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# Comprehensive Annual Financial Report



City of Elmhurst, Illinois  
For the Year Ended  
December 31, 2018

**CITY OF ELMHURST, ILLINOIS**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

For the Year Ended  
December 31, 2018

Prepared by Department of Finance

Thomas W. Trosien  
Director of Finance

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## **INTRODUCTORY SECTION**



## **CITY OF ELMHURST, ILLINOIS**

Principal Officials

December 31, 2018

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### **LEGISLATIVE**

Steven M. Morley, Mayor

Mark P. Sabatino	Alderman – 1 <sup>st</sup> Ward
Marti Deuter	Alderman – 1 <sup>st</sup> Ward
Bob Dunn	Alderman – 2 <sup>nd</sup> Ward
Norman Leader	Alderman – 2 <sup>nd</sup> Ward
Dannee Polomsky	Alderman – 3 <sup>rd</sup> Ward
Michael J. Bram	Alderman – 3 <sup>rd</sup> Ward
Noel P. Talluto	Alderman – 4 <sup>th</sup> Ward
Kevin L. York	Alderman – 4 <sup>th</sup> Ward
Scott M. Levin	Alderman – 5 <sup>th</sup> Ward
Tina Park	Alderman – 5 <sup>th</sup> Ward
Michael Honquest	Alderman – 6 <sup>th</sup> Ward
Jim Kennedy	Alderman – 6 <sup>th</sup> Ward
Mark A. Mulliner	Alderman – 7 <sup>th</sup> Ward
Mike Brennan	Alderman – 7 <sup>th</sup> Ward

Patty Spencer, City Clerk

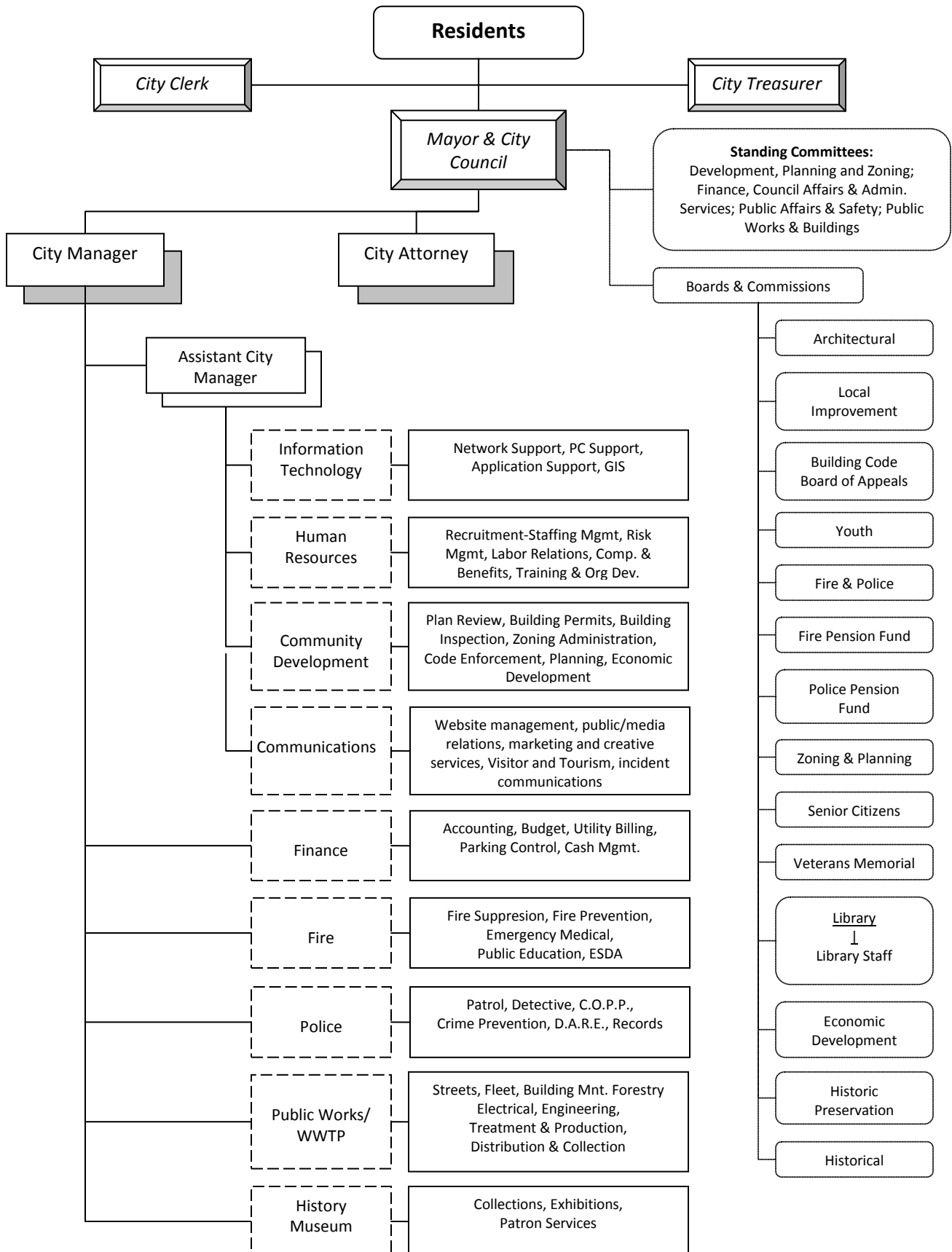
Elaine Libovicz, City Treasurer

### **ADMINISTRATIVE**

James A. Grabowski, City Manager/Budget Officer

Director of Finance Thomas W. Trosien	Director of Public Works Howard Killian
Fire Chief Thomas K. Freeman	History Museum Director David M. Oberg
Police Chief Michael R. Ruth	Building Commissioner Bruce Dubiel
City Planner Eileen Franz	Library Director Mary Beth Harper
Assistant City Manager Mike Kopp	City Attorney Donald J. Storino

## City of Elmhurst, Illinois





Government Finance Officers Association

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

Presented to

**City of Elmhurst  
Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2017**

*Christopher P. Morill*

Executive Director/CEO



**CITY OF ELMHURST**  
**209 NORTH YORK STREET**  
**ELMHURST, ILLINOIS 60126-2759**  
(630) 530-3000  
[www.elmhurst.org](http://www.elmhurst.org)

**STEVEN M. MORLEY**  
MAYOR  
**PATTY SPENCER**  
CITY CLERK  
**ELAINE LIBOVICZ**  
CITY TREASURER  
**JAMES A. GRABOWSKI**  
CITY MANAGER

July 23, 2019

To the Citizens of the City of Elmhurst

The comprehensive annual financial report of the City of Elmhurst, Illinois for the fiscal year ended December 31, 2018, is hereby submitted. The City is required to issue annually a report on its financial position and activity presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with generally accepted auditing standards by an independent firm of certified public accountants within six months of the close of the fiscal year.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City.

Providing a reasonable basis to make this representation is an internal control system established by the City's management. The internal control system is designed to safeguard the assets of the City against loss, theft, or misuse. The internal control system also assures that the accounting system compiles reliable financial data for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance that these objectives will be met. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits require estimates and judgments by management. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City's financial statements have been audited by Sikich LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Elmhurst for the fiscal year ended December 31, 2018 are free from material misstatement. The

independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall 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 Elmhurst's financial statements for the fiscal year ended December 31, 2018 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.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

### **Profile of the City of Elmhurst**

The City is ideally located approximately 16 miles west of downtown Chicago on the eastern border of prestigious DuPage County. The City has a land area of approximately ten square miles and a population of 44,454 based on the 2015 special census. Founded in 1836 by German settlers, it was incorporated as a village in 1881 and as a city in 1910. Elmhurst was the 14<sup>th</sup> community in the state to be named as an Illinois Certified City and the first in DuPage County. Elmhurst has been named a 'Tree City, U.S.A.' every year since 1981.

The City operates under the council-manager form of government. Policy making and legislative authority are vested in the governing City Council, which consists of a mayor and a fourteen-member council. The City Council is responsible, among other things, for passing ordinances, adopting the budget, and establishing policy. The City Manager is responsible for carrying out the policies and ordinances of the City Council, and for overseeing the day-to-day operations of the City. Council members are elected to four-year staggered terms with seven council members elected every two years. The Mayor, Treasurer, and City Clerk are elected for concurrent four-year terms. Two council members are elected from each of seven wards; the Mayor, Treasurer, and City Clerk are elected at large.

The financial reporting entity (the City) includes all the funds of the primary government (i.e., the City of Elmhurst as legally defined), as well as its component unit. Component units are legally separate entities for which the primary government is financially accountable. The City provides a full range of services. These services include police and fire protection; storage and distribution of potable water; sewerage collection and treatment; sanitation services; construction and maintenance of highways, streets, and infrastructure; code enforcement; planning and zoning; and the parking system. The City owns and operates its'

own water and sewerage facilities with water supplied from Lake Michigan through the DuPage Water Commission, a separate unit of government.

The discretely presented component unit is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the primary government and to differentiate its financial position and results of operations from those of the primary government. The Elmhurst Public Library is reported as a discretely presented component unit.

The functions of education, recreation, township, and county government, as well as special service districts such as the DuPage Water Commission and the DuPage Airport Authority are performed by separate governmental entities and, accordingly, are excluded from this report.

### **Budgeting Controls**

The annual budget serves as the foundation for the City of Elmhurst's financial planning and control. The City's bi-annual citizen's survey results are taken into consideration as the City prepares the budget. Beginning in May of each year the City prepares a five-year capital improvement plan. The department heads are required to submit proposed capital improvements for the next five years to the City Manager. The City Manager, along with the department heads and the budget review team, reviews the requests and develops a proposed five-year capital improvement plan. The proposed five-year capital improvement plan is submitted to the City Council before the first meeting in August. The City Council reviews the five-year Capital Improvement Plan by the second council meeting in August of each year. The annual budget process starts in August when the department heads are required to submit to the City Manager a proposed budget for the next fiscal year. The City Manager uses these requests and the five-year capital expenditure plan as a starting point for developing a proposed budget. After reviewing the department budget requests with each department head and the budget review team, the City Manager presents the proposed budget to the City Council in October. The City Council is required to hold a public hearing on the proposed budget and to adopt the final Budget no later than December 31<sup>st</sup> of each year.

In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual budget approved by the City Council. Activities of the General, Special Revenue, Debt Service, Capital Projects, Enterprise, and Police and Firefighter's Pension Trust Funds are included in the annual budget. Interim financial statements are distributed to management and elected officials monthly to provide information on the status of actual revenues and expenditures as compared to the budgeted amounts. The level of budgetary control (that is, the level at which

expenditures cannot exceed the budgeted amount) is established at the individual fund level. The City also maintains an encumbrance system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year-end. However, encumbrances generally are reappropriated as part of the following year's budget.

As demonstrated by the statements and schedules included in the financial section of this report, the City continues to meet its responsibility for sound financial management.

### **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 Elmhurst operates.

#### **Local economy**

The City of Elmhurst's overall economic outlook is bright. Although primarily residential, the City's close proximity to O'Hare International Airport has contributed to the development of several national and even international corporate headquarters within the City's boundaries. The 2013 - 2017 American Community Survey 5-year estimate figures indicate that approximately ninety percent of the City's work force are employed in either professional, managerial, sales, or technical positions. The City's current unemployment rate, provided by the Illinois Department of Employment Security - Economic Information Division, (not adjusted for seasonal employment) of 2.7% compares favorably with the statewide rate of 4.0% and a national average of 3.3%. Following statewide and national trends, the City's net assessed value decreased from 2011 - 2014 before leveling off in 2015. The City's net assessed value increased 12.1% in 2016, 8.6% in 2017 followed by an increase of 7.6% during 2018. In the last five years, the net assessed valuation has increased 23.1% to today's figure of \$2,374,924,850. Although significant infrastructure improvements have been completed recently, general obligation debt remains a modest 3.8% of 2017 assessed valuation.

Always strong in retail sales, Elmhurst ranked third in DuPage County and twenty-first in the State for Retailers' and Service Occupation Tax collections.

## **Long-term Financial Planning**

Examples of projects that are currently part of the City's five-year capital improvement plan include the following:

- In response to widespread flooding experienced throughout the City in the summer of 2010, a comprehensive flood plan has been developed by Christopher B. Burke Engineering Ltd. and RJN Group, Inc., which has been used by City staff and the City Council to assist in determining storm water improvement projects. Additional study areas and improvement projects were added after the 2013 storm event. Several projects have been approved, started and/or completed and additional projects are under consideration. The five-year capital plan provides for \$18.1 million for stormwater infrastructure/flood mitigation projects, with approximately \$14.4 million budgeted in 2019 and 2020. It is projected that general obligation bonds will be issued to fund these projects.
- The five-year capital plan provides for many major replacement projects at the Wastewater Treatment Plant. A significant portion of the existing equipment has been in service over twenty years, in a harsh 24/7 environment, and must be replaced. The projects include the effluent sampling station (2018-2019), the grit removal system replacement (2018-2019), effluent pump improvements (2018-2021), three (10 million gallons per day) influent enclosed screw pumps (2018-2020), north digester cover (2019-2020), the extension of the sludge storage pad (2018-2019), improvements to the electrical distribution system and underground infrastructure (2018-2020) and the north and center belt presses (2018-2020). It is projected that Illinois EPA loans will be issued to fund a significant portion of these projects.
- The City began a two-year water meter replacement program in 2017. The current meters reached the end of life cycle. Since water meters lose accuracy with age and under-register usage, it is important that the meters are replaced to maintain billing accuracy. All meters in the City were replaced by the end of 2018 and a leak detection system was also installed. The new meter system will also allow for remote reading of meters.
- The five-year capital plan provides for significant funding for storm sewer repairs and maintenance (\$3.5 million) and rehabilitation of the storm stations and storm station pumps (\$17.6 million).
- The five-year capital plan provides for significant funding for the sanitary sewer lining and repair program of \$2,850,000 annually in 2019-2023.
- The five-year capital plan also provides for a significant increase in funding for water main improvements and replacement. A comprehensive water system infrastructure study was completed in 2018. A recommendation of that study was an increase in the annual replacement of water mains due to changes in the replacement cycle, age of the water mains and the higher than average incidence of water main breaks. The capital plan provides for an increase from \$2,300,000 annually prior to 2019 to \$2,800,000 - \$3,300,000 annually.



## Major Initiatives

The most significant of these projects are discussed below:

- Several major roadway improvements are in progress as part of the City's street resurfacing program. Significant grant funds have been approved to improve the intersection of Butterfield Road and York Street and the rehabilitation of Spring Road, from St. Charles to Vallette Street. The rehabilitation of these roadways will consist of patching failed pavement, curb and gutter, and resurfacing the roadway with asphalt and the intersection improvement will include traffic signal modernization and turn lane modifications. Both projects are scheduled for 2019 construction. Also, a federal grant application will be submitted for funds for the rehabilitation of Brush Hill Road (from Euclid Avenue to Commonwealth Lane) and are budgeted for 2020 construction. Also, starting with the 2019 budget, the annual asphalt street resurfacing program was increased from \$1,750,000 to \$2,100,000 annually to stay current with the life cycle replacement cost of the City's roadways. Funding for additional maintenance of concrete streets was also included in the capital budget.
- The City continues to focus on development of property throughout the City and within the Tax Increment Financing (TIF) Districts. The Elmhurst City Council approved the funding of certain redevelopment costs for three projects approved in 2017. Based on the approved redevelopment agreements, reimbursements for certain land acquisition, land improvements and utility relocations were completed in 2018. Tax Increment Financing funds are the primary funding source for these three projects. Also, during 2018, the City terminated the Central Business District TIF and approved a new Downtown TIF.
- Four major sanitary lift stations projects were started in 2017 and will be completed by 2019. Two of the lift stations will be completely rebuilt, land improvements and a flood wall will be added to the third lift station to prevent flooding and improvements to the fourth lift station include electrical upgrades and the addition of a permanent generator. Illinois EPA low interest loans will fund the construction costs of these projects.
- Eight major storm water projects have been completed and include the following: Walnut/Myrtle/Evergreen detention; Crescent/Cambridge (York Commons Park) detention; York/I-290 detention; Madison School detention; Harrison Street detention; Geneva Avenue detention; Washington Street detention and the Pine/Avon (Golden Meadows Park) detention project. The SW Elmhurst Stormwater Mitigation Projects - Phases I and II are anticipated to be completed in 2019 and projects anticipated for 2019-2020 include Collegeview and the Jackson/Swain area.
- Preliminary engineering work started in 2018 for the rehabilitation of several storm stations throughout the City. Evaluations and rehabilitation of the building, electrical and pumping ability will be completed for each of the storm stations.

## **Awards**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended December 31, 2017. This was the twenty ninth year the City received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine eligibility for another certificate.

In addition, the City of Elmhurst received the GFOA's Distinguished Budget Presentation Award for its annual budget for the fiscal year ended December 31, 2018. This was the twelfth year that the government achieved this award. In order to qualify for the Distinguished Budget Presentation Award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

## **Acknowledgements**

The preparation of this report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Particular credit should be given to Laurie Hayes, Ryan Bruns and Jolanta Moryl, for their outstanding efforts in coordinating and completing this report. I would also like to express my appreciation to the accounting firm of Sikich LLP for their expertise, professionalism, and their assistance in the preparation of this report.

Finally, I would like to thank the members of the City Council for their support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Thomas W. Trosien  
Director of Finance

## **FINANCIAL SECTION**

## **INDEPENDENT AUDITOR'S REPORT**

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

### **Report on the Financial Statements**

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

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Elmhurst Public Library were not audited in accordance with *Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, 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 Elmhurst, Illinois, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We have previously audited the basic financial statements of the City of Elmhurst, Illinois as of and for the year ended December 31, 2017 and our report dated July 25, 2018, expressed unmodified opinions on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

## **Change in Accounting Principle**

The City adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which established standards for measuring and recognizing liabilities, deferred inflows and outflows of resources and expenses; and modified certain disclosures in the notes to financial statements and the required supplementary information as discussed in Note 13 to the basic financial statements. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the 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 have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the City's basic financial statements for the year ended December 31, 2017, which are not presented with the accompanying financial statements and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The combining and individual nonmajor fund financial statements, related to the 2017 financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the major and combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

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

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. 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 *Governmental Auditing Standards*, we have also issued our report dated July 23, 2019 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Sikich LLP*

Naperville, Illinois  
July 23, 2019

**GENERAL PURPOSE EXTERNAL  
FINANCIAL STATEMENTS**



## City of Elmhurst, Illinois

### Management's Discussion and Analysis

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

#### **USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL REPORT**

In accordance with generally accepted accounting principles, the City presents two kinds of statements, each with a different snapshot of the City's finances. The government-wide financial statements present financial information on the City as a whole. The focus of the fund statements is on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year to year or government to government) and enhance the City's accountability.

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

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

The Statement of Net Position presents information on all of the City's assets, deferred outflow of resources, liabilities and deferred inflows of resources with the aggregate difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type) activities. The governmental activities of the City include general governmental, public safety, streets, rubbish disposal, public health and welfare, culture, and redevelopment. The business-type activities of the City include a water and sewer system and a parking system.

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

The government-wide financial statements can be found on pages 5 through 8 of this report.

### **Fund Financial Statements**

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

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as 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 thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Stormwater Detention Project Fund, the Redevelopment Projects Fund, the Route 83 Commercial Development Projects Fund, the Industrial Development Projects Fund, the Church Road/Lake Street Development Fund, the North York Development Project Fund, and the Downtown Development Fund, all of which are considered to be major funds. Data from the other five governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The City did not adopt any budget amendments for the fiscal year ended December 31, 2018.

The basic governmental fund financial statements can be found on pages 9 - 16 of this report.

**Proprietary Funds.** The City maintains only one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer systems and its parking system.

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 Municipal Utility Fund and the Parking System Revenue Fund, which are considered to be major funds.

The basic proprietary fund financial statements can be found on pages 17 - 21 of this report.

**Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City maintains four fiduciary funds: the Police and the Firefighters' Pension Funds, the Trust and Deposit Fund and the Special Assessment Fund.

The basic fiduciary fund financial statements can be found on pages 22 - 23 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 24 - 86 of this report.

### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits and other post-employment benefits to its employees. Required supplementary information can be found on pages 87 - 101 of this report.

Schedules for the other major funds are presented immediately following the required supplementary information on pensions. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the schedules for the other major funds. Combining and individual fund statements and schedules can be found on pages 102 - 124 of this report.

### **Financial Analysis of the City as a Whole**

The City is presenting current and prior year comparative information in the Management's Discussion and Analysis to provide a means of analyzing its' financial condition and position as of December 31, 2018.

## GOVERNMENT-WIDE STATEMENTS

### Net Position

The following table reflects the condensed Statement of Net Position.

**Table 1**  
**Statement of Net Position**  
**As of December 31, 2018**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	Dec-2018	Dec-2017	Dec-2018	Dec-2017	Dec-2018	Dec-2017
Current and other assets	\$ 63,427,460	\$ 70,847,738	\$ 13,041,782	\$ 11,261,073	\$ 76,469,242	\$ 82,108,811
Capital Assets	138,429,273	135,957,159	109,329,798	106,429,968	247,759,071	242,387,127
<b>Total Assets</b>	<b>201,856,733</b>	<b>206,804,897</b>	<b>122,371,580</b>	<b>117,691,041</b>	<b>324,228,313</b>	<b>324,495,938</b>
Deferred Outflows	18,676,794	8,403,135	796,924	2,346,279	19,473,718	10,749,414
<b>Total Assets and Deferred Outflows</b>	<b>220,533,527</b>	<b>215,208,032</b>	<b>123,168,504</b>	<b>120,037,320</b>	<b>343,702,031</b>	<b>335,245,352</b>
Long-term liabilities	133,703,468	120,440,080	58,384,823	53,456,696	192,088,291	173,896,776
Other Liabilities	8,329,312	7,586,656	6,052,374	5,061,017	14,381,686	12,647,673
<b>Total Liabilities</b>	<b>142,032,780</b>	<b>128,026,736</b>	<b>64,437,197</b>	<b>58,517,713</b>	<b>206,469,977</b>	<b>186,544,449</b>
Deferred Inflows	17,454,731	16,806,278	2,149,950	233,804	19,604,681	17,040,082
<b>Total Liabilities and Deferred Inflows</b>	<b>159,487,511</b>	<b>144,833,014</b>	<b>66,587,147</b>	<b>58,751,517</b>	<b>226,074,658</b>	<b>203,584,531</b>
Net Position:						
Net investment in capital assets	91,507,834	94,137,897	57,967,301	62,784,279	149,475,135	156,922,176
Restricted	13,349,605	17,588,496	-	-	13,349,605	17,588,496
Unrestricted	(43,811,423)	(41,351,375)	(1,385,944)	(1,498,476)	(45,197,367)	(42,849,851)
<b>Total Net Position</b>	<b>\$ 61,046,016</b>	<b>\$ 70,375,018</b>	<b>\$ 56,581,357</b>	<b>\$ 61,285,803</b>	<b>\$ 117,627,373</b>	<b>\$ 131,660,821</b>

The City's combined net position decreased by \$14,033,448 which reflects increased capital assets (\$5,371,944), offset by an increase in long-term liabilities; including a \$9,431,107 increase in Net Pension Liability, issuance of G.O. Bond Series 2018 (\$9,715,000) and draws on the G.O. Note (\$2,200,000). For the City of Elmhurst, assets exceeded liabilities by \$117,627,373 at December 31, 2018.

For more detailed information, see the Statement of Net Position on pages 5 and 6.

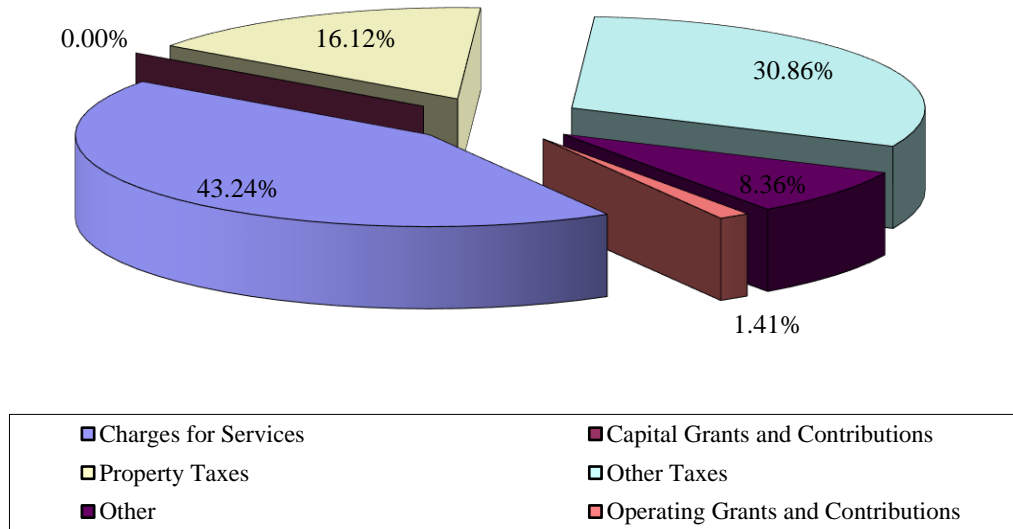
## Governmental Activities

The following table summarizes the revenues and expenses of the City's activities.

**Table 2**  
**Changes in Net Position**  
**As of December 31, 2018**

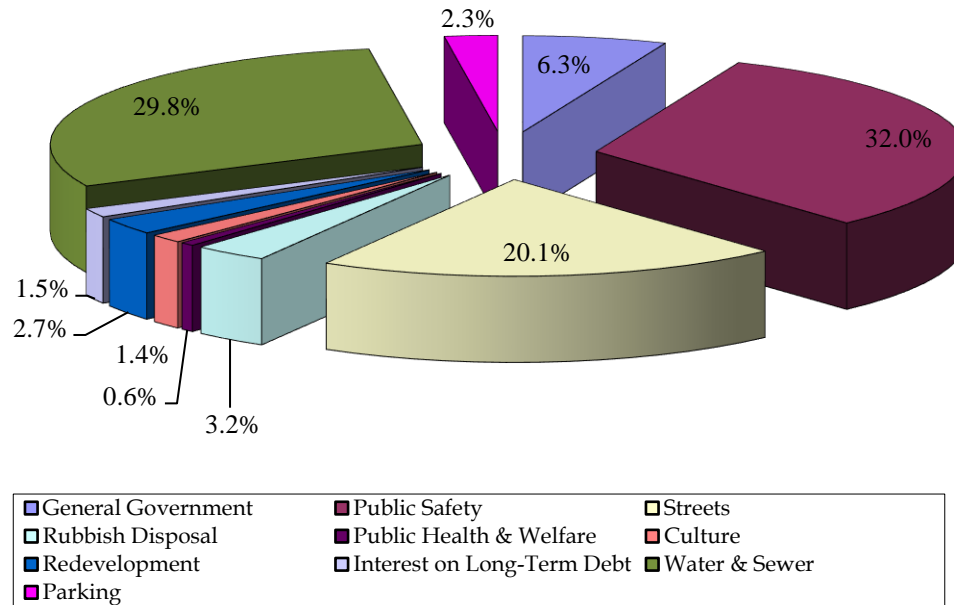
	Governmental Activities		Business-Type Activities		Total Primary Government	
	Dec-2018	Dec-2017	Dec-2018	Dec-2017	Dec-2018	Dec-2017
<b>REVENUES</b>						
Program Revenues:						
Charges for Services	\$ 11,443,833	\$ 11,488,891	\$ 27,512,364	\$ 25,339,632	\$ 38,956,197	\$ 36,828,523
Operating Grants and Contributions	1,271,171	1,347,389	-	-	1,271,171	1,347,389
Capital Grants and Contributions	-	-	-	-	-	-
General Revenues:						
Property Taxes	14,524,752	13,770,823	-	-	14,524,752	13,770,823
Other Taxes	27,804,296	27,282,496	-	-	27,804,296	27,282,496
Other	7,480,672	6,621,689	48,112	53,552	7,528,784	6,675,241
<b>Total Revenues</b>	<b>62,524,724</b>	<b>60,511,288</b>	<b>27,560,476</b>	<b>25,393,184</b>	<b>90,085,200</b>	<b>85,904,472</b>
<b>EXPENSES</b>						
General Government	6,317,531	4,640,843	-	-	6,317,531	4,640,843
Public Safety	32,247,605	27,905,484	-	-	32,247,605	27,905,484
Streets	20,307,157	23,546,667	-	-	20,307,157	23,546,667
Rubbish Disposal	3,235,619	3,247,534	-	-	3,235,619	3,247,534
Public Health & Welfare	608,325	512,514	-	-	608,325	512,514
Culture	1,457,441	1,272,541	-	-	1,457,441	1,272,541
Redevelopment	2,742,867	5,981,172	-	-	2,742,867	5,981,172
Loss on in-substance defeasance	577,330	-	-	-	577,330	-
Interest on Long-Term Debt	1,514,350	2,112,154	-	-	1,514,350	2,112,154
Water & Sewer	-	-	30,045,595	26,837,060	30,045,595	26,837,060
Parking	-	-	2,320,102	2,102,160	2,320,102	2,102,160
<b>Total Expenses</b>	<b>69,008,225</b>	<b>69,218,909</b>	<b>32,365,697</b>	<b>28,939,220</b>	<b>101,373,922</b>	<b>98,158,129</b>
<b>Increase/(decrease) in net position before transfers</b>	<b>(6,483,501)</b>	<b>(8,707,621)</b>	<b>(4,805,221)</b>	<b>(3,546,036)</b>	<b>(11,288,722)</b>	<b>(12,253,657)</b>
Transfers	(989,104)	(1,457,244)	989,104	1,457,244	-	-
<b>Change in Net Position</b>	<b>\$ (7,472,605)</b>	<b>\$ (10,164,865)</b>	<b>\$ (3,816,117)</b>	<b>\$ (2,088,792)</b>	<b>\$ (11,288,722)</b>	<b>\$ (12,253,657)</b>

## REVENUES



Charges for services are primarily comprised of fees for water and sewer services. Water and sewer revenue was \$26,320,217 for the fiscal year ended December 31, 2018 compared with \$24,114,108 for the period ending December 31, 2017. Water and sewerage treatment rates are reviewed annually and were increased in January 2018. Governmental activities charges for services decreased \$45,058 from fiscal year 2017. Property taxes of \$14,524,752 increased \$753,929 during fiscal year 2018 from fiscal year 2017 due to increases in the actuarially determined contributions for the Police and Fire Pensions and increased collections from the City's Tax Increment Financing (TIF) districts. Other taxes are primarily comprised of sales taxes, which are the largest revenue source in the General Fund, and utility taxes. Sales taxes of \$21,056,049 increased \$409,805 during the fiscal year 2018 when compared to fiscal year 2017. After several years of decreases, utility taxes of \$3,825,274 reflect an increase of \$42,447. Electric and gas utility tax collections increased, while telephone utility tax collections decreased from the prior year.

## EXPENSES



The City's expenses totaled \$101,373,922 for fiscal year 2018, up \$3,215,793 from fiscal year 2017. Public safety expenses related to the operation of the Police Department and Fire Department accounted for the largest share of total expenses at 31.8%; while water and sewer expenses accounted for 29.6% of the total. The City realizes the importance of attracting and retaining a talented workforce in order to meet its mission of providing responsive and superior governmental services in an environment of respect, and does so by providing competitive compensation levels for all employees. Salary expenses totaled \$26,753,275 for the fiscal year ended December 31, 2018 as compared to \$26,249,910 for the fiscal year ended December 31, 2017. These salary expenses include increases of 2% - 4% for general cost of living salary adjustments.

## FINANCIAL ANALYSIS OF THE CITY'S FUNDS

For the fiscal year ended December 31, 2018, the governmental funds had a combined fund balance of \$42,063,698. This reflects a \$6,918,476 decrease from the prior year fund balance.

The General Fund, which is the main operating fund of the City of Elmhurst, reported a current year decrease of \$1,396,926 in fund balance. Revenues of \$54,597,909 were \$1,621,651 lower than budget. Property taxes of \$10,575,815 were \$77,115 greater than budget, and \$322,020 greater than the previous year as a result of previously discussed increases to pension levies. Sales tax revenues of \$19,258,144 were \$257,144 greater than budget and \$411,941 greater than the previous year. These increases reflect a strengthening economy and are also due in part to the State reducing their administrative fee on the collection of locally imposed taxes from 2% to 1.5%, effective 7/1/2018. Utility taxes of \$3,825,274 were \$110,176 below budget with lower than expected electric tax receipts, due to mild weather conditions; in addition to declining telecommunication tax revenues resulting from reduced cell phone plan pricing and fewer telephone land lines. Intergovernmental revenues of \$4,706,369 were \$2,837,711 lower than budget primarily due to lower than anticipated grant revenues with projects not being completed during this fiscal year. Intergovernmental revenues were \$158,765 greater than in fiscal year 2017 due to increased Illinois State Income Tax receipts. The State's FY 2019 (7/1/18 - 6/30/19) Budget included a 5% reduction in Local Government Distributive Fund (LGDF) payments, down from the 10% reduction imposed during State FY 2018. Charges for services of \$4,769,387 were \$363,830 lower than the previous year, due primarily to reduced payments from the Park District for equipment maintenance as well as completion of Park District payments related to its share of improvements to the City's Public Works Facility in 2017.

Operating expenditures of \$47,418,858 were \$3,317,907 less than budget. The City has continued its efforts to reduce expenditures whenever possible throughout the year. Personal services of \$20,799,622 were \$541,478 lower than budget, primarily due to lower than anticipated salary expense across several departments. Employee benefits of \$12,470,958 were under budget \$367,582 resulting from lower than projected health insurance and worker's compensation costs. Contractual services of \$9,970,644 were \$1,618,366 less than budget with many departments spending less than the budgeted amount. Repairs and maintenance of \$1,193,036 were \$448,614 under budget due to less than expected costs related to building and lift station repairs. Capital outlay expenditures of \$7,495,863 were \$6,379,687 less than budget due to projects that were not completed during the fiscal year. Other financing uses of \$1,097,695 were \$2,042,694 lower than budget with only \$15,000 in transfers to the Stormwater Detention Project Fund, of a budgeted \$1,800,000 for property acquisition, taking place during the year.



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

<b>General Fund</b>	<b>Original and Final Budget</b>	<b>Actual</b>
<b>Revenues</b>		
Taxes	\$ 36,331,150	\$ 36,582,206
Intergovernmental	7,544,080	4,706,369
Licenses and permits	4,724,900	5,113,076
Fines and penalties	803,900	890,913
Charges for services	4,837,900	4,769,387
Other	1,977,630	2,535,958
<b>Total</b>	<b>56,219,560</b>	<b>54,597,909</b>
<b>Expenditures</b>		
Expenditures - Current	50,736,765	47,418,858
Expenditures - Capital outlay	13,851,050	7,478,282
<b>Total</b>	<b>64,587,815</b>	<b>54,897,140</b>
Other financing sources / (uses)	(3,140,389)	(1,097,695)
<b>Change in fund balance</b>	<b>\$(11,508,644)</b>	<b>\$ (1,396,926)</b>

The City uses tax increment financing (TIF) as a tool for redevelopment and community improvement projects. A TIF district captures the future tax benefits of real estate improvements to fund the cost of the improvement projects. The City has five TIF districts, all of which are considered major funds, including the Redevelopment Projects Fund, the Route 83 Commercial Development Fund, the Industrial Development Projects Fund, the North York Redevelopment Fund, the Church Road/Lake Street Redevelopment Fund, and the Downtown Redevelopment Fund. The Industrial Development Projects Fund was closed in 2017, and will no longer be included in the financial statements beyond this year. A taxable G.O. Note of \$7,500,000 is being used to fund capital improvements within the TIF funds, as necessary, and will be repaid with future property tax collections.

The fund balance for the Redevelopment Projects Fund increased \$212,355 to a balance of \$5,874,540 for the fiscal year ended December 31, 2018. This is \$3,897,697 greater than budget with lower than budgeted other expenses in fiscal 2018. The fund balance has been set aside for future capital improvements and debt service payments. The Redevelopment Projects Fund was terminated in March, 2018.

The Route 83 Commercial Development Fund had an increase in fund balance of \$505,344, bringing the fund to a final balance of \$1,777,133 for the fiscal year ended December 31, 2018. The fund balance exceeded budget by \$1,741,244, due to capital improvements that were not completed during the fiscal year. This fund balance has been set aside for future capital improvements and debt service payments. The Route 83 Commercial Development Fund is expected to be terminated in 2019.

The fund balance of the North York Redevelopment Fund, which had previously been a deficit of \$3,979, increased \$558,206 to a balance of \$554,227 for the fiscal year ended December 31, 2018. The balance exceeded budget by \$400,406 due to greater than anticipated property tax revenue and lower than budgeted contractual services and debt service. The fund is expected to be terminated in 2035.

The Church Road/Lake Street Redevelopment Fund had an increase in fund balance of \$744,222, from the previous deficit of \$645,009, to a final balance of \$99,213 as of December 31, 2018. This was largely due to draws on the taxable G.O. Note which will be repaid with future funds. The Church Road/Lake Street Redevelopment Fund is expected to be terminated in 2040.

The Downtown Redevelopment Fund was established in March 2018 and has a deficit fund balance of \$66,513 due to costs associated with establishing the TIF district. The fund is expected to be terminated in 2042.

