Naperville Township	0.0423	0.0419	0.0419	0.0454	0.0483	0.0379	0.0515	0.0413	0.0452	0.0435
Wheatland Township	0.0303	0.0314	0.0319	0.0331	0.0328	0.0344	0.0378	0.0378	0.0336	0.0737

Data Source

Office of the County Clerk

CITY OF NAPERVILLE, ILLINOIS

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

	2016 Tax Levy			2007 Tax Levy		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Valuation**	**Taxable Assessed Value**	**Rank**	**Percentage of Total City Taxable Assessed Valuation**
NS-MPG Inc.	$ 29,767,420	1	0.45%	$ 49,608,680	1	0.75%
ROC II IL Addison of Naperville	18,379,910	2	0.28%			
Allegan Warrenville LP	17,674,800	3	0.27%			
Tellabs Inc.	15,997,350	4	0.24%	25,453,540	3	0.38%
Amli Residential	15,251,810	5	0.23%	11,763,170	7	0.18%
BP-Amoco Oil Company	14,906,690	6	0.22%	29,319,740	2	0.44%
ING Clarion	14,870,380	7	0.22%			
Onedo Nalco Center	14,484,210	8	0.22%			
PBH Cress Creek LLC	14,348,280	9	0.22%			
UBS Realty Investors LLC	13,605,390	10	0.20%			
Nalco Chemical Company				23,432,660	4	0.35%
AIMCO Country Lakes LLC				20,763,800	5	0.31%
The Gale Company				13,835,960	6	0.21%
NICOR Gass				11,619,110	8	0.18%
Lincoln Naperville LLC				11,600,000	9	0.18%
New Plan Excel Reality				10,998,900	10	0.17%
	$ 169,286,240		2.55%	$ 208,395,560		3.15%

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

Data Source

Office of the County Clerk

CITY OF NAPERVILLE, ILLINOIS

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Levy Years

Levy Year	Tax Extended	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	$ 47,426,269	$ 47,203,394	99.53%	$ 13,060	$ 47,216,454	99.56%
2008	50,249,860	50,021,253	99.55%	12,094	50,033,347	99.57%
2009	50,915,246	50,579,647	99.34%	23,231	50,602,878	99.39%
2010	49,651,487	49,321,096	99.33%	19,667	49,340,763	99.37%
2011	48,317,459	47,929,719	99.20%	21,943	47,951,662	99.24%
2012	47,102,010	46,358,636	98.42%	11,716	46,370,352	98.45%
2013	46,393,422	46,183,534	99.55%	2,530	46,186,064	99.55%
2014	48,431,821	48,159,391	99.44%	29,969	48,189,360	99.50%
2015	46,260,521	45,964,584	99.36%	43,167	46,007,751	99.45%
2016	48,062,829	47,802,851	99.46%	-	47,802,851	99.46%

Note: Property in the City is reassessed each year. Property is assessed at 33% of actual value.
Amounts levied and collected include Library Fund and do not include Road and Bridge Fund.

Data Source

Office of the County Clerk

CITY OF NAPERVILLE, ILLINOIS

SALES TAXES BY CATEGORY

Last Ten Calendar Years

Calendar Year	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**
General merchandise	$ 2,179,149	$ 2,104,686	$ 2,103,314	$ 2,133,600	$ 2,175,020	$ 1,985,901	$ 2,055,475	$ 1,973,827	$ 1,734,850	$ 1,682,829
Food	3,224,528	3,130,912	3,210,537	3,268,563	3,440,483	3,586,963	3,457,404	3,537,170	4,030,651	4,277,657
Drinking and eating places	2,679,705	2,717,794	2,885,101	2,883,546	3,162,362	3,352,311	3,420,229	3,433,778	3,843,978	4,047,681
Apparel	690,165	742,079	767,404	933,475	1,004,555	1,067,110	1,088,821	1,152,420	1,210,325	1,203,706
Furniture & H.H. & radio	1,895,857	1,657,778	1,862,218	2,098,296	2,194,838	2,347,163	2,272,010	2,231,986	1,959,765	1,898,165
Lumber, building hardware	1,298,336	1,201,680	1,235,492	1,242,769	1,302,937	1,520,274	1,656,157	1,709,368	1,667,454	1,694,172
Automobile and filling stations	8,656,627	7,840,138	8,807,116	9,555,249	10,494,788	12,237,637	12,751,291	12,870,415	12,566,087	12,688,204
Drugs and miscellaneous retail	3,080,902	3,107,887	3,336,129	3,642,704	3,692,042	3,869,309	4,097,497	3,205,869	3,904,515	3,904,594
Agriculture and all others	1,815,359	1,484,390	1,560,231	1,483,822	1,501,727	1,509,790	1,620,270	2,576,081	1,866,766	1,997,162
Manufacturers	737,556	615,111	675,725	461,688	521,896	527,545	530,662	561,411	534,413	478,725
TOTAL	$ 26,258,184	$ 24,602,455	$ 26,443,267	$ 27,703,712	$ 29,490,648	$ 32,004,003	$ 32,949,816	$ 33,252,325	$ 33,318,804	$ 33,872,895
City's direct sales tax rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