## Capital Assets

At the end of December 2018, the City's Governmental activities had invested \$138,429,273 and the City's Business-Type activities had invested \$109,329,798 in a variety of capital assets and infrastructure as reflected in the following schedule.

**Table 4**  
**Capital Assets**  
**As of December 31, 2018**

	Governmental Activities		Business-Type Activities		Total	
	Dec-2018	Dec-2017	Dec-2018	Dec-2017	Dec-2018	Dec-2017
Non-Depreciable Assets						
Land	\$ 69,956,788	\$ 70,113,114	\$ 4,503,463	\$ 4,503,463	\$ 74,460,251	\$ 74,616,577
Construction in progress	247,461	211,561	5,668,256	1,536,122	5,915,717	1,747,683
Other Capital Assets						
Buildings and land improvements	36,482,167	36,482,167	88,042,667	88,042,667	124,524,834	124,524,834
Improvements other than buildings	145,727	145,727	-	-	145,727	145,727
Machinery & equipment	14,664,270	13,851,719	3,403,562	3,335,865	18,067,832	17,187,584
Infrastructure	91,861,901	88,181,109	78,831,871	76,278,416	170,693,772	164,459,525
Less:						
Accumulated Depreciation	(74,929,041)	(73,028,238)	(71,120,021)	(67,267,065)	(146,049,062)	(140,295,303)
<b>Total</b>	<b>\$ 138,429,273</b>	<b>\$ 135,957,159</b>	<b>\$ 109,329,798</b>	<b>\$ 106,429,468</b>	<b>\$ 247,759,071</b>	<b>\$ 242,386,627</b>

Additional information on the City's capital assets can be found in note 4 of this report.

## Long-Term Debt

As of December 31, 2018, the City had a total of \$192,167,197 of long-term obligations outstanding. Of this amount, \$83,840,000 is in the form of general obligation bonds that are backed by the full faith and credit of the City government. Normally, the debt service on the general obligation bonds is paid with a special property tax levy. The City abated its entire 2017 property tax levy (which is received in calendar year 2018) for debt service and used other sources, especially state income tax revenues and home rule sales taxes, to pay general obligation debt service. During 2018 the City paid off \$3,065,000 of general obligation bonds, excluding debt service of the component unit. The City issued G.O. Bond Series 2018 to provide for capital projects in the Stormwater Detention Projects Fund, in addition to operating capital and one-time capital projects in the Municipal Utility Fund.

Long-term debt outstanding at the end of 2018 no longer includes the 2006 Sales Tax Revenue Bond Series, which was defeased in March 2018. Additional information can be found in note 6 of this report.

The City has six Illinois Environmental Protection Agency (IEPA) low interest loans outstanding totaling \$18,142,681. IEPA loan #6 has been authorized in the amount of \$9,054,155 of which the City has drawn \$4,902,946 from the IEPA loan as of December 31, 2018. Proceeds of this loan are being used to fund various capital projects in the Municipal Utility Fund.

The net pension liability is the amount of the total pension liability less the pension assets that have been accumulated to pay the pension liability as of December 31, 2018 for the Illinois Municipal Retirement Fund, the City of Elmhurst Police Pension Fund and the City of Elmhurst Firefighters' Pension Fund according to generally accepted accounting principles. The City has paid all of the actuarially determined contributions to the pension funds in fiscal year 2018. Additional information on the City's pension obligations may be found in note 11 and in the required supplementary information of this report.

The City has adopted GASB Statement No. 75 which requires the entire unfunded other postemployment benefits (OPEB) liability to be recorded on the Statement of Net Position. As a result of implementation, a liability of \$2,445,559 is included in long-term liabilities at December 31, 2018. Additional information on the change in accounting principle can be found in note 13 of this report.

**Table 5**  
**Bonded and Similar Indebtedness**  
**As of December 31, 2018**

	Governmental Activities		Business-Type Activities		Total	
	Dec-2018	Dec-2017	Dec-2018	Dec-2017	Dec-2018	Dec-2017
General obligation bonds	\$ 47,582,906	\$ 44,366,238	\$ 36,257,094	\$ 32,823,762	\$ 83,840,000	\$ 77,190,000
General obligation note	7,200,000	5,000,000	-	-	7,200,000	5,000,000
Revenue bonds	-	6,460,000	-	-	-	6,460,000
Illinois EPA loans	-	-	18,142,681	14,442,911	18,142,681	14,442,911
Self insurance claims	632,881	662,347	239,109	231,888	871,990	894,235
Compensated absences	2,953,870	2,865,660	801,627	768,916	3,755,497	3,634,576
Net pension obligation	72,286,026	59,717,021	921,889	4,059,787	73,207,915	63,776,808
Other postemployment benefits	1,583,136	1,630,692	862,423	888,329	2,445,559	2,519,021
Unamortized bond discount	-	(35,044)	-	-	-	(35,044)
Unamortized bond premium	1,464,649	1,403,858	1,238,906	1,205,955	2,703,555	2,609,813
<b>Total</b>	<b>\$ 133,703,468</b>	<b>\$ 122,070,772</b>	<b>\$ 58,463,729</b>	<b>\$ 54,421,548</b>	<b>\$ 192,167,197</b>	<b>\$ 176,492,320</b>

As an Illinois home-rule community, the City is not subject to any debt limitation. However, the City has a self-imposed debt limit of 5% of the assessed value of taxable property in the City (currently \$118,746,243 based on the 2017 EAV). Per the City's revenue policy, long term debt will only be used to finance long-lived capital and operating assets. In November 2018, Standard & Poor's assigned its AAA long-term rating (considered the highest quality grade bonds with extremely strong capacity to meet financial commitments) to Series 2018 and reaffirmed the City's AAA rating on the City's existing general obligation bonds. In the rating, Standard and Poor's cited Elmhurst's:

- Very strong economy, which benefits from participation in the diverse Chicago metropolitan area economy;
- Very strong budgetary flexibility
- Strong budgetary performance
- Very strong liquidity, providing very strong cash levels relative to debt service and expenditures
- Strong management, with good financial policies and practices

Additional information on the City's long term debt can be found in note 6 of this report.

### **Economic Factors**

The City's composition is primarily residential with smaller commercial and industrial components. According to the U.S. Census, the median value of owner-occupied, non-condominium units in the City was \$211,100 in 2000 and the estimated 5-year (2013 - 2017 American Community Survey) median value was \$394,500; a 86.9% increase. The City's 2017 median value of \$394,500 compares favorably to \$289,900 for DuPage County and \$179,700 for the State. Property taxes imposed on property within the City provide a stable revenue source. The property of the City's ten largest taxpayers during 2017 accounted for only 3.7% of the City's total EAV.

According to the US Census Bureau 5-year survey (2013 - 2017) estimated values, the City had a median household income of \$104,222 as compared to \$84,442 for DuPage County and \$61,229 for the State. DuPage County, in which the City is located, has the highest per capita personal income in the State.

### **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning this report or requests for additional financial information should be directed to Thomas W. Trosien, Director of Finance, City of Elmhurst, 209 N. York St, Elmhurst, IL 60126.

**CITY OF ELMHURST, ILLINOIS**

**STATEMENT OF NET POSITION**

December 31, 2018

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental</b>	<b>Business-Type</b>		<b>Elmhurst</b>
	<b>Activities</b>	<b>Activities</b>	<b>Total</b>	<b>Public Library</b>
<b>ASSETS</b>				
Cash	\$ 20,791,017	\$ 4,314,827	\$ 25,105,844	\$ 2,613,878
Investments				
Negotiable certificates of deposit	19,066,700	-	19,066,700	3,501,300
Receivables				
Taxes				
Property	13,482,465	-	13,482,465	7,799,193
Sales	5,632,034	-	5,632,034	-
Utility	569,513	-	569,513	-
Motor fuel tax (local)	28,278	-	28,278	-
Food and beverage	132,135	-	132,135	-
Motor fuel tax allotments	96,553	-	96,553	-
Accounts	396,140	6,073,104	6,469,244	-
Accrued interest	150,105	-	150,105	24,579
Miscellaneous	2,678,526	-	2,678,526	5,500
Prepaid items	332,137	70,384	402,521	36,430
Due from other governments	71,857	2,583,467	2,655,324	-
Capital assets				
Capital assets not being depreciated				
Land	69,956,788	4,503,463	74,460,251	621,421
Improvements other than buildings	-	-	-	35,000
Construction in progress	247,461	5,668,256	5,915,717	-
Capital assets being depreciated, net				
Buildings	21,980,403	24,040,130	46,020,533	17,546,753
Improvements other than buildings	87,738	-	87,738	-
Machinery and equipment	7,051,072	613,403	7,664,475	-
Infrastructure	39,105,811	-	39,105,811	-
Sewerage treatment plant	-	30,522,427	30,522,427	-
Water and sanitary sewer systems	-	43,982,119	43,982,119	-
Total assets	201,856,733	122,371,580	324,228,313	32,184,054
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Unamortized loss on refunding	593,793	45,967	639,760	271,057
Pension items - IMRF and SLEP	1,278,638	694,306	1,972,944	308,328
OPEB items	103,993	56,651	160,644	25,158
Pension items - Pension Trust Funds	16,700,370	-	16,700,370	-
Total deferred outflows of resources	18,676,794	796,924	19,473,718	604,543
Total assets and deferred outflows of resources	220,533,527	123,168,504	343,702,031	32,788,597

(This statement is continued on the following page.)

**CITY OF ELMHURST, ILLINOIS**

STATEMENT OF NET POSITION (Continued)

December 31, 2018

	<b>Primary Government</b>			<b>Component Unit</b>
	<b>Governmental</b>	<b>Business-Type</b>		<b>Elmhurst</b>
	<b>Activities</b>	<b>Activities</b>	<b>Total</b>	<b>Public Library</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 4,010,847	\$ 4,583,317	\$ 8,594,164	\$ 26,598
Accrued payroll	1,358,126	271,338	1,629,464	163,322
Accrued interest payable	448,015	434,583	882,598	62,838
Deposits payable	-	508,770	508,770	-
Unearned revenue	1,817,450	175,460	1,992,910	-
Self-insurance claims payable	694,874	78,906	773,780	-
Noncurrent liabilities				
Due within one year	10,772,070	2,990,883	13,762,953	1,464,530
Due in more than one year	122,931,398	55,393,940	178,325,338	6,592,454
 Total liabilities	 142,032,780	 64,437,197	 206,469,977	 8,309,742
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred revenue - property taxes	13,482,465	-	13,482,465	7,799,193
Pension items - IMRF and SLEP	3,857,611	2,087,490	5,945,101	927,012
OPEB items	114,655	62,460	177,115	27,737
 Total deferred inflows of resources	 17,454,731	 2,149,950	 19,604,681	 8,753,942
 Total liabilities and deferred inflows of resources	 159,487,511	 66,587,147	 226,074,658	 17,063,684
<b>NET POSITION</b>				
Net investment in capital assets	91,507,834	57,967,301	149,475,135	11,209,624
Restricted for				
Streets	535,459	-	535,459	-
Working cash	1,005,731	-	1,005,731	-
Public safety	926,103	-	926,103	-
Culture	36,103	-	36,103	21,857
Redevelopment	8,305,113	-	8,305,113	-
Capital projects	2,541,096	-	2,541,096	-
Unrestricted (deficit)	(43,811,423)	(1,385,944)	(45,197,367)	4,493,432
 <b>TOTAL NET POSITION</b>	 <b>\$ 61,046,016</b>	 <b>\$ 56,581,357</b>	 <b>\$ 117,627,373</b>	 <b>\$ 15,724,913</b>

See accompanying notes to financial statements.

**CITY OF ELMHURST, ILLINOIS**

**STATEMENT OF ACTIVITIES**

For the Year Ended December 31, 2018

<b>FUNCTIONS/PROGRAMS</b>	<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants</b>	<b>Capital Grants</b>
<b>PRIMARY GOVERNMENT</b>				
Governmental Activities				
General government	\$ 6,317,531	\$ 4,109,125	\$ -	\$ -
Public safety	32,247,605	2,331,611	122,938	-
Streets	20,307,157	1,635,874	1,137,830	-
Rubbish disposal	3,235,619	3,344,058	-	-
Public health and welfare	608,325	-	-	-
Culture	1,457,441	8,565	10,403	-
Redevelopment	2,742,867	14,600	-	-
Loss on in-substance defeasance	577,330	-	-	-
Interest on long-term debt	1,514,350	-	-	-
Total governmental activities	69,008,225	11,443,833	1,271,171	-
Business-Type Activities				
Water and sewer	30,045,595	26,320,217	-	-
Parking	2,320,102	1,192,147	-	-
Total business-type activities	32,365,697	27,512,364	-	-
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 101,373,922</b>	<b>\$ 38,956,197</b>	<b>\$ 1,271,171</b>	<b>\$ -</b>
<b>COMPONENT UNIT</b>				
Elmhurst Public Library	\$ 7,105,355	\$ 117,842	\$ 20,895	\$ -
<b>TOTAL COMPONENT UNIT</b>	<b>\$ 7,105,355</b>	<b>\$ 117,842</b>	<b>\$ 20,895</b>	<b>\$ -</b>



Net (Expense) Revenue and Change in Net Position				
	Primary Government			Component
	Governmental Activities	Business-Type Activities	Total	Unit Elmhurst Public Library
\$ (2,208,406)	\$ -	\$ (2,208,406)	\$ -	
(29,793,056)	-	(29,793,056)	-	
(17,533,453)	-	(17,533,453)	-	
108,439	-	108,439	-	
(608,325)	-	(608,325)	-	
(1,438,473)	-	(1,438,473)	-	
(2,728,267)	-	(2,728,267)	-	
(577,330)	-	(577,330)	-	
(1,514,350)	-	(1,514,350)	-	
(56,293,221)	-	(56,293,221)	-	
-	(3,725,378)	(3,725,378)	-	
-	(1,127,955)	(1,127,955)	-	
-	(4,853,333)	(4,853,333)	-	
(56,293,221)	(4,853,333)	(61,146,554)	-	
-	-	-	(6,966,618)	
-	-	-	(6,966,618)	
General Revenues				
Taxes				
Property	14,524,752	-	14,524,752	7,634,773
Sales	21,056,049	-	21,056,049	-
Utility	3,825,274	-	3,825,274	-
Real estate transfer	702,637	-	702,637	-
Food and beverage	1,382,095	-	1,382,095	-
Other	838,241	-	838,241	-
Intergovernmental				
Unrestricted	4,584,002	-	4,584,002	231,213
Investment income	1,296,612	48,112	1,344,724	119,576
Miscellaneous	1,411,835	-	1,411,835	118,497
Gain on disposal of capital assets	188,223	-	188,223	-
Transfers	(989,104)	989,104	-	-
Total	48,820,616	1,037,216	49,857,832	8,104,059
CHANGE IN NET POSITION	(7,472,605)	(3,816,117)	(11,288,722)	1,137,441
NET POSITION, JANUARY 1	70,375,018	61,285,803	131,660,821	14,981,961
Change in accounting principle	(1,856,397)	(888,329)	(2,744,726)	(394,489)
NET POSITION, JANUARY 1, RESTATED	68,518,621	60,397,474	128,916,095	14,587,472
NET POSITION, DECEMBER 31	\$ 61,046,016	\$ 56,581,357	\$ 117,627,373	\$ 15,724,913

See accompanying notes to financial statements.

**CITY OF ELMHURST, ILLINOIS**

**BALANCE SHEET  
GOVERNMENTAL FUNDS**

December 31, 2018  
(With Comparative Totals for 2017)

	<b>General</b>	<b>Stormwater Detention Project</b>	<b>Redevelopment Projects</b>	<b>Route 83 Commercial Development Projects</b>
<b>ASSETS</b>				
Cash	\$ 8,630,434	\$ 2,972,094	\$ 5,883,770	\$ 2,077,133
Investments				
Negotiable certificates of deposit	16,342,200	1,708,700	-	-
Receivables				
Taxes				
Property	11,159,091	-	-	528,171
Sales	5,155,012	477,022	-	-
Utility	569,513	-	-	-
Motor fuel tax (local)	28,278	-	-	-
Food and beverage	132,135	-	-	-
Motor fuel tax allotments	-	-	-	-
Loans	-	-	-	-
Accounts	396,140	-	-	-
Accrued interest	143,942	206	-	-
Miscellaneous	1,507,271	1,171,255	-	-
Prepaid items	332,137	-	-	-
Due from other governments	71,857	-	-	-
Due from other funds	60,723	-	-	-
Restricted assets				
Cash	-	-	-	-
Investments	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 44,528,733</b>	<b>\$ 6,329,277</b>	<b>\$ 5,883,770</b>	<b>\$ 2,605,304</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 2,545,977	\$ 1,085,458	\$ 9,230	\$ 300,000
Accrued payroll	1,307,355	-	-	-
Due to other funds	-	-	-	-
Unearned revenue	647,050	1,170,400	-	-
Self-insurance claims payable	694,874	-	-	-
<b>Total liabilities</b>	<b>5,195,256</b>	<b>2,255,858</b>	<b>9,230</b>	<b>300,000</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable revenue - property taxes	11,159,091	-	-	528,171
<b>Total deferred inflows of resources</b>	<b>11,159,091</b>	<b>-</b>	<b>-</b>	<b>528,171</b>
<b>Total liabilities and deferred inflows of resources</b>	<b>16,354,347</b>	<b>2,255,858</b>	<b>9,230</b>	<b>828,171</b>

Industrial Development Projects	Church Road Lake Street Development Projects	North York Development Projects	Downtown Development Projects	Nonmajor Governmental Funds	Total	
					2018	2017
\$ -	\$ 99,672	\$ 604,323	\$ -	\$ 523,591	\$ 20,791,017	\$ 24,551,942
-	-	-	-	1,015,800	19,066,700	14,240,881
-	399,600	1,102,896	292,707	-	13,482,465	14,543,501
-	-	-	-	-	5,632,034	5,387,500
-	-	-	-	-	569,513	582,570
-	-	-	-	-	28,278	28,609
-	-	-	-	-	132,135	147,959
-	-	-	-	96,553	96,553	98,228
-	-	-	-	-	-	5,605,603
-	-	-	-	-	396,140	394,502
-	-	-	-	5,957	150,105	74,164
-	-	-	-	-	2,678,526	2,022,244
-	-	-	-	-	332,137	934,830
-	-	-	-	-	71,857	111,783
-	-	-	-	-	60,723	650,441
-	-	-	-	-	-	4,017
-	-	-	-	-	-	1,893,700
\$ -	\$ 499,272	\$ 1,707,219	\$ 292,707	\$ 1,641,901	\$ 63,488,183	\$ 71,272,474
\$ -	\$ 459	\$ 50,096	\$ 5,790	\$ 13,837	\$ 4,010,847	\$ 3,599,455
-	-	-	-	50,771	1,358,126	1,135,951
-	-	-	60,723	-	60,723	650,441
-	-	-	-	-	1,817,450	1,782,240
-	-	-	-	-	694,874	578,712
-	459	50,096	66,513	64,608	7,942,020	7,746,799
-	399,600	1,102,896	292,707	-	13,482,465	14,543,501
-	399,600	1,102,896	292,707	-	13,482,465	14,543,501
-	400,059	1,152,992	359,220	64,608	21,424,485	22,290,300

(This statement is continued on the following page.)

**CITY OF ELMHURST, ILLINOIS**

BALANCE SHEET (Continued)  
GOVERNMENTAL FUNDS

December 31, 2018  
(With Comparative Totals for 2017)

	<b>General</b>	<b>Stormwater Detention Project</b>	<b>Redevelopment Projects</b>	<b>Route 83 Commercial Development Projects</b>
<b>FUND BALANCES</b>				
Nonspendable				
Long-term loans	\$ -	\$ -	\$ -	\$ -
Prepaid items	332,137	-	-	-
Restricted				
Working cash	-	-	-	-
Public safety	926,103	-	-	-
Streets	-	-	-	-
Culture	-	-	-	-
Redevelopment	-	-	5,874,540	1,777,133
Capital projects	-	4,073,419	-	-
Debt service	-	-	-	-
Assigned				
Capital improvements	6,351,536	-	-	-
Veteran's memorial	2,593	-	-	-
Subsequent budget	9,673,204	-	-	-
Unassigned				
Unassigned for General Fund	10,888,813	-	-	-
Unassigned (deficit)	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total fund balances (deficit)	28,174,386	4,073,419	5,874,540	1,777,133
	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 44,528,733</b>	<b>\$ 6,329,277</b>	<b>\$ 5,883,770</b>	<b>\$ 2,605,304</b>

Industrial Development Projects	Church Road Lake Street Development Projects	North York Development Projects	Downtown Development Projects	Nonmajor Governmental Funds	Total	
					2018	2017
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,514
-	-	-	-	-	332,137	934,830
-	-	-	-	1,005,731	1,005,731	1,015,562
-	-	-	-	-	926,103	744,068
-	-	-	-	535,459	535,459	573,623
-	-	-	-	36,103	36,103	35,458
-	99,213	554,227	-	-	8,305,113	6,933,974
-	-	-	-	-	4,073,419	5,011,118
-	-	-	-	-	-	6,490,115
-	-	-	-	-	6,351,536	6,986,011
-	-	-	-	-	2,593	1,598
-	-	-	-	-	9,673,204	9,673,204
-	-	-	-	-	10,888,813	11,225,087
-	-	-	(66,513)	-	(66,513)	(648,988)
-	99,213	554,227	(66,513)	1,577,293	42,063,698	48,982,174
\$ -	\$ 499,272	\$ 1,707,219	\$ 292,707	\$ 1,641,901	\$ 63,488,183	\$ 71,272,474

See accompanying notes to financial statements.

**CITY OF ELMHURST, ILLINOIS**

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

December 31, 2018

<b>FUND BALANCES OF GOVERNMENTAL FUNDS</b>	<b>\$ 42,063,698</b>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	138,429,273
Other long-term assets (deferred loss on refunding) are not available to pay for current period expenditures and, therefore, are deferred in governmental funds	593,793
OPEB liabilities are not a current financial resource and, therefore, are not reported in the government funds	(1,583,136)
Net pension liability is shown as a liability on the statement of net position	
Illinois Municipal Retirement Fund	(1,692,296)
Sheriff's Law Enforcement Personnel Fund	(24,120)
Police Pension Fund	(44,126,123)
Firefighters' Pension Fund	(26,443,487)
Differences between expected and actual experiences, assumption changes, net differences between projected, and actual earnings are recognized as deferred outflows and inflows of resources on the statement of net position	
Illinois Municipal Retirement Fund	(2,557,442)
Sheriff's Law Enforcement Personnel Fund	(21,531)
Other postemployment benefits	(10,662)
Police Pension Fund	9,933,231
Firefighters' Pension Fund	6,767,139
Interest payable is not due and payable in the current period and, therefore, not reported in the governmental funds	(448,015)
Unamortized premium on G.O. Bonds is reported as a liability on the statement of net position	(1,464,649)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds	
General obligation bonds	(47,582,906)
Notes payable	(7,200,000)
Workers' compensation claims payable	(632,881)
Compensated absences	(2,953,870)
<b>NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<b>\$ 61,046,016</b>
Capital assets	\$ 138,429,273
General obligation bonds net of premiums and discounts	(49,047,555)
Deferred loss on refundings	593,793
Unspent bond proceeds	1,532,323
<b>NET INVESTMENT IN CAPITAL ASSETS</b>	<b>\$ 91,507,834</b>

See accompanying notes to financial statements.

**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>General</b>	<b>Stormwater Detention Project</b>	<b>Redevelopment Projects</b>	<b>Route 83 Commercial Development Projects</b>
<b>REVENUES</b>				
Taxes				
Property	\$ 10,575,815	\$ -	\$ 2,216,447	\$ 513,342
Sales	19,258,144	1,797,905	-	-
Utility	3,825,274	-	-	-
Real estate transfer	702,637	-	-	-
Food and beverage	1,382,095	-	-	-
Other	838,241	-	-	-
Intergovernmental	4,706,369	-	-	-
Licenses and permits	5,113,076	-	-	-
Fines and penalties	890,913	-	-	-
Charges for services	4,769,387	-	-	11,000
Investment income	488,173	75,914	97,741	33,824
Revenue replacement	59,400	-	-	-
Miscellaneous	1,988,385	34,482	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	54,597,909	1,908,301	2,314,188	558,166
	<hr/>	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>				
Current				
General government	5,553,525	-	-	-
Public safety	27,970,318	-	-	-
Streets	8,751,076	-	-	-
Rubbish disposal	3,235,619	-	-	-
Public health and welfare	544,163	-	-	-
Culture	1,364,157	-	-	-
Redevelopment	-	-	510,609	8,480
Capital outlay	7,478,282	6,819,466	116,617	44,342
Debt service				
Principal	-	-	-	-
Interest, fiscal charges, and other	-	89,615	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures	54,897,140	6,909,081	627,226	52,822
	<hr/>	<hr/>	<hr/>	<hr/>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(299,231)	(5,000,780)	1,686,962	505,344
	<hr/>	<hr/>	<hr/>	<hr/>
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	-	5,115,000	-	-
Premium (discount) on bonds issued	-	153,693	-	-
Notes issued	-	-	-	-
Sale of capital assets	198,426	156,326	-	-
Transfers in	-	15,000	-	-
Transfers (out)	(1,296,121)	(1,376,938)	(1,474,607)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources (uses)	(1,097,695)	4,063,081	(1,474,607)	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET CHANGE IN FUND BALANCES</b>	(1,396,926)	(937,699)	212,355	505,344
	<hr/>	<hr/>	<hr/>	<hr/>
<b>FUND BALANCES (DEFICIT), JANUARY 1</b>	29,571,312	5,011,118	5,662,185	1,271,789
	<hr/>	<hr/>	<hr/>	<hr/>
<b>FUND BALANCES (DEFICIT), DECEMBER 31</b>	\$ 28,174,386	\$ 4,073,419	\$ 5,874,540	\$ 1,777,133

Industrial Development Projects	Church Road Lake Street Development Projects	North York Development Projects	Downtown Development Projects	Nonmajor Governmental Funds	Total	
					2018	2017
\$ -	\$ 315,299	\$ 903,848	\$ -	\$ -	\$ 14,524,751	\$ 13,770,824
-	-	-	-	-	21,056,049	20,646,244
-	-	-	-	-	3,825,274	3,782,827
-	-	-	-	-	702,637	673,038
-	-	-	-	-	1,382,095	1,328,793
-	-	-	-	-	838,241	851,594
-	-	-	-	1,137,830	5,844,199	5,681,474
-	-	-	-	-	5,113,076	4,875,429
-	-	-	-	-	890,913	804,616
-	-	-	-	-	4,780,387	5,144,217
-	1,531	7,492	-	591,937	1,296,612	869,906
-	-	-	-	-	59,400	58,760
-	-	-	-	-	2,022,867	2,023,566
-	316,830	911,340	-	1,729,767	62,336,501	60,511,288
-	-	-	-	-	5,553,525	5,274,679
-	-	-	-	-	27,970,318	28,033,401
-	-	-	-	1,186,267	9,937,343	9,811,828
-	-	-	-	-	3,235,619	3,247,534
-	-	-	-	-	544,163	512,514
-	-	-	-	-	1,364,157	1,435,157
-	11,405	193,342	66,513	1,307	791,656	599,964
-	1,750,000	40,252	-	-	16,248,959	23,761,686
-	-	-	-	8,935,662	8,935,662	6,957,282
-	11,203	119,540	-	1,287,558	1,507,916	2,059,756
-	1,772,608	353,134	66,513	11,410,794	76,089,318	81,693,801
-	(1,455,778)	558,206	(66,513)	(9,681,027)	(13,752,817)	(21,182,513)
-	2,200,000	-	-	-	7,315,000	3,385,000
-	-	-	-	-	153,693	189,354
-	-	-	-	-	-	1,252,000
-	-	-	-	-	354,752	1,719,383
-	-	-	-	3,171,565	3,186,565	3,358,136
-	-	-	-	(28,003)	(4,175,669)	(4,815,380)
-	2,200,000	-	-	3,143,562	6,834,341	5,088,493
-	744,222	558,206	(66,513)	(6,537,465)	(6,918,476)	(16,094,020)
-	(645,009)	(3,979)	-	8,114,758	48,982,174	65,076,194
\$ -	\$ 99,213	\$ 554,227	\$ (66,513)	\$ 1,577,293	\$ 42,063,698	\$ 48,982,174

See accompanying notes to financial statements.



**CITY OF ELMHURST, ILLINOIS**

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

For the Year Ended December 31, 2018

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<b>NET CHANGE IN FUND BALANCES -</b>	
<b>TOTAL GOVERNMENTAL FUNDS</b>	\$ (6,918,476)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlay as expenditures; however, they are capitalized and depreciated in the statement of activities	7,879,728
Some expenses in the statement of net position (e.g., depreciation) do not required the use of current financial resources and, therefore, are not reported as expenditures reported as expenditures in governmental funds	
Depreciation	(5,084,759)
Loss on disposal of capital assets	(322,855)
The issuance of long-term debt is reported as an other financing source in governmental funds, but as an increase of principal outstanding in the statement of activities	
Bonds issued	(5,115,000)
Premium	(153,693)
The issuance of G.O. note payable is reported as an other financing source in governmental funds, but as an increase of principal outstanding in the statement of activities	(2,200,000)
Changes in other postemployment benefit liabilities are reported only in the statement of activities	47,556
The change in the net pension liability is reported only in the statement of activities	
Illinois Municipal Retirement Fund	5,760,190
Sheriff's Law Enforcement Personnel Fund	27,302
Police Pension Fund	(10,550,235)
Firefighters' Pension Fund	(7,806,262)
The change in deferred inflows and outflows of resources is reported only in the statement of activities	
Illinois Municipal Retirement Fund	(6,342,458)
Sheriff's Law Enforcement Personnel Fund	(24,269)
Other postemployment benefits	(10,662)
Police Pension Fund	8,753,298
Firefighters' Pension Fund	6,294,836
The repayment of long-term debt is reported as an expenditure when due in governmental funds but as a reduction of principal outstanding in the statement of activities:	
(Increase) decrease in compensated absences payable	(88,210)
(Increase) decrease in claims payable	29,466
(Increase) decrease in deferred charges (charge on refundings)	(106,575)
(Increase) decrease in interest accrual	42,283
(Increase) decrease in discount/premium on long-term debt	57,858
Principal payments	<u>8,358,332</u>

<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ (7,472,605)</u></u>
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See accompanying notes to financial statements.

**CITY OF ELMHURST, ILLINOIS**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS**

December 31, 2018  
(With Comparative Totals for 2017)

	<b>Municipal Utility</b>	<b>Parking System Revenue</b>	<b>Total</b>	
			<b>2018</b>	<b>2017</b>
<b>CURRENT ASSETS</b>				
Cash and cash equivalents	\$ 3,947,693	\$ 367,134	\$ 4,314,827	\$ 5,027,626
Receivables				
Accounts - water and sewerage charges				
Billed	1,538,590	145,805	1,684,395	1,440,677
Unbilled	3,098,760	-	3,098,760	2,727,450
Other	1,289,949	-	1,289,949	696,598
Prepaid items	70,384	-	70,384	68,678
Due from other governments	2,583,467	-	2,583,467	1,300,044
<b>Total current assets</b>	<b>12,528,843</b>	<b>512,939</b>	<b>13,041,782</b>	<b>11,261,073</b>
<b>NONCURRENT ASSETS</b>				
Capital assets				
Property, plant, and equipment				
Capital assets not being depreciated				
Land	649,471	3,853,992	4,503,463	4,503,464
Construction in progress	5,668,256	-	5,668,256	1,536,122
Capital assets being depreciated				
Buildings and land improvements	1,312,140	596,197	1,908,337	1,908,337
Parking decks	-	30,303,930	30,303,930	30,303,930
Wells and reservoirs	5,806,192	-	5,806,192	5,806,192
Sewerage treatment plant	55,830,400	-	55,830,400	55,830,400
Watermains	26,397,072	-	26,397,072	24,436,587
Pumping stations, sewer, and mains	46,628,607	-	46,628,607	46,035,637
Equipment	3,206,814	196,748	3,403,562	3,335,865
Less accumulated depreciation	(63,454,852)	(7,665,169)	(71,120,021)	(67,266,566)
<b>Total noncurrent assets</b>	<b>82,044,100</b>	<b>27,285,698</b>	<b>109,329,798</b>	<b>106,429,968</b>
<b>Total assets</b>	<b>94,572,943</b>	<b>27,798,637</b>	<b>122,371,580</b>	<b>117,691,041</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension - IMRF	671,535	22,771	694,306	2,295,716
OPEB items	54,793	1,858	56,651	-
Unamortized loss on refunding	30,550	15,417	45,967	50,563
<b>Total deferred outflows of resources</b>	<b>756,878</b>	<b>40,046</b>	<b>796,924</b>	<b>2,346,279</b>
<b>Total assets and deferred outflows of resources</b>	<b>95,329,821</b>	<b>27,838,683</b>	<b>123,168,504</b>	<b>120,037,320</b>

(This statement is continued on the following page.)

**CITY OF ELMHURST, ILLINOIS**

STATEMENT OF NET POSITION (Continued)  
**PROPRIETARY FUNDS**

December 31, 2018  
 (With Comparative Totals for 2017)

	<b>Municipal Utility</b>	<b>Parking System Revenue</b>	<b>Total</b>	
			<b>2018</b>	<b>2017</b>
<b>CURRENT LIABILITIES</b>				
Accounts payable	\$ 4,509,969	\$ 73,348	\$ 4,583,317	\$ 3,591,872
Accrued payroll	262,155	9,183	271,338	245,747
Compensated absences payable	340,044	9,587	349,631	354,086
Interest payable	244,938	189,645	434,583	480,467
Deposits payable	508,770	-	508,770	497,992
Current portion of loans payable	819,894	-	819,894	770,443
Current portion of OPEB liability	64,317	2,181	66,498	-
Current portion of general obligation bonds payable	1,004,860	750,000	1,754,860	1,166,668
Unearned revenue	-	175,460	175,460	168,416
Self-insurance claims payable	78,906	-	78,906	76,523
Total current liabilities	7,833,853	1,209,404	9,043,257	7,352,214
<b>NONCURRENT LIABILITIES</b>				
Loans payable	17,322,787	-	17,322,787	13,672,468
General obligation bonds payable	19,700,490	16,040,650	35,741,140	32,863,049
Net pension liability	891,653	30,236	921,889	4,059,787
OPEB liability	769,821	26,104	795,925	-
Self-insurance claims payable	160,203	-	160,203	155,365
Compensated absences payable	451,048	948	451,996	414,830
Total noncurrent liabilities	39,296,002	16,097,938	55,393,940	51,165,499
Total liabilities	47,129,855	17,307,342	64,437,197	58,517,713
<b>DEFERRED INFLOWS OF RESOURCES</b>				
OPEB items	60,411	2,049	62,460	-
Pension - IMRF	2,019,025	68,465	2,087,490	233,804
Total deferred inflows of resources	2,079,436	70,514	2,149,950	233,804
Total liabilities and deferred inflows of resources	49,209,291	17,377,856	66,587,147	58,751,517
<b>NET POSITION</b>				
Net investment in capital assets	47,456,836	10,510,465	57,967,301	62,784,279
Unrestricted (deficit)	(1,336,306)	(49,638)	(1,385,944)	(1,498,476)
<b>TOTAL NET POSITION</b>	\$ 46,120,530	\$ 10,460,827	\$ 56,581,357	\$ 61,285,803

See accompanying notes to financial statements.

**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>Municipal Utility</b>	<b>Parking System Revenue</b>	<b>Total</b>	
			<b>2018</b>	<b>2017</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 26,320,217	\$ 1,192,147	\$ 27,512,364	\$ 25,339,632
<b>OPERATING EXPENSES</b>				
Cost of sales and service				
Personal services	4,934,600	178,200	5,112,800	4,903,296
Employee benefits	2,021,619	84,045	2,105,664	2,407,707
Contractual services	11,529,569	481,515	12,011,084	11,156,702
Commodities	5,881,425	39,402	5,920,827	4,228,323
Other charges	173,994	-	173,994	178,470
Repairs and maintenance	1,417,931	374,759	1,792,690	660,337
Insurance	83,474	-	83,474	72,247
Depreciation	3,209,205	650,423	3,859,628	3,969,501
Total operating expenses	29,251,817	1,808,344	31,060,161	27,576,583
OPERATING INCOME (LOSS)	(2,931,600)	(616,197)	(3,547,797)	(2,236,951)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment income	42,741	5,371	48,112	53,552
Interest expense and fiscal charges	(793,778)	(511,758)	(1,305,536)	(1,362,637)
Total non-operating revenues (expenses)	(751,037)	(506,387)	(1,257,424)	(1,309,085)
INCOME (LOSS) BEFORE TRANSFERS	(3,682,637)	(1,122,584)	(4,805,221)	(3,546,036)
<b>TRANSFERS</b>				
Transfers in	-	989,104	989,104	1,457,244
Total transfers	-	989,104	989,104	1,457,244
CHANGE IN NET POSITION	(3,682,637)	(133,480)	(3,816,117)	(2,088,792)
NET POSITION, JANUARY 1	50,662,361	10,623,442	61,285,803	63,374,595
Change in accounting principle	(859,194)	(29,135)	(888,329)	-
NET POSITION, JANUARY 1, AS RESTATED	49,803,167	10,594,307	60,397,474	63,374,595
<b>NET POSITION, DECEMBER 31</b>	<b>\$ 46,120,530</b>	<b>\$ 10,460,827</b>	<b>\$ 56,581,357</b>	<b>\$ 61,285,803</b>

See accompanying notes to financial statements.

**CITY OF ELMHURST, ILLINOIS**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS**

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

	<b>Municipal Utility</b>	<b>Parking System Revenue</b>	<b>Total</b>	
			<b>2018</b>	<b>2017</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 23,857,238	\$ 1,181,148	\$ 25,038,386	\$ 24,114,467
Payments to employees	(6,613,614)	(249,447)	(6,863,061)	(6,701,481)
Payments to suppliers	(18,760,268)	(854,952)	(19,615,220)	(15,703,520)
Net cash from operating activities	(1,516,644)	76,749	(1,439,895)	1,709,466
<b>CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Grant proceeds	-	-	-	813,469
Interfund loans	-	-	-	(675,975)
Transfer from General Fund	-	989,104	989,104	1,457,244
Net cash from noncapital and related financing activities	-	989,104	989,104	1,594,738
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Purchase of capital assets	(6,081,537)	(47,809)	(6,129,346)	(6,892,039)
Loan proceeds	4,470,210	-	4,470,210	867,488
Bond proceeds	4,600,000	-	4,600,000	13,000,000
Payment of principal	(1,173,361)	(763,750)	(1,937,111)	(5,244,689)
Interest paid	(699,849)	(614,024)	(1,313,873)	(1,060,193)
Net cash from capital and related financing activities	1,115,463	(1,425,583)	(310,120)	670,567
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	42,741	5,371	48,112	53,550
Net cash from investing activities	42,741	5,371	48,112	53,550
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(358,440)	(354,359)	(712,799)	4,028,321
CASH AND CASH EQUIVALENTS, JANUARY 1	4,306,133	721,493	5,027,626	999,305
<b>CASH AND CASH EQUIVALENTS, DECEMBER 31</b>	<b>\$ 3,947,693</b>	<b>\$ 367,134</b>	<b>\$ 4,314,827</b>	<b>\$ 5,027,626</b>

(This statement is continued on the following page.)

**CITY OF ELMHURST, ILLINOIS**

STATEMENT OF CASH FLOWS (Continued)  
PROPRIETARY FUNDS

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

	<b>Municipal Utility</b>	<b>Parking System Revenue</b>	<b>Total</b>	
			<b>2018</b>	<b>2017</b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ (2,931,600)	\$ (616,197)	\$ (3,547,797)	\$ (2,236,951)
Adjustments to reconcile operating income (loss) to net cash from operating activities				
Depreciation	3,209,205	650,423	3,859,628	3,969,501
Changes in assets and liabilities				
Receivables	(2,473,757)	(18,044)	(2,491,801)	(1,240,523)
Prepaid items	(1,705)	-	(1,705)	(51,678)
Accounts payable	320,609	40,724	361,333	611,923
Accrued payroll	24,169	1,422	25,591	(8,503)
Compensated absences payable - current	(5,137)	682	(4,455)	19,603
Deposits payable	10,778	-	10,778	11,856
Claims payable	7,221	-	7,221	32,314
Unearned revenue	-	7,045	7,045	3,502
Pension items - IMRF	3,341,776	113,320	3,455,096	712,474
Net pension liability	(3,034,983)	(102,915)	(3,137,898)	(154,474)
OPEB items	5,618	191	5,809	-
OPEB liability	(25,056)	(850)	(25,906)	-
Compensated absences payable	36,218	948	37,166	40,422
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>\$ (1,516,644)</b>	<b>\$ 76,749</b>	<b>\$ (1,439,895)</b>	<b>\$ 1,709,466</b>

See accompanying notes to financial statements.

**CITY OF ELMHURST, ILLINOIS**

**STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS**

December 31, 2018

	<b>Pension Trusts</b>	<b>Agency</b>
<hr/>		
<b>ASSETS</b>		
Investments at fair value		
Cash and cash equivalents	\$ 603,460	\$ 523,193
U.S. Treasury obligations	3,993,451	-
U.S. agency obligations	32,222,896	-
Municipal bonds	6,437,527	-
Corporate bonds	6,987,126	-
Equity mutual funds	50,072,730	-
Receivables		
Accrued interest	321,621	-
	<hr/>	<hr/>
Total assets	100,638,811	\$ 523,193
	<hr/>	<hr/>
<b>LIABILITIES</b>		
Accounts payable	947	\$ -
Deposits payable	-	523,193
	<hr/>	<hr/>
Total liabilities	947	\$ 523,193
	<hr/>	<hr/>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<u>\$ 100,637,864</u>	

See accompanying notes to financial statements.

**CITY OF ELMHURST, ILLINOIS**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
PENSION TRUST FUNDS**

For the Year Ended December 31, 2018  
(with comparative totals for 2017)

	<b>2018</b>	<b>2017</b>
<b>ADDITIONS</b>		
Contributions		
Employer	\$ 5,801,465	\$ 5,502,118
Plan members	1,031,250	997,866
Other	51,788	-
Total contributions	6,884,503	6,499,984
Investment income		
Net appreciation (depreciation) in fair value of investments	(8,425,823)	7,913,185
Interest on investments	4,359,105	4,247,826
Less investment expenses	(117,378)	(109,813)
Total investment income	(4,184,096)	12,051,198
Total additions	2,700,407	18,551,182
<b>DEDUCTIONS</b>		
Administration	40,641	33,884
Benefit payments	8,392,078	7,965,297
Total deductions	8,432,719	7,999,181
NET INCREASE (DECREASE)	(5,732,312)	10,552,001
<b>NET POSITION RESTRICTED FOR PENSIONS</b>		
January 1	106,370,176	95,818,175
December 31	\$ 100,637,864	\$ 106,370,176

See accompanying notes to financial statements.



# **CITY OF ELMHURST, ILLINOIS**

## **NOTES TO FINANCIAL STATEMENTS**

December 31, 2018

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### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

#### **a. Reporting Entity**

The City was incorporated July 13, 1910. The City is a municipal corporation operating under a Mayor-Council-City Manager form of government. As required by GAAP, these financial statements present the City (the primary government) and its component unit. The component unit discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City.

The City's financial statements include pension trust funds:

#### **Police Pension Employees Retirement System**

The City's police employees participate in the Police Pension Employees Retirement System (PPERS). PPERS functions for the benefit of these employees and is governed by a five-member pension board, which consists of two members appointed by the City's Mayor, one pension beneficiary elected by the membership, and two police employees elected by the membership. The City and PPERS participants are obligated to fund all PPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, PPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's police employees and because of the fiduciary nature of such activities. PPERS is reported as a pension trust fund. Separate financial statements are not available for the Police Pension Plan.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

a. Reporting Entity (Continued)

**Firefighters' Pension Employees Retirement System**

The City's firefighters participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of these employees and is governed by a five-member pension board, which consists of two members appointed by the City's Mayor, one pension beneficiary elected by the membership, and two fire employees elected by the membership. The City and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the City is authorized to approve the actuarial assumptions used in the determination of contribution levels. Although it possesses many of the characteristics of a legally separate government, FPERS is reported as if it were part of the primary government because its sole purpose is to finance and administer the pensions of the City's firefighters and because of the fiduciary nature of such activities. FPERS is reported as a pension trust fund. Separate financial statements are not available for the Firefighters' Pension Plan.

**Discretely Presented Component Unit**

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

**Elmhurst Public Library**

The City operates and maintains the Elmhurst Public Library (the Public Library) within the City. The Public Library's Board is appointed by the Mayor of the City. The Public Library may not issue debt without the City's approval and its annual property tax levy request is subject to the City Council's approval. Separate financial statements are disclosed in the component unit portion of this report. The Public Library does not issue separate financial statements.

**Elmhurst Heritage Foundation**

The Elmhurst Heritage Foundation (formerly known as the Elmhurst Historical Museum Foundation) (the Foundation) is a not-for-profit corporation, established in July 1992. The funds and resources of the Foundation are devoted exclusively to developing and augmenting the resources and services of the Elmhurst History Museum, a department of the City, that are not otherwise provided for through other means of funding. The Foundation is not significant to the City and, therefore, not included in this report.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**b. Fund Accounting**

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

A fund is a separate accounting entity with a self-balancing set of accounts.

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

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

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities are provided to outside parties (enterprise funds).

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City maintains four fiduciary funds: the Police Pension Fund, the Firefighters' Pension Fund, the Trust and Deposit Fund, and the Special Assessment Fund.

**c. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. The effect of material interfund activity has been eliminated from these statements. Interfund services provided and used are not eliminated on these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

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

Stormwater Detention Project Fund - to account for the proceeds of fees paid in lieu of meeting stormwater detention requirements and are restricted for new public and private infrastructure improvements. Capital outlays for stormwater related improvements are the primary expenditures of the fund. The City has chosen to report this fund as a major fund.

The Redevelopment Projects Fund is used to account for the tax increment revenues used for the redevelopment of the City's downtown tax increment financing district. The City has chosen to report this fund as a major fund.

The Route 83 Commercial Development Projects Fund is used to account for tax increment revenues used for the development of the City's Route 83 tax increment financing district. The City has chosen to report this fund as a major fund.

The Industrial Development Projects Fund is used to account for the tax increment revenues used for the development of the City's Lake Street tax increment financing district. The City has chosen to report this fund as a major fund.

Church Road/Lake Street TIF Fund - to account for tax increment revenues used for the redevelopment of the City's Church Road/Lake Street tax increment financing district. The City has chosen to report this as a major fund.

North York Redevelopment Project Fund - to account for tax increment revenues used for the redevelopment of the City's North York tax increment financing district. The City has chosen to report this as a major fund.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

Downtown TIF Fund - to account for tax increment revenues used for the redevelopment of the City's Downtown tax increment financing district. The City has chosen to report this as a major fund.

The City reports the following major proprietary funds:

The Municipal Utility Fund accounts for the provision of water and wastewater treatment to the residents of the City. The Parking System Revenue Fund accounts for the provision of parking in the City. All activities necessary to provide such services are accounted for in these funds, including administration, operations, maintenance, financing, and billing and collection.

The City reports pension trust funds as fiduciary funds to account for the Police Pension Fund, the Firefighters' Pension Fund, and Agency Funds for noncommitment debt for the Special Assessments Fund and for deposits held for others.

d. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable, available, and earned). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period. The City recognizes property taxes when they become both measurable and available in the year intended to finance. A 60-day (except for sales and telecommunication taxes which are 90 days) availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due or when amounts have

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

d. Basis of Accounting (Continued)

been accumulated in the debt service fund for payments to be made early in the following year. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with the proprietary fund's principal ongoing operations. Incidental revenues/expenses are reported as non-operating.

Those revenues susceptible to accrual are property taxes, franchise taxes, licenses, interest revenue, and charges for services. Sales owed to and taxes and fines collected and held by the state/county at year end on behalf of the City also are recognized as revenue. Permit revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The accrual basis of accounting is utilized by proprietary funds, pension trust funds, and agency funds. Under this method, revenues/additions are recorded when earned and expenses/deductions are recorded at the time liabilities are incurred.

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

e. Cash and Investments

Cash and Cash Equivalents

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

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

e. Cash and Investments (Continued)

Investments

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

f. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet. Short-term interfund loans, if any, are classified as “interfund receivables/payables.”

g. Prepaid Items/Expenses

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

i. Capital Assets

Capital assets, which include property, plant, equipment, intangible assets, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets as follows, with the exception of land and vehicles which are capitalized regardless of cost and an estimated useful life in excess of one year:

Assets	Capitalization Threshold
Buildings	\$ 25,000
Infrastructure	25,000
Mobile equipment	15,000
Furniture and fixtures	25,000
Computer equipment	15,000

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

i. Capital Assets (Continued)

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by city activities), the City chose to include all such items regardless of their acquisition date or amount. The City was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price level index to deflate the cost to the acquisition year or estimated acquisition year). As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost.

The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. In the case of donations, the City values these capital assets at acquisition value of the item at the date of its donation.

Property, plant, and equipment is depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	45
Public domain infrastructure	20-80
System infrastructure	40-50
Vehicles	3-20
Mobile equipment	10-30
Furniture and fixtures	10
Computer equipment	5

j. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflow of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports deferred outflows for deferred charges on refundings, pension items and other postemployment benefits. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.



**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

j. Deferred Outflows/Inflows of Resources (Continued)

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. The City reports deferred inflows for unavailable revenues from property taxes levied but supporting the subsequent years' budget. These deferred inflows are reported on both the government-wide and governmental fund financial statements. These amounts are recognized as an inflow of resources in the period that the amounts become available in the period intended to finance.

Pension items and OPEB items represent the changes in the total pension liability and OPEB liability related to the difference in actual and expected experience, or changes in assumptions regarding future events recognized over the expected remaining service life of all employees and differences in projected and actual earnings over the measurement period recognized over a five-year period.

k. Compensated Absences

The City accrues a liability for vacation and sick leave benefits as these benefits are earned. At December 31, 2018, the liabilities for these accumulated unpaid benefits are accounted for in the enterprise funds at all levels and in the governmental activities column in the government-wide financial statements. In the governmental fund financial statements, a liability has been accrued for amounts owed to employees who have retired or terminated employment by the end of the fiscal year.

l. Long-Term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

m. Fund Balances/Net Position

In the fund financial statements, governmental funds report nonspendable fund balance for amounts that are either not spendable in 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. None of the restricted fund balance result from enabling legislation adopted by the City. Committed fund balance, if any, 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, as authorized in R-14-2012 establishing the fund balance policy for the City, has been delegated to the City Finance Director by the City Council. Any residual fund balance in the General Fund is reported as unassigned. Any deficit fund balances in governmental funds 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 established fund balance reserve policies for its General Fund. The General Fund targets three to four months of operating expenditures as unassigned fund balance. The special revenue, capital projects, and debt service funds do not have established fund balance limits due to the nature of the transactions accounted for in these funds. The City has formally adopted a revenue policy pursuant to resolution R-17-95. The revenue policy states, in part, that the General Fund balance will be maintained at a level between 25% to 33% (three to four months) of current projected operating expenditures as unassigned fund balance.

In the government-wide financial statements, restricted net position is legally restricted by outside parties for a specific purpose. Net position has not been restricted by enabling legislation adopted by the City. Net investment in capital assets represents the book value of capital assets less any long-term debt principal outstanding issued to construct capital assets.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

n. Interfund Transactions

Transactions for interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

o. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets 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 except the pension trust funds. Each fund's portion of this pool is displayed on the financial statements as "cash and investments." In addition, investments are separately held by several of the City's funds. The deposits and investments of the pension trust funds are held separately from those of other funds. The investments are governed by three separate investment policies; one policy for the City and the Public Library adopted by the City Council and one policy each for the Police Pension Fund and Firefighters' Pension Fund approved by their respective boards.

In accordance with the City's investment policy (Resolution No. R-85-2015), the City's monetary assets may be placed in all instruments permitted by the Illinois Public Funds Investment Act. This act permits deposits and investments in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, repurchase agreements of government securities, short-term commercial paper rated within the three highest classifications by at least two standard rating services, interest-bearing bonds of any local government within the State of Illinois, The Illinois Funds money market funds (created by the Illinois State Legislature under the control of the State Comptroller that maintains a \$1 per share value which is equal to the participants fair value), and the Illinois Metropolitan Investment Fund (IMET).

## **2. DEPOSITS AND INVESTMENTS (Continued)**

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

### **a. City Deposits with Financial Institutions**

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank failure, the City’s deposits may not be returned to it. The City’s investment policy requires pledging of collateral with a fair value of 102% of all bank balances in excess of federal depository insurance with the collateral held by an independent third party depository or the Federal Reserve Bank of Chicago, designated by the City and evidenced by a safekeeping agreement in the City’s name.

### **b. City Investments**

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Negotiable certificates of deposit	\$ 2,715,000	\$ 2,715,000	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 2,715,000</b>	<b>\$ 2,715,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, investments of longer maturities are more sensitive to changes in market interest rates. In accordance with its investment policy, the City limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and investing operating funds primarily in short-term securities. Unless matched to a specific cash flow, the City will not invest operating funds in securities maturing more than two years from the date of purchase. In addition, the policy requires the City to structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. Additionally, the City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of December 31, 2018: the negotiable certificates of deposit are valued using quoted matrix pricing models (Level 2 inputs).

## **2. DEPOSITS AND INVESTMENTS (Continued)**

### **b. City Investments (Continued)**

The City limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in U.S. agency obligations, U.S. Treasury obligations, insured or collateralized (102%) certificates of deposits, and The Illinois Funds money market funds. The City also invests in short-term commercial paper investments rated at the time of purchase at the highest classification established by at least two standard rating services. The Illinois Funds is rated AAA by Standard & Poor's. As of December 31, 2018, the City only invested in negotiable certificates of deposits.

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

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

Concentration of credit risk - The City's investment policy limits the amount of the portfolio that can be invested in any one investment vehicle as follows:

<u>Diversification by Instrument</u>	<u>Percent of Portfolio</u>
U.S. Treasury obligations (bills, notes, and bonds)	100%
U.S. Government agency securities and instrumentalities of government sponsored corporations	100%
The Illinois Funds	75%
Non-Public Investment Pools	50%
Commercial paper (CP)	33%
Banker's acceptances (BAs)	33%
Repurchase agreements (REPOs) (monies in the public funds or other money market funds are not to be included in this limitation)	25%
State and local government securities	25%
Certificates of deposit (CDs) commercial banks	100%
Certificates of deposit (CDs) savings and loans	5%

**2. DEPOSITS AND INVESTMENTS (Continued)**

b. City Investments (Continued)

Diversification by Instrument

Banker's acceptances

No more than 25% of the total portfolio with any one institution.

Repurchase agreements

No more than 10% of the total portfolio with any one institution.

Commercial paper

No more than 10% with any one corporate entity.

The combination of certificates of deposit, banker's acceptances, and commercial paper

No more than 33% of the total portfolio with any one institution.

Monies deposited at a financial institution

No more than 50% of the capital stock and surplus of that institution.

The City's investment policy specifically prohibits the use of or the investment in derivatives unless specifically authorized by the City Council.

**3. RECEIVABLES**

a. Property Taxes

The City's property tax becomes a lien on real property on January 1 of the year it is levied. The 2018 levy was adopted December 17, 2018 and attached as an enforceable lien as of January 1, 2018. The City is a home rule unit and, as such, has no statutory tax rate or legal debt margin limitations. Property taxes are deposited with the County Treasurer who remits to the City its respective share of the collections. Taxes levied in one year become due and payable in two installments during the following year, on or about June 1 and September 1. The 2018 levy is intended to finance the 2019 fiscal year and, therefore, is reported as unavailable/deferred revenue at December 31, 2018.

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**3. RECEIVABLES (Continued)**

b. Loans

The following is a summary of changes in loans receivable during the year ended December 31, 2018.

Fund	Balances January 1	Issuances	Repayments	Balances December 31
DuPage Mayors & Managers Conference loan bearing interest of 2% due through 2021.	\$ 6,514	\$ -	\$ 6,514	\$ -
<b>TOTAL GENERAL FUND</b>	<b>\$ 6,514</b>	<b>\$ -</b>	<b>\$ 6,514</b>	<b>\$ -</b>
Federal Construction Inc. loan bearing interest of 6.40% to 7.00% due through 2021.	\$ 5,599,089	\$ -	\$ 5,599,089	\$ -
<b>TOTAL SALES TAX REVENUE BONDS 2006 FUND</b>	<b>\$ 5,599,089</b>	<b>\$ -</b>	<b>\$ 5,599,089</b>	<b>\$ -</b>

**4. CAPITAL ASSETS**

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

Primary Government

	Balances January 1	Additions	Retirements	Balances December 31
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 70,113,114	\$ -	\$ 156,326	\$ 69,956,788
Construction in progress	211,561	35,900	-	247,461
Total capital assets not being depreciated	70,324,675	35,900	156,326	70,204,249
Capital assets being depreciated				
Buildings	36,482,167	-	-	36,482,167
Improvements other than buildings	145,727	-	-	145,727
Machinery and equipment	13,851,719	1,988,756	1,176,205	14,664,270
Infrastructure	88,181,109	5,855,072	2,174,280	91,861,901
Total capital assets being depreciated	138,660,722	7,843,828	3,350,485	143,154,065

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

Primary Government (Continued)

	Balances January 1	Additions	Retirements	Balances December 31
GOVERNMENTAL ACTIVITIES (Continued)				
Less accumulated depreciation for				
Buildings	\$ 13,691,049	\$ 810,715	\$ -	\$ 14,501,764
Improvements other than buildings	55,006	2,983	-	57,989
Machinery and equipment	7,584,871	1,174,099	1,145,772	7,613,198
Infrastructure	51,697,312	3,096,962	2,038,184	52,756,090
Total accumulated depreciation	73,028,238	5,084,759	3,183,956	74,929,041
Total capital assets being depreciated, net	65,632,484	2,759,069	166,529	68,225,024
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	\$ 135,957,159	\$ 2,794,969	\$ 322,855	\$ 138,429,273

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

GOVERNMENTAL ACTIVITIES	
General government	\$ 443,381
Public safety	731,844
Municipal services	3,864,934
Culture and recreation	44,600
TOTAL	<u>\$ 5,084,759</u>

	Balances January 1	Additions	Retirements	Balances December 31
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated				
Land	\$ 4,503,463	\$ -	\$ -	\$ 4,503,463
Construction in progress	1,536,122	4,255,892	123,758	5,668,256
Total capital assets not being depreciated	6,039,585	4,255,892	123,758	10,171,719
Capital assets being depreciated				
Buildings and land improvements	1,908,337	-	-	1,908,337
Parking decks	30,303,930	-	-	30,303,930
Wells and reservoirs	5,806,192	-	-	5,806,192
Sewerage treatment plant	55,830,400	-	-	55,830,400
Watermains	24,436,587	1,967,157	6,672	26,397,072
Pumping stations, sewers, and mains	46,035,637	592,970	-	46,628,607
Equipment	3,335,865	67,697	-	3,403,562
Total capital assets being depreciated	167,656,948	2,627,824	6,672	170,278,100



**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**4. CAPITAL ASSETS (Continued)**

Primary Government (Continued)

	Balances January 1	Additions	Retirements	Balances December 31
<b>BUSINESS-TYPE ACTIVITIES</b>				
(Continued)				
Less accumulated depreciation for				
Buildings and land improvements	\$ 1,178,561	\$ 32,159	\$ -	\$ 1,210,720
Parking decks	6,348,327	613,090	-	6,961,417
Wells and reservoirs	5,490,068	199,652	-	5,689,720
Sewerage treatment plant	23,976,645	1,331,328	-	25,307,973
Watermains	7,301,930	538,751	6,672	7,834,009
Pumping stations, sewers, and mains	20,405,290	920,733	-	21,326,023
Equipment	2,566,244	223,915	-	2,790,159
Total accumulated depreciation	67,267,065	3,859,628	6,672	71,120,021
Total capital assets being depreciated, net	100,389,883	(1,231,804)	-	99,158,079
<b>BUSINESS-TYPE ACTIVITIES</b>				
<b>CAPITAL ASSETS NET</b>	<b>\$ 106,429,468</b>	<b>\$ 3,024,088</b>	<b>\$ 123,758</b>	<b>\$ 109,329,798</b>

Depreciation expense was charged to functions/programs of the business-type activities as follows:

<b>BUSINESS-TYPE ACTIVITIES</b>		
Municipal utility		\$ 3,209,203
Parking		650,425
<b>TOTAL</b>		<b>\$ 3,859,628</b>

Component Unit - Public Library

	Balances January 1	Additions	Retirements	Balances December 31
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital assets not being depreciated				
Land	\$ 621,421	\$ -	\$ -	\$ 621,421
Improvements other than buildings	35,000	-	-	35,000
Construction in progress	415,577	-	415,577	-
Total capital assets not being depreciated	1,071,998	-	415,577	656,421
Capital assets being depreciated				
Buildings	24,037,399	1,429,799	-	25,467,198
Equipment	499,353	-	-	499,353
Total capital assets being depreciated	24,536,752	1,429,799	-	25,966,551

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**4. CAPITAL ASSETS (Continued)**

Component Unit - Public Library (Continued)

	Balances January 1	Additions	Retirements	Balances December 31
GOVERNMENTAL ACTIVITIES (Continued)				
Less accumulated depreciation for				
Buildings	\$ 7,354,507	\$ 565,938	\$ -	\$ 7,920,445
Equipment	486,979	12,374	-	499,353
Total accumulated depreciation	7,841,486	578,312	-	8,419,798
Total capital assets being depreciated, net	16,695,266	851,487	-	17,546,753
GOVERNMENTAL ACTIVITIES CAPITAL ASSETS, NET	\$ 17,767,264	\$ 851,487	\$ 415,577	\$ 18,203,174

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

GOVERNMENTAL ACTIVITIES	
Culture and recreation	<u>\$ 578,312</u>

**5. 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; illnesses of employees; and natural disasters. The City is self-insured for all risks, except health. They are accounted for in the General and Municipal Utility Funds. This program provides coverage up to a maximum of \$250,000 for each general liability claim, \$750,000 for each nonpolice/firefighter workers' compensation claim, \$750,000 for each police/firefighter workers' compensation claim, and \$100,000 for each property damage claim. The City purchases commercial insurance for claims in excess of the coverages provided by the program. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. The City purchases health insurance for its employees.

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**5. RISK MANAGEMENT (Continued)**

The General and Municipal Utility Funds of the City participate in the program based upon actuarial estimates of the amounts needed to pay prior and current year claims. Liabilities of the program are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for probable claims, that will be asserted, that have been incurred but not reported (IBNR). Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and societal factors. Claim liabilities reported as current liabilities are based on the probable amount of claims that will be paid in the current year.

Changes in the balances of claims liabilities during the year ended December 31 are as follows:

	General	Utility	Total	
			2018	2017
UNPAID CLAIMS, BEGINNING OF YEAR	\$ 1,241,059	\$ 231,888	\$ 1,472,947	\$ 1,818,538
Incurred claims (including IBNR)	298,246	314,664	612,910	327,551
Claim payments	(211,550)	(307,443)	(518,993)	(673,142)
UNPAID CLAIMS, END OF YEAR	<u>\$ 1,327,755</u>	<u>\$ 239,109</u>	<u>\$ 1,566,864</u>	<u>\$ 1,472,947</u>

**6. LONG-TERM DEBT**

a. General Obligation Bonds

The City issues general obligation bonds for the acquisition and construction of major capital facilities. General obligation bonds have been issued for both general government activities, proprietary activities, and the Public Library. The bonds are reported in the proprietary funds if they are expected to be repaid from proprietary revenues and in the Public Library if they are expected to be repaid from library revenues.

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

**a. General Obligation Bonds (Continued)**

General obligation bonds are direct obligations and pledge the full faith and credit of the City. General obligation bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Balances January 1	Issuances	Retirements	Balances December 31	Current Portion
\$3,700,000 General Obligation Refunding Bond Series of 2009, dated September 1, 2009, due in annual installments of \$200,000 to \$680,000 plus interest at 2% to 4% through March 1, 2021.	Debt Service	\$ 615,440	\$ -	\$ 144,440	\$ 471,000	\$ 150,720
	Municipal Utility	364,560	-	85,560	279,000	89,280
\$10,000,000 General Obligation Refunding Bond Series of 2012, dated September 1, 2012, due in annual installments of \$70,000 to \$1,730,000 plus interest at 2% to 3% through March 1, 2033.	Debt Service	5,785,000	-	505,000	5,280,000	520,000
	Municipal Utility	2,565,000	-	135,000	2,430,000	140,000
\$9,150,000 General Obligation Refunding Bond Series of 2013, dated October 1, 2013, due in annual installments of \$485,000 to \$1,880,000 plus interest at 2% to 4% through March 1, 2023.	Library Funds*	2,375,000	-	1,345,000	1,030,000	1,030,000
	Parking System Revenue	2,170,000	-	-	2,170,000	-
\$8,770,000 General Obligation Refunding Bonds, Series 2014A, dated January 7, 2014, due in annual installments of \$15,000 to \$2,080,000 plus interest at 1.50% to 3.00% through March 1, 2022.	Library Funds*	6,105,000	-	15,000	6,090,000	405,000
	Debt Service	5,742,048	-	496,392	5,245,656	491,920
\$9,375,000 General Obligation Refunding Bonds, Series 2014B, dated November 1, 2014, due in annual installments of \$25,000 to \$1,150,000 plus interest at 2% to 4% through March 1, 2023.	Municipal Utility	677,952	-	58,608	619,344	58,080
	Parking System Revenue	2,530,000	-	125,000	2,405,000	125,000

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

**a. General Obligation Bonds (Continued)**

Issue	Fund Debt Retired by	Balances January 1	Issuances	Retirements	Balances December 31	Current Portion
\$16,000,000 General Obligation Refunding Bonds, Series 2015, dated July 1, 2015, due in annual installments of \$645,000 to \$1,210,000 plus interest at 2% to 4% through March 1, 2034.	Debt Service	\$ 3,838,750	\$ -	\$ 165,000	\$ 3,673,750	\$ 170,000
	Municipal Utility	2,879,062	-	123,750	2,755,312	127,500
	Parking System Revenue	8,637,188	-	371,250	8,265,938	382,500
\$25,000,000 General Obligation Bonds, Series 2016, dated June 22, 2016, due in annual installments of \$320,000 to \$2,470,000 plus interest at 2% to 3% through March 1, 2036.	Debt Service	25,000,000	-	320,000	24,680,000	420,000
\$6,770,000 General Obligation Bonds, Series 2017A, dated June 20, 2017, due in annual installments of \$485,000 to \$640,000 plus interest at 3% through March 1, 2029.	Debt Service	3,385,000	-	267,500	3,117,500	242,500
	Parking System Revenue	3,385,000	-	267,500	3,117,500	242,500
\$9,615,000 General Obligation Bonds, Series 2017B, dated August 1, 2017, due in annual installments of \$590,000 to \$805,000 plus interest at 2.25% to 3.00% through March 1, 2032.	Municipal Utility	9,615,000	-	-	9,615,000	590,000
\$9,715,000 General Obligation Bonds, Series 2018, dated December 5, 2018, due in annual installments of \$230,000 to \$675,000 plus interest from 3.125% to 5.000% through March 1, 2039.	Debt Service	-	5,115,000	-	5,115,000	-
	Municipal Utility	-	4,600,000	-	4,600,000	-
<b>TOTAL</b>		<b>\$ 85,670,000</b>	<b>\$ 9,715,000</b>	<b>\$ 4,425,000</b>	<b>\$ 90,960,000</b>	<b>\$ 5,185,000</b>

\*Taxes are levied by the Public Library and paid to the City.

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

**b. Sales Tax Revenue Bonds**

Sales tax revenue bonds currently outstanding are as follows:

Issue	Fund Debt Retired by	Balance January 1	Issuances	Retirements	Balance December 31	Current Portion
\$17,860,000 Taxable Sales Tax Revenue Refunding Bonds Series 2006, dated May 15, 2006, due in annual installments commencing May 2007 of \$765,000 to \$1,770,000 plus interest at 5.625% to 6.400% through May 15, 2021.	Sales Tax Revenue Refunding Bonds 2006 Fund	\$ 6,460,000	\$ -	\$ 6,460,000	\$ -	\$ -

During 2018, the City has received advanced payments from the developer to redeem the outstanding bonds early. \$6,460,000 was defeased and \$7,037,330 was placed with the escrow agent.

**c. General Obligation Notes**

The City enters into notes payable to provide funds for the acquisition of capital assets.

Notes payable currently outstanding are as follows:

Issue	Fund Debt Retired by	Balance January 1	Issuances	Retirements	Balance December 31	Current Portion
\$7,500,000 (authorized) taxable General Obligation Revolving Note, dated August 1, 1994, plus interest based on the one month LIBOR rate plus 80.0 basis points, due April 30 and October 31.	North York Redevelop- ment Projects	\$ 5,000,000	\$ 2,200,000	\$ -	\$ 7,200,000	\$ 7,200,000

**d. Installment Loans Payable**

The City enters into installment loans payable to provide funds for the acquisition of capital assets. Installment loans payable have been issued for proprietary activities and, therefore, proprietary liabilities are reported in proprietary funds.

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

**d. Installment Loans Payable (Continued)**

Installment loans payable currently outstanding are as follows:

Issue	Fund Debt Retired by	Balances January 1	Issuances	Retirements	Balances December 31	Current Portion
\$1,679,611 Illinois Environmental Protection Agency Loan dated October 1, 1998, due in semiannual installments of \$29,939 to \$106,951 plus interest at 0.625% through March 14, 2020.	Municipal Utility	\$ 283,802	\$ -	\$ 111,305	\$ 172,497	\$ 114,247
\$590,821 Illinois Environmental Protection Agency Loan dated November 1, 1999, due in semiannual installments of \$11,806 to \$19,053 plus interest at 2.535% through August 1, 2020.	Municipal Utility	110,801	-	36,007	74,794	36,926
\$4,157,131 Illinois Environmental Protection Agency Loan dated January 1, 2013, due in semiannual installments of \$94,460 to \$119,694 plus interest at 1.25% through December 1, 2033.	Municipal Utility	3,766,622	155,471	197,959	3,724,134	214,372
\$1,058,925 Illinois Environmental Protection Agency Loan, dated July 13, 2013.	Municipal Utility	961,670	-	50,017	911,653	50,987
\$9,000,000 Illinois Environmental Protection Agency Loan, dated February 3, 2014.	Municipal Utility	8,731,809	-	375,152	8,356,657	403,362
\$9,054,155 Illinois Environmental Protection Agency Loan, dated March 3, 2018.	Municipal Utility	588,207	4,314,739*	-	4,902,946	-
<b>TOTAL</b>		<b>\$ 14,442,911</b>	<b>\$ 4,470,210</b>	<b>\$ 770,440</b>	<b>\$ 18,142,681</b>	<b>\$ 819,894</b>

\*Loan agreement finalized prior to the date these financial statements were available for issuance. \$4,314,739 of expenses incurred in 2018 will be reimbursed through this loan program. Accordingly, the related issuance of installment loan is recognized in 2018.

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

e. Debt Service Requirements to Maturity

Year Ending December 31,	General Obligation Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 1,995,140	\$ 1,351,115	\$ 3,346,255	\$ 1,754,860	\$ 1,126,605	\$ 2,881,465
2020	2,015,086	1,348,576	3,363,662	2,384,914	1,111,822	3,496,736
2021	2,152,509	1,287,393	3,439,902	2,512,491	1,031,786	3,544,277
2022	2,121,412	1,224,556	3,345,968	2,488,588	949,766	3,438,354
2023	3,531,387	1,148,089	4,679,476	2,613,613	866,415	3,480,028
2024	3,650,483	1,054,650	4,705,133	2,089,517	791,708	2,881,225
2025	2,637,307	967,712	3,605,019	2,197,693	725,577	2,923,270
2026	2,766,209	886,575	3,652,784	2,268,791	656,062	2,924,853
2027	2,726,231	900,211	3,626,442	2,308,769	583,147	2,891,916
2028	2,867,962	810,696	3,678,658	2,382,038	507,939	2,889,977
2029	2,334,345	629,152	2,963,497	2,390,655	429,857	2,820,512
2030	2,162,250	558,677	2,720,927	2,142,750	352,223	2,494,973
2031	2,311,405	488,260	2,799,665	2,218,595	276,297	2,494,892
2032	2,489,310	412,636	2,901,946	2,290,690	197,583	2,488,273
2033	2,601,100	332,356	2,933,456	1,538,900	128,512	1,667,412
2034	2,772,890	247,483	3,020,373	1,177,110	76,654	1,253,764
2035	2,630,930	163,385	2,794,315	279,070	48,902	327,972
2036	2,791,470	80,468	2,871,938	288,530	38,969	327,499
2037	332,010	31,775	363,785	297,990	28,519	326,509
2038	342,550	19,548	362,098	307,450	17,545	324,995
2039	350,920	6,670	357,590	324,080	5,986	330,066
<b>TOTAL</b>	<b>\$ 47,582,906</b>	<b>\$ 13,949,983</b>	<b>\$ 61,532,889</b>	<b>\$ 36,257,094</b>	<b>\$ 9,951,874</b>	<b>\$ 46,208,968</b>

Year Ending December 31,	General Obligation Bonds		
	Governmental Activities - Component Unit		
	Principal	Interest	Total
2019	\$ 1,435,000	\$ 188,513	\$ 1,623,513
2020	1,745,000	139,869	1,884,869
2021	1,860,000	89,138	1,949,138
2022	2,080,000	31,200	2,111,200
<b>TOTAL</b>	<b>\$ 7,120,000</b>	<b>\$ 448,720</b>	<b>\$ 7,568,720</b>



**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

e. Debt Service Requirements to Maturity (Continued)

Year Ending December 31,	Total Outstanding Loans		
	Business-Type Activities		
	Principal	Interest	Total
2019	\$ 819,894	\$ 231,977	\$ 1,051,871
2020	790,621	217,660	1,008,281
2021	706,658	204,019	910,677
2022	719,034	191,642	910,676
2023	731,635	179,041	910,676
2024	744,466	166,210	910,676
2025	757,531	153,145	910,676
2026	770,835	139,841	910,676
2027	784,381	126,295	910,676
2028	798,175	112,501	910,676
2029	812,221	98,455	910,676
2030	826,523	84,153	910,676
2031	841,088	69,588	910,676
2032	855,919	54,758	910,677
2033	868,332	39,655	907,987
2034	577,030	25,134	602,164
2035	554,159	13,916	568,075
2036	281,233	2,805	284,038
<b>TOTAL</b>	<b>\$ 13,239,735</b>	<b>\$ 2,110,795</b>	<b>\$ 15,350,530</b>
Year Ending December 31,	General Obligation Note		
	Governmental Activities		
	Principal	Interest	Total
2019	\$ 7,200,000	\$ 130,680	\$ 7,330,680
<b>TOTAL</b>	<b>\$ 7,200,000</b>	<b>\$ 130,680</b>	<b>\$ 7,330,680</b>

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

f. Changes in Long-Term Liabilities

During the fiscal year, the following changes occurred in liabilities reported on the schedule of long-term liabilities payable:

Primary Government

	Balances January 1, Restated	Additions	Reductions	Balances December 31	Due Within One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
General obligation bonds payable	\$ 44,366,238	\$ 5,115,000	\$ 1,898,332	\$ 47,582,906	\$ 1,995,140
Sales tax revenue bonds payable	6,460,000	-	6,460,000	-	-
General obligation note payable	5,000,000	2,200,000	-	7,200,000	7,200,000
Claims payable	662,347	-	29,466	632,881	-
Compensated absences payable*	2,865,660	1,558,477	1,470,267	2,953,870	1,454,861
Net pension liability - Illinois Municipal Retirement Fund*	7,452,486	-	5,760,190	1,692,296	-
Net pension liability - Sheriff's Law Enforcement Personnel Fund*	51,422	-	27,302	24,120	-
Net pension liability - Police Pension Fund*	33,575,888	10,550,235	-	44,126,123	-
Net pension liability - Firefighters' Pension Fund*	18,637,225	7,806,262	-	26,443,487	-
Other postemployment benefit liability*	1,630,692	-	47,556	1,583,136	122,069
Subtotal	120,701,958	27,229,974	15,693,113	132,238,819	10,772,070
Discounts	(35,044)	-	(35,044)	-	-
Premium	1,403,858	153,693	92,902	1,464,649	-
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 122,070,772</b>	<b>\$ 27,383,667</b>	<b>\$ 15,750,971</b>	<b>\$ 133,703,468</b>	<b>\$ 10,772,070</b>

\*Paid primarily from the General Fund.