Data Source

Illinois Department of Revenue

CITY OF NAPERVILLE, ILLINOIS

DIRECT AND OVERLAPPING SALES TAX RATES

Last Ten Fiscal Years

Fiscal Year	City Direct Rate	City Home Rule Rate	State Rate	Regional Transportation Authority Rate	County Rate
2009	1.00%	0.00%	5.00%	0.75%	0.25%
2010	1.00%	0.00%	5.00%	0.75%	0.25%
2011	1.00%	0.00%	5.00%	0.75%	0.25%
2012	1.00%	0.00%	5.00%	0.75%	0.25%
2013	1.00%	0.00%	5.00%	0.75%	0.25%
2014	1.00%	0.00%	5.00%	0.75%	0.25%
2015	1.00%	0.00%	5.00%	0.75%	0.25%
2015*	1.00%	0.00%	5.00%	0.75%	0.25%
2016	1.00%	0.50%	5.00%	0.75%	0.25%
2017	1.00%	0.50%	5.00%	0.75%	0.25%

*The City changed its fiscal year end from April 30 to December 31 as of December 31, 2015.

Data Source

Illinois Department of Revenue

CITY OF NAPERVILLE, ILLINOIS

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

	Governmental Activities	Business-Type Activities					
Fiscal Year Ended	**General Obligation Bonds**	**General Obligation Bonds**	**Revenue Bonds**	**IEPA Loan**	**Total Primary Government**	**Percentage of Personal Income***	**Per Capita***
2009	$ 111,889,364	$ 40,352,985	$ 5,308,769	$ 1,249,966	$ 158,801,084	2.50%	$ 1,121.51
2010	122,474,459	56,584,111	4,073,712	763,848	183,896,130	2.84%	1,272.11
2011	116,918,354	54,185,617	-	259,354	171,363,325	2.59%	1,179.90
2012	105,219,222	75,012,910	-	-	180,232,132	2.79%	1,270.56
2013	97,950,479	71,886,351	-	-	169,836,830	2.63%	1,197.27
2014	97,958,819	66,354,322	-	-	164,313,141	2.55%	1,146.73
2015	108,548,121	60,391,308	-	-	168,939,429	2.56%	1,179.01
2015**	98,808,280	55,863,868	-	-	154,672,148	2.27%	1,058.47
2016	109,264,633	52,899,322	-	-	162,163,955	2.38%	1,117.92
2017	105,347,527	48,126,452	-	-	153,473,979	2.19%	1,052.71

* See the Schedule of Demographic and Economic Statistics on page 144 for personal income and population data.
** The City changed its fiscal year end from April 30 to December 31 as of December 31, 2015.

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

CITY OF NAPERVILLE, ILLINOIS

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds: Governmental Activities	General Obligation Bonds: Business-Type Activities	Less: Amounts Available In Debt Service Funds**	Total	Percentage of Estimated Actual Taxable Value of Property*	Per Capita
2009	$ 111,889,364	$ 40,352,985	$ 2,388,640	$ 149,853,709	0.75%	$ 1,058.32
2010	122,474,459	56,584,111	2,706,329	176,352,241	0.84%	1,219.92
2011	116,918,354	54,185,617	4,028,824	167,075,147	0.78%	1,150.38
2012	105,219,222	75,012,910	5,156,557	175,075,575	0.87%	1,234.20
2013	97,950,479	71,886,351	4,717,628	165,119,202	0.86%	1,164.02
2014	97,958,819	66,354,322	5,272,118	159,041,023	0.87%	1,109.93
2015	108,548,121	60,391,308	6,355,932	162,583,497	0.91%	1,134.65
2015***	98,808,280	55,863,868	4,997,000	149,675,148	0.83%	1,024.27
2016	109,264,633	52,899,322	3,169,205	158,994,750	0.84%	1,096.08
2017	105,347,527	48,126,452	3,866,197	149,607,782	0.75%	1,023.81

* See the Schedule of Assessed Value and Actual Value of Taxable Property on page 132 for property value data.
** Including restricted and assigned fund balances of Debt Service Fund, SSA 21, 23 and Downtown Parking Funds, which were set up for paying G.O. debt.
*** The City changed its fiscal year end from April 30 to December 31 as of December 31, 2015.

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

CITY OF NAPERVILLE, ILLINOIS

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

December 31, 2017

Governmental Unit	Gross Debt	Percentage Debt Applicable to the City of Naperville (1)	City of Naperville's Share of Debt
City of Naperville	$ 105,347,527	100.00%	$ 105,347,527
School District #200	148,740,000	0.35%	520,590
School District #202	4,195,000	1.69%	70,896
School District #203	30,060,000	77.46%	23,284,476
School District #204	222,285,000	60.39%	134,237,912
School District #365	171,249,477	0.01%	17,125
Community College District #502	257,390,000	16.33%	42,031,787
Community College District #525	182,755,000	0.28%	511,714
Lisle Park District	10,915,000	0.43%	46,935
Naperville Park District	22,385,000	96.37%	21,572,425
Wheaton Park District	32,945,815	0.26%	85,659
Will County	289,885,000	11.34%	32,872,959
Will County Forest Preserve	116,293,575	11.34%	13,187,691
DuPage County	155,390,000	12.35%	19,190,665
DuPage County Forest Preserve	126,373,681	12.35%	15,607,150
	1,770,862,548		303,237,984
	$ 1,876,210,075		$ 408,585,511

(1) Determined by ratio of assessed valuation of property subject to taxation in the City of Naperville to valuation of property subject to taxation in overlapping unit.

Data Sources

DuPage County Clerk, Will County Clerk, or Local Government Entity

CITY OF NAPERVILLE, ILLINOIS

SCHEDULE OF LEGAL DEBT MARGIN

December 31, 2017

Under the 1970 Illinois Constitution, there is no legal limit for home rule municipalities except as set by the General Assembly.

CITY OF NAPERVILLE, ILLINOIS

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years
(Amounts expressed in thousands)

	Electric Revenue Bonds (5)						
Fiscal Year	Electric Charges and Other	Less: Operating Expenses (1)	Net Operating Revenue	Net Available Revenue per Ordinance (2)	Debt Service (3) Principal	Debt Service (3) Interest	Coverage (4)
2009	see note (5)						
2010							
2011							
2012							
2013							
2014							
2015							
2015*							
2016							
2017							

*The City changed its fiscal year end from April 30 to December 31 as of December 31, 2015.

Note: Details of the City's outstanding debt can be found in the notes to the financial statements.
Water Charges and Other includes investment earnings but not tap on fees.
(1) Operating expenses do not include interest or depreciation.
(2) Revenues based on existing revenue bond ordinances. Amount available for debt service is the net operating revenue plus interest income and installation connection and development charges (not including contributions of capital assets).
(3) The principal and interest does not include principal amounts refunded.
(4) Coverage=Net available revenue/(Principal+Interest)
(5) All Electric Revenue Bonds were defeased on 6/21/2006.
(6) All Water Revenue Bonds were defeased on 01/05/2011.

Data Source

City of Naperville Annual Financial Reports

Water Revenue Bonds						
Water Charges and Other	Less: Operating Expenses (1)	Net Operating Revenue	Net Available Revenue per Ordinance (2)	Debt Service (3) Principal	Debt Service (3) Interest	Coverage(4)
$ 26,701	$ 26,346	$ 355	$ 1,453	$ 1,145	$ 382	0.95
27,383	27,177	206	536	1,195	584	0.30
see note (6)						

CITY OF NAPERVILLE, ILLINOIS

DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (amounts expressed in thousands)	Per Capita Personal Income	Median Age	Education Level in Years of Formal Schooling	School Enrollment	Unemployment Rate
2009	141,596	$ 6,341,660,052	$ 44,787	35.9	15.13	47,274	3.6
2010	144,560	6,221,284,160	43,036	35.9	15.13	47,522	6.2
2011	145,235	6,606,449,680	45,488	34.8	15.13	47,274	8.0
2012	141,853	6,452,609,264	45,488	35.0	15.13	47,946	6.1
2013	141,853	6,452,609,264	45,488	37.9	15.41	47,572	6.7
2014	143,289	6,449,724,468	45,012	39.2	15.41	46,790	7.1
2015	143,289	6,606,769,212	46,108	38.7	14.97	46,790	5.7
2015*	146,128	6,809,272,544	46,598	38.2	17.81	45,020	4.6
2016	145,058	6,803,945,000	46,905	38.6	17.81	45,071	4.6
2017	145,789	7,018,136,671	48,139	38.5	17.81	44,524	4.4

* The City changed its fiscal year end from April 30 to December 31 as of December 31, 2015.