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**6. LONG-TERM DEBT (Continued)**

f. Changes in Long-Term Liabilities (Continued)

Primary Government (Continued)

	Balances January 1, Restated	Additions	Reductions	Balances December 31	Due Within One Year
<b>BUSINESS-TYPE ACTIVITIES</b>					
General obligation bonds payable	\$ 32,823,762	\$ 4,600,000	\$ 1,166,668	\$ 36,257,094	\$ 1,754,860
Installment note payable	14,442,911	4,470,210	770,440	18,142,681	819,894
Claims payable	231,888	83,744	76,523	239,109	78,906
Compensated absences payable	768,916	386,797	354,086	801,627	349,631
Net pension liability - Illinois Municipal Retirement Fund	4,059,787	-	3,137,898	921,889	-
Other postemployment benefit liability	888,329	-	25,906	862,423	66,498
Subtotal	53,215,593	9,540,751	5,531,521	57,224,823	3,069,789
Premium	1,205,955	128,827	95,876	1,238,906	-
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 54,421,548</b>	<b>\$ 9,669,578</b>	<b>\$ 5,627,397</b>	<b>\$ 58,463,729</b>	<b>\$ 3,069,789</b>

Component Unit - Public Library

	Balances January 1, Restated	Additions	Reductions	Balances December 31	Due Within One Year
General obligation bonds payable	\$ 8,480,000	\$ -	\$ 1,360,000	\$ 7,120,000	\$ 1,435,000
Premium	243,467	-	98,860	144,607	-
Net pension liability – Illinois Municipal Retirement Fund	1,802,871	-	1,393,479	409,392	-
Other postemployment benefit liability	394,489	-	11,504	382,985	29,530
<b>TOTAL</b>	<b>\$ 10,920,827</b>	<b>\$ -</b>	<b>\$ 2,863,843</b>	<b>\$ 8,056,984</b>	<b>\$ 1,464,530</b>

**6. LONG-TERM DEBT (Continued)**

g. Legal Debt Margin

The City is a home rule municipality. Article VII, Section 6(k) of the 1970 Illinois Constitution governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property ... (2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent: ... indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum... shall not be included in the foregoing percentage amounts.”

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

h. Tax Increment Financing

The City has designated a portion of the City’s downtown area and areas along Lake Street, along Route 83 and St. Charles Road, and along North York Road as redevelopment project areas in accordance with the Tax Increment Allocation Redevelopment Act of the State of Illinois. All property tax receipts within these project areas, in excess of base year amounts, are allocated to special funds to pay for the City’s costs of redeveloping portions of the project areas.

All incremental property taxes, other revenues, and expenditures are allocated to the Redevelopment Projects, Industrial Development Projects, Route 83 Commercial Development Project, Church Road/Lake Street and the North York Redevelopment (capital projects) Funds. These funds can only be used to pay costs of redevelopment in the project areas.

j. Sales Tax Revenue Bonds Fund - 1998 and Sales Tax Revenue Refunding Bonds - 2006

The proceeds of the taxable \$21,000,000 1998 Sales Tax Revenue Bonds were issued to fund an economic development project. The proceeds were used to pay the cost of issuance of the bonds and to provide funds for the refinancing of a construction loan of Federal Construction, Inc. (the Developer). The proceeds of the Developer’s construction loan were used to pay the cost of reconstructing retail property owned by the Developer that is located in the Tax Incremental Financing Redevelopment Area located at the corner of St. Charles Road and Route 83. Loan payments from the Developer were used to fund the debt service on the bonds.

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**6. LONG-TERM DEBT (Continued)**

- j. Sales Tax Revenue Bonds Fund - 1998 and Sales Tax Revenue Refunding Bonds - 2006 (Continued)

The bonds are secured by General Fund sales tax revenues. In April 2004, the City entered into an agreement with Bank One NA and the Developer to refund the Sales Tax Revenue Bonds Series 1998. The closing took place May 15, 2006 at which time the outstanding Sales Tax Revenue Bonds Series 1998 (\$17,860,000) were called in their entirety and Sales Tax Revenue Refunding Bonds Series 2006 was issued for \$17,860,000 at the same debt service maturities and interest rates as the Sales Tax Revenue Bonds Series 1998. The Sales Tax Revenue Refunding Bonds Series 2006 are secured by general fund sales tax revenues. The City received \$590,000 in 2004 as inducement for this refunding, which was recognized as revenue at the bond closing on May 15, 2006. Of this amount, \$263,333 was paid upon receipt to the Developer and \$326,667 was retained by the City. On March 26, 2018, the City completed the defeasance and escrow of the remaining outstanding 2006A Taxable Sales Tax Revenue Refunding Bonds utilizing advance payments received from the Developer.

**7. INTERFUND ASSETS/LIABILITIES**

Due From/To Other Funds

Receivable Fund	Payable Fund	Amount
Primary Government General	Downtown Redevelopment Fund	\$ 60,723
TOTAL		<u>\$ 60,723</u>

The purpose of the significant due from/to other funds is as follows:

- \$60,723 is due to the General Fund from the Downtown Redevelopment Fund to cover operating expenses and will be repaid in fiscal 2019.

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**7. INTERFUND ASSETS/LIABILITIES (Continued)**

Interfund Transfers

	Transfer In	Transfer Out
General	\$ -	\$ 1,296,121
Stormwater Detention Fund	15,000	1,376,938
Redevelopment Projects Fund	-	1,474,607
Nonmajor Governmental Funds	3,171,565	28,003
Parking System Revenue Fund	989,104	-
<b>TOTAL</b>	<b>\$ 4,175,669</b>	<b>\$ 4,175,669</b>

The purposes of the significant interfund transfers are as follows:

- \$1,309,124 was transferred from the General Fund, \$485,503 from the Redevelopment Fund, and \$1,376,938 from the Stormwater Fund to the Nonmajor Governmental Funds for the purpose of paying its portion of the debt service payments.
- \$989,104 was transferred from the Redevelopment Fund to the Parking System Fund for the purpose of paying its portion of the debt service payments.

The following funds had a deficit in fund balances at December 31, 2018:

Fund	Deficit
Downtown Redevelopment	\$ 66,513

**8. COMMITMENTS**

DuPage Water Commission

The City is a customer of DuPage Water Commission (DWC) and has executed a water supply contract with DWC for a term ending in 2024. The contract provides that the City pay its proportionate share of “fixed costs” (debt service and capital costs) to DWC, such obligation being unconditional and irrevocable whether or not water is ever delivered. DWC approves an ordinance each year to establish the fixed charge for DWC’s fiscal year ended April 30. The fixed charge was established at \$0 for DWC’s fiscal year ended April 30, 2018 and \$0 for DWC’s fiscal year ending April 30, 2019.

**8. COMMITMENTS (Continued)**

DuPage Water Commission (Continued)

The fixed charge is calculated using the City's current allocation percentage of 5.43%. In future years, the estimates and the allocation percentage will be subject to change. Estimates for the remaining years of the contract are not currently available. However, the City does not expect the minimum amounts for the remaining years of the contract to materially vary from the amounts presented above.

**9. TAX ABATEMENTS**

The City has entered into various agreements with private organizations to encourage economic development in the City. The agreements approved by the City Council are in accordance with Illinois Compiled Statutes (ILCS) (Tax Increment Financing (TIF) and Home Rule Authority). Some of the agreements provide for rebating a portion of property taxes and/or sales taxes to the private organizations to improve local business facilities or their supporting public infrastructure under certain circumstances. The terms of these rebate arrangements are specified within written agreements with the businesses concerned.

During 2018, the City did not approve any economic development incentive agreements that include rebates. As of December 31, 2018, the City has four agreements to rebate TIF property tax increment. Property tax rebates in the amount of \$22,793 were made under these four agreements in fiscal year 2018.

The City also has six agreements to rebate a portion of its state-shared sales taxes. The rebate amounts range from \$200,000 to \$2,000,000 over 10 to 15-year periods. All of the agreements are subject to a repayment provision if the business ceases operation or relocates out of the City during the term of the agreement. The total amount of sales taxes rebated under these agreements for the fiscal year ending December 31, 2018 was \$177,586.

**10. CONTINGENT LIABILITIES**

a. Litigation

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

**10. CONTINGENT LIABILITIES (Continued)**

b. Grants

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

c. DuPage Water Commission

The City's water supply agreement with the DWC provides that each customer is liable for its proportionate share of any costs arising from defaults in payment obligations by other customers.

**11. DEFINED BENEFIT PENSION PLANS**

The City contributes to four defined benefit pension plans, the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer public employee retirement system; the Sheriff's Law Enforcement Personnel (SLEP) (also administered by IMRF), an agent multiple-employee retirement system; the Police Pension Plan, which is a single-employer pension plan; and the Firefighters' Pension Plan, which is also a single-employer pension plan. The benefits, benefit levels, employee contributions, and employer contributions for all four plans are governed by Illinois Compiled Statutes (ILCS) may only be amended by the Illinois General Assembly. IMRF issues a publicly available report that includes financial statements and supplementary information for the plan as a whole, but not for individual employers. That report may be obtained from IMRF, 2211 York Road, Suite 500, Oak Brook, Illinois 60523 or at [www.imrf.org](http://www.imrf.org).

Illinois Municipal Retirement Fund and Sheriff's Law Enforcement Personnel

a. Plan Descriptions

*Plan Administration*

All employees (other than those covered by the Police Pension Plan or Firefighters' Pension Plan) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members.

The plan is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.



**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Illinois Municipal Retirement Fund and Sheriff's Law Enforcement Personnel (Continued)

a. Plan Descriptions (Continued)

*Plan Membership*

At December 31, 2017, the latest actuarial valuation date, IMRF membership for the City and the Public Library consisted of:

	Illinois Municipal Retirement	Sheriff's Law Enforcement Personnel
Inactive employees or their beneficiaries currently receiving benefits	219	-
Inactive employees entitled to but not yet receiving benefits	95	-
Active employees	205	1
<b>TOTAL</b>	<b>519</b>	<b>1</b>

b. Benefits Provided

Illinois Municipal Retirement Fund

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

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Illinois Municipal Retirement Fund and Sheriff's Law Enforcement Personnel (Continued)

b. Benefits Provided (Continued)

Sheriff's Law Enforcement Personnel

SLEP members, having accumulated at least 20 years of SLEP service and terminating IMRF participation on or after January 1, 1988, may elect to retire at or after age 50 with no early retirement discount penalty. SLEP members meeting these two qualifications are entitled to an annual retirement benefit, payable monthly for life, in an amount generally equal to 2.50% of their final rate of earnings, for each year of credited service up to 20 years, 2% of their final earnings rate for the next ten years of credited service, and 1% for each year thereafter.

c. Contributions

Illinois Municipal Retirement Fund

Participating members are required to contribute 4.50% of their annual salary to IMRF. The City is required to contribute the remaining amounts necessary to fund IMRF as specified by statute. The employer contribution rate for the calendar years ended 2017 and 2018 were 12.50% and 12.71%, respectively, of covered payroll.

Sheriff's Law Enforcement Personnel

For SLEP members retiring with less than 20 years of SLEP service, the regular IMRF pension formula applies. SLEP also provides death and disability benefits. These benefit provisions and all other requirements are established by ILCS. Participating members are required to contribute 7.50% of their annual salary to SLEP. The City is required to contribute the remaining amounts necessary to fund SLEP as specified by statute. The employer contribution rate for the calendar years ended 2017 and 2018 were 14.57% and 14.38%, respectively, of covered payroll.

d. Actuarial Assumptions

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

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Illinois Municipal Retirement Fund and Sheriff's Law Enforcement Personnel (Continued)

d. Actuarial Assumptions (Continued)

	Illinois Municipal Retirement	Sheriff's Law Enforcement Personnel
Actuarial valuation date	December 31, 2017	December 31, 2017
Actuarial cost method	Entry-age normal	Entry-age normal
Assumptions		
Inflation	2.50%	2.50%
Salary increases	3.39% to 14.25%	3.39% to 14.25%
Interest rate	7.50%	7.50%
Cost of living adjustments	3.50%	3.50%
Asset valuation method	Market value	Market value

For nondisabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The 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). The 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). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Illinois Municipal Retirement Fund and Sheriff's Law Enforcement Personnel (Continued)

e. Discount Rate

The discount rate used to measure the total pension liability was 7.50% for both IMRF and SLEP. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the IMRF's and SLEP'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 of 7.50% was used to determine the total pension liabilities.

f. Changes in the Net Pension Liability

Illinois Municipal Retirement Fund

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2017	\$ 100,269,388	\$ 86,954,243	\$ 13,315,145
Changes for the period			
Service cost	1,571,907	-	1,571,907
Interest	7,408,944	-	7,408,944
Difference between expected and actual experience	205,503	-	205,503
Changes in assumptions	(3,138,208)	-	(3,138,208)
Employer contributions	-	1,971,887	(1,971,887)
Employee contributions	-	685,164	(685,164)
Net investment income	-	15,061,711	(15,061,711)
Benefit payments and refunds	(4,538,844)	(4,538,844)	-
Administrative expense	-	-	-
Other (net transfer)	-	(1,379,048)	1,379,048
Net changes	1,509,302	11,800,870	(10,291,568)
BALANCES AT DECEMBER 31, 2017	\$ 101,778,690	\$ 98,755,113	\$ 3,023,577

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Illinois Municipal Retirement Fund and Sheriff's Law Enforcement Personnel (Continued)

f. Changes in the Net Pension Liability (Continued)

Illinois Municipal Retirement Fund (Continued)

The table on the previous page includes amounts for both the City and the Public Library. The City's collective share of the net pension liability at January 1, 2017, the employer contributions, and the net pension liability at December 31, 2017 was \$11,512,274, \$1,704,894, and \$2,614,185, respectively. The Public Library's collective share of the net pension liability at January 1, 2017, the employer contributions and the net pension liability at December 31, 2017 was \$1,802,871, \$266,993, and \$409,392, respectively.

Sheriff's Law Enforcement Personnel

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2017	\$ 205,474	\$ 154,052	\$ 51,422
Changes for the period			
Service cost	30,662	-	30,662
Interest	16,560	-	16,560
Difference between expected and actual experience	(13,033)	-	(13,033)
Changes in assumptions	(4,573)	-	(4,573)
Employer contributions	-	23,363	(23,363)
Employee contributions	-	12,027	(12,027)
Net investment income	-	22,629	(22,629)
Benefit payments and refunds	-	-	-
Administrative expense	-	-	-
Other (net transfer)	-	(1,101)	1,101
Net changes	29,616	56,918	(27,302)
BALANCES AT DECEMBER 31, 2017	\$ 235,090	\$ 210,970	\$ 24,120

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Illinois Municipal Retirement Fund and Sheriff's Law Enforcement Personnel (Continued)

- g. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

Illinois Municipal Retirement Fund

For the year ended December 31, 2018, the City recognized pension expense of \$805,429. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to IMRF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 179,665	\$ 243,625
Changes in assumption	113,967	2,502,301
Contributions made subsequent to the measurement date	1,983,530	-
Net difference between projected and actual earnings on pension plan investments	-	4,100,546
<b>TOTAL</b>	<b>\$ 2,277,162</b>	<b>\$ 6,846,472</b>

\$1,983,530 reported as deferred outflows of resources related to pensions resulting from the City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement period ended December 31, 2018. The City's collective share of the contributions subsequent to measurement date was \$1,714,960. The Public Library's collective share of the contributions subsequent to measurement date was \$268,570.

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

<u>Year Ending December 31,</u>	
2019	\$ (1,207,613)
2020	(1,309,328)
2021	(2,303,415)
2022	(1,732,484)
2023	-
Thereafter	-
<b>TOTAL</b>	<b>\$ (6,552,840)</b>

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Illinois Municipal Retirement Fund and Sheriff's Law Enforcement Personnel (Continued)

- g. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

Illinois Municipal Retirement Fund (Continued)

The deferred outflows presented in the table above include amounts for both the City and the Public Library. The City's collective share of the deferred outflows and inflows of resources at December 31, 2018 was \$1,968,834 and \$5,919,460, respectively. The Public Library's collective share of the deferred outflows and inflows of resources at December 31, 2018 was \$308,328 and \$927,012, respectively.

Sheriff's Law Enforcement Personnel

For the year ended December 31, 2018, the City recognized pension expense of (\$3,033). At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to SLEP from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,137	\$ 16,707
Changes in assumption	2,973	4,870
Net difference between projected and actual earnings on pension plan investments	-	4,064
<b>TOTAL</b>	<b>\$ 4,110</b>	<b>\$ 25,641</b>

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

<u>Year Ending December 31,</u>	
2019	\$ (3,126)
2020	(3,285)
2021	(4,597)
2022	(4,924)
2023	(3,527)
Thereafter	(2,072)
<b>TOTAL</b>	<b>\$ (21,531)</b>

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Illinois Municipal Retirement Fund and Sheriff's Law Enforcement Personnel (Continued)

h. Discount Rate Sensitivity

Illinois Municipal Retirement Fund

The following is a sensitive analysis of the net pension liability (asset) to changes in the discount rate. The table below presents the pension liability (asset) of the City calculated using the discount rate of 7.50% as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset) (City)	\$ 13,295,763	\$ 2,614,185	\$ (6,253,874)
Net pension liability (asset) (Public Library)	2,082,173	409,392	(979,383)
Net pension liability (asset) (Total)	<u>\$ 15,377,936</u>	<u>\$ 3,023,577</u>	<u>\$ (7,233,257)</u>

Sheriff's Law Enforcement Personnel

*Discount Rate Sensitivity*

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 7.50% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability	\$ 49,544	\$ 24,120	\$ 2,268



**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Police Pension Plan

a. Plan Administration

Police sworn personnel are covered by the Police Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions 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 Police Pension Plan as a pension trust fund.

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

b. Plan Membership

At December 31, 2018, the Police Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	79
Inactive plan members entitled to but not yet receiving benefits	3
Active plan members	<u>67</u>
<b>TOTAL</b>	<b><u>149</u></b>

c. Benefits Provided

The following is a summary of the Police Pension Plan as provided for in ILCS.

The Police Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of 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.

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Police Pension Plan (Continued)

c. Benefits Provided (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes is capped at \$110,631, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1<sup>st</sup> after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

d. Contributions

Covered employees are required by ILCS 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 Police Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Police Pension Plan. However, the City has elected to fund 100% of the past service cost by 2033. For the year ended December 31, 2018, the City's contribution was 57.06% of covered payroll.

e. Investment Policy

ILCS limits the Police Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorized the Fund to make deposits/invest in interest-bearing obligations of the U.S. Treasury and U.S. agencies, corporate bonds rated as investment grade by one of the two largest rating services, interest-bearing savings accounts or certificates of deposit issued by federally chartered banks, savings and loan associations, or by State

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Police Pension Plan (Continued)

e. Investment Policy (Continued)

of Illinois chartered banks and savings and loan associations insured by the federal government, obligations of the State of Illinois and its political subdivisions, The Illinois Funds, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government, equity mutual funds, and equity securities. The Fund's investment policy does not specifically prohibit the use of or the investment in derivatives.

During the year, no changes to the investment policy were approved by the Board of Trustees.

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Equities - 50% Target		
Large Cap Domestic Equity	35.00%	6.80%
Small Cap Domestic Equity	10.00%	8.70%
International Equities	5.00%	6.60%
Fixed Income	50.00%	1.60%

ILCS limits the 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.

Long-term returns for the asset classes are calculated on a geometric mean basis. Asset class returns and risk premium data are from Morningstar Analyst Research Center - SBBI Data for the period of 12/31/1925 through 12/31/2017. International Equity = the MSCI EAFE Index 12/31/1969 through 12/31/2017.

f. Investment Concentrations

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

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Police Pension Plan (Continued)

g. Investment Rate of Return

For the year ended December 31, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (3.46%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

h. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy do not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions.

i. Interest Rate Risk

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 2,603,687	\$ 846,243	\$ 1,144,601	\$ 612,843	\$ -
U.S. agency obligations	20,526,656	546,221	5,271,945	11,453,981	3,254,509
Local government bonds	4,412,168	554,659	2,193,805	1,201,392	462,312
Corporate bonds	3,662,604	623,564	1,292,689	1,746,351	-
<b>TOTAL</b>	<b>\$ 31,205,115</b>	<b>\$ 2,570,687</b>	<b>\$ 9,903,040</b>	<b>\$ 15,014,567</b>	<b>\$ 3,716,821</b>

The Fund categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

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

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Police Pension Plan (Continued)

i. Interest Rate Risk (Continued)

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, investments of longer maturities are more sensitive to changes in market interest rates. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not have a maximum maturity length of investments in the Fund.

j. Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly or implicitly guaranteed by the United States Government. The local government bonds are rated from AAA to AA, or not rated by Standard & Poor's. Corporate bonds must be rated as investment grade by one of the two largest rating services. Corporate bonds are rated from AAA to BBB+ by Standard & Poor's. The U.S. agency securities are rated AA+.

k. 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 Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be held in a trust department through book entry and the Depository Trust Company with an approved written agreement. The money market mutual funds and mutual funds are not subject to custodial credit risk.

l. Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The discount rate used to measure the total pension liability was 7% at December 31, 2017. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payment 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.

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Police Pension Plan (Continued)

m. Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2018	\$ 96,841,621	\$ 63,265,733	\$ 33,575,888
Changes for the period			
Service cost	1,223,061	-	1,223,061
Interest	6,592,447	-	6,592,447
Difference between expected and actual experience	1,622,830	-	1,622,830
Changes in assumptions	3,193,346	-	3,193,346
Employer contributions	-	3,586,824	(3,586,824)
Employee contributions	-	622,975	(622,975)
Other contributions	-	51,788	(51,788)
Net investment income	-	(2,161,784)	2,161,784
Benefit payments and refunds	(5,327,615)	(5,327,615)	-
Administrative expense	-	(18,354)	18,354
Net changes	7,304,069	(3,246,166)	10,550,235
BALANCES AT DECEMBER 31, 2018	\$ 104,145,690	\$ 60,019,567	\$ 44,126,123

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

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Police Pension Plan (Continued)

n. Actuarial Assumptions

The total net pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2018
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	4.00% to 9.27%
Interest rate	6.75%
Cost of living adjustments	Tier 1: 3.00%, compounded Tier 2: 2.00%, simple
Asset valuation method	Market

Mortality rates are based on rates developed in the Lauterbach and Amen 2017 Mortality Table for Illinois Police Officers.

o. Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 6.75% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability	\$ 58,701,002	\$ 44,126,123	\$ 32,259,541

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Police Pension Plan (Continued)

- p. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2018, the City recognized police pension expense of \$5,383,762. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,720,868	\$ -
Changes in assumption	3,006,856	-
Net difference between projected and actual earnings on pension plan investments	4,205,507	-
<b>TOTAL</b>	<b>\$ 9,933,231</b>	<b>\$ -</b>

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

<u>Year Ending December 31,</u>	
2019	\$ 2,615,310
2020	2,018,719
2021	1,871,536
2022	2,133,489
2023	733,831
Thereafter	560,346
<b>TOTAL</b>	<b>\$ 9,933,231</b>



**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Firefighters' Pension Plan

a. Plan Administration

Fire sworn personnel are covered by the Firefighters' Pension Plan. Although this is a single-employer pension plan, the defined benefits and employee and employer contributions 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 Firefighters' Pension Plan as a pension trust fund.

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

b. Plan Membership

At December 31, 2018, the Firefighters' Pension Plan membership consisted of:

Inactive plan members or beneficiaries currently receiving benefits	45
Inactive plan members entitled to but not yet receiving benefits	1
Active plan members	43
	<hr/>
TOTAL	89
	<hr/>

c. Benefits Provided

The following is a summary of the Firefighters' Pension Plan as provided for in ILCS:

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least 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.

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Firefighters' Pension Plan (Continued)

c. Benefits Provided (Continued)

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the firefighter during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Firefighters' salary for pension purposes is capped at \$110,631, plus the lesser of ½ of the annual change in the Consumer Price Index or 3% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e., ½% for each month under 55). The monthly benefit of a Tier 2 firefighter shall be increased annually at age 60 on the January 1<sup>st</sup> after the firefighter retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or ½ of the change in the Consumer Price Index for the proceeding calendar year.

d. Contributions

Covered employees are required by ILCS 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 Firefighters' Pension Plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the City has until the year 2040 to fund 90% of the past service cost for the Firefighters' Pension Plan. However, the City has elected to fund 100% of the past service cost by 2033. For the year ended December 31, 2018, the City's contribution was 51.46% of covered payroll.

e. Investment Policy

ILCS limits the Firefighters' Pension Fund's (the Fund) investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorized the Fund to make deposits/invest in interest-bearing obligations of the U.S. Treasury and U.S. agencies, corporate bonds rated as investment grade by one of the two largest rating services, interest-bearing savings accounts or certificates of

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Firefighters' Pension Plan (Continued)

e. Investment Policy (Continued)

deposit issued by federally chartered banks, savings and loan associations, or by State of Illinois chartered banks and savings and loan associations insured by the federal government, obligations of the State of Illinois and its political subdivisions, The Illinois Funds, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government, equity mutual funds, and equity securities. The Fund's investment policy does not specifically prohibit the use of or the investment in derivatives.

During the year, no changes to the investment policy were approved by the Board of Trustees.

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

Asset Class	Target	Long-Term Expected Real Rate of Return
Equities - 55% Target		
Large Cap Domestic Equity	33.00%	6.80%
Small Cap Domestic Equity	11.00%	8.70%
International Equities	11.00%	6.60%
Fixed Income	45.00%	1.60%

Long-term returns for the asset classes are calculated on a geometric mean basis. Asset class returns and risk premium data are from Morningstar Analyst Research Center - SBBI Data for the period of 12/31/1925 through 12/31/2017. International Equity = the MSCI EAFE Index 12/31/1969 through 12/31/2017.

ILCS limits the 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.

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Firefighters' Pension Plan (Continued)

f. Investment Concentrations

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

g. Investment Rate of Return

For the year ended December 31, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (4.75%). The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

h. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy do not require pledging of collateral for all bank balances in excess of federal depository insurance, since flow-through FDIC insurance is available for the Fund's deposits with financial institutions.

i. Interest Rate Risk

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

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
U.S. Treasury obligations	\$ 1,389,764	\$ 249,297	\$ 1,090,545	\$ 49,922	\$ -
U.S. agency obligations	11,696,240	347,004	1,764,085	9,483,823	101,328
Local government bonds	2,025,359	250,355	1,200,179	574,825	-
Corporate bonds	3,324,522	126,991	2,039,898	1,157,633	-
<b>TOTAL</b>	<b>\$ 18,435,885</b>	<b>\$ 973,647</b>	<b>\$ 6,094,707</b>	<b>\$ 11,266,203</b>	<b>\$ 101,328</b>

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Firefighters' Pension Plan (Continued)

i. Interest Rate Risk (Continued)

The Fund categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

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

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, investments of longer maturities are more sensitive to changes in market interest rates. In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not have a maximum maturity length of investments in the Fund.

j. Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in obligations guaranteed by the U.S. Government and other obligations which are rated in the top three classes by a national rating agency. The local government bonds are rated from AAA to AA, or not rated by Standard & Poor's. Corporate bonds must be rated as investment grade by one of the two largest rating services. Corporate bonds are rated from AAA to BBB+, or not rated by Standard & Poor's. The U.S. agency securities are rated AA+.

k. 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 Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund's investment policy requires all security transactions that are exposed to custodial credit risk to be held in a trust department through book entry and the Depository Trust Company with an approved written agreement. The money market mutual funds and mutual funds are not subject to custodial credit risk.

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Firefighters' Pension Plan (Continued)

1. Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The discount rate used to measure the total pension liability was 7% at December 31, 2017. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payment 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.

m. Changes in the Net Pension Liability

	(a) Total Pension Liability	(b) Plan Fiduciary Net Position	(a) - (b) Net Pension Liability
BALANCES AT JANUARY 1, 2018	\$ 61,741,668	\$ 43,104,443	\$ 18,637,225
Changes for the period			
Service cost	979,099	-	979,099
Interest	4,214,661	-	4,214,661
Difference between expected and actual experience	1,109,053	-	1,109,053
Changes in assumptions	2,081,766	-	2,081,766
Employer contributions	-	2,214,641	(2,214,641)
Employee contributions	-	408,275	(408,275)
Net investment income	-	(2,022,553)	2,022,553
Benefit payments and refunds	(3,064,463)	(3,064,463)	-
Administrative expense	-	(22,046)	22,046
Net changes	5,320,116	(2,486,146)	7,806,262
BALANCES AT DECEMBER 31, 2018	\$ 67,061,784	\$ 40,618,297	\$ 26,443,487

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

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Firefighters' Pension Plan (Continued)

n. Actuarial Assumptions

The total pension liability above was determined by an actuarial valuation using the following actuarial methods and assumptions.

Actuarial valuation date	December 31, 2018
Actuarial cost method	Entry-age normal
Assumptions	
Inflation	2.50%
Salary increases	4.00% to 10.36%
Interest rate	6.75%
Cost of living adjustments	Tier 1: 3.00%, compounded Tier 2: 2.00%, simple
Asset valuation method	Market

Mortality rates are based on rates developed in the Lauterbach and Amen 2017 Mortality Table for Illinois Firefighters.

o. Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 6.75% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.75%) or 1 percentage point higher (7.75%) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Net pension liability	\$ 35,930,309	\$ 26,443,487	\$ 18,702,039

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Firefighters' Pension Plan (Continued)

- p. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended December 31, 2018, the City recognized firefighters' pension expense of \$3,726,067. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to the police pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,554,010	\$ -
Changes in assumption	2,081,891	-
Net difference between projected and actual earnings on pension plan investments	3,131,238	-
<b>TOTAL</b>	<b>\$ 6,767,139</b>	<b>\$ -</b>

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

<u>Year Ending December 31,</u>	
2019	\$ 1,919,618
2020	1,474,589
2021	1,108,393
2022	1,501,764
2023	485,952
Thereafter	276,823
<b>TOTAL</b>	<b>\$ 6,767,139</b>



**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Summary Financial Statements

a. Schedule of Net Position as of December 31, 2018.

	Police Pension	Firefighters’ Pension	Total
<b>ASSETS</b>			
Investments at fair value			
Cash and cash equivalents	\$ 243,292	\$ 360,168	\$ 603,460
U.S. Treasury obligations	2,603,687	1,389,764	3,993,451
U.S. agency obligations	20,526,656	11,696,240	32,222,896
Municipal bonds	4,412,168	2,025,359	6,437,527
Corporate bonds	3,662,604	3,324,522	6,987,126
Equity mutual funds	28,377,723	21,695,007	50,072,730
Receivables			
Accrued interest	193,687	127,934	321,621
Total assets	60,019,817	40,618,994	100,638,811
<b>LIABILITIES</b>			
Accounts Payable	250	697	947
Total liabilities	250	697	947
<b>NET POSITION</b>			
	\$ 60,0019,567	\$ 40,618,297	\$ 100,638,864

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**11. DEFINED BENEFIT PENSION PLANS (Continued)**

Summary Financial Statements (Continued)

b. Schedule of Changes in Net Position for the year ended December 31, 2018

	Police Pension	Firefighters' Pension	Total
<b>ADDITIONS</b>			
Contributions			
Contributions - employer	\$ 3,586,824	\$ 2,214,641	\$ 5,801,465
Contributions - plan members	622,975	408,275	1,031,250
Contributions - other	51,788	-	51,788
Total contributions	4,261,587	2,622,916	6,884,503
Investment income			
Net depreciation in fair value of investments	(4,673,460)	(3,752,363)	(8,425,823)
Interest Earned	2,581,625	1,777,480	4,359,105
Less investment expenses	(69,801)	(47,577)	(117,378)
Total investment income	(2,161,636)	(2,022,460)	(4,184,096)
Total additions	2,099,951	600,456	2,700,407
<b>DEDUCTIONS</b>			
Administrative	18,502	22,139	40,641
Benefits payments	5,327,615	3,064,463	8,392,078
Total deductions	5,346,117	3,086,602	8,432,719
NET DECREASE	(3,246,166)	(2,486,146)	(5,732,312)
<b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS</b>			
January 1	63,265,733	43,104,443	106,370,176
December 31	\$ 60,019,567	\$ 40,618,297	\$ 100,637,864

**12. OTHER POSTEMPLOYMENT BENEFITS**

a. Plan Description

In addition to providing the pension benefits described, the City provides postemployment health care and life insurance benefits (OPEB) for retired employees through a single-employer defined benefit plan. The 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 activity of the plan is reported in the City's Governmental Activities (General Fund), Electric Fund, Water Fund and Sewer Fund.

b. Benefits Provided

The City provides OPEB 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 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. For certain disabled public safety employees who qualify under the Public Safety Employee Benefits Act (PSEBA), the City is required to pay 100% of the cost of basic health insurance for retirees and their dependents for their lifetime. The City 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 current members via the insured plan (pay as you go) which results in an implicit subsidy to the City.

c. Membership

At December 31, 2018, membership consisted of:

Inactive employees or beneficiaries currently receiving benefit payments	36
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	<u>202</u>
<b>TOTAL</b>	<b><u>238</u></b>

**12. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

d. Total OPEB Liability

The City's total OPEB liability of \$2,828,544 was measured as of December 31, 2018 and was determined by an actuarial valuation as of that date.

e. Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry-age normal
Actuarial Value of Assets	N/A
Inflation	3.00%
Salary Increases	4.00%
Discount Rate	3.64%
Healthcare Cost Trend Rates	6.00% initial 4.50% ultimate
Retirees Share of Benefit-Related Costs	100% regular plan

The discount rate was based on the index rate for tax exempt general obligation municipal bonds rated AA or better at December 31, 2018. The discount rate at December 31, 2018 was 3.64%.

The RP-2014 Combined Annuitant Mortality Table for males and females were utilized for this valuation.

The actuarial assumptions used in the December 31, 2018 valuation are based on 20% participation assumed, with 40% electing spouse coverage.