Data Sources

Population:	U.S. Bureau of Census Estimate
Per Capita Income:	U.S Bureau of Census Estimate
Median Age:	U.S. Bureau of Census Estimate
Education Level:	U.S. Bureau of Census Estimate
School Enrollment:	Illinois Report Card
Unemployment Rate:	Illinois Department of Employment Security

CITY OF NAPERVILLE, ILLINOIS

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

2017				2008			
Employer	**Employees**	**Rank**	**% of Total City Population**	**Employer**	**Employees**	**Rank**	**% of Total City Population**
Edward Hospital & Health Services	4,940	1	3.39%	Edward Hospital & Health Services	4,600	1	3.25%
Indian Prairie School District 204	3,022	2	2.07%	Nicor Gas	3,700	2	2.61%
Alcatel-Lucent	3,000	3	2.06%	Indian Prairie School District 204	3,100	3	2.19%
Naperville School District 203	2,367	4	1.62%	Naperville School District 203	2,425	4	1.71%
Nicor Gas	2,160	5	1.48%	BP America	1,800	5	1.27%
BP America	1,800	6	1.23%	Tellabs, Inc.	1,338	6	0.94%
Nalco	1,300	7	0.89%	City of Naperville	1,100	7	0.78%
BMO Harris	1,250	8	0.86%	Nalco	1,000	8	0.71%
City of Naperville	961	9	0.66%	Healthcare Services Corp	1,000	9	0.71%
Sikich	848	10	0.58%	Laidlaw	450	10	0.32%
TOTAL	21,648		14.84%		20,513		14.49%

Data Sources

Naperville Development Partnership and Naperville Convention & Visitors Bureau

CITY OF NAPERVILLE, ILLINOIS

FULL-TIME EQUIVALENT EMPLOYEES

Last Ten Fiscal Years

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015*	2016	2017
Mayor and Council	12.00	12.00	11.12	11.12	11.12	11.12	11.12	11.00	11.00	11.00
Board of Fire and Police	1.12	1.12	0.88	0.88	0.88	0.88	0.88	1.00	1.00	1.00
Legal	12.00	11.50	10.50	10.50	10.50	10.50	14.00	14.00	13.50	9.00
City Manager's Office	15.87	12.87	11.62	10.12	10.12	13.12	11.12	11.12	11.12	11.63
City Clerk	8.00	6.00	5.50	5.50	5.50	5.50	5.50	6.50	8.00	6.75
Special Events and Cultural	1.00	1.00	1.50	0.50	0.50	0.50	0.50	0.62	0.62	1.00
Community Development Block Grant	0.50	0.50	-	1.00	0.75	0.50	0.67	0.67	0.67	1.00
Information Technology	23.75	21.37	19.85	19.37	18.75	19.75	21.75	27.00	27.00	26.00
Finance	46.82	42.49	35.63	35.63	35.63	35.63	36.63	35.63	35.63	33.13
Human Resources	17.75	12.75	10.50	9.50	9.50	9.50	9.00	9.00	9.00	9.00
TED Business Group	95.61	82.66	71.97	67.03	65.87	66.60	66.18	66.66	68.66	63.00
Riverwalk Commission	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Public Works	121.04	117.35	110.35	108.96	108.55	108.30	108.76	108.88	109.39	103.63
Police	310.04	299.04	284.88	273.54	269.92	269.92	275.67	275.54	274.90	267.75
Fire	213.00	208.00	207.00	203.00	203.00	202.00	202.00	202.00	202.00	201.00
Electric Utility	126.04	122.04	120.00	120.00	118.50	117.00	114.00	112.00	112.00	106.00
Water Utility	96.52	97.02	92.27	92.07	83.50	82.94	82.94	83.56	83.79	82.50
Temps	-	-	-	-	-	-	-	-	-	14.66
TOTAL	1,101.56	1,048.21	994.07	969.22	953.09	954.26	961.22	965.68	968.78	948.55

* The City changed its fiscal year end from April 30 to December 31 as of December 31, 2015.