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**12. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

f. Changes in the Total OPEB Liability

	<u>Total OPEB Liability</u>
BALANCES AT JANUARY 1, 2018	<u>\$ 2,913,510</u>
Changes for the period	
Service cost	60,756
Interest	93,949
Difference between expected and actual experience	(66,441)
Changes in benefit terms	-
Changes in assumptions	(56,185)
Benefit payments	(218,097)
Other changes	<u>101,052</u>
Net changes	<u>(84,966)</u>
BALANCES AT DECEMBER 30, 2018	<u>\$ 2,828,544</u>

The health care trend rate assumption has been updated from the prior valuation to reflect recent healthcare trend rate surveys. The discount rate was also changed from 3.35% to 3.64%.

g. Rate Sensitivity

The following is a sensitivity analysis of the total OPEB liability to changes in the discount rate and the healthcare cost trend rate. The table below presents the total OPEB liability of the City calculated using the discount rate of 3.64% as well as what the City total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.64%) or 1 percentage point higher (4.64%) than the current rate:

	1% Decrease (2.64%)	Current Discount Rate (3.64%)	1% Increase (4.64%)
Total OPEB liability	\$ 3,008,942	\$ 2,828,544	\$ 2,663,087

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

**12. OTHER POSTEMPLOYMENT BENEFITS (Continued)**

g. Rate Sensitivity (Continued)

The table below presents the total OPEB liability of the City calculated using the healthcare rate of 4.50% to 6.00% as well as what the City's total OPEB liability would be if it were calculated using a healthcare rate that is 1 percentage point lower (3.50% to 5.00%) or 1 percentage point higher (5.50% to 7.00%) than the current rate:

	1% Decrease (3.50% to 5.00%)	Current Healthcare Rate (4.50% to 6.00%)	1% Increase (5.50% to 7.00%)
Total OPEB liability	\$ 2,631,645	\$ 2,828,544	\$ 3,051,961

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

For the year ended December 31, 2018, the City recognized OPEB expense of \$152,180. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 58,662
Changes in assumptions	185,802	146,190
TOTAL	\$ 185,802	\$ 204,852

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

Year Ending December 31,	
2019	\$ (2,525)
2020	(2,525)
2021	(2,525)
2022	(2,525)
2023	(2,525)
Thereafter	(6,425)
TOTAL	\$ (19,050)

**CITY OF ELMHURST, ILLINOIS**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**

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**13. CHANGE IN ACCOUNTING PRINCIPLE**

The City adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the year ended December 31, 2018. The implementation of this guidance resulted in changes to the postemployment benefit related liability, revenue, expense, notes presented in the notes to financial statements, and to the required supplementary information. The beginning net position reported in the government-wide financial statements has been restated to reflect the new guidance as follows:

**GOVERNMENTAL ACTIVITIES**

BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	\$ 70,375,018
Change in accounting principle	
To write-off the City OPEB asset	(225,705)
To record the City OPEB liability	(1,630,692)
Total change in accounting principle	(1,856,397)
BEGINNING NET POSITION, RESTATED	\$ 68,518,621

**BUSINESS-TYPE ACTIVITIES**

BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	\$ 61,285,803
Change in accounting principle	
To record the City OPEB liability	(888,329)
Total change in accounting principle	(888,329)
BEGINNING NET POSITION, RESTATED	\$ 60,397,474

**COMPONENT UNIT**

BEGINNING NET POSITION, AS PREVIOUSLY REPORTED	\$ 14,981,961
Change in accounting principle	
To record the City OPEB liability	(394,489)
Total change in accounting principle	(394,489)
BEGINNING NET POSITION, RESTATED	\$ 14,587,472

With the implementation of GASB Statement No. 75, the City is required to retroactively record the OPEB liability and write-off any previously recorded net OPEB obligations/assets.

## **REQUIRED SUPPLEMENTARY INFORMATION**



**CITY OF ELMHURST, ILLINOIS**

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

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

	2018			
	Original and Final Budget	Actual	Variance with Final Budget Over (Under)	2017 Actual
REVENUES				
Taxes				
Property	\$ 10,498,700	\$ 10,575,815	\$ 77,115	\$ 10,253,795
Sales	19,001,000	19,258,144	257,144	18,846,203
Utility	3,935,450	3,825,274	(110,176)	3,782,827
Real estate transfer	665,000	702,637	37,637	673,038
Food and beverage	1,363,000	1,382,095	19,095	1,328,793
Other	868,000	838,241	(29,759)	851,594
Intergovernmental	7,544,080	4,706,369	(2,837,711)	4,547,604
Licenses and permits	4,724,900	5,113,076	388,176	4,875,429
Fines and penalties	803,900	890,913	87,013	804,616
Charges for services	4,837,900	4,769,387	(68,513)	5,133,217
Investment income	118,830	488,173	369,343	221,415
Revenue replacement	59,900	59,400	(500)	58,760
Miscellaneous	1,798,900	1,988,385	189,485	2,023,566
Total revenues	56,219,560	54,597,909	(1,621,651)	53,400,857
EXPENDITURES				
Current				
General government	5,483,365	5,553,525	70,160	5,274,679
Public safety	28,812,300	27,970,318	(841,982)	28,033,401
Streets	10,891,070	8,751,076	(2,139,994)	8,631,906
Rubbish disposal	3,326,510	3,235,619	(90,891)	3,247,534
Public health	425,400	420,570	(4,830)	372,161
Public welfare	252,500	123,593	(128,907)	140,353
History museum	1,013,110	852,170	(160,940)	920,392
Visitor and tourism service	431,280	414,441	(16,839)	419,058
Cable television	101,230	103,223	1,993	93,980
Central equipment maintenance	-	(5,677)	(5,677)	1,727
Total current	50,736,765	47,418,858	(3,317,907)	47,135,191
Capital outlay				
General government	825,000	119,401	(705,599)	300,541
Public safety	1,913,400	1,043,469	(869,931)	295,731
Streets	8,792,650	6,231,780	(2,560,870)	5,483,555
History museum	145,000	19,470	(125,530)	-
Public benefits	2,175,000	64,162	(2,110,838)	92,379
Total capital outlay	13,851,050	7,478,282	(6,372,768)	6,172,206
Total expenditures	64,587,815	54,897,140	(9,690,675)	53,307,397

(This schedule is continued on the following page.)

**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>2018</b>			
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ (8,368,255)	\$ (299,231)	\$ 8,069,024	\$ 93,460
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital assets	-	198,426	198,426	1,719,383
Bond issuance	520,000	-	(520,000)	-
Transfers in	8,000	-	(8,000)	-
Transfers (out)	(3,668,389)	(1,296,121)	2,372,268	(2,596,387)
Total other financing sources (uses)	(3,140,389)	(1,097,695)	2,042,694	(877,004)
NET CHANGE IN FUND BALANCE	<u>\$ (11,508,644)</u>	(1,396,926)	<u>\$ 10,111,718</u>	(783,544)
FUND BALANCE, JANUARY 1		<u>29,571,312</u>		<u>30,354,856</u>
<b>FUND BALANCE, DECEMBER 31</b>		<u><u>\$ 28,174,386</u></u>		<u><u>\$ 29,571,312</u></u>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF CHANGES IN THE EMPLOYER'S  
TOTAL OPEB LIABILITY AND RELATED RATIOS  
OTHER POSTEMPLOYMENT BENEFIT PLAN**

Last Fiscal Year

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2018</b>
<b>TOTAL OPEB LIABILITY</b>	
Service cost	\$ 60,756
Interest	93,949
Changes of benefit terms	-
Differences between expected and actual experience	(66,441)
Changes of assumptions	(56,185)
Benefit payments, including refunds of member contributions	(218,097)
Other changes	<u>101,052</u>
Net change in total OPEB liability	(84,966)
Total OPEB liability - beginning	<u>2,913,510</u>
<b>TOTAL OPEB LIABILITY - ENDING</b>	<u><u>\$ 2,828,544</u></u>
Covered payroll	\$ 17,783,489
Employer's total OPEB liability as a percentage of covered payroll	15.91%

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

There were changes in assumptions related to the discount rate and health care trend rate.

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 ELMHURST, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Four Fiscal Years

<b>FISCAL YEAR ENDED DECEMBER 31,</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Actuarially determined contribution	\$ 1,983,530	\$ 1,898,461	\$ 2,045,414	\$ 1,869,855
Contributions in relation to the actuarially determined contribution	1,983,530	1,898,461	2,045,414	1,953,711
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (83,856)</b>
Covered payroll	\$ 15,603,008	\$ 15,187,688	\$ 15,425,445	\$ 14,472,562
Contributions as a percentage of covered payroll	12.71%	12.50%	13.26%	13.50%

The figures above represented the combined total for the City and the Public Library.

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 26 years; the asset valuation method was at five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 13.75% to 14.50% compounded annually, and postretirement benefit increases of 3% compounded annually.

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

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
SHERIFF'S LAW ENFORCEMENT PERSONNEL FUND**

Last Four Fiscal Years

<b>FISCAL YEAR ENDED DECEMBER 31,</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Actuarially determined contribution	\$ 23,693	\$ 23,364	\$ 23,783	\$ 24,515
Contributions in relation to the actuarially determined contribution	23,693	23,364	23,783	24,515
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Covered payroll	\$ 164,762	\$ 160,357	\$ 163,795	\$ 164,309
Contributions as a percentage of covered payroll	14.38%	14.57%	14.52%	14.92%

Notes to Required Supplementary Information

The information presented was determined as part of the actuarial valuations as of January 1 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed, and the amortization period was 26 years; the asset valuation method was at five-year smoothed market; and the significant actuarial assumptions were an investment rate of return at 7.50% annually, projected salary increases assumption of 13.75% to 14.50% compounded annually, and postretirement benefit increases of 3% compounded annually.

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

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
POLICE PENSION FUND**

Last Ten Fiscal Years

<b>FISCAL YEAR ENDED,</b>	<b>DECEMBER 31,</b>					<b>APRIL 30,</b>				
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2013*</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Actuarially determined contribution	\$ 3,451,889	\$ 3,260,746	\$ 2,864,223	\$ 2,320,030	\$ 2,141,998	\$ 1,926,082	\$ 1,814,654	\$ 1,838,595	\$ 1,969,388	\$ 1,537,031
Contributions in relation to the actuarially determined contribution	3,586,824	3,397,808	2,982,703	2,421,178	2,397,736	1,901,609	1,877,944	1,908,063	2,055,081	1,620,448
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ (134,935)</b>	<b>\$ (137,062)</b>	<b>\$ (118,480)</b>	<b>\$ (101,148)</b>	<b>\$ (255,738)</b>	<b>\$ 24,473</b>	<b>\$ (63,290)</b>	<b>\$ (69,468)</b>	<b>\$ (85,693)</b>	<b>\$ (83,417)</b>
Covered payroll	\$ 6,286,311	\$ 6,411,208	\$ 6,179,478	\$ 6,650,002	\$ 6,126,091	\$ 5,799,509	\$ 5,702,394	\$ 5,622,222	\$ 5,652,038	\$ 5,748,542
Contributions as a percentage of covered payroll	57.06%	53.00%	48.27%	36.41%	39.14%	32.79%	32.93%	33.94%	36.36%	28.19%
Notes to Required Supplementary Information										
Actuarial valuation date	December 31, 2018									
Actuarial cost method	Entry-age normal									
Amortization method	Level percentage of pay, closed									
Amortization period	16 years									
Asset valuation method	Five-year smoothed market									
Investment rate of return, net of investment expenses	7% annually									
Projected salary increases	4.00% to 9.27%									
Postretirement benefit increases										
Tier 1	3% compounded annually									
Tier 2	2% per year not compounded									

\*The City changed to a December 31 year end for the fiscal year ended December 31, 2013.

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS  
FIREFIGHTERS' PENSION FUND**

Last Ten Fiscal Years

<b>FISCAL YEAR ENDED,</b>	<b>DECEMBER 31,</b>					<b>APRIL 30,</b>				
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2013*</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
Actuarially determined contribution	\$ 2,131,058	\$ 2,018,807	\$ 1,789,394	\$ 1,654,563	\$ 1,496,005	\$ 1,261,036	\$ 1,279,667	\$ 1,349,599	\$ 1,422,490	\$ 1,162,254
Contributions in relation to the actuarially determined contribution	2,214,641	2,104,310	1,863,426	1,727,751	1,672,882	1,246,347	1,325,436	1,402,347	1,485,302	1,225,570
<b>CONTRIBUTION DEFICIENCY (Excess)</b>	<b>\$ (83,583)</b>	<b>\$ (85,503)</b>	<b>\$ (74,032)</b>	<b>\$ (73,188)</b>	<b>\$ (176,877)</b>	<b>\$ 14,689</b>	<b>\$ (45,769)</b>	<b>\$ (52,748)</b>	<b>\$ (62,812)</b>	<b>\$ (63,316)</b>
Covered payroll	\$ 4,303,350	\$ 4,117,096	\$ 3,968,285	\$ 4,726,479	\$ 4,075,935	\$ 4,003,212	\$ 3,853,704	\$ 3,775,198	\$ 3,690,480	\$ 3,658,180
Contributions as a percentage of covered payroll	51.46%	51.11%	46.96%	36.55%	41.04%	31.13%	34.39%	37.15%	40.25%	33.50%
Notes to Required Supplementary Information										
Actuarial valuation date	December 31, 2018									
Actuarial cost method	Entry-age normal									
Amortization method	Level percentage of pay, closed									
Amortization period	16 years									
Asset valuation method	Five-year smoothed market									
Investment rate of return, net of investment expenses	7% annually									
Projected salary increases	4.00% to 10.36%									
Postretirement benefit increases										
Tier 1	3% compounded annually									
Tier 2	2% per year not compounded									

\* The City changed to a December 31 year end for the fiscal year ended December 31, 2013.

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
ILLINOIS MUNICIPAL RETIREMENT FUND**

Last Four Fiscal Years

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>TOTAL PENSION LIABILITY</b>				
Service cost	\$ 1,571,907	\$ 1,527,831	\$ 1,568,922	\$ 1,561,605
Interest	7,408,944	7,085,855	6,834,896	6,182,493
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	205,503	2,215	(1,015,810)	1,415,451
Changes of assumptions	(3,138,208)	(360,051)	232,928	3,165,218
Benefit payments, including refunds of member contributions	(4,538,844)	(4,160,094)	(3,832,911)	(3,183,199)
Net change in total pension liability	1,509,302	4,095,756	3,788,025	9,141,568
Total pension liability - beginning	100,269,388	96,173,632	92,385,607	83,244,039
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 101,778,690</b>	<b>\$ 100,269,388</b>	<b>\$ 96,173,632</b>	<b>\$ 92,385,607</b>
<b>PLAN FIDUCIARY NET POSITION</b>				
Contributions - employer	\$ 1,971,887	\$ 2,045,414	\$ 1,953,711	\$ 1,887,183
Contributions - member	685,164	699,564	662,546	651,353
Net investment income	15,061,711	5,647,155	413,436	4,789,066
Benefit payments, including refunds of member contributions	(4,538,844)	(4,160,094)	(3,832,911)	(3,183,199)
Administrative expense	(1,379,048)	370,352	(140,466)	319,525
Net change in plan fiduciary net position	11,800,870	4,602,391	(943,684)	4,463,928
Plan fiduciary net position - beginning	86,954,243	82,351,852	83,295,536	78,831,608
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 98,755,113</b>	<b>\$ 86,954,243</b>	<b>\$ 82,351,852</b>	<b>\$ 83,295,536</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 3,023,577</b>	<b>\$ 13,315,145</b>	<b>\$ 13,821,780</b>	<b>\$ 9,090,071</b>
Plan fiduciary net position as a percentage of the total pension liability	97.03%	86.72%	85.63%	90.16%
Covered payroll	\$ 15,187,691	\$ 14,954,602	\$ 15,524,344	\$ 14,306,588
Employer's net pension liability as a percentage of covered payroll	19.91%	89.04%	89.03%	63.54%

Above figures are combined for the City and the Public Library.

Changes in assumptions related to salary rates, inflation rates, and mortality were made from 2016 to 2017.

Changes in assumptions related to retirement age and mortality were made from 2015 to 2016.

Changes in assumptions related to retirement age and mortality were made from 2014 to 2015. The investment rate of return was changed from 7.47% in 2015 to 7.50% in 2016.

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 ELMHURST, ILLINOIS**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS  
SHERIFF'S LAW ENFORCEMENT PERSONNEL FUND

Last Four Fiscal Years

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>TOTAL PENSION LIABILITY</b>				
Service cost	\$ 30,662	\$ 31,393	\$ 30,111	\$ 29,032
Interest	16,560	13,771	10,614	7,421
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(13,033)	(7,737)	1,087	900
Changes of assumptions	(4,573)	(1,357)	371	5,303
Benefit payments, including refunds of member contributions	-	-	-	-
Net change in total pension liability	29,616	36,070	42,183	42,656
Total pension liability - beginning	205,474	169,404	127,221	84,565
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 235,090</b>	<b>\$ 205,474</b>	<b>\$ 169,404</b>	<b>\$ 127,221</b>
<b>PLAN FIDUCIARY NET POSITION</b>				
Contributions - employer	\$ 23,363	\$ 23,784	\$ 24,515	\$ 21,586
Contributions - member	12,027	12,285	12,323	11,809
Net investment income	22,629	7,966	480	3,525
Benefit payments, including refunds of member contributions	-	-	-	-
Administrative expense	(1,101)	(278)	(4,664)	(374)
Net change in plan fiduciary net position	56,918	43,757	32,654	36,546
Plan fiduciary net position - beginning	154,052	110,295	77,641	41,095
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 210,970</b>	<b>\$ 154,052</b>	<b>\$ 110,295</b>	<b>\$ 77,641</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 24,120</b>	<b>\$ 51,422</b>	<b>\$ 59,109</b>	<b>\$ 49,580</b>
Plan fiduciary net position as a percentage of the total pension liability	89.74%	74.97%	65.11%	61.03%
Covered payroll	\$ 164,762	\$ 160,357	\$ 163,795	\$ 164,309
Employer's net pension liability as a percentage of covered payroll	14.64%	32.07%	36.09%	30.17%

Changes in assumptions related to salary rates, inflation rates, and mortality were made from 2016 to 2017.

Changes in assumptions related to retirement age and mortality were made from 2015 to 2016.

Changes in assumptions related to retirement age and mortality were made from 2014 to 2015. The investment rate of return was changed from 7.44% in 2015 to 7.50% in 2016.

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 ELMHURST, ILLINOIS**

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

Last Five Fiscal Years

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>TOTAL PENSION LIABILITY</b>					
Service cost	\$ 1,223,061	\$ 1,228,438	\$ 1,148,074	\$ 1,124,218	\$ 1,342,666
Interest	6,592,447	6,404,329	6,181,017	5,846,675	5,222,828
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	1,622,830	278,260	542,422	2,051,430	778,737
Changes of assumptions	3,193,346	-	267,763	334,067	5,740,346
Benefit payments, including refunds of member contributions	(5,327,615)	(5,119,642)	(4,778,563)	(4,381,590)	(3,963,355)
Net change in total pension liability	7,304,069	2,791,385	3,360,713	4,974,800	9,121,222
Total pension liability - beginning	96,841,621	94,050,236	90,689,523	85,714,723	76,593,501
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 104,145,690</b>	<b>\$ 96,841,621</b>	<b>\$ 94,050,236</b>	<b>\$ 90,689,523</b>	<b>\$ 85,714,723</b>
<b>PLAN FIDUCIARY NET POSITION</b>					
Contributions - employer	\$ 3,586,824	\$ 3,397,808	\$ 2,982,703	\$ 2,421,178	\$ 2,397,736
Contributions - member	622,975	609,163	609,138	604,030	571,490
Contributions - other	51,788	-	2,894	-	-
Net investment income	(2,161,784)	6,981,910	3,402,002	833,521	3,701,863
Benefit payments, including refunds of member contributions	(5,327,615)	(5,119,642)	(4,778,563)	(4,381,590)	(3,963,355)
Administrative expense	(18,354)	(19,137)	(19,778)	(17,956)	(18,638)
Net change in plan fiduciary net position	(3,246,166)	5,850,102	2,198,396	(540,817)	2,689,096
Plan fiduciary net position - beginning	63,265,733	57,415,631	55,217,235	55,758,052	53,068,956
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 60,019,567</b>	<b>\$ 63,265,733</b>	<b>\$ 57,415,631</b>	<b>\$ 55,217,235</b>	<b>\$ 55,758,052</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 44,126,123</b>	<b>\$ 33,575,888</b>	<b>\$ 36,634,605</b>	<b>\$ 35,472,288</b>	<b>\$ 29,956,671</b>
Plan fiduciary net position as a percentage of the total pension liability	57.63%	65.33%	61.05%	60.89%	65.05%
Covered payroll	\$ 6,286,311	\$ 6,411,208	\$ 6,179,478	\$ 7,347,160	\$ 6,126,091
Employer's net pension liability as a percentage of covered payroll	701.94%	523.71%	592.84%	482.80%	489.00%

The discount rate used in the determination of the Total Pension Liability was changed from 7.00% to 6.75% during the most recent measurement period.

The assumed rate on High Quality 20-Year Tax-Exempt G.O. Bonds was updated from 3.57% to 3.78% to 3.44% to 4.10% for 2015, 2016, 2017, and 2018, respectively. The underlying index used is The Bond Buyer 20-Bond G.O. Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year end based on changes in market conditions as reflected in the Index.

The discount rate was not changed in the current year. The discount rate is impacted by a couple of metrics. Any change in the underlying High Quality 20-Year Tax Exempt G.O. Bond Rate will impact the blended discount rate.

Changes made that impact the projection of the net position of the fund. For example, changes in the formal or informal funding policy can impact the discount rate. Actual changes in the net position from one year to the next can impact the projections as well.

In the 2016 valuation, the mortality assumption was updated to include mortality improvements as stated in the most recently released MP-2016 table. In addition, the rates are being applied on a fully-generational basis. These changes were made to better reflect the future anticipated experience in the fund.

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 ELMHURST, ILLINOIS**

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

Last Five Fiscal Years

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>TOTAL PENSION LIABILITY</b>					
Service cost	\$ 979,099	\$ 908,230	\$ 848,814	\$ 839,142	\$ 1,121,521
Interest	4,214,661	4,069,060	3,905,455	3,627,063	3,311,037
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	1,109,053	57,784	103,730	1,528,848	110,170
Changes of assumptions	2,081,766	-	257,345	548,590	2,296,488
Benefit payments, including refunds of member contributions	(3,064,463)	(2,845,656)	(2,710,626)	(2,422,605)	(2,226,493)
Net change in total pension liability	5,320,116	2,189,418	2,404,718	4,121,038	4,612,723
Total pension liability - beginning	61,741,668	59,552,250	57,147,532	53,026,494	48,413,771
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 67,061,784</b>	<b>\$ 61,741,668</b>	<b>\$ 59,552,250</b>	<b>\$ 57,147,532</b>	<b>\$ 53,026,494</b>
<b>PLAN FIDUCIARY NET POSITION</b>					
Contributions - employer	\$ 2,214,641	\$ 2,104,310	\$ 1,863,426	\$ 1,727,751	\$ 1,672,882
Contributions - member	408,275	388,703	373,513	391,323	379,086
Net investment income	(2,022,553)	5,069,288	2,286,280	306,256	2,212,439
Benefit payments, including refunds of member contributions	(3,064,463)	(2,845,655)	(2,710,626)	(2,422,605)	(2,226,493)
Administrative expense	(22,046)	(14,747)	(21,907)	(22,478)	(7,827)
Net change in plan fiduciary net position	(2,486,146)	4,701,899	1,790,686	(19,753)	2,030,087
Plan fiduciary net position - beginning	43,104,443	38,402,544	36,611,858	36,631,611	34,601,524
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 40,618,297</b>	<b>\$ 43,104,443</b>	<b>\$ 38,402,544</b>	<b>\$ 36,611,858</b>	<b>\$ 36,631,611</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 26,443,487</b>	<b>\$ 18,637,225</b>	<b>\$ 21,149,706</b>	<b>\$ 20,535,674</b>	<b>\$ 16,394,883</b>
Plan fiduciary net position as a percentage of the total pension liability	60.57%	69.81%	64.49%	64.07%	69.08%
Covered payroll	\$ 4,303,350	\$ 4,117,096	\$ 3,968,285	\$ 4,726,479	\$ 4,075,935
Employer's net pension liability as a percentage of covered payroll	614.49%	452.68%	532.97%	434.48%	402.24%

The discount rate used in the determination of the Total Pension Liability was changed from 7.00% to 6.75% during the most recent measurement period.

The assumed rate on High Quality 20-Year Tax-Exempt G.O. Bonds was changed from 3.56% to 3.57% to 3.78% to 3.44% to 4.10% from 2014, 2015, 2016, 2017, and 2018, respectively. The underlying index used is The Bond Buyer 20-Bond G.O. Index. The choice of index is unchanged from the prior years. The rate has been updated to the current fiscal year end based on changes in market conditions as reflected in the Index.

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 ELMHURST, ILLINOIS**

**SCHEDULE OF INVESTMENT RETURNS  
POLICE PENSION FUND**

Last Five Fiscal Years

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<b>FISCAL YEAR ENDED DECEMBER 31,</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Annual money-weighted rate of return, net of investment expense	(3.46%)	12.29%	6.25%	1.51%	7.03%

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 ELMHURST, ILLINOIS**

**SCHEDULE OF INVESTMENT RETURNS  
FIREFIGHTERS' PENSION FUND**

Last Five Fiscal Years

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<b>FISCAL YEAR ENDED DECEMBER 31,</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Annual money-weighted rate of return, net of investment expense	(4.75%)	13.28%	6.33%	0.75%	6.41%

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 ELMHURST, ILLINOIS**

## **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

December 31, 2018

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### **1. BUDGETS**

Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted (at the fund level) for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, Police Pension Trust Fund, and Firefighters' Pension Trust Fund. Budgetary comparisons are reflected in the City's financial report for all governmental funds. The annual appropriated budget is legally enacted and provides for a legal level of control at the fund level. All annual appropriations lapse at fiscal year end.

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

- a. Prior to the end of the fiscal year, the City Manager, as Budget Officer, submits to the City Council, a proposed operating budget for the fiscal year commencing January 1. The operating budget includes proposed expenditures and estimated revenues.
- b. The City Council holds public meetings to discuss the proposed budget.
- c. After approval of the budget by the City Council, it is officially adopted by ordinance. State statutes and local ordinances require that the budget be approved before the beginning of the fiscal year.
- d. Revisions to the budget may be made in accordance with the ILCS, requiring two-thirds vote of the City Council. Management cannot amend the total budget for individual funds without seeking the approval of the City Council. Expenditures may not exceed the budget of the individual fund level. No supplemental budgetary appropriations were necessary during the year.
- e. Formal budgetary integration is employed as a management control device during the year for the General, Special Revenue, Debt Service, Capital Projects, Enterprise, and Pension Trust Funds through an internal reporting system. Such budgetary integration permits the City's department managers to monitor actual revenues and expenditures relative to budgets on an ongoing basis throughout the year.
- f. The Public Library Board has the authority to approve the budget for the Public Library funds; however, the City Council approves the tax levy for those funds.

**CITY OF ELMHURST, ILLINOIS****NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (Continued)**

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**2. EXCESS OF ACTUAL EXPENDITURES/EXPENSES OVER BUDGET IN  
INDIVIDUAL FUNDS**

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

<u>Fund</u>	<u>Excess</u>
Sales Tax Revenue Bonds – 2006 Fund	\$ 5,007,545
Downtown Redevelopment Fund	66,513

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



## **MAJOR GOVERNMENTAL FUNDS**

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

Stormwater Detention Project Fund - to account for the proceeds of fees paid in lieu of meeting stormwater detention requirements and are restricted for new public and private infrastructure improvements. Capital outlays for stormwater related improvements are the primary expenditures of the fund.

The Redevelopment Projects Fund is used to account for the tax increment revenues used for the redevelopment of the City's downtown tax increment financing district.

The Route 83 Commercial Development Projects Fund is used to account for tax increment revenues used for the development of the City's Route 83 tax increment financing district.

The Industrial Development Projects Fund is used to account for the tax increment revenues used for the development of the City's Lake Street tax increment financing district.

Church Road/Lake Street Development Fund - to account for tax increment revenues used for the redevelopment of the City's Church Road/Lake Street tax increment financing district.

North York Development Project Fund - to account for tax increment revenues used for the redevelopment of the City's North York tax increment financing district.

Downtown Development Fund - to account for tax increment revenues used for the redevelopment of the City's Downtown tax increment financing district.

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF DETAILED REVENUES - BUDGET AND ACTUAL  
GENERAL FUND**

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

	2018			
	Original and Final Budget	Actual	Variance with Final Budget Over (Under)	2017 Actual
REVENUES				
Taxes				
Property taxes	\$ 10,498,700	\$ 10,575,815	\$ 77,115	\$ 10,253,795
Sales tax	19,001,000	19,258,144	257,144	18,846,203
Utility tax	3,935,450	3,825,274	(110,176)	3,782,827
Real estate transfer tax	665,000	702,637	37,637	673,038
Food and beverage tax	1,363,000	1,382,095	19,095	1,328,793
Foreign fire insurance tax	79,000	87,769	8,769	89,537
Municipal hotel tax	455,000	413,865	(41,135)	429,329
Motor fuel tax (local)	334,000	336,607	2,607	332,728
Total taxes	36,331,150	36,582,206	251,056	35,736,250
Intergovernmental				
Illinois state income tax	3,978,000	4,257,185	279,185	4,083,063
Replacement tax	301,000	326,817	25,817	380,590
Federal grants	2,916,080	110,212	(2,805,868)	190,971
State grants	254,000	1,155	(252,845)	(108,992)
Other grants	95,000	11,000	(84,000)	1,972
Total intergovernmental	7,544,080	4,706,369	(2,837,711)	4,547,604
Licenses and permits				
Licenses				
Business	4,100	9,951	5,851	5,024
Contractor	131,000	122,705	(8,295)	131,681
Liquor	303,000	304,641	1,641	292,808
Entertainment	4,500	1,800	(2,700)	4,200
Taxi	6,500	1,150	(5,350)	6,200
Animal	2,500	2,103	(397)	2,103
Vehicle	1,229,000	1,211,046	(17,954)	1,219,443
Cable TV franchise fee	956,000	894,277	(61,723)	926,306
Telephone franchise fee	182,500	191,294	8,794	179,705
Miscellaneous	62,000	54,662	(7,338)	69,063
Permits				
Building	918,000	1,348,279	430,279	1,126,027
Electrical	8,200	10,215	2,015	10,523
Truck permit fees	15,500	36,005	20,505	17,405
Fire protection permits	2,100	1,716	(384)	2,217
Miscellaneous	900,000	923,232	23,232	882,724
Total licenses and permits	4,724,900	5,113,076	388,176	4,875,429

(This schedule is continued on the following pages.)

**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>2018</b>			
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
<b>REVENUES (Continued)</b>				
Fines and penalties				
Court fines	\$ 433,000	\$ 524,859	\$ 91,859	\$ 461,494
Vehicle sticker fines	48,000	30,452	(17,548)	23,418
Code enforcement fines	2,800	1,300	(1,500)	2,725
Adjudication hearing fines	100	-	(100)	80
Administrative tow fines	185,000	210,010	25,010	190,500
Miscellaneous	-	2,800	2,800	-
Compliance/ordinance fines	135,000	121,492	(13,508)	126,399
Total fines and penalties	803,900	890,913	87,013	804,616
Charges for services				
Rubbish service charge	3,100,300	2,986,741	(113,559)	3,048,884
Refuse sticker program	82,600	91,585	8,985	90,955
Yard waste program	260,000	246,126	(13,874)	247,793
Police protection	76,000	78,845	2,845	77,487
Park district gasoline, other	46,000	54,500	8,500	43,458
School district gasoline, other	27,000	37,285	10,285	29,147
Park district equipment maintenance	150,000	74,694	(75,306)	127,395
Park district, other	62,500	80,093	17,593	363,271
History Museum program fees	3,500	7,030	3,530	7,978
Fire protection services	450,000	536,471	86,471	521,893
Radio alarm services	535,000	550,235	15,235	535,421
Miscellaneous	45,000	25,782	(19,218)	39,535
Total charges for services	4,837,900	4,769,387	(68,513)	5,133,217
Investment income	118,830	488,173	369,343	221,415
Revenue replacement	59,900	59,400	(500)	58,760
Miscellaneous				
Forfeiture proceeds	190,500	259,007	68,507	82,434
Public hearing	25,000	20,100	(4,900)	21,000
Recycling	12,000	19,606	7,606	12,707
Property damage	80,000	87,781	7,781	123,940
Tree removal	25,000	19,550	(5,450)	20,100
Sidewalk repairs	56,000	40,474	(15,526)	73,247
Rental income	252,000	102,080	(149,920)	228,854
Museum rental income	9,000	(7,700)	(16,700)	6,400
Museum foundation donation	25,000	5,703	(19,297)	17,037

(This schedule is continued on the following page.)

**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>2018</b>		<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
	<b>Original and Final Budget</b>	<b>Actual</b>		
<b>REVENUES (Continued)</b>				
Miscellaneous (Continued)				
Museum merchandise	\$ 6,000	\$ 9,236	\$ 3,236	\$ 7,372
Veteran's memorial	1,000	954	(46)	1,139
Employee health insurance contribution	494,600	428,466	(66,134)	432,911
Employee dental insurance contribution	115,000	102,516	(12,484)	122,196
Retiree health insurance contribution	345,000	365,431	20,431	369,348
Retiree dental insurance contribution	16,500	17,099	599	17,155
Rear yard drain program	5,000	-	(5,000)	12,185
History Museum donations	2,000	3,746	1,746	2,099
NSF check fees	200	175	(25)	100
False alarm fees	6,000	3,330	(2,670)	5,728
Taxi cab county program	5,000	2,793	(2,207)	4,638
Fire programs	500	184	(316)	322
Police explorers	4,000	5,167	1,167	6,845
Miscellaneous	123,600	502,687	379,087	455,809
Total miscellaneous	1,798,900	1,988,385	189,485	2,023,566
<b>TOTAL REVENUES</b>	<b>\$ 56,219,560</b>	<b>\$ 54,597,909</b>	<b>\$ (1,621,651)</b>	<b>\$ 53,400,857</b>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF DETAILED EXPENDITURES - BUDGET AND ACTUAL  
GENERAL FUND**

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

	<b>2018</b>			
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
<b>GENERAL GOVERNMENT</b>				
Administration				
Personal services	\$ 490,700	\$ 474,983	\$ (15,717)	\$ 451,329
Employee benefits	198,970	173,192	(25,778)	182,077
Contractual services	142,790	150,243	7,453	169,980
Commodities	5,200	9,740	4,540	5,458
Other expenditures	137,900	106,930	(30,970)	96,665
Insurance	178,100	184,626	6,526	173,822
Interdepartmental charges	64,970	54,206	(10,764)	59,044
Total administration	1,218,630	1,153,920	(64,710)	1,138,375
Board of Fire and Police Commissioners				
Personal services	26,800	31,505	4,705	25,734
Employee benefits	5,400	6,177	777	5,114
Contractual services	44,700	19,775	(24,925)	31,339
Commodities	100	-	(100)	-
Other expenditures	2,875	375	(2,500)	1,728
Total Board of Fire and Police Commissioners	79,875	57,832	(22,043)	63,915
Finance department				
Personal services	468,200	461,931	(6,269)	425,526
Employee benefits	210,170	198,156	(12,014)	205,491
Contractual services	165,080	168,733	3,653	197,780
Commodities	40,000	38,986	(1,014)	31,076
Other expenditures	14,100	3,825	(10,275)	6,552
Interdepartmental charges	113,690	94,861	(18,829)	103,327
Total finance department	1,011,240	966,492	(44,748)	969,752
Human resources department				
Personal services	229,000	206,513	(22,487)	224,970
Employee benefits	109,800	104,341	(5,459)	109,591
Contractual services	171,210	142,622	(28,588)	124,567
Commodities	2,000	1,641	(359)	2,961
Other expenditures	54,600	34,482	(20,118)	40,040
Interdepartmental charges	48,720	40,655	(8,065)	44,283
Total human resources department	615,330	530,254	(85,076)	546,412
Information systems				
Personal services	612,600	571,746	(40,854)	549,575
Employee benefits	209,100	193,216	(15,884)	194,937
Contractual services	162,800	128,770	(34,030)	144,052
Commodities	76,000	99,356	23,356	80,807
Repairs and maintenance	213,000	253,663	40,663	200,504
Other expenditures	10,650	6,119	(4,531)	5,685
Transfers from other city departments	(1,624,150)	(1,355,150)	269,000	(1,476,102)
Total information systems	(340,000)	(102,280)	237,720	(300,542)

(This schedule is continued on the following pages.)

**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>2018</b>			
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
<b>GENERAL GOVERNMENT (Continued)</b>				
Legal department				
Contractual services	\$ 790,000	\$ 871,249	\$ 81,249	\$ 796,223
Claims against the City	402,100	362,491	(39,609)	125,071
Total legal department	1,192,100	1,233,740	41,640	921,294
Planning and development				
Personal services	294,400	247,442	(46,958)	283,429
Employee benefits	126,200	102,315	(23,885)	110,423
Contractual services	377,070	167,327	(209,743)	208,550
Commodities	600	184	(416)	409
Other expenditures	42,300	29,654	(12,646)	25,279
Interdepartmental charges	32,480	27,103	(5,377)	29,522
Total planning and development	873,050	574,025	(299,025)	657,612
Municipal buildings				
Personal services	421,400	370,085	(51,315)	378,197
Employee benefits	80,800	71,478	(9,322)	74,964
Contractual services	156,740	125,861	(30,879)	117,026
Commodities	40,100	42,195	2,095	39,947
Repairs and maintenance	100,000	156,214	56,214	84,330
Other expenditures	30,000	369,753	339,753	579,310
Insurance	4,100	3,956	(144)	4,087
Total municipal buildings	833,140	1,139,542	306,402	1,277,861
Total general government	5,483,365	5,553,525	70,160	5,274,679
<b>PUBLIC SAFETY</b>				
Police department				
Personal services	9,311,000	9,219,408	(91,592)	9,075,340
Employee benefits	5,664,300	5,668,493	4,193	5,684,806
Contractual services	1,230,470	1,147,971	(82,499)	1,043,579
Commodities	171,000	133,532	(37,468)	151,167
Repairs and maintenance	107,000	96,650	(10,350)	137,114
Other expenditures	459,800	238,042	(221,758)	342,551
Insurance	7,200	7,068	(132)	7,012
Interdepartmental charges	870,050	763,097	(106,953)	822,958
Total police department	17,820,820	17,274,261	(546,559)	17,264,527
Fire department				
Personal services	5,160,000	4,974,956	(185,044)	5,063,146
Employee benefits	3,516,700	3,570,699	53,999	3,577,177
Contractual services	348,270	357,481	9,211	300,251
Commodities	84,550	73,361	(11,189)	111,565
Repairs and maintenance	52,000	49,652	(2,348)	81,796
Other expenditures	132,250	128,687	(3,563)	77,030

(This schedule is continued on the following pages.)