Data Source

City Budget

CITY OF NAPERVILLE, ILLINOIS

OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2015*	2016	2017
PUBLIC SAFETY										
Police (1)										
Physical arrests (DUI)	622	578	622	574	549	424	374	369	312	266
Parking violations	18,896	17,898	19,278	15,654	16,600	14,148	13,630	13,582	18,206	17,246
Traffic violations	27,780	25,611	21,546	18,521	17,769	13,924	12,319	12,532	15,831	15,743
Fire										
Emergency responses	9,435	10,957	11,575	11,264	11,760	12,210	12,792	12,979	13,677	14,631
Fires extinguished	83	89	90	86	83	78	93	87	106	158
PUBLIC WORKS										
Total curbside refuse collected (tons)	42,198	39,909	38,781	38,367	37,803	37,077	36,657	36,272	37,405	37,539
Total curbside recycling collected (tons)	18,675	17,095	17,251	17,069	16,469	15,605	15,692	15,872	15,655	15,650
Snow and ice control events	37	36	44	16	18	49	25	24	29	17
Tons of salt used	20,300	18,000	16,046	8,251	13,686	21,964	11,768	11,692	10,908	6,525
WATER/WASTEWATER (1)										
New connections	152	121	56	107	171	283	291	342	300	733
Water main breaks	75	73	84	37	64	92	75	68	80	81
Average daily consumption	16.29	15.26	15.29	15.16	16.64	15.11	13.90	14.10	14.46	41.90
Peak daily consumption	30.82	27.37	28.34	30.79	34.19	29.55	22.90	24.26	25.21	26.20
Average daily wastewater treated (million gal)	23.30	22.10	21.40	21.59	18.30	19.70	19.40	18.16	19.47	26.25
ELECTRIC (1)										
Peak monthly demand	348,000	358,000	369,000	390,853	402,273	365,033	322,831	328,597	352,640	330,946
Peak month energy use (million)	165.0	136.9	172.1	172.7	184.1	151.9	142.8	143.4	154.6	144.6

* The City changed its fiscal year end from April 30 to December 31 as of December 31, 2015.

(1) Records for Police, Water/Wastewater, and Electric are maintained on a calendar year basis. The statistics for April 30, 2015 are based on actual from January 1, 2015 to April 30, 2015 and extrapolated for the remainder of the year.

Data Source

Various city departments

CITY OF NAPERVILLE, ILLINOIS

CAPITAL ASSET STATISTICS

Last Ten Fiscal Years

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
PUBLIC SAFETY										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Area patrols	10	10	10	10	10	10	10	10	12	12
Patrol units	81	80	83	78	78	80	85	85	89	89
Fire										
Fire stations	9	9	10	10	10	10	10	10	10	10
Front Line Apparatus (engines and ambulance)	18	18	19	18	18	18	18	18	18	18
TRANSPORTATION										
Arterial streets (centerline miles)	127	127	127	127	127	127	127	138	140	140
Residential streets (centerline miles)	325	325	325	325	325	327	327	364	378	380
Traffic signals	162	163	163	163	163	163	164	164	165	165
PUBLIC WORKS										
Streetlights	10,612	10,994	11,040	11,312	11,462	11,480	11,542	11,705	12,080	12,154
Storm sewers (miles)	875	877	818	861	870	879	886	895	987	852
WATER										
Water mains (miles)	615.7	629.4	636.4	641.1	688.7	693.7	708.2	714.5	723.2	732.7
Fire hydrants	8,452	8,672	8,809	8,897	8,967	9,055	9,157	9,236	9,378	9,451
Storage capacity (million gallons)	43.90	43.90	43.90	43.90	43.90	43.90	43.90	43.90	43.90	43.90
Sanitary sewers (miles)	477.02	484.54	489.52	492.80	530.93	534.09	539.34	543.28	551.40	553.26
Treatment capacity (million gallons per day)	26.25	26.25	26.25	26.20	26.25	26.25	26.25	26.25	26.25	26.25
ELECTRIC										
Number of distribution stations	16	16	16	16	16	16	16	16	16	16
Transmission and distribution line mileage (excluding secondary distribution)	949.42	958.15	970.26	973.89	977.83	979.98	984.19	999.49	1,007.90	1,017.77

Data Source

Various city departments.