**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>2018</b>			
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
<b>PUBLIC SAFETY (Continued)</b>				
Fire department (Continued)				
Insurance	\$ 7,200	\$ 7,148	\$ (52)	\$ 6,335
Interdepartmental charges	443,450	390,635	(52,815)	420,036
Total fire department	9,744,420	9,552,619	(191,801)	9,637,336
Wireless radio alarm services				
Contractual services	139,730	159,786	20,056	135,160
Commodities	32,100	8,827	(23,273)	39,603
Repairs and maintenance	3,000	-	(3,000)	85
Total wireless radio alarm services	174,830	168,613	(6,217)	174,848
ESDA - civil defense				
Personal services	32,700	32,642	(58)	31,629
Employee benefits	6,700	6,504	(196)	6,372
Contractual services	9,370	5,057	(4,313)	10,954
Commodities	22,760	11,734	(11,026)	14,383
Repairs and maintenance	16,150	2,553	(13,597)	5,422
Other expenditures	1,050	950	(100)	905
Interdepartmental charges	9,860	9,092	(768)	9,716
Total ESDA - civil defense	98,590	68,532	(30,058)	79,381
Building				
Personal services	597,800	571,150	(26,650)	529,118
Employee benefits	227,500	214,300	(13,200)	225,728
Contractual services	83,020	71,180	(11,840)	68,388
Commodities	6,600	3,516	(3,084)	5,136
Other expenditures	10,000	5,492	(4,508)	4,656
Interdepartmental charges	48,720	40,655	(8,065)	44,283
Total building	973,640	906,293	(67,347)	877,309
Total public safety	28,812,300	27,970,318	(841,982)	28,033,401
<b>STREETS</b>				
Street and bridge - administration				
Personal services	840,300	820,691	(19,609)	817,772
Employee benefits	1,857,300	1,559,739	(297,561)	1,647,618
Contractual services	351,520	284,172	(67,348)	356,513
Commodities	46,200	58,162	11,962	34,110
Other expenditures	32,000	29,026	(2,974)	32,142
Insurance	10,400	10,220	(180)	10,711
Interdepartmental charges	179,840	158,128	(21,712)	170,967
Total street and bridge - administration	3,317,560	2,920,138	(397,422)	3,069,833

(This schedule is continued on the following pages.)

**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>2018</b>		<b>Variance with</b>	
	<b>Original and</b>	<b>Actual</b>	<b>Final Budget</b>	<b>2017</b>
	<b>Final Budget</b>		<b>Over (Under)</b>	<b>Actual</b>
<b>STREETS (Continued)</b>				
Street and alley maintenance				
Personal services	\$ 382,100	\$ 402,793	\$ 20,693	\$ 370,008
Employee benefits	73,900	94,361	20,461	71,548
Contractual services	2,146,570	1,554,553	(592,017)	1,595,599
Commodities	209,000	177,877	(31,123)	158,330
Repairs and maintenance	458,000	83,331	(374,669)	111,225
Interdepartmental charges	518,790	475,854	(42,936)	509,128
Total street and alley maintenance	3,788,360	2,788,769	(999,591)	2,815,838
Snow removal and ice control				
Personal services	303,000	325,291	22,291	110,600
Employee benefits	61,300	65,170	3,870	22,240
Contractual services	77,820	95,780	17,960	9,458
Commodities	20,500	13,767	(6,733)	950
Repairs and maintenance	75,000	64,230	(10,770)	59,136
Interdepartmental charges	10,000	9,092	(908)	7,773
Total snow removal and ice control	547,620	573,330	25,710	210,157
Forestry				
Personal services	741,600	733,465	(8,135)	733,805
Employee benefits	147,300	142,568	(4,732)	176,725
Contractual services	757,750	416,682	(341,068)	456,216
Commodities	224,250	156,310	(67,940)	200,741
Repairs and maintenance	4,000	56	(3,944)	648
Interdepartmental charges	232,770	213,471	(19,299)	227,359
Total forestry	2,107,670	1,662,552	(445,118)	1,795,494
Electrical				
Personal services	249,700	254,648	4,948	239,327
Employee benefits	49,300	48,984	(316)	62,171
Contractual services	492,530	259,006	(233,524)	188,010
Commodities	231,700	150,693	(81,007)	153,413
Repairs and maintenance	8,500	2,586	(5,914)	501
Interdepartmental charges	98,130	90,370	(7,760)	97,162
Total electrical	1,129,860	806,287	(323,573)	740,584
Total streets	10,891,070	8,751,076	(2,139,994)	8,631,906
<b>RUBBISH DISPOSAL</b>				
Contractual services	3,242,800	3,167,861	(74,939)	3,173,729
Commodities	2,500	-	(2,500)	-
Interdepartmental charges	81,210	67,758	(13,452)	73,805
Total rubbish disposal	3,326,510	3,235,619	(90,891)	3,247,534

(This schedule is continued on the following pages.)



**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>2018</b>		<b>Variance with</b>	<b>2017</b>
	<b>Original and</b>	<b>Actual</b>	<b>Final Budget</b>	<b>Actual</b>
	<b>Final Budget</b>		<b>Over (Under)</b>	
<b>PUBLIC HEALTH</b>				
Contractual services	\$ 425,400	\$ 420,570	\$ (4,830)	\$ 372,161
Total public health	425,400	420,570	(4,830)	372,161
<b>PUBLIC WELFARE</b>				
Senior citizen services	252,500	123,593	(128,907)	140,353
Total public welfare	252,500	123,593	(128,907)	140,353
<b>HISTORY MUSEUM</b>				
Personal services	426,200	386,234	(39,966)	468,184
Employee benefits	143,500	110,454	(33,046)	147,044
Contractual services	79,960	68,735	(11,225)	73,477
Commodities	13,700	19,616	5,916	12,495
Repairs and maintenance	116,200	85,319	(30,881)	23,321
Other expenditures	130,400	94,818	(35,582)	102,418
Insurance	5,700	5,685	(15)	4,887
Interdepartmental	97,450	81,309	(16,141)	88,566
Total history museum	1,013,110	852,170	(160,940)	920,392
<b>VISITOR AND TOURISM SERVICE</b>				
Contractual services	95,280	86,810	(8,470)	70,550
Other expenditures	336,000	327,631	(8,369)	348,508
Total visitor and tourism service	431,280	414,441	(16,839)	419,058
<b>CABLE TELEVISION</b>				
Contractual services	98,130	100,285	2,155	93,892
Commodities	2,800	2,938	138	88
Repairs and maintenance	300	-	(300)	-
Total cable television	101,230	103,223	1,993	93,980
<b>CENTRAL EQUIPMENT MAINTENANCE</b>				
Personal services	753,600	714,139	(39,461)	729,381
Employee benefits	150,300	140,811	(9,489)	145,180
Contractual services	-	135	135	97
Commodities	547,000	523,516	(23,484)	560,313
Repairs and maintenance	488,500	398,782	(89,718)	455,838
Other expenditures	4,600	3,604	(996)	2,900
Insurance	14,100	14,075	(25)	13,500
Transfers to other city departments	(1,958,100)	(1,800,739)	157,361	(1,905,482)
Total central equipment maintenance	-	(5,677)	(5,677)	1,727
Total current expenditures	50,736,765	47,418,858	(3,317,907)	47,135,191

(This schedule is continued on the following page.)

**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>2018</b>		<b>Variance with</b>	<b>2017</b>
	<b>Original and</b>	<b>Actual</b>	<b>Final Budget</b>	<b>Actual</b>
	<b>Final Budget</b>		<b>Over (Under)</b>	
<b>CAPITAL OUTLAY</b>				
General government				
Management information system	\$ 550,000	\$ 86,983	\$ (463,017)	\$ 300,541
Municipal buildings	275,000	32,418	(242,582)	-
Total general government	825,000	119,401	(705,599)	300,541
Public safety				
Police department	1,300,700	428,484	(872,216)	295,731
Fire department	612,700	614,985	2,285	-
Total public safety	1,913,400	1,043,469	(869,931)	295,731
Streets				
Streets administration	261,750	270,105	8,355	29,262
Street and alley maintenance	7,686,500	5,803,334	(1,883,166)	4,486,992
Snow removal and ice control	278,000	-	(278,000)	247,180
Forestry	296,400	158,341	(138,059)	614,501
Electrical	270,000	-	(270,000)	105,620
Total streets	8,792,650	6,231,780	(2,560,870)	5,483,555
History museum	145,000	19,470	(125,530)	-
Total history museum	145,000	19,470	(125,530)	-
Central equipment maintenance	24,500	17,581	(6,919)	37,753
Transfers to other city departments	(24,500)	(17,581)	6,919	(37,753)
Total central equipment maintenance	-	-	-	-
Public benefits	2,175,000	64,162	(2,110,838)	92,379
Total public benefits	2,175,000	64,162	(2,110,838)	92,379
Total capital outlay	13,851,050	7,478,282	(6,372,768)	6,172,206
<b>TOTAL EXPENDITURES</b>	<b>\$ 64,587,815</b>	<b>\$ 54,897,140</b>	<b>\$ (9,690,675)</b>	<b>\$ 53,307,397</b>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>2018</b>			
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
<b>REVENUES</b>				
Sales tax	\$ 1,806,000	\$ 1,797,905	\$ (8,095)	\$ 1,800,041
Investment income	23,000	75,914	52,914	91,981
Miscellaneous	50,000	34,482	(15,518)	-
Total revenues	1,879,000	1,908,301	29,301	1,892,022
<b>EXPENDITURES</b>				
Capital outlay				
Storm sewers	8,516,000	6,790,728	(1,725,272)	9,754,662
Property acquisition	1,800,000	14,761	(1,785,239)	285,665
Land improvements	-	13,977	13,977	2,167,946
Debt service				
Issuance costs	-	89,615	89,615	-
Total expenditures	10,316,000	6,909,081	(3,406,919)	12,208,273
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(8,437,000)	(5,000,780)	3,436,220	(10,316,251)
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	6,500,000	5,115,000	(1,385,000)	-
Premium on bonds issued	-	153,693	153,693	-
Transfers in	1,800,000	15,000	(1,785,000)	274,193
Transfers (out)	(1,377,000)	(1,376,938)	62	(1,203,612)
Proceeds from Sale of Capital Assets	-	156,326	156,326	-
Total other financing source (uses)	6,923,000	4,063,081	(2,859,919)	(929,419)
NET CHANGE IN FUND BALANCE	<u>\$ (1,514,000)</u>	<u>(937,699)</u>	<u>\$ 576,301</u>	<u>(11,245,670)</u>
FUND BALANCE, JANUARY 1		<u>5,011,118</u>		<u>16,256,788</u>
FUND BALANCE, DECEMBER 31		<u>\$ 4,073,419</u>		<u>\$ 5,011,118</u>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>2018</b>		<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
	<b>Original and Final Budget</b>	<b>Actual</b>		
<b>REVENUES</b>				
Property tax	\$ 2,223,400	\$ 2,216,447	\$ (6,953)	\$ 2,131,652
Investment income	46,000	97,741	51,741	50,875
Total revenues	2,269,400	2,314,188	44,788	2,182,527
<b>EXPENDITURES</b>				
Current				
Contractual services				
Banking expenses	1,000	347	(653)	697
Consultant fees	-	1,850	1,850	3,850
Professional services	50,000	45,244	(4,756)	79,787
Other expenses				
TIF Rebate	-	9,230	9,230	-
Developer incentive	24,000	24,104	104	51,739
City Centre, Inc.	437,000	429,834	(7,166)	397,285
Other expenses	2,725,100	-	(2,725,100)	-
Capital outlay				
Streetscape	275,000	30,431	(244,569)	17,948
Other public improvements	785,000	43,573	(741,427)	114,671
Facade renovation	220,000	64,720	(155,280)	100,000
Utility Relocation	-	(22,107)	(22,107)	581,805
Property/land acquisition	-	-	-	240,771
Total expenditures	4,517,100	627,226	(3,889,874)	1,588,553
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,247,700)	1,686,962	3,934,662	593,974
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	(1,474,500)	(1,474,607)	(107)	(477,872)
Total other financing sources (uses)	(1,474,500)	(1,474,607)	(107)	(477,872)
NET CHANGE IN FUND BALANCE	<u>\$ (3,722,200)</u>	212,355	<u>\$ 3,934,555</u>	116,102
FUND BALANCE, JANUARY 1		5,662,185		5,546,083
FUND BALANCE, DECEMBER 31		<u>\$ 5,874,540</u>		<u>\$ 5,662,185</u>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
ROUTE 83 COMMERCIAL DEVELOPMENT PROJECTS FUND**

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

	<b>2018</b>		<b>Variance with</b>	<b>2017</b>
	<b>Original and</b>	<b>Actual</b>	<b>Final Budget</b>	<b>Actual</b>
	<b>Final Budget</b>		<b>Over (Under)</b>	
<b>REVENUES</b>				
Taxes				
Property tax	\$ 507,500	\$ 513,342	\$ 5,842	\$ 488,870
Rental income	11,000	11,000	-	11,000
Investment income	600	33,824	33,224	11,964
Total revenues	519,100	558,166	39,066	511,834
<b>EXPENDITURES</b>				
Current				
Contractual services				
Banking expenses	1,000	1,445	445	697
Consultant fees	1,000	110	(890)	-
Professional services	3,000	6,925	3,925	4,012
Capital outlay	1,750,000	44,342	(1,705,658)	-
Total expenditures	1,755,000	52,822	(1,702,178)	4,709
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(1,235,900)	505,344	1,741,244	507,125
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	-	-	-	(71,363)
Total other financing source (uses)	-	-	-	(71,363)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (1,235,900)</u>	505,344	<u>\$ 1,741,244</u>	435,762
<b>FUND BALANCE, JANUARY 1</b>		<u>1,271,789</u>		<u>836,027</u>
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 1,777,133</u>		<u>\$ 1,271,789</u>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>2018</b>			
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
<b>REVENUES</b>				
Taxes				
Property tax	\$ -	\$ -	\$ -	\$ 414,737
Investment income	-	-	-	1,839
Total revenues	-	-	-	416,576
<b>EXPENDITURES</b>				
Current				
Contractual services				
Banking expenses	-	-	-	-
Consultant fees	-	-	-	-
Professional services	-	-	-	1,963
Capital outlay				
Land improvements	-	-	-	-
Total expenditures	-	-	-	1,963
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	-	-	-	414,613
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	-	-	-	(466,146)
Total other financing source (uses)	-	-	-	(466,146)
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	(51,533)
<b>FUND BALANCE, JANUARY 1</b>		<u>-</u>		<u>51,533</u>
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ -</u>		<u>\$ -</u>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CHURCH ROAD/LAKE STREET FUND**

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

	<b>2018</b>			
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
<b>REVENUES</b>				
Taxes				
Property tax	\$ 350,000	\$ 315,299	\$ (34,701)	\$ 168,141
Investment income	1,500	1,531	31	25,333
Total revenues	351,500	316,830	(34,670)	193,474
<b>EXPENDITURES</b>				
Current				
Contractual services				
Professional services	50,500	11,405	(39,095)	30,754
Debt Service				
Interest	40,000	11,203	(28,797)	-
Capital outlay	1,750,000	1,750,000	-	4,250,000
Total expenditures	1,840,500	1,772,608	(67,892)	4,280,754
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,489,000)	(1,455,778)	33,222	(4,087,280)
<b>OTHER FINANCING SOURCES (USES)</b>				
Note proceeds	1,200,000	2,200,000	1,000,000	-
Transfers in	-	-	-	466,146
Total other financing source (uses)	1,200,000	2,200,000	1,000,000	466,146
NET CHANGE IN FUND BALANCE	<u>\$ (289,000)</u>	744,222	<u>\$ 1,033,222</u>	(3,621,134)
FUND BALANCE (DEFICIT), JANUARY 1		<u>(645,009)</u>		<u>2,976,125</u>
FUND BALANCE (DEFICIT), DECEMBER 31		<u>\$ 99,213</u>		<u>\$ (645,009)</u>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>2018</b>			
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
<b>REVENUES</b>				
Taxes				
Property tax	\$ 800,000	\$ 903,848	\$ 103,848	\$ 313,629
Intergovernmental	33,000	-	(33,000)	-
Investment income	1,500	7,492	5,992	-
Total revenues	834,500	911,340	76,840	313,629
<b>EXPENDITURES</b>				
Current				
Other Expenses				
Other Expenses	55,000	23,397	(31,603)	-
Contractual services				
Professional services	280,500	169,945	(110,555)	27,207
Debt service				
Principal	200,000	-	(200,000)	-
Interest	100,000	119,540	19,540	57,886
Capital outlay				
Other public improvements	41,200	40,252	(948)	76,012
Total expenditures	676,700	353,134	(323,566)	161,105
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	157,800	558,206	400,406	152,524
<b>OTHER FINANCING SOURCES (USES)</b>				
Note proceeds	-	-	-	1,252,000
Total other financing source (uses)	-	-	-	1,252,000
NET CHANGE IN FUND BALANCE	<u>\$ 157,800</u>	558,206	<u>\$ 400,406</u>	1,404,524
FUND BALANCE (DEFICIT), JANUARY 1		<u>(3,979)</u>		<u>(1,408,503)</u>
<b>FUND BALANCE (DEFICIT), DECEMBER 31</b>		<u>\$ 554,227</u>		<u>\$ (3,979)</u>

(See independent auditor's report.)



**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>2018</b>			
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
<b>REVENUES</b>				
None	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current				
Contractual services				
Professional services	-	66,513	66,513	-
Total expenditures	-	66,513	66,513	-
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>(66,513)</u>	<u>\$ (66,513)</u>	-
<b>FUND BALANCE, JANUARY 1</b>		-		-
<b>FUND BALANCE (DEFICIT), DECEMBER 31</b>		<u>\$ (66,513)</u>		<u>\$ -</u>

(See independent auditor's report.)

## **NONMAJOR GOVERNMENTAL FUNDS**

Motor Fuel Tax Fund - to account for street maintenance and improvement projects financed by the City's share of state gasoline taxes. All projects require the advance approval of the Illinois Department of Transportation.

The Sales Tax Revenue Bonds - 2006 Fund (formerly known as Sales Tax Revenue Bonds - 1998 Fund) is used to account for the proceeds of the taxable \$21,000,000 1998 Sales Tax Revenue Bonds (refinanced in 2006) issued to fund an economic development project.

The Debt Service General Obligation Bonds Fund is used to record the principal and interest expense for the City's outstanding debt.

Working Cash Fund - to account for temporary loans made by the Working Cash Fund to other funds when the City deems it necessary. Interest income is the source of proceeds for this fund.

Glos Mausoleum Fund - to account for the restricted monies donated to the City for use in caring for the upkeep and maintenance of the Glos Mausoleum.

**CITY OF ELMHURST, ILLINOIS**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

December 31, 2018  
(With Comparative Actual for 2017)

	<b>Special Revenue</b>		<b>Debt Service</b>		<b>Permanent</b>		<b>Total</b>	
	<b>Motor Fuel Tax</b>	<b>Sales Tax Revenue Bonds 2006</b>	<b>Debt Service General Obligation Bonds</b>	<b>Working Cash</b>	<b>Glos Mausoleum</b>	<b>2018</b>	<b>2017</b>	
<b>ASSETS</b>								
Cash	\$ 503,514	\$ -	\$ -	\$ 19,200	\$ 877	\$ 523,591	\$ 1,684,449	
Investments								
Negotiable certificates of deposit	-	-	-	980,800	35,000	1,015,800	778,700	
Receivables								
Property tax	-	-	-	-	-	-	1,093,905	
Motor fuel tax allotments	96,553	-	-	-	-	96,553	98,228	
Loans	-	-	-	-	-	-	5,599,089	
Accrued interest	-	-	-	5,731	226	5,957	2,908	
<b>TOTAL ASSETS</b>	<b>\$ 600,067</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,005,731</b>	<b>\$ 36,103</b>	<b>\$ 1,641,901</b>	<b>\$ 9,257,279</b>	

	Special Revenue	Debt Service		Permanent		Total	
	Motor Fuel Tax	Sales Tax Revenue Bonds 2006	Debt Service General Obligation Bonds	Working Cash	Glos Mausoleum	2018	2017
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts payable	\$ 13,837	\$ -	\$ -	\$ -	\$ -	\$ 13,837	\$ 5,339
Accrued payroll	50,771	-	-	-	-	50,771	41,824
Due to other funds	-	-	-	-	-	-	650,441
Total liabilities	64,608	-	-	-	-	64,608	697,604
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue - property taxes	-	-	-	-	-	-	1,093,905
Total deferred inflows of resources	-	-	-	-	-	-	1,093,905
Total liabilities and deferred inflows of resources	64,608	-	-	-	-	64,608	1,791,509
<b>FUND BALANCES</b>							
Restricted for working cash	-	-	-	1,005,731	-	1,005,731	1,015,562
Restricted for streets	535,459	-	-	-	-	535,459	573,623
Restricted for culture	-	-	-	-	36,103	36,103	35,458
Restricted for debt service	-	-	-	-	-	-	6,490,115
Unassigned (deficit)	-	-	-	-	-	-	(648,988)
Total fund balances	535,459	-	-	1,005,731	36,103	1,577,293	7,465,770
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 600,067</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,005,731</b>	<b>\$ 36,103</b>	<b>\$ 1,641,901</b>	<b>\$ 9,257,279</b>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

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

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

	Special Revenue		Debt Service		Permanent			
	Motor Fuel Tax	Sales Tax Revenue Bonds 2006	Debt Service General Obligation Bonds	Working Cash	Glos Mausoleum	Total		
						2018	2017	
REVENUES								
Taxes								
Property tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 481,770	
Intergovernmental								
Allotments	1,137,830	-	-	-	-	1,137,830	1,133,870	
Investment income	10,273	563,601	-	17,418	645	591,937	491,832	
Total revenues	1,148,103	563,601	-	17,418	645	1,729,767	2,107,472	
EXPENDITURES								
Current								
Streets	1,186,267	-	-	-	-	1,186,267	1,179,922	
Redevelopment	-	1,307	-	-	-	1,307	59,934	
Capital outlay	-	-	-	-	-	-	4,326,012	
Debt service								
Principal payments	-	7,037,330	1,898,332	-	-	8,935,662	6,957,282	
Interest and issuance costs	-	-	1,273,233	-	-	1,273,233	2,059,306	
Bond fees	-	14,325	-	-	-	14,325	450	
Total expenditures	1,186,267	7,052,962	3,171,565	-	-	11,410,794	14,582,906	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(38,164)	(6,489,361)	(3,171,565)	17,418	645	(9,681,027)	(12,475,434)	

	Special Revenue		Debt Service		Permanent									
			Sales Tax Revenue	Debt Service General Obligation Bonds	Working Cash	Glos Mausoleum	Total							
	Motor Fuel Tax		Bonds 2006				2018	2017						
OTHER FINANCING SOURCES (USES)														
Issuance of bonds	\$	-	\$	-	\$	-	\$	-	\$	3,385,000				
Premium on issuance of bonds		-		-		-		-		189,354				
Note proceeds		-		-		-		-		1,252,000				
Transfers in		-		-	3,171,565	-		3,171,565		3,083,943				
Transfers (out)		-		(754)	-	(27,249)		(28,003)		-				
Total other financing sources (uses)		-		(754)	3,171,565	(27,249)		-	3,143,562	7,910,297				
NET CHANGE IN FUND BALANCES		(38,164)		(6,490,115)	-	(9,831)		645	(6,537,465)	(4,565,137)				
FUND BALANCES, JANUARY 1		573,623		6,490,115	-	1,015,562		35,458	8,114,758	12,030,907				
FUND BALANCES, DECEMBER 31	\$	535,459	\$	-	\$	-	\$	1,005,731	\$	36,103	\$	1,577,293	\$	7,465,770

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>2018</b>			
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
<b>REVENUES</b>				
Intergovernmental				
Allotments	\$ 1,156,000	\$ 1,137,830	\$ (18,170)	\$ 1,133,870
Investment income	4,500	10,273	5,773	5,553
Total revenues	1,160,500	1,148,103	(12,397)	1,139,423
<b>EXPENDITURES</b>				
Current				
Streets				
Personal services	850,200	838,503	(11,697)	839,544
Employee benefits	171,300	166,857	(4,443)	173,659
Commodities	170,000	180,907	10,907	166,719
Total expenditures	1,191,500	1,186,267	(5,233)	1,179,922
<b>NET CHANGE IN FUND BALANCE</b>	<u><u>\$ (31,000)</u></u>	(38,164)	<u><u>\$ (7,164)</u></u>	(40,499)
<b>FUND BALANCE, JANUARY 1</b>		<u>573,623</u>		<u>614,122</u>
<b>FUND BALANCE, DECEMBER 31</b>		<u><u>\$ 535,459</u></u>		<u><u>\$ 573,623</u></u>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
SALES TAX REVENUE BONDS - 2006 FUND**

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

	<b>2018</b>			
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
<b>REVENUES</b>				
Investment income	\$ 358,660	\$ 563,601	\$ 204,941	\$ 450,194
Total revenues	358,660	563,601	204,941	450,194
<b>EXPENDITURES</b>				
Current				
Contractual services				
Banking expenses	2,200	1,307	(893)	1,973
Debt service				
Principal	1,470,000	7,037,330	5,567,330	1,380,000
Interest, fiscal charges, and other	366,400	-	(366,400)	457,600
Bond fees	500	14,325	13,825	450
Total expenditures	1,839,100	7,052,962	5,213,862	1,840,023
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,480,440)	(6,489,361)	(5,008,921)	(1,389,829)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer (out)	-	(754)	(754)	3,000
Total other financing sources (uses)	-	(754)	(754)	3,000
NET CHANGE IN FUND BALANCE	<u>\$ (1,480,440)</u>	(6,490,115)	<u>\$ (5,009,675)</u>	(1,386,829)
FUND BALANCE, JANUARY 1		<u>6,490,115</u>		<u>7,876,944</u>
FUND BALANCE, DECEMBER 31		<u>\$ -</u>		<u>\$ 6,490,115</u>

(See independent auditor's report.)



**CITY OF ELMHURST, ILLINOIS**

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

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

	2018		Variance with	2017
	Original and	Actual	Final Budget	Actual
	Final Budget		Over (Under)	
<b>REVENUES</b>				
None	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Debt service				
Principal				
Series 2009	-	-	-	3,667,500
Series 2009A	144,440	144,440	-	135,020
Series 2012	505,000	505,000	-	490,000
Series 2013	-	-	-	588,000
Series 2014A	-	-	-	441,600
Series 2014B	496,395	496,392	(3)	93,912
Series 2015	165,000	165,000	-	161,250
Series 2016	320,000	320,000	-	-
Series 2017A	267,500	267,500	-	-
Total principal	1,898,335	1,898,332	(3)	5,577,282
Interest, fiscal charges, and other				
Series 2009	-	-	-	134,342
Series 2009A	21,370	21,368	(2)	26,089
Series 2012	110,650	110,650	-	120,600
Series 2013	-	-	-	11,760
Series 2014A	-	-	-	4,416
Series 2014B	130,275	130,274	(1)	136,177
Series 2015	147,725	147,725	-	151,813
Series 2016	743,600	743,600	-	889,937
Series 2017A	117,566	117,565	(1)	-
Fiscal charges	1,879	2,051	172	68,686
Total interest, fiscal charges, and other	1,273,065	1,273,233	168	1,543,820
Total expenditures	3,171,400	3,171,565	165	7,121,102
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,171,400)	(3,171,565)	(165)	(7,121,102)
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of bonds	-	-	-	3,385,000
Premium on issuance of bonds	-	-	-	189,354
Transfer in	3,171,400	3,171,565	165	2,609,612
Total other financing sources (uses)	3,171,400	3,171,565	165	6,183,966
NET CHANGE IN FUND BALANCE	\$ -	-	\$ -	(937,136)
FUND BALANCE, JANUARY 1		-		937,136
FUND BALANCE, DECEMBER 31		\$ -		\$ -

(See independent auditor's report.)

## **ENTERPRISE FUNDS**

Municipal Utility Fund - to account for the provision of water and wastewater treatment to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, financing, and billing and collection.

Parking System Revenue Fund - to account for the provision of parking in the City. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, and billing and collection.

**CITY OF ELMHURST, ILLINOIS****SCHEDULE OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
MUNICIPAL UTILITY FUND**

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

	<b>Water Department</b>	<b>Sewer Department</b>	<b>Total</b>	
			<b>2018</b>	<b>2017</b>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 14,644,618	\$ 11,675,599	\$ 26,320,217	\$ 24,114,108
<b>OPERATING EXPENSES</b>				
Administration	1,952,136	2,880,969	4,833,105	4,285,379
Water production	7,779,966	-	7,779,966	8,014,165
Water distribution	8,065,558	-	8,065,558	6,243,578
Maintenance of sewers	-	1,915,266	1,915,266	1,737,029
Wastewater treatment plant	-	3,448,717	3,448,717	2,498,880
Depreciation and amortization	867,967	2,341,238	3,209,205	3,328,638
Total operating expenses	18,665,627	10,586,190	29,251,817	26,107,669
OPERATING INCOME (LOSS)	\$ (4,021,009)	\$ 1,089,409	(2,931,600)	(1,993,561)
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Investment income			42,741	49,687
Interest expense and fiscal charges			(793,778)	(729,391)
Total non-operating revenues (expenses)			(751,037)	(679,704)
NET INCOME (LOSS) BEFORE TRANSFERS			(3,682,637)	(2,673,265)
<b>TRANSFERS</b>				
Transfers in			-	469,931
Total transfers			-	469,931
CHANGE IN NET POSITION			(3,682,637)	(2,203,334)
NET POSITION, JANUARY 1			50,662,361	52,865,695
Change in accounting principle			(859,194)	-
NET POSITION, JANUARY 1, AS RESTATED			49,803,167	52,865,695
NET POSITION, DECEMBER 31			\$ 46,120,530	\$ 50,662,361

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF DETAILED REVENUES  
MUNICIPAL UTILITY FUND**

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

	<b>2018</b>	<b>2017</b>
<b>OPERATING REVENUES</b>		
Water department		
Sale of water	\$ 14,068,588	\$ 13,567,925
Sale of water for construction	22,853	16,299
Sale of water meters and meter repair parts	64,926	46,100
Sales of water taps and boxes	283,936	222,199
Miscellaneous		
Other revenue	204,315	124,839
Total water department	14,644,618	13,977,362
Sewer department		
Sewer service charges	7,730,080	7,303,968
Contract service charges	783,630	582,350
Capital recovery charge	2,957,574	2,125,589
Other revenue	204,315	124,839
Total sewer department	11,675,599	10,136,746
Total operating revenues	26,320,217	24,114,108
<b>NON-OPERATING REVENUES</b>		
Investment income	42,741	49,687
Total non-operating revenues	42,741	49,687
<b>TOTAL REVENUES</b>	<b>\$ 26,362,958</b>	<b>\$ 24,163,795</b>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF DETAILED EXPENSES  
MUNICIPAL UTILITY FUND**

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

	<b>2018</b>	<b>2017</b>
<b>WATER DEPARTMENT</b>		
Administration		
Operating expenses		
Personal services	\$ 700,297	\$ 669,073
Employee benefits	639,857	729,904
Contractual services	538,729	932,405
Commodities	39,842	10,859
Other charges	33,411	40,603
Total administration	1,952,136	2,382,844
Production		
Operating expenses		
Personal services	351,103	355,426
Employee benefits	93,374	111,641
Contractual services	7,325,675	7,530,621
Commodities	557	436
Repairs and maintenance	6,147	13,116
Insurance	3,110	2,925
Total production	7,779,966	8,014,165
Distribution		
Operating expenses		
Personal services	1,393,790	1,327,247
Employee benefits	351,858	408,332
Contractual services	455,996	518,900
Commodities	4,722,571	3,909,714
Repairs and maintenance	1,132,011	70,610
Insurance	9,332	8,775
Total distribution	8,065,558	6,243,578
<b>SEWER DEPARTMENT</b>		
Administration		
Operating expenses		
Personal services	774,875	773,413
Employee benefits	495,181	570,685
Contractual services	1,444,341	413,857
Commodities	25,989	6,713
Other charges	140,583	137,867
Total administration	2,880,969	1,902,535

(This schedule is continued on the following page.)

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF DETAILED EXPENSES (Continued)**  
**MUNICIPAL UTILITY FUND**

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

	<b>2018</b>	<b>2017</b>
<b>SEWER DEPARTMENT (Continued)</b>		
Maintenance of sewers		
Operating expenses		
Personal services	\$ 513,849	\$ 462,003
Employee benefits	136,993	143,794
Contractual services	1,114,092	846,263
Commodities	35,351	173,494
Repairs and maintenance	111,871	108,550
Insurance	3,110	2,925
Total maintenance of sewers	<u>1,915,266</u>	<u>1,737,029</u>
Wastewater treatment plant		
Operating expenses		
Personal services	1,200,686	1,150,626
Employee benefits	304,356	350,072
Contractual services	650,736	544,367
Commodities	1,057,115	122,390
Repairs and maintenance	167,902	273,803
Insurance	67,922	57,622
Total wastewater treatment plant	<u>3,448,717</u>	<u>2,498,880</u>
<b>TOTAL EXPENSES EXCLUDING DEPRECIATION AND INTEREST</b>	<u><u>\$ 26,042,612</u></u>	<u><u>\$ 22,779,031</u></u>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENSES,  
AND CHANGES IN NET POSITION  
PARKING SYSTEM REVENUE FUND**

For the Year Ended December 31, 2018  
(with comparative totals for 2017)

	<b>2018</b>	<b>2017</b>
<b>OPERATING REVENUES</b>		
Meters and lots	\$ 890,314	\$ 870,441
Fines and penalties	165,435	209,308
Miscellaneous	136,398	145,775
Total operating revenues	<u>1,192,147</u>	<u>1,225,524</u>
<b>OPERATING EXPENSES</b>		
Personal services	178,200	165,508
Employee benefits	84,045	93,279
Contractual services	481,515	370,289
Commodities	39,402	4,717
Repairs and maintenance	374,759	194,258
Depreciation	650,423	640,863
Total operating expenses	<u>1,808,344</u>	<u>1,468,914</u>
OPERATING INCOME (LOSS)	<u>(616,197)</u>	<u>(243,390)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Investment income	5,371	3,865
Interest expense and fiscal charges	(511,758)	(633,246)
Total non-operating revenues (expenses)	<u>(506,387)</u>	<u>(629,381)</u>
INCOME (LOSS) BEFORE TRANSFERS	(1,122,584)	(872,771)
<b>TRANSFERS</b>		
Transfers in	989,104	987,313
Total transfers	<u>989,104</u>	<u>987,313</u>
CHANGE IN NET POSITION	<u>(133,480)</u>	<u>114,542</u>
NET POSITION, JANUARY 1	10,623,442	10,508,900
Change in accounting principle	<u>(29,135)</u>	<u>-</u>
NET POSITION, JANUARY 1, AS RESTATED	<u>10,594,307</u>	<u>10,508,900</u>
<b>NET POSITION, DECEMBER 31</b>	<u><u>\$ 10,460,827</u></u>	<u><u>\$ 10,623,442</u></u>

(See independent auditor's report.)

## **FIDUCIARY FUNDS**

### **PENSION TRUST FUNDS**

Police Pension Fund and Firefighters' Pension Fund - to account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. These funds do not account for certain administrative costs of their system, which are borne by the General Fund. Resources are contributed by employees at rates fixed by law and by the City at amounts determined by an annual actuarial study.

### **AGENCY FUNDS**

Trust and Deposit Fund - to account for refundable deposits received by the City from residents or businesses. The majority of deposits pertain to construction work performed within the City.

Special Assessment Fund - to account for the collection of special assessments from property owners and payments of related special assessment liabilities.



**CITY OF ELMHURST, ILLINOIS****COMBINING STATEMENT OF PLAN NET POSITION  
PENSION TRUST FUNDS**

December 31, 2018  
(with comparative totals for 2017)

	<b>Police Pension</b>	<b>Firefighters' Pension</b>	<b>Total</b>	
			<b>2018</b>	<b>2017</b>
<b>ASSETS</b>				
Investments at fair value				
Cash and cash equivalents	\$ 243,292	\$ 360,168	\$ 603,460	\$ 1,276,650
U.S. Treasury obligations	2,603,687	1,389,764	3,993,451	4,095,119
U.S. agency obligations	20,526,656	11,696,240	32,222,896	29,547,711
Municipal bonds	4,412,168	2,025,359	6,437,527	6,508,593
Corporate bonds	3,662,604	3,324,522	6,987,126	7,482,219
Equity mutual funds	28,377,723	21,695,007	50,072,730	57,157,242
Receivables				
Accrued interest	193,687	127,934	321,621	303,246
Total assets	60,019,817	40,618,994	100,638,811	106,370,780
<b>LIABILITIES</b>				
Accounts payable	250	697	947	604
Total liabilities	250	697	947	604
<b>NET POSITION RESTRICTED FOR PENSIONS</b>				
	\$ 60,019,567	\$ 40,618,297	\$ 100,637,864	\$ 106,370,176

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

**COMBINING STATEMENT OF CHANGES  
IN PLAN NET POSITION  
PENSION TRUST FUNDS**

For the Year Ended December 31, 2018  
(with comparative totals for 2017)

	<b>Police Pension</b>	<b>Firefighters' Pension</b>	<b>Total</b>	
			<b>2018</b>	<b>2017</b>
<b>ADDITIONS</b>				
Contributions				
Employer	\$ 3,586,824	\$ 2,214,641	\$ 5,801,465	\$ 5,502,118
Plan members	622,975	408,275	1,031,250	997,866
Other	51,788	-	51,788	-
Total contributions	4,261,587	2,622,916	6,884,503	6,499,984
Investment income				
Net appreciation (depreciation) in fair value of investments	(4,673,460)	(3,752,363)	(8,425,823)	7,913,185
Interest earned	2,581,625	1,777,480	4,359,105	4,247,826
Less investment expenses	(69,801)	(47,577)	(117,378)	(109,813)
Total investment income	(2,161,636)	(2,022,460)	(4,184,096)	12,051,198
Total additions	2,099,951	600,456	2,700,407	18,551,182
<b>DEDUCTIONS</b>				
Administration	18,502	22,139	40,641	33,884
Benefit payments	5,327,615	3,064,463	8,392,078	7,965,297
Total deductions	5,346,117	3,086,602	8,432,719	7,999,181
NET INCREASE (DECREASE)	(3,246,166)	(2,486,146)	(5,732,312)	10,552,001
<b>NET POSITION RESTRICTED FOR PENSIONS</b>				
January 1	63,265,733	43,104,443	106,370,176	95,818,175
December 31	\$ 60,019,567	\$ 40,618,297	\$ 100,637,864	\$ 106,370,176

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

**COMBINING STATEMENT OF CHANGES  
IN ASSETS AND LIABILITIES  
AGENCY FUNDS**

For the Year Ended December 31, 2018

	<b>Balance January 1</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balance December 31</b>
<b>All Funds</b>				
<b>ASSETS</b>				
Cash	\$ 476,761	\$ 164,784	\$ 118,352	\$ 523,193
<b>TOTAL ASSETS</b>	<u>\$ 476,761</u>	<u>\$ 164,784</u>	<u>\$ 118,352</u>	<u>\$ 523,193</u>
<b>LIABILITIES</b>				
Deposits payable	\$ 476,761	\$ 164,784	\$ 118,352	\$ 523,193
<b>TOTAL LIABILITIES</b>	<u>\$ 476,761</u>	<u>\$ 164,784</u>	<u>\$ 118,352</u>	<u>\$ 523,193</u>
<b>Trust and Deposit Fund</b>				
<b>ASSETS</b>				
Cash	\$ 358,699	\$ 162,601	\$ 118,352	\$ 402,948
<b>TOTAL ASSETS</b>	<u>\$ 358,699</u>	<u>\$ 162,601</u>	<u>\$ 118,352</u>	<u>\$ 402,948</u>
<b>LIABILITIES</b>				
Deposits payable	\$ 358,699	\$ 162,601	\$ 118,352	\$ 402,948
<b>TOTAL LIABILITIES</b>	<u>\$ 358,699</u>	<u>\$ 162,601</u>	<u>\$ 118,352</u>	<u>\$ 402,948</u>
<b>Special Assessment Fund</b>				
<b>ASSETS</b>				
Cash	\$ 118,062	\$ 2,183	\$ -	\$ 120,245
<b>TOTAL ASSETS</b>	<u>\$ 118,062</u>	<u>\$ 2,183</u>	<u>\$ -</u>	<u>\$ 120,245</u>
<b>LIABILITIES</b>				
Deposits payable	\$ 118,062	\$ 2,183	\$ -	\$ 120,245
<b>TOTAL LIABILITIES</b>	<u>\$ 118,062</u>	<u>\$ 2,183</u>	<u>\$ -</u>	<u>\$ 120,245</u>

(See independent auditor's report.)

## **COMPONENT UNIT - PUBLIC LIBRARY**

Component Unit (the Library Fund) - The Library Fund is used to account for the resources necessary to provide the educational, cultural, and recreational activities of the Public Library.

**CITY OF ELMHURST, ILLINOIS**

COMBINING BALANCE SHEET/STATEMENT OF NET POSITION  
ALL GOVERNMENTAL FUNDS  
PUBLIC LIBRARY

December 31, 2018

	<b>General</b>	<b>Library Debt Service G.O. Bonds</b>	<b>Nonmajor Governmental Funds</b>	<b>Total</b>	<b>Adjustments</b>	<b>Statement of Net Position</b>
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>						
<b>ASSETS</b>						
Cash	\$ 2,590,922	\$ -	\$ 22,956	\$ 2,613,878	\$ -	\$ 2,613,878
Investments						
Negotiable certificates of deposit	2,216,000	-	1,285,300	3,501,300	-	3,501,300
Receivables						
Property taxes	7,799,193	-	-	7,799,193	-	7,799,193
Due from other funds	-	1,541,581	-	1,541,581	(1,541,581)	-
Accrued interest	22,724	-	1,855	24,579	-	24,579
Miscellaneous	5,500	-	-	5,500	-	5,500
Prepaid items	36,430	-	-	36,430	-	36,430
Capital assets not being depreciated						
Land	-	-	-	-	621,421	621,421
Improvements other than buildings	-	-	-	-	35,000	35,000
Capital assets being depreciated, net						
Buildings	-	-	-	-	17,546,753	17,546,753
Total assets	12,670,769	1,541,581	1,310,111	15,522,461	16,661,593	32,184,054
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Pension - IMRF	-	-	-	-	308,328	308,328
OPEB Items	-	-	-	-	25,158	25,158
Unamortized loss on refunding	-	-	-	-	271,057	271,057
Total deferred outflows of resources	-	-	-	-	604,543	604,543
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	\$ 12,670,769	\$ 1,541,581	\$ 1,310,111	\$ 15,522,461	\$ 17,266,136	\$ 32,788,597

	General	Library Debt Service G.O. Bonds	Nonmajor Governmental Funds	Total	Adjustments	Statement of Net Position
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 26,598	\$ -	\$ -	\$ 26,598	\$ -	\$ 26,598
Accrued payroll	163,322	-	-	163,322	-	163,322
Due to other funds	1,541,581	-	-	1,541,581	(1,541,581)	-
Accrued interest payable	-	-	-	-	62,838	62,838
Net pension liability - IMRF	-	-	-	-	409,392	409,392
OPEB liability	-	-	-	-	382,985	382,985
Bonds payable	-	-	-	-	7,264,607	7,264,607
Total liabilities	1,731,501	-	-	1,731,501	6,578,241	8,309,742
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Pension - IMRF	-	-	-	-	927,012	927,012
OPEB Items	-	-	-	-	27,737	27,737
Unavailable revenue - property taxes	7,799,193	-	-	7,799,193	-	7,799,193
Total deferred inflows of resources	7,799,193	-	-	7,799,193	954,749	8,753,942
Total liabilities and deferred inflows of resources	9,530,694	-	-	9,530,694	7,532,990	17,063,684
<b>FUND BALANCES/NET POSITION</b>						
Net position						
Net investment in capital assets	-	-	-	-	11,209,624	11,209,624
Fund balances						
Restricted for employee appreciation	-	-	21,857	21,857	-	21,857
Assigned for general obligation debt	-	1,541,581	-	1,541,581	-	1,541,581
Assigned for capital replacement and maintenance	-	-	1,288,254	1,288,254	(1,288,254)	-
Unrestricted - nonspendable - prepaid items	36,430	-	-	36,430	-	36,430
Unrestricted/unassigned - general fund	3,103,645	-	-	3,103,645	(188,224)	2,915,421
Total fund balances/net position	3,140,075	1,541,581	1,310,111	5,991,767	9,733,146	15,724,913
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES/NET POSITION</b>	<b>\$ 12,670,769</b>	<b>\$ 1,541,581</b>	<b>\$ 1,310,111</b>	<b>\$ 15,522,461</b>	<b>\$ 17,266,136</b>	<b>\$ 32,788,597</b>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES  
ALL GOVERNMENTAL FUNDS  
PUBLIC LIBRARY

For the Year Ended December 31, 2018

	General	Library Debt Service G.O. Bonds	Nonmajor Governmental Funds	Total	Adjustments	Statement of Activities
<b>REVENUES</b>						
Property taxes	\$ 7,634,773	\$ -	\$ -	\$ 7,634,773	\$ -	\$ 7,634,773
Intergovernmental						
Replacement tax	231,213	-	-	231,213	-	231,213
State grants	55,151	-	-	55,151	(34,256)	20,895
Charges for services						
Fines and rentals	75,073	-	-	75,073	-	75,073
Copier revenue	41,925	-	-	41,925	-	41,925
Fees	844	-	-	844	-	844
Investment income	98,106	-	21,470	119,576	-	119,576
Miscellaneous	118,497	-	-	118,497	-	118,497
Total revenues	8,255,582	-	21,470	8,277,052	(34,256)	8,242,796
<b>EXPENDITURES/EXPENSES</b>						
Current						
Culture and recreation						
Personal services	3,327,330	-	-	3,327,330	-	3,327,330
Employee benefits	975,829	-	-	975,829	131,934	1,107,763
Contractual services	453,351	-	-	453,351	-	453,351
Commodities	1,073,883	-	-	1,073,883	-	1,073,883
Repairs and maintenance	239,564	-	-	239,564	-	239,564
Other	84,634	-	-	84,634	-	84,634
Insurance	33,453	-	-	33,453	-	33,453
Capital outlay	998,644	-	-	998,644	(435,910)	562,734
Debt service - payment to primary government						
Principal	-	1,360,000	-	1,360,000	(1,360,000)	-
Interest and fees	-	240,960	-	240,960	(18,317)	222,643
Total expenditures/expenses	7,186,688	1,600,960	-	8,787,648	(1,682,293)	7,105,355
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES/EXPENSES</b>	1,068,894	(1,600,960)	21,470	(510,596)	1,648,037	1,137,441

	General	Library Debt Service G.O. Bonds	Nonmajor Governmental Funds	Total	Adjustments	Statement of Activities
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	\$ 3,000	\$ 1,648,910	\$ -	\$ 1,651,910	\$ (1,651,910)	\$ -
Transfers (out)	(1,648,910)	-	(3,000)	(1,651,910)	1,651,910	-
Total other financing sources (uses)	(1,645,910)	1,648,910	(3,000)	-	-	-
NET CHANGE IN FUND BALANCES/NET POSITION	(577,016)	47,950	18,470	(510,596)	1,648,037	1,137,441
FUND BALANCES/NET POSITION, JANUARY 1	3,717,091	1,493,631	1,291,641	6,502,363	8,479,598	14,981,961
Change in accounting principle	-	-	-	-	(394,489)	(394,489)
FUND BALANCES/NET POSITION, JANUARY 1, RESTATED	3,717,091	1,493,631	1,291,641	6,502,363	8,085,109	14,587,472
<b>FUND BALANCES/NET POSITION, DECEMBER 31</b>	<b>\$ 3,140,075</b>	<b>\$ 1,541,581</b>	<b>\$ 1,310,111</b>	<b>\$ 5,991,767</b>	<b>\$ 9,733,146</b>	<b>\$ 15,724,913</b>

(See independent auditor's report.)



**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>2018</b>			
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
<b>REVENUES</b>				
Property taxes	\$ 7,580,000	\$ 7,634,773	\$ 54,773	\$ 7,490,957
Intergovernmental				
Replacement tax	200,000	231,213	31,213	265,300
State grants	30,000	55,151	25,151	34,257
Charges for services				
Fines and rentals	75,000	75,073	73	84,538
Copier revenue	35,000	41,925	6,925	40,990
Fees	1,300	844	(456)	1,086
Investment income	11,100	98,106	87,006	49,640
Miscellaneous	116,200	118,497	2,297	121,223
Total revenues	8,048,600	8,255,582	206,982	8,087,991
<b>EXPENDITURES</b>				
Current				
Culture and recreation				
Personal services	3,422,000	3,327,330	(94,670)	3,279,091
Employee benefits	1,022,000	975,829	(46,171)	987,257
Contractual services	473,100	453,351	(19,749)	454,304
Commodities	1,104,400	1,073,883	(30,517)	1,019,050
Repairs and maintenance	217,000	239,564	22,564	227,130
Other	103,100	84,634	(18,466)	95,771
Insurance	35,000	33,453	(1,547)	33,600
Capital outlay	1,375,000	998,644	(376,356)	766,471
Total expenditures	7,751,600	7,186,688	(564,912)	6,862,674
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	297,000	1,068,894	771,894	1,225,317
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	3,000	3,000	-	3,000
Transfers (out)	(1,600,915)	(1,648,910)	(47,995)	(1,627,884)
Total other financing sources (uses)	(1,597,915)	(1,645,910)	(47,995)	(1,624,884)
NET CHANGE IN FUND BALANCE	<u>\$ (1,300,915)</u>	<u>(577,016)</u>	<u>\$ 723,899</u>	<u>(399,567)</u>
FUND BALANCE, JANUARY 1		<u>3,717,091</u>		<u>4,116,658</u>
FUND BALANCE, DECEMBER 31		<u>\$ 3,140,075</u>		<u>\$ 3,717,091</u>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
LIBRARY DEBT SERVICE G.O. BONDS FUND  
PUBLIC LIBRARY**

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

	<b>2018</b>		<b>Variance with</b>	<b>2017</b>
	<b>Original and</b>	<b>Actual</b>	<b>Final Budget</b>	<b>Actual</b>
	<b>Final Budget</b>		<b>Over (Under)</b>	
<b>REVENUES</b>				
None	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Debt service				
Principal series 2013	1,345,000	1,345,000	-	1,292,000
Principal series 2014A	15,000	15,000	-	15,000
Interest series 2013	68,100	68,100	-	120,840
Interest series 2014A	172,115	172,113	(2)	172,415
Bond fees	700	747	47	620
Total expenditures	1,600,915	1,600,960	45	1,600,875
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(1,600,915)	(1,600,960)	(45)	(1,600,875)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,600,915	1,648,910	47,995	1,627,884
Total other financing sources (uses)	1,600,915	1,648,910	47,995	1,627,884
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	47,950	<u>\$ 47,950</u>	27,009
<b>FUND BALANCE, JANUARY 1</b>		<u>1,493,631</u>		<u>1,466,622</u>
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 1,541,581</u>		<u>\$ 1,493,631</u>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
PUBLIC LIBRARY

December 31, 2018  
(with comparative actual for 2017)

	<b>Capital Projects Capital Replacement</b>	<b>Permanent Employee Appreciation</b>	<b>Total</b>	
			<b>2018</b>	<b>2017</b>
<b>ASSETS</b>				
Cash	\$ 22,235	\$ 721	\$ 22,956	\$ 24,031
Investments				
Negotiable certificates of deposit	1,264,300	21,000	1,285,300	1,261,700
Receivables				
Accrued interest	1,719	136	1,855	5,910
<b>TOTAL ASSETS</b>	<b>\$ 1,288,254</b>	<b>\$ 21,857</b>	<b>\$ 1,310,111</b>	<b>\$ 1,291,641</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
None	\$ -	\$ -	\$ -	\$ -
<b>FUND BALANCES</b>				
Restricted for employee appreciation	-	21,857	21,857	24,405
Assigned for capital replacement and maintenance	1,288,254	-	1,288,254	1,267,236
Total fund balances	1,288,254	21,857	1,310,111	1,291,641
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,288,254</b>	<b>\$ 21,857</b>	<b>\$ 1,310,111</b>	<b>\$ 1,291,641</b>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

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

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

	<b>Capital Projects Capital Replacement</b>	<b>Permanent Employee Appreciation</b>	<b>Total</b>	
			<b>2018</b>	<b>2017</b>
<b>REVENUES</b>				
Investment income	\$ 21,018	\$ 452	\$ 21,470	\$ 12,819
Total revenues	21,018	452	21,470	12,819
<b>EXPENDITURES</b>				
None	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	21,018	452	21,470	12,819
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	-	(3,000)	(3,000)	(3,000)
Total other financing sources (uses)	-	(3,000)	(3,000)	(3,000)
NET CHANGE IN FUND BALANCES	21,018	(2,548)	18,470	9,819
FUND BALANCES, JANUARY 1	1,267,236	24,405	1,291,641	1,281,822
<b>FUND BALANCES, DECEMBER 31</b>	<b>\$ 1,288,254</b>	<b>\$ 21,857</b>	<b>\$ 1,310,111</b>	<b>\$ 1,291,641</b>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

**SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
CAPITAL REPLACEMENT FUND  
PUBLIC LIBRARY**

For the Year Ended December 31, 2018  
(with comparative actual for 2017)

	<b>2018</b>			<b>2017 Actual</b>
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>	
<b>REVENUES</b>				
Investment income	\$ 19,000	\$ 21,018	\$ 2,018	\$ 12,548
<b>EXPENDITURES</b>				
None	-	-	-	-
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 19,000</u>	21,018	<u>\$ 2,018</u>	12,548
<b>FUND BALANCE, JANUARY 1</b>		<u>1,267,236</u>		<u>1,254,688</u>
<b>FUND BALANCE, DECEMBER 31</b>		<u>\$ 1,288,254</u>		<u>\$ 1,267,236</u>

(See independent auditor's report.)

**CITY OF ELMHURST, ILLINOIS**

SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
EMPLOYEE APPRECIATION FUND  
PUBLIC LIBRARY

For the Year Ended December 31, 2018  
(with comparative actual for 2017)

	<b>2018</b>			
	<b>Original and Final Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over (Under)</b>	<b>2017 Actual</b>
<b>REVENUES</b>				
Investment income	\$ 300	\$ 452	\$ 152	\$ 271
Total revenues	300	452	152	271
<b>EXPENDITURES</b>				
None	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	300	452	152	271
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers (out)	(3,000)	(3,000)	-	(3,000)
NET CHANGE IN FUND BALANCE	<u>\$ (2,700)</u>	<u>(2,548)</u>	<u>\$ 152</u>	<u>(2,729)</u>
FUND BALANCE, JANUARY 1		<u>24,405</u>		<u>27,134</u>
FUND BALANCE, DECEMBER 31		<u>\$ 21,857</u>		<u>\$ 24,405</u>

(See independent auditor's report.)

**OTHER SUPPLEMENTAL SCHEDULE**

**CITY OF ELMHURST, ILLINOIS**

**ILLINOIS GRANT ACCOUNTABILITY AND TRANSPARENCY ACT  
CONSOLIDATED YEAR END FINANCIAL REPORT**

For the Year Ended December 31, 2018

<b>CSFA Number</b>	<b>Program Name</b>	<b>State</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
494-00-1488	Motor Fuel Tax Program	\$ 1,186,267	\$ -	\$ -	\$ 1,186,267
494-42-0495	Local Surface Transportation Program	545,338	-	-	545,338
494-10-0343	State and Community Highway Safety/ National Priority Safety Program	-	79,708	-	79,708
588-40-0450	Emergency Management Performance Grants	-	26,468	-	26,468
532-60-0377	USEPA Capitalization Grants for Clean Water State Revolving Funds	-	1,018,255	-	1,018,255
	Other grant programs and activities	-	76,980	-	76,980
	All other costs not allocated	-	-	105,521,999	105,521,999
<b>TOTALS</b>		<u>\$ 1,731,605</u>	<u>\$ 1,201,411</u>	<u>\$ 105,521,999</u>	<u>\$ 108,455,015</u>

(See independent auditor's report.)



## STATISTICAL SECTION

This part of the City of Elmhurst, 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 displays about the City's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have been changed over time.	144-150
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	151-156
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.	157-158
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.	159-161
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.	162-164

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

**CITY OF ELMHURST, ILLINOIS**

**NET POSITION BY COMPONENT**

Last Ten Fiscal Years  
(Accrual Basis of Accounting)

<b>Fiscal Year</b>	<b>2018**</b>	<b>2017</b>	<b>2016</b>	<b>2015**</b>	<b>2014</b>	<b>2013*</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>GOVERNMENTAL ACTIVITIES</b>										
Net investment in capital assets	\$ 91,507,834	\$ 94,137,897	\$ 96,493,396	\$ 107,275,920	\$ 110,718,777	\$ 107,630,384	\$ 104,328,512	\$ 103,978,780	\$ 103,110,141	\$ 103,742,555
Restricted	13,349,605	17,588,496	24,506,359	18,534,446	11,841,126	11,738,735	8,950,703	6,323,609	8,501,453	9,029,605
Unrestricted	(43,811,423)	(41,351,375)	(40,459,872)	(35,277,826)	22,846,410	27,730,504	16,526,472	12,121,101	5,245,495	2,043,555
Total governmental activities net position	61,046,016	70,375,018	80,539,883	90,532,540	145,406,313	147,099,623	129,805,687	122,423,490	116,857,089	114,815,715
<b>BUSINESS-TYPE ACTIVITIES</b>										
Net investment in capital assets	57,967,301	62,784,279	65,027,387	63,571,314	61,974,663	61,567,331	61,625,797	62,343,598	60,803,950	58,398,879
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	(1,385,944)	(1,498,476)	(1,652,792)	(683,041)	5,525,854	6,447,731	6,856,419	6,098,373	4,998,342	7,822,242
Total business-type activities net position	56,581,357	61,285,803	63,374,595	62,888,273	67,500,517	68,015,062	68,482,216	68,441,971	65,802,292	66,221,121
<b>PRIMARY GOVERNMENT</b>										
Net investment in capital assets	149,475,135	156,922,176	161,520,783	170,847,234	172,693,440	169,197,715	165,954,309	166,322,378	163,914,091	162,141,434
Restricted	13,349,605	17,588,496	24,506,359	18,534,446	11,841,126	11,738,735	8,950,703	6,323,609	8,501,453	9,029,605
Unrestricted	(45,197,367)	(42,849,851)	(42,112,664)	(35,960,867)	28,372,264	34,178,235	23,382,891	18,219,474	10,243,837	9,865,797
<b>TOTAL PRIMARY GOVERNMENT</b>										
<b>NET POSITION</b>	<b>\$ 117,627,373</b>	<b>\$ 131,660,821</b>	<b>\$ 143,914,478</b>	<b>\$ 153,420,813</b>	<b>\$ 212,906,830</b>	<b>\$ 215,114,685</b>	<b>\$ 198,287,903</b>	<b>\$ 190,865,461</b>	<b>\$ 182,659,381</b>	<b>\$ 181,036,836</b>

\*Change in fiscal year end from April 30 to December 31. Represents balances at December 31, 2013.

\*\*The City implemented GASB Statement No. 68 during the fiscal year ending December 31, 2015 and GASB Statement No. 75 during the fiscal year ended December 31, 2018

Data Source

Audited Financial Statements

**CITY OF ELMHURST, ILLINOIS**

**CHANGES IN NET POSITION**

Last Ten Fiscal Years  
(Accrual Basis of Accounting)

<b>Fiscal Year</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013*</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>EXPENSES</b>										
Governmental activities										
General government	\$ 6,317,531	\$ 4,640,843	\$ 6,078,145	\$ 5,591,722	\$ 4,804,540	\$ 1,175,924	\$ 4,742,806	\$ 5,330,232	\$ 4,156,046	\$ 4,602,308
Public safety	32,247,605	27,905,484	32,219,464	28,061,059	24,401,311	16,581,166	23,586,972	22,763,083	22,986,342	19,696,934
Streets	20,307,157	23,546,667	24,377,726	13,926,353	13,155,193	7,657,790	12,708,565	11,912,657	12,758,257	11,111,001
Rubbish disposal	3,235,619	3,247,534	3,190,287	3,104,470	2,960,799	2,022,633	2,991,824	2,974,969	2,848,003	2,833,140
Public health and welfare	608,325	512,514	569,805	527,724	544,099	407,140	488,736	440,273	331,713	443,833
Culture	1,457,441	1,272,541	1,452,013	1,286,795	1,175,455	744,036	1,077,783	1,045,698	1,049,775	1,081,381
Redevelopment	2,742,867	5,981,172	1,490,808	7,018,035	1,818,319	4,524,987	1,687,709	1,076,669	3,203,924	4,786,590
Loss on in-substance defeasance	577,330	-	-	-	-	-	-	-	-	-
Interest on long-term debt	1,514,350	2,112,154	1,907,528	1,329,761	1,487,741	1,045,875	1,519,209	1,950,037	2,077,779	2,168,668
Total governmental activities expenses	69,008,225	69,218,909	71,285,776	60,845,919	50,347,457	34,159,551	48,803,604	47,493,618	49,411,839	46,723,855
Business-type activities										
Water and sewer	30,045,595	26,837,060	22,340,486	20,614,042	18,430,112	12,125,693	16,559,144	14,599,508	14,249,567	13,690,007
Parking	2,320,102	2,102,160	2,262,033	2,288,654	1,285,352	764,568	1,209,151	1,193,465	1,082,398	945,553
Total business-type activities expenses	32,365,697	28,939,220	24,602,519	22,902,696	19,715,464	12,890,261	17,768,295	15,792,973	15,331,965	14,635,560
<b>TOTAL PRIMARY GOVERNMENT EXPENSES</b>	<b>\$ 101,373,922</b>	<b>\$ 98,158,129</b>	<b>\$ 95,888,295</b>	<b>\$ 83,748,615</b>	<b>\$ 70,062,921</b>	<b>\$ 47,049,812</b>	<b>\$ 66,571,899</b>	<b>\$ 63,286,591</b>	<b>\$ 64,743,804</b>	<b>\$ 61,359,415</b>
<b>PROGRAM REVENUES</b>										
Governmental activities										
Charges for services										
General government	\$ 4,109,125	\$ 3,989,249	\$ 4,139,890	\$ 4,018,340	\$ 3,955,785	\$ 2,632,493	\$ 3,609,308	\$ 3,111,102	\$ 3,619,918	\$ 3,098,254
Public safety	2,331,611	2,030,949	2,035,506	3,045,236	2,681,392	1,606,289	2,750,632	2,790,990	2,468,620	2,097,092
Streets	1,635,874	2,035,604	1,732,037	1,926,593	1,870,992	1,384,919	1,958,492	1,980,191	1,856,367	1,947,734
Rubbish	3,344,058	3,400,339	3,293,678	3,239,794	3,103,668	2,153,136	3,137,414	3,155,266	3,005,199	2,925,397
Other	23,165	32,750	50,726	29,709	18,284	21,054	58,046	46,808	47,430	55,327
Operating grants	1,271,171	1,347,389	1,375,975	1,349,084	1,646,546	1,233,565	1,506,080	1,572,731	1,608,290	1,253,210
Capital grants	-	-	-	136,891	146,109	101,750	897,354	-	136,616	131,785
Total governmental activities revenues	12,715,004	12,836,280	12,627,812	13,745,647	13,422,776	9,133,206	13,917,326	12,657,088	12,742,440	11,508,799

Fiscal Year	2018	2017	2016	2015	2014	2013*	2013	2012	2011	2010
<b>PROGRAM REVENUES (Continued)</b>										
Business-type activities										
Charges for services										
Water and sewer	\$ 26,320,217	\$ 24,114,108	\$ 21,244,945	\$ 19,368,440	\$ 17,893,912	\$ 11,859,854	\$ 16,475,117	\$ 14,242,061	\$ 13,678,868	\$ 11,818,629
Parking	1,192,147	1,225,524	1,096,945	1,211,207	1,183,819	527,818	1,068,068	1,094,659	1,127,673	1,002,232
Capital grants	-	-	-	-	-	-	1,465	2,994,148	-	122,640
Operating grants	-	-	-	-	-	-	-	-	-	-
Total business-type activities revenues	27,512,364	25,339,632	22,341,890	20,579,647	19,077,731	12,387,672	17,544,650	18,330,868	14,806,541	12,943,501
<b>TOTAL PRIMARY GOVERNMENT PROGRAM REVENUES</b>	<b>\$ 40,227,368</b>	<b>\$ 38,175,912</b>	<b>\$ 34,969,702</b>	<b>\$ 34,325,294</b>	<b>\$ 32,500,507</b>	<b>\$ 21,520,878</b>	<b>\$ 31,461,976</b>	<b>\$ 30,987,956</b>	<b>\$ 27,548,981</b>	<b>\$ 24,452,300</b>
<b>NET (EXPENSE) REVENUE</b>										
Governmental activities	\$ (56,293,221)	\$ (56,382,629)	\$ (58,657,964)	\$ (47,100,272)	\$ (36,924,681)	\$ (25,026,345)	\$ (34,886,278)	\$ (34,836,530)	\$ (36,669,399)	\$ (35,215,056)
Business-type activities	(4,853,333)	(3,599,588)	(2,260,629)	(2,323,049)	(637,733)	(502,589)	(223,645)	2,537,895	(525,424)	(1,692,059)
<b>TOTAL PRIMARY GOVERNMENT NET EXPENSE</b>	<b>\$ (61,146,554)</b>	<b>\$ (59,982,217)</b>	<b>\$ (60,918,593)</b>	<b>\$ (49,423,321)</b>	<b>\$ (37,562,414)</b>	<b>\$ (25,528,934)</b>	<b>\$ (35,109,923)</b>	<b>\$ (32,298,635)</b>	<b>\$ (37,194,823)</b>	<b>\$ (36,907,115)</b>
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>										
Governmental activities										
Taxes										
Property	\$ 14,524,752	\$ 13,770,823	\$ 14,119,500	\$ 14,758,525	\$ 15,078,106	\$ 14,440,238	\$ 15,082,758	\$ 14,859,054	\$ 14,131,814	\$ 9,458,887
Sales	15,662,333	15,246,121	13,972,550	12,648,142	12,134,125	7,470,405	11,625,252	10,241,518	9,635,479	8,587,366
Home rule sales	5,393,716	5,400,123	5,203,147	4,934,403	4,832,800	3,618,865	3,618,865	3,618,865	3,618,865	3,618,865
Utility	3,825,274	3,782,827	4,011,310	4,095,207	4,133,811	2,855,496	4,499,003	4,609,215	4,511,270	4,546,152
Real estate transfer	702,637	673,038	630,657	618,906	598,564	433,548	385,165	301,232	275,906	345,462
Food and beverage	1,382,095	1,328,793	1,340,713	1,246,841	1,182,735	734,080	1,065,805	1,012,659	928,706	877,048
Other	838,241	851,594	855,281	803,359	730,688	476,705	784,664	720,998	632,668	432,368
Intergovernmental	4,584,002	4,463,653	4,695,813	5,049,324	4,607,941	3,014,501	4,393,494	3,870,835	3,762,105	3,720,416
Investment income	1,296,612	869,906	761,902	733,304	181,707	577,600	918,509	1,031,116	1,105,723	1,272,143
Miscellaneous	1,411,835	1,288,130	1,493,685	406,772	460,096	51,875	116,460	156,632	108,237	761,079
Gain on sale of capital assets	188,223	-	-	-	-	-	-	-	-	-
Transfers	(989,104)	(1,457,244)	(688,063)	(152,571)	(79,567)	-	(221,500)	-	-	-
Total governmental activities	48,820,616	46,217,764	46,396,495	45,142,212	43,861,006	33,673,313	42,268,475	40,422,124	38,710,773	33,619,786

**CITY OF ELMHURST, ILLINOIS**

CHANGES IN NET POSITION (Continued)

Last Ten Fiscal Years  
(Accrual Basis of Accounting)

<b>Fiscal Year</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013*</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>GENERAL REVENUES AND OTHER</b>										
<b>CHANGES IN NET POSITION (Continued)</b>										
Business-type activities										
Investment income	\$ 48,112	\$ 53,552	\$ 24,440	\$ 25,092	\$ 43,621	\$ 35,435	\$ 42,390	\$ 101,784	\$ 106,595	\$ 133,993
Intergovernmental	-	-	-	82,100	-	-	-	-	-	-
Gain on sale of capital assets	-	-	500	222,604	-	-	-	-	-	-
Transfers	989,104	1,457,244	688,063	152,571	79,567	-	221,500	-	-	-
Total business-type activities	1,037,216	1,510,796	713,003	482,367	123,188	35,435	263,890	101,784	106,595	133,993
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 49,857,832</b>	<b>\$ 47,728,560</b>	<b>\$ 47,109,498</b>	<b>\$ 45,624,579</b>	<b>\$ 43,984,194</b>	<b>\$ 33,708,748</b>	<b>\$ 42,532,365</b>	<b>\$ 40,523,908</b>	<b>\$ 38,817,368</b>	<b>\$ 33,753,779</b>
<b>CHANGE IN NET POSITION</b>										
Governmental activities	\$ (7,472,605)	\$ (10,164,865)	\$ (12,261,469)	\$ (1,958,060)	\$ 6,936,325	\$ 8,646,968	\$ 7,382,197	\$ 5,585,594	\$ 2,041,374	\$ (1,595,270)
Business-type activities	(3,816,117)	(2,088,792)	(1,547,626)	(1,840,682)	(514,545)	(467,154)	40,245	2,639,679	(418,829)	(1,558,066)
<b>TOTAL PRIMARY GOVERNMENT</b>										
<b>CHANGE IN NET POSITION</b>	<b>\$ (11,288,722)</b>	<b>\$ (12,253,657)</b>	<b>\$ (13,809,095)</b>	<b>\$ (3,798,742)</b>	<b>\$ 6,421,780</b>	<b>\$ 8,179,814</b>	<b>\$ 7,422,442</b>	<b>\$ 8,225,273</b>	<b>\$ 1,622,545</b>	<b>\$ (3,153,336)</b>

\*Change in fiscal year end from April 30 to December 31. Represents changes in net position from May 1 to December 31, 2013.

Data Source

Audited Financial Statements

**CITY OF ELMHURST, ILLINOIS**

**FUND BALANCES OF GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013**</b>	<b>2013</b>	<b>2012*</b>	<b>2011</b>	<b>2010</b>
<b>GENERAL FUND</b>										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,780,987	\$ 4,229,791
Unreserved	-	-	-	-	-	-	-	-	11,810,975	10,250,846
Nonspendable	332,137	941,344	187,811	185,727	314,886	615,562	221,279	276,401	-	-
Restricted	926,103	744,068	837,108	909,951	639,139	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	16,027,333	16,660,813	17,648,925	18,020,892	8,944,190	7,649,307	7,762,242	7,937,929	-	-
Unassigned	10,888,813	11,225,087	11,681,012	12,673,970	20,740,009	17,231,415	12,872,933	8,830,535	-	-
<b>TOTAL GENERAL FUND</b>	<b>\$ 28,174,386</b>	<b>\$ 29,571,312</b>	<b>\$ 30,354,856</b>	<b>\$ 31,790,540</b>	<b>\$ 30,638,224</b>	<b>\$ 25,496,284</b>	<b>\$ 20,856,454</b>	<b>\$ 17,044,865</b>	<b>\$ 15,591,962</b>	<b>\$ 14,480,637</b>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,158,070	\$ 22,721,002
Unreserved, reported in										
Debt Service Funds	-	-	-	-	-	-	-	-	-	-
Capital Project Funds	-	-	-	-	-	-	-	-	-	(231,416)
Nonspendable	-	-	-	8,376,355	9,640,238	10,448,143	10,450,545	11,587,233	-	-
Restricted	13,955,825	20,059,850	36,129,840	14,947,080	11,080,003	11,286,267	8,950,703	6,323,570	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned (deficit)	(66,513)	(648,988)	(1,408,503)	(664,593)	(254,292)	(77,677)	(54,326)	-	-	-
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b>\$ 13,889,312</b>	<b>\$ 19,410,862</b>	<b>\$ 34,721,337</b>	<b>\$ 22,658,842</b>	<b>\$ 20,465,949</b>	<b>\$ 21,656,733</b>	<b>\$ 19,346,922</b>	<b>\$ 17,910,803</b>	<b>\$ 21,158,070</b>	<b>\$ 22,489,586</b>

\*Statement No. 54 of the Governmental Accounting Standards Board was implemented at April 30, 2012.

\*\*Change in fiscal year end from April 30 to December 31. Represents balances at December 31, 2013.

Data Source

Audited Financial Statements

**CITY OF ELMHURST, ILLINOIS**

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**

Last Ten Fiscal Years

<b>Fiscal Year</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013*</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>REVENUES</b>										
Taxes										
Property	\$ 14,524,751	\$ 13,770,824	\$ 14,119,500	\$ 14,758,524	\$ 15,078,106	\$ 14,440,238	\$ 15,082,758	\$ 14,859,054	\$ 14,131,814	\$ 9,458,887
Sales	21,056,049	20,646,244	19,175,696	17,582,545	16,966,925	11,089,270	15,244,117	13,860,383	13,254,344	12,206,231
Utility	3,825,274	3,782,827	4,011,310	4,095,207	4,133,811	2,855,496	4,499,003	4,609,215	4,511,270	4,546,152
Real estate transfer	702,637	673,038	630,657	618,906	598,564	433,548	385,165	301,232	275,906	345,462
Food and beverage	1,382,095	1,328,793	1,340,713	1,246,841	1,182,735	734,080	1,065,805	1,012,659	928,706	877,048
Other	838,241	851,594	855,281	803,359	730,688	476,705	784,664	720,998	632,668	432,368
Intergovernmental	5,844,199	5,681,474	6,166,644	6,338,591	6,293,026	4,295,294	6,739,336	5,345,878	5,494,427	5,075,787
Licenses and permits	5,113,076	4,875,429	4,973,368	4,852,995	4,732,920	3,084,847	4,422,591	3,932,013	4,270,199	3,831,746
Fines and forfeitures	890,913	804,616	777,851	977,677	904,177	650,568	1,056,172	1,259,091	1,129,799	951,293
Charges for services	4,780,387	5,144,217	4,771,963	4,658,577	4,363,042	2,949,450	4,379,550	4,462,763	3,975,606	3,774,211
Investment income	1,296,612	869,906	761,902	733,304	181,707	577,600	918,509	1,031,116	1,105,723	1,272,143
Revenue replacement	59,400	58,760	57,932	56,724	55,514	-	54,192	52,912	52,801	51,862
Miscellaneous	2,022,867	2,023,566	2,069,553	2,317,180	2,142,134	1,219,423	1,775,439	1,631,898	1,689,950	2,305,395
Total revenues	62,336,501	60,511,288	59,712,370	59,040,430	57,363,349	42,806,519	56,407,301	53,079,212	51,453,213	45,128,585
<b>EXPENDITURES</b>										
General government	5,553,525	5,274,679	5,526,342	5,432,968	4,763,358	2,711,828	4,577,964	5,175,011	3,993,817	4,271,817
Public safety	27,970,318	28,033,401	26,550,023	25,628,207	24,217,177	16,338,909	22,965,864	22,309,438	22,387,320	21,164,359
Streets	9,937,343	9,811,828	9,896,051	9,700,684	9,390,228	5,901,196	8,497,170	8,021,310	8,148,297	7,438,655
Rubbish disposal	3,235,619	3,247,534	3,190,287	3,104,470	2,960,799	2,022,633	2,991,824	2,974,969	2,848,003	2,833,140
Public health and welfare	544,163	512,514	544,055	591,551	544,099	407,140	488,736	440,273	331,713	443,833
Culture	1,364,157	1,435,157	1,364,389	1,275,439	1,132,314	729,892	997,642	993,435	950,386	1,014,828
Redevelopment	791,656	599,964	584,445	748,965	2,254,300	2,031,574	904,457	660,731	1,279,160	863,634
Capital outlay	16,248,959	23,761,686	22,372,333	10,643,506	5,067,884	5,875,743	4,905,452	8,063,164	5,402,364	7,855,194
Debt service										
Principal	8,935,662	6,957,282	3,292,927	3,121,996	3,253,786	3,231,000	3,129,767	4,294,441	4,256,247	2,665,900
Interest	1,507,916	2,059,756	1,728,664	1,250,253	1,547,285	1,225,986	1,639,739	1,940,804	2,076,097	2,188,979
Total expenditures	76,089,318	81,693,801	75,049,516	61,498,039	55,131,230	40,475,901	51,098,615	54,873,576	51,673,404	50,740,339
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(13,752,817)	(21,182,513)	(15,337,146)	(2,457,609)	2,232,119	2,330,618	5,308,686	(1,794,364)	(220,191)	(5,611,754)

<b>Fiscal Year</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013*</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Bonds issued	\$ 7,315,000	\$ 3,385,000	\$ 25,000,000	\$ 4,000,000	\$ 7,285,109	\$ 2,061,000	\$ 7,040,000	\$ -	\$ -	\$ 2,323,600
Note proceeds	-	1,252,000	750,000	-	611,701	2,386,299	-	-	-	-
Premium (discount) on bonds issued	153,693	189,354	902,021	269,665	164,502	171,750	90,421	-	-	38,527
Payment to escrow agent	-	-	-	-	(7,405,250)	-	(6,969,899)	-	-	(2,313,008)
Transfers in	3,186,565	3,358,136	5,676,973	2,712,013	2,654,388	2,648,928	10,162,070	7,304,013	4,590,080	12,530,196
Transfers (out)	(4,175,669)	(4,815,380)	(6,365,036)	(2,864,584)	(2,733,955)	(2,648,928)	(10,383,570)	(7,304,013)	(4,590,080)	(8,530,196)
Sale of capital assets	354,752	1,719,383	-	1,685,724	-	-	-	-	-	-
Total other financing sources (uses)	6,834,341	5,088,493	25,963,958	5,802,818	576,495	4,619,049	(60,978)	-	-	4,049,119
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (6,918,476)</b>	<b>\$ (16,094,020)</b>	<b>\$ 10,626,812</b>	<b>\$ 3,345,209</b>	<b>\$ 2,808,614</b>	<b>\$ 6,949,667</b>	<b>\$ 5,247,708</b>	<b>\$ (1,794,364)</b>	<b>\$ (220,191)</b>	<b>\$ (1,562,635)</b>
<b>DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES</b>										
	15.31%	12.58%	7.48%	9.65%	12.75%	12.75%	9.93%	12.99%	12.76%	10.76%

\*Change in fiscal year end from April 30 to December 31. Represents changes in fund balances from May 1 to December 31, 2013.

Data Source

Audited Financial Statements



**CITY OF ELMHURST, ILLINOIS**

**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**

Last Ten Levy Years

<b>Levy Year</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Less Tax-Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Assessed Value as a Percentage of Actual Value</b>
2008	\$ 2,222,580,236	\$ 157,324,012	\$ 210,636,495	\$ 131,149,871	\$ 2,459,390,872	0.5024	\$ 7,378,172,616	33.333%
2009	2,236,364,968	206,561,340	155,379,794	136,353,099	2,461,953,003	0.7073	7,385,859,009	33.333%
2010	2,076,270,452	188,803,574	140,989,396	126,919,056	2,279,144,366	0.7961	6,837,433,098	33.333%
2011	1,903,624,165	230,401,863	137,884,614	118,113,629	2,153,797,013	0.8669	6,461,391,039	33.333%
2012	1,745,309,515	168,215,778	126,074,755	110,595,696	1,929,004,352	0.9471	5,787,013,056	33.333%
2013	1,654,200,965	153,666,745	120,364,718	113,461,690	1,814,770,738	1.0345	5,444,312,214	33.333%
2014	1,652,437,111	153,704,358	119,038,741	110,880,887	1,814,299,323	1.0087	5,442,897,969	33.333%
2015	1,858,307,356	167,191,252	123,102,996	114,493,157	2,034,108,447	0.8759	6,102,325,341	33.333%
2016	2,019,124,254	172,841,667	132,804,668	116,597,455	2,208,173,134	0.7921	6,624,519,402	33.333%
2017	2,166,563,780	185,113,636	142,088,286	118,840,852	2,374,924,850	0.7559	7,124,774,550	33.333%

Note: Property in the City is reassessed each year. Property is assessed at 33% of actual value. 2018 information is not available

Data Source

Office of the County Clerk

**CITY OF ELMHURST, ILLINOIS**

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**

Last Ten Levy Years

<b>Levy Year</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>
<b>CITY DIRECT RATES</b>										
Ambulance	0.0063	0.0066	0.0070	0.0071	0.0049	0.0068	0.0061	0.0098	0.0120	0.0157
Bond and interest	-	-	0.0466	0.0851	0.1129	0.1203	0.1119	0.1060	0.0957	-
Corporate	-	-	-	-	-	-	0.0094	-	-	-
Fire protection	0.0330	0.1377	0.1633	0.2229	0.2414	0.2205	0.2101	0.1900	0.1421	0.0724
Library	0.3224	0.3399	0.3600	0.3976	0.3956	0.3684	0.3309	0.2983	0.2737	0.2608
Police pension	0.1469	0.1492	0.1423	0.1292	0.1289	0.1009	0.0851	0.0815	0.0808	0.0632
Firefighters' pension	0.0907	0.0924	0.0889	0.0922	0.0901	0.0661	0.0601	0.0599	0.0584	0.0478
Social Security	0.0268	0.0289	0.0299	0.0322	0.0261	0.0284	0.0251	-	-	-
Illinois Municipal Retirement	0.0330	0.0374	0.0379	0.0424	0.0346	0.0357	0.0282	0.0506	0.0446	0.0425
<b>TOTAL CITY DIRECT RATES</b>	<b>0.6591</b>	<b>0.7921</b>	<b>0.8759</b>	<b>1.0087</b>	<b>1.0345</b>	<b>0.9471</b>	<b>0.8669</b>	<b>0.7961</b>	<b>0.7073</b>	<b>0.5024</b>
<b>OVERLAPPING RATES</b>										
DuPage County	0.3055	0.3362	0.3593	0.3748	0.3697	0.3471	0.3187	0.2980	0.2771	0.2763
DuPage Airport Authority	0.0166	0.0176	0.0188	0.0196	0.0178	0.0168	0.0169	0.0158	0.0148	0.0160
Junior College 502	0.2431	0.2626	0.2786	0.2975	0.2956	0.2681	0.2495	0.2349	0.2127	0.1858
Elmhurst Park District	0.3454	0.3584	0.3800	0.4200	0.4150	0.3853	0.3435	0.3094	0.2762	0.2713
Bensenville Park District	0.4758	0.4932	0.5232	0.5179	0.5097	0.4718	0.4128	0.3614	0.3117	0.3262
Unit School District 205	4.6126	4.7760	5.0648	5.4808	5.2773	4.8021	4.1257	3.7325	3.3246	3.2691
School District 45	3.6219	3.7870	4.0035	3.9651	3.8736	3.5426	3.0664	2.7675	2.5046	2.4611
Salt Creek School District 48	1.6577	1.4198	1.4773	1.5491	1.5030	1.3681	1.2157	1.1208	1.0017	0.9561
DuPage High School District 88	2.2462	2.3995	2.5477	2.5581	2.4373	2.1984	1.8332	1.6616	1.4795	1.4323
Addison Township	0.0646	0.0676	0.1792	0.1844	0.1781	0.1636	0.1423	0.1271	0.1114	0.1107
York Township	0.0924	0.0952	0.1002	0.1049	0.1017	0.0928	0.0810	0.0737	0.0660	0.0644
<b>TOTAL OVERLAPPING RATES</b>	<b>13.6818</b>	<b>14.0131</b>	<b>14.9326</b>	<b>15.4722</b>	<b>14.9788</b>	<b>13.6567</b>	<b>11.8057</b>	<b>10.7027</b>	<b>9.5803</b>	<b>9.3693</b>

Note: The City is a home rule municipality and, based on the 1970 Illinois constitution, has no statutory tax rate limits.

Overlapping rates are those of local and county governments that apply to owners within the City. Not all overlapping rates apply to all city property owners (e.g., the rates for special districts only apply to the property owners whose property is located within the geographic boundaries of the district). 2018 tax information is not available.

1. During levy year 2011, the levy rates were separated for Illinois Municipal Retirement and Social Security.
2. During levy year 2011, a one time levy was created for Elmhurst Memorial Healthcare's anticipated tax exemption.

Data Source

Office of the DuPage County Clerk

**CITY OF ELMHURST, ILLINOIS**

**PRINCIPAL PROPERTY TAXPAYERS**

Current Year and Nine Years Ago

Taxpayer	2017			Taxpayer	2008		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation		Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Valuation
Three Galleria Tower	\$ 17,488,250	1	0.74%	Elmhurst Memorial Healthcare	\$ 22,884,970	1	0.93%
Mc Master Carr Supply Co.	17,004,480	2	0.72%	Mc Master Carr Supply Co.	17,574,150	2	0.71%
Federal Construction Inc	12,270,340	3	0.52%	Federal Construction Inc	13,109,750	3	0.53%
Royal Management Corporation	8,381,500	4	0.35%	AIMCO	12,120,820	4	0.49%
Horizon Group VIII LLC	6,597,840	5	0.28%	UBS Realty Investors LLC	7,844,200	5	0.32%
Elmhurst Memorial Hospital	5,897,060	6	0.25%	VIP Elmhurst II LLC	6,685,590	6	0.27%
678 North York Street LLC	5,448,200	7	0.23%	Lexington Square	6,220,110	7	0.25%
HC Elmhurst I LLC	5,403,430	8	0.23%	Horizon Group VIII LLC	5,607,770	8	0.23%
UBS Realty Investors LLC	4,713,510	9	0.20%	Manulife Financial	4,960,740	9	0.20%
Park Place of Elmhurst	4,649,000	10	0.20%	Patten Tractor & Equipment	4,931,740	10	0.20%
<b>TOTAL</b>	<u>\$ 87,853,610</u>		<u>3.70%</u>		<u>\$ 101,939,840</u>		<u>4.14%</u>

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

2018 tax levy information is not available.

Data Source

Office of the County Clerk

**CITY OF ELMHURST, ILLINOIS**

**PROPERTY TAX LEVIES AND COLLECTIONS**

Last Ten Levy Years

Levy Year	Tax Levied		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2008	\$	12,995,729	\$ 12,990,657	99.96%	2,630	\$ 12,993,287	99.98%
2009		18,055,167	18,049,400	99.97%	5,767	18,055,167	100.00%
2010		18,846,213	18,834,951	99.94%	11,262	18,846,213	100.00%
2011		19,317,983	19,314,232	99.98%	3,751	19,317,983	100.00%
2012		18,870,231	18,830,709	99.79%	1,481	18,832,190	99.80%
2013		19,346,943	19,240,659	99.45%	2,444	19,243,103	99.46%
2014		18,833,840	18,769,527	99.66%	3,022	18,772,549	99.67%
2015		18,358,998	18,334,941	99.87%	-	18,334,941	99.87%
2016		18,092,550	18,057,153	99.80%	282	18,057,435	99.81%
2017		18,571,109	18,516,812	99.71%	-	18,516,812	0.99707627

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

2018 tax levy information is not available.

Data Source

Office of the County Clerk

**CITY OF ELMHURST, ILLINOIS**

**SALES TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**

Last Ten Fiscal Years

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<b>Fiscal Year Ended</b>	<b>City Direct Rate</b>	<b>City Home Rule Rate</b>	<b>State Rate</b>	<b>DuPage County</b>	<b>Regional Transportation Authority Rate</b>	<b>DuPage Water Commission</b>	<b>Total</b>
2008	1.00%	0.25%	5.00%	0.25%	0.75%	0.25%	7.50%
2009	1.00%	0.75%	5.00%	0.25%	0.75%	0.25%	8.00%
2010	1.00%	0.75%	5.00%	0.25%	0.75%	0.25%	8.00%
2011	1.00%	0.75%	5.00%	0.25%	0.75%	0.25%	8.00%
2012	1.00%	0.75%	5.00%	0.25%	0.75%	0.25%	8.00%
2013	1.00%	0.75%	5.00%	0.25%	0.75%	0.25%	8.00%
2013*	1.00%	0.75%	5.00%	0.25%	0.75%	0.25%	8.00%
2014	1.00%	0.75%	5.00%	0.25%	0.75%	0.25%	8.00%
2015	1.00%	0.75%	5.00%	0.25%	0.75%	0.25%	8.00%
2016	1.00%	1.00%	5.00%	0.25%	0.75%	0.00%	8.00%
2017	1.00%	1.00%	5.00%	0.25%	0.75%	0.00%	8.00%
2018	1.00%	1.00%	5.00%	0.25%	0.75%	0.00%	8.00%

\* Change in fiscal year end from April 30 to December 31. Amounts are for the eight-month period ended December 31, 2013.

Data Sources

City Records  
Illinois Department of Revenue

**CITY OF ELMHURST, ILLINOIS**

**SALES TAX BY CATEGORY**

Last Ten Calendar Years

<b>Calendar Year</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
General merchandise	\$ 445,459	\$ 545,617	\$ 533,900	\$ 533,050	\$ 524,560	\$ 544,696	\$ 564,595	\$ 557,751	\$ 527,211	\$ 519,059
Food	1,806,155	1,582,670	1,500,333	1,462,595	1,373,754	1,194,598	1,047,824	1,096,412	1,096,182	1,044,039
Drinking and eating places	2,166,775	2,048,748	1,863,822	1,645,459	1,516,947	1,435,316	1,378,538	1,260,282	1,166,415	1,131,826
Apparel	244,607	227,308	218,898	190,900	200,050	215,191	203,620	193,078	201,910	172,818
Furniture, H.H., and radio	483,396	364,656	268,216	258,010	385,943	342,184	376,796	320,974	287,773	337,413
Lumber, building, and hardware	497,306	930,389	411,653	305,199	348,176	292,526	218,604	198,800	180,411	188,969
Automotive and fill stations	4,914,206	4,754,335	4,587,941	4,560,464	4,205,877	3,813,169	3,443,493	3,214,354	3,044,331	3,052,238
Drugs and other retail	1,927,535	1,879,597	1,808,553	1,632,903	1,592,729	1,737,083	1,748,529	1,228,373	1,103,564	1,347,253
Agriculture and extractive	6,669,844	6,413,016	6,521,816	5,730,949	5,613,740	5,047,713	4,740,750	4,408,380	4,207,273	3,181,089
Manufacturers	737,592	966,879	663,386	543,777	436,986	435,286	360,492	297,207	329,027	388,584
<b>TOTAL</b>	<b>\$ 19,892,876</b>	<b>\$ 19,713,215</b>	<b>\$ 18,378,518</b>	<b>\$ 16,863,306</b>	<b>\$ 16,198,762</b>	<b>\$ 15,057,762</b>	<b>\$ 14,083,241</b>	<b>\$ 12,775,611</b>	<b>\$ 12,144,097</b>	<b>\$ 11,363,288</b>
Total City municipal tax	\$ 12,668,949	\$ 12,543,132	\$ 12,297,824	\$ 11,954,202	\$ 11,373,586	\$ 10,409,512	\$ 9,757,206	\$ 8,746,060	\$ 8,305,700	\$ 7,915,940
Total City home-rule tax	7,223,927	7,170,083	6,080,695	4,909,104	4,825,176	4,648,250	4,326,035	4,029,551	3,838,397	3,447,348
<b>TOTAL</b>	<b>\$ 19,892,876</b>	<b>\$ 19,713,215</b>	<b>\$ 18,378,519</b>	<b>\$ 16,863,306</b>	<b>\$ 16,198,762</b>	<b>\$ 15,057,762</b>	<b>\$ 14,083,241</b>	<b>\$ 12,775,611</b>	<b>\$ 12,144,097</b>	<b>\$ 11,363,288</b>
City Municipal Tax Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
City Home-Rule Tax Rate	1.00%	1.00%	1.00%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%

Data Sources

City Records  
Illinois Department of Revenue

# CITY OF ELMHURST, ILLINOIS

## RATIO OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

Fiscal Year Ended	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Personal Income*	Debt Per Capita*
	General Obligation Bonds (1)	Sales Tax Revenue Bonds Payable	General Obligation Note	General Obligation Bonds (1)	Installment Loan Payable			
2010	\$ 28,641,276	\$ 15,435,000	\$ 2,950,000	\$ 7,228,916	\$ 1,385,977	\$ 55,641,169	4.01%	\$ 1,285.07
2011	26,786,709	14,535,000	1,450,000	6,800,762	1,264,636	50,837,107	3.60%	1,152.22
2012	24,893,947	13,585,000	-	6,327,802	1,140,117	45,946,866	2.49%	1,041.38
2013	23,413,748	12,575,000	-	8,822,455	3,766,302	48,577,505	2.57%	1,101.01
2013**	23,457,970	11,500,000	2,386,299	11,206,354	5,096,855	53,647,478	2.85%	1,215.92
2014	21,727,381	10,355,000	2,998,000	13,764,513	4,877,030	53,721,924	2.77%	1,217.60
2015	24,013,081	9,135,000	2,998,000	26,026,657	11,297,708	73,470,446	3.63%	1,652.73
2016	46,558,520	7,840,000	3,748,000	24,359,840	13,753,564	96,259,924	4.52%	2,165.38
2017	44,366,238	6,460,000	5,000,000	32,823,762	14,442,911	103,092,911	4.50%	2,209.35
2018	49,047,555	-	7,200,000	37,496,000	18,142,681	111,886,236	4.62%	2,516.90

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

\*See the schedule of Demographic and Economic Information on page 162 for personal income and population data.

\*\*Change in fiscal year end from April 30 to December 31. Amounts are for the eight-month period ended December 31, 2013.

1. Presented net of original issue discounts and premiums.

# CITY OF ELMHURST, ILLINOIS

## RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Last Ten Fiscal Years

<b>Fiscal Year Ended</b>	<b>(4) Population</b>		<b>(1) Equalized Assessed Valuation</b>		<b>(2) General Obligation Bonds</b>		<b>(3) Less Debt Service Fund</b>		<b>Net Bonded Debt</b>	<b>Ratio of Net Bonded Debt to Assessed Valuation</b>	<b>Net Bonded Debt Per Capita</b>
2010	43,298	\$	2,461,953,003	\$	27,668,000	\$	-	\$	27,668,000	1.84%	\$ 1,044
2011	44,121		2,279,144,366		24,884,000		-		24,884,000	1.86%	963
2012	44,121		2,153,797,013		38,197,564		-		38,197,564	1.84%	900
2013	44,121		1,929,004,352		35,870,192		-		35,870,192	1.86%	813
2013*	44,121		1,814,720,738		33,587,471		1,972,430		31,615,041	1.74%	717
2014	44,121		1,814,299,323		31,221,749		1,552,099		29,669,650	1.64%	672
2015	44,454		2,034,108,450		32,236,203		1,827,992		30,408,211	1.49%	684
2016	44,454		2,208,173,134		70,918,000		937,136		69,980,864	3.17%	1,574
2017	46,662		2,374,924,850		77,190,000		-		77,190,000	3.25%	1,654
2018	46,662		2,541,496,253	(5)	86,543,555		-		86,543,555	3.41%	1,855

\*Change in fiscal year end from April 30 to December 31. Amounts are for the eight-month period ended December 31, 2013.

### Data Sources

- (1) DuPage County Clerk
- (2) This is the general bonded debt of both governmental and business-type activities, net of original issuance discounts and premiums
- (3) Amount available for repayments of general obligation bonds
- (4) Population data can be found in the Schedule of Demographic and Economic Information on page 162.
- (5) Estimated



# CITY OF ELMHURST, ILLINOIS

## RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL OBLIGATION DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES (Amounts Expressed in Thousands)

Last Ten Fiscal Years

<b>Fiscal Year Ended</b>	<b>Principal</b>	<b>(1) Interest</b>	<b>Total Debt Service</b>	<b>(2) Total Governmental Expenditures</b>	<b>Ratio of Debt Service to General Governmental Expenditures</b>
2010	\$ 2,666	\$ 2,189	\$ 4,855	\$ 50,740	10.9%
2011	4,256	2,076	6,332	51,673	13.4%
2012	4,294	1,941	6,235	54,874	12.5%
2013	3,130	1,640	4,770	51,099	9.3%
2013*	3,231	1,226	4,457	40,476	11.0%
2014	3,254	1,539	4,793	55,062	8.7%
2015	3,122	1,250	4,372	61,498	7.1%
2016	3,293	1,729	5,022	75,050	6.7%
2017	5,577	1,544	7,121	81,694	8.7%
2018	1,898	1,273	3,171	76,089	4.2%

\*Change in fiscal year end from April 30 to December 31. Amounts are for the eight-month period ended December 31, 2013.

Note: General obligation bonds reported in the Enterprise Funds been excluded.

(1) Excludes bond issuance and other costs.

(2) Includes General, Special Revenue, Debt Service, and Capital Projects Funds

### Data Source

City internal financial records

**CITY OF ELMHURST, ILLINOIS**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

December 31, 2018

<b>Bonded Indebtedness of Taxing Bodies</b>	<b>Total Debt</b>	<b>Applicable to City</b>	
		<b>Percent</b>	<b>Amount</b>
Direct - City of Elmhurst	\$ 56,247,555	100.00%	\$ 56,247,555
Overlapping			
Schools			
Grade School District #45	31,623,730	1.93%	610,338
Grade School District #48	6,345,000	14.54%	922,563
High School District #88	80,685,000	4.02%	3,243,537
Unit School District #205	76,169,746	89.33%	68,042,434
Community College District #502	200,635,000	5.62%	11,275,687
Other			
DuPage County	143,845,000	6.35%	9,134,158
Dupage County Forest Preserve District	102,721,129	6.35%	6,522,792
Bensenville Park District	3,838,235	0.78%	29,938
Elmhurst Park District	6,910,000	97.29%	6,722,739
Total overlapping bonded debt	652,772,840		106,504,186
<b>TOTAL DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT</b>	<b>\$ 709,020,395</b>		<b>\$ 162,751,741</b>

Note: Determined by ratio of assessed value of property subject to taxation in the City to the value of property subject to taxation in the overlapping unit.

Data Sources

DuPage County Clerk

Overlapping debt percentages based on 2018 EAV, the most current available

# **CITY OF ELMHURST, ILLINOIS**

## **LEGAL DEBT MARGIN**

December 31, 2018

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The City is a home rule municipality.

Chapter 65, Section 5/8-5-1 of the Illinois Compiled Statutes governs computation of the legal debt margin.

“The General Assembly may limit by law the amount and require referendum approval of debt to be incurred by home rule municipalities, payable from ad valorem property tax receipts, only in excess of the following percentages of the assessed value of its taxable property...(2) if its population is more than 25,000 and less than 500,000 an aggregate of one percent...indebtedness which is outstanding on the effective date (July 1, 1971) of this constitution or which is thereafter approved by referendum...shall not be included in the foregoing percentage amounts.”

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

# CITY OF ELMHURST, ILLINOIS

## DEMOGRAPHIC AND ECONOMIC INFORMATION

Last Ten Fiscal Years

<b>Fiscal Year Ended</b>	<b>Population</b>		<b>Personal Income</b>		<b>Per Capita Income</b>		<b>Median Age</b>		<b>Education Level in Years of Formal Schooling</b>		<b>(1) Public School Enrollment</b>	<b>(2) (3) Unemployment Percentage</b>
2009	43,298	(4)	\$ 1,386,185,470	\$	32,015	(4)	38.7	(4)	13.0	(4)	8,020	6.9
2010	43,298	(4)	1,386,185,470		32,015	(4)	38.7	(4)	13.0	(4)	8,150	7.7
2011	44,121	(5)	1,412,533,815		32,015	(4)	40.1	(5)	13.0	(4)	8,174	6.5
2012	44,121	(5)	1,843,772,469		41,789	(6)	40.1	(5)	13.0	(4)	8,230	6.5
2013	44,121	(5)	1,891,776,117		42,877	(6)	40.1	(5)	13.0	(4)	8,288	6.8
2013*	44,121	(5)	1,884,231,426		42,706	(6)	40.1	(5)	13.0	(4)	8,349	5.7
2014	44,121	(5)	1,941,191,637		43,997	(6)	40.1	(5)	13.0	(4)	8,363	4.0
2015	44,454	(7)	2,023,323,810		45,515	(6)	40.1	(5)	13.0	(4)	8,331	4.1
2016	44,454	(7)	2,128,324,158		47,877	(6)	40.1	(5)	13.0	(4)	8,326	4.2
2017	46,662	(7)	2,292,457,398		49,129	(6)	39.5	(5)	13.0	(4)	8,563	3.2
2018	46,662	(7)	2,419,471,362		51,851	(6)	39.5	(5)	13.0	(4)	8,567	3.1

\*Change in fiscal year end from April 30 to December 31. Amounts are for the eight-month period ended December 31, 2013.

### Data Sources

(1) Elmhurst School District 205

(2) Department of Employment Security

(3) Not adjusted for seasonal employment

(4) U.S. Census Bureau - 2006 Special Census

(5) U.S. Census Bureau - 2010 Census

(6) U.S. Census Bureau - 2006 - 2010, 2007 - 2011, 2008 - 2012, 2009 - 2013 and 2010 - 2014 American Community Surveys

(7) U.S. Census Bureau - 2015 Special Census

**CITY OF ELMHURST, ILLINOIS**

**PRINCIPAL EMPLOYERS**

Current Year and Nine Years Ago

<b>Employer</b>	<b>2018</b>			<b>Employer</b>	<b>2009</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>		<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total City Employment</b>
Edward-Elmhurst Healthcare	2,758	1	12.59%	Elmhurst Memorial Hospital	2,173	1	8.91%
Mc Master-Carr Supply Co.	800	2	3.65%	Elmhurst Community School District 205	850	2	3.48%
Elmhurst College	688	3	3.14%	McMaster-Carr Supply Co.	850	3	3.48%
Patten Power Systems	400	4	1.83%	Elmhurst College	600	4	2.46%
Semblex Corporation	260	5	1.19%	The Chamberlain Group, Inc.	350	5	1.43%
Superior Sound, Inc.	250	6	1.14%	Steerling Engineering, Inc.	320	6	1.30%
FedEx Freight, Inc.	200	7	0.91%	Duchossois Enterprises Group	300	7	1.23%
Superior Ambulance	200	8	0.91%	Hassett Air Express	300	8	1.22%
Safway Services, LLC	180	9	0.82%	S & S Automotive Inc.	300	9	1.23%
Airtite, Inc.	170	10	0.78%	Laboratory Corp. of America	250	10	1.02%
<b>TOTAL</b>	<b>5,906</b>		<b>26.97%</b>		<b>6,293</b>		<b>25.79%</b>

Data Sources

2016 and 2007 Illinois Manufacturers Directory, 2016 and 2007 Illinois Services Directory, city business license records, and a selective telephone survey.

# CITY OF ELMHURST, ILLINOIS

## PROPERTY VALUE AND CONSTRUCTION

Last Ten Fiscal Years

Fiscal Year Ended	(1) Property Value				(2) Commercial Construction	(2) Residential Construction	
	Commercial	Residential	Total	Exemptions	Value	Number of Units	Value
2010	\$ 361,941,134	\$ 2,100,011,869	\$ 2,461,953,003	\$ 136,353,099	\$ 26,644,183	377	\$ 24,752,493
2011	329,792,970	1,949,351,396	2,279,144,366	126,919,056	19,831,268	247	102,604,441
2012	368,286,477	1,785,510,536	2,153,797,013	118,113,629	28,646,061	357	32,734,730
2013	294,290,533	1,634,713,819	1,929,004,352	110,595,696	16,700,000	132	51,550,020
2013*	294,290,533	1,634,713,819	1,929,004,352	110,595,696	2,442,000	91	40,783,405
2014	274,031,463	1,540,739,275	1,814,770,738	113,461,690	1,200,000	145	67,001,000
2015	272,743,099	1,541,556,224	1,814,299,323	110,880,887	27,810,000	139	114,108,000
2016	290,294,248	1,743,814,199	2,034,108,447	114,493,157	24,888,000	128	53,563,680
2017	305,646,335	1,902,526,799	2,208,173,134	116,597,455	34,960,000	93	44,465,000
2018	327,201,922	2,047,722,928	2,374,924,850	118,840,852	41,494,821	339	132,736,000

Change in fiscal year end from April 30 to December 31. Amounts are for the eight-month period ended December 31, 2013.

1 Includes permit for new hospital of \$309,000,000.

### Data Sources

(1) Estimated assessed value, DuPage County Clerk

(2) Based on the City's Municipal Development Department records and estimated construction costs declared by applicants at time of application.

**CITY OF ELMHURST, ILLINOIS**

**FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION**

Last Ten Fiscal Years

<b>Function/Program</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013*</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>GENERAL GOVERNMENT</b>	32	28	30	30	31	29	27	29	28	29
<b>PUBLIC SAFETY</b>										
Police										
Officers	67	68	68	68	68	68	67	65	67	69
Civilian	17	17	17	17	17	16	17	17	19	19
Fire										
Firefighters and officers	44	44	41	44	44	44	44	43	44	44
Civilians	9	9	9	9	9	8	10	10	10	9
<b>STREETS</b>	52	52	52	51	51	50	53	53	54	55
Waste Water Treatment Plant										
Maintenance	16	16	16	16	16	16	16	16	16	16
Maintenance	19	19	19	19	19	19	18	18	19	19
<b>PARKING</b>										
Enforcement	2	2	2	2	2	2	2	2	2	2
<b>CULTURE</b>	4	3	3	3	3	3	3	3	3	3
<b>TOTAL</b>	262	258	257	259	260	255	257	256	262	265

\*Change in fiscal year end from April 30 to December 31. Amounts are for the eight-month period ended December 31, 2013.

Data Source

City Budget Office

## CITY OF ELMHURST, ILLINOIS

## OPERATING INDICATORS

Last Ten Fiscal Years

Function/Program	2018	2017	2016	2015	2014	2013*	2013	2012	2011	2010
<b>PUBLIC SAFETY</b>										
Police										
Physical arrests	1,533	940	890	976	922	768	1,702	1,156	1,641	1,219
Parking violations	12,393	14,668	14,368	14,383	15,982	9,732	13,825	14,436	17,110	17,479
Traffic violations	9,368	8,444	7,023	9,011	8,705	5,905	9,068	10,609	13,392	13,121
Fire										
Emergency responses	8,119	7,641	5,790	7,109	7,188	2,102	6,878	6,643	6,500	6,285
Fires extinguished	95	101	99	112	106	74	108	60	39	97
I.S.O. rating	1	2	2	2	2	2	2	2	2	2
<b>PUBLIC WORKS</b>										
Street resurfacing (miles)	7.7	7.4	8.7	7.7	7.4	9.0	7.3	5.0	4.8	4.5
Pothole repairs	7,878	10,003	16,037	15,510	20,000	16,500	10,628	22,402	16,496	24,464
<b>WATER</b>										
Number of water services	15,201	15,210	14,836	13,909	14,151	14,266	14,216	14,231	14,227	14,229
Water main breaks	75	60	110	66	124	61	82	92	88	87
Average daily consumption	76	72	68	69	69	54	67	77	79	81
Peak monthly demand	138	148	141	140	130	158	170	194	192	142
<b>WASTEWATER</b>										
Average daily treatment (mgd)	9.82	8	8	7.09	7.21	5.82	6.65	8.19	9.87	8.40
Average daily stormwater pumping (mgd)	540	552	552	540.0	540.0	540.0	540.0	540.0	554.8	550.0
<b>CULTURE</b>										
Museum visits	16,304	10,021	9,858	10,550	8,902	8,079	15,255	15,540	12,737	14,946
Museum reference service patrons	239	394	363	396	358	320	596	661	609	577
Public Library										
Number of volumes	308,502	229,588	397,021	251,183	259,731	341,668	300,000	300,224	304,141	298,373
Number of electronic media	74,103	122,652	70,635	65,238	56,696	70,233	68,535	65,126	75,696	55,638
Number of borrowers	31,980	26,682	26,783	28,649	28,890	29,355	29,600	30,112	30,166	30,250
Total circulation	1,256,501	1,464,166	1,129,950	1,296,401	1,321,148	965,662	1,496,925	1,478,076	1,482,430	1,503,159
Library visits	580,720	598,836	598,836	579,525	539,958	378,691	566,508	553,965	531,776	540,781

\* Change in fiscal year end from April 30 to December 31. Amounts are for the eight-month period ended December 31, 2013.

Data Source

Various city departments



**CITY OF ELMHURST, ILLINOIS**

**CAPITAL ASSETS STATISTICS**

Last Ten Fiscal Years

<b>Function/Program</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013*</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>
<b>PUBLIC SAFETY</b>										
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	44	46	42	42	42	42	42	42	42	42
Fire										
Fire stations	2	2	2	2	2	2	2	2	2	2
Fire engines	5	6	6	6	6	6	6	6	6	6
<b>PUBLIC WORKS</b>										
Streets (miles)	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7	161.7
Streetlights	6,739	6,739	6,739	6,739	6,739	6,739	6,739	6,739	6,739	6,739
Traffic signals	25	25	25	25	25	25	25	25	24	24
<b>WATER</b>										
Water mains (miles)	177.9	167.8	167.8	167.8	167.8	167.8	167.8	167.8	167.8	167.8
Fire hydrants	2,041	2,041	2,041	2,041	2,041	2,041	2,041	2,041	2,041	2,041
Maximum daily capacity (thousands of gallons)	7,860	7,860	7,860	7,860	7,860	7,860	7,860	7,860	7,860	7,860
Storage capacity (thousands of gallons)	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
<b>WASTEWATER</b>										
Sanitary sewers (miles)	148.0	148.0	159.3	159.3	159.3	159.3	159.3	159.3	159.3	159.3
Storm sewers (miles)	133.0	133.0	130.5	130.5	130.5	130.5	130.5	130.5	130.5	130.5
Maximum daily treatment capacity (millions of gallons)**	79	79	75	75	75	75	75	75	75	75

\*Change in fiscal year end from April 30 to December 31. Amounts are for the eight-month period ended December 31, 2013.

\*\*By permit the City can treat up to 8 MG per day with full treatment capacity of 20 MG. An additional 59 MG of excess can be partially treated.

Data Source

Various city departments

## **INDEPENDENT ACCOUNTANT'S REPORT**

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

We have examined management of the City of Elmhurst's assertion that the City of Elmhurst (the City) complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2018. The City's management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion about the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion about compliance with the specified requirements is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about whether management's assertion is fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the City's compliance with the specified requirements.

In our opinion, management's assertion that the City of Elmhurst, Illinois complied with the aforementioned requirements for the year ended December 31, 2018 is fairly stated, in all material respects.

*Sikich LLP*

Naperville, Illinois  
July 23, 2